

Precious Shipping Public Company Limited and subsidiaries

Balance sheets

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2010	31 December 2009	30 September 2010	31 December 2009
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		5,322,530	5,876,282	2,220,386	2,274,182
Current investment - net	2	-	-	-	-
Trade accounts receivable - net	3	8,401	42,078	-	-
Receivables from and advances to subsidiaries	4	-	-	339,702	282,681
Receivables from and advances to jointly controlled entity	4	-	-	330	-
Short-term loans to subsidiary	5	-	-	1,931,488	2,119,481
Other current assets					
Advances to vessel masters		42,880	54,094	-	-
Claim recoverables		17,297	35,305	-	-
Others		47,343	35,961	15,151	18,476
Total other current assets		107,520	125,360	15,151	18,476
Total current assets		5,438,451	6,043,720	4,507,057	4,694,820
Non-current assets					
Investments in subsidiaries - net	7	-	-	5,752,026	5,703,027
Investment in jointly controlled entity	8	-	-	-	-
Investment in associate held by a subsidiary	9	152,836	143,219	-	-
Other long-term investment		10,130	10,130	10,130	10,130
Long-term loan to jointly controlled entity	6	-	-	258,844	-
Receivables from cross currency swap contracts - net		99,744	-	-	-
Property, building and equipment - net	10	7,660,519	7,780,922	14,111	17,222
Other non-current assets					
Computer software - net	11	39,488	46,912	39,488	46,912
Advances for vessel constructions	12	8,320,599	7,809,282	8,060,543	7,809,282
Deferred financial fees - net	13	372,621	291,253	372,547	291,253
Advance for share acquisition in associate held by a subsidiary	9.2	-	11,539	-	-
Others		2,922	3,152	2,396	2,616
Total other non-current assets		8,735,630	8,162,138	8,474,974	8,150,063
Total non-current assets		16,658,859	16,096,409	14,510,085	13,880,442
Total assets		22,097,310	22,140,129	19,017,142	18,575,262

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	
	Note	30 September 2010	31 December 2009	30 September 2010	31 December 2009
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade accounts payable		24,570	44,728	973	2,364
Payables to and advances from subsidiaries	4	-	-	3,185,150	2,183,872
Current portion of long-term loans	13, 14	134,175	14,864	12,155	-
Advances received from charterers		58,289	79,029	-	-
Other current liabilities					
Advances received from vessel sale		-	29,159	-	-
Accrued crew accounts		39,629	49,383	-	-
Current portion of accrued employee benefits		135,123	165,690	124,206	152,196
Accrued expenses		27,899	45,490	10,086	9,120
Provision for income tax		2,655	24,631	-	-
Withholding tax payable		17,833	31,428	16,530	30,273
Others		12,790	19,347	4,271	4,379
Total other current liabilities		235,929	365,128	155,093	195,968
Total current liabilities		452,963	503,749	3,353,371	2,382,204
Non-current liabilities					
Accrued employee benefits - net of current portion		68,866	173,011	63,248	159,090
Provisions for maritime claims		27,204	42,050	-	-
Payables to cross currency swap contracts - net		-	8,124	-	-
Long-term loans - net of current portion	13, 14	4,769,320	4,276,835	3,427,104	3,578,235
Total non-current liabilities		4,865,390	4,500,020	3,490,352	3,737,325
Total liabilities		5,318,353	5,003,769	6,843,723	6,119,529

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	
	Note	30 September 2010	31 December 2009	30 September 2010	31 December 2009
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(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 - net		161,444	203,452	-	-
Translation adjustments		(16,953)	(22,851)	-	-
Retained earnings					
Appropriated					
Statutory reserve - the Company		103,952	103,952	103,952	103,952
- subsidiaries		518,120	513,220	-	-
Corporate social responsibility reserve	15	14,623	37,783	14,623	37,783
Unappropriated		14,342,104	14,652,874	10,431,447	10,690,601
Total equity attributable to Company's					
shareholders		16,746,687	17,111,827	12,173,419	12,455,733
Minority interest - equity attributable to					
minority shareholders of subsidiaries		32,270	24,533	-	-
Total shareholders' equity					
Total liabilities and shareholders' equity					
		0	0	0	0

