

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT 31 DECEMBER 2006 AND 2005

(Unit: Baht)

		CONSOLIDATED		THE COMPANY ONLY	
	<u>Note</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
ASSETS					
Current assets					
Cash and cash equivalents	11	1,258,574,577	738,622,662	41,282,018	10,865,512
Current investment - net	8	-	-	-	-
Trade accounts receivable - net	6	101,106,910	176,402,542	-	-
Receivable from and advances to subsidi	7	-	-	1,749,611,375	2,289,263,063
Bunker oil		43,614,009	63,433,373	-	-
Advances to vessel masters		111,251,224	92,544,826	-	-
Claim recoverable		26,347,145	50,767,056	221,803	598,109
Other current assets		62,071,930	45,168,857	17,063,990	19,471,644
Total current assets		1,602,965,795	1,166,939,316	1,808,179,186	2,320,198,328
Non-current assets					
Investments accounted for under equity					
method	8	119,767,616	113,305,776	10,820,478,414	9,347,793,063
Other long-term investment	9	10,130,430	-	10,130,430	-
Property, plant and equipment - net	10	11,023,851,695	12,496,747,668	60,338,726	53,978,906
Other non-current assets		1,429,706	3,615,540	662,711	656,712
Total non-current assets		11,155,179,447	12,613,668,984	10,891,610,281	9,402,428,681
Total assets		12,758,145,242	13,780,608,300	12,699,789,467	11,722,627,009

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

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (Continued)

AS AT 31 DECEMBER 2006 AND 2005

(Unit: Baht)

		CONSOLIDATED		THE COMPANY ONLY	
	<u>Note</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade accounts payable		82,603,363	117,581,885	695,472	5,374,750
Payable to and advances from subsidiaries	7	-	-	583,914,539	1,093,714,629
Current portion of subordinated loans					
from subsidiaries	7	-	-	-	662,818,000
Advances received from vessel sales	11	160,060,832	-	-	-
Advances received from charterers		176,407,290	125,615,195	-	-
Accrued crew accounts		100,470,812	104,110,529	-	-
Accrued expenses		118,841,601	154,360,379	38,113,343	11,232,664
Withholding tax payable		47,038,249	7,332,566	45,317,384	6,206,177
Other current liabilities		35,016,461	31,934,978	6,505,540	3,460,821
Total current liabilities		720,438,608	540,935,532	674,546,278	1,782,807,041
Non-current liabilities					
Long-term loans	12	-	3,293,967,999	-	-
Total non-current liabilities		-	3,293,967,999	-	-
Total liabilities		720,438,608	3,834,903,531	674,546,278	1,782,807,041

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

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (Continued)

AS AT 31 DECEMBER 2006 AND 2005

(Unit: Baht)

		CONSOLIDATED		THE COMPANY ONLY	
	Note	2006	2005	2006	2005
Shareholders' equity					
Share capital					
Registered share capital					
520,000,000 ordinary shares of Baht 1 each		520,000,000	520,000,000	520,000,000	520,000,000
Issued and paid-up share capital					
520,000,000 ordinary shares of Baht 1 each		520,000,000	520,000,000	520,000,000	520,000,000
Paid-in capital					
Premium on ordinary shares		411,429,745	411,429,745	411,429,745	411,429,745
Premium on treasury stock	16	21,114,984	-	21,114,984	-
Revaluation surplus on assets of subsid	13	144,278,576	-	144,278,576	-
Translation adjustment		126,689,683	161,698,471	126,689,683	161,698,471
Retained earnings					
Appropriated					
Statutory reserve - the Company	14	52,000,000	52,000,000	52,000,000	52,000,000
- subsidiaries	14	424,620,000	399,010,000	-	-
Treasury stock reserve	15	414,918,176	450,880,716	414,918,176	450,880,716
Unappropriated		10,325,110,201	8,395,681,752	10,749,730,201	8,794,691,752
Total equity attributable to Company's shareholder		12,440,161,365	10,390,700,684	12,440,161,365	10,390,700,684
Less: Treasury stock	16	(414,918,176)	(450,880,716)	(414,918,176)	(450,880,716)
Equity attributable to the Company's					
shareholders - net		12,025,243,189	9,939,819,968	12,025,243,189	9,939,819,968
Minority interest - equity attributable to					
minority shareholders of subsidiaries		12,463,445	5,884,801	-	-
Total shareholders' equity		12,037,706,634	9,945,704,769	12,025,243,189	9,939,819,968
Total liabilities and shareholders' equity		12,758,145,242	13,780,608,300	12,699,789,467	11,722,627,009
		0	0	0	0

