

Precious Shipping Public Company Limited and subsidiaries

Balance sheets

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2008	31 December 2007	30 June 2008	31 December 2007
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		1,765,972	1,470,244	62,703	194,975
Current investments - net	3	-	-	-	-
Trade accounts receivable - net	4	9,337	34,639	-	-
Receivable from and advances to subsidiaries	5	-	-	1,057,966	998,556
Bunker oil		-	5,637	-	-
Other current assets					
Advances to vessel masters		103,571	100,196	-	-
Claim recoverable		93,683	100,254	401	184
Others		63,856	51,928	16,868	28,982
Total other current assets		261,110	252,378	17,269	29,166
Total current assets		2,036,419	1,762,898	1,137,938	1,222,697
Non-current assets					
Investments in subsidiaries - net	6	-	-	5,663,013	5,618,013
Investment in associate held by a subsidiary	7.1	124,552	134,282	-	-
Other long-term investment		10,130	10,130	10,130	10,130
Property, plant and equipment - net	2, 8	9,232,122	9,526,015	30,716	25,124
Other non-current assets					
Software - net	9	51,091	43,496	51,091	43,496
Advances for vessel construction	10	3,981,725	3,239,191	3,981,725	3,239,191
Deferred financial fees		299,101	298,102	299,101	298,102
Others		3,324	4,024	2,617	3,396
Total other non-current assets		4,335,241	3,584,813	4,334,534	3,584,185
Total non-current assets		13,702,045	13,255,240	10,038,393	9,237,452
Total assets		15,738,464	15,018,138	11,176,331	10,460,149

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

Precious Shipping Public Company Limited and subsidiaries

Balance sheets (continued)

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2008	31 December 2007	30 June 2008	31 December 2007
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade accounts payable		63,468	66,544	1,880	1,547
Payable to and advances from subsidiaries	5	-	-	1,260,907	1,360,442
Advances received from charterers		197,718	171,470	-	-
Other current liabilities					
Accrued crew accounts		93,786	96,523	-	-
Current portion of accrued employee bonus		90,781	58,447	83,518	53,808
Accrued expenses		44,224	112,930	2,789	427
Provision for income tax		1,687	216,230	-	-
Withholding tax payable		37,210	38,022	35,931	36,462
Others		23,037	28,141	5,493	11,584
Total other current liabilities		290,725	550,293	127,731	102,281
Total current liabilities		551,911	788,307	1,390,518	1,464,270
Non-current liabilities					
Accrued employee bonus					
- net of current portion		103,602	95,947	95,117	88,598
Provisions for maritime claims		50,342	68,952	-	-
Total non-current liabilities		153,944	164,899	95,117	88,598
Total liabilities		705,855	953,206	1,485,635	1,552,868

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

Precious Shipping Public Company Limited and subsidiaries

Balance sheets (continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>30 June 2008</u>	<u>31 December 2007</u>	<u>30 June 2008</u>	<u>31 December 2007</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered share capital				
1,039,520,600 ordinary shares of Baht 1 each	1,039,521	1,039,521	1,039,521	1,039,521
Issued and paid-up share capital				
1,039,520,600 ordinary shares of Baht 1 each	1,039,521	1,039,521	1,039,521	1,039,521
Paid-in capital				
Premium on ordinary shares	411,430	411,430	411,430	411,430
Premium on treasury stock	172,446	172,446	172,446	172,446
Revaluation surplus on assets of subsidiary	113,896	123,966	-	-
Translation adjustment	105,451	86,324	-	-
Retained earnings				
Appropriated				
Statutory reserve - the Company	103,952	103,952	103,952	103,952
- subsidiaries	470,420	467,720	-	-
Unappropriated	12,603,745	11,646,882	7,963,347	7,179,932
Total equity attributable to Company's shareholders	15,020,861	14,052,241	9,690,696	8,907,281
Minority interest - equity attributable to minority shareholders of subsidiaries	11,748	12,691	-	-
Total shareholders' equity	15,032,609	14,064,932	9,690,696	8,907,281
Total liabilities and shareholders' equity	15,738,464	15,018,138	11,176,331	10,460,149
	0	0	0	0

