

Precious Shipping Public Company Limited and subsidiaries

Balance sheets

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2008 (Unaudited but reviewed)	31 December 2007 (Audited)	30 September 2008 (Unaudited but reviewed)	31 December 2007 (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 (Unaudited but reviewed)	31 December 2007 (Audited)	30 September 2008 (Unaudited but reviewed)	31 December 2007 (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	
	30 September 2008 (Unaudited but reviewed)	31 December 2007 (Audited)	30 September 2008 (Unaudited but reviewed)	31 December 2007 (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)

	Note	Consolidated financial statements		Separate financial statements	
		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)

	Note	Consolidated financial statements		Separate financial statements	
		2008	2007	2008	2007
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.