Peabody Energy Renews Its Long-Term Commitment to Downtown St. Louis

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ST. LOUIS, March 2, 2011 /PRNewswire/ -- Peabody Energy (NYSE: BTU) announced today that it has renewed its decades-long commitment as a corporate leader in the City of St. Louis and will continue to base its world headquarters at the newly renamed Peabody Plaza at 701 Market St.

Peabody has entered into a new, 15 year lease at the downtown high-rise, increasing its occupied square footage by more than 30 percent to accommodate a growing workforce. The company's long-term commitment to the City of St. Louis was announced at a press conference attended by civic and business leaders, including Missouri Gov. Jay Nixon and St. Louis Mayor Francis G. Slay.

"We are proud of Peabody's half-century-plus history as a major employer and civic leader in the St. Louis community, and we look forward to continuing to power regional growth, even as we expand in the world's fastest-growing economies," said Gregory H. Boyce, Peabody Energy Chairman and Chief Executive Officer.

Peabody is the largest public company headquartered in the city of St. Louis. The company remains a local economic anchor, growing its St. Louis workforce 12 percent in 2010. Peabody currently employs more than 600 people on six floors of its Market Street building and will expand to nine of the structure's 15 floors, occupying a total of 220,000 square feet. The company expects to commit as much as $25 million to building upgrades. Construction activity will begin shortly, and the majority of the renovations are expected to be complete by the end of the year.

Major Slay cited St. Louis' long-term economic development vision as the catalyst for Peabody's decision. Since 1999, St. Louis has witnessed a transformation within its central core. Investors have poured $3.3 billion into downtown businesses and added 1,300 residential housing units within the last five years.

"Peabody Energy is playing an essential role in revitalizing the heart of downtown," said Slay. "Its continued presence makes our city far more prominent in the high-growth energy sector, and the building enhancements to Peabody Plaza will help attract new business and benefit the tax base. This is a win-win for all: Peabody and St. Louis will grow stronger together."

To encourage Peabody's job creation activities and investment, the City of St. Louis has authorized modest payroll, construction and personal property incentives over the life of the lease with an estimated value of $2.5 million.

"Peabody Energy continues to be a vital and dynamic partner for progress in our state – creating jobs, driving technological innovation, supporting community and cultural institutions, and providing outstanding civic leadership," said Nixon. "Peabody's longstanding commitment to St. Louis and this significant reinvestment in its downtown headquarters could not come at a better time. This expansion at Peabody Plaza is a tremendous boost for the region and yet another clear indication that Missouri's economy is moving in the right direction."

"Peabody's decision serves as a tremendous vote of confidence in the future of St. Louis," said Maggie Campbell, President of the Partnership for Downtown St. Louis. "Peabody's downtown payroll alone exceeds $70 million annually. Just as important, Peabody is a magnet for investment in the downtown and the entire region."

Peabody continues to earn worldwide recognition for safety, financial and environmental excellence, including 30 honors in 2010. Most recently, the company was recognized by the St. Louis Regional Commerce and Growth Association, earning the RCGA's highest honor for corporate standards and citizenship – the 2010 Ameren Corporate Citizenship Award. In the past year, Peabody: announced naming rights related to the restoration of the Peabody Opera House as part of a public-private partnership to restore the city's storied landmark; sponsored Peabody Hall, the multi-million dollar restoration of the abandoned Elephant House at the St. Louis Zoo; developed the first-ever grant program to honor area mentors, the Peabody/Logos Leaders in Education Award; announced a major grant to assist St. Louis' foster youth; and supplied funding for organizations as diverse and vital as the St. Louis Children's Hospital and COCA (the Center of Creative Arts).

Peabody Energy (NYSE: BTU) is the world's largest private-sector coal company and a global leader in clean coal solutions. With 2010 sales of 246 million tons and nearly $7 billion in revenues, Peabody fuels 10 percent of U.S. power and 2 percent of worldwide electricity.

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