

Padaeng Industry Plc.

Q407 and FY2007 Results

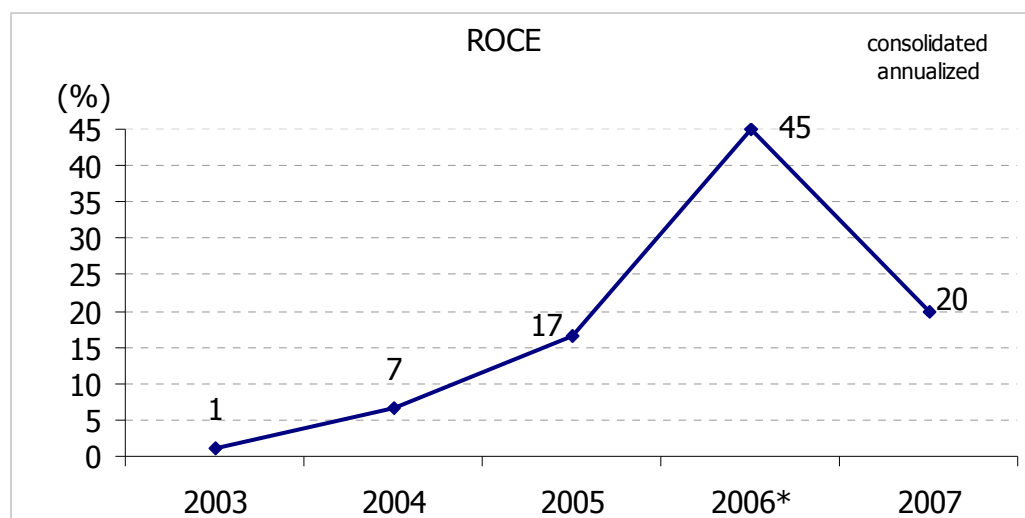
15 February 2008

Forward-looking statement

This presentation may contain forward-looking information that involves risks and uncertainties, including statements about Padaeng’s plans, objectives, expectations and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Padaeng. Should one or more of these risks, uncertainties or contingencies materialize, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected. As a result, neither Padaeng nor any other person assumes any responsibility for the accuracy of these forward-looking statements.

Performance

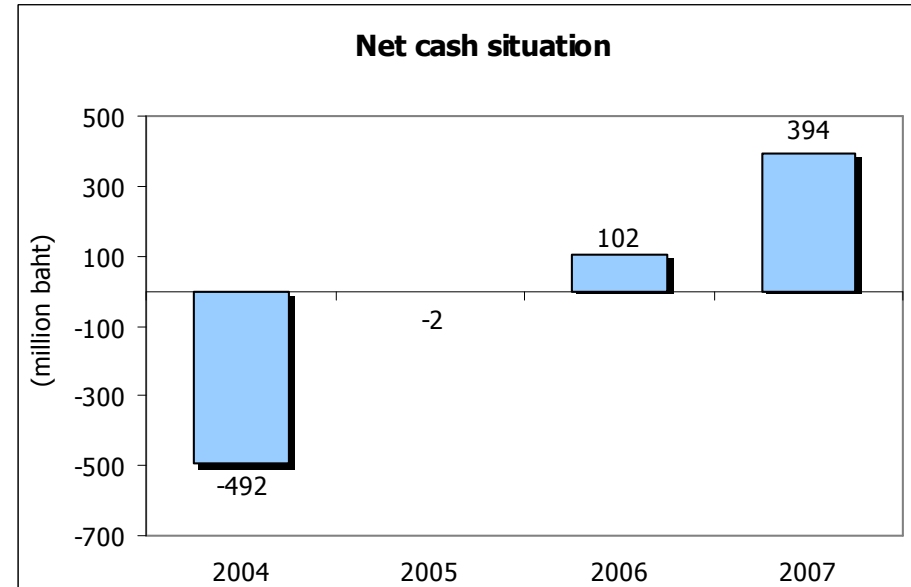
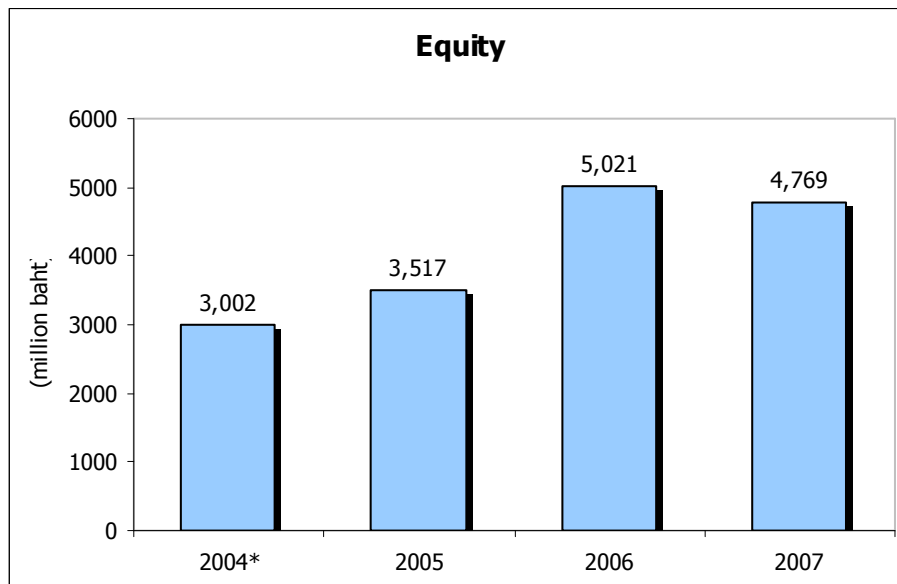
Consolidated (in million baht)	Q4 07	Q4 06	YTD 07	YTD 06
Turnover	2,599	2,979	12,073	10,305
Gross Profit	159	821	1,706	2,683
EBITDA	104	619	1,356	2,139
EBIT	(35)	526	934	1,777
Net Profit	(35)	523	930	1,765
EPS (baht/share)	(0.16)	2.31	4.12	7.81



