

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS

(Unit : Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		30 September 2003	31 December 2003	30 September 2003	31 December 2003
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
ASSETS					
Current assets					
Cash and cash equivalents		416,690	329,715	27,297	6,538
Trade accounts receivable - net	2	84,623	142,019	-	-
Receivable from and advances to related parties					
Subsidiaries	3	-	-	539,719	950,160
Other related companies	3	2,300	25,983	440	440
Bunker oil		32,566	47,067	-	-
Advances to vessel masters		-	39,525	-	-
Other current assets		89,583	44,986	6,571	8,952
Total current assets		625,762	629,295	574,027	966,090
Non-current assets					
Investments accounted for under equity method	4	-	-	6,416,397	5,297,114
Other long-term investments	4	87,701	35,556	-	-
Vessels, condominium and equipment - net	5	4,065,329	4,207,699	2,970	4,197
Intangible assets					
Deferred charges - net	6	222,975	219,365	-	-
Goodwill - net		8,307	8,815	-	-
Other non-current assets		2,981	3,106	423	471
Total non-current assets		4,387,293	4,474,541	6,419,790	5,301,782
Total assets		5,013,055	5,103,836	6,993,817	6,267,872

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 September 2003	31 December 2003	30 September 2003	31 December 2003
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade accounts payable		81,883	100,232	3,542	10,024
Current portion of long-term loans	7	587,200	393,386	244,771	-
Payable to and advances from subsidiaries	3	-	-	4,423,771	2,430,759
Advances received from charterers		58,331	74,038	1,324	1,429
Interest payable		66	1,010	-	-
Accrued crew accounts		-	79,681	-	-
Accrued guarantee obligation		-	21,061	-	21,061
Other accrued expenses		-	85,285	5,414	1,546
Other current liabilities		155,800	41,424	3,948	1,556
Total current liabilities		883,280	796,117	4,682,770	2,466,375
Non-current liabilities					
Bonds	8	-	-	-	-
Redeemable convertible debentures	8	-	886,737	-	886,737
Subordinated loans from subsidiaries	3	-	-	662,818	662,818
Long-term loans	7	2,422,980	2,744,396	-	1,618,368
Total non-current liabilities		2,422,980	3,631,133	662,818	3,167,923
Total liabilities		3,306,260	4,427,250	5,345,588	5,634,298

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 September 2003 (Unaudited but reviewed)	31 December 2002 (Audited)	30 September 2003 (Unaudited but reviewed)	31 December 2002 (Audited)
Shareholders' equity					
Share capital					
Authorised share capital					
520,000,000 ordinary shares of Baht 1 each					
(31 December 2002 : 197,300,000 ordinary shares					
of Baht 10 each)	13	<u>520,000</u>	<u>1,973,000</u>	<u>520,000</u>	<u>1,973,000</u>
Issued and paid-up					
520,000,000 ordinary shares of Baht 1 each		520,000	520,000	520,000	520,000
Premium on ordinary shares	13	411,430	926,055	411,430	926,055
Translation adjustment		160,399	168,889	160,399	168,889
Retained earnings					
Appropriated					
Statutory reserve - the Company	13	-	60,500	-	60,500
- Subsidiaries		77,466	77,466	-	-
General reserve in subsidiaries		24,182	24,182	-	-
Unappropriated (Deficit)		<u>454,752</u>	<u>(1,143,518)</u>	<u>556,400</u>	<u>(1,041,870)</u>
Total equity attributable to Company's shareholders		<u>1,648,229</u>	<u>633,574</u>	<u>1,648,229</u>	<u>633,574</u>
Minority interest - Equity attributable to					
minority shareholders of subsidiaries		<u>58,566</u>	<u>43,012</u>	<u>-</u>	<u>-</u>
Total shareholders' equity		<u>1,706,795</u>	<u>676,586</u>	<u>1,648,229</u>	<u>633,574</u>
Total liabilities and shareholders' equity		<u>5,013,055</u>	<u>5,103,836</u>	<u>6,993,817</u>	<u>6,267,872</u>
		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
STATEMENTS OF EARNINGS
FOR THE THREE-MONTH PERIODS ENDED 30 SEPTEMBER 2003 AND 2002

