

Precious Shipping Public Company Limited and subsidiaries

Balance sheets

(Unit: Thousand Baht)

| | | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | Note | 30 September 2008 | 31 December 2007 | 30 September 2008 | 31 December 2007 |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | | 2,563,786 | 1,470,244 | 939,813 | 194,975 |
| Current investments - net | 3 | - | - | - | - |
| Trade accounts receivable - net | 4 | 32,113 | 34,639 | - | - |
| Receivables from and advances to subsidiaries | 5 | - | - | 737,483 | 998,556 |
| Bunker oil | | 32,390 | 5,637 | - | - |
| Other current assets | | | | | |
| Advances to vessel masters | | 108,786 | 100,196 | - | - |
| Claim recoverable | | 82,846 | 100,254 | 274 | 184 |
| Others | | 73,873 | 51,928 | 22,307 | 28,982 |
| Total other current assets | | 265,505 | 252,378 | 22,581 | 29,166 |
| Total current assets | | 2,893,794 | 1,762,898 | 1,699,877 | 1,222,697 |
| Non-current assets | | | | | |
| Investments in subsidiaries - net | 6 | - | - | 5,663,013 | 5,618,013 |
| Investment in associate held by a subsidiary | 7.1 | 124,730 | 134,282 | - | - |
| Other long-term investment | | 10,130 | 10,130 | 10,130 | 10,130 |
| Property, plant and equipment - net | 2, 8 | 9,065,128 | 9,526,015 | 30,144 | 25,124 |
| Other non-current assets | | | | | |
| Software - net | 9 | 54,111 | 43,496 | 54,111 | 43,496 |
| Advances for vessel construction | 10 | 3,981,725 | 3,239,191 | 3,981,725 | 3,239,191 |
| Deferred financial fees | | 385,927 | 298,102 | 385,927 | 298,102 |
| Others | | 3,325 | 4,024 | 2,619 | 3,396 |
| Total other non-current assets | | 4,425,088 | 3,584,813 | 4,424,382 | 3,584,185 |
| Total non-current assets | | 13,625,076 | 13,255,240 | 10,127,669 | 9,237,452 |
| Total assets | | 16,518,870 | 15,018,138 | 11,827,546 | 10,460,149 |

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 September 2008 | 31 December 2007 | 30 September 2008 | 31 December 2007 |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Liabilities and shareholders' equity | | | | | |
| Current liabilities | | | | | |
| Trade accounts payable | | 51,902 | 66,544 | 1,118 | 1,547 |
| Payables to and advances from subsidiaries | 5 | - | - | 1,566,750 | 1,360,442 |
| Advances received from charterers | | 204,647 | 171,470 | - | - |
| Other current liabilities | | | | | |
| Accrued crew accounts | | 99,789 | 96,523 | - | - |
| Current portion of accrued employee bonus | | 107,408 | 58,447 | 98,756 | 53,808 |
| Accrued expenses | | 63,272 | 112,930 | 2,973 | 427 |
| Provision for income tax | | 784 | 216,230 | - | - |
| Withholding tax payable | | 53,582 | 38,022 | 52,269 | 36,462 |
| Others | | 30,447 | 28,141 | 5,514 | 11,584 |
| Total other current liabilities | | 355,282 | 550,293 | 159,512 | 102,281 |
| Total current liabilities | | 611,831 | 788,307 | 1,727,380 | 1,464,270 |
| Non-current liabilities | | | | | |
| Accrued employee bonus | | | | | |
| - net of current portion | | 136,856 | 95,947 | 125,594 | 88,598 |
| Provisions for maritime claims | | 44,769 | 68,952 | - | - |
| Provisions for corporate social responsibility projects | | 15,700 | - | 15,700 | - |
| Total non-current liabilities | | 197,325 | 164,899 | 141,294 | 88,598 |
| Total liabilities | | 809,156 | 953,206 | 1,868,674 | 1,552,868 |

