

Precious Shipping Public Company Limited
and subsidiaries
Review report and interim financial statements
For the three-month and six-month periods ended
30 June 2011 and 2010

Review report of Independent Auditor

To the Shareholders of Precious Shipping Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Precious Shipping Public Company Limited and subsidiaries as at 30 June 2011, the related consolidated statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2011 and 2010, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month periods ended 30 June 2011 and 2010, and the separate financial statements of Precious Shipping Public Company Limited for the same periods. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my reviews. I did not review the interim financial statements of subsidiaries incorporated overseas which are included in these consolidated financial statements. The assets of these subsidiaries constitute 17.92% of the consolidated total assets as at 30 June 2011 and the revenues constitute 4.38% and 4.93% of the consolidated total revenues and profit constitute 0.91% and 1.41% of the consolidated profit for the three-month and six-month periods ended 30 June 2011, respectively (2010: the revenues constitute 4.97% and 4.57% of the consolidated total revenues and profit constitute 1.77% and 1.98% of the consolidated profit for the three-month and six-month periods ended 30 June 2010, respectively). The interim financial statements of these subsidiaries were reviewed by other auditors whose reports have been furnished to me, and my report, in so far as it relates to the amounts included for those subsidiaries in the consolidated financial statements, is based solely on those auditors' reports.

I conducted my reviews in accordance with the auditing standard applicable to review engagements. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

Based on my reviews and the reports of other auditors, nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited the consolidated financial statements of Precious Shipping Public Company Limited and subsidiaries, and the separate financial statements of Precious Shipping Public Company Limited for the year ended 31 December 2010 in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements under my report dated 27 January 2011. The consolidated and separate statements of financial position as at 31 December 2010, as presented herein for comparative purposes, formed an integral part of the financial statements which I audited and reported on and the report of other auditor of an overseas subsidiary. In addition, as described in Note 1.4 and Note 2 to the financial statements, during the current period, the Company adopted the revised and new accounting standards issued by the Federation of Accounting Professions, and applied them in its preparation and presentation of the interim financial statements. The Company has restated the 2010 financial statements to reflect the changes in accounting policies resulting from the adoption of these new accounting standards. In my opinion, the adjustments made for the preparation of the restated statements are appropriate and have been properly applied. Other than the forgoing, I have not performed any other audit procedures subsequent to the date of that report.

Sumalee Reewarabandith
Certified Public Accountant (Thailand) No. 3970

Ernst & Young Office Limited
Bangkok: 27 July 2011

Precious Shipping Public Company Limited and subsidiaries

Statements of financial position

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2011	31 December 2010	30 June 2011	31 December 2010
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)
Assets					
Current assets					
Cash and cash equivalents		4,601,100	4,223,423	2,783,973	2,041,349
Current investment - net	4	-	-	-	-
Trade accounts receivable - net	5	87,839	34,006	-	-
Receivables from and advances to related parties	6	-	-	580,933	288,402
Short-term loans to subsidiary	7	-	-	1,961,671	1,923,653
Current portion of advances for vessel constructions	14	728,512	-	728,512	-
Bunker oil		55,595	5,739	-	-
Other current assets					
Advances to vessel masters		50,672	42,054	-	-
Claim recoverables		15,246	8,900	-	-
Others		43,716	34,175	12,588	16,856
Total other current assets		109,634	85,129	12,588	16,856
Total current assets		5,582,680	4,348,297	6,067,677	4,270,260
Non-current assets					
Investments in subsidiaries - net	9	-	-	5,824,902	5,712,011
Investment in jointly controlled entity	10	-	-	-	-
Investment in associate held by a subsidiary	11	125,011	124,299	-	-
Other long-term investment		8,001	7,846	8,001	7,846
Long-term loan to jointly controlled entity	8	-	-	262,889	257,794
Receivables from cross currency swap contracts - net		91,854	123,045	-	-
Property, plant and equipment - net	12	7,167,486	6,400,333	8,664	10,870
Intangible assets - net	13	26,758	30,349	26,696	30,349
Other non-current assets					
Claim recoverables - maritime claim		44,976	47,624	-	-
Advances for vessel constructions - net of current portion	14	6,783,173	8,548,113	5,011,474	7,112,688
Deferred financial fees - net	15	327,052	329,044	322,645	324,784
Others		2,935	2,936	2,406	2,407
Total other non-current assets		7,158,136	8,927,717	5,336,525	7,439,879
Total non-current assets		14,577,246	15,613,589	11,467,677	13,458,749
Total assets		20,159,926	19,961,886	17,535,354	17,729,009

The accompanying notes are an integral part of the financial statements.

Precious Shipping Public Company Limited and subsidiaries

Statements of financial position (continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2011	31 December 2010	30 June 2011	31 December 2010
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)
Liabilities and shareholders' equity					
Current liabilities					
Trade accounts payable		59,765	10,168	1,545	222
Payables to and advances from related parties	6	463	853	2,853,937	2,527,362
Advances received from charterers		66,621	47,462	-	-
Current portion of long-term loans	16	655,443	147,396	486,480	23,997
Corporate income tax payable		2,198	3,934	-	-
Other current liabilities					
Accrued crew accounts		42,550	40,492	-	-
Current portion of accrued employee bonus		59,993	136,458	55,127	125,411
Accrued expenses		44,011	32,541	7,091	8,806
Withholding tax payable		11,642	4,008	10,024	2,426
Others		17,966	16,791	9,581	9,520
Total other current liabilities		176,162	230,290	81,823	146,163
Total current liabilities		960,652	440,103	3,423,785	2,697,744
Non-current liabilities					
Accrued employee bonus - net of current portion		40,321	76,278	37,061	70,045
Provisions for maritime claims		65,541	67,237	-	-
Long-term loans - net of current portion	16	4,008,945	4,766,302	2,058,210	3,371,799
Provision for long-term employee benefits		60,080	-	54,154	-
Total non-current liabilities		4,174,887	4,909,817	2,149,425	3,441,844
Total liabilities		5,135,539	5,349,920	5,573,210	6,139,588

The accompanying notes are an integral part of the financial statements.

Precious Shipping Public Company Limited and subsidiaries

Statements of financial position (continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 June 2011	31 December 2010	30 June 2011	31 December 2010
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)
Shareholders' equity					
Share capital					
Registered share capital					
		1,039,521	1,039,521	1,039,521	1,039,521
1,039,520,600 ordinary shares of Baht 1 each					
Issued and paid-up share capital					
		1,039,521	1,039,521	1,039,521	1,039,521
1,039,520,600 ordinary shares of Baht 1 each					
Paid-in capital					
		411,430	411,430	411,430	411,430
Premium on ordinary shares					
		172,446	172,446	172,446	172,446
Premium on treasury stock					
Retained earnings					
Appropriated					
		103,952	103,952	103,952	103,952
Statutory reserve - the Company					
		518,120	518,120	-	-
- subsidiaries					
	17	16,885	14,336	16,885	14,336
Corporate social responsibility reserve					
		14,623,311	14,505,953	10,647,755	10,510,151
Unappropriated					
		(1,892,561)	(2,183,075)	(429,845)	(662,415)
Other components of shareholders' equity					
		14,993,104	14,582,683	11,962,144	11,589,421
Equity attributable to owner of the Company					
		31,283	29,283	-	-
Non-controlling interests of the subsidiaries					
		15,024,387	14,611,966	11,962,144	11,589,421
Total shareholders' equity					
		20,159,926	19,961,886	17,535,354	17,729,009
Total liabilities and shareholders' equity					
		0	0	0	0

The accompanying notes are an integral part of the financial statements.

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Directors
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(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries**Income statements****For the three-month periods ended 30 June 2011 and 2010**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010 (Restated)	2011	2010 (Restated)
Revenues					
Vessel operating income					
Hire income		533,611	672,906	-	-
Freight income		277,996	42,324	-	-
Total vessel operating income		811,607	715,230	-	-
Service income	6	1,326	2,100	12,875	16,853
Gains on sales of vessels and equipment		-	84,275	-	-
Gains on sales of new shipbuilding under Novation Agreement	14	188,490	-	188,490	-
Interest income	6	4,769	6,973	4,626	6,175
Exchange gains		3,159	13,198	3,372	6,385
Other income		1	39	1	1
Dividend received	6	507	-	306,356	350,949
Total revenues		1,009,859	821,815	515,720	380,363
Expenses					
Vessel operating costs					
Vessel running expenses		201,972	217,801	-	-
Voyage disbursements		33,956	6,010	-	-
Bunker consumption		67,792	952	-	-
Total vessel operating costs		303,720	224,763	-	-
Depreciation		156,427	173,383	1,227	1,896
Cost of services		2,655	1,966	-	-
Administrative expenses	6	46,279	49,212	38,804	41,975
Management remuneration including perquisites	6	24,981	25,509	23,565	23,940
Bad debts and doubtful accounts		124	1,751	-	-
Total expenses		534,186	476,584	63,596	67,811
Profit before share of loss from investment in associate, finance cost and corporate income tax		475,673	345,231	452,124	312,552
Share of loss from investment in associate held by a subsidiary	11.1	(880)	(2,664)	-	-
Profit before finance cost and corporate income tax		474,793	342,567	452,124	312,552
Finance cost		(73,159)	(65,096)	(47,597)	(42,702)
Profit before corporate income tax		401,634	277,471	404,527	269,850
Corporate income tax		(353)	(56,382)	-	-
Profit for the period		401,281	221,089	404,527	269,850
Profit attributable to:					
Equity holders of the Company		401,286	221,088	404,527	269,850
Non-controlling interests of the subsidiaries		(5)	1	-	-
Profit for the period		401,281	221,089	404,527	269,850
					(Unit: Baht)
Basic earnings per share					
Profit attributable to equity holders of the Company	18	0.39	0.21	0.39	0.26

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries
Statements of comprehensive income
For the three-month periods ended 30 June 2011 and 2010

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
		(Restated)		(Restated)
Profit for the period	<u>401,281</u>	<u>221,089</u>	<u>404,527</u>	<u>269,850</u>
Other comprehensive income:				
Exchange differences on translation of foreign operation's financial statements	(482)	(3,794)	-	-
Exchange differences on translation of functional currency to presentation currency financial statements	<u>219,660</u>	<u>33,588</u>	<u>175,510</u>	<u>27,364</u>
Other comprehensive income for the period	<u>219,178</u>	<u>29,794</u>	<u>175,510</u>	<u>27,364</u>
Total comprehensive income for the period	<u><u>620,459</u></u>	<u><u>250,883</u></u>	<u><u>580,037</u></u>	<u><u>297,214</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	620,006	250,829	580,037	297,214
Non-controlling interests of the subsidiaries	<u>453</u>	<u>54</u>	<u>-</u>	<u>-</u>
	<u><u>620,459</u></u>	<u><u>250,883</u></u>	<u><u>580,037</u></u>	<u><u>297,214</u></u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries**Income statements****For the six-month periods ended 30 June 2011 and 2010**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010 (Restated)	2011	2010 (Restated)
Revenues					
Vessel operating income					
Hire income		1,111,205	1,411,710	-	-
Freight income		432,837	100,536	-	-
Total vessel operating income		1,544,042	1,512,246	-	-
Service income	6	2,664	4,321	25,505	47,581
Gains on sales of vessels and equipment		1,379	438,495	1,382	-
Gains on sales of new shipbuilding under Novation Agreement	14	188,490	-	188,490	-
Interest income	6	11,535	11,694	11,353	9,874
Other income		2	412	2	1
Dividend received	6, 9	507	-	558,856	914,869
Total revenues		1,748,619	1,967,168	785,588	972,325
Expenses					
Vessel operating costs					
Vessel running expenses		418,637	455,580	-	-
Voyage disbursements		52,872	14,086	-	-
Bunker consumption		114,241	3,886	-	-
Total vessel operating costs		585,750	473,552	-	-
Depreciation	12	314,990	347,394	2,440	3,804
Cost of services		3,760	2,923	-	-
Administrative expenses	6	94,993	113,209	80,155	98,004
Management remuneration including perquisites	6	50,808	60,457	48,116	56,639
Bad debts and doubtful accounts		124	15,407	-	-
Exchange losses		5,911	6,110	4,002	12,307
Total expenses		1,056,336	1,019,052	134,713	170,754
Profit before share of income (loss) from investment in associate, finance cost and corporate income tax		692,283	948,116	650,875	801,571
Share of income (loss) from investment in associate held by a subsidiary	11.1	(1,343)	2,393	-	-
Profit before finance cost and corporate income tax		690,940	950,509	650,875	801,571
Finance cost		(176,381)	(171,271)	(126,570)	(139,204)
Profit before corporate income tax		514,559	779,238	524,305	662,367
Corporate income tax		(3,224)	(80,645)	-	-
Profit for the period		511,335	698,593	524,305	662,367
Profit attributable to:					
Equity holders of the Company		509,916	695,459	524,305	662,367
Non-controlling interests of the subsidiaries		1,419	3,134	-	-
Profit for the period		511,335	698,593	524,305	662,367
(Unit: Baht)					
Basic earnings per share					
Profit attributable to equity holders of the Company	18	0.49	0.67	0.51	0.64