(Unit : Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		2003	2002	2003	2002
Revenues					
Vessel operating income		939,331	776,757	-	-
Service income		1,810	2,314	-	-
Gains on disposal of fixed assets		-	6,628	-	17
Exchange gains	9	129,687	-	10,003	-
Other income		242	1,583	31	219
Share of profit from investments accounted for under equity 1		-	-	481,127	126,373
Total revenues		<u>1,071,070</u>	<u>787,282</u>	<u>491,161</u>	<u>126,609</u>
Expenses					
Vessel operating costs					
Vessel running expenses		276,260	288,261	-	-
Voyage disbursements		76,053	86,179	-	-
Bunker consumption		61,236	82,084	-	-
Total vessel operating costs		413,549	456,524	-	-
Cost of services		2,276	2,263	-	-
Administrative expenses		18,059	38,138	16,326	32,217
Bad debt and allowance for doubtful accounts		1,646	6,166	32,970	3,089
Depreciation		109,158	117,639	355	549
Exchange losses	9	-	75,649	-	21,882
Guarantee obligation		-	31,590	-	31,590
Provision for possible loss on other investments		-	22,955	-	22,955
Directors' remuneration		627	322	627	322
Total expenses		<u>545,315</u>	<u>751,246</u>	<u>50,278</u>	<u>112,604</u>
Earnings before interest and financial costs and income tax		525,755	36,036	440,883	14,005
Interest and financial costs		(94,413)	(47,868)	(21,074)	(27,303)
Corporate income tax		-	(46)	-	-
Earnings (loss) before minority interest and extraordinary item		431,342	(11,878)	419,809	(13,298)
Net (earnings) loss of minority interest		(11,533)	(1,420)	-	-
Earnings (loss) from normal items		<u>419,809</u>	<u>(13,298)</u>	<u>419,809</u>	<u>(13,298)</u>
Extraordinary items					
Gain on redemption of bonds and redeemable convertible debentures	8	136,591	15,678	136,591	15,678
Net earnings for the period		<u>556,400</u>	<u>2,380</u>	<u>556,400</u>	<u>2,380</u>

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

(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF EARNINGS (Continued)
 FOR THE THREE-MONTH PERIODS ENDED 30 SEPTEMBER 2003 AND 2002

		(Unit : Baht)			
		CONSOLIDATED		THE COMPANY ONLY	
	Note	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Basic earnings per share	<i>1.3</i>				
Earnings (loss) from normal items		0.81	(0.02)	0.81	(0.02)
Extraordinary item		0.26	0.03	0.26	0.03
Net earnings		<u>1.07</u>	<u>0.01</u>	<u>1.07</u>	<u>0.01</u>
Weighted average number of ordinary shares (shares)		<u><u>520,000,000</u></u>	<u><u>520,000,000</u></u>	<u><u>520,000,000</u></u>	<u><u>520,000,000</u></u>

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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2003 AND 2002

(Unit : Thousand Baht)

		CONSOLIDATED		THE COMPANY ONLY	
	Note	2003	2002	2003	2002
Revenues					
Vessel operating income		2,704,915	2,421,724	-	-
Service income		3,925	7,559	-	-
Gains on disposal of fixed assets		177	19,481	-	17
Exchange gains	9	164,044	65,699	23,033	13,205
Other income		1,798	6,131	196	2,304
Share of profit from investments accounted for under equity I		-	-	1,126,407	415,758
Total revenues		<u>2,874,859</u>	<u>2,520,594</u>	<u>1,149,636</u>	<u>431,284</u>
Expenses					
Vessel operating costs					
Vessel running expenses		822,632	901,776	-	-
Voyage disbursements		239,513	297,065	-	-
Bunker consumption		219,325	263,205	-	-
Total vessel operating costs		1,281,470	1,462,046	-	-
Cost of services		9,792	9,134	-	-
Administrative expenses		129,473	129,470	121,289	110,410
Bad debt and allowance for doubtful accounts		6,324	33,436	32,970	4,045
Depreciation		331,039	366,845	1,260	1,649
Guarantee obligation		-	31,590	-	31,590
Provision for possible loss on other investments	5	-	161,353	-	22,955
Directors' remuneration		1,848	930	1,848	930
Total expenses		<u>1,759,946</u>	<u>2,194,804</u>	<u>157,367</u>	<u>171,579</u>
Earnings before interest and financial costs and income tax		<u>1,114,913</u>	<u>325,790</u>	<u>992,269</u>	<u>259,705</u>
Interest and financial costs		(223,827)	(152,644)	(116,737)	(86,689)
Corporate income tax		-	(239)	-	-
Earnings before minority interest and extraordinary item		<u>891,086</u>	<u>172,907</u>	<u>875,532</u>	<u>173,016</u>
Net loss of minority interest		(15,554)	109	-	-
Earnings from normal items		<u>875,532</u>	<u>173,016</u>	<u>875,532</u>	<u>173,016</u>
Extraordinary items					
Gain on redemption of bonds and redeemable convertible debentures	8	147,613	17,045	147,613	17,045
Net earnings for the period		<u>1,023,145</u>	<u>190,061</u>	<u>1,023,145</u>	<u>190,061</u>

