

## PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## BALANCE SHEETS

(Unit: Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		30 June 2006 (Unaudited but reviewed)	31 December 2005 (Audited)	30 June 2006 (Unaudited but reviewed)	31 December 2005 (Audited)
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		533,491	738,622	19,779	10,865
Current investment - net	4	-	-	-	-
Trade accounts receivable - net	2	195,923	176,403	-	-
Receivable from and advances to subsidiaries	3	-	-	2,164,456	2,289,263
Bunker oil		80,577	63,433	-	-
Advances to vessel masters		109,220	92,545	-	-
Claim recoverable		29,368	50,767	474	598
Other current assets		64,925	45,169	10,569	19,472
<b>Total current assets</b>		<b>1,013,504</b>	<b>1,166,939</b>	<b>2,195,278</b>	<b>2,320,198</b>
<b>Non-current assets</b>					
Investments accounted for under equity method	4	104,500	113,306	10,015,820	9,347,793
Vessels, condominium and equipment - net	5	11,766,736	12,496,748	55,423	53,979
Advance for purchase of other investment		10,130	-	10,130	-
Other non-current assets		3,619	3,615	660	657
<b>Total non-current assets</b>		<b>11,884,985</b>	<b>12,613,669</b>	<b>10,082,033</b>	<b>9,402,429</b>
<b>TOTAL ASSETS</b>		<b>12,898,489</b>	<b>13,780,608</b>	<b>12,277,311</b>	<b>11,722,627</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)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		30 June 2006 (Unaudited but reviewed)	31 December 2005 (Audited)	30 June 2006 (Unaudited but reviewed)	31 December 2005 (Audited)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>Current liabilities</b>					
Trade accounts payable		168,957	117,582	1,065	5,375
Payable to and advances from subsidiaries	3	-	-	811,637	1,093,715
Current portion of subordinated loans					
from subsidiaries	3	-	-	662,818	662,818
Advances received from charterers		154,099	125,615	-	-
Accrued crew accounts		115,640	104,110	-	-
Accrued expenses		76,470	154,360	450	11,232
Other current liabilities		41,050	39,268	3,202	9,667
<b>Total current liabilities</b>		<b>556,216</b>	<b>540,935</b>	<b>1,479,172</b>	<b>1,782,807</b>
<b>Non-current liabilities</b>					
Long-term loans	6	1,533,180	3,293,968	-	-
<b>Total non-current liabilities</b>		<b>1,533,180</b>	<b>3,293,968</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>2,089,396</b>	<b>3,834,903</b>	<b>1,479,172</b>	<b>1,782,807</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>30 June 2006</u>	<u>31 December 2005</u>	<u>30 June 2006</u>	<u>31 December 2005</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>				
Share capital				
Registered 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	146,434	161,698	146,434	161,698
Retained earnings				
Appropriated				
Statutory reserve - the Company	52,000	52,000	52,000	52,000
- subsidiaries	405,720	399,010	-	-
Treasury stock reserve	450,881	450,881	450,881	450,881
Unappropriated	9,262,555	8,395,682	9,668,275	8,794,692
Total equity attributable to Company's shareholders	11,249,020	10,390,701	11,249,020	10,390,701
Less: Treasury stock	(450,881)	(450,881)	(450,881)	(450,881)
Equity attributable to the Company's shareholders - net	10,798,139	9,939,820	10,798,139	9,939,820
Minority interest - Equity attributable to minority shareholders of subsidiaries	10,954	5,885	-	-
<b>Total shareholders' equity</b>	<b>10,809,093</b>	<b>9,945,705</b>	<b>10,798,139</b>	<b>9,939,820</b>
<b>TOTAL LIABILITIES AND</b>				
<b>SHAREHOLDERS' EQUITY</b>	<b>12,898,489</b>	<b>13,780,608</b>	<b>12,277,311</b>	<b>11,722,627</b>
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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 2006 AND 2005