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

Directors

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries**Income statements****For the three-month periods ended 30 June 2008 and 2007**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2008	2007	2008	2007
Revenues					
Vessel operating income					
Hire income		1,982,981	1,618,817	-	-
Freight income		32,155	47,247	-	-
Total vessel operating income		2,015,136	1,666,064	-	-
Service income	5	721	2,142	23,478	23,508
Gain on sales of vessels and equipment		-	205,035	-	1,162
Interest income		15,190	50,577	4,898	9,950
Exchange gains		53,957	-	21,070	-
Other income		55	1,701	7	6
Dividend received	5	-	-	1,110,109	1,181,533
Share of income from investment in associate held by a subsidiary	7.1	-	8,106	-	-
Total revenues		2,085,059	1,933,625	1,159,562	1,216,159
Expenses					
Vessel operating costs					
Vessel running expenses		431,750	420,251	-	-
Voyage disbursements		13,360	524	-	-
Bunker consumption		-	10,223	-	-
Total vessel operating costs		445,110	430,998	-	-
Depreciation	2, 8	263,726	440,073	2,476	1,856
Cost of services		8,186	8,290	-	-
Administrative expenses	5	100,709	142,471	96,700	136,853
Bad debt and allowance for doubtful accounts (reversal)		(7,175)	5,685	-	-
Exchange losses		-	47,687	-	8,261
Share of loss from investment in associate held by a subsidiary	7.1	10,838	-	-	-
Total expenses		821,394	1,075,204	99,176	146,970
Income before financial costs and corporate income tax		1,263,665	858,421	1,060,386	1,069,189
Financial costs		(15,408)	(26,652)	(15,265)	(26,408)
Income before corporate income tax		1,248,257	831,769	1,045,121	1,042,781
Corporate income tax		(9,809)	-	-	-
Net income for the period		1,238,448	831,769	1,045,121	1,042,781
Net income (loss) attributable to:					
Equity holders of the parent		1,238,677	829,847	1,045,121	1,042,781
Minority interests of the subsidiaries		(229)	1,922	-	-
Net income for the period		1,238,448	831,769	1,045,121	1,042,781
(Unit: Baht)					
Basic earnings per share					
Net income attributable to equity holders of the parent		1.19	0.80	1.00	1.00
Weighted average number of ordinary shares (shares)		1,039,520,600	1,039,520,600	1,039,520,600	1,039,520,600

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries**Income statements****For the six-month periods ended 30 June 2008 and 2007**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2008	2007	2008	2007
Revenues					
Vessel operating income					
Hire income		3,898,012	3,392,889	-	-
Freight income		115,425	225,760	-	-
Total vessel operating income		4,013,437	3,618,649	-	-
Service income	5	1,304	7,125	46,956	48,828
Gain on sales of vessels and equipment		-	1,558,220	-	1,537
Interest income		23,001	70,443	5,711	20,356
Other income		77	1,764	13	24
Dividend received	5	-	-	2,314,193	2,282,172
Share of income from investment in associate held by a subsidiary	7.1	-	5,032	-	-
Total revenues		4,037,819	5,261,233	2,366,873	2,352,917
Expenses					
Vessel operating costs					
Vessel running expenses		872,572	910,291	-	-
Voyage disbursements		37,298	26,400	-	-
Bunker consumption		10,274	47,396	-	-
Total vessel operating costs		920,144	984,087	-	-
Depreciation	2, 8	532,178	912,705	4,437	3,455
Cost of services		19,002	15,540	-	-
Administrative expenses	5	241,967	202,565	234,126	196,382
Bad debt and allowance for doubtful accounts (reversal)		(8,762)	9,311	-	1
Exchange losses		28,405	128,322	10,764	43,241
Share of loss from investment in associate held by a subsidiary	7.1	11,795	-	-	-
Total expenses		1,744,729	2,252,530	249,327	243,079
Income before financial costs and corporate income tax		2,293,090	3,008,703	2,117,546	2,109,838
Financial costs		(35,297)	(40,098)	(34,995)	(39,604)
Income before corporate income tax		2,257,793	2,968,605	2,082,551	2,070,234
Corporate income tax		(10,107)	-	-	-
Net income for the period		2,247,686	2,968,605	2,082,551	2,070,234
Net income (loss) attributable to:					
Equity holders of the parent		2,248,625	2,965,512	2,082,551	2,070,234
Minority interests of the subsidiaries		(939)	3,093	-	-
Net income for the period		2,247,686	2,968,605	2,082,551	2,070,234
(Unit: Baht)					
Basic earnings per share					
Net income attributable to equity holders of the parent		2.16	2.87	2.00	2.00
Weighted average number of ordinary shares (shares)		1,039,520,600	1,034,960,958	1,039,520,600	1,034,960,958