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 | |
|--|--|-------------------------|--------------------------------------|-------------------------|
| | <u>30 September 2008</u> | <u>31 December 2007</u> | <u>30 September 2008</u> | <u>31 December 2007</u> |
| | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Shareholders' equity | | | | |
| 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 | 108,776 | 123,966 | - | - |
| Translation adjustment | 100,376 | 86,324 | - | - |
| Retained earnings | | | | |
| Appropriated | | | | |
| Statutory reserve - the Company | 103,952 | 103,952 | 103,952 | 103,952 |
| - subsidiaries | 496,020 | 467,720 | - | - |
| Unappropriated | 13,266,584 | 11,646,882 | 8,231,523 | 7,179,932 |
| Total equity attributable to Company's shareholders | 15,699,105 | 14,052,241 | 9,958,872 | 8,907,281 |
| Minority interest - equity attributable to minority shareholders of subsidiaries | 10,609 | 12,691 | - | - |
| Total shareholders' equity | 15,709,714 | 14,064,932 | 9,958,872 | 8,907,281 |
| Total liabilities and shareholders' equity | 16,518,870 | 15,018,138 | 11,827,546 | 10,460,149 |
| | 0 | 0 | 0 | 0 |

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

Directors

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries
Income statements
For the three-month periods ended 30 September 2008 and 2007

(Unit: Thousand Baht)

| | | Consolidated financial statements | | Separate financial statements | |
|--|------|-----------------------------------|---------------|-------------------------------|---------------|
| | Note | 2008 | 2007 | 2008 | 2007 |
| Revenues | | | | | |
| Vessel operating income | | | | | |
| Hire income | | 2,281,979 | 1,730,047 | - | - |
| Freight income | | 20,836 | 34,158 | - | - |
| Total vessel operating income | | 2,302,815 | 1,764,205 | - | - |
| Service income | 5 | 829 | 945 | 23,736 | 23,736 |
| Interest income | | 7,050 | 42,084 | 801 | 4,859 |
| Exchange gains | | 50,031 | - | 17,609 | 2,533 |
| Other income | | 29 | 45 | 7 | 7 |
| Dividend received | 5 | - | - | 1,133,122 | 1,123,093 |
| Share of income from investment in associate held by a subsidiary | 7.1 | 17,692 | 10,338 | - | - |
| Total revenues | | 2,378,446 | 1,817,617 | 1,175,275 | 1,154,228 |
| Expenses | | | | | |
| Vessel operating costs | | | | | |
| Vessel running expenses | | 491,974 | 417,351 | - | - |
| Voyage disbursements | | 15,123 | 8,525 | - | - |
| Bunker consumption | | 6,451 | 2,445 | - | - |
| Total vessel operating costs | | 513,548 | 428,321 | - | - |
| Depreciation | 2 | 266,905 | 457,385 | 2,560 | 2,023 |
| Cost of services | | 8,098 | 5,345 | - | - |
| Administrative expenses | 5 | 114,167 | 84,745 | 109,969 | 80,517 |
| Reversal of bad debts and allowance for doubtful accounts | | (1,297) | (4,162) | - | - |
| Losses on derivative contracts | | - | 235,268 | - | - |
| Exchange losses | | - | 28,839 | - | - |
| Total expenses | | 901,421 | 1,235,741 | 112,529 | 82,540 |
| Income before financial costs and corporate income tax | | 1,477,025 | 581,876 | 1,062,746 | 1,071,688 |
| Financial costs | | (15,309) | (16,665) | (15,035) | (16,445) |
| Income before corporate income tax | | 1,461,716 | 565,211 | 1,047,711 | 1,055,243 |
| Corporate income tax | | (1) | (2,839) | - | - |
| Net income for the period | | 1,461,715 | 562,372 | 1,047,711 | 1,055,243 |
| Net income (loss) attributable to: | | | | | |
| Equity holders of the parent | | 1,462,854 | 560,160 | 1,047,711 | 1,055,243 |
| Minority interests of the subsidiaries | | (1,139) | 2,212 | - | - |
| Net income for the period | | 1,461,715 | 562,372 | 1,047,711 | 1,055,243 |
| (Unit: Baht) | | | | | |
| Basic earnings per share | | | | | |
| Net income attributable to equity holders of the parent | | 1.41 | 0.53 | 1.01 | 1.02 |
| Weighted average number of ordinary shares (shares) | | | | | |
| | | 1,039,520,600 | 1,039,520,600 | 1,039,520,600 | 1,039,520,600 |

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 nine-month periods ended 30 September 2008 and 2007**

