



PRECIOUS SHIPPING PUBLIC COMPANY LIMITED

SET Opportunity Day
11th Floor, Room 1101,
SET Building
5th November 2008

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Precious Shipping PCL



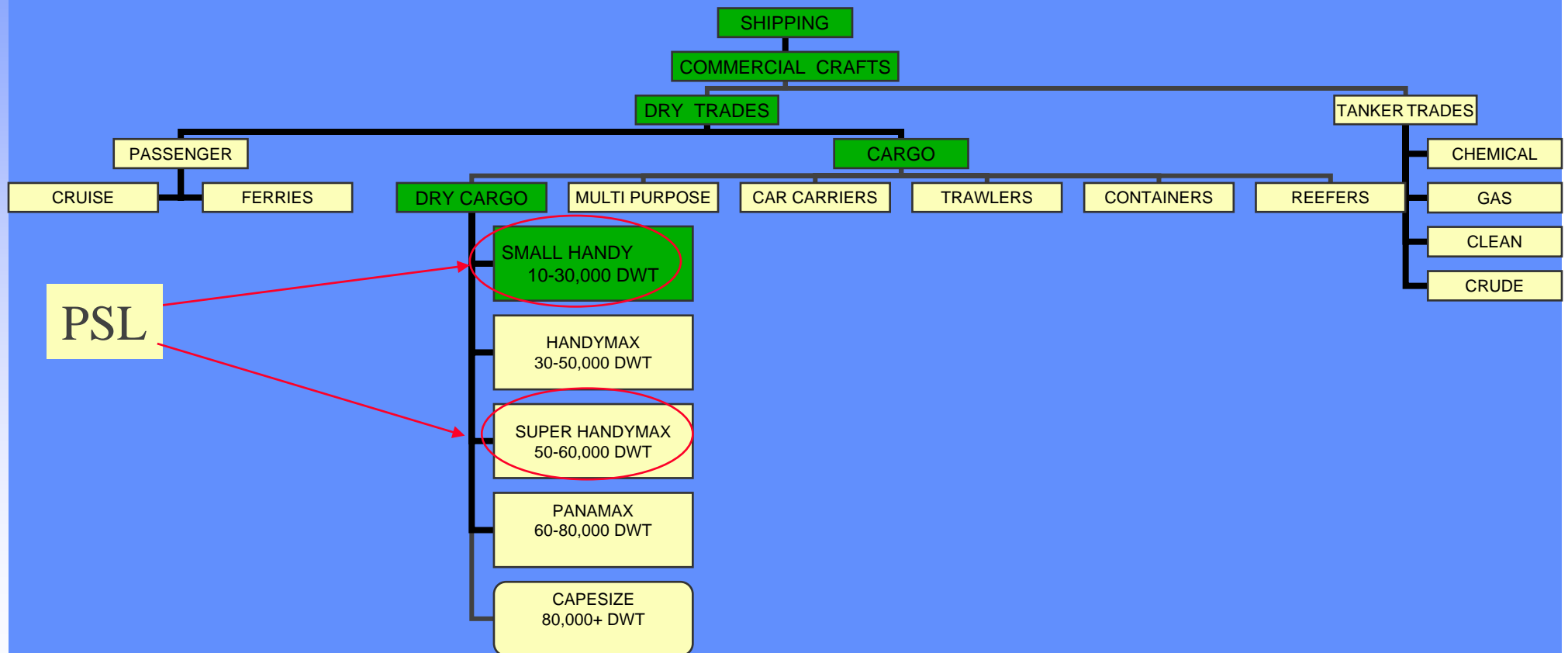
Industry Overview





INDUSTRY OVERVIEW

TYPE OF VESSELS





PSL Fleet

Number Of Vessels	44
Average Age (Simple Average)	19.59 years
Insured Value/Market Value*	USD500-800 Million (??)
Book Value	USD 249.56 Million
Total DWT	1,130,280
Total LDT	256,017
Average DWT per Vessel	25,688

*As on 1st Jan 2009

*Previous valuations:

