

Ref: 2013-013

29 April 2013

**To : The President of the Stock Exchange of Thailand**

**Subject : Submitting the Reviewed Interim Financial Statements for the three months period ended 31 March 2013 and 2012.**

We hereby report the Interim Financial Statements of Precious Shipping Public Company Limited and Subsidiaries (“the Company”) reviewed by Auditors, for the three months period ended 31 March 2013 and 2012 together with the summarized operating results (Form 45-3).

The reasons for changes in the operating results are explained below.

For the three months period ended 31 March 2013, the Company and subsidiaries have earned a consolidated net income of Baht 276.56 million as compared to net loss of Baht 40.96 million incurred during the same period in 2012. The main reasons for changes are as follows:

1. The average earnings per day per Vessel have decreased from USD 8,314 in the first quarter of 2012 to USD 7,030 in this quarter due to the extremely low freight market conditions. However, the absolute Net Vessel Operating Income (Vessel Operating Income net of voyage disbursements and bunker consumption) in this quarter has increased by about 13 percent over the Net Vessel Operating Income for the same period of 2012 mainly due to the increase in number of ships operated during the period.

The income has been earned from an average of 37 vessels during the first quarter of 2013 as against an average of 27 vessels in the same period of 2012.

2. The average Vessel operating expenses per day per Vessel (including depreciation/amortisation of Drydocking/Special Survey expenses) have decreased from USD 4,390 for the first quarter of 2012 to USD 4,318 in this quarter as a result of the younger age of the fleet. However, the absolute Vessel running expenses are higher by 37 percent in this quarter as compared to the same period of 2012, mainly due to the increase in number of ships operated during the period as explained above.

3. The Company recorded gain on novation/cancellation of Shipbuilding Contracts of Baht 412.52 million in the first quarter of 2013 which represents the gain on novation of 3 shipbuilding contracts closed during the quarter and on cancellation of 1 Shipbuilding Contract signed and closed during the quarter.
4. The depreciation for the first quarter of 2013 is higher by Baht 60.35 million as compared to the same period of 2012 due to the increase in the number of vessels.
5. Finance cost for the first quarter of 2013 is higher by Baht 37.65 million as compared to the same period of the previous year mainly due to the increase in interest expenses as a consequence of the loans drawn for financing the ships acquired and the extension fees for maintaining 2 secured debt facilities.

Please be informed accordingly.

Yours sincerely,  
Precious Shipping Public Company Limited

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Khalid Moinuddin Hashim  
Managing Director

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Khushroo Kali Wadia  
Director