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7 November 2005

To: Director and Manager of the Stock Exchange of Thailand

Subject: 3rd Quarter Management Discussion and Analysis (MD & A)

THE RESULTS in Thai Baht, reviewed 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 Q3 2005 was USD 31.60 million! The earnings per day per ship during Q3 at USD 13,406 were a direct result of our hedging strategy and saved us from the dramatic fall recorded in the BDI. In this quarter, daily operating costs were USD 3,029 but this figure is expected to be around USD 2,900 for the year as a whole. The net operating profit has increased due to a marginal increase in Vessel operating days during Q3 2005 (4,926 days) as compared to Q3 2004 (4,656 days) whilst the increase in earnings per day per ship has been offset by the increase in operating expenses during the quarters under comparison. The earnings per share (eps) in Thai Baht stood at 2.74 Baht per share for this quarter. The eps for the first 3 quarters of 2005 has surpassed the eps for the entire year 2004, which was our best past year ever!

THE HARD FACTS	Q3, 2005	Q3, 2004
Highest Earnings per day per ship in USD	18,125	24,750
Average Earnings per day per ship in USD	13,406	13,199
Operating cost per day per ship in USD	3,029	2,774
EBITDA in million USD	45.98	44.04
Net Profit/(Loss) in million USD (including exchange Gain (loss)) before Extraordinary items	31.60	30.86
Net Profit/(Loss) in million USD	31.60	30.86
Earnings Per Share in Thai Baht	2.74	2.39

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 last 6 or so quarters. 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. Going forward we can see that daily rates could easily fluctuate between USD 8,000 and USD 16,000 per day per ship over the next few years.

SHORT TERM VERSUS LONG TERM CHARTERS: The long term charters already booked for 2005 comprise about 70.5% of our existing capacity based on an annual average of 53 ships at a healthy average rate in excess of USD 15,500 per day per ship. Though we have faith that the freight markets are going to continue to remain fairly strong for the foreseeable future we

felt it prudent to 'lock-in' some of these very high charter rates and have a steady guaranteed source of income whilst avoiding the pitfalls of the spot market. This strategy would also allow us to lock in rates when ever the markets are at their high points. This policy, which was very successfully employed in 2004, has stood us in good stead during 2005 from the vagaries of the spot market as can be seen by the healthy numbers produced for Q3 2005 despite the dramatic fall in the BDI during the year.

THE CHINA FACTOR continues to roll along having a disproportionate impact on the dry bulk markets. Just to give you a flavour of what this means we quote from the International Iron and Steel Institute's 3rd October 2005 Short Range Outlook for Steel Demand.

"The prospects are good for continued real growth in the demand for steel worldwide according to the latest projections by IISI. Apparent Steel Demand is forecast to grow to between 1,040 and 1,053 million tonnes in 2006 from a total of 972 million tonnes in 2004. This is a growth of 4-5% over the two year period. The strongest growth continues to come from China which should see a 10% increase in steel demand in 2005 and a further 7-10% growth next year. In the rest of the world, Apparent Steel Demand in 2005 will be the same as in 2004. A significant build-up of steel inventories in 2004 has been worked-off this year. In 2006 there should be a renewed increase in Apparent Steel Demand of 20 to 25 million tonnes in the rest of the world and a further increase of 20-30 million tonnes in China."

The Fleet Rejuvenation program is being worked on to improve the average age of the existing fleet. One method would be to sell of the oldest ships which would have an immediate and positive impact on the age profile of the remainder of the existing fleet.

SHIP SCRAPPING has come to a halt. In Q3 2005 only 2 ships were scrapped whilst a total of 13 ships were added resulting in the fleet growing from 3,059 ships at the beginning of the quarter to 3,070 by the end of Q3 or an increase of 0.36% in the world fleet in our sector in this quarter or 1.35% for the year to date. If the freight markets remain as buoyant as they are, we expect the world fleet in our sector will continue to grow at about this rate for the rest of the year.

Sincerely,

Khalid Hashim