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries
Statements of comprehensive income
For the six-month periods ended 30 June 2011 and 2010

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
		(Restated)		(Restated)
Profit for the period	<u>511,335</u>	<u>698,593</u>	<u>524,305</u>	<u>662,367</u>
Other comprehensive income:				
Exchange differences on translation of foreign operation's financial statements	(614)	536	-	-
Exchange differences on translation of functional currency to presentation currency financial statements	<u>291,709</u>	<u>(447,318)</u>	<u>232,570</u>	<u>(357,521)</u>
Other comprehensive income (loss) for the period	<u>291,095</u>	<u>(446,782)</u>	<u>232,570</u>	<u>(357,521)</u>
Total comprehensive income for the period	<u><u>802,430</u></u>	<u><u>251,811</u></u>	<u><u>756,875</u></u>	<u><u>304,846</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	800,430	249,325	756,875	304,846
Non-controlling interests of the subsidiaries	<u>2,000</u>	<u>2,486</u>	-	-
	<u><u>802,430</u></u>	<u><u>251,811</u></u>	<u><u>756,875</u></u>	<u><u>304,846</u></u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries**Cash flow statements****For the six-month periods ended 30 June 2011 and 2010**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010 (Restated)	2011	2010 (Restated)
Cash flows from operating activities				
Profit before tax	514,559	779,238	524,305	662,367
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	319,502	352,094	6,951	8,504
Bad debts and doubtful accounts	124	15,407	-	-
Gains on sales of vessels and equipment	(1,379)	(438,495)	(1,382)	-
Gains on sales of new shipbuilding under Novation Agreement	(188,490)	-	(188,490)	-
Write-off deferred financial fee	8,419	-	8,419	-
Share of loss (income) from investment in associate held by a subsidiary	1,343	(2,393)	-	-
Provisions for maritime claims (reversal)	627	(7,867)	-	-
Provision for long-term employee benefits	2,950	-	2,854	-
Unrealised exchange (gains) losses	1,506	(4,249)	89	1,201
Amortised financial fees to interest expense	2,824	2,439	-	-
Interest expense	43,538	29,339	-	-
Interest income	(10,344)	(9,590)	(11,086)	(9,607)
Income from operating activities before changes in operating assets and liabilities	695,179	715,923	341,660	662,465
Operating assets (increase) decrease				
Trade accounts receivable	(52,683)	15,971	-	-
Receivable from and advances to related parties	-	-	638,707	41,352
Bunker oil	(49,179)	(34,918)	-	-
Other current assets	(21,380)	17,348	5,535	5,413
Other non-current assets	-	240	-	225
Operating liabilities increase (decrease)				
Trade accounts payable	48,537	(14,387)	1,325	(641)
Payable to and advances from related parties	27	(10)	275,495	761,288
Advances received from charterers	18,311	5,387	-	-
Other current liabilities	(55,584)	(59,563)	(65,040)	(35,644)
Non-current liabilities	(37,676)	(107,781)	(34,562)	(99,172)
Cash flows from operating activities	545,552	538,210	1,163,120	1,335,286
Cash paid for corporate income tax and withholding tax deducted at source	(7,944)	(99,287)	(1,725)	(2,362)
Net cash flows from operating activities	537,608	438,923	1,161,395	1,332,924

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries**Cash flow statements (continued)****For the six-month periods ended 30 June 2011 and 2010**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
		(Restated)		(Restated)
Cash flows from investing activities				
Acquisitions of equipment and payment of dry-dock and special survey expenses	(27,233)	(855,383)	(106)	(360)
Acquisitions of computer software	(351)	(51)	(290)	(51)
Cash paid for advances for vessel constructions	(835,050)	(202,867)	(529,063)	(202,867)
Cash received from sales of new shipbuildings under Novation Agreement	1,317,997	-	1,317,997	-
Proceeds from sales of vessels and equipment	1,449	822,690	1,449	-
Increase in investment in a subsidiary	-	-	-	(49,000)
Interest income	10,344	9,590	11,086	9,607
Net cash flows from (used in) investing activities	467,156	(226,021)	801,073	(242,671)
Cash flows from financing activities				
Cash paid for interest expense	(73,157)	(57,930)	(28,430)	(28,591)
Cash paid for deferred financial fees	(83)	(103,376)	-	(103,376)
Cash received from long-term loans	1,128,350	967,403	473,179	197,219
Repayment of long-term loans	(1,441,487)	-	(1,383,139)	-
Dividend paid to the Company's shareholders	(332,601)	(883,467)	(332,601)	(883,467)
Net cash flows used in financing activities	(718,978)	(77,370)	(1,270,991)	(818,215)
Increase (decrease) in translation adjustments	91,891	(159,571)	51,147	(66,582)
Net increase (decrease) in cash and cash equivalents	377,677	(24,039)	742,624	205,456
Cash and cash equivalents at beginning of period	4,223,423	5,889,359	2,041,349	2,284,321
Cash and cash equivalents at end of period	4,601,100	5,865,320	2,783,973	2,489,777
	0	0	0	0
Supplemental cash flows information				
Non-cash transactions				
Dividend income from subsidiaries offset against receivable from/payable to subsidiaries	-	-	558,349	914,869
Amortisation of financial fees to advances for vessel constructions	958	1,563	878	1,563
Transfer of interest expense to advances for vessel constructions	27,370	29,346	26,195	29,346
Transfer of deferred financial fees to present as a deduction from long-term loans	3,639	23,076	3,618	5,799
Amortisation of financial fees to interest expense	2,824	2,439	-	-
Transfer of deferred financial fees to subsidiary in proportion to the drawdown amount	-	-	4,270	19,716
Transfer of advances for vessel constructions to vessel and equipment of a subsidiary	918,294	-	918,294	-
Adjustment of deferred financial fee and advances for vessel constructions	(979)	(6,055)	(979)	(6,055)
Adjustment of provision for long-term employee benefits with the beginning balance of retained earnings	(57,408)	-	(51,551)	-

The accompanying notes are an integral part of the financial statements.

Precious Shipping Public Company Limited and subsidiaries

Notes to interim financial statements

For the three-month and six-month periods ended 30 June 2011 and 2010

1. General information

1.1 Corporate information

Precious Shipping Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged as a holding company for investment in the marine transportation business. The registered office of the Company is at Cathay House, 7th Floor, 8 North Sathorn Road, Silom, Bangrak, Bangkok 10500.

1.2 Basis for the preparation of the interim financial statements

These interim financial statements are prepared in accordance with Accounting Standard No. 34 (revised 2009) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income statement, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

These interim financial statements are presented in Thai Baht which is different from the functional currency of the Company, which is USD as explained in Note 1.4. The presentation is in Thai Baht in accordance with the regulatory requirements in Thailand.

The USD functional currency interim financial statements are translated into the Thai Baht presentation currency financial statements at the rate of exchange prevailing at the reporting date in respect of assets and liabilities, and at a rate that approximates the actual rate at the date of the transaction in respect of revenues and expenses, differences being recorded as “Exchange differences on translation of financial statements” in other comprehensive income, other components of shareholders' equity.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.3 Basis of consolidation

These interim consolidated financial statements include the financial statements of Precious Shipping Public Company Limited, subsidiaries, jointly controlled entity and associates (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2010, except for the below change in the translation of foreign operations due to the adoption of revised and new accounting standards.

The financial statements of all subsidiaries and jointly controlled entity are prepared in their respective functional currencies. Where the functional currency is not USD, the financial statements are translated into USD at the rate of exchange prevailing at the reporting date in respect of assets and liabilities, and at a rate that approximates the actual rate at the date of the transaction in respect of revenues and expenses. The resultant differences have been shown under the caption of “Exchange differences on translation of financial statements” in other comprehensive income, other components of shareholders' equity.

There have been no changes in the composition of the Group during the current period.

1.4 Application of new accounting standards during the period

During the current period, the Company adopted a number of revised and new accounting standards, issued by the Federation of Accounting Professions, as listed below.

Accounting standards:

TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 11 (revised 2009)	Construction Contracts
TAS 12	Income Tax
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases

TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property

Financial Reporting Standards:

TFRS 2	Share-Based Payment
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources

Financial Reporting Standard Interpretations:

TFRIC 15	Agreements for the Construction of Real Estate
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Accounting Standard Interpretations:

SIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
SIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
SIC 31	Revenue-Barter Transactions Involving Advertising Services

These accounting standards do not have any significant impact on the financial statements for the current period, except for the following accounting standards.

TAS 1 (revised 2009) Presentation of Financial Statements

The Group applies TAS 1 (revised 2009) Presentation of Financial Statements, which became effective as of 1 January 2011. As a result, the Group presents in the statement of changes in shareholders' equity all owner changes in equity, whereas all non-owner changes in equity are presented in the statement of comprehensive income.

Comparative information has been re-presented so that it is also in conformity with the revised standard. Since the change in accounting policy only impacts presentation, earnings per share remains unchanged.

TAS 12 Income Tax

This accounting standard requires an entity to identify temporary differences, which are differences between the carrying amount of an asset or liability in the accounting records and its tax base, and to recognise deferred tax assets and liabilities under the stipulated guidelines.

The Group has early adopted TAS 12 Income Tax which would otherwise become effective in 2013. The change has no significant impact on the Company's retained earnings as at 31 December 2010 and profit for the three-month and six-month periods ended 30 June 2011 and 2010 since management considered that there are no deferred tax assets to be recognised because it is not probable that future taxable profit will be available against which the Group can utilise the benefits thereof.

