

**Precious Shipping Public Company Limited and subsidiaries**

**Balance sheets**

(Unit: Thousand Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>30 June 2010</u>	<u>31 December 2009</u>	<u>30 June 2010</u>	<u>31 December 2009</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		5,851,642	5,848,782	2,478,849	2,246,682
Current investments - net	2	-	27,500	-	27,500
Trade accounts receivable - net	3	9,822	42,078	-	-
Receivables from and advances to subsidiaries	4	-	-	306,108	282,681
Receivables from and advances to jointly controlled entity	4	-	-	330	-
Short-term loans to subsidiary	5	-	-	2,060,842	2,119,481
Other current assets					
Advances to vessel masters		44,823	54,094	-	-
Claim recoverables		15,466	35,305	-	-
Others		43,164	35,961	14,558	18,476
Total other current assets		103,453	125,360	14,558	18,476
<b>Total current assets</b>		<b>5,964,917</b>	<b>6,043,720</b>	<b>4,860,687</b>	<b>4,694,820</b>
<b>Non-current assets</b>					
Investments in subsidiaries - net	6	-	-	5,752,027	5,703,027
Investment in jointly controlled entity	7	-	-	-	-
Investment in associate held by a subsidiary	8	145,747	143,219	-	-
Other long-term investment		10,130	10,130	10,130	10,130
Receivables from cross currency swap contracts - net		6,632	-	-	-
Property, building and equipment - net	9	7,810,198	7,780,922	13,284	17,222
Other non-current assets					
Computer software - net	10	41,572	46,912	41,572	46,912
Advances for vessel constructions	11	8,038,672	7,809,282	8,038,672	7,809,282
Deferred financial fees - net	12	372,547	291,253	372,547	291,253
Advance for share acquisition in associate held by a subsidiary	8.2	11,539	11,539	-	-
Others		2,922	3,152	2,396	2,616
Total other non-current assets		8,467,252	8,162,138	8,455,187	8,150,063
<b>Total non-current assets</b>		<b>16,439,959</b>	<b>16,096,409</b>	<b>14,230,628</b>	<b>13,880,442</b>
<b>Total assets</b>		<b>22,404,876</b>	<b>22,140,129</b>	<b>19,091,315</b>	<b>18,575,262</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)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2010	31 December 2009	30 June 2010	31 December 2009
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade accounts payable		29,161	44,728	1,680	2,364
Payables to and advances from subsidiaries	4	-	-	2,992,610	2,183,872
Current portion of long-term loans	12, 13	110,846	14,864	19,442	-
Advances received from charterers		82,252	79,029	-	-
Other current liabilities					
Advances received from vessel sale		-	29,159	-	-
Accrued crew accounts		43,397	49,383	-	-
Current portion of accrued employee benefits		132,578	165,690	121,878	152,196
Accrued expenses		42,327	45,490	10,017	9,120
Provision for income tax		362	24,631	-	-
Withholding tax payable		21,131	31,428	19,764	30,273
Others		12,959	19,347	4,257	4,379
Total other current liabilities		252,754	365,128	155,916	195,968
Total current liabilities		475,013	503,749	3,169,648	2,382,204
Non-current liabilities					
Accrued employee benefits - net of current portion		62,427	173,011	57,341	159,090
Provisions for maritime claims		33,051	42,050	-	-
Payables to cross currency swap contracts - net		-	8,124	-	-
Long-term loans - net of current portion	12, 13	5,019,712	4,276,835	3,648,652	3,578,235
Total non-current liabilities		5,115,190	4,500,020	3,705,993	3,737,325
Total liabilities		5,590,203	5,003,769	6,875,641	6,119,529