(*) 2006 Reclassify

Financial – Evolution of net debt and equity

Consolidated
(in million Baht)



Highlights Q4 07

- **Negative result (-35 MB) reducing YTD result to 930 MB**
- **Lower average Zn price in THB**
- **Improved Local demand**
- **Domestic sales 18% higher than Q4 06 but at lower premium**
- **Mining production stopped in October**
- **Use of Mine concs down 26% vs Q3 and 49% vs Q4 06**
- **Negative impact of high priced inventories**

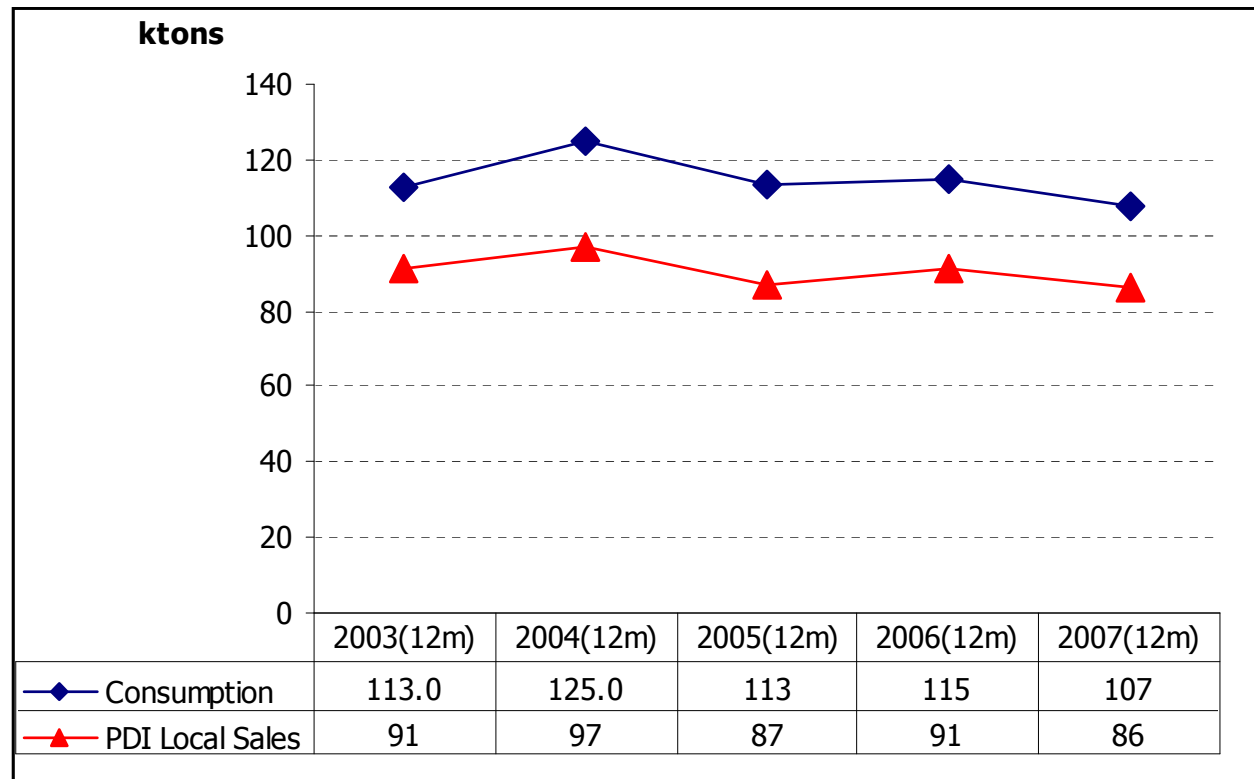
Highlights YTD 07

- **FY07 result 930 MB, down from 1,765 MB in 2006**
- **Same average Zn price in \$ but -10% YoY in THB**
- **Slowdown of Local demand**
- **Total Sales improved due to exports**
- **% of Mine silicate reduced to 29%**
- **Reduction of Import duty**
- **Negative impact from high price inventory**
- **Lower Strategic Hedge (10,050 ton)**
- **Proposed Dividend : 2.74 Baht/share**