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

Directors

Precious Shipping Public Company Limited and subsidiaries**Income statements****For the three-month periods ended 30 September 2010 and 2009**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
Revenues					
Vessel operating income					
Hire income		738,692	1,082,325	-	-
Freight income		-	76,118	-	-
Total vessel operating income		738,692	1,158,443	-	-
Service income	4	4,843	2,604	11,040	31,883
Gain on sales of vessels and equipment		-	221,900	-	71
Interest income	4	6,679	9,419	4,325	2,859
Exchange gains		-	9,632	-	17,424
Other income		6	4	1	6
Dividend received	4	-	-	327,090	1,075,998
Total revenues		750,220	1,402,002	342,456	1,128,241
Expenses					
Vessel operating costs					
Vessel running expenses		198,589	333,647	-	-
Voyage disbursements		5,560	12,952	-	-
Bunker consumption		-	9,369	-	-
Total vessel operating costs		204,149	355,968	-	-
Depreciation		202,419	216,633	2,192	2,206
Cost of services		894	2,245	-	-
Administrative expenses	4	41,468	54,315	36,573	41,228
Management remuneration including perquisites		23,508	29,094	22,157	25,930
Bad debts and doubtful accounts (reversal)		643	(12)	-	-
Exchange losses		40,792	-	72,950	-
Total expenses		513,873	658,243	133,872	69,364
Income before share of income from investment in associate					
		236,347	743,759	208,584	1,058,877
Share of income from investment in associate held by a subsidiary	9.1	6,280	6,896	-	-
Income before finance cost and corporate income tax					
		242,627	750,655	208,584	1,058,877
Finance cost		(66,217)	(47,419)	(42,986)	(44,532)
Income before corporate income tax		176,410	703,236	165,598	1,014,345
Corporate income tax		(637)	4,531	-	-
Net income for the period		175,773	707,767	165,598	1,014,345
Net income attributable to:					
Equity holders of the parent		173,903	703,109	165,598	1,014,345
Minority interests of the subsidiaries		1,870	4,658	-	-
Net income for the period		175,773	707,767	165,598	1,014,345
(Unit: Baht)					
Basic earnings per share					
Net income attributable to equity holders of the parent		0.16	0.68	0.16	0.98

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

Precious Shipping Public Company Limited and subsidiaries**Income statements****For the nine-month periods ended 30 September 2010 and 2009**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
Revenues					
Vessel operating income					
Hire income		2,235,868	4,208,664	-	-
Freight income		18,026	413,881	-	-
Total vessel operating income		2,253,894	4,622,545	-	-
Service income	4	9,163	15,856	58,610	124,232
Gain on sales of vessels and equipment		390,434	593,413	-	71
Interest income	4	18,347	27,933	14,151	10,454
Exchange gains		-	48,367	-	83,076
Other income		422	23,947	2	1,783
Dividend received	4, 7	-	-	1,241,958	3,594,404
Total revenues		2,672,260	5,332,061	1,314,721	3,814,020
Expenses					
Vessel operating costs					
Vessel running expenses		655,304	1,246,600	-	-
Voyage disbursements		17,744	94,935	-	-
Bunker consumption		3,900	99,300	-	-
Total vessel operating costs		676,948	1,440,835	-	-
Depreciation	10	599,525	740,695	6,488	7,092
Cost of services		3,766	6,419	-	-
Administrative expenses	4	152,059	162,660	132,255	133,224
Management remuneration including perquisites		81,397	88,004	76,528	78,408
Bad debts and doubtful accounts		16,832	9,767	-	1,125
Exchange losses		103,700	-	107,862	-
Total expenses		1,634,227	2,448,380	323,133	219,849
Income before share of income from investment in associate					
		1,038,033	2,883,681	991,588	3,594,171
Share of income from investment in associate held by a subsidiary	9.1	8,683	12,808	-	-
Income before finance cost and corporate income tax					
		1,046,716	2,896,489	991,588	3,594,171
Finance cost		(238,166)	(211,966)	(182,582)	(208,649)
Income before corporate income tax		808,550	2,684,523	809,006	3,385,522
Corporate income tax		(80,531)	(43,619)	-	-
Net income for the period		728,019	2,640,904	809,006	3,385,522
Net income attributable to:					
Equity holders of the parent		720,282	2,630,415	809,006	3,385,522
Minority interests of the subsidiaries		7,737	10,489	-	-
Net income for the period		728,019	2,640,904	809,006	3,385,522
(Unit: Baht)					
Basic earnings per share					
Net income attributable to equity holders of the parent		0.69	2.53	0.78	3.26

