

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
BALANCE SHEETS

(Unit: Thousand Baht)

	Note	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
		30 June 2004	31 December 2003	30 June 2004	31 December 2003
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		2,132,088	897,270	16,294	282,672
Current investments - net	4	-	-	-	-
Trade accounts receivable - net	2	66,135	70,186	-	-
Receivable from and advances to related parties					
Subsidiaries	3	-	-	1,294,273	598,349
Other related companies	3	440	2,299	440	440
Bunker oil		14,983	20,612	-	-
Advances to vessel masters		78,232	41,953	-	-
Other current assets		82,900	41,216	9,632	7,299
<b>Total current assets</b>		<b>2,374,778</b>	<b>1,073,536</b>	<b>1,320,639</b>	<b>888,760</b>
<b>Non-current assets</b>					
Investments accounted for under equity method	4	85,371	87,701	6,225,464	4,567,339
Vessels, condominium and equipment - net	5	10,354,204	4,617,999	24,526	2,721
Prepayment for vessel purchases	6	62,251	77,585	-	-
Goodwill - net		7,798	8,137	-	-
Other non-current assets		2,942	2,962	429	423
<b>Total non-current assets</b>		<b>10,512,566</b>	<b>4,794,384</b>	<b>6,250,419</b>	<b>4,570,483</b>
<b>Total assets</b>		<b>12,887,344</b>	<b>5,867,920</b>	<b>7,571,058</b>	<b>5,459,243</b>

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

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
BALANCE SHEETS (Continued)

(Unit: Thousand Baht)

		<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
<u>Note</u>		<u>30 June 2004</u>	<u>1 December 2003</u>	<u>30 June 2004</u>	<u>1 December 2003</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>Current liabilities</b>					
Trade accounts payable		136,771	52,291	3,780	3,597
Payable to and advances from subsidiaries	3	-	-	4,103,221	2,532,518
Current portion of long-term loans	7	2,360,807	938,579	-	242,582
Advances received from charterers		183,959	108,893	1,355	1,312
Accrued crew accounts		115,627	69,602	-	-
Withholding tax payable		6,177	34,578	5,406	33,764
Advance receipt for sale of investments	4, 8	-	70,161	-	70,161
Other current liabilities		86,395	152,178	11,433	11,540
<b>Total current liabilities</b>		<b>2,889,736</b>	<b>1,426,282</b>	<b>4,125,195</b>	<b>2,895,474</b>
<b>Non-current liabilities</b>					
Subordinated loans from subsidiaries	3	-	-	662,818	662,818
Long-term loans	7	7,181,841	2,483,772	-	-
<b>Total non-current liabilities</b>		<b>7,181,841</b>	<b>2,483,772</b>	<b>662,818</b>	<b>662,818</b>
<b>Total liabilities</b>		<b>10,071,577</b>	<b>3,910,054</b>	<b>4,788,013</b>	<b>3,558,292</b>

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

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
BALANCE SHEETS (Continued)

(Unit: Thousand Baht)

	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
<u>Note</u>	<u>30 June 2004</u>	<u>1 December 2003</u>	<u>30 June 2004</u>	<u>1 December 2003</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Authorised share capital				
520,000,000 ordinary shares of Baht 1 each	520,000	520,000	520,000	520,000
Issued and paid-up share capital				
520,000,000 ordinary shares of Baht 1 each	520,000	520,000	520,000	520,000
Premium on ordinary shares	411,430	411,430	411,430	411,430
Translation adjustment	160,006	159,706	160,006	159,706
Retained earnings				
Appropriated				
Statutory reserve - the Company	52,000	52,000	52,000	52,000
- subsidiaries	187,895	169,995	-	-
General reserve in subsidiaries	-	24,182	-	-
Unappropriated	1,696,025	563,638	1,883,920	757,815
Total equity attributable to Company's shareholders	3,027,356	1,900,951	3,027,356	1,900,951
Less: Treasury stock	1.3, 9 (244,311)	-	(244,311)	-
Equity attributable to the Company's shareholders - net	2,783,045	1,900,951	2,783,045	1,900,951
Minority interest - Equity attributable to minority shareholders of subsidiaries	32,722	56,915	-	-
Total shareholders' equity	2,815,767	1,957,866	2,783,045	1,900,951
Total liabilities and shareholders' equity	12,887,344	5,867,920	7,571,058	5,459,243
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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

## STATEMENTS OF EARNINGS

FOR THE THREE-MONTH PERIODS ENDED 30 JUNE 2004 AND 2003

(Unit: Thousand Baht)