TAS 16 (revised 2009) Property, Plant and Equipment

The Group changed its accounting policy for land and condominium units from the revaluation model to the cost model, as permitted under TAS 16 (revised 2009) Property, Plant and Equipment. In this regard, the Group has restated the previous period's consolidated financial statements as though the land and condominium units had originally been recorded using the cost model. This change results in the reversal of the revaluation surplus previously held in equity as at 31 December 2010 and 2009, of Baht 147.29 million and Baht 203.45 million, respectively, with a corresponding decrease in the carrying amount of land and condominium units under property, plant and equipment as at 31 December 2010 and 2009 of Baht 147.29 million and Baht 203.45 million, respectively, and increasing the profit of the consolidated income statements for the three-month and six-month periods ended 30 June 2011 by Baht 12.37 million (or 0.01 Baht per share) and Baht 24.74 million (or 0.02 Baht per share), respectively (2010: Baht 12.37 million (or Baht 0.01 per share) and Baht 24.74 million

(or Baht 0.02 per share), respectively). The cumulative effect of the change in the accounting policy has been presented under the heading of "Cumulative effect of change in accounting policy for land and condominium units of a subsidiary" in the consolidated statements of changes in shareholders' equity. This has no impact on the separate financial statements. It may be noted that this is not a requirement of TAS 16 (revised 2009) Property, Plant and Equipment but is a voluntary change in accounting policy to simplify the financial statements by eliminating the periodic increase in revaluation surplus and the associated depreciation of this revaluation surplus through the income statement.

TAS 19 Employee Benefits

This accounting standard requires employee benefits to be recognised as expense in the period in which the service is performed by the employee. In particular, an entity has to evaluate and make a provision for post-employment benefits or liabilities arising from other defined benefit plans and other long-term employee benefits using actuarial techniques. The Group previously accounted for such employee benefits when they were incurred.

The Group has changed this accounting policy in the current year and recognised the liability in the transition period through an adjustment to the beginning balance of retained earnings in the current period, with no restatement of the comparative period. This change results in decreasing the consolidated retained earnings and increasing provision for long-term employee benefits as at 1 January 2011, amounting to Baht 57.41 million (separate financial statements: Baht 51.55 million) and decreasing the profit of the consolidated income statements for the three-month and six-month periods ended 30 June 2011 by Baht 1.48 million (or Baht 0.0014 per share) and Baht 2.95 million (or Baht 0.0028 per share), respectively (Separate financial statements: decreasing profit by Baht 1.43 million (or Baht 0.0014 per share) and Baht 2.85 million (or Baht 0.0028 per share), respectively). The cumulative effect of the change in the accounting policy has been presented under the heading of "Cumulative effect of change in accounting policy for employee benefits" in the consolidated and separate statements of changes in shareholders' equity.

TAS 21 (revised 2009) The Effects of Changes in Foreign Exchange Rates

The Group has early adopted TAS 21 (revised 2009) The Effects of Changes in Foreign Exchange Rates which would otherwise become effective in 2013. When a reporting entity prepares financial statements, TAS 21 (revised 2009) requires each individual entity to determine its functional currency and measure its results and financial position in that functional currency. TAS 21 (revised 2009) defines the functional currency as the currency of the primary economic environment in which the entity operates and the presentation currency as the currency in which the financial statements are presented.

The Group operates in a USD environment, with purchases and sales predominantly quoted and settled in USD. Accordingly, the management determines that USD is the functional currency of Group's vessel operating entities whilst Thai Baht is the presentation currency of the Group.

TAS 21 (revised 2009) requires all transactions to be initially recorded in the functional currency, USD. All transactions that are not denominated in USD are foreign currency transactions; exchange differences arising on translation generally are recognised in profit or loss. Exchange differences arising from translation of functional currency to presentation currency are recognised in other comprehensive income, other components of shareholders' equity. In general, when the Thai Baht presentation currency appreciates against the USD functional currency, the carrying amount of assets, liabilities and the exchange differences on translation of financial statements in equity is likely to reduce. Conversely, when the Thai Baht depreciates against the USD, the carrying amount of assets, liabilities and the exchange differences on translation of financial statements in equity is likely to increase.

The adoption of TAS 21 (revised 2009) is considered to be a change in accounting policy under TAS 8 (revised 2009) Accounting Policies, Changes in Accounting Estimates and Errors whereby the effects of changes in accounting policy have been applied retrospectively as though the financial statements had originally been prepared using USD functional currency.

The cumulative effect of change in the accounting policy has been presented under the heading of "Cumulative effect of change in accounting policy for the effects of changes in foreign exchange rates" in the consolidated and separate statements of changes in shareholders' equity.

A summary of how these adjustments arising from TAS 21 (revised 2009) have affected the Group's financial statements and explanation for the key movements are set out in the Note 2 to the financial statements.

TAS 24 (revised 2009) Related Party Disclosures

The Group adopted TAS 24 (revised 2009) Related Party Disclosures, which became effective as of 1 January 2011. Under this standard, the Group is required to disclose key management personnel's remuneration both in total and for each category of employee benefit type. Details of connected transactions are now included in the notes to the financial statements as required by TAS 24 (revised 2009).

1.5 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2010, except for the changes in the following accounting policies due to the adoption of revised and new accounting standards.

Income tax

Income tax expense for the year comprises current and deferred tax. Income tax of the Company and subsidiaries in Thailand is provided for in the accounts based on the taxable income determined in accordance with tax legislation in Thailand. Overseas subsidiaries calculate corporate income tax in accordance with the method and tax rates stipulated by tax laws in those countries.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the

laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Property, plant and equipment

Land and condominium units are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Employee benefits

a) Short-term employee benefits

Short-term employee benefit obligations, which include salaries, wages, bonuses, and contributions to the social security fund, are measured on an undiscounted basis and are expensed when they are incurred.

b) Post-employment benefits

The Group provides post-employment benefits through a defined contribution plan (under the Provident Fund Act B.E. 2530 (1987)) and a defined benefit plan (obligations for retired employees under the Thai Labor Protection Act B.E. 2541 (1998)).

- Defined contribution plan

A defined contribution plan comprises a provident fund which is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity. The Group has no legal or constructive obligation to pay further contributions. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

- Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated by estimating the amount of future benefit that

employees have earned in return for their service in the current and prior periods. Such benefits are discounted to determine its present value using the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed by an independent actuary using the Projected Unit Credit Method.

When the benefits under the plans are improved, the portion of the increased benefit relating to past service by employees is recognised in profit or loss on a straight-line basis over the average remaining period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in profit or loss.

The Group recognises all actuarial gains or losses arising from defined benefit plans in other comprehensive income in the period in which they arise.

c) Other long-term employee benefits

The Group's obligation in respect of accrued bonuses is classified as long-term employee benefits other than retirement benefit plans, and is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

d) Termination benefits

The Group recognises termination benefits when it is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Foreign currencies

The Group's financial statements are presented in Thai Baht, which is different from the Group's functional currency of USD. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

a) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency. Foreign currency transactions during a particular month are translated into functional currency at the average exchange rates ruling during the previous transaction month.

(Unaudited but reviewed)

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

b) Group companies

The assets and liabilities of Group companies whose functional currency is not USD are translated into USD at the rate of exchange prevailing at the reporting date and their income statements and statements of comprehensive income are translated at a rate that approximates the actual rate at the date of the transaction.

The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the income statement.

2. Cumulative effect of changes in accounting policies due to the adoption of new accounting standards

During the current period, the Group made the changes to its significant accounting policies described in Note 1.4 to the financial statements, as a result of the adoption of revised and new accounting standards. The cumulative effect of the changes in the accounting policies has been separately presented in the statements of changes in shareholders' equity under other components of shareholders' equity.

The amount of adjustments affecting the statement of financial position as at 31 December 2010 and the income statement for the three-month and six-month periods ended 30 June 2010 are summarised below.

(Unit: Thousand Baht)

	Statements of financial position as at 31 December 2010					
	Consolidated financial statements			Separate financial statements		
	As previously reported	Effect of the changes in accounting policies	As restated	As previously reported	Effect of the changes in accounting policies	As restated
Assets						
Cash and cash equivalents	4,210,310	13,113	4,223,423	2,031,532	9,817	2,041,349
Trade accounts receivable - net	33,855	151	34,006	-	-	-
Receivables from and advances to related parties	-	-	-	317,568	(29,166)	288,402
Short-term loan to subsidiary	-	-	-	1,914,402	9,251	1,923,653
Other current assets	92,543	(1,675)	90,868	16,199	657	16,856
Total current assets	4,336,708	11,589	4,348,297	4,279,701	(9,441)	4,270,260

(Unaudited but reviewed)

(Unit: Thousand Baht)

Statements of financial position as at 31 December 2010

	Consolidated financial statements			Separate financial statements		
	As previously reported	Effect of the changes in accounting policies	As restated	As previously reported	Effect of the changes in accounting policies	As restated
Investments	173,241	(41,096)	132,145	5,762,157	(42,300)	5,719,857
Long-term loan to jointly controlled entity	-	-	-	256,554	1,240	257,794
Property, plant and equipment - net	(a) 7,518,078	(1,117,745)	6,400,333	12,033	(1,163)	10,870
Advances for vessel constructions	(a) 9,517,341	(969,228)	8,548,113	8,081,917	(969,229)	7,112,688
Claim recoverable - maritime claims	(b) -	47,624	47,624	-	-	-
Other non-current assets	526,258	(40,884)	485,374	412,051	(54,511)	357,540
Total non-current assets	17,734,918	(2,121,329)	15,613,589	14,524,712	(1,065,963)	13,458,749
Total assets	22,071,626	(2,109,740)	19,961,886	18,804,413	(1,075,404)	17,729,009
Liabilities						
Trade accounts payable	11,100	(932)	10,168	658	(436)	222
Payables to and advances from related parties	-	853	853	3,016,659	(489,297)	2,527,362
Advances received from charterers	47,683	(221)	47,462	-	-	-
Current portion of long-term loans	147,610	(214)	147,396	24,100	(103)	23,997
Other current liabilities	236,292	(2,068)	234,224	146,199	(36)	146,163
Total current liabilities	442,685	(2,582)	440,103	3,187,616	(489,872)	2,697,744
Accrued employee bonus - net of current portion	76,645	(367)	76,278	70,382	(337)	70,045
Provision for maritime claims	(b) 20,768	46,469	67,237	-	-	-
Long-term loans - net of current portion	4,782,043	(15,741)	4,766,302	3,386,349	(14,550)	3,371,799
Total non-current liabilities	4,879,456	30,361	4,909,817	3,456,731	(14,887)	3,441,844
Total liabilities	5,322,141	27,779	5,349,920	6,644,347	(504,759)	6,139,588
Shareholders' equity						
Share capital	1,039,521	-	1,039,521	1,039,521	-	1,039,521
Premium on ordinary shares	411,430	-	411,430	411,430	-	411,430
Premium on treasury stock	172,446	-	172,446	172,446	-	172,446
Retained earnings - appropriated	636,408	-	636,408	118,288	-	118,288
Retained earnings - unappropriated	14,333,075	172,878	14,505,953	10,418,381	91,770	10,510,151
Other components of shareholders' equity						
Revaluation surplus on assets of subsidiary - net	(c) 147,288	(147,288)	-	-	-	-
Exchange differences on translation of financial statements	(d) (25,252)	(2,157,823)	(2,183,075)	-	(662,415)	(662,415)
Equity attributable to owner of the Company	16,714,916	(2,132,233)	14,582,683	12,160,066	(570,645)	11,589,421
Non-controlling interests of subsidiaries	34,569	(5,286)	29,283	-	-	-
Total shareholders' equity	16,749,485	(2,137,519)	14,611,966	12,160,066	(570,645)	11,589,421
Total liabilities and shareholders' equity	22,071,626	(2,109,740)	19,961,886	18,804,413	(1,075,404)	17,729,009

(Unaudited but reviewed)

(Unit: Thousand Baht)

