



COMPANY PROFILE

Peñoles is a mining group with integrated operations in smelting and refining non-ferrous metals, and producing chemicals. Peñoles is the world's top producer of refined silver, metallic bismuth and sodium sulfate, the leading Latin American producer of refined gold, lead and zinc. The company was founded in 1887. Peñoles's shares have traded on the Mexican Stock Exchange since 1968 under the ticker PE&OLES.

MISSION AND VISION

The company's mission is to add value to non-renewable natural resources in a sustainable manner.

The company's vision is to be the most recognized Mexican company of its sector, by the quality of its processes and the excellence of its people.

Total Personnel

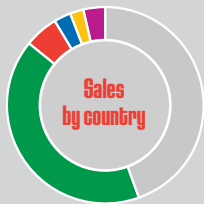
6,842 (Not including associated companies)

2004 FACT SHEET

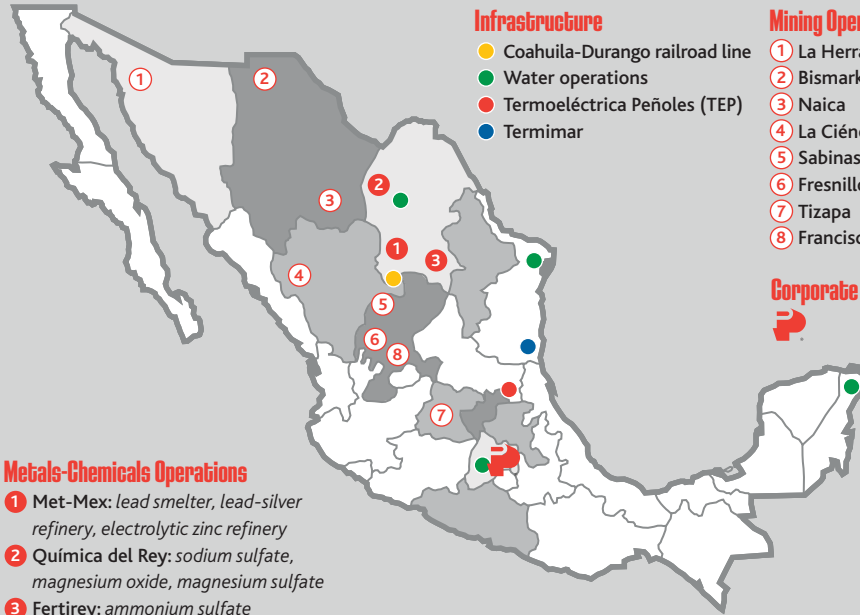
Total sales: \$16,767.7 million
US\$1,448.7 million
(Not including hedging results)



Silver	36.7%
Gold	21.6%
Zinc	16.8%
Lead	8.8%
Concentrates	5.0%
Sodium sulfate	3.3%
Magnesium oxide	1.6%
Ammonium sulfate	1.5%
Others	4.7%



Mexico	44.7%
United States	41.2%
Japan	5.6%
Europe (10 countries)	2.9%
South America (9 countries)	2.0%
Others (13 countries)	3.6%



Infrastructure

- Coahuila-Durango railroad line
- Water operations
- Termoeléctrica Peñoles (TEP)
- Termimar

Mining Operations

- ① La Herradura
- ② Bismark
- ③ Naica
- ④ La Ciénega
- ⑤ Sabinas
- ⑥ Fresnillo
- ⑦ Tizapa
- ⑧ Francisco I. Madero

Corporate Offices



Metals-Chemicals Operations

- ① Met-Mex: lead smelter, lead-silver refinery, electrolytic zinc refinery
- ② Química del Rey: sodium sulfate, magnesium oxide, magnesium sulfate
- ③ Fertirey: ammonium sulfate



Mining Operations

Total sales: \$5,841.7 million



Silver	41.4%
Zinc	28.2%
Gold	19.8%
Lead	6.7%
Copper	3.9%

Key mines

Fresnillo: richest silver mine in the world
La Ciénega: richest gold mine in Mexico
La Herradura: largest gold mine in Mexico
Francisco I. Madero: largest zinc mine in Mexico