		<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	<u>Note</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<b>Revenues</b>					
Vessel operating income		1,967,551	908,316	-	-
Service income		3,823	843	-	-
Gains on sale of investment in subsidiaries	4, 8	33,527	-	33,527	-
Exchange gains	10	-	22,496	21,322	10,330
Bad debt recovery	8	55,963	-	55,963	-
Other income		1,737	727	158	33
Share of profit from investments accounted for under equity method		-	-	838,400	374,219
<b>Total revenues</b>		<b>2,062,601</b>	<b>932,382</b>	<b>949,370</b>	<b>384,582</b>
<b>Expenses</b>					
Vessel operating costs					
Vessel running expenses		353,721	236,948	-	-
Voyage disbursements		24,976	72,438	-	-
Bunker consumption		23,280	60,656	-	-
<b>Total vessel operating costs</b>		<b>401,977</b>	<b>370,042</b>	<b>-</b>	<b>-</b>
Cost of services		5,016	4,830	-	-
Administrative expenses		66,520	68,922	55,354	66,924
Allowance for doubtful accounts		5,347	2,508	-	-
Depreciation		342,545	148,073	386	420
Exchange losses	10	270,957	-	-	-
Directors' remuneration		626	626	626	626
Share of loss from investments accounted for under equity method		2,330	-	-	-
<b>Total expenses</b>		<b>1,095,318</b>	<b>595,001</b>	<b>56,366</b>	<b>67,970</b>
<b>Earnings before interest and financial costs</b>		<b>967,283</b>	<b>337,381</b>	<b>893,004</b>	<b>316,612</b>
<b>Interest and financial costs</b>		<b>(77,276)</b>	<b>(64,936)</b>	<b>(5,071)</b>	<b>(45,895)</b>
<b>Earnings before minority interest and extraordinary item</b>		<b>890,007</b>	<b>272,445</b>	<b>887,933</b>	<b>270,717</b>
<b>Net earnings of minority interest</b>		<b>(2,074)</b>	<b>(1,728)</b>	<b>-</b>	<b>-</b>
<b>Earnings from normal items</b>		<b>887,933</b>	<b>270,717</b>	<b>887,933</b>	<b>270,717</b>
<b>Extraordinary item</b>					
Gain on redemption of bonds and redeemable convertible debentures		-	11,022	-	11,022
<b>Net earnings for the period</b>	11	<b>887,933</b>	<b>281,739</b>	<b>887,933</b>	<b>281,739</b>

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

(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF EARNINGS (Continued)

FOR THE THREE-MONTH PERIODS ENDED 30 JUNE 2004 AND 2003

(Unit: Baht)

		<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	<u>Note</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Basic earnings per share	1.3				
Earnings from normal items		1.72	0.52	1.72	0.52
Extraordinary item		-	0.02	-	0.02
Net earnings		<u>1.72</u>	<u>0.54</u>	<u>1.72</u>	<u>0.54</u>
Weighted average number of ordinary shares (shares)		<u>516,332,148</u>	<u>520,000,000</u>	<u>516,332,148</u>	<u>520,000,000</u>

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

(UNAUDITED BUT REVIEWED)

## PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF EARNINGS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2004 AND 2003

(Unit: Thousand Baht)

		<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	<u>Note</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<b>Revenues</b>					
Vessel operating income		3,355,449	1,765,584	-	-
Service income		6,997	2,115	-	-
Gains on sale of investment in subsidiaries	4, 8	33,527	-	33,527	-
Exchange gains	10	-	34,357	29,951	13,030
Bad debt recovery	8	55,963	-	55,963	-
Other income		2,479	1,733	161	165
Share of profit from investments accounted for under equity method		-	-	1,516,386	645,280
<b>Total revenues</b>		<b>3,454,415</b>	<b>1,803,789</b>	<b>1,635,988</b>	<b>658,475</b>
<b>Expenses</b>					
Vessel operating costs					
Vessel running expenses		625,893	474,645	-	-
Voyage disbursements		59,015	163,460	-	-
Bunker consumption		54,140	158,089	-	-
<b>Total vessel operating costs</b>		<b>739,048</b>	<b>796,194</b>	<b>-</b>	<b>-</b>
Cost of services		7,816	7,516	-	-
Administrative expenses		147,781	111,414	96,386	104,963
Allowance for doubtful accounts		5,347	4,678	-	-
Depreciation		515,619	293,608	887	905
Exchange losses	10	274,805	-	-	-
Directors' remuneration		1,841	1,221	1,841	1,221
Share of loss from investments accounted for under equity method		2,330	-	-	-
<b>Total expenses</b>		<b>1,694,587</b>	<b>1,214,631</b>	<b>99,114</b>	<b>107,089</b>
<b>Earnings before interest and financial costs</b>		<b>1,759,828</b>	<b>589,158</b>	<b>1,536,874</b>	<b>551,386</b>
<b>Interest and financial costs</b>		<b>(243,092)</b>	<b>(129,414)</b>	<b>(22,546)</b>	<b>(95,663)</b>
<b>Earnings before minority interest and extraordinary item</b>		<b>1,516,736</b>	<b>459,744</b>	<b>1,514,328</b>	<b>455,723</b>
<b>Net earnings of minority interest</b>		<b>(2,408)</b>	<b>(4,021)</b>	<b>-</b>	<b>-</b>
<b>Earnings from normal items</b>		<b>1,514,328</b>	<b>455,723</b>	<b>1,514,328</b>	<b>455,723</b>
<b>Extraordinary item</b>					
Gain on redemption of bonds and redeemable convertible debentures		-	11,022	-	11,022
<b>Net earnings for the period</b>	11	<b>1,514,328</b>	<b>466,745</b>	<b>1,514,328</b>	<b>466,745</b>