Income statements for the three-month period ended 30 June 2010

	Consolidated financial statements			Separate financial statements		
	As previously reported	Effect of the changes in accounting policies	As restated	As previously reported	Effect of the changes in accounting policies	As restated
Revenues						
Vessel operating income						
Hire income	713,077	(40,171)	672,906	-	-	-
Freight income	1,052	41,272	42,324	-	-	-
Total vessel operating income	714,129	1,101	715,230	-	-	-
Service income	2,084	16	2,100	16,754	99	16,853
Gains on sales of vessels and equipment	63,906	20,369	84,275	-	-	-
Interest income	6,954	19	6,973	6,159	16	6,175
Exchange gains	198	13,000	13,198	7,305	(920)	6,385
Other income	41	(2)	39	1	-	1
Dividend received	-	-	-	350,949	-	350,949
Total revenues	787,312	34,503	821,815	381,168	(805)	380,363
Expenses						
Vessel operating costs						
Vessel running expenses	217,540	261	217,801	-	-	-
Voyage disbursements	4,826	1,184	6,010	-	-	-
Bunker consumption	946	6	952	-	-	-
Total vessel operating costs	223,312	1,451	224,763	-	-	-
Depreciation	199,110	(25,727)	173,383	2,156	(260)	1,896
Cost of services	1,940	26	1,966	-	-	-
Administrative expenses	46,892	2,320	49,212	39,931	2,044	41,975
Management remuneration including						
perquisites	23,571	1,938	25,509	22,219	1,721	23,940
Bad debts and doubtful accounts	1,946	(195)	1,751	-	-	-
Total expenses	496,771	(20,187)	476,584	64,306	3,505	67,811

(Unaudited but reviewed)

(Unit: Thousand Baht)

Income statements for the three-month period ended 30 June 2010

	Consolidated financial statements			Separate financial statements		
	As previously reported	Effect of the changes in accounting policies	As restated	As previously reported	Effect of the changes in accounting policies	As restated
Profit before share of loss from investment in associate, finance cost and corporate income tax	290,541	54,690	345,231	316,862	(4,310)	312,552
Share of loss from investment in associate held by a subsidiary	(2,687)	23	(2,664)	-	-	-
Profit before finance cost and corporate income tax	287,854	54,713	342,567	316,862	(4,310)	312,552
Finance cost	(72,343)	7,247	(65,096)	(42,576)	(126)	(42,702)
Profit before corporate income tax	215,511	61,960	277,471	274,286	(4,436)	269,850
Corporate income tax	(55,439)	(943)	(56,382)	-	-	-
Profit for the period	160,072	61,017	221,089	274,286	(4,436)	269,850
Profit attributable to:						
Equity holders of the Company	157,358	63,730	221,088	274,286	(4,436)	269,850
Non-controlling interest of the subsidiaries	2,714	(2,713)	1	-	-	-
Profit for the period	160,072	61,017	221,089	274,286	(4,436)	269,850
						(Unit: Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	0.16	0.05	0.21	0.26	-	0.26

(Unaudited but reviewed)

(Unit: Thousand Baht)

Income statements for the six-month period ended 30 June 2010

	Consolidated financial statements			Separate financial statements		
	As previously reported	Effect of the changes in accounting policies	As restated	As previously reported	Effect of the changes in accounting policies	As restated
Revenues						
Vessel operating income						
Hire income	1,497,176	(85,466)	1,411,710	-	-	-
Freight income	18,026	82,510	100,536	-	-	-
Total vessel operating income	1,515,202	(2,956)	1,512,246	-	-	-
Service income	4,320	1	4,321	47,570	11	47,581
Gains on sales of vessels and equipment	390,434	48,061	438,495	-	-	-
Interest income	11,668	26	11,694	9,826	48	9,874
Other income	416	(4)	412	1	-	1
Dividend received	-	-	-	914,869	-	914,869
Total revenues	1,922,040	45,128	1,967,168	972,266	59	972,325
Expenses						
Vessel operating costs						
Vessel running expenses	456,715	(1,135)	455,580	-	-	-
Voyage disbursements	12,184	1,902	14,086	-	-	-
Bunker consumption	3,900	(14)	3,886	-	-	-
Total vessel operating costs	472,799	753	473,552	-	-	-
Depreciation	397,106	(49,712)	347,394	4,297	(493)	3,804
Cost of services	2,872	51	2,923	-	-	-
Administrative expenses	110,590	2,619	113,209	95,682	2,322	98,004
Management remuneration including perquisites	57,889	2,568	60,457	54,371	2,268	56,639
Bad debts and doubtful accounts	16,189	(782)	15,407	-	-	-
Exchange losses	77,665	(71,555)	6,110	34,912	(22,605)	12,307
Total expenses	1,135,110	(116,058)	1,019,052	189,262	(18,508)	170,754

(Unaudited but reviewed)

(Unit: Thousand Baht)

Income statements for the six-month period ended 30 June 2010						
Consolidated financial statements			Separate financial statements			
As previously Reported	Effect of the changes in accounting policies	As restated	As previously reported	Effect of the changes in accounting policies	As restated	
Profit before share of income from investment in associate, finance cost and corporate income tax						
786,930	161,186	948,116	783,004	18,567	801,571	
Share of income from investment in associate held by a subsidiary						
2,403	(10)	2,393	-	-	-	
Profit before finance cost and corporate income tax						
789,333	161,176	950,509	783,004	18,567	801,571	
Finance cost						
(157,193)	(14,078)	(171,271)	(139,596)	392	(139,204)	
Profit before corporate income tax						
632,140	147,098	779,238	643,408	18,959	662,367	
Corporate income tax						
(79,894)	(751)	(80,645)	-	-	-	
Profit for the period						
552,246	146,347	698,593	643,408	18,959	662,367	
Profit attributable to:						
Equity holders of the Company						
546,379	149,080	695,459	643,408	18,959	662,367	
Non-controlling interest of the subsidiaries						
5,867	(2,733)	3,134	-	-	-	
Profit for the period						
552,246	146,347	698,593	643,408	18,959	662,367	

(Unit: Baht)

Basic earnings per share

Profit attributable to equity holders of the Company

0.53	0.14	0.67	0.62	0.02	0.64
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Notes:

- (a) It is noted that the USD is the functional currency of reporting entities of the Group whilst the Thai Baht is the presentation currency of the Group. The value of the USD against the Thai Baht has been declining over the past few years. This change in the value of the USD has substantial effects on the amount of assets and liabilities translated from USD to Thai Baht especially those assets acquired and liabilities incurred prior to 1 January 2011, the date of transition of the adoption of TAS 21 (revised 2009). As a result, due to the declining value of the USD, the amounts of property, plant and equipment and advances for vessel constructions have reduced substantially as at 31 December 2010 in the presentation currency when compared to the balances as previously reported under the previous accounting policy.

(Unaudited but reviewed)

- (b) This impact arises from a reclassification of provisions and contingencies, recognising the provision for maritime claims and related claim recoverable - maritime claim gross instead of net.
- (c) This impact arises from the change in accounting policy for measurement of land and condominium units from revaluation model to cost model, as discussed in Note 1.4 to the financial statements.
- (d) The change in carrying amounts of assets and liabilities due to a change in functional currency is recorded in the cumulative translation adjustments in equity. The two main changes described above, in relation to vessels and advances for vessel constructions, are the main components of the change in the cumulative translation adjustments.

3. New accounting standards issued during the period not yet effective

During the current period, the Federation of Accounting Professions issued the below listed new accounting standards that are effective for fiscal years beginning on or after 1 January 2013.

Accounting Standard Interpretations:

SIC 10 Government Assistance - No Specific Relation to Operating Activities

SIC 21 Income Taxes - Recovery of Revalued Non-Depreciable Assets

SIC 25 Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Company has elected to adopt SIC 21 and SIC 25 in 2011. The adoption of these SIC in 2011 has no significant effect on the Company's retained earnings as at 31 December 2010 and profit for the three-month and six-month periods ended 30 June 2011 and 2010.

4. Current investment

(Unit: Thousand Baht)

Consolidated financial statements								
Paid-up capital		Shareholding percentage		Cost		Carrying amounts based on equity method		
30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010	
Thousand INR	Thousand INR	%	%	(Restated)	(Restated)	(Restated)	(Restated)	
Investment in associate held by a subsidiary								
Southern LPG Limited	64,592	64,592	50.00	50.00	26,834	26,314	16,884	16,557
Less: Allowance for loss on investment							(16,884)	(16,557)
Current investment - net							-	-

(Unaudited but reviewed)

A subsidiary (Precious Shipping (Mauritius) Limited) recorded investment in an associated company incorporated in India under equity method only until 31 December 2000, since the Company's management is making efforts to sell this investment. The investment has therefore been classified as current investment, under current assets, and provision for loss on investment in full has been set up.

5. Trade accounts receivable

The outstanding balances of trade accounts receivable are aged, based on invoice date, as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	30 June	31 December
	2011	2010
		(Restated)
Age of receivables		
Not over 3 months	68,437	33,087
3 - 6 months	19,402	-
6 - 12 months	-	919
Over 12 months	19,510	19,008
Total	107,349	53,014
Less: Allowance for doubtful accounts	(19,510)	(19,008)
Trade accounts receivable - net	87,839	34,006

6. Related party transactions

In addition to relationship between the Company and its subsidiaries as stated in Note 9, its jointly controlled entity as stated in Note 10, and its associates as stated in Note 11, the other related party transactions and relationship are summarised below:

Related party's name	Transaction	Relationship
Globex Corporation Limited	None	Major shareholder holding 25.65% ordinary shares in the Company and related by way of the Company's directors as shareholders and directors in the related party
Unistretch Limited	Office rental and service expenses	Related by way of common shareholders and directors
Ambika Tour Agency Limited	Air ticket expenses	Related by way of common shareholders and

(Unaudited but reviewed)

directors

(Unaudited but reviewed)

Related party's name	Transaction	Relationship
Geepee Air Service Limited	Air ticket expenses	Related by way of common shareholders and directors
Maestro Controls Limited	Air-conditioning service expenses	Related by way of common shareholders and directors
Maxwin Builders Limited	Office and apartment management expenses	Related by way of common shareholders and directors
InsurExcellence Insurance Brokers Limited	Insurance expense	Related by way of Company Directors' close family member as the related party's shareholder
InsurExcellence Life Insurance Brokers Limited	Insurance expense	Related by way of Company Directors' close family member as the related party's shareholder
Quidlab Company Limited	Computer hardware or software purchases	Related by way of Company Senior Manager's close family member as the related party's shareholder and director

During the periods, the Company, subsidiaries and jointly controlled entity had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms agreed upon between the Company and those related parties.

