

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

(Unit: Thousand Baht)

	<u>Note</u>	Consolidated financial statements		Separate financial statements	
		<u>30 June 2007</u>	<u>31 December 2006</u>	<u>30 June 2007</u>	<u>31 December 2006</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)
ASSETS					
Current assets					
Cash and cash equivalents		3,859,750	1,258,575	320,489	41,282
Current investments - net	3	35,973	-	35,973	-
Trade accounts receivable - net	4	22,167	101,107	-	-
Receivable from and advances to subsidiaries	5	-	-	2,142,164	1,757,932
Bunker oil		-	43,614	-	-
Advances to vessel masters		98,026	111,251	-	-
Other current assets		79,154	88,419	24,495	17,286
Total current assets		4,095,070	1,602,966	2,523,121	1,816,500
Non-current assets					
Investments in subsidiaries	6	-	-	5,618,013	5,618,013
Investment in associate held by a subsidiary	6	124,800	119,768	-	-
Other long-term investment		10,130	10,130	10,130	10,130
Property, plant and equipment - net	7	10,035,041	11,023,852	67,254	60,339
Deferred financial fees	8	297,975	-	297,975	-
Other non-current assets		1,345	1,429	658	663
Total non-current assets		10,469,291	11,155,179	5,994,030	5,689,145
Total assets		14,564,361	12,758,145	8,517,151	7,505,645

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

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (Continued)

(Unit: Thousand Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>30 June 2007</u>	<u>31 December 2006</u>	<u>30 June 2007</u>	<u>31 December 2006</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade accounts payable		54,387	82,603	3,447	695
Payable to and advances from subsidiaries	5	-	-	517,794	579,142
Advances received from vessel sales		-	160,061	-	-
Advances received from charterers		143,849	176,407	-	-
Accrued crew accounts		88,281	100,471	-	-
Accrued expenses		147,594	118,842	34,913	38,113
Provisions for maritime claims		60,354	-	-	-
Withholding tax payable		46,467	47,038	45,189	45,317
Other current liabilities		40,594	35,016	8,291	6,441
Total current liabilities		581,526	720,438	609,634	669,708
Non-current liabilities					
Accrued employee bonus		55,074	-	50,806	-
Total non-current liabilities		55,074	-	50,806	-
Total liabilities		636,600	720,438	660,440	669,708

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 2007	31 December 2006	30 June 2007	31 December 2006
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)
Shareholders' equity					
Share capital					
Registered share capital					
1,040,000,000 ordinary shares of Baht 1 each					
(31 December 2006: 520,000,000 ordinary					
shares of Baht 1 each)	9	1,040,000	520,000	1,040,000	520,000
Issued and paid-up share capital					
1,039,520,600 ordinary shares of Baht 1 each					
(31 December 2006: 520,000,000 ordinary					
shares of Baht 1 each)	9	1,039,521	520,000	1,039,521	520,000
Paid-in capital					
Premium on ordinary shares		411,430	411,430	411,430	411,430
Premium on treasury stock	10	172,446	21,115	172,446	21,115
Revaluation surplus on assets of subsidiary		134,205	144,278	-	-
Translation adjustment		102,025	126,690	-	-
Retained earnings					
Appropriated					
Statutory reserve - the Company		103,952	52,000	103,952	52,000
- subsidiaries		440,420	424,620	-	-
Treasury stock reserve	10	-	414,918	-	414,918
Unappropriated		11,512,632	10,325,111	6,129,362	5,831,392
Total equity attributable to the Company's					
shareholders		13,916,631	12,440,162	7,856,711	7,250,855
Less: Treasury stock	10	-	(414,918)	-	(414,918)
Equity attributable to the Company's					
shareholders - net		13,916,631	12,025,244	7,856,711	6,835,937
Minority interest - equity attributable to					
minority shareholders of subsidiaries		11,130	12,463	-	-
Total shareholders' equity		13,927,761	12,037,707	7,856,711	6,835,937
Total liabilities and shareholders' equity		14,564,361	12,758,145	8,517,151	7,505,645
		0	0	0	0