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

**Precious Shipping Public Company Limited and subsidiaries**

**Balance sheets (continued)**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2010	31 December 2009	30 June 2010	31 December 2009
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>					
Share capital					
Registered share capital					
1,039,520,600 ordinary shares					
of Baht 1 each		1,039,521	1,039,521	1,039,521	1,039,521
Issued and paid-up share capital					
1,039,520,600 ordinary shares					
of Baht 1 each		1,039,521	1,039,521	1,039,521	1,039,521
Paid-in capital					
Premium on ordinary shares		411,430	411,430	411,430	411,430
Premium on treasury stock		172,446	172,446	172,446	172,446
Revaluation surplus on assets of subsidiary - net		175,601	203,452	-	-
Translation adjustments		(13,317)	(22,851)	-	-
Retained earnings					
Appropriated					
Statutory reserve - the Company		103,952	103,952	103,952	103,952
- subsidiaries		518,120	513,220	-	-
Corporate social responsibility reserve	14	16,067	37,783	16,067	37,783
Unappropriated		14,360,453	14,652,874	10,472,258	10,690,601
Total equity attributable to Company's shareholders					
		16,784,273	17,111,827	12,215,674	12,455,733
Minority interest - equity attributable to minority shareholders of subsidiaries					
		30,400	24,533	-	-
<b>Total shareholders' equity</b>		<b>16,814,673</b>	<b>17,136,360</b>	<b>12,215,674</b>	<b>12,455,733</b>
<b>Total liabilities and shareholders' equity</b>		<b>22,404,876</b>	<b>22,140,129</b>	<b>19,091,315</b>	<b>18,575,262</b>
		0	0	0	0

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

Directors

**Precious Shipping Public Company Limited and subsidiaries****Income statements****For the three-month periods ended 30 June 2010 and 2009**

(Unit: Thousand Baht)

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>Note</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<b>Revenues</b>					
Vessel operating income					
Hire income		713,077	1,342,576	-	-
Freight income		1,052	159,815	-	-
Total vessel operating income		714,129	1,502,391	-	-
Service income	4	2,084	962	16,754	46,340
Gain on sales of vessels and equipment		63,906	384,017	-	-
Interest income	4	6,954	10,227	6,159	4,398
Exchange gains		198	44,725	7,305	86,202
Other income		41	3,081	1	2
Dividend received	4	-	-	350,949	1,250,098
<b>Total revenues</b>		<b>787,312</b>	<b>1,945,403</b>	<b>381,168</b>	<b>1,387,040</b>
<b>Expenses</b>					
Vessel operating costs					
Vessel running expenses		217,540	412,005	-	-
Voyage disbursements		4,826	25,323	-	-
Bunker consumption		946	36,696	-	-
Total vessel operating costs		223,312	474,024	-	-
Depreciation		199,110	238,648	2,156	2,433
Cost of services		1,940	3,171	-	-
Administrative expenses	4	46,892	58,053	39,931	49,033
Management remuneration including perquisites		23,571	29,003	22,219	25,921
Bad debts and doubtful accounts (reversal)		1,946	(131)	-	(10)
<b>Total expenses</b>		<b>496,771</b>	<b>802,768</b>	<b>64,306</b>	<b>77,377</b>
<b>Income before share of loss from investment in associate</b>		<b>290,541</b>	<b>1,142,635</b>	<b>316,862</b>	<b>1,309,663</b>
Share of loss from investment in associate held by a subsidiary	8.1	(2,687)	(759)	-	-
<b>Income before finance cost and corporate income tax</b>		<b>287,854</b>	<b>1,141,876</b>	<b>316,862</b>	<b>1,309,663</b>
Finance cost		(72,343)	(45,475)	(42,576)	(45,254)
<b>Income before corporate income tax</b>		<b>215,511</b>	<b>1,096,401</b>	<b>274,286</b>	<b>1,264,409</b>
Corporate income tax		(55,439)	(8,863)	-	-
<b>Net income for the period</b>		<b>160,072</b>	<b>1,087,538</b>	<b>274,286</b>	<b>1,264,409</b>
<b>Net income attributable to:</b>					
Equity holders of the parent		157,358	1,084,218	274,286	1,264,409
Minority interests of the subsidiaries		2,714	3,320	-	-
<b>Net income for the period</b>		<b>160,072</b>	<b>1,087,538</b>	<b>274,286</b>	<b>1,264,409</b>
(Unit: Baht)					
<b>Basic earnings per share</b>					
Net income attributable to equity holders of the parent		0.16	1.04	0.26	1.22

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

**Precious Shipping Public Company Limited and subsidiaries****Income statements****For the six-month periods ended 30 June 2010 and 2009**

(Unit: Thousand Baht)