(Unit: Thousand Baht)

	For the three-month periods ended 30 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2011	2010	2011	2010	
		(Restated)	(Restated)		
Transactions with subsidiaries					
(Eliminated from consolidated financial statements)					
Service income - management fees	-	-	11,055	11,016	Fixed rate per vessel per day set with reference to the administrative cost of the Company
Service income - commission from vessel sales	-	-	-	5,837	3% of vessels' selling price
Dividend received	-	-	305,849	350,949	As declared
Interest income	-	-	3,424	1,569	At interest rate of 0.70% per annum (2010: 0.30% per annum)
Condominium rental expenses	-	-	2,342	2,339	Market price

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods ended 30 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2011	2010	2011	2010	
	(Restated)		(Restated)		
Transaction with jointly controlled entity					
(Eliminated from consolidated financial statements in proportion with the Company's shareholding)					
Vessel construction supervision income	910	-	1,820	-	USD 200,000 per vessel in accordance with contract based on market practice

Transactions with related companies

Air ticket expenses	1,986	2,137	988	1,027	Market price
Rental and service expenses	793	2,021	468	1,502	Market price
Computer purchases	278	172	278	172	Market price

(Unit: Thousand Baht)

	For the six-month periods ended 30 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2011	2010	2011	2010	
	(Restated)		(Restated)		
Transactions with subsidiaries					
(Eliminated from consolidated financial statements)					
Service income - management fees	-	-	21,844	22,528	Fixed rate per vessel per day set with reference to the administrative cost of the Company
Service income - commission from vessel sales	-	-	-	25,053	3% of vessels' selling price
Dividend received	-	-	558,349	914,869	As declared
Interest income	-	-	6,850	3,142	At interest rates of 0.70% per annum (2010: 0.30% per annum)
Condominium rental expenses	-	-	4,692	4,657	Market price

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2011	2010	2011	2010	
	(Restated)		(Restated)		
Transaction with jointly controlled entity					
(Eliminated from consolidated financial statements in proportion with the Company's shareholding)					
Vessel construction supervision income	1,830	-	3,661	-	USD 200,000 per vessel in accordance with contract based on market practice
Transactions with related companies					
Air ticket expenses	3,963	4,241	1,921	1,882	Market price
Rental and service expenses	4,237	3,843	3,493	3,109	Market price
Computer purchases	332	172	332	172	Market price

The balances of the accounts as at 30 June 2011 and 31 December 2010 between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	30 June	31 December	30 June	31 December
2011	2010	2011	2010	
	(Restated)		(Restated)	
Receivables from and advances to related parties				
Subsidiaries				
Precious Garnets Limited	-	-	-	734
Precious Orchids Limited	-	-	11,189	31,267
Nedtex Limited	-	-	184	169
Precious Storage Terminals Limited	-	-	123	110
Thebes Pte. Limited	-	-	943	888
Precious Shipping (Panama) S.A.	-	-	16,259	15,998
Precious Shipping (Mauritius) Limited	-	-	88,363	85,839
Precious Shipping (Singapore) Pte. Limited	-	-	298,829	17,954
Precious Shipping (UK) Limited	-	-	32,383	9,312
Great Circle Shipping Agency Limited	-	-	118,261	116,604
Precious Projects Pte. Limited	-	-	809	602
Total	-	-	567,343	279,477

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010 (Restated)	30 June 2011	31 December 2010 (Restated)
Jointly controlled entity				
Associated Bulk Carriers Pte. Limited	-	-	13,590	8,925
Total receivables from and advances to related parties	-	-	580,933	288,402
Payables to and advances from related parties				
Subsidiaries				
Precious Metals Limited	-	-	232,122	227,661
Precious Wishes Limited	-	-	185,698	191,642
Precious Stones Shipping Limited	-	-	46,412	19,645
Precious Minerals Limited	-	-	95,173	71,058
Precious Lands Limited	-	-	56,943	55,877
Precious Rivers Limited	-	-	78,523	78,171
Precious Lakes Limited	-	-	103,747	101,463
Precious Seas Limited	-	-	80,881	88,865
Precious Stars Limited	-	-	75,606	87,898
Precious Oceans Limited	-	-	78,050	82,655
Precious Planets Limited	-	-	99,784	97,887
Precious Diamonds Limited	-	-	82,850	87,741
Precious Sapphires Limited	-	-	82,341	79,302
Precious Emeralds Limited	-	-	80,065	43,694
Precious Rubies Limited	-	-	83,507	81,898
Precious Opals Limited	-	-	83,173	81,599
Precious Garnets Limited	-	-	64,708	-
Precious Pearls Limited	-	-	76,292	73,126
Precious Flowers Limited	-	-	83,045	81,622
Precious Forests Limited	-	-	100,157	98,259
Precious Trees Limited	-	-	69,316	68,010
Precious Ponds Limited	-	-	93,580	91,067
Precious Ventures Limited	-	-	64,108	62,914
Precious Capitals Limited	-	-	74,350	80,706
Precious Jasmines Limited	-	-	89,736	92,139
Precious Lagoons Limited	-	-	78,970	93,252

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010 (Restated)	30 June 2011	31 December 2010 (Restated)
Precious Cliffs Limited	-	-	82,946	46,871
Precious Hills Limited	-	-	78,599	26,140
Precious Mountains Limited	-	-	87,132	20,160
Precious Resorts Limited	-	-	57,798	39,892
Precious Cities Limited	-	-	77,111	47,787
Precious Comets Limited	-	-	66,966	65,731
Precious Ornaments Limited	-	-	63,995	62,197
Total	-	-	2,853,684	2,526,929
Related parties				
Unistretch Limited	2	7	-	-
Ambika Tour Agency Limited	282	458	234	96
Insurexcellence Insurance Brokers Limited	1	-	1	-
Quidlab Company Limited	18	-	18	-
Maxwin Builders Limited	160	337	-	337
Maestro Controls Limited	-	51	-	-
Total	463	853	253	433
Total payable to and advance from related parties	463	853	2,853,937	2,527,362

The outstanding balances of the amounts due from/to subsidiaries and jointly controlled entity represent current accounts between the Company and those subsidiaries and jointly controlled entity. The Company's management believes that no allowance for doubtful accounts is necessary. No interest was charged on advances to/from subsidiaries and jointly controlled entity.

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2011, the Company, and its subsidiaries had employee benefits of their directors and management recognised as expenses totaling Baht 24.98 million and Baht 50.81 million, respectively (Separate financial statements: Baht 23.57 million and Baht 48.12 million, respectively) (2010: Baht 25.51 million and Baht 60.46 million, Separate financial statements: Baht 23.94 million and Baht 56.64 million, respectively).

7. Short-term loans to subsidiary

As at 30 June 2011, short-term loans to wholly owned subsidiary are in the form of promissory notes in US Dollar, amounting to USD 63.80 million (31 December 2010: USD 63.80 million), which carry interest at the rate of 0.70% per annum (31 December 2010: 0.70% per annum), and are due at call. Movements in the balance of the loans during the period were as follows:

(Unit: Thousand Baht)

	Separate financial statements		
	31 December 2010 (Restated)	Translation adjustment	30 June 2011
Short-term loans to subsidiary			
Precious Shipping (Singapore) Pte. Limited	1,923,653	38,018	1,961,671

8. Long-term loan to jointly controlled entity

As at 30 June 2011, long-term loan to jointly controlled entity is in the form of promissory note in US Dollar, amounting to USD 8.55 million (31 December 2010: USD 8.55 million), has no interest, and is due at call. However, the Company does not intend to call for the loan repayment in the foreseeable future; therefore, the loan is classified as long-term loan. The loan represents Company's contribution (in lieu of equity capital) to the jointly controlled entity in proportion with the Company's shareholding (50%) in the jointly controlled entity. An equal amount is also received by the jointly controlled entity from the other partner shareholder. These loans have been made to enable the 3 SPV subsidiaries of the jointly controlled entity to pay the installments due to the shipbuilder. Movements in the balance of the loan during the period were as follows:

(Unit: Thousand Baht)

	Separate financial statements		
	31 December 2010 (Restated)	Translation adjustment	30 June 2011
Long-term loan to jointly controlled entity			
Associated Bulk Carriers Pte. Limited	257,794	5,095	262,889

9. Investments in subsidiaries

These represent investments in ordinary shares in the following subsidiaries:

(Unit: Thousand Baht)

Subsidiaries' name	Separate financial statements							
	Paid-up capital		Shareholding		Cost		Dividend received	
	30	31	percentage		30	31	For the six-month	
	June	December	June	December	June	December	periods ended 30 June	
	2011	2010	2011	2010	2011	2010	2011	2010
			%	%		(Restated)		(Restated)
Precious Metals Limited	250,000	250,000	99.99	99.99	301,443	295,601	-	45,000
Precious Wishes Limited	230,000	230,000	99.99	99.99	277,327	271,952	23,000	184,000
Precious Stones Shipping Limited	260,000	260,000	99.99	99.99	259,058	254,037	5,200	26,000
Precious Minerals Limited	230,000	230,000	99.99	99.99	235,569	231,006	4,600	-
Precious Lands Limited	84,000	84,000	99.99	99.99	75,762	74,294	-	-
Precious Rivers Limited	234,000	234,000	99.99	99.99	195,950	192,152	46,800	-
Precious Lakes Limited	99,000	99,000	99.99	99.99	86,809	85,126	-	158,399
Precious Seas Limited	100,000	100,000	99.99	99.99	120,577	118,240	51,999	-
Precious Stars Limited	105,000	105,000	99.99	99.99	126,606	124,152	10,500	-
Precious Oceans Limited	175,000	175,000	99.99	99.99	211,010	206,920	36,750	-
Precious Planets Limited	100,000	100,000	99.99	99.99	120,577	118,240	-	-
Precious Diamonds Limited	205,000	205,000	99.99	99.99	179,130	175,658	92,250	20,500
Precious Sapphires Limited	144,000	144,000	99.99	99.99	121,531	119,176	57,600	21,600
Precious Emeralds Limited	366,000	366,000	99.99	99.99	291,414	285,766	36,600	54,900
Precious Rubies Limited	84,000	84,000	99.99	99.99	75,762	74,294	-	-
Precious Opals Limited	74,000	74,000	99.99	99.99	67,958	66,641	-	-
Precious Garnets Limited	379,000	379,000	99.99	99.99	300,575	294,749	7,580	56,850
Precious Pearls Limited	73,000	73,000	99.99	99.99	73,558	72,133	-	-
Precious Flowers Limited	76,000	76,000	99.99	99.99	75,899	74,428	-	-
Precious Forests Limited	96,000	96,000	99.99	99.99	91,933	90,151	-	-
Precious Trees Limited	80,000	80,000	99.99	99.99	79,446	77,907	-	-
Precious Ponds Limited	84,000	84,000	99.99	99.99	79,165	77,631	-	100,800
Precious Ventures Limited	80,000	80,000	99.99	99.99	96,461	94,592	-	-
Precious Capitals Limited	200,000	200,000	99.99	99.99	241,154	236,480	40,000	-
Precious Jasmines Limited	147,000	147,000	99.99	99.99	163,838	160,663	-	73,500
Precious Orchids Limited	217,000	217,000	99.99	99.99	185,143	181,555	2,170	32,550
Precious Lagoons Limited	140,000	140,000	99.99	99.99	168,808	165,536	35,000	-
Precious Cliffs Limited	140,000	140,000	99.99	99.99	168,808	165,536	23,800	-
Precious Hills Limited	140,000	140,000	99.99	99.99	168,808	165,536	28,000	28,000
Precious Mountains Limited	140,000	140,000	99.99	99.99	168,808	165,536	7,000	35,000
Precious Resorts Limited	140,000	140,000	99.99	99.99	168,808	165,536	7,000	28,000
Precious Cities Limited	170,000	170,000	99.99	99.99	191,956	188,236	42,500	-
Precious Comets Limited	71,100	71,100	99.99	99.99	55,528	54,452	-	49,770

(Unaudited but reviewed)

(Unit: Thousand Baht)

Subsidiaries' name	Separate financial statements							
	Paid-up capital		Shareholding percentage		Cost		Dividend received	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010	For the six-month periods ended 30 June	
			%	%		(Restated)	2011	2010
Precious Ornaments Limited	68,100	68,100	99.99	99.99	53,187	52,156	-	-
Nedtex Limited	2,500	2,500	69.99	69.99	782	766	-	-
Precious Storage Terminals Limited	6,000	6,000	69.99	69.99	5,064	4,966	-	-
Thebes Pte. Limited	0.0365	0.0365	100.00	100.00	-	-	-	-
Precious Shipping (Panama) S.A.	250	250	99.99	99.99	307	301	-	-
Precious Shipping (Mauritius) Limited	250	250	100.00	100.00	307	301	-	-
Precious Shipping (Singapore) Pte. Limited	363,338	363,338	100.00	100.00	322,554	316,303	-	-
Precious Shipping (UK) Limited	250	250	99.99	99.99	307	301	-	-
Great Circle Shipping Agency Limited	100,000	100,000	99.99	99.99	223,368	219,039	-	-
Precious Projects Pte. Limited	0.0345	0.0345	100.00	100.00	-	-	-	-
Total investments in subsidiaries					5,831,055	5,718,045	558,349	914,869
Less: Allowance for loss on investments in subsidiaries					(6,153)	(6,034)		
Total investments in subsidiaries - net					5,824,902	5,712,011		

On 7 April 2011, Precious Shipping (Singapore) Pte. Limited invested in two newly incorporated subsidiaries under Singapore law, Precious Fragrance Pte. Limited and Precious Thoughts Pte. Limited, each of which have a registered and fully paid-up capital of SGD 1.00. The subsidiaries have been incorporated to take delivery of, own and operate newly built vessels that have been ordered by the Company.