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

INCOME STATEMENTS

FOR THE THREE-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2007	2006	2007	2006
					(Restated)
Revenues					
Vessel operating income					
Hire income		1,618,817	1,514,848	-	-
Freight income		47,247	628,963	-	-
Total vessel operating income		1,666,064	2,143,811	-	-
Service income	5	2,142	4,344	23,508	23,077
Interest income		50,577	7,859	9,950	1,633
Exchange gains		-	14,723	-	-
Dividend received	5	-	-	1,181,533	352,923
Gain on sales of vessels and equipment		205,035	-	1,162	-
Other income		1,701	626	6	1
Share of income from investment in associate held by a subsidiary		8,106	3,644	-	-
Total revenues		1,933,625	2,175,007	1,216,159	377,634
Expenses					
Vessel operating costs					
Vessel running expenses		420,251	520,492	-	-
Voyage disbursements		524	106,341	-	-
Bunker consumption		10,223	152,081	-	-
Total vessel operating costs		430,998	778,914	-	-
Depreciation		440,125	524,877	1,908	1,491
Cost of services		8,290	4,439	-	-
Administrative expenses	5	142,419	54,278	136,801	50,763
Bad debt and allowance for doubtful accounts		5,685	2,305	-	-
Exchange losses		47,687	-	8,261	61
Total expenses		1,075,204	1,364,813	146,970	52,315
Income before interest and financial costs		858,421	810,194	1,069,189	325,319
Interest and financial costs		(26,652)	(39,348)	(26,408)	(7,563)
Income after interest and financial costs		831,769	770,846	1,042,781	317,756
Net income attributable to minority interest		(1,922)	(2,273)	-	-
Net income for the period		829,847	768,573	1,042,781	317,756
					(Unit: Baht)
Basic earnings per share					
Net income	11	0.80	0.75	1.00	0.31
Weighted average number of ordinary shares (shares)		1,039,520,600	1,026,134,300	1,039,520,600	1,026,134,300

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 SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2007	2006	2007	2006
					(Restated)
Revenues					
Vessel operating income					
Hire income		3,392,889	3,213,893	-	-
Freight income		225,760	1,081,426	-	-
Total vessel operating income		3,618,649	4,295,319	-	-
Service income	5	7,125	8,776	48,828	46,947
Interest income		70,443	13,130	20,356	2,741
Exchange gains		-	138,869	-	-
Dividend received	5	-	-	2,282,172	1,061,363
Gain on sales of vessels and equipment		1,558,220	-	1,537	-
Other income		1,764	3,417	24	2,475
Share of income from investment in associate held by a subsidiary		5,032	-	-	-
Total revenues		5,261,233	4,459,511	2,352,917	1,113,526
Expenses					
Vessel operating costs					
Vessel running expenses		910,291	1,061,486	-	-
Voyage disbursements		26,400	198,369	-	-
Bunker consumption		47,396	272,037	-	-
Total vessel operating costs		984,087	1,531,892	-	-
Depreciation	7	912,809	1,039,088	3,559	2,923
Cost of services		15,540	10,885	-	-
Administrative expenses	5	202,461	108,685	196,278	99,458
Bad debt and allowance for doubtful accounts		9,311	2,800	1	-
Exchange losses		128,322	-	43,241	11,379
Share of loss from investment in associate held by a subsidiary		-	466	-	-
Total expenses		2,252,530	2,693,816	243,079	113,760
Income before interest and financial costs		3,008,703	1,765,695	2,109,838	999,766
Interest and financial costs		(40,098)	(102,539)	(39,604)	(15,345)
Income after interest and financial costs		2,968,605	1,663,156	2,070,234	984,421
Net income attributable to minority interest		(3,093)	(5,069)	-	-
Net income for the period		2,965,512	1,658,087	2,070,234	984,421
					(Unit: Baht)
Basic earnings per share					
Net income	11	2.87	1.62	2.00	0.96
Weighted average number of ordinary shares (shares)		1,034,960,958	1,026,134,300	1,034,960,958	1,026,134,300