Metals Operations

Total sales: \$14,490.9 million



Silver	41.8%
Gold	24.6%
Zinc	19.2%
Lead	10.0%
Others	4.4%

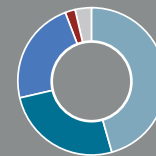
Key facility

Met-Mex: fourth largest metallurgical complex, and largest refined silver and metallic bismuth producer worldwide



Chemicals Operations

Total sales: \$1,212.2 million



Sodium sulfate	45.8%
Magnesium oxide	25.6%
Ammonium sulfate	23.0%
Magnesium sulfate	2.2%
Others	3.4%

Key facility

Química del Rey: world's largest sodium sulfate plant

Main exploration projects

Milpillas: copper (2005); estimated investment: US\$205.0 million; construction
El Saucito: gold-silver; continuous exploration
Pecobre: copper; continuous exploration
Peru (international): polymetallics; continuous exploration

CONTACT INFORMATION

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SHARE INFORMATION

Share price (pesos):
Close \$60.00, High \$66.00, Low \$38.95
Market capitalization:
US\$2,117.1 million
Shares outstanding at December 31, 2004:
397,475,747



PE&OLES

FINANCIAL HIGHLIGHTS

(Thousands of constant Mexican pesos)

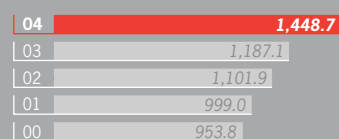
	2004	2003	% Change
Sales	16,564,116	13,524,075	22.5
Gross profit	4,505,419	2,953,935	52.5
Exploration expenses	366,902	267,628	37.1
EBITDA	3,023,623	1,521,750	98.7
Operating profit	1,856,588	431,581	330.2
Net profit	1,043,616	(160,438)	N.A.
Cash flow from operations	2,226,983	729,444	205.3
Capital expenditures	1,847,323	974,960	89.5
Cash and investments ⁽¹⁾	924,103	732,123	26.2
Property, plant and equipment, net	13,836,373	12,804,431	8.1
Total assets	22,117,059	20,662,680	7.0
Total long-term debt	5,217,982	4,567,184	14.2
Total liabilities	10,391,422	10,014,681	3.8
Total stockholders' equity	11,725,637	10,647,999	10.1
Shares outstanding at year-end	397,475,747	397,475,747	0.0
Earnings per share	2.63	(0.40)	N.A.
Cash flow per share	5.60	1.84	204.3
Dividends per share	0.25	0.25	0.0
Share price at year-end	60.00	50.81	18.1

Note: Figures as of December 31, 2004 and 2003 in thousands of constant Mexican pesos (excluding share data, which are expressed in Mexican pesos) at December 31, 2004.

⁽¹⁾ Includes short-term and restricted investments.

Net sales*

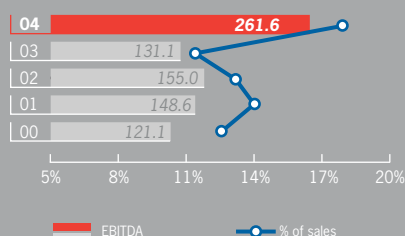
(Millions of U.S. dollars)



* Not including hedging revenues

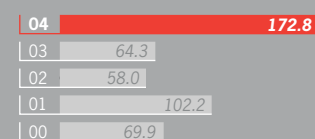
EBITDA

(Millions of U.S. dollars)



Cash flow from operations

(Millions of U.S. dollars)



CORPORATE CITIZENSHIP

- For the fourth consecutive year, Peñoles received the *Socially Responsible Corporation Award* from the Mexican Center for Philanthropy and the Alliance for Corporate Social Responsibility.
- In projects to support biodiversity, Peñoles dedicated the Los Jales Ecological Park constructed in an old tailings area. At the La Ciénega mine, in Durango, we continued the Sustainable Forest project on a 176-hectare piece of land. In Sonora, we continued supporting the Sonoran pronghorn, by breeding it in semi-captivity at the La Herradura mine, and the conservation of the Centennial Park in Torreón, Coahuila.