

## PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## BALANCE SHEETS

(Unit: Thousand Baht)

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
<u>Note</u>		<u>30 September 2007</u>	<u>31 December 2006</u>	<u>30 September 2007</u>	<u>31 December 2006</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)
<b>ASSETS</b>					
<b>Current assets</b>					
		3,347,956	1,258,575	2,032,889	41,282
	3	-	-	-	-
	4	44,640	101,107	-	-
	5	-	-	1,098,294	1,757,932
		-	43,614	-	-
		104,637	111,251	-	-
		110,801	88,419	24,931	17,286
<b>Total current assets</b>		<b>3,608,034</b>	<b>1,602,966</b>	<b>3,156,114</b>	<b>1,816,500</b>
<b>Non-current assets</b>					
	6	-	-	5,618,013	5,618,013
	6	122,331	119,768	-	-
		10,130	10,130	10,130	10,130
	7	9,813,060	11,023,852	67,946	60,339
	15.2	1,024,320	-	1,024,320	-
	8, 9	303,332	-	303,332	-
		1,665	1,429	1,019	663
<b>Total non-current assets</b>		<b>11,274,838</b>	<b>11,155,179</b>	<b>7,024,760</b>	<b>5,689,145</b>
<b>Total assets</b>		<b>14,882,872</b>	<b>12,758,145</b>	<b>10,180,874</b>	<b>7,505,645</b>

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

## PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## BALANCE SHEETS (Continued)

(Unit: Thousand Baht)

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
<u>Note</u>		<u>30 September 2007</u>	<u>31 December 2006</u>	<u>30 September 2007</u>	<u>31 December 2006</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>Current liabilities</b>					
		117,770	82,603	1,003	695
	5	-	-	1,635,768	579,142
		-	160,061	-	-

Advances received from charterers		136,376	176,407	-	-
Accrued crew accounts		90,877	100,471	-	-
Accrued expenses		134,527	118,842	43,011	38,113
Provisions for loss on financial instruments	15.1	235,268	-	-	-
Provisions for maritime claims		67,913	-	-	-
Withholding tax payable		32,890	47,038	31,864	45,317
Other current liabilities		28,342	35,016	9,955	6,441
<b>Total current liabilities</b>		<b>843,963</b>	<b>720,438</b>	<b>1,721,601</b>	<b>669,708</b>
<b>Non-current liabilities</b>					
Accrued employee bonus		72,591	-	67,003	-
<b>Total non-current liabilities</b>		<b>72,591</b>	<b>-</b>	<b>67,003</b>	<b>-</b>
<b>Total liabilities</b>		<b>916,554</b>	<b>720,438</b>	<b>1,788,604</b>	<b>669,708</b>

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	
		30 September 2007	31 December 2006	30 September 2007	31 December 2006
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)
<b>Shareholders' equity</b>					
Share capital					
Registered share capital					
1,039,520,600 ordinary shares of Baht 1 each					
(31 December 2006: 520,000,000 ordinary shares of Baht 1 each)	10	1,039,521	520,000	1,039,521	520,000
Issued and paid-up share capital					
1,039,520,600 ordinary shares of Baht 1 each					
(31 December 2006: 520,000,000 ordinary shares of Baht 1 each)	10	1,039,521	520,000	1,039,521	520,000
Paid-in capital					
Premium on ordinary shares		411,430	411,430	411,430	411,430
Premium on treasury stock	11	172,446	21,115	172,446	21,115
Revaluation surplus on assets of subsidiary		129,086	144,278	-	-
Translation adjustment		97,894	126,690	-	-
Retained earnings					
Appropriated					
Statutory reserve - the Company		103,952	52,000	103,952	52,000
- subsidiaries		440,420	424,620	-	-
Treasury stock reserve	11	-	414,918	-	414,918
Unappropriated		11,558,227	10,325,111	6,664,921	5,831,392
<b>Total equity attributable to the Company's shareholders</b>		<b>13,952,976</b>	<b>12,440,162</b>	<b>8,392,270</b>	<b>7,250,855</b>
Less: Treasury stock	11	-	-414,918	-	-414,918

Equity attributable to the Company's				
shareholders - net	13,952,976	12,025,244	8,392,270	6,835,937
Minority interest - equity attributable to				
minority shareholders of subsidiaries	13,342	12,463	-	-
<b>Total shareholders' equity</b>	<b>13,966,318</b>	<b>12,037,707</b>	<b>8,392,270</b>	<b>6,835,937</b>
<b>Total liabilities and shareholders' equity</b>	<b>14,882,872</b>	<b>12,758,145</b>	<b>10,180,874</b>	<b>7,505,645</b>
	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 SEPTEMBER 2007 AND 2006