Average zinc price

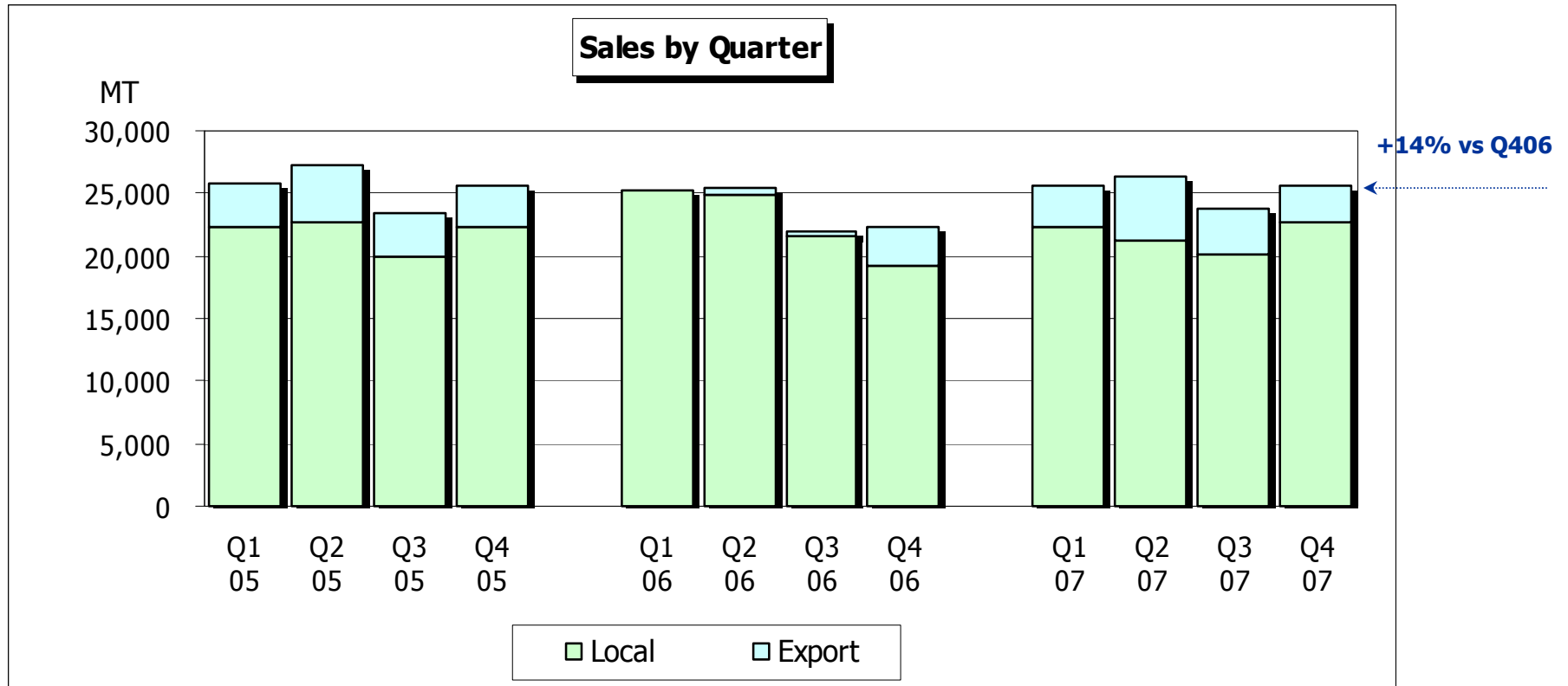
	Q4/07	Q4/06	% Change	2007	2006	% Change
Zinc in \$	2,623	4,204	-38%	3,242	3,275	-1%
Baht/\$	34.0	36.7	-7%	34.7	38.0	-9%
Zinc in baht / ton	89,298	154,180	-42%	112,465	124,555	-10%

