Peabody Energy (NYSE: BTU) Files Shelf Registration Statement

PRNewswire

ST. LOUIS, Oct. 22 /PRNewswire-FirstCall/?-- Peabody Energy announced today that it has filed a shelf registration statement with the Securities and Exchange Commission.

Under the registration, Peabody may offer and sell from time to time unsecured debt securities consisting of notes, debentures, and other debt securities; common stock; preferred stock; warrants; and/or units; totaling a maximum of $1.25 billion. Related proceeds would be used for general corporate purposes including repayment of other debt, capital expenditures, possible acquisitions and any other purposes that may be stated in any prospectus supplement.

In addition, Lehman Brothers Merchant Banking Partners II L.P., may offer up to 10.3 million shares of the company's common stock through transactions that may include underwritten offerings. The Lehman Merchant Banking Fund has reduced its holdings through planned secondary offerings since April 2002. If the Lehman Merchant Banking Fund offers the maximum shares under this registration, this would complete its planned exit strategy.

Peabody Energy is the world's largest private-sector coal company, with 2002 sales of 198 million tons of coal and $2.7 billion in revenues. Its coal products fuel more than 9 percent of all U.S. electricity generation and more than 2 percent of worldwide electricity generation.

A registration statement relating to these securities has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This announcement shall not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state.

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