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries**Cash flow statements****For the six-month periods ended 30 June 2008 and 2007**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Cash flows from operating activities				
Income before corporate income tax	2,257,793	2,968,605	2,082,551	2,070,234
Adjustments to reconcile net income to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	532,389	912,809	4,648	3,559
Bad debt and allowance for doubtful accounts (reversal)	(8,762)	9,311	-	1
Write-off equipment	538	-	15	-
Gain on sales of vessels and equipment	-	(1,558,220)	-	(1,537)
Amortisation of discount on investments in debt securities	(3,396)	(3,316)	(3,396)	(3,316)
Share of loss (income) from investment in associate held by a subsidiary	11,795	(5,032)	-	-
Provisions for maritime claims (reversal)	(18,610)	60,354	-	-
Unrealised loss (gain) on exchange	11,021	3,425	(11)	8
Financial costs	35,297	40,098	34,995	39,604
Income from operating activities before changes in operating assets and liabilities	2,818,065	2,428,034	2,118,802	2,108,553
Operating assets (increase) decrease				
Trade accounts receivable	34,419	66,291	-	-
Receivable from and advances to subsidiaries	-	-	(59,409)	(384,232)
Bunker oil	5,637	(18,195)	-	-
Other current assets	(5,920)	13,850	13,361	(7,036)
Other non-current assets	701	84	779	5
Operating liabilities increase (decrease)				
Trade accounts payable	(5,405)	(28,072)	345	2,744
Payable to and advances from subsidiaries	-	-	(99,535)	(61,348)
Advances received from charterers	17,208	(32,768)	-	-
Other current liabilities	(45,512)	21,569	25,449	(1,478)
Other non-current liabilities	7,655	55,074	6,518	50,806
Cash flows from operating activities	2,826,848	2,505,867	2,006,310	1,708,014
Cash paid for financial costs	(35,297)	(40,098)	(34,995)	(39,604)
Cash paid for corporate income tax	(226,983)	(739)	(1,464)	(174)
Net cash flows from operating activities	2,564,568	2,465,030	1,969,851	1,668,236

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries**Cash flow statements (continued)****For the six-month periods ended 30 June 2008 and 2007**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Cash flows from investing activities				
Acquisitions of current investments	(1,437,368)	(1,648,586)	(1,437,368)	(1,648,586)
Proceeds from sales of current investments	1,440,764	1,615,929	1,440,764	1,615,929
Dividend received from associate held by a subsidiary	3,682	-	-	-
Acquisitions of equipment and payment of dry-dock and special survey expenses	(238,823)	(343,173)	(10,044)	(8,460)
Acquisitions of software	(7,806)	(2,014)	(7,806)	(2,014)
Advances paid for vessel construction	(742,534)	-	(742,534)	-
Proceeds from sales of vessels and equipment	-	1,890,515	-	1,537
Increase in investment in a subsidiary	-	-	(45,000)	-
Net cash flows from (used in) investing activities	(982,085)	1,512,671	(801,988)	(41,594)
Cash flows from financing activities				
Cash received from disposals of treasury stock	-	566,249	-	566,249
Deferred financial fees	(999)	(297,975)	(999)	(297,975)
Cash dividend paid to the Company's shareholders	(1,299,136)	(1,615,709)	(1,299,136)	(1,615,709)
Cash dividend paid to minority interest	-	(4,426)	-	-
Net cash flows used in financing activities	(1,300,135)	(1,351,861)	(1,300,135)	(1,347,435)
Increase (decrease) in translation adjustments	13,380	(24,665)	-	-
Net increase (decrease) in cash and cash equivalents	295,728	2,601,175	(132,272)	279,207
Cash and cash equivalents at beginning of period	1,470,244	1,258,575	194,975	41,282
Cash and cash equivalents at end of period	1,765,972	3,859,750	62,703	320,489

Supplemental cash flow information

Non-cash transactions

Dividend income from subsidiaries offset against

receivable from/payable to subsidiaries	-	-	2,314,193	2,282,172
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Stock dividend paid	-	519,521	-	519,521
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Amortisation of revaluation surplus on assets of

subsidiary - the Company's interest	10,070	10,073	-	-
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Amortisation of revaluation surplus on assets of

subsidiary - minority interest	4	-	-	-
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