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19 February 2007

To : Director and Manager of the Stock Exchange of Thailand

Subject : 4th Quarter of 2006 Management Discussion and Analysis (MD&A)

THE RESULTS in Thai Baht, audited by Ernst & Young, as well as US Dollars, certified by Baker Tilly, show you the latest financial position of the Company. The net profit for Q4 2006 was a respectable USD 27.55 million. The results in Q4 were marginally higher than that in Q3. The earnings per day per ship during Q4 came in at USD 12,450, on the higher side of our forecast for this year of between USD 9,000 and USD 11,000 per day per ship. In this quarter, daily operating costs were USD 3,813 much higher than what we had anticipated and has taken the annual costs to USD 3,622 per day per ship. The EBITDA has decreased by just USD 6.96 million during Q4 2006 as compared to Q4 2005. The earnings per share (eps) in Thai Baht stood at Baht 1.96 per share for this quarter. To put our current Q4 2006 earnings in USD per day per ship in perspective, it must be remembered that it is about 58% higher than our best year ever in the past including and prior to the year 2003. This would be a more sensible method of comparison as we would then be ignoring the very exceptional years of 2004 and 2005 and be looking at really long term historical averages before coming to any sensible conclusion.

THE HARD FACTS	Q4, 2006	Q4, 2005
Highest Earnings per day per ship in USD	30,780	18,261
Average Earnings per day per ship in USD	12,450	13,087
Operating cost per day per ship in USD	3,813	3,230
EBITDA in million USD	37.99	44.95
Net Profit/(Loss) in million USD (including exchange Gain (loss)) before Extraordinary items	27.55	32.54
Net Profit/(Loss) in million USD	27.55	32.54
Earnings Per Share in Thai Baht	1.96	2.74

PROSPECTS over the next 12 months still look good compared to long term historical averages but no where near the levels that we have seen over the exceptional years of 2004 and 2005. In the current freight cycle, the low point in daily earnings on our ships was reached in Q2 2002 at USD 5,497. The high point was achieved in Q1 2005 at USD 15,928 per day per ship. To place these numbers in perspective, we must remember that the average for 2003, which was our best year ever before 2004 and 2005, was USD 7,870 per day per ship.

LONG TERM VERSUS SHORT TERM CHARTERS: The long term charters already booked as of 31st December 2006 are shown in the chart below.

[Note: The total available days for year 2007 are estimated basis actual/estimated delivery dates of the 9 vessels sold so far and with the assumption that no additional vessels are bought]

Year	2006	2007	2008	2009	2010
Total Available Days	19,710	16,666	16,425	16,425	16,425
Fixed T/C Days	8,159	11,221	6,822	5,466	2,275
%age Fixed T/C Days	41.40%	67.33%	41.53%	33.28%	13.85%
Av. T/C Rate/Day in USD	11,865	11,671	10,640	10,489	9,586
Contract value USD Millions	\$96.8m	\$131.0m	\$72.59m	\$57.33m	\$21.81m

When freight rates are moving in an upward direction, as the BDI had been indicating recently, we can and have employed this strategy to effectively lock in rates by putting away the spot ships for longer terms. This policy was very successfully employed in 2004 and 2005 and allowed us to ride out the volatile nature of the spot market with relative ease during those years.

THE CHINA FACTOR continues to have a disproportionate impact on the dry bulk markets. Just to give you a flavour of what this means we quote from SSY's daily report stating China has become the worlds No.1 exporter of Steel at 52 Million Metric Tonnes for 2006.

Businessweek's Hot Asian Companies List placed us as the No.1 Company. That's what they think about your Company.

The next SET Opportunity Day where PSL will be presenting will be held at the SET building at 1030 hours on the 6th March 2007. This event is normally very well attended with between 70 and 100 participants from the analysts, fund management and investor communities. We hope that many of you will attend this event where the Company will get a chance to thoroughly discuss the current results and the prospects for 2007.

SHIP SCRAPPING that had started to pick up the pace in Q2 has slowed down in this quarter. In Q4 2006, 14 ships were removed whilst a total of 23 ships were added resulting in the fleet increasing from 3,075 ships at the beginning of the quarter to 3,084 by the end of Q4 in the world fleet in our sector. If the freight markets continue at their current, but volatile, levels we expect the world fleet in our sector to remain at roughly the same number i.e. around 3,100 ships.

Sincerely,

Khalid Hashim