The Company offsets the dividend income against amounts receivables from/payables to subsidiaries in the statements of financial position.

The change in cost of investments in subsidiaries is from the exchange differences on translation of functional currency to presentation currency.

(Unaudited but reviewed)

10. Investment in jointly controlled entity

10.1 Details of investment in jointly controlled entity

(Unit: Baht)

Jointly controlled entity	Nature of business	Separate financial statements					
		Shareholding percentage		Cost		Carrying amounts based on cost method	
		30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010
		(%)	(%)	(Restated)	(Restated)		(Restated)
Associated Bulk Carriers Pte. Limited	Holding company	50	50	31	30	31	30

The change in cost of investment in jointly controlled entity is from the exchange differences on translation of functional currency to presentation currency.

10.2 Summarised financial information of jointly controlled entity

The consolidated financial statements include the Company's proportionate shares of the assets, liabilities, revenues and expenses of Associated Bulk Carriers Pte. Limited, according to the proportion under the joint venture agreement as follows.

(Unit: Thousand Baht)

	30 June 2011	31 December 2010
		(Restated)
Cash and cash equivalents	400	2,086
Other current assets	986	-
Advances for vessel constructions	354,716	343,887
Deferred financial fees	4,407	4,261
Total assets	360,509	350,234
Other current liabilities	786	1,776
Current portion of long-term loan	2,875	-
Long term loan - net of current portion	83,371	83,107
Total liabilities	87,032	84,883
Net assets	273,477	265,351

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2011	2010	2011	2010
		(Restated)		(Restated)
Revenues	1	-	2	-
Administrative expenses	(119)	(231)	(202)	(287)
Exchange loss	(3)	(2)	(3)	(2)
Finance cost	(786)	(1)	(2,307)	(1)
Net loss	(907)	(234)	(2,510)	(290)

11. Investment in associate held by a subsidiary

11.1 Details of associate held by a subsidiary

(Unit: Thousand Baht)

		Consolidated financial statements							
Associate's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method		
			30 June	31 December	30 June	31 December	30 June	31 December	
			2011	2010	2011	2010	2011	2010	
			%	%		(Restated)		(Restated)	
International Seaports (Haldia) Private Limited	Berth construction and development	India	22.40	22.40	62,652	61,438	125,011	124,299	

The change in cost of investment in associate held by a subsidiary is from the exchange differences on translation of functional currency to presentation currency.

(Unit: Thousand Baht)

Associate's name	Consolidated financial statements			
	Share of income (loss) from investment in associate held by a subsidiary			
	for the three-month periods ended 30 June		for the six-month periods ended 30 June	
	2011	2010	2011	2010
		(Restated)		(Restated)
International Seaports (Haldia) Private Limited	(880)	(2,664)	(1,343)	2,393

(Unaudited but reviewed)

Shares of income (loss) from investment in associate held by a subsidiary for the three-month and six-month periods ended 30 June 2011 and 2010, included in the consolidated income statements, were recorded based on the audited financial statements for the years ended 31 March 2011 and 2010, respectively.

11.2 Summarised financial information of associate held by a subsidiary

(Unit: Thousand Baht)

Associate's name	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenues for		Profit (loss)	
	31 March		31 March		31 March		the six-month		for the six-month	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	Thousand INR	Thousand INR	(Restated)		(Restated)		(Restated)		(Restated)	
International Seaports										
(Haldia) Private Limited	440,580	440,580	745,919	843,190	187,836	342,239	195,592	244,166	(5,995)	10,682

12. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 June 2011 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial	financial
	statements	statements
Net book value as at 1 January 2011 (Restated)	6,400,333	10,870
Acquisitions of equipment and payment of dry-dock and special survey expenses during period - at cost	27,233	106
Transfer from advances for vessel constructions	918,294	-
Adjustment	(285)	-
Disposals during period - net book value at disposal date	(70)	(67)
Depreciation for period	(314,990)	(2,440)
Translation adjustment	136,971	195
Net book value as at 30 June 2011	7,167,486	8,664

13. Intangible assets

Movements of the intangible assets account, which are computer software, during the six-month period ended 30 June 2011 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2011 (Restated)	30,349	30,349
Acquisitions - at cost	351	290
Amortisation for period	(4,512)	(4,511)
Translation adjustment	570	568
Net book value as at 30 June 2011	<u>26,758</u>	<u>26,696</u>

14. Advances for vessel constructions

Movements of the advances for vessel constructions account during the six-month period ended 30 June 2011 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2011 (Restated)	8,548,113	7,112,688
Additions	812,565	511,853
Interest costs	27,370	26,195
Amortisation of financial fees	958	878
Other costs	22,485	17,210
Sales of new shipbuilding under Novation Agreement	(1,129,507)	(1,129,507)
Transfer to cost of vessel and equipment of a subsidiary	(918,294)	(918,294)
Adjustment	(979)	(979)
Translation adjustment	148,974	119,942
Total	<u>7,511,685</u>	<u>5,739,986</u>
Less: Current portion of advances for vessel constructions	<u>(728,512)</u>	<u>(728,512)</u>
Balance as at 30 June 2011	<u>6,783,173</u>	<u>5,011,474</u>

During the six-month period ended 30 June 2011, the Company made payment of installments to a shipbuilder amounting to USD 16.87 million or approximately Baht 511.85 million. All of these have been financed by overseas and local commercial banks.

During the six-month period ended 30 June 2011, the 4 SPC subsidiaries (shareholding through Precious Shipping (Singapore) Pte. Limited) made payment of installments to the shipyard in China amounting to USD 9.80 million or approximately Baht 300.71 million.

During the six-month period ended 30 June 2011, the amounts of borrowing costs capitalised were Baht 27.37 million in the consolidated financial statements and Baht 26.19 million in the separate financial statements. The weighted average capitalisation rates used to determine the amounts of borrowing costs eligible for capitalisation were 1.45% - 2.71% in the consolidated financial statements and 1.45% - 1.51% in the separate financial statements.

On 18 March 2011, the Company has signed 3 Novation Agreements with Global Bulk Carriers Pte. Ltd. (the "New Buyer"), for disposal of the 3 new Shipbuilding Contracts of Hull Nos. 329, 330 and 313 dated 20 July 2007, 20 July 2007 and 14 September 2007 respectively, signed between the Company and ABG Shipyard Ltd., India, for building and delivery of 3 Newbuilding Vessels with the aforesaid Hull Numbers. Since the estimated revised Delivery Dates under the terms of the existing Shipbuilding Contracts are not suitable for the Company, the Company opted to dispose of the Contracts because the disposal in this manner and on these terms allowed the Company to fully recover all installments paid to the Builder plus Interest at 7.50% per annum from the dates of payment of the respective installments plus an additional amount of USD 100,000 per Shipbuilding Contract. Details of the 3 new shipbuilding disposals are as follows:

Vessel Hull No.	DWT	Shipbuilding Contract Date	Contract Amount (USD)	Installments paid to the Builder by the Company (USD)
329	32,000	20 July 2007	29,999,997	17,999,997
330	32,000	20 July 2007	29,999,997	17,999,997
313	54,000	14 September 2007	37,999,998	22,799,998

(Unaudited but reviewed)

The New Buyer shall pay to the Company as follows:

Novation Agreement for Hull No.	If the payment is made on Initial Payment Date (1 April 2011)	If the payment is made during the Extended Payment Period (2 - 30 April 2011)
Hull No. 329	An amount equal to USD 21,694,997	Aforesaid amount (USD 21,694,997) plus interest at 7.50% p.a. on USD 17,999,997 (installments paid to the Builder) from 1 April 2011 to the date of such payment.
Hull No. 330	An amount equal to USD 21,567,997	Aforesaid amount (USD 21,567,997) plus interest at 7.50% p.a. on USD 17,999,997 (installments paid to the Builder) from 1 April 2011 to the date of such payment.
Novation Agreement for Hull No.	If the payment is made on Initial Payment Date (27 July 2011)	If the payment is made during the Extended Payment Period (28 - 31 July 2011)
Hull No. 313	An amount equal to USD 27,985,998	Aforesaid amount (USD 27,985,998) plus interest at 7.50% p.a. on USD 22,799,998 (installments paid to the Builder) from 27 July 2011 to the date of such payment.
	Total USD 71,248,992	If the payments are made on the last dates of the Extended Payment Periods above, the maximum total amount will be USD 71,489,650.

On 26, 27 and 28 April 2011 and 3 May 2011, the Company received in aggregate USD 43.45 million as the novation proceeds from the disposals of the 2 new Shipbuilding Contracts of Hull Nos. 329 and 330, and gains on sales of new shipbuilding under Novation Agreement amounting to USD 6.21 million or approximately Baht 188.49 million recorded in the consolidated and separate income statements for the three-month and six-month periods ended 30 June 2011.

(Unaudited but reviewed)

On 14 June 2011, the first vessel under the Newbuilding Contracts with ABG Shipyard Ltd. was completed and delivered to the Company's indirect subsidiary incorporated in Singapore (Precious Forests Pte. Limited). The Company therefore transferred advance for vessel construction and other direct costs which are relevant to the vessel, totaling USD 30.27 million or approximately Baht 918.29 million, to be recorded as cost of vessel and equipment of the subsidiary.