Local Sales and Thailand Zinc Consumption



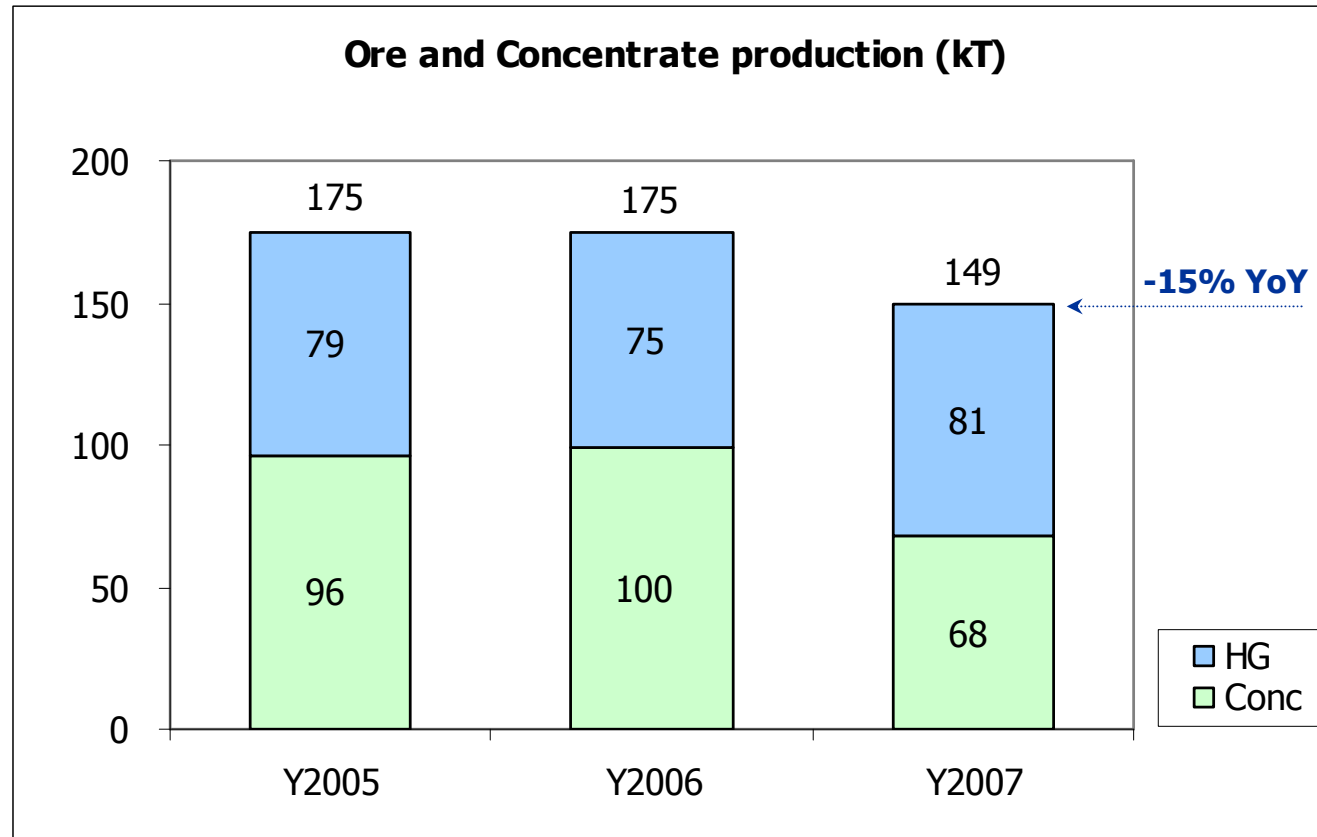
- Domestic consumption dropped by 7% YoY

