



News Release

14 May 2007

Banpu announces Q1/07 result
Net profit increases by 60 percent

Banpu Public Company Limited recently reported its 2007 first quarter result (January 1 – March 31, 2007) with a net profit of THB 1,194 million, an increase of THB 448 million or 60 percent compared to the same period last year driven by gain on investment of BLCP Power Plant where its 2 operational units have started full commercial operations this year.

Mr. Chanin Vongkusolkit, Chief Executive Officer of Banpu Public Company Limited said that a net profit of THB 1,194 million in the first quarter is 2 percent higher than the Q4/2006 and 60 percent higher than the same period last year. This was a result of a full commercial operation of the 2 units of BLCP Power Plant which had yield THB 1,291 million gain on investment to the Company's first quarter income.

"However, there are some significant factors affecting Banpu's first quarter result including a decrease of coal sales volume resulted by a temporary suspension of Indonesia's Bontang port which left about 400,000 tonnes shipment of coal to be postponed from the schedule. Additionally, premium grade coal sales volume was also lower resulted in a lower average coal selling price of USD. 36.17 per tonne in the first quarter compared to USD 37.05 per tonne in the fourth quarter last year. Gross profit margin was 38 percent, the same level as the 2006 fourth quarter's. Higher utilization of barges, alternative vessel loaders, and higher demurrage also contributed to an increase in selling and administrative expenses during the first quarter," Mr. Chanin explained.

In the first quarter this year, Banpu's sales revenue was at THB 6,700 million, decreasing THB 882 million or 12 percent lower than the same period last year. The decrease was mainly due to lower coal sales volume and strengthening of Thai Baht against US dollars by 10 percent. The first



quarter's sales revenue included coal sales revenue of THB 5,750 million, accountable for 86 percent of total sales revenue comprising of THB 5,561 million from Indonesian coal mines and THB 189 million from domestically produced coal. Sales of power and steam was at THB 917 million or 14 percent of total sales revenue while the remaining portion of THB 33 million was from others.

Banpu's coal sales volume in the first quarter totaled 4.32 million tonnes, 15 percent lower than the same period last year. This was from the temporary malfunction of loading operations at the Company's privately-owned Bontang Coal Terminal. Meanwhile the Company's average coal selling price in the first quarter was USD 36.17 per tonne, increasing 2 percent from the same period last year resulted from the increased portion of higher-grade coal sales volume.

Banpu is one of Asia's leading energy companies where its operations are based in Thailand, Indonesia and China. As of March 31, 2007, the Company's total assets were at THB 49,396 million while its total liabilities were at THB 26,714, an increase of THB 10 million and a decrease of THB 328 million or 1 percent respectively compared to December 31, 2006. Net-debt-to equity ratio as of March 31, 2007 was at 0.73 times compared to 0.66 times as of December 31, 2006. Earnings per share (EPS) for the first quarter 2007 reported at THB 4.39 per share compared to THB 2.74 per share from Q1/2006.

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