15. Deferred financial fees

Movements of the deferred financial fees account during the six-month period ended 30 June 2011 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2011 (Restated)	329,044	324,784
Additions	83	-
Transfer to present as a deduction against long-term loans	(3,639)	(3,618)
Write-off from sales of new shipbuilding under Novation Agreement	(4,824)	(4,824)
Translation adjustment	6,388	6,303
Balance as at 30 June 2011	<u>327,052</u>	<u>322,645</u>

(Unaudited but reviewed)

16. Long-term loan facilities

As at 30 June 2011 and 31 December 2010, long-term loans accounts are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements							
	Loan facilities for financing the construction and acquisition of new vessels				Loan facilities for purchasing of vessels			
	Facility 1		Facility 2		Facility 1		Total	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	(Restated)		(Restated)		(Restated)		(Restated)	
Total long-term loans	3,222,307	3,413,127	87,630	85,931	1,402,021	1,464,008	4,711,958	4,963,066
Less: Deferred financial fees	(17,780)	(17,331)	(1,384)	(1,415)	(28,406)	(30,622)	(47,570)	(49,368)
Total	3,204,527	3,395,796	86,246	84,516	1,373,615	1,433,386	4,664,388	4,913,698
Less: Current portion of long-term loans	(530,469)	(23,997)	(2,875)	(1,409)	(122,099)	(121,990)	(655,443)	(147,396)
Long-term loans - net of current portion	2,674,058	3,371,799	83,371	83,107	1,251,516	1,311,396	4,008,945	4,766,302

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements	
	Loan facilities for financing the construction and acquisition of new vessels	
	Facility 1	
	30 June 2011	31 December 2010
Total long-term loans	2,558,167	3,413,127
Less: Deferred financial fees	(13,477)	(17,331)
Total	2,544,690	3,395,796
Less: Current portion of long-term loans	(486,480)	(23,997)
Long-term loans - net of current portion	2,058,210	3,371,799

Movements in the long-term loan accounts during the six-month period ended 30 June 2011 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Loan facilities for financing the construction and acquisition of new vessels		Loan facilities for purchasing of vessels	
	Facility 1	Facility 2	Facility 1	Total
Balance as at 1 January 2011				
(Restated)	3,395,796	84,516	1,433,386	4,913,698
Add: Drawdown	1,128,350	-	-	1,128,350
Amortisation of financial fees	903	80	2,800	3,783
Write-off from sales of new shipbuilding under Novation Agreement	3,595	-	-	3,595
Less: Deferred financial fees	(3,618)	(21)	-	(3,639)
Repayment	(1,383,139)	-	(58,348)	(1,441,487)
Unrealised exchange gains	-	-	(31,786)	(31,786)
Adjustment	(979)	-	-	(979)
Translation adjustment	63,619	1,671	27,563	92,853
Balance as at 30 June 2011	3,204,527	86,246	1,373,615	4,664,388

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements
	Loan facilities for financing the construction and acquisition of new vessels
	Facility 1
Balance as at 1 January 2011 (Restated)	3,395,796
Add: Drawdown	473,179
Amortisation of financial fees	878
Write-off from sales of new shipbuilding under Novation Agreement	3,595
Transfer to subsidiary	4,270
Less: Deferred financial fees	(3,618)
Repayment	(1,383,139)
Adjustment	(979)
Translation adjustment	54,708
Balance as at 30 June 2011	<u>2,544,690</u>

During the current period, the Company and subsidiaries entered into amended and restated agreements with banks. Details are as follows:

Loan facility for financing the construction and acquisition of new vessels

Facility 1

Since the Company has novated the 3 New Shipbuilding Contracts for Vessel Hull Nos. 329, 330 and 313 per details provided in Note 14, the Company issued the Prepayment and Cancellation Notice to Lenders to prepay the loans drawn against the aforesaid Contracts and to cancel the undrawn balance loan facility against the aforesaid Contracts. The details of the prepayment and cancellation are as follows:

Hull No.	Loan Prepayment Amount (USD)	Loan Facility Cancellation Amount (USD)	Prepayment & Cancellation Date
329	11,999,998	12,000,000	26 April 2011
330	11,999,998	12,000,000	7 April 2011
313	15,199,999	15,200,000	26 July 2011

On 7 April 2011 and 26 April 2011, the Company prepaid the loans drawn for Hull No. 330 and Hull No. 329, respectively.

Subsequently, on 26 July 2011, the Company also prepaid the loans drawn for Hull No. 313.

Loan facilities for purchasing of vessels

Facility 1

On 31 January 2011, the Company has executed the amendment of the Secured Loan Facility Agreement (to fund the acquisition of second-hand vessels) with Krung Thai Bank PCL and two other local Banks to (i) convert the unutilised portion of the Tranche A Facility at the end of the Tranche A Availability Period into a USD facility in the amount of USD 200 million, (ii) extend the availability period of the Facility upto 29 December 2011, (iii) expand the scope of the utilisation of the Hedging Facility to allow for interest rate swaps and extend the Hedging Availability Period.

Facility 2

The availability period of facility 2 for purchasing of vessels expired on 30 June 2011. Subsequently, on 18 July 2011, the Company has executed the amending and restating agreement of the Secured Term Loan Facility Agreement (originally) up to USD 250.00 million to fund the acquisition of additional second-hand vessels with the lending Banks for the extension of the availability period of the Facility upto 30 June 2012 and for the withdrawal of one local Bank as one of the original Lenders, thereby reducing the amount of the total credit facility to USD 200.00 million.

As at 30 June 2011, the Company, subsidiaries and jointly controlled entity have long-term loan facilities which have not yet been drawn as summarised below.

Facility	Currency	Maximum facility amount per loan agreement	Undrawn loan balance as at 30 June 2011
Loan facilities for financing the construction and acquisition of new vessels			
Facility 1	million USD	348.00	243.20
Facility 2	million USD	22.80	17.10
Loan facilities for purchasing of vessels			
Facility 1	million USD	200.00	200.00
Facility 2	million USD	200.00	200.00

The undrawn loan balance of loan facility for financing the construction and acquisition of new vessels facility 2 as at 30 June 2011 is USD 17.10 million. Since the Company holds 50% of the total shareholding in the SPV subsidiary (through the ABC Company), the maximum facility amount per contract and the undrawn loan balance as at 30 June 2011 of the Company's portion is 50% of the aggregate amount, which is USD 8.55 million.

17. Corporate social responsibility (CSR) reserve

During the six-month period ended 30 June 2011, the Company set aside Baht 2.55 million to a reserve for corporate social responsibility activities.

During the six-month period ended 30 June 2010, the Company set aside Baht 2.73 million to a reserve for corporate social responsibility activities and reversed Baht 24.45 million of such reserve when the Company made related donation payments.

18. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	Financial statements		financial statements	
	2011	2010	2011	2010
		(Restated)		(Restated)
Profit for the period (Thousand Baht)	401,286	221,088	404,527	269,850
Earnings per share (Baht/share)	0.39	0.21	0.39	0.26
		(Restated)		(Restated)
	For the six-month periods ended 30 June			
	Consolidated		Separate	
	Financial statements		financial statements	
	2011	2010	2011	2010

		(Restated)		(Restated)
Profit for the period (Thousand Baht)	509,916	695,459	524,305	662,367
Earnings per share (Baht/share)	0.49	0.67	0.51	0.64

(Unaudited but reviewed)

The weighted average number of ordinary shares in issue during the three-month and six-month periods ended 30 June 2011 and 2010 is 1,039,520,600 shares.

19. Segment information

The Company and its subsidiaries' operations involve the business of owning and internationally operating (chartering) small handy sized dry bulk ships, on a tramp shipping basis without any set routes. This is the only industry segment in which the Company and its subsidiaries mainly operate and almost entire revenues are generated from this segment. As such, no segmental bifurcation is applicable since the operations are mainly limited to only one aforesaid segment.

The business activity in the segment, i.e. the chartering of the ships, is undertaken in two ways, viz., Time charter and Voyage charter. Under Time charter, the charterer (customer) pays charter hire (at an agreed daily rate, almost always in US Dollars) to operate the vessel for an agreed time period. In this case, the charterer bears all voyage expenses including port disbursements and costs of bunker fuel. Under Voyage charter, the charterer pays freight on a per ton basis (almost always in US Dollars) to transport a particular cargo between two or more designated ports. In this case, the Company (or subsidiary) bears all the voyage expenses. The voyage expenses are presented in the financial statements as voyage disbursements and bunker consumption. Under Time charter, the ship routes are determined or controlled exclusively by the charterers and under Voyage charters, the route varies from time to time for each voyage, which is determined by a number of factors which are totally beyond the Company's and subsidiaries' control. As such, reporting by geographical segments would not be practical or meaningful, and could in fact be misleading.

In view of the above, segment information is limited to the bifurcation of the total vessel operating income (and voyage expenses in respect of Voyage charter) for the three-month and six-month periods ended 30 June 2011 and 2010 derived from Time charter and Voyage charter presented as "Hire income" and "Freight income" respectively, as under:

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements										
For the three-month periods ended 30 June										
	Time charter		Voyage charter		Total		Elimination		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
		(Restated)		(Restated)		(Restated)		(Restated)		(Restated)
Hire income	545,985	683,304	-	-	545,985	683,304	(12,374)	(10,398)	533,611	672,906
Freight income	-	-	306,606	42,324	306,606	42,324	(28,610)	-	277,996	42,324
Total vessel operating income	545,985	683,304	306,606	42,324	852,591	725,628	(40,984)	(10,398)	811,607	715,230
Voyage disbursements	-	-	(74,940)	(16,408)	(74,940)	(16,408)	40,984	10,398	(33,956)	(6,010)
Bunker consumption	-	-	(67,792)	(952)	(67,792)	(952)	-	-	(67,792)	(952)
Total voyage expenses	-	-	(142,732)	(17,360)	(142,732)	(17,360)	40,984	10,398	(101,748)	(6,962)
Net vessel operating income/time charter equivalent income	545,985	683,304	163,874	24,964	709,859	708,268	-	-	709,859	708,268

(Unit: Thousand Baht)

Consolidated financial statements										
For the six-month periods ended 30 June										
	Time charter		Voyage charter		Total		Elimination		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
		(Restated)		(Restated)		(Restated)		(Restated)		(Restated)
Hire income	1,135,963	1,432,532	-	-	1,135,963	1,432,532	(24,758)	(20,822)	1,111,205	1,411,710
Freight income	-	-	549,670	100,536	549,670	100,536	(116,833)	-	432,837	100,536
Total vessel operating income	1,135,963	1,432,532	549,670	100,536	1,685,633	1,533,068	(141,591)	(20,822)	1,544,042	1,512,246
Voyage disbursements	-	-	(194,463)	(34,908)	(194,463)	(34,908)	141,591	20,822	(52,872)	(14,086)
Bunker consumption	-	-	(114,241)	(3,886)	(114,241)	(3,886)	-	-	(114,241)	(3,886)
Total voyage expenses	-	-	(308,704)	(38,794)	(308,704)	(38,794)	141,591	20,822	(167,113)	(17,972)
Net vessel operating income/time charter equivalent income	1,135,963	1,432,532	240,966	61,742	1,376,929	1,494,274	-	-	1,376,929	1,494,274

20. Dividend paid

The dividends were approved for paying to the Company's ordinary shareholders as at the closing date of the share register, after deduction of the shares held by the registrar (Thailand Securities Depository Co., Ltd. for Depositors who are both Thai and Foreign shareholders), which are disqualified from receiving dividend, from the total number of shares outstanding (1,039,520,600 shares).

Dividends declared during the six-month period ended 30 June 2011 consist of the following:

	Approved by	Qualified ordinary share (shares)	Shares held by the registrar (shares)	Dividend per share (Baht)	Dividend paid (Million Baht)	Paid date
a) Interim dividend based on the retained earnings as of 31 March 2011	Board of Directors' meeting on 12 May 2011	1,039,373,000	147,600	0.10	103.94	8 June 2011
b) Final dividend based on the retained earnings as of 31 December 2010	Annual General Meeting of the shareholders on 14 March 2011	1,039,378,200	142,400	0.22	228.66	25 March 2011
Total				<u>0.32</u>	<u>332.60</u>	

21. Commitments and contingent liabilities

21.1 Vessel building contracts commitments

The Company, subsidiaries and jointly controlled entity had future minimum payment commitments under vessel building contracts as detailed below.

	30 June 2011		31 December 2010	
	(Million USD)	(Equivalent to Million Baht)	(Million USD)	(Equivalent to Million Baht)
The Company	315.20	9,691.52	357.20	10,770.04
Subsidiaries	58.80	1,807.94	68.60	2,068.38
Jointly controlled entity - proportion with the Company's shareholding (50%)	31.35	963.92	31.35	945.24
Total	405.35	12,463.38	457.15	13,783.66

As discussed in Note 14 to the financial statements, the Company signed 3 Novation Agreements, for disposal of the 3 new Shipbuilding Contracts. However, as at 30 June 2011, the risk and reward of a new Shipbuilding Contract for the vessel hull No. 313 has not been transferred under the Novation Agreement to the Buyer, hence commitments under the contract of the vessel is included in the Company's commitments as at 30 June 2011.