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2007	2006	2007	2006
					(Restated)
Revenues					
Vessel operating income					
Hire income		1,730,047	1,873,600	-	-
Freight income		34,158	567,113	-	-
Total vessel operating income		1,764,205	2,440,713	-	-
Service income	5	945	4,270	23,736	23,122
Interest income		42,084	4,824	4,859	1,065
Exchange gains		-	11,236	2,533	-
Dividend received	5	-	-	1,123,093	744,822
Other income		45	139	7	4
Share of income from investment in associate held by a subsidiary	6	10,338	10,537	-	-
Total revenues		1,817,617	2,471,719	1,154,228	769,013
Expenses					
Vessel operating costs					
Vessel running expenses		417,351	512,546	-	-
Voyage disbursements		8,525	85,520	-	-
Bunker consumption		2,445	146,893	-	-
Total vessel operating costs		428,321	744,959	-	-
Depreciation		457,438	529,946	2,076	1,517
Cost of services		5,345	10,329	-	-
Administrative expenses	5	84,692	67,074	80,464	63,311
Bad debt and allowance for doubtful accounts (reversal)		(4,162)	21,106	-	-
Loss on financial instruments	15.1	235,268	-	-	-
Exchange losses		28,839	-	-	9,093
Total expenses		1,235,741	1,373,414	82,540	73,921
Income before interest and financial costs and					
corporate income tax		581,876	1,098,305	1,071,688	695,092
Interest and financial costs		(16,665)	(33,123)	(16,445)	(7,458)
Corporate income tax		(2,839)	-	-	-
Income after corporate income tax		562,372	1,065,182	1,055,243	687,634
Net income attributable to minority interest		(2,212)	(501)	-	-

<b>Net income for the period</b>		<u>560,160</u>	<u>1,064,681</u>	<u>1,055,243</u>	<u>687,634</u>
					(Unit: Baht)
<b>Basic earnings per share</b>	12				
Net income		<u>0.53</u>	<u>1.03</u>	<u>1.02</u>	<u>0.67</u>
Weighted average number of ordinary shares (shares)		<u>1,039,520,600</u>	<u>1,026,134,300</u>	<u>1,039,520,600</u>	<u>1,026,134,300</u>

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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006

(Unit: Thousand Baht)

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	Note	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
					(Restated)
<b>Revenues</b>					
Vessel operating income					
Hire income		5,122,936	5,087,493	-	-
Freight income		259,918	1,648,539	-	-
Total vessel operating income		5,382,854	6,736,032	-	-
Service income	5	8,070	13,046	72,564	70,069
Interest income		112,527	17,954	25,215	3,806
Exchange gains		-	150,105	-	-
Dividend received	5	-	-	3,405,265	1,806,185
Gain on sales of vessels and equipment		1,558,220	-	1,537	-
Other income		1,202	3,556	31	2,479
Share of income from investment in associate held by a subsidiary	6	15,370	10,071	-	-
<b>Total revenues</b>		<u>7,078,243</u>	<u>6,930,764</u>	<u>3,504,612</u>	<u>1,882,539</u>
<b>Expenses</b>					
Vessel operating costs					
Vessel running expenses		1,327,642	1,574,032	-	-
Voyage disbursements		34,925	283,889	-	-
Bunker consumption		49,841	418,930	-	-
Total vessel operating costs		1,412,408	2,276,851	-	-
Depreciation	7	1,370,247	1,569,034	5,635	4,440
Cost of services		20,885	21,214	-	-
Administrative expenses	5	287,153	175,759	276,742	162,769
Bad debt and allowance for doubtful accounts		4,542	23,906	1	-
Loss on financial instruments	15.1	235,268	-	-	-
Exchange losses		157,161	-	40,708	20,472
<b>Total expenses</b>		<u>3,487,664</u>	<u>4,066,764</u>	<u>323,086</u>	<u>187,681</u>
Income before interest and financial costs and corporate income tax		3,590,579	2,864,000	3,181,526	1,694,858
Interest and financial costs		(56,763)	(135,662)	(56,049)	(22,803)
Corporate income tax		(2,839)	-	-	-
Income after corporate income tax		3,530,977	2,728,338	3,125,477	1,672,055
Net income attributable to minority interest		-5,305	-5,570	-	-
<b>Net income for the period</b>		<u>3,525,672</u>	<u>2,722,768</u>	<u>3,125,477</u>	<u>1,672,055</u>
					(Unit: Baht)
<b>Basic earnings per share</b>	12				
Net income		<u>3.40</u>	<u>2.65</u>	<u>3.02</u>	<u>1.63</u>
Weighted average number of ordinary shares (shares)		<u>1,036,497,541</u>	<u>1,026,134,300</u>	<u>1,036,497,541</u>	<u>1,026,134,300</u>

