

“Patience is a small price to pay for what you will receive”

RESULTS: The results in Thai Baht, reviewed by Ernst & Young, as well as US Dollars, certified by Baker Tilly, show you the latest financial position of the Company. The net profit for Q3 2004 was a staggering USD 30.86 million! The earnings per day per ship during Q3 were a good 5% higher than Q2. In this quarter, operating costs at USD 2,774 per day per ship are near our revised target for the year of USD 2,750 per day per ship and much below the Q1 number of USD 2,896 per day per ship. The average daily operating costs for the year are now expected to be around USD 2,750. The net operating profit has increased mainly due to an increase in earnings per day per ship along with an increase in Vessel operating days during Q3 2004 as compared to Q3 2003. The EBITDA has also increased quite substantially, actually more than 3.6 times, during the period under comparison. The earnings per share (eps) in Thai Baht stood at 2.39 Baht per share for this quarter, and were we to have excluded the exchange loss of Baht 116.79 million, which as you all are aware is not a ‘real’ loss, then the eps for this quarter would have been a staggering Baht 2.62 per share!

THE HARD FACTS	Q3, 2004	Q3, 2003
Highest Earnings per day per ship in USD	24,750	13,950
Average Earnings per day per ship in USD	13,199	7,840
Operating cost per day per ship in USD	2,774	2,680
EBITDA in million USD	44.04	12.18
Net Profit/(Loss) in million USD (including exchange Gain (loss)) before Extraordinary items	30.86	4.96
Net Profit/(Loss) in million USD	30.86	8.24
Earnings Per Share in Thai Baht	2.39	1.07

PROSPECTS over the next 12 months still look pretty amazing. The fundamentals on the supply and demand side would suggest that this market could sustain itself for a while longer.

TIME CHARTER ANALYSIS: The analysis of the long term charters already booked as of 5th November 2004 comprise about 57% of our existing annual capacity (5th November 2004 till 4th November 2005) based on 52 ships at a healthy average rate just below USD 13,000 per day per ship. Though we have faith that the freight markets are going to continue to remain fairly strong for the foreseeable future we felt it prudent to ‘lock-in’ some of these very high charter rates and have a steady guaranteed source of income for the coming year and beyond. This strategy would also allow us to lock in rates when ever the markets are at their high points by putting away the spot ships, and those where the shorter term time charters have expired, on to longer term, time charters, at healthy rates.

THE CHINA FACTOR continues to exert its influence on the freight markets. Despite all the 'slow down' talks over the last few months, the steel production for 2004 is expected to reach a staggering figure of just over 270 million tones. This would be some 23% more than the already phenomenal figure of 220 million tones reached during 2003. The current consensus is that for 2005 China will produce a staggering 302 million tons of steel!

THE FLEET Renewal program has culminated with the 52nd ship physically being taken possession of on the 30th September 2004. We are now in a consolidation stage where we will focus all our energies on managing these 52 ships to the best of our abilities.

SHARE BUY BACK that commenced in the month of April 2004 has progressed reasonably smoothly. As of the 09th October 2004 we had bought back a total of 13,386,300 shares equal to 2.57% of paid-up capital at an average price of Baht 33.60 per share. This completes the repurchase program as the time limit allowed under the regulations expired on the 09th October 2004.

INVESTOR RELATIONS: The next SET Opportunity Day will be on the 2nd December 2004. This event is normally very well attended with between 70 and 100 participants from the analysts, fund management and investor communities. We are also holding Analyst meetings at our office on the 15th of November to discuss the Q3 results. We were also invited to attend the Thailand Focus seminar hosted by the SET, ABN Amro and CSFB held at the Four Seasons Hotel, Bangkok. This was held between the 20th and the 22nd of September 2004. From the press coverage it was quite a success. Citigroup Smith Barney also invited us to meet their clients under their 'ASEAN Corporate Day' held at the Ritz Carlton, Singapore on the 7th October 2004.

SHIP SCRAPPING has nearly come to a halt. During this quarter a total of 21 ships were delivered whilst a total of 11 ships were removed resulting in net positive growth of 10 ships to 3,014 ships. We expect that scrapping will, more or less, become a thing of the past as the strength of the freight markets make it attractive for owners to extend the lives of their oldest ships.

Sincerely,

Khalid Hashim