21.2 Obligations in respect of charges for management of the undrawn portion of loan facilities

As at 30 June 2011, the Company, subsidiaries and jointly controlled entity had obligations in respect of the charges for management of the undrawn portion of loan facilities, which are summarised as follows:

Facility	Commitment fees payable by Company	Maximum facility amount per loan agreement (Million USD)	Undrawn loan balance as at 30 June 2011	Terms of payment	Payable upto
Loan facilities for financing the construction and acquisition of new vessels					
Facility 1	0.35% per annum of undrawn loan balance	348.00	243.20	Every three months starting from 3 July 2008 until the end of the drawdown period	Upon delivery of each vessel
Facility 2	1.20% per annum of undrawn loan balance	22.80	17.10	Every three months starting from 28 October 2010 until the end of the drawdown period	Upon delivery of the vessel

(Unaudited but reviewed)

Facility	Commitment fees payable by Company	Maximum facility amount per loan agreement (Million USD)	Undrawn loan balance as at 30 June 2011	Terms of payment	Payable upto
Loan facilities for purchasing of vessels					
Facility 1	1.00% per annum of undrawn loan balance	200.00	200.00	Quarterly starting from 30 December 2010 until the end of the drawdown period	29 December 2011
Facility 2	0.70% per annum of undrawn loan balance	200.00	200.00	Quarterly starting from 14 January 2010 until the end of the drawdown period	30 June 2012

21.3 Uncalled portion of other long-term investment

As at 30 June 2011, the Company has a commitment of Baht 10.13 million in respect of the uncalled portion of other long-term investment (31 December 2010: Baht 10.13 million).

21.4 Long-term time charter commitments

Pursuant to a Memorandum of Understanding signed in October 2009, on 2 December 2009, the Company signed Long-Term Time Charter Contracts with a company incorporated in India (the charterer) for 4 (3 definite ships, plus an additional ship at Charterer's option to be declared within 30 April 2011 as extended now upto 31 August 2011) new cement carriers. The charter periods under the contracts are 15 years, with a fixed charter rate per day as stipulated in the contracts. There is an option to extend the charter period twice by blocks of 5 years, with reduced charter rates as stipulated in the contracts. The ships are new custom-built cement carriers, which have to be delivered to the charterer as per the committed schedule during 2011 to 2014. If the ships are not delivered to the charterer within the agreed schedule, there is a fine payable of USD 4,250 per ship per day.

22. Functional currency financial statements

The USD functional currency statements of financial position as at 30 June 2011 and 31 December 2010 and statement of income for the three-month and six-month periods ended 30 June 2011 and 2010 are as follows.

(Unaudited but reviewed)

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries

Statements of financial position

(Unit: Thousand USD)

	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)
Assets				
Current assets				
Cash and cash equivalents	149,643	140,074	90,544	67,703
Current investment - net	-	-	-	-
Trade accounts receivable - net	2,857	1,128	-	-
Receivables from and advances to related parties	-	-	18,894	9,565
Short-term loans to subsidiary	-	-	63,800	63,800
Current portion of advances for vessel constructions	23,693	-	23,693	-
Bunker oil	1,808	190	-	-
Other current assets				
Advances to vessel masters	1,648	1,395	-	-
Claim recoverables	496	295	-	-
Others	1,422	1,134	410	559
Total other current assets	3,566	2,824	410	559
Total current assets	181,567	144,216	197,341	141,627
Non-current assets				
Investments in subsidiaries - net	-	-	189,445	189,445
Investment in jointly controlled entity	-	-	-	-
Investment in associate held by a subsidiary	4,066	4,123	-	-
Other long-term investment	260	260	260	260
Long-term loan to jointly controlled entity	-	-	8,550	8,550
Receivables from cross currency swap contracts - net	2,987	4,081	-	-
Property, plant and equipment - net	233,110	212,274	282	360
Intangible assets - net	870	1,007	868	1,007
Other non-current assets				
Claim recoverables - maritime claim	1,463	1,579	-	-
Advances for vessel constructions - net of current portion	220,611	283,507	162,990	235,900
Deferred financial fees - net	10,637	10,913	10,493	10,772
Others	96	97	78	80
Total other non-current assets	232,807	296,096	173,561	246,752
Total non-current assets	474,100	517,841	372,966	446,374
Total assets	655,667	662,057	570,307	588,001

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries
Statements of financial position (continued)

(Unit: Thousand USD)

	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)
Liabilities and shareholders' equity				
Current liabilities				
Trade accounts payable	1,944	337	50	7
Payables to and advances from related parties	15	28	92,819	83,823
Advances received from charterers	2,167	1,574	-	-
Current portion of long-term loans	21,317	4,889	15,822	796
Corporate income tax payable	72	131	-	-
Other current liabilities				
Accrued crew accounts	1,384	1,343	-	-
Current portion of accrued employee bonus	1,951	4,526	1,793	4,159
Accrued expenses	1,431	1,079	231	292
Withholding tax payable	379	133	326	80
Others	584	557	312	316
Total other current liabilities	5,729	7,638	2,662	4,847
Total current liabilities	31,244	14,597	111,353	89,473
Non-current liabilities				
Accrued employee bonus - net of current portion	1,311	2,530	1,205	2,323
Provisions for maritime claims	2,132	2,230	-	-
Long-term loans - net of current portion	130,384	158,079	66,940	111,829
Provision for long-term employee benefits	1,954	-	1,761	-
Total non-current liabilities	135,781	162,839	69,906	114,152
Total liabilities	167,025	177,436	181,259	203,625

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries
Statements of financial position (continued)

(Unit: Thousand USD)

	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)
Shareholders' equity				
Share capital				
Registered share capital	35,308	35,308	35,308	35,308
Issued and paid-up share capital	35,308	35,308	35,308	35,308
Paid-in capital				
Premium on ordinary shares	16,135	16,135	16,135	16,135
Premium on treasury stock	4,819	4,819	4,819	4,819
Retained earnings				
Appropriated				
Statutory reserve - the Company	2,802	2,802	2,802	2,802
- subsidiaries	14,285	14,285	-	-
Corporate social responsibility reserve	513	429	513	429
Unappropriated	414,154	410,250	329,471	324,883
Other components of shareholders' equity	(391)	(378)	-	-
Equity attributable to owner of the Company	487,625	483,650	389,048	384,376
Non-controlling interests of the subsidiaries	1,017	971	-	-
Total shareholders' equity	488,642	484,621	389,048	384,376
Total liabilities and shareholders' equity	655,667	662,057	570,307	588,001

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries
Income statements

For the three-month periods ended 30 June 2011 and 2010

(Unit: Thousand USD)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
		(Restated)		(Restated)
Revenues				
Vessel operating income				
Hire income	17,593	20,750	-	-
Freight income	9,165	1,305	-	-
Total vessel operating income	26,758	22,055	-	-
Service income	43	65	424	519
Gains on sales of vessels and equipment	-	2,599	-	-
Gains on sales of new shipbuildings under				
Novation Agreement	6,214	-	6,214	-
Interest income	157	215	153	190
Exchange gains	103	407	111	197
Other income	-	2	-	-
Dividend received	17	-	10,130	10,852
Total revenues	33,292	25,343	17,032	11,758

(Unaudited but reviewed)

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries**Income statements (continued)****For the three-month periods ended 30 June 2011 and 2010**

(Unit: Thousand USD)

	Consolidated financial statements		Separate financial statements	
	2011	2010 (Restated)	2011	2010 (Restated)
Expenses				
Vessel operating costs				
Vessel running expenses	6,658	6,716	-	-
Voyage disbursements	1,120	185	-	-
Bunker consumption	2,235	30	-	-
Total vessel operating costs	10,013	6,931	-	-
Depreciation	5,158	5,347	40	58
Cost of services	88	61	-	-
Administrative expenses	1,525	1,517	1,279	1,295
Management remuneration including perquisites	823	787	777	738
Bad debts and doubtful accounts	4	53	-	-
Total expenses	17,611	14,696	2,096	2,091
Profit before share of loss from investment in associate, finance cost and corporate income tax	15,681	10,647	14,936	9,667
Share of loss from investment in associate held by a subsidiary	(29)	(82)	-	-
Profit before finance cost and corporate income tax	15,652	10,565	14,936	9,667
Finance cost	(2,412)	(2,008)	(1,570)	(1,317)
Profit before corporate income tax	13,240	8,557	13,366	8,350
Corporate income tax	(11)	(1,739)	-	-
Profit for the period	13,229	6,818	13,366	8,350
Profit attributable to:				
Equity holders of the Company	13,230	6,818	13,366	8,350
Non-controlling interests of the subsidiaries	(1)	-	-	-
Profit for the period	13,229	6,818	13,366	8,350
				(Unit: USD)
Basic earnings per share				
Profit attributable to equity holders of the Company	0.0127	0.0066	0.0129	0.0080

(Unaudited but reviewed)

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries**Income statements****For the six-month periods ended 30 June 2011 and 2010**

(Unit: Thousand USD)

	Consolidated financial statements		Separate financial statements	
	2011	2010 (Restated)	2011	2010 (Restated)
Revenues				
Vessel operating income				
Hire income	36,416	43,227	-	-
Freight income	14,211	3,076	-	-
Total vessel operating income	50,627	46,303	-	-
Service income	87	132	836	1,454
Gains on sales of vessels and equipment	45	13,375	45	-
Gains on sales of new shipbuildings under				
Novation Agreement	6,214	-	6,214	-
Interest income	378	359	372	303
Other income	-	13	-	-
Dividend received	17	-	18,350	27,890
Total revenues	57,368	60,182	25,817	29,647
Expenses				
Vessel operating costs				
Vessel running expenses	13,719	13,950	-	-
Voyage disbursements	1,736	431	-	-
Bunker consumption	3,749	119	-	-
Total vessel operating costs	19,204	14,500	-	-
Depreciation	10,325	10,641	80	116
Cost of services	124	90	-	-
Administrative expenses	3,113	3,464	2,627	2,999
Management remuneration including perquisites	1,665	1,850	1,577	1,733
Bad debts and doubtful accounts	4	469	-	-
Exchange losses	192	180	129	372
Total expenses	34,627	31,194	4,413	5,220
Profit before share of income (loss) from investment in associate, finance cost and corporate income tax	22,741	28,988	21,404	24,427
Share of income (loss) from investment in associate held by a subsidiary	(44)	72	-	-
Profit before finance cost and corporate income tax	22,697	29,060	21,404	24,427
Finance cost	(5,776)	(5,238)	(4,143)	(4,253)
Profit before corporate income tax	16,921	23,822	17,261	20,174
Corporate income tax	(105)	(2,477)	-	-
Profit for the period	16,816	21,345	17,261	20,174

(Unaudited but reviewed)

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries

Income statements (continued)

For the six-month periods ended 30 June 2011 and 2010

	Consolidated financial statements		Separate financial statements	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
		(Restated)		(Restated)
Profit attributable to:				
Equity holders of the Company	16,770	21,250	17,261	20,174
Non-controlling interests of the subsidiaries	46	95	-	-
Profit for the period	<u>16,816</u>	<u>21,345</u>	<u>17,261</u>	<u>20,174</u>
				(Unit: USD)
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.0161</u>	<u>0.0204</u>	<u>0.0166</u>	<u>0.0194</u>

23. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 27 July 2011.