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

Precious Shipping Public Company Limited and subsidiaries**Cash flow statements****For the nine-month periods ended 30 September 2010 and 2009**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Cash flows from operating activities				
Income before corporate income tax	808,550	2,684,523	809,006	3,385,522
Adjustments to reconcile income before corporate income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	607,674	748,547	14,637	14,944
Bad debts and doubtful accounts	16,832	9,767	-	1,125
Write-off equipment and computer software	-	199	-	199
Allowance for loss on investments in subsidiaries	-	-	1	-
Gain on sales of vessels and equipment	(390,434)	(593,413)	-	(71)
Share of income from investment in associate held by a subsidiary	(8,683)	(12,808)	-	-
Reversal of provisions for maritime claims	(14,846)	(10,514)	-	-
Transfer deferred financial fees to interest expenses	4,464	-	-	-
Unrealised exchange gains	(440,563)	(137,517)	(128,346)	(138,489)
Interest expense	29,351	-	-	-
Interest income	(15,099)	(21,963)	(13,853)	(8,836)
Income from operating activities before changes in operating assets and liabilities	597,246	2,666,821	681,445	3,254,394
Operating assets (increase) decrease				
Trade accounts receivable	14,382	4,481	-	-
Receivable from and advances to subsidiaries	-	-	(35,254)	783,486
Receivable from and advances to jointly controlled entity	-	-	(330)	-
Bunker oil	(35,130)	(80,539)	-	-
Other current assets	17,398	43,586	6,270	8,687
Other non-current assets	230	70	220	-
Operating liabilities increase (decrease)				
Trade accounts payable	(20,729)	(61,715)	(1,391)	(2,959)
Payable to and advances from subsidiaries	-	-	1,001,278	867,382
Advances received from charterers	(18,389)	(123,946)	-	-
Other current liabilities	(79,284)	(131,565)	(41,810)	(28,974)
Non-current liabilities	(104,145)	(92,982)	(95,842)	(84,700)
Cash flows from operating activities	371,579	2,224,211	1,514,586	4,797,316
Cash paid for corporate income tax and withholding tax deducted at source	(105,881)	(37,728)	(2,945)	(3,806)
Net cash flows from operating activities	265,698	2,186,483	1,511,641	4,793,510

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

Precious Shipping Public Company Limited and subsidiaries**Cash flow statements (continued)****For the nine-month periods ended 30 September 2010 and 2009**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Cash flows from investing activities				
Acquisitions of equipment and payment of dry-dock and special survey expenses	(905,851)	(216,396)	(3,377)	(268)
Acquisitions of computer software	(725)	(2,656)	(725)	(2,656)
Cash paid for advances for vessel constructions	(469,429)	(3,013,929)	(209,373)	(3,013,929)
Proceeds from sales of vessels and equipment	827,146	1,945,858	-	308
Increase in investment in a subsidiary	-	-	(49,000)	(40,014)
Cash received (paid) in advance for share acquisition in associate held by a subsidiary	11,539	(11,539)	-	-
Dividend received from associate held by a subsidiary	3,414	-	-	-
Advances received from vessel sales	-	67,069	-	-
Increase in short-term loans to subsidiary	-	-	-	(2,029,594)
Increase in long-term loan to jointly controlled entity	-	-	(275,970)	-
Interest income	15,099	21,963	13,853	8,836
Net cash flows used in investing activities	(518,807)	(1,209,630)	(524,592)	(5,077,317)
Cash flows from financing activities				
Cash paid for interest expense	(73,594)	(45,595)	(44,243)	(45,595)
Cash paid for deferred financial fees	(104,455)	(2,948)	(104,381)	(2,948)
Cash received from long-term loans	967,174	3,007,335	199,099	3,007,335
Dividend paid to the Company's shareholders	(1,091,320)	(1,663,000)	(1,091,320)	(1,663,000)
Net cash flows from (used in) financing activities	(302,195)	1,295,792	(1,040,845)	1,295,792
Increase (decrease) in translation adjustments	1,552	(124,740)	-	-
Net increase (decrease) in cash and cash equivalents	(553,752)	2,147,905	(53,796)	1,011,985
Cash and cash equivalents at beginning of period	5,876,282	3,350,025	2,274,182	914,838
Cash and cash equivalents at end of period	5,322,530	5,497,930	2,220,386	1,926,823
Supplemental cash flow information				
Non-cash transactions				
Dividend income from subsidiaries offset against receivable from/payable to subsidiaries	-	-	1,241,958	3,594,404
Amortisation of revaluation surplus on assets of subsidiary - the Company's interest	42,008	15,193	-	-
Amortisation of revaluation surplus on assets of subsidiary - minority interest	-	1	-	-
Transfer of deferred financial fees to advances for vessel constructions	2,404	5,734	2,404	5,734
Transfer of interest expense to advances for vessel constructions	45,686	48,724	45,686	48,724
Deferred financial fees present as a deduction from long-term loans	22,421	13,234	5,118	13,234
Transfer of deferred financial fees to subsidiary in proportion to the drawdown amount	-	-	21,767	-
Transfer of deferred financial fees to interest expense	4,464	-	-	-
Adjustment of deferred financial fee and advances for vessel constructions	(6,202)	-	(6,202)	-

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