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>Note</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<b>Revenues</b>					
Vessel operating income					
Hire income		1,497,176	3,126,339	-	-
Freight income		18,026	337,763	-	-
Total vessel operating income		1,515,202	3,464,102	-	-
Service income	4	4,320	13,252	47,570	92,349
Gain on sales of vessels and equipment		390,434	371,513	-	-
Interest income	4	11,668	18,514	9,826	7,595
Exchange gains		-	38,735	-	65,652
Other income		416	23,943	1	1,777
Dividend received	4, 6	-	-	914,869	2,518,406
<b>Total revenues</b>		<b>1,922,040</b>	<b>3,930,059</b>	<b>972,266</b>	<b>2,685,779</b>
<b>Expenses</b>					
Vessel operating costs					
Vessel running expenses		456,715	912,953	-	-
Voyage disbursements		12,184	81,983	-	-
Bunker consumption		3,900	89,931	-	-
Total vessel operating costs		472,799	1,084,867	-	-
Depreciation	9	397,106	524,062	4,297	4,886
Cost of services		2,872	4,174	-	-
Administrative expenses	4	110,590	108,345	95,682	91,996
Management remuneration including perquisites		57,889	58,910	54,371	52,478
Bad debts and doubtful accounts		16,189	9,779	-	1,125
Exchange losses		77,665	-	34,912	-
<b>Total expenses</b>		<b>1,135,110</b>	<b>1,790,137</b>	<b>189,262</b>	<b>150,485</b>
<b>Income before share of income from investment in associate</b>		<b>786,930</b>	<b>2,139,922</b>	<b>783,004</b>	<b>2,535,294</b>
Share of income from investment in associate held by a subsidiary	8.1	2,403	5,912	-	-
<b>Income before finance cost and corporate income tax</b>		<b>789,333</b>	<b>2,145,834</b>	<b>783,004</b>	<b>2,535,294</b>
Finance cost		(157,193)	(164,547)	(139,596)	(164,117)
<b>Income before corporate income tax</b>		<b>632,140</b>	<b>1,981,287</b>	<b>643,408</b>	<b>2,371,177</b>
Corporate income tax		(79,894)	(48,150)	-	-
<b>Net income for the period</b>		<b>552,246</b>	<b>1,933,137</b>	<b>643,408</b>	<b>2,371,177</b>
<b>Net income attributable to:</b>					
Equity holders of the parent		546,379	1,927,306	643,408	2,371,177
Minority interests of the subsidiaries		5,867	5,831	-	-
<b>Net income for the period</b>		<b>552,246</b>	<b>1,933,137</b>	<b>643,408</b>	<b>2,371,177</b>
(Unit: Baht)					
<b>Basic earnings per share</b>					
Net income attributable to equity holders of the parent		0.53	1.85	0.62	2.28

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

**Precious Shipping Public Company Limited and subsidiaries****Cash flow statements****For the six-month periods ended 30 June 2010 and 2009**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<b>Cash flows from operating activities</b>				
Income before corporate income tax	632,140	1,981,287	643,408	2,371,177
Adjustments to reconcile income before corporate income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	402,497	529,185	9,688	10,009
Bad debts and doubtful accounts	16,189	9,779	-	1,125
Write-off equipment and computer software	-	199	-	199
Gain on sales of vessels and equipment	(390,434)	(371,513)	-	-
Amortisation of discount on investments in debt securities	(159)	(569)	(159)	(569)
Share of income from investment in associate held by a subsidiary	(2,403)	(5,912)	-	-
Reversal of provisions for maritime claims	(8,999)	(9,085)	-	-
Transfer deferred financial fees to interest expenses	2,692	-	-	-
Unrealised exchange gains	(102,311)	(92,779)	(44,604)	(90,158)
Unrealised gains from cross currency swap contracts	(14,756)	-	-	-
Interest expense	29,351	-	-	-
Interest income	(9,506)	(13,311)	(9,559)	(6,095)
Income from operating activities before changes in operating assets and liabilities	554,301	2,027,281	598,774	2,285,688
Operating assets (increase) decrease				
Trade accounts receivable	15,423	16,258	-	-
Receivable from and advances to subsidiaries	-	-	(1,660)	(242,026)
Receivable from and advances to jointly controlled entity	-	-	(330)	-
Bunker oil	(35,130)	(65,804)	-	-
Other current assets	20,678	11,251	6,282	10,533
Other non-current assets	230	31	220	-
Operating liabilities increase (decrease)				
Trade accounts payable	(15,399)	(76,777)	(683)	(2,633)
Payable to and advances from subsidiaries	-	-	808,738	386,056
Advances received from charterers	2,774	(96,130)	-	-
Other current liabilities	(67,724)	(83,218)	(40,608)	(32,414)
Non-current liabilities	(110,584)	(104,859)	(101,749)	(95,748)
Cash flows from operating activities	364,569	1,628,033	1,268,984	2,309,456
Cash paid for corporate income tax	(98,731)	(12,797)	(2,364)	(2,802)
<b>Net cash flows from operating activities</b>	<b>265,838</b>	<b>1,615,236</b>	<b>1,266,620</b>	<b>2,306,654</b>

