"Investing is simple, but not easy. -- Warren Buffet"

THE RESULTS in Thai Baht and US Dollars (Note No. 23 of the Financial Statements), reviewed by Ernst & Young, show you the latest financial position of the Company. For this quarter, we would request you to carefully go through the Reviewed Financial Statements (with Notes) since a number of revised and new Accounting Standards issued by the Federation of Accounting Professions in Thailand have now been adopted by the Company which make our Financial Statements very close to that based under IFRS. The net profit before tax and minority interest for Q1, 2011 was USD 3.68 million which compares with the net profit of USD 15.27 million in Q1 2010. The earnings per day per ship during Q1 2011 were USD 12,118, slightly higher than our prediction of USD 11,500 for the year. When compared with the USD 12,425 in Q1 2010 it showed a decline of about 2.5%. The average operating expenses per day per ship were USD 4,896 in Q1 2011 higher than our prediction of USD 4,600 for the year but we hope to close the year with a number closer to our prediction. When compared to USD 4,963 in Q1 2010 (including depreciation/amortisation of the Drydocking/Special Survey expenses in both periods) it shows a drop of 1.4% in operating costs. The earnings per share (eps) in Thai Baht for this quarter are Baht 0.10 per share.

THE HARD FACTS	Q1, 2011	Q1, 2010 (Restated)
Highest Earnings per day per ship in USD	16,150	23,909
Average Earnings per day per ship in USD	12,118	12,425
Operating cost per day per ship in USD	4,896	4,963
EBITDA in million USD	10.50	11.64
Net Profit/(Loss) in million USD (before tax and minority interest)	3.68	15.27
Net Profit/(Loss) in million USD	3.54	14.43
Earnings Per Share in Thai Baht	0.10	0.46

PROSPECTS over the next 12 months look poor for our Industry especially if one were to examine the macro environment.

Analysts are estimating Chinese Iron Ore imports to grow to 740 MMT in 2011 or about 20% higher than the 618 MMT imported in 2010. However, CISA has recently come out to say that they expect annual iron ore imports for 2011 to actually drop to 557 MMT for a reduction in imports by 10%. According to China Chamber of Commerce of Metals Minerals & Chemicals Importers & Exporters, or CCCMC, President Xu Xu, China's demand for imported iron ore in 2011 is expected to rise by 40 MMT or 6% higher than 2010 on the back of the government's plan for a massive housing project of 10 million low income housing units in 2011, which will boost demand for steel products. Time will only tell who has the right estimated iron ore import numbers for China.

According to the World Steel Association, apparent steel use (ASU) for 2011 is set to rise 5.9% year-on-year to 1359.2 MMT after the strong increase of 13.2% in 2010. The WSA forecasts that world ASU will increase by a further 6.0% to another new record of 1440.6 MMT in 2012. Steel consumption in China is expected to rise by 5.0% in 2011 and 2012, while demand in the rest of world is predicted to grow by 6.6% this year and 6.8% in 2012.

Coal imports into China in 2010 reached 165 MMT or about 30% higher than the 126 MMT imported in 2009 with estimates for 2011 being pegged at 190 MMT for an increase of about 16%. Chinese coal imports, one of the major drivers of the dry bulk recovery in 2009/10 have disappointed the dry bulk markets this year with a 26.4% drop in first quarter this year compared to last year. China imported 32.4 million tons of coal in the first quarter of the year, the National Energy Administration (NEA) said last weekend. The primary reason for the drop in imports is high global prices of coal which has hit Chinese demand for imports as consumers turned to cheaper domestically produced coal.

China's GDP grew by 10.3% in 2010 as compared to 9.2% in 2009 but with inflation at 3.3%, above the targeted rate of 3%. Premier Wen pledged to reign in consumer and property prices as the nation's top priority. Wen aims to spark domestic demand and reduce the role of exports in the economy through wage increases, rather than via exchange-rate gains. China will therefore continue its efforts to stamp out inflation by increasing the reserve requirement ratios for banks as well as by raising interest rates whilst maintaining a healthy, though slower, growth rate during 2011.

The 11th March Earth Quake and Tsunami will have an immediate dampening effect on cargoes in and out of Japan. Once the damage to the various power generating facilities and steel plants, which have been shut down, are assessed we will get a better idea when these facilities will be able to restart 'normal' operations. In the medium term, reconstruction work will require massive amounts of cement, steel and wood which will be beneficial for our sector of the market. In the long run, if Japan exits from its Nuclear Power generating sector, it will have to replace that capacity with Coal or Oil or LNG fired power plants and that would be extremely bullish for ships involved in the Coal trade.

Looking at how the bulker fleet has developed is depressing. We started with 295 MDWT at the end of 2000 and that figure had grown to 555 MDWT by the end of 2010 or an average 9% increase per annum in net fleet growth. In Q1 2011 the fleet has already grown by 3% to 571 MDWT with a further 20% (113 MDWT) scheduled for delivery in the balance of 2011 and another 18% (102 MDWT) scheduled for delivery in 2012. Even if we were to apply a slippage factor of 40% to these scheduled delivery numbers and further assume that scrapping reaches as high as 3% (17 MDWT) per annum we would still be left with a net fleet growth of 13% (71 MDWT) in 2011 and another 14% (78 MDWT) in 2012 with more to come in 2013! To absorb that increase in supply will be the real challenge, and that I am

afraid, is something that we do not believe the demand side will be able to achieve despite the mixed, good and not so good, news in the previous paragraphs.