(Unit: Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		2006	2005	2006	2005
<b>Revenues</b>					
Vessel operating income		2,143,811	2,798,730	-	-
Service income		4,344	4,447	23,077	45,914
Interest income		7,859	16,134	1,633	5,059
Exchange gains	7	14,723	-	-	23,346
Other income		626	607	1	7
Share of profit from investments accounted for under equity method		3,644	5,907	803,740	1,547,383
<b>Total revenues</b>		<b>2,175,007</b>	<b>2,825,825</b>	<b>828,451</b>	<b>1,621,709</b>
<b>Expenses</b>					
Vessel operating costs					
Vessel running expenses		520,492	471,806	-	-
Voyage disbursements		106,341	10,890	-	-
Bunker consumption		152,081	20,131	-	-
Total vessel operating costs		778,914	502,827	-	-
Depreciation		524,877	449,814	1,491	1,176
Cost of services		4,439	3,454	-	-
Administrative expenses		53,198	42,583	49,683	39,682
Allowance for doubtful accounts (Reversal)		2,305	(2,781)	-	-
Reversal of allowance for loss on current investments		-	(49,235)	-	(25,231)
Loss on sales of current investments		-	24,185	-	25,231
Exchange losses	7	-	191,875	61	-
Directors' remuneration		1,080	968	1,080	968
<b>Total expenses</b>		<b>1,364,813</b>	<b>1,163,690</b>	<b>52,315</b>	<b>41,826</b>
Earnings before interest and financial costs		810,194	1,662,135	776,136	1,579,883
Interest and financial costs		(39,348)	(80,081)	(7,563)	(192)
Earnings before minority interest		770,846	1,582,054	768,573	1,579,691
Net earnings of minority interest		(2,273)	(2,363)	-	-
<b>Net earnings for the period</b>		<b>768,573</b>	<b>1,579,691</b>	<b>768,573</b>	<b>1,579,691</b>
					(Unit: Baht)
<b>Basic earnings per share</b>					
Net earnings		1.51	3.12	1.51	3.12
Weighted average number of ordinary shares (shares)		506,613,700	506,613,700	506,613,700	506,613,700

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 2006 AND 2005

(Unit: Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		2006	2005	2006	2005
<b>Revenues</b>					
Vessel operating income		4,295,319	5,586,952	-	-
Service income		8,776	10,173	46,947	45,914
Interest income		13,130	21,494	2,741	7,150
Exchange gains	7	138,869	-	-	20,483
Other income		3,417	625	2,475	14
Share of profit from investments accounted for under equity method		-	1,966	1,735,029	3,437,360
<b>Total revenues</b>		<b>4,459,511</b>	<b>5,621,210</b>	<b>1,787,192</b>	<b>3,510,921</b>
<b>Expenses</b>					
Vessel operating costs					
Vessel running expenses		1,061,486	930,657	-	-
Voyage disbursements		198,369	21,873	-	-
Bunker consumption		272,037	21,802	-	-
Total vessel operating costs		1,531,892	974,332	-	-
Depreciation	5	1,039,088	883,566	2,923	1,741
Cost of services		10,885	9,338	-	-
Administrative expenses		105,857	111,657	96,630	104,088
Allowance for doubtful accounts		2,800	761	-	-
Reversal of allowance for loss on current investments		-	(146,124)	-	(25,231)
Loss on sales of current investments		-	24,185	-	25,231
Exchange losses	7	-	186,419	11,379	-
Directors' remuneration		2,828	1,613	2,828	1,613
Share of loss from investments accounted for under equity method		466	-	-	-
<b>Total expenses</b>		<b>2,693,816</b>	<b>2,045,747</b>	<b>113,760</b>	<b>107,442</b>
Earnings before interest and financial costs		1,765,695	3,575,463	1,673,432	3,403,479
Interest and financial costs		(102,539)	(167,802)	(15,345)	(335)
Earnings before minority interest		1,663,156	3,407,661	1,658,087	3,403,144
Net earnings of minority interest		(5,069)	(4,517)	-	-
<b>Net earnings for the period</b>		<b>1,658,087</b>	<b>3,403,144</b>	<b>1,658,087</b>	<b>3,403,144</b>
					(Unit: Baht)
<b>Basic earnings per share</b>					
Net earnings		3.27	6.72	3.27	6.72
Weighted average number of ordinary shares (shares)		506,613,700	506,613,700	506,613,700	506,613,700