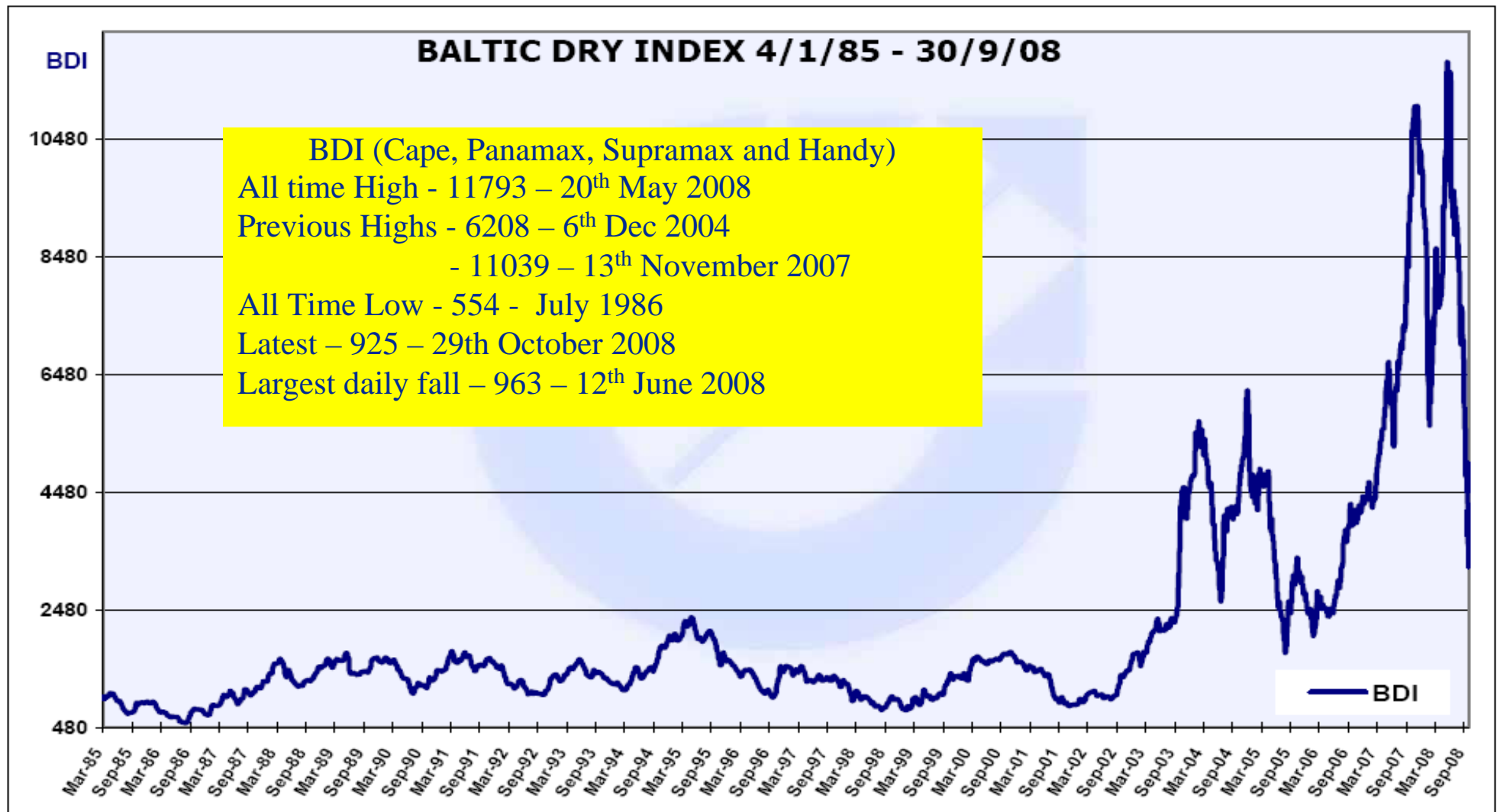
Aries Valuation as on 1st Oct 2007: USD 939 Million