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 SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
				(Restated)
Cash flows from operating activities				
Net income for the period	2,965,512	1,658,087	2,070,234	984,421
Adjustments to reconcile net income to net cash provided by (used in) operating activities				
Depreciation	912,809	1,039,088	3,559	2,923
Bad debt and allowance for doubtful accounts	9,311	2,800	1	-
Unrealised exchange losses (gains)	3,425	(106,106)	8	7
Share of loss (income) from investment in associate held by a subsidiary	(5,032)	466	-	-
Amortisation of discount on investments in debt securities	(3,316)	-	(3,316)	-
Loss (gain) on sales of vessels and equipment	(1,558,220)	2	(1,537)	2
Provisions for maritime claims	60,354	-	-	-
Net income attributable to minority interest	3,093	5,069	-	-
Income from operating activities before changes in operating assets and liabilities	2,387,936	2,599,406	2,068,949	987,353
Operating assets (increase) decrease				
Trade accounts receivable	66,291	(28,778)	-	-
Receivable from and advances to subsidiaries	-	-	(384,232)	115,181
Bunker oil	(18,195)	(17,143)	-	-
Other current assets	13,111	(15,033)	(7,210)	9,027
Other non-current assets	84	(3)	5	(3)
Operating liabilities increase (decrease)				
Trade accounts payable	(28,072)	50,430	2,744	(4,317)
Payable to and advances from subsidiaries	-	-	(61,348)	(282,077)
Advances received from charterers	(32,768)	28,192	-	-
Accrued expenses and other current liabilities	21,569	(64,581)	(1,478)	(17,247)
Non-current liabilities	55,074	-	50,806	-
Net cash flows from operating activities	2,465,030	2,552,490	1,668,236	807,917

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 SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
				(Restated)
Cash flows from investing activities				
Acquisitions of current investments	(1,648,586)	-	(1,648,586)	-
Proceeds from sales of current investments	1,615,929	-	1,615,929	-
Dividend received from associate held by a subsidiary	-	8,339	-	-
Acquisitions of equipment and payment of dry-dock and special survey expenses	(345,187)	(309,093)	(10,474)	(4,384)
Proceeds from sales of vessels and equipment	1,890,515	15	1,537	15
Advance for purchase of other investment	-	(10,130)	-	(10,130)
Net cash flows from (used in) investing activities	1,512,671	(310,869)	(41,594)	(14,499)
Cash flows from financing activities				
Deferred financial fees	(297,975)	-	(297,975)	-
Cash paid for long-term loans	-	(1,646,984)	-	-
Cash received from disposals of treasury stock	566,249	-	566,249	-
Cash dividend paid to the Company's shareholders	(1,615,709)	(784,504)	(1,615,709)	(784,504)
Cash dividend paid to minority interest	(4,426)	-	-	-
Net cash flows used in financing activities	(1,351,861)	(2,431,488)	(1,347,435)	(784,504)
Decrease in translation adjustment	(24,665)	(15,264)	-	-
Net increase (decrease) in cash and cash equivalents	2,601,175	(205,131)	279,207	8,914
Cash and cash equivalents at beginning of period	1,258,575	738,622	41,282	10,865
Cash and cash equivalents at end of period	3,859,750	533,491	320,489	19,779
	0		0	
Supplemental cash flow information				
Cash paid during the period for				
Interest expense	-	86,704	-	-
Withholding tax deducted at source	739	1,723	174	1,436
Non-cash transactions				
Dividend income from subsidiaries offset against receivable from / payable to subsidiaries	-	-	2,282,172	1,061,363
Stock dividend paid	519,521	-	519,521	-
Amortisation of revaluation surplus on assets of subsidiary	10,073	-	-	-

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