Sales Volumes by Quarter

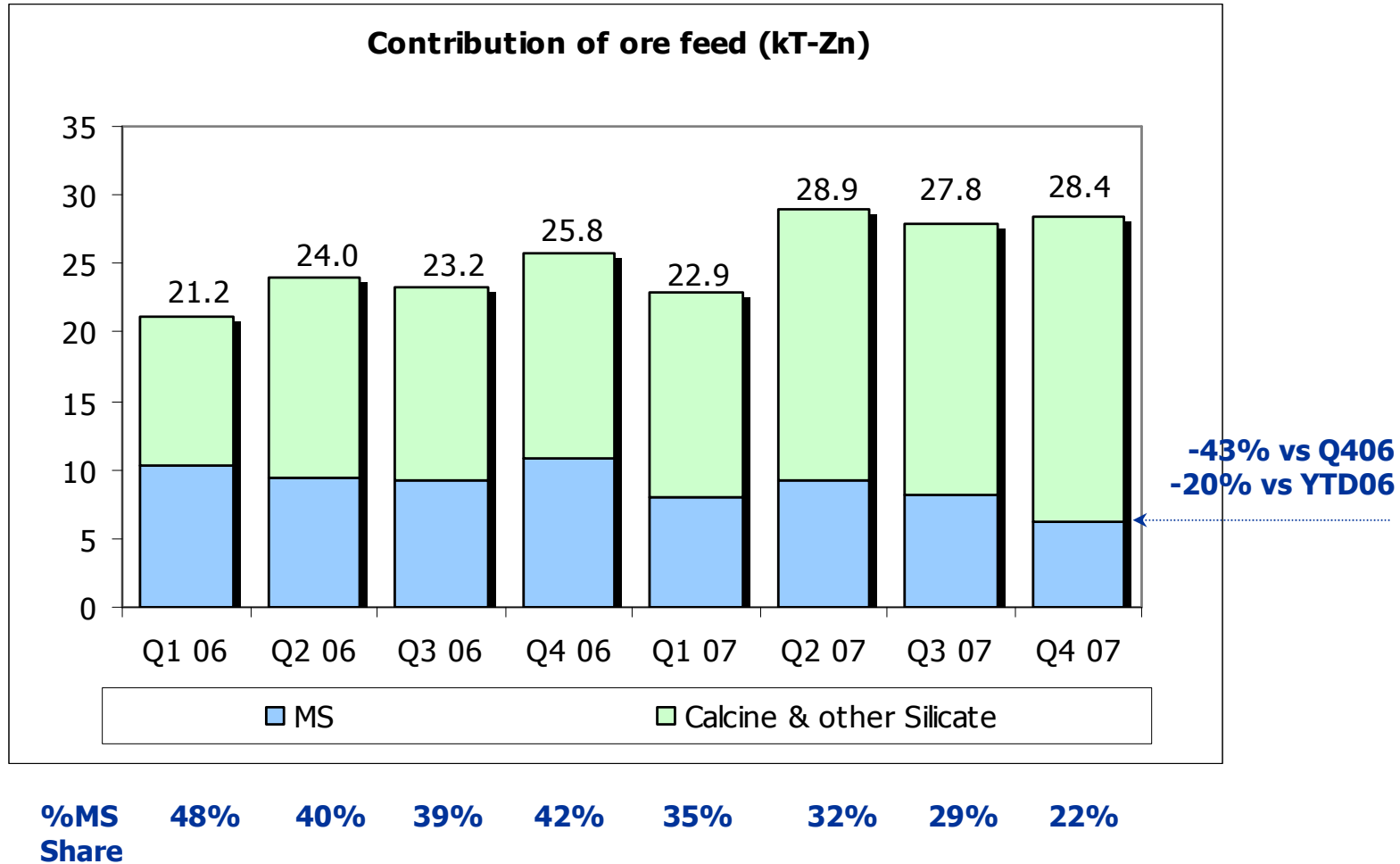


- YTD sales improved (+7%), thanks to exports

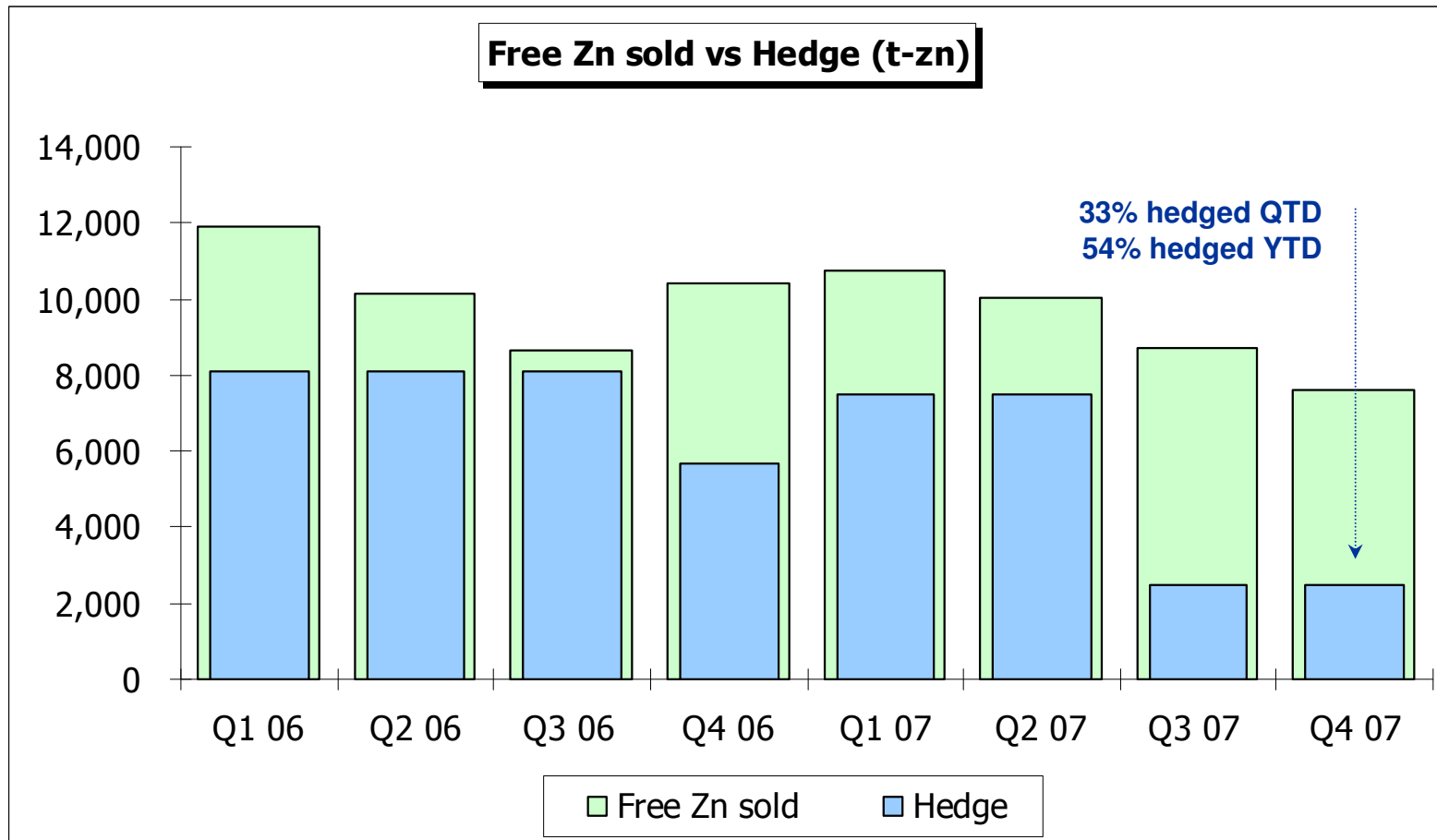
MS Ore production (dmt)