(Unit: Thousand Baht)

| | | Consolidated financial statements | | Separate financial statements | |
|--|-------------|-----------------------------------|------------------|-------------------------------|------------------|
| | <u>Note</u> | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> |
| Revenues | | | | | |
| Vessel operating income | | | | | |
| Hire income | | 6,179,991 | 5,122,936 | - | - |
| Freight income | | 136,261 | 259,918 | - | - |
| Total vessel operating income | | 6,316,252 | 5,382,854 | - | - |
| Service income | 5 | 2,133 | 8,070 | 70,692 | 72,564 |
| Gains on sales of vessels and equipment | | - | 1,558,220 | - | 1,537 |
| Interest income | | 30,051 | 112,527 | 6,512 | 25,215 |
| Exchange gains | | 21,626 | - | 6,845 | - |
| Other income | | 106 | 1,202 | 20 | 31 |
| Dividend received | 5 | - | - | 3,447,315 | 3,405,265 |
| Share of income from investment in associate held by a subsidiary | 7.1 | 5,897 | 15,370 | - | - |
| Total revenues | | 6,376,065 | 7,078,243 | 3,531,384 | 3,504,612 |
| Expenses | | | | | |
| Vessel operating costs | | | | | |
| Vessel running expenses | | 1,364,546 | 1,327,642 | - | - |
| Voyage disbursements | | 52,421 | 34,925 | - | - |
| Bunker consumption | | 16,725 | 49,841 | - | - |
| Total vessel operating costs | | 1,433,692 | 1,412,408 | - | - |
| Depreciation | 2, 8 | 799,083 | 1,370,090 | 6,997 | 5,478 |
| Cost of services | | 27,100 | 20,885 | - | - |
| Administrative expenses | 5 | 356,134 | 287,310 | 344,095 | 276,899 |
| Bad debts and allowance for doubtful accounts (reversal) | | (10,059) | 4,542 | - | 1 |
| Losses on derivative contracts | | - | 235,268 | - | - |
| Exchange losses | | - | 157,161 | - | 40,708 |
| Total expenses | | 2,605,950 | 3,487,664 | 351,092 | 323,086 |
| Income before financial costs and corporate income tax | | 3,770,115 | 3,590,579 | 3,180,292 | 3,181,526 |
| Financial costs | | (50,606) | (56,763) | (50,030) | (56,049) |
| Income before corporate income tax | | 3,719,509 | 3,533,816 | 3,130,262 | 3,125,477 |
| Corporate income tax | | (10,108) | (2,839) | - | - |
| Net income for the period | | 3,709,401 | 3,530,977 | 3,130,262 | 3,125,477 |
| Net income (loss) attributable to: | | | | | |
| Equity holders of the parent | | 3,711,479 | 3,525,672 | 3,130,262 | 3,125,477 |
| Minority interests of the subsidiaries | | (2,078) | 5,305 | - | - |
| Net income for the period | | 3,709,401 | 3,530,977 | 3,130,262 | 3,125,477 |
| (Unit: Baht) | | | | | |
| Basic earnings per share | | | | | |
| Net income attributable to equity holders of the parent | | 3.57 | 3.40 | 3.01 | 3.02 |
| Weighted average number of ordinary shares (shares) | | 1,039,520,600 | 1,036,497,541 | 1,039,520,600 | 1,036,497,541 |

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 nine-month periods ended 30 September 2008 and 2007**

