

Ref. PDI/BK-BS-056/2009

14th August 2009

To: President
The Stock Exchange of Thailand

Re.: Clarification on Company's performance in the second quarter and first-half of 2009

Attached please find a copy each of Thai and English version of the interim company only and consolidated, interim financial statements of Padaeng Industry Public Company Limited for the quarter ended 30th June 2009 for the SET's information.

For the second quarter of 2009, Padaeng Industry Public Company Limited announces a consolidated net loss of 17 MB as compared to a net profit of 177 MB in Q2 2008. Net loss per share is 0.07 Baht compared to a net profit per share of 0.78 Baht in Q2 2008. However there is a significant improvement in the 2nd quarter of the year as can be seen from the decrease in net loss from 170 MB in Q1 2009 down to only 17 MB in Q2 2009.

Total revenues from sales and services for Q2 2009 amounted to 1,437 MB as compared to 2,311 MB for the same quarter last year, a 38% decrease.

From the first half of 2009, there was a net loss of 187 MB as compared to a net profit of 140 MB in the same period of year 2008 or a net loss per share is 0.83 Baht compared to a net profit per share of 0.62 Baht in the same period of year 2008.

Total revenues from sales and services for the first half of the year was 2,743 MB as compared to 4,605 MB for the same period of last year, a 40% decrease.

The world price for zinc as reported on the London Metal Exchange averaged 1,473USD/t during Q2 2009 compared with 2,113USD/t during Q2 2008. This factor alone accounts for almost halving of the total revenue from sales and services. The reason for the decrease in revenue and profit as compared to the same period last year is due to the global economic down turn.

Please be informed accordingly.

Yours truly,

- Signature -

(Dr. Surin Tanticharoenkiat)
Company Secretary.

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