A symptom of the above challenge is that some well known and public shipping names are currently struggling with Korea Line leading the way with Chapter 11 & 15 filings and Beluga declaring insolvency. Most recently, Samho Shipping (ship owner) and Sekwang Heavy Industries (shipbuilding) have filed for judicial protection. We suspect that Korea Line, Samho Shipping, Sekwang Heavy and Beluga will not be the only names that will fade away before the end of 2011/2012.

LONG TERM VERSUS SHORT TERM CHARTERS: As can be seen, our current and forward four year (2011 to 2015) rolling book as at the end of Q1 2011 is at the 29% level with a visible revenue stream of USD 238 million. When freight rates move in an upward direction, we effectively lock in earnings by putting away the spot ships for longer term charters at healthy rates. This policy was very successfully employed over the last few years and allowed us to ride out the volatile nature of the spot market with relative ease.

Year	**2011**	**2012**	**2013**	**2014**	**2015**
Total Available Days	**8,084**	**11,138**	**14,626**	**15,695**	**15,695**
Fixed T/C Days	**5,053**	**3,108**	**2,889**	**2,883**	**2,555**
%age Fixed T/C Days	**63%**	**28%**	**20%**	**18%**	**16%**
Av. T/C Rate/Day in USD	**13,084**	**14,098**	**14,915**	**15,016**	**14,871**
Contract value in USD	**$66m**	**$44m**	**$43m**	**$43m**	**$38m**

As the BDI remains at fairly low levels we will have to wait out the current low period before reemploying this strategy in the future when the BDI starts to move in an upward direction.

Now that we have sold and physically handed over our 25 oldest ships the 'total available days' row will keep on increasing as contracted new building vessels join the fleet and second hand ship purchases take place in the future. The figures in the above table do not assume any second hand purchases as replacements barring the 15 brand new ships that we have already contracted at ABG, the 3 firm Cement Ships also contracted at ABG, and the 4 Supras that we have purchased via a re-sale from China for delivery between March and August 2012 in replacement of the 25 'sold' ships. As you may be aware, the Cement ships have been pre-committed for minimum 15 to maximum 25 year time charter contracts to an existing client at, what we think, are extremely attractive rates for our client as well as for us.

The Fleet Rejuvenation Plan started with the purchase of the Rojarek Naree in late 2009 (29,870 DWT built in 2005 in Japan purchased for USD 22.15 million and continued with the purchase of the Nalinee Naree (31,700 DWT built in Japan in 2005), in early 2010. This continued with the purchase of the 4 Supra re-sales from China for delivery during 2012. Currently values of second hand ships are in a state of flux with the most recent sales showing a lowering in values to price these assets

almost at historical levels that were prevailing prior to 2003. We think that these are very attractive levels and will result in our exploring such options from the second hand market in the next few quarters. We will report the progress that is being made in this matter in due course of time.

ABG Shipyard, as we have previously intimated, is late beyond the cancellation dates for building the first two 34K and the first 54K ships contracted with them. We have therefore novated these three ship building contracts to a willing buyer. This will result in a one-time gain of about USD 10 million, cash inflow of about USD 32 million (net of prepayment of bank debt against these contracts), and a net reduction in existing long term bank debt of USD 39.20 million. Though we are not extremely pleased with this outcome of having to novate these three ship building contracts, it was the best possible solution under the existing circumstances. Besides, we were able to replace these 3 ABG ships (122K DWT capital cost USD 98 million) with the 4 re-sale 57K ships (228K DWT capital cost USD 105 million) from China for delivery during 2012 almost doubling the DWT at roughly the same capital cost.

Dividends have been paid out on a quarterly basis since the start of 2007. For 2010 we paid out 100% of net profit as quarterly dividends to shareholders as there was no pressing need for these funds. Cash flows and profitability permitting, we hope to maintain the same tempo in the years to come in line with the earnings that we generate.

The next SET Opportunity Day will be held at the SET building at 1045 hours on the 13th May 2011 where we will be presenting our Q1 2011 results. This event is normally very well attended with between 70 and 100 participants from the analysts, fund management and investor communities. We hope that many of you will attend this event where we will thoroughly discuss the current results. For those of you who cannot attend physically, the SET webcasts the Opportunity Day presentation live, giving you a chance to be present via the web.

SHIP SCRAPPING has started to pick up as the freight market has slowed down. In Q1 2011, 64 ships in our sector were removed whilst a total of 29 ships were added resulting in the fleet shrinking from 3,151 ships at the beginning of the year to 3,116 by the end of Q1 or a net decrease of just over 1% in the world fleet in our sector. If the freight markets continue at their current levels, we expect the world fleet in our sector to continue to shrink by 3 to 5% per annum. This is the best piece of news for ship-owners faced with a massive new building order book looming on the dry bulk horizon.

Sincerely,

Khalid Hashim