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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
				(Restated)
<b>Cash flows from operating activities</b>				
Net income for the period	3,525,672	2,722,768	3,125,477	1,672,055
Adjustments to reconcile net income to net cash provided by (used in) operating activities				
Depreciation	1,370,247	1,569,034	5,635	4,440
Bad debt and allowance for doubtful accounts	4,542	23,906	1	-
Unrealised exchange losses (gains)	5,215	-10,438	-3	18
Share of income from investment in associate held by a subsidiary	(15,370)	(10,071)	-	-
Amortisation of discount on investments in debt securities	(3,343)	-	-3,343	-
Loss (gain) on sales of vessels and equipment	-1,558,220	4	-1,537	4
Provisions for loss on financial instruments	235,268	-	-	-
Provisions for maritime claims	67,913	-	-	-
Net income attributable to minority interest	5,305	5,570	-	-
Income from operating activities before changes in operating assets and liabilities	3,637,229	4,300,773	3,126,230	1,676,517
Operating assets (increase) decrease				
Trade accounts receivable	47,911	(48,862)	-	-
Receivable from and advances to subsidiaries	-	-	659,638	(300,375)
Bunker oil	-18,195	1,181	-	-
Other current assets	-25,147	-12,715	-7,645	9,153
Other non-current assets	(236)	5	(356)	(3)
Operating liabilities increase (decrease)				
Trade accounts payable	33,760	36,099	310	869
Payable to and advances from subsidiaries	-	-	1,056,626	(73,758)
Advances received from charterers	(39,805)	33,857	-	-
Accrued expenses and other current liabilities	-14,731	12,178	-5,041	42,101
Non-current liabilities	72,591	-	67,003	-
Net cash flows from operating activities	3,693,377	4,322,516	4,896,765	1,354,504

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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>

(Restated)

**Cash flows from investing activities**

Acquisitions of current investments	-1,648,586	-	-1,648,586	-
Proceeds from sales of current investments	1,651,929	-	1,651,929	-
Dividend received from associate held by a subsidiary	12,807	8,339	-	-
Acquisitions of equipment and payment of dry-dock and special survey expenses	(580,643)	(404,999)	-13,242	(9,413)
Advances for vessel construction	(1,024,320)	-	-1,024,320	-
Proceeds from sales of vessels and equipment	1,890,515	17	1,537	17
Advance for purchase of other investment	-	-10,130	-	-10,130
Net cash flows from (used in) investing activities	301,702	-406,773	-1,032,682	-19,526

**Cash flows from financing activities**

Deferred financial fees	-303,332	-	(303,332)	-
Cash paid for long-term loans	-	(3,088,095)	-	-
Cash received from disposals of treasury stock	566,249	-	566,249	-
Cash dividend paid to the Company's shareholders	(2,135,393)	(1,290,637)	(2,135,393)	(1,290,637)
Cash dividend paid to minority interest	(4,426)	-	-	-
Net cash flows used in financing activities	(1,876,902)	(4,378,732)	(1,872,476)	(1,290,637)
Decrease in translation adjustment	-28,796	-19,644	-	-
Net increase (decrease) in cash and cash equivalents	2,089,381	-482,633	1,991,607	44,341
Cash and cash equivalents at beginning of period	1,258,575	738,622	41,282	10,865
Cash and cash equivalents at end of period	3,347,956	255,989	2,032,889	55,206
	0		0	

**Supplemental cash flow information**

Cash paid during the period for				
Interest expense	-	112,045	-	-
Corporate income tax	2,079	2,310	222	1,905
Non-cash transactions				
Dividend income from subsidiaries offset against receivable from / payable to subsidiaries	-	-	3,405,265	1,806,185
Repayment of subordinated loans from subsidiaries offset against receivable from/payable to subsidiaries	-	-	-	662,818
Stock dividend paid	519,521	-	519,521	-
Amortisation of revaluation surplus on assets of subsidiary	15,192	-	-	-

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