Contribution of Mae Sod in the feed of the smelter

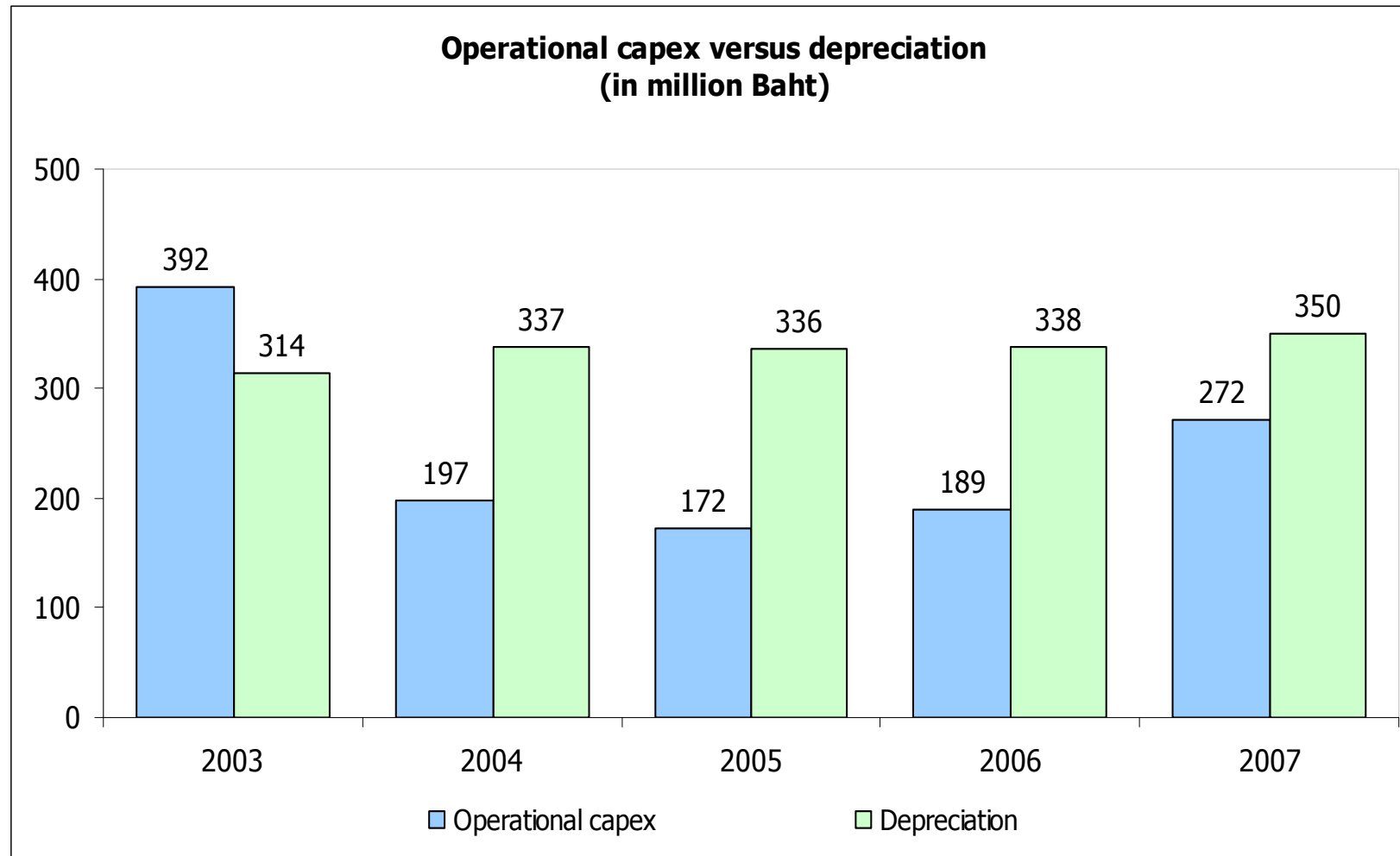


Free Zn sold vs Hedged



