

PEABODY ENERGY CORP  
Form 8-K  
October 19, 2010

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

October 19, 2010

PEABODY ENERGY CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

1-16463

13-4004153

(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(I.R.S. Employer  
Identification No.)

701 Market Street, St. Louis, Missouri

63101-1826

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(314) 342-3400

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Top of the Form**Item 7.01 Regulation FD Disclosure.**

On October 19, 2010, Peabody Energy Corporation announced the following 2010 volume and financial targets.

|  | <b>Year Ended Dec. 31, 2010</b> |             |
|--|---------------------------------|-------------|
|  | <b>Targeted Results</b>         |             |
|  | <b>Low</b>                      | <b>High</b> |
| 2010 Volume Targets<br>(Amounts in Millions of Tons) |                                 |             |
| Tons Sold  | 240.0                           | 260.0       |
| U.S.   | 185.0                           | 195.0       |
| Australia  | 27.0                            | 29.0        |
| Metallurgical  | 9.5                             | 10.0        |

**Reconciliation of EBITDA to Income from Continuing Operations, Net of Income Taxes 2010 Targets  
(Unaudited)**

(Dollars in Millions, Except Earnings Per Share Data)

|  | <b>Year Ended Dec. 31,</b> |             |
|--|----------------------------|-------------|
|  | <b>2010</b>                |             |
|  | <b>Targeted Results</b>    |             |
|  | <b>Low</b>                 | <b>High</b> |
| EBITDA   | \$ 1,850                   | \$ 1,900    |
| Depreciation, Depletion and Amortization                                 | 440                        | 450         |
| Asset Retirement Obligation Expense                                      | 43                         | 40          |
| Interest Income  | (6)                        | (7)         |
| Interest Expense   | 209                        | 208         |
| Refinancing Charges  | 18                         | 18          |
| Income Tax Provision Before Remeasurement of Foreign Income Tax Accounts | 320                        | 305         |
| Adjusted Income from Continuing Operations <sup>(1)</sup>                | 826                        | 886         |
| Remeasurement Expense Related to Foreign Income Tax Accounts             | 29                         | 29          |
| Income from Continuing Operations, Net of Income Taxes                   | \$ 797                     | \$ 857      |
| Net Income Attributable to Noncontrolling Interests                      | \$ 25                      | \$ 32       |
| Adjusted Diluted EPS:  |                            |             |
| Adjusted Income from Continuing Operations:                              |                            |             |
| Continuing Operations <sup>(2)</sup>                                     | \$ 2.84                    | \$ 3.04     |
| Remeasurement Expense Related to Foreign Income Tax Accounts             | 0.11                       | 0.11        |
| Adjusted Income from Continuing Operations                               | \$ 2.95                    | \$ 3.15     |

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- (1) In order to arrive at the numerator used to calculate adjusted diluted EPS, it is necessary to deduct net income attributable to noncontrolling interests from this amount.
- (2) Reflects income from continuing operations, net of income taxes less net income attributable to noncontrolling interests.

*This information is intended to be reviewed in conjunction with the company's filings with the Securities and Exchange Commission.*

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

*October 19, 2010*

PEABODY ENERGY CORPORATION

By: */s/ Michael C. Crews*

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*Name: Michael C. Crews*

*Title: Executive Vice President and Chief Financial Officer*