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

(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF EARNINGS (Continued)

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2004 AND 2003

(Unit: Baht)

		<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	<u>Note</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Basic earnings per share	1.3				
Earnings from normal items		2.92	0.88	2.92	0.88
Extraordinary item		-	0.02	-	0.02
Net earnings		<u>2.92</u>	<u>0.90</u>	<u>2.92</u>	<u>0.90</u>
Weighted average number of ordinary shares (sha		<u>#####</u>	<u>#####</u>	<u>#####</u>	<u>#####</u>

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

(UNAUDITED BUT REVIEWED)

## PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2004 AND 2003

(Unit: Thousand Baht)

	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<b>Cash flows from (used in) operating activities</b>				
Net earnings for the periods	1,514,328	466,745	1,514,328	466,745
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:				
Depreciation and amortisation	515,958	293,948	887	905
Bad debt recovery	(55,963)	-	(55,963)	-
Allowance for doubtful accounts	5,347	4,678	-	-
Gains on sales of investment in subsidiaries	(33,527)	-	(33,527)	-
Unrealised exchange losses (gains)	363,713	(31,763)	132	(15,685)
Share of (profit) loss from investments accounted for under equity method	2,330	-	#####	(645,280)
Gains on disposals of fixed assets	(58)	(177)	(58)	-
Increase in minority interest	2,408	4,021	-	-
Earnings (losses) from operating activities before changes in operating assets and liabilities	2,314,536	737,452	(90,587)	(193,315)
Operating assets (increase) decrease				
Trade accounts receivable	2,513	66,685	-	-
Receivable from and advances to related parties	-	23,684	(187,644)	(152,447)
Bunker oil	5,629	33,269	-	-
Other current assets	(78,049)	(4,006)	(2,333)	(174)
Other non-current assets	(6)	(86,988)	(6)	39
Operating liabilities increase (decrease)				
Trade accounts payable	81,773	(25,970)	94	(6,502)
Payable to and advances from subsidiaries	-	-	1,570,703	464,440
Advances received from charterers	72,700	(15,792)	-	-
Withholding tax payable	(28,401)	(1,907)	(28,358)	(2,179)
Other current liabilities	15,169	(58,582)	(498)	(13,749)
Net cash from operating activities	<u>2,385,864</u>	<u>667,845</u>	<u>1,261,371</u>	<u>96,113</u>

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

(UNAUDITED BUT REVIEWED)

## PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF CASH FLOWS (Continued)

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2004 AND 2003

(Unit: Thousand Baht)

	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<b>Cash flows from (used in) investing activities</b>				
Cash and cash equivalents of divested subsidiaries	(182)	-	-	-
Increase in investments accounted for under equity method	-	(52,145)	(630,000)	-
Acquisitions of fixed assets	(6,201,324)	(1,299)	(22,824)	(33)
Cash received from disposals of fixed assets	191	176	191	-
Prepayment for vessel purchases	(62,251)	-	-	-
Net cash used in investing activities	<u>(6,263,566)</u>	<u>(53,268)</u>	<u>(652,633)</u>	<u>(33)</u>
<b>Cash flows from (used in) financing activities</b>				
Cash received from new loans	6,043,211	413,551	-	-
Cash paid for long-term loans	(283,504)	(828,224)	(242,582)	(17,103)
Cash paid for treasury stock	(244,311)	-	(244,311)	-
Cash paid on redemption of bonds and redeemable convertible debentures	-	(59,272)	-	(59,272)
Dividend paid	(388,223)	-	(388,223)	-
Dividend paid to minority interest	(22,320)	-	-	-
Net cash from (used in) financing activities before extraordinary items	<u>5,104,853</u>	<u>(473,945)</u>	<u>(875,116)</u>	<u>(76,375)</u>
Extraordinary item - Gains on redemption of bonds and redeemable convertible debentures	-	(11,022)	-	(11,022)
Net cash from (used in) financing activities	<u>5,104,853</u>	<u>(484,967)</u>	<u>(875,116)</u>	<u>(87,397)</u>
Increase (decrease) in translation adjustment	<u>7,667</u>	<u>(2,299)</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>1,234,818</u>	<u>127,311</u>	<u>(266,378)</u>	<u>8,683</u>
Cash and cash equivalents at beginning of period	<u>897,270</u>	<u>329,715</u>	<u>282,672</u>	<u>6,538</u>
Cash and cash equivalents at end of period	<u>2,132,088</u>	<u>457,026</u>	<u>16,294</u>	<u>15,221</u>
<b>Supplemental cash flow information</b>				
Cash paid during the period for				
Interest expenses	104,914	96,744	712	72,011
<b>Non-cash transactions</b>				
Dividend income from subsidiaries offset against receivable from / payable to subsidiaries	-	-	512,717	-
Cash received from sale of investment in subsidiaries and bad debt recovery offset against advance receipt for sale of investments	70,161	-	70,161	-

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