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

**Precious Shipping Public Company Limited and subsidiaries****Cash flow statements (continued)****For the six-month periods ended 30 June 2010 and 2009**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<b>Cash flows from investing activities</b>				
Acquisitions of current investments	(421,860)	(884,290)	(421,860)	(884,290)
Proceeds from sales of current investments	449,519	884,859	449,519	884,859
Acquisitions of equipment and payment of dry-dock and special survey expenses	(853,111)	(154,424)	(359)	(215)
Acquisitions of computer software	(51)	(104)	(51)	(104)
Cash paid for advances for vessel constructions	(204,793)	(2,603,557)	(204,793)	(2,603,557)
Proceeds from sales of vessels and equipment	827,146	1,394,685	-	-
Increase in investment in a subsidiary	-	-	(49,000)	(40,014)
Advance payment for share acquisition in associate held by a subsidiary	-	(11,539)	-	-
Advances received from vessel sales	-	60,456	-	-
Increase in short-term loans to subsidiary	-	-	-	(708,042)
Interest income	9,506	13,311	9,559	6,095
<b>Net cash flows used in investing activities</b>	<b>(193,644)</b>	<b>(1,300,603)</b>	<b>(216,985)</b>	<b>(3,345,268)</b>
<b>Cash flows from financing activities</b>				
Cash paid for interest expense	(58,070)	(26,939)	(28,719)	(26,939)
Cash paid for deferred financial fees	(104,381)	(2,948)	(104,381)	(2,948)
Cash received from long-term loans	967,174	2,599,543	199,099	2,599,543
Dividend paid to the Company's shareholders	(883,467)	(1,247,256)	(883,467)	(1,247,256)
<b>Net cash flows from (used in) financing activities</b>	<b>(78,744)</b>	<b>1,322,400</b>	<b>(817,468)</b>	<b>1,322,400</b>
Increase (decrease) in translation adjustments	9,410	(82,383)	-	-
<b>Net increase in cash and cash equivalents</b>	<b>2,860</b>	<b>1,554,650</b>	<b>232,167</b>	<b>283,786</b>
Cash and cash equivalents at beginning of period	5,848,782	3,350,025	2,246,682	914,838
<b>Cash and cash equivalents at end of period</b>	<b>5,851,642</b>	<b>4,904,675</b>	<b>2,478,849</b>	<b>1,198,624</b>
<b>Supplemental cash flow information</b>				
Non-cash transactions				
Dividend income from subsidiaries offset against receivable from/payable to subsidiaries	-	-	914,869	2,518,406
Amortisation of revaluation surplus on assets of subsidiary - the Company's interest	27,851	10,073	-	-
Amortisation of revaluation surplus on assets of subsidiary - minority interest	-	1	-	-
Transfer of deferred financial fees to advances for vessel constructions	1,601	3,218	1,601	3,218
Transfer of interest expense to advances for vessel constructions	479	5,056	479	5,056
Deferred financial fees present as a deduction from long-term loans	24,996	13,108	5,921	13,108
Transfer of deferred financial fees to subsidiary in proportion to the drawdown amount	-	-	21,767	-
Adjustment of deferred financial fee and advances for vessel constructions	(6,202)	-	(6,202)	-

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