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|--|------------------|--------------------------------------|------------------|
| | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> |
| Cash flows from operating activities | | | | |
| Income before corporate income tax | 3,719,509 | 3,533,816 | 3,130,262 | 3,125,477 |
| Adjustments to reconcile net income to net cash provided by (paid from) operating activities: | | | | |
| Depreciation and amortisation | 799,497 | 1,370,247 | 7,411 | 5,635 |
| Bad debt and allowance for doubtful accounts (reversal) | (10,059) | 4,542 | - | 1 |
| Write-off equipment | 538 | - | 15 | - |
| Gain on sales of vessels and equipment | - | (1,558,220) | - | (1,537) |
| Amortisation of discount on investments in debt securities | (4,197) | (3,343) | (4,197) | (3,343) |
| Share of income from investment in associate held by a subsidiary | (5,897) | (15,370) | - | - |
| Provisions for maritime claims (reversal) | (24,183) | 67,913 | - | - |
| Provisions for corporate social responsibility projects | 15,700 | - | 15,700 | - |
| Unrealised losses (gains) on exchange | 1,175 | 5,215 | (11) | (3) |
| Losses on derivative contracts | - | 235,268 | - | - |
| Financial costs | 50,606 | 56,763 | 50,030 | 56,049 |
| Income from operating activities before changes in operating assets and liabilities | 4,542,689 | 3,696,831 | 3,199,210 | 3,182,279 |
| Operating assets (increase) decrease | | | | |
| Trade accounts receivable | 13,280 | 47,911 | - | - |
| Receivables from and advances to subsidiaries | - | - | 261,073 | 659,638 |
| Bunker oil | (26,753) | (18,195) | - | - |
| Other current assets | (9,255) | (23,973) | 8,769 | (7,423) |
| Other non-current assets | 699 | (236) | 777 | (356) |
| Operating liabilities increase (decrease) | | | | |
| Trade accounts payable | (14,438) | 33,760 | (418) | 310 |
| Payables to and advances from subsidiaries | - | - | 206,308 | 1,056,626 |
| Advances received from charterers | 31,110 | (39,805) | - | - |
| Other current liabilities | 19,849 | (16,665) | 57,231 | (5,041) |
| Other non-current liabilities | 40,909 | 72,591 | 36,996 | 67,003 |
| Cash flows from operating activities | 4,598,090 | 3,752,219 | 3,769,946 | 4,953,036 |
| Cash paid for financial costs | (50,606) | (56,763) | (50,030) | (56,049) |
| Cash paid for corporate income tax | (228,847) | (2,079) | (2,184) | (222) |
| Net cash flows from operating activities | 4,318,637 | 3,693,377 | 3,717,732 | 4,896,765 |

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 nine-month periods ended 30 September 2008 and 2007**

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|--|--------------------|--------------------------------------|--------------------|
| | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> |
| Cash flows from investing activities | | | | |
| Acquisitions of current investments | (1,957,368) | (1,648,586) | (1,957,368) | (1,648,586) |
| Proceeds from sales of current investments | 1,961,565 | 1,651,929 | 1,961,565 | 1,651,929 |
| Dividend received from associate held by a subsidiary | 3,682 | 12,807 | - | - |
| Acquisitions of equipment and payment of dry-dock and special survey expenses | (338,734) | (576,341) | (12,032) | (8,940) |
| Acquisitions of software | (11,029) | (4,302) | (11,029) | (4,302) |
| Advances paid for vessel construction | (742,534) | (1,024,320) | (742,534) | (1,024,320) |
| Proceeds from sales of vessels and equipment | - | 1,890,515 | - | 1,537 |
| Increase in investment in a subsidiary | - | - | (45,000) | - |
| Net cash flows from (used in) investing activities | (1,084,418) | 301,702 | (806,398) | (1,032,682) |
| Cash flows from financing activities | | | | |
| Cash received from disposals of treasury stock | - | 566,249 | - | 566,249 |
| Cash paid for deferred financial fees | (87,825) | (303,332) | (87,825) | (303,332) |
| Cash dividend paid to the Company's shareholders | (2,078,671) | (2,135,393) | (2,078,671) | (2,135,393) |
| Cash dividend paid to minority interest | - | (4,426) | - | - |
| Net cash flows used in financing activities | (2,166,496) | (1,876,902) | (2,166,496) | (1,872,476) |
| Increase (decrease) in translation adjustments | 25,819 | (28,796) | - | - |
| Net increase in cash and cash equivalents | 1,093,542 | 2,089,381 | 744,838 | 1,991,607 |
| Cash and cash equivalents at beginning of period | 1,470,244 | 1,258,575 | 194,975 | 41,282 |
| Cash and cash equivalents at end of period | 2,563,786 | 3,347,956 | 939,813 | 2,032,889 |
| | - | | 0 | |
| Supplemental cash flow information | | | | |
| Non-cash transactions | | | | |
| Dividend income from subsidiaries offset against receivable from/payable to subsidiaries | - | - | 3,447,315 | 3,405,265 |
| Stock dividend paid | - | 519,521 | - | 519,521 |
| Amortisation of revaluation surplus on assets of subsidiary - the Company's interest | 15,190 | 15,192 | - | - |
| Amortisation of revaluation surplus on assets of subsidiary - minority interest | 4 | - | - | - |

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