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 2006 AND 2005

(Unit: Thousand Baht)

	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
<b>Cash flows from operating activities</b>				
Net earnings for the period	1,658,087	3,403,144	1,658,087	3,403,144
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities: -				
Depreciation	1,039,088	883,566	2,923	1,741
Allowance for doubtful accounts	2,800	761	-	-
Reversal of allowance for loss on current investment	-	(146,124)	-	(25,231)
Loss on sales of current investments	-	24,185	-	25,231
Unrealised exchange losses (gains)	(106,106)	285,041	7	348
Share of loss (profit) from investments accounted for under equity method	466	(1,966)	(1,735,029)	(3,437,360)
Loss (gains) on disposals of fixed assets	2	(11)	2	-
Net earnings of minority interest	5,069	4,517	-	-
Earnings (losses) from operating activities before changes in operating assets and liabilities	2,599,406	4,453,113	(74,010)	(32,127)
Operating assets (increase) decrease				
Trade accounts receivable	(28,778)	(64,037)	-	-
Receivable from and advances to subsidiaries	-	-	1,176,544	2,496,979
Bunker oil	(17,143)	(7,635)	-	-
Other current assets	(15,033)	7,373	9,027	(426)
Other non-current assets	(3)	-	(3)	-
Operating liabilities increase (decrease)				
Trade accounts payable	50,430	81,506	(4,317)	4,385
Payable to and advances from subsidiaries	-	-	(282,077)	(1,590,476)
Advances received from charterers	28,192	(16,006)	-	-
Other current liabilities	(64,581)	(30,968)	(17,247)	(20,122)
Net cash from operating activities	<u>2,552,490</u>	<u>4,423,346</u>	<u>807,917</u>	<u>858,213</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 2006 AND 2005

(Unit: Thousand Baht)

	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
<b>Cash flows from investing activities</b>				
Proceeds from sales of current investments	-	121,939	-	-
Dividend received from associated held by a subsidiary	8,339	-	-	-
Acquisitions of fixed assets and payment of dry-dock and special survey expenses	(309,093)	(363,914)	(4,384)	(15,979)
Proceeds from disposals of fixed assets	15	11	15	-
Prepayment for vessel purchases	-	(196,893)	-	-
Advance for purchase of other investment	(10,130)	-	(10,130)	-
Net cash used in investing activities	<u>(310,869)</u>	<u>(438,857)</u>	<u>(14,499)</u>	<u>(15,979)</u>
<b>Cash flows from financing activities</b>				
Repayment of long-term loans	(1,646,984)	(2,594,093)	-	-
Dividend paid	(784,504)	(784,529)	(784,504)	(784,529)
Net cash used in financing activities	<u>(2,431,488)</u>	<u>(3,378,622)</u>	<u>(784,504)</u>	<u>(784,529)</u>
Increase (decrease) in translation adjustment	<u>(15,264)</u>	<u>34,821</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>(205,131)</u>	<u>640,688</u>	<u>8,914</u>	<u>57,705</u>
Cash and cash equivalents at beginning of period	<u>738,622</u>	<u>1,525,116</u>	<u>10,865</u>	<u>13,669</u>
Cash and cash equivalents at end of period	<u><u>533,491</u></u>	<u><u>2,165,804</u></u>	<u><u>19,779</u></u>	<u><u>71,374</u></u>
	0		0	
<b>Supplemental cash flow information</b>				
Cash paid during the period for				
Interest expense	86,704	166,814	-	-
Withholding tax deducted at source	1,723	361	1,436	71
Non-cash transaction				
Dividend income from subsidiaries offset against receivable from / payable to subsidiaries	-	-	1,061,363	2,739,777

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