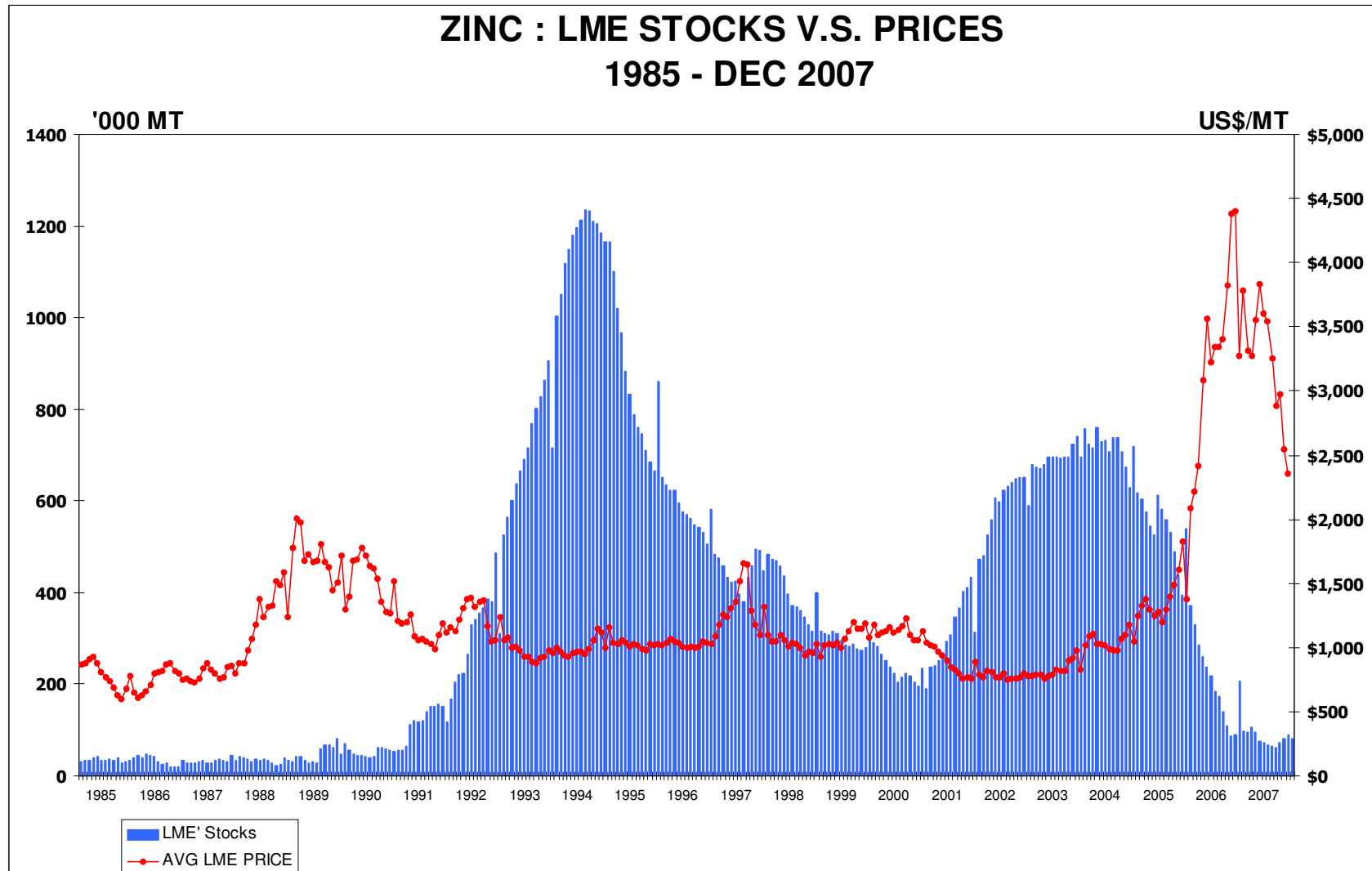
- The average price of zinc hedged for Q4 was 67,373 Bt/ton.
- No hedges in 08.

