Peabody Increases Equity Position and Export Capacity in DTA Coal Terminal

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Peabody Energy today said it is increasing its equity ownership in the DTA coal terminal to 37.5 percent, increasing Peabody's export capacity at one of the nation's busiest coal ports. DTA coal terminal, located in Newport News, Va., has an annual capacity of up to 20 million tons of coal. DTA coal terminal expects throughput to approximately double in 2008 over 7.5 million tons in the previous year.

The acquisition increases Peabody's total share of DTA coal terminal throughput capability to approximately 6 to 7 million tons annually. This is just one of several initiatives Peabody is pursuing to increase its global coal throughput as demand for seaborne coal continues to grow.

Peabody has the largest seaborne coal sales of any U.S.-based company at a time when net U.S. exports are expected to more than triple between 2006 and 2008. Peabody expects to double its U.S. exports in 2008 and has committed to more export coal shipments in the first three months of 2008 than it did in the past two years combined. Peabody has U.S. export agreements from five regions through its production and trading operations.

"We're increasing our U.S. exports and capacity at a time when growing global coal demand and constrained supplies are creating a strong pull for our high-quality products," said Peabody President and Chief Commercial Officer Richard A. Navarre. "Peabody is one of the world's largest coal traders, and we're leveraging growth markets with the world's best reserve position and the lead operations in key regions."

Peabody shares ownership in the facility with Alpha Terminal Company and Arch Coal, Inc., through its subsidiaries.

Peabody Energy is the world's largest private-sector coal company, with 2007 sales of 238 million tons and $4.6 billion in revenues. Its coal products fuel approximately 10 percent of all U.S. electricity generation and 2 percent of worldwide electricity.

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