

Ref. : 2009-007

5<sup>th</sup> February 2009

To : Director and Manager of the Stock Exchange of Thailand  
Subject : Consolidated USD Restatement Report of Precious Shipping Public Company Limited  
and subsidiaries for the year ended 31<sup>st</sup> December 2008

We, Precious Shipping Public Company Limited (the "Company") attach herewith the Consolidated USD Restatement Report of Precious Shipping Public Company Limited and subsidiaries for the year ended 31<sup>st</sup> December 2008 and Policy of Restatement from THB to USD currency for your information. (file "psle1", below the auditor report) We summarize the key figures for your ready reference as follows:

(Figures in Thousand US Dollars)

Balance Sheet	As at 31/12/2008	As at 31/12/2007
Total assets	514,372	428,943
Total liabilities	50,818	28,131
Total shareholders' equity	463,554	400,812
Income Statement	12 Months to 31/12/2008	12 Months to 31/12/2007
Total revenues	258,901	257,977
Total expenses	106,310	122,695
Income before interest and financial costs and corporate income tax	152,591	135,282
Financial costs	3,861	3,685
Net income before corporate income tax	148,730	131,597
Net income attributable to equity holders of the parent	148,138	125,134

**Background** : The restatement has been done on the basis of the Thai Baht Financial Statements as audited by the Company's Auditors and the subsequent restatement into US Dollars has been reviewed by the Independent accountants - BAKER TILLY CORPORATE ADVISORY SERVICES (THAILAND) LIMITED. We feel it is necessary to provide the Consolidated Restated US Dollar Financial Statements to investors, since these would give a more accurate financial position of the Company because our shipping assets are bought and sold in US Dollars apart from all our shipping revenues which are also in US Dollars. These constitute almost 98% of our total assets and revenues. Similarly, all of our liabilities and most of our expenses are also incurred in US Dollars. This leads to a mismatch in our Thai Baht Denominated Balance Sheet where some of the fixed assets (vessels acquired before 1st July 1997) are expressed in Thai Baht at the original exchange rates (at the conversion of about Baht 25-26 per USD 1), but the liabilities are expressed in Thai Baht at the closing exchange rates at the end of this year (at the conversion of about Baht 35.08 per USD 1) resulting in an understatement of the value of the fixed assets in Thai Baht terms, since the exchange rate for the conversion of the Fixed Assets (Vessels) from US Dollars to Thai Baht remains at the rate applied at the time of purchase of the Vessels.

Since almost all the fixed assets are in US Dollars, fixed assets are now restated in US Dollars at the original US Dollar value and the restatement thus removes the mismatch between asset and liability values.

Moreover, in recognition of the above, as a part of our credit facility agreements, it is the Company's obligation to additionally provide these Consolidated Restated US Dollar Financial Statements to the Lenders and also to compute the Financial Covenants based on these Consolidated Restated Financial Statements. Accordingly, these are being provided to all interested investors and shareholders too.

Please be informed accordingly.

Yours sincerely,

For : **Precious Shipping Public Company Limited**

**(Khushroo Kali Wadia)**

**Director**