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

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DIRECTORS

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PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

INCOME STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005

(Unit: Baht)

		CONSOLIDATED		THE COMPANY ONLY	
	<u>Note</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Revenues					
Vessel operating income		9,056,303,035	11,006,816,578	-	-
Service income	7	20,207,808	24,014,938	92,656,259	94,930,609
Interest income		27,983,874	36,390,460	4,106,310	7,801,542
Exchange gains		122,837,200	-	-	16,761,136
Other income		3,549,881	5,262,965	3,006,682	1,493,977
Share of income from investments accounted for under equity method		19,875,074	18,260,676	3,943,210,918	6,376,796,781
Total revenues		9,250,756,872	11,090,745,617	4,042,980,169	6,497,784,045
Expenses					
Vessel operating costs					
Vessel running expenses		2,120,077,863	1,984,275,808	-	-
Voyage disbursements		340,215,729	153,510,628	-	-
Bunker consumption		489,688,978	151,165,533	-	-
Total vessel operating costs		2,949,982,570	2,288,951,969	-	-
Depreciation	10	2,093,430,137	1,874,594,367	6,052,827	3,184,182
Cost of services		31,658,084	23,188,287	-	-
Administrative expenses	7	278,123,001	267,733,503	256,071,167	234,555,161
Bad debt and allowance for doubtful accounts		31,814,057	17,183,476	-	6,822,164
Reversal of allowance for loss on current investments	8	-	(146,123,966)	-	(25,230,946)
Loss on sales of current investments	8	-	24,184,706	-	25,230,906
Exchange losses		-	161,686,785	35,453,320	-
Total expenses		5,385,007,849	4,511,399,127	297,577,314	244,561,467
Income before interest and financial costs		3,865,749,023	6,579,346,490	3,745,402,855	6,253,222,578
Interest and financial costs		(144,053,394)	(392,158,580)	(30,280,099)	(76,615,860)
Income after interest and financial costs		3,721,695,629	6,187,187,910	3,715,122,756	6,176,606,718
Net income attributable to minority interest		(6,572,873)	(10,581,192)	-	-
Net income for the year	18	3,715,122,756	6,176,606,718	3,715,122,756	6,176,606,718
Basic earnings per share					
	20				
Net income		7.33	12.19	7.33	12.19
Weighted average number of ordinary shares (๕		506,689,083	506,613,700	506,689,083	506,613,700

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

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CASH FLOW STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005