HSBC valuation as on 24th May 2007: USD 777 Million

Aries Valuation as on 1st Jan 2007: USD 583 Million

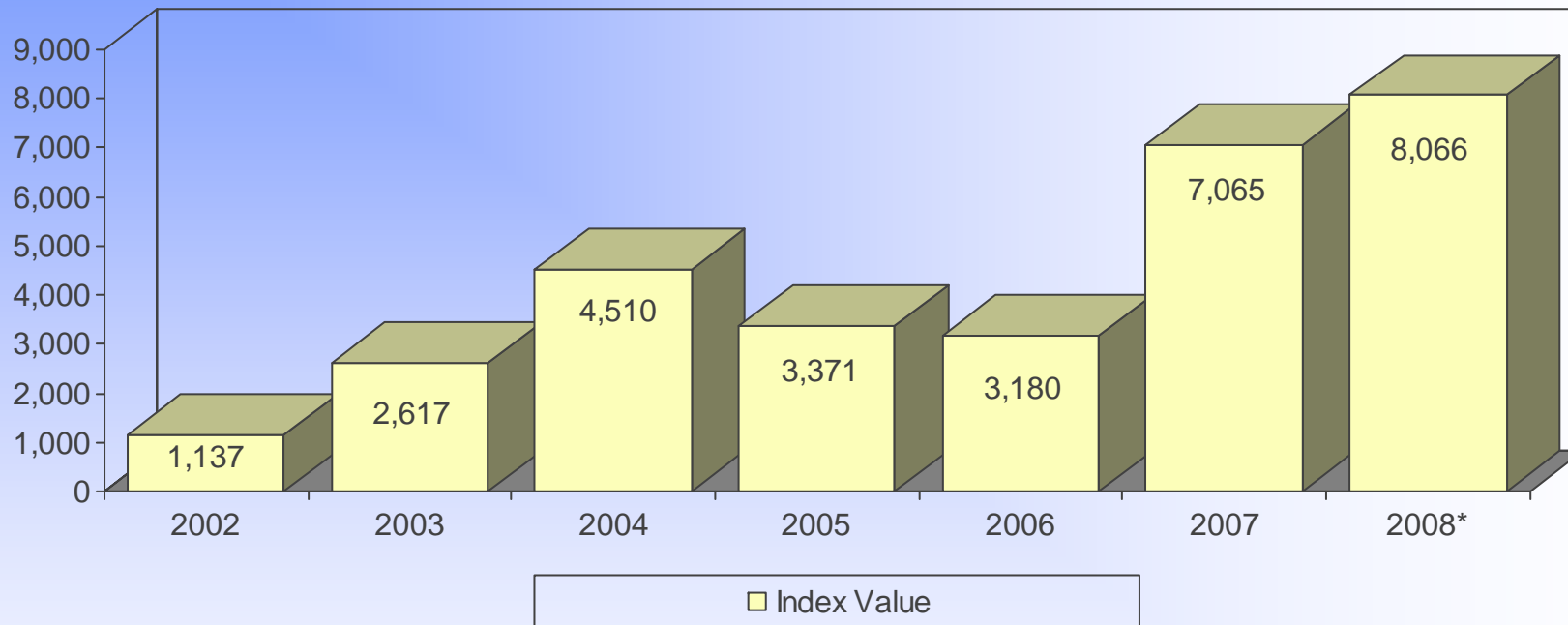


BDI



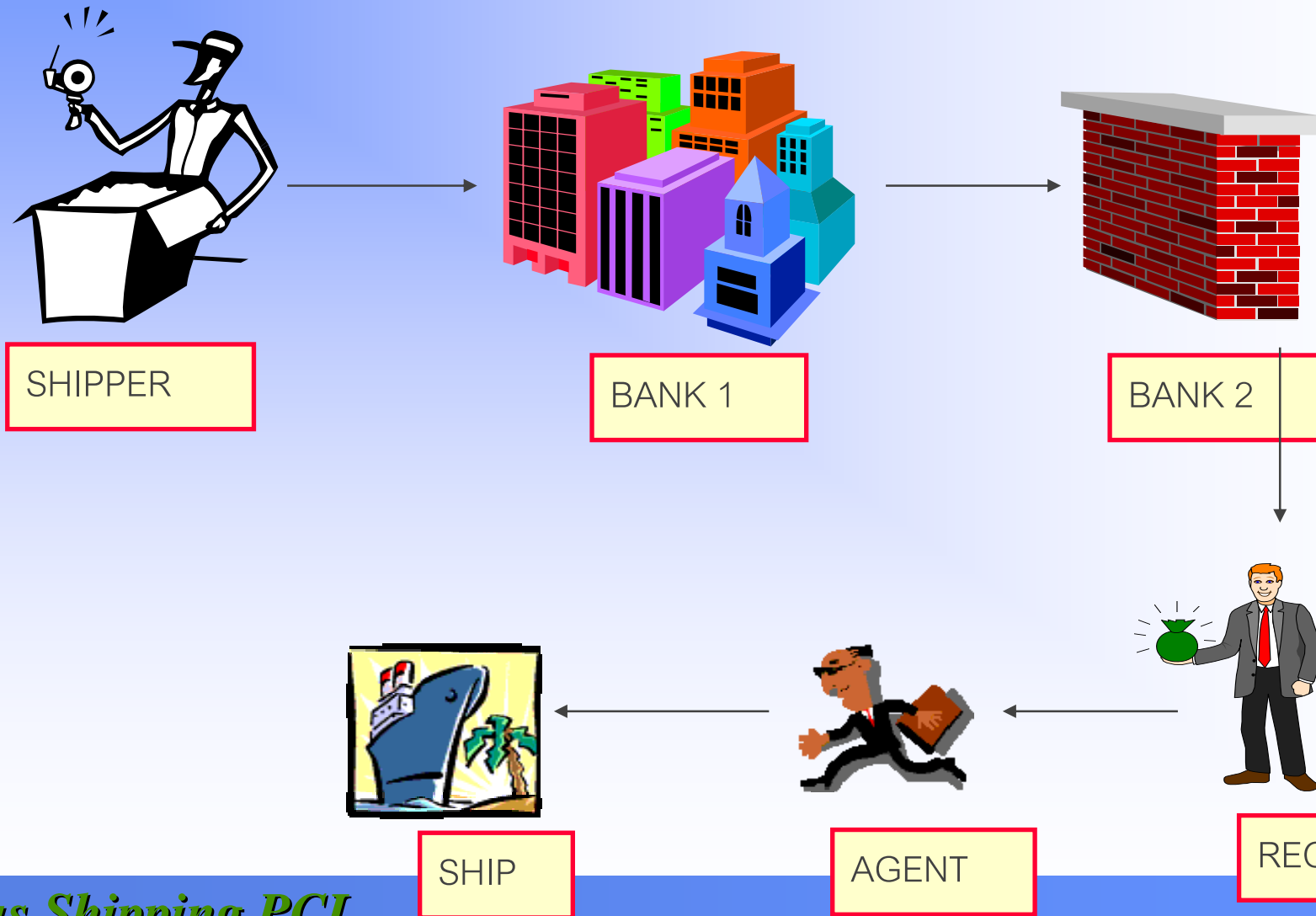


Baltic Dry Index (BDI) - Annual Averages

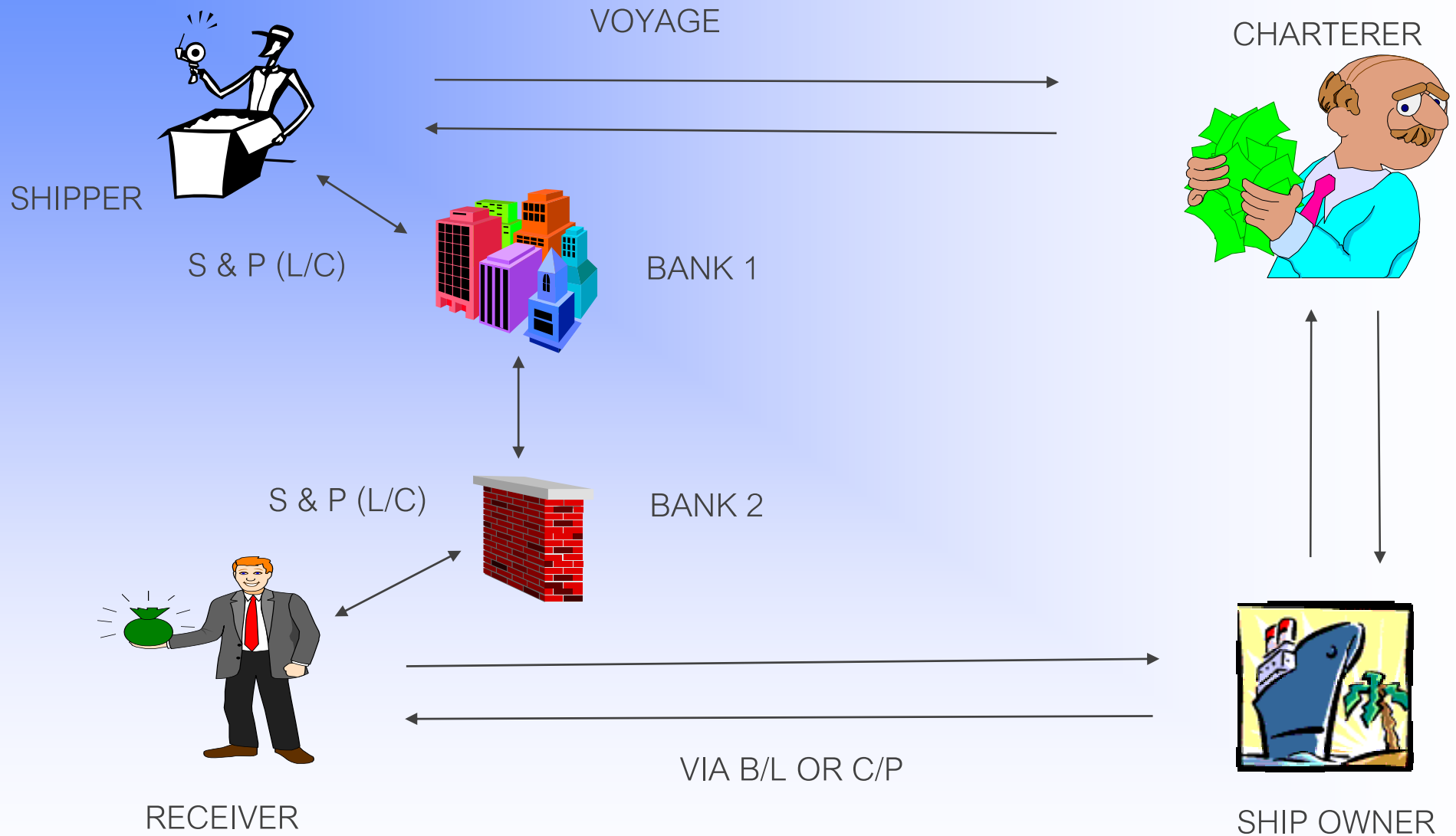


***2008 avg up to 30th Sep 2008**

Movement of Cargo & Bs/L using L/C



Contractual Relationships via L/Cs





China - Some Facts

- Shanghai has built more skyscrapers in the past 15 yrs than New York did in a century
- Iron Ore imports: for 2006: 326 MMT or 50 MMT over 2005, for 2007: 383.6 MMT or 58.6 MMT over 2006, for 2008: 346.5 MMT imported by end September or 22% above same period in 2007, annualized is more than 50% of world imports!
- Coal Imports: 2007: 51 MMT, 2008: estimated 65+ MMT after being an exporter of about 80 MMT per annum for last decade!
- Coal production increased 200/250 MMT to 2.5 BMT in 2007 needs to grow by a similar amount to sustain Electricity demand.
- Steel Production: 2004: 280.5 MMT, 2005: 349.5 MMT, 2006: 421 MMT, 2007: about 490 MMT!
- Steel Exports: 2005: 27.6 MMT, 2006: 52 MMT, 2007: 63 MMT!



Summary of Fundamental Demand Drivers

- World population is increasing and we shall hit 7 Billion people by 2012!
- More wealth has been created in the last 2 decades than ever before as measured by the number of millionaires!
- Eating habits have changed from a vegetarian diet to a more meat oriented diet requiring much more grain to be transported.
- Urbanization is growing by leaps and bounds. In 1950 it was 29.1% by 2000 it had leaped to 47.1% or 2.9B people, and by 2010 it is expected to be 51.3% or 3.5B people!
- Infrastructure development is continuing. In the GCC countries they are spending USD 2.4T on Infrastructure and Urbanisation.
- Infrastructure in the developed world is old and dilapidated and needs to be fully over-hauled and revamped.