Operational Capex vs Depreciation



Outlook

LME Stocks VS Zinc Prices



World Zinc Demand and Supply (2003-2008F)

Year	2003	2004	2005	2006	2007 Jan-Nov	2007 Forecast	% YOY	2008 Forecast	% yoy
Mine Production	9,520	9,733	10,127	10,350	10,399	11,180	+7.4	12,240	+9.5
	(-359)	(-620)	(-102)	(-323)	(-8)	(-140)		(+40)	
Metal Production	9,879	10,353	10,229	10,673	10,407	11,320	+5.9	12,200	+7.8
	(+38)	(-313)	(-385)	(-370)	(-35)	(-60)		(+240)	
Metal Consumption	9,841	10,666	10,614	11,043	10,442	11,380	+3.0	11,960	+5.1

Unit : '000 MT Zn

Source : International Lead and Zinc Study Group (ILZSG)

Forecast as of October 2007

Company Outlook for 2008

Activities

- Improvement of local sales
- Reduced MS contribution in feed
- No further hedges
- Exploration program
- Commissioning oxide plant at roaster in H2

Mining Lease Renewal - update

- Cabinet approved use of 1A watershed on 9 Oct 2007
- Forestry permits renewed on 15 Jan 2008
- MLA approved by Mineral Act Committee on 7 Feb 2008
- Processing for final approval step in the coming months
- Imported concentrates planned as volume backup

Questions and answers

Thank you

**Please send us your report to
woratipr@padaeng.co.th**

Annexes

Cash flow statement

Consolidated			
<i>(In million Baht)</i>	2005	2006*	2007
Cash flow from operation	583	2,128	1,356
Change in working capital	<u>(33)</u>	<u>(1,527)</u>	<u>812</u>
Net cash provided by operating activities	550	601	2,168
Net cash flow from investing activities	(140)	(237)	(579)
Net cash flow from financing activities (after Dividend)	(42)	(210)	(1,823)
Net cash flow (increase in the year)	368	154	(234)

() 2006 Reclassify*

Balance sheet

Consolidated <i>(In million Baht)</i>	2005	2006	2007
Current assets	2,611	5,310	3,141
Non current assets	2,560	2,431	2,618
Total assets	5,172	7,741	5,759
Current liabilities	1,469	2,618	880
Non current liabilities	186	102	110
Shareholder's equity	3,517	5,021	4,769
Total liabilities & equity	5,172	7,741	5,759

Key indicators

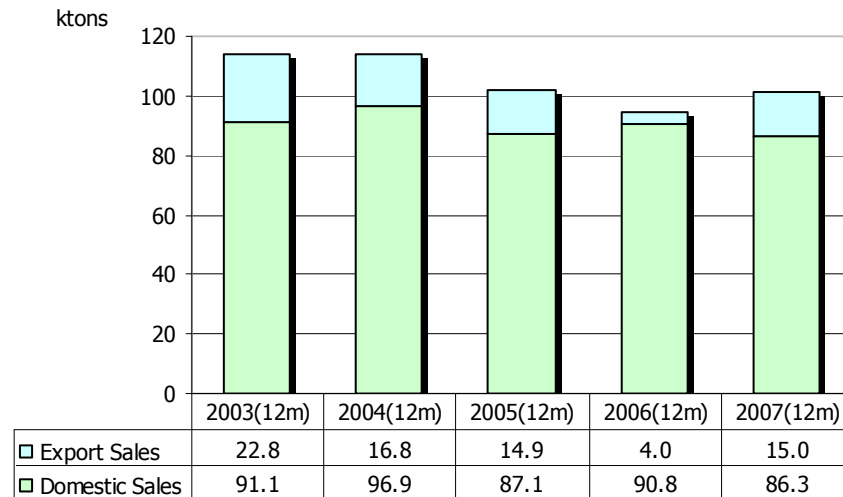
<i>Consolidated</i>		2006	2007
Ending Capital Employed	MB	4,919	4,375
Return on Capital Employed (**)	%	45.0	20.0
Return on Assets (**)	%	27.5	13.8
Return on Equity (**)	%	41.4	19.0
Debt to Equity Ratio	%	54	21
Book Value Per Share	Baht	22.22	21.10
Earning per share	Baht	7.81	4.12
Dividend per share	Baht	5.20	2.74*

*Subject to Shareholders' Meeting Approval

(**) *Annualized*

Zinc Sales Volumes

Sales by markets



Sales by products