(Unit: Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Cash flows from operating activities				
Net income for the year	3,715,122,756	6,176,606,718	3,715,122,756	6,176,606,718
Adjustments to reconcile net income to net cash provided by (paid from) operating activities:				
Depreciation	2,093,430,137	1,874,594,367	6,052,827	3,184,182
Bad debt and allowance for doubtful accounts	31,814,057	17,183,476	-	6,822,164
Reversal of allowance for loss on current investments	-	(146,123,966)	-	(25,230,946)
Loss on sales of current investments	-	24,184,706	-	25,230,906
Unrealised exchange losses	7,240,836	158,212,245	25,161	200,687
Share of income from investments accounted for under equity method	(19,875,074)	(18,260,676)	(3,943,210,918)	(6,376,796,781)
Gain on sales of equipment	(845,730)	(575,834)	(685,730)	(298,490)
Net income attributable to minority interest	6,572,873	10,581,192	-	-
Income (losses) from operating activities before changes in operating assets and liabilities	5,833,459,855	8,096,402,228	(222,695,904)	(190,281,560)
Operating assets (increase) decrease				
Trade accounts receivable	35,328,762	(155,376,687)	-	-
Receivable from and advances to subsidiaries	-	-	2,456,629,043	3,585,493,705
Bunker oil	19,819,364	(56,913,150)	-	-
Other current assets	(11,225,833)	2,234,229	2,783,960	(16,565,253)
Other non-current assets	30,124	1,500	(5,999)	1,500
Operating liabilities increase (decrease)				
Trade accounts payable	(34,699,069)	22,309,628	(4,704,439)	2,363,217
Payable to and advances from subsidiaries	-	-	(509,800,090)	(1,236,198,879)
Advances received from charterers	53,616,603	(81,662,778)	-	(1,294,162)
Accrued expenses and other current liabilities	227,956	76,715,479	69,036,605	(933,756)
Net cash flows from operating activities	5,896,557,762	7,903,710,449	1,791,243,176	2,142,584,812

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

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CASH FLOW STATEMENTS (Continued)

FOR THE YEARS ENDED 31 DECEMBER 2006 AND 2005

(Unit: Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Cash flows from investing activities				
Cash received from sales of current investment	-	121,939,260	-	40
Dividend received from associated held by a subsidiary	16,813,948	-	-	-
Increase in investments accounted for under equity method	-	-	-	(580,000,000)
Acquisitions of vessels, equipment and payment of dry-dock and special survey expenses	(476,271,007)	(2,853,752,651)	(12,433,837)	(22,029,812)
Proceeds from sales of equipment	866,920	575,944	706,920	298,563
Purchase of other long-term investment	(10,130,430)	-	(10,130,430)	-
Advances received from vessel sales	160,060,832	-	-	-
Net cash flows used in investing activities	<u>(308,659,737)</u>	<u>(2,731,237,447)</u>	<u>(21,857,347)</u>	<u>(601,731,209)</u>
Cash flows from financing activities				
Cash paid for long-term loans	(3,293,967,999)	(4,424,972,039)	-	-
Cash received from disposals of treasury stock	57,077,524	-	57,077,524	-
Dividend paid	(1,796,046,847)	(1,543,657,175)	(1,796,046,847)	(1,543,657,175)
Dividend paid to minority interest	-	(21,215,912)	-	-
Net cash flows used in financing activities	<u>(5,032,937,322)</u>	<u>(5,989,845,126)</u>	<u>(1,738,969,323)</u>	<u>(1,543,657,175)</u>
Increase (decrease) in translation adjustment	<u>(35,008,788)</u>	<u>30,878,801</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	519,951,915	(786,493,323)	30,416,506	(2,803,572)
Cash and cash equivalents at beginning of year	738,622,662	1,525,115,985	10,865,512	13,669,084
Cash and cash equivalents at end of year	<u>1,258,574,577</u>	<u>738,622,662</u>	<u>41,282,018</u>	<u>10,865,512</u>
	0	0	0	0
Supplemental cash flows information				
Cash paid during the year for				
Interest expense	112,447,053	313,798,534	-	-
Withholding tax deducted at source	3,381,315	3,365,324	2,820,745	2,925,933
Non-cash transactions				
Dividend income from subsidiaries offset against receivable from/payable to subsidiaries	-	-	2,465,215,567	4,651,524,166
Repayment of subordinated loans from subsidiaries offset against receivable from/payable to subsidia	-	-	662,818,000	-
Revaluation surplus on assets of subsidiary - the Company's interest	144,278,576	-	144,278,576	-
Revaluation surplus on assets of subsidiary - minority interest	5,771	-	-	-

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