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

(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF EARNINGS (Continued)
FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2003 AND 2002

(Unit : Baht)

		CONSOLIDATED		THE COMPANY ONLY	
	Note	2003	2002	2003	2002
Basic earnings per share	1.3				
Earnings from normal items		1.69	0.33	1.69	0.33
Extraordinary item		0.28	0.03	0.28	0.03
Net earnings		1.97	0.36	1.97	0.36
Weighted average number of ordinary shares (shares)		520,000,000	520,000,000	520,000,000	520,000,000

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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2003 AND 2002

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Cash flows from (used in) operating activities				
Net earnings	1,023,145	190,061	1,023,145	190,061
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities :-				
Depreciation	331,039	366,845	1,260	1,649
Amortisation	109,228	119,198	-	-
Bad debt and allowance for doubtful accounts	6,324	33,436	32,970	4,045
Unrealised exchange gains	(136,264)	(38,597)	(5,252)	(12,086)
Share of profit from investments accounted for under equity	-	-	(1,126,407)	(415,758)
Provision for possible loss on other investments	-	161,353	-	22,955
Gains on disposals of fixed assets	(177)	(19,481)	-	(17)
Increase (decrease) in minority interest	15,554	3,829	-	-
	<u>1,348,849</u>	<u>816,644</u>	<u>(74,284)</u>	<u>(209,151)</u>
Operating assets (increase) decrease				
Trade accounts receivable	44,203	24,115	-	-
Receivable and advances to related parties	23,684	(5,654)	376,106	11,118
Bunker oil	14,501	7,703	-	-
Other current assets	(5,073)	66,205	2,380	(7,911)
Intangible and other non-current assets	(112,203)	(137,204)	48	(196)
Operating liabilities increase (decrease)				
Trade accounts payable	(15,990)	(27,762)	(6,265)	253
Payable and advances from related parties	-	-	1,993,012	354,416
Advances received from charterers	(13,970)	(2,439)	-	-
Other current liabilities	(72,595)	(13,022)	(14,802)	13,517
Net cash from operating activities	<u>1,211,406</u>	<u>728,586</u>	<u>2,276,195</u>	<u>162,046</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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2003 AND 2002

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Cash flows from (used in) investing activities				
Decrease in deposits at banks with maturity of more than three months and amount pledged	-	13,744	-	13,744
Increase in investments in associated and other companies	(52,145)	(47,550)	-	-
Acquisitions of fixed assets	(188,668)	(1,499)	(32)	(564)
Disposals of fixed assets	176	118,784	-	18
Net cash from (used in) investing activities	<u>(240,637)</u>	<u>83,479</u>	<u>(32)</u>	<u>13,198</u>
Cash flows used in financing activities				
Cash received from new loans	1,629,801	-	249,701	-
Cash paid for long-term loans	(1,618,368)	(685,948)	(1,618,368)	(130,275)
Cash paid on redemption of bonds and redeemable convertible debentures	(739,124)	(25,806)	(739,124)	(25,806)
Net cash used in financing activities before extraordinary item	<u>(727,691)</u>	<u>(711,754)</u>	<u>(2,107,791)</u>	<u>(156,081)</u>
Extraordinary item - Gains on redemption of bonds and redeemable convertible debentures	(147,613)	(17,045)	(147,613)	(17,045)
Net cash used in financing activities	<u>(875,304)</u>	<u>(728,799)</u>	<u>(2,255,404)</u>	<u>(173,126)</u>
Increase (decrease) in translation adjustment	(8,490)	24,085	-	-
Net increase in cash and cash equivalents	<u>86,975</u>	<u>107,351</u>	<u>20,759</u>	<u>2,118</u>
Cash and cash equivalents at beginning of period	<u>329,715</u>	<u>261,591</u>	<u>6,538</u>	<u>3,822</u>
Cash and cash equivalents at end of period	<u><u>416,690</u></u>	<u><u>368,942</u></u>	<u><u>27,297</u></u>	<u><u>5,940</u></u>
Supplemental cash flow information				
Cash paid during the period for				
Interest expenses	133,908	152,220	94,560	87,512
Non-cash transactions				
Decrease in redeemable convertible debentures due to redemption at discount	-	(42,851)	-	(42,851)
Increase in redeemable convertible debentures from the change in proportion of liabilities element as at the balance sheet date	-	203,790	-	203,790
Decrease in unrealised gain on redeemable convertible debentures from the change in proportion of equity element as at the balance sheet date	-	(203,790)	-	(203,790)

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