"In life you don't get what you want, you get what you make of life"

THE RESULTS in Thai Baht, audited by Ernst & Young, as well as US Dollars, certified by Baker Tilly, show you the latest financial position of the Company. The net profit before tax for Q4 2007 was a respectable USD 26.12 million! The Net Profit in Q4 was marginally higher as compared to USD 18.29 million in Q3. The earnings per day per ship during Q4 came in at USD 14,137, on the higher side of our forecast for this year of between USD 9,000 and USD 11,000 per day per ship. In this quarter, daily operating costs were USD 4,148, much higher than what we had anticipated and has taken the annual costs to USD 4,005 per day per ship. The EBITDA was USD 36.40 million during Q4 2007 as compared to 37.99 million in Q4 2006. The earnings per share (eps) in Thai Baht stood at Baht 0.61 per share for this quarter. To put our current Q4 2007 earnings in USD per day per ship in perspective, it must be remembered that it is just about 2% lower than our best year ever in the past - 2005 when it was USD 14,449 - including and prior to the year 2003. It is also 17.8% higher than our mean expectation for this year of USD 12,000 per day per ship.

THE HARD FACTS	Q4, 2006	Q4, 2007
Highest Earnings per day per ship in USD	30,780	38,742
Average Earnings per day per ship in USD	12,450	14,137
Operating cost per day per ship in USD	3,813	4,148
EBITDA in million USD	37.99	36.40
Net Profit/(Loss) in million USD (including exchange Gain (loss)) before Income Tax	27.55	26.12
Net Profit/(Loss) in million USD	27.55	19.87
Earnings Per Share in Thai Baht	0.98	0.61

PROSPECTS over the next 12 months look very good compared to long term historical averages and may even eclipse the levels that we have seen over the exceptional years of 2004 and 2005. In the current freight cycle, the low point in daily earnings on our ships was reached in Q2 2002 at USD 5,497. The high point was achieved in Q1 2005 at USD 15,928 per day per ship which may be breached in the future. To place these numbers in perspective, we must remember that the average for 2003, which was our best year ever before 2004 and 2005, was just USD 7,870 per day per ship.

LONG TERM VERSUS SHORT TERM CHARTERS: The long term charters already booked as of 31st December 2007 are shown in the chart below.
[Note: The total available days for year 2010 and beyond are basis estimated contracted delivery dates of only 2 out of the 18 New Building vessels ordered so far and with the assumption that no additional vessels are sold or bought.]

Year	2007	2008	2009	2010	2011
Total Available Days	**16,413**	**16,060**	**16,060**	**16,367**	**16,790**
Fixed T/C Days	**15,093**	**12,751**	**7,855**	**4,176**	**1,453**
%age Fixed T/C Days	**91.96%**	**79.40%**	**48.91%**	**25.51%**	**8.65%**
Av. T/C Rate/Day in USD	**12,828**	**14,358**	**12,056**	**11,617**	**15,195**
Contract value in USD	**$193.6m**	**$183.1m**	**$94.7m**	**$48.5m**	**$22.1m**

When freight rates are moving in an upward direction, as the BDI had been doing during most of 2007, we can and have employed the strategy to effectively lock in rates by putting away the spot ships for longer terms at healthy rate levels. This policy was very successfully employed in 2004 and 2005 and allowed us to ride out the volatile nature of the spot market with relative ease during those years. It also allowed us to get ranked as the No.1 Listed Shipping Company in the world based on our results of 2006 even though it was a year with declining BDI/freight rates. We have managed, by the Grace of God, to fix ship No.1 and No.3 out of our 12 New Building 34,000 DWT ships to one of our existing customers for a period of 60 to 62 months +/- 1 month. The same client has an option, declarable latest by 31st March 2008, on ship No.2 and No.4 for the same period. The EBITDA from these 60 to 62 month contracts would amount to approximately USD 26/27 million per ship where as the contracted purchase price is just USD 30 million per ship!! It is our intention to continue to charter out all our 34K and 54K New Building Ships at similar rates for similar period contracts as and when we get such opportunities.

THE CHINA FACTOR continues to have a disproportionate impact on the dry bulk markets. Just to give you a flavour of what this means, we quote from a table included in Lloyd's List issue dated 7th January 2008 showing China was expected to import 425 Million MT of Iron Ore or 50% of the entire worldwide Iron Ore trade for 2008 and about 11% higher than the 383.6 Million MT of Iron Ore estimated to have been imported into China in 2007! The November issue of the Insight magazine had the following to say "In October, Iceland's Kaupthing Bank said China would need to import between 150 and 230 million MT of Coal by 2010." And this for a nation which once was one of the larger Coal exporters in the world!

The next SET Opportunity Day where PSL will be presenting will be held at the SET building at 1330 hours on the 3rd March 2008. 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 the Company will get a chance to thoroughly discuss the 2007 results and the prospects for 2008.

SHIP SCRAPPING that had started to pick up the pace in the early part of this year (2007) has slowed down significantly. In Q4 2007, 2 ships were scrapped whilst a total of 28 ships were added. For the whole of the year 2007, the fleet has increased from 3,084 ships at the beginning to 3,164 at the end of the year in the world fleet in our sector. If the freight markets continue at their current, but

volatile levels, we expect the world fleet in our sector to grow at roughly the same pace experienced during 2007 of about 2 to 3% per annum.

Sincerely,

Khalid Hashim