

Ref. : 2006-015

8 August 2006

To: Director and Manager of the Stock Exchange of Thailand

Subject: Restated USD Financial Statements of Precious Shipping Public Company Limited and subsidiaries for the six months ended 30 June 2006

We, Precious Shipping Public Company Limited (the “**Company**”) attach herewith the Restated USD Financial Statements of Precious Shipping Public Company Limited and subsidiaries for the six months ended 30 June 2006 and Policy of Restatement from THB to USD currency for your information. (file psle1, below the auditor’s report) We summarize the key figures for your ready reference as follows:

(Figures in: Thousand US Dollars)

Balance Sheet	As at 30 June 2006	As at 31 December 2005
Total assets	358,331	379,982
Total liabilities	54,511	93,138
Total shareholders’ equity	303,820	286,844
Income Statement	For Q2, 2006	For six months as of 30 June 2006
Total revenues	56,370	110,562
Total expenses	35,963	70,253
Income before interest and finance cost	20,407	40,309
Interest and finance costs	1,028	2,608
Net income before minority interest	19,379	37,701
Net income	19,320	37,572

Background : The restatement has been done on the basis of the Baht Financial Statements as audited by our Auditors and the subsequent restatement into US Dollars has been reviewed by the Independent accountants - Baker Tilly Corporate Advisory Services (Thailand) Limited. We feel it is necessary to provide the restated USD Financial Statements to the investors, since these would give a more accurate financial position of the Company since our shipping assets are bought and sold in U.S. Dollars and also because all our shipping revenues are derived in US Dollars. These constitute more than 95 percent of our total assets / revenues respectively. Similarly, all of our liabilities and most of our expenses are incurred in US Dollars. This leads to a mismatch in our Baht Denominated Balance Sheet where some of the fixed assets are expressed in Thai Baht at the original exchange rates (at the conversion of about Baht 25-26 per

USD1), but the liabilities are expressed in Thai Baht at the closing exchange rates of the quarter (at the conversion rate of about Baht 38.33 per USD 1) resulting in an understatement of the value of the fixed assets in Baht terms.

Since almost all the fixed assets are in US Dollars, fixed assets are now restated in US Dollars at the original US Dollars value and the restatement thus removes the mismatch between asset and liability values.

Moreover, in recognition of the above, as a part of our credit facility agreement with Krung Thai Bank, it is the Company's obligation to additionally provide the restated USD Financial Statements to KTB and also to compute the Financial Covenants based on these restated Financial Statements. Accordingly, these are being provided to all interested investors also.

Please be informed accordingly.

Yours sincerely,
For : **Precious Shipping Public Company Limited**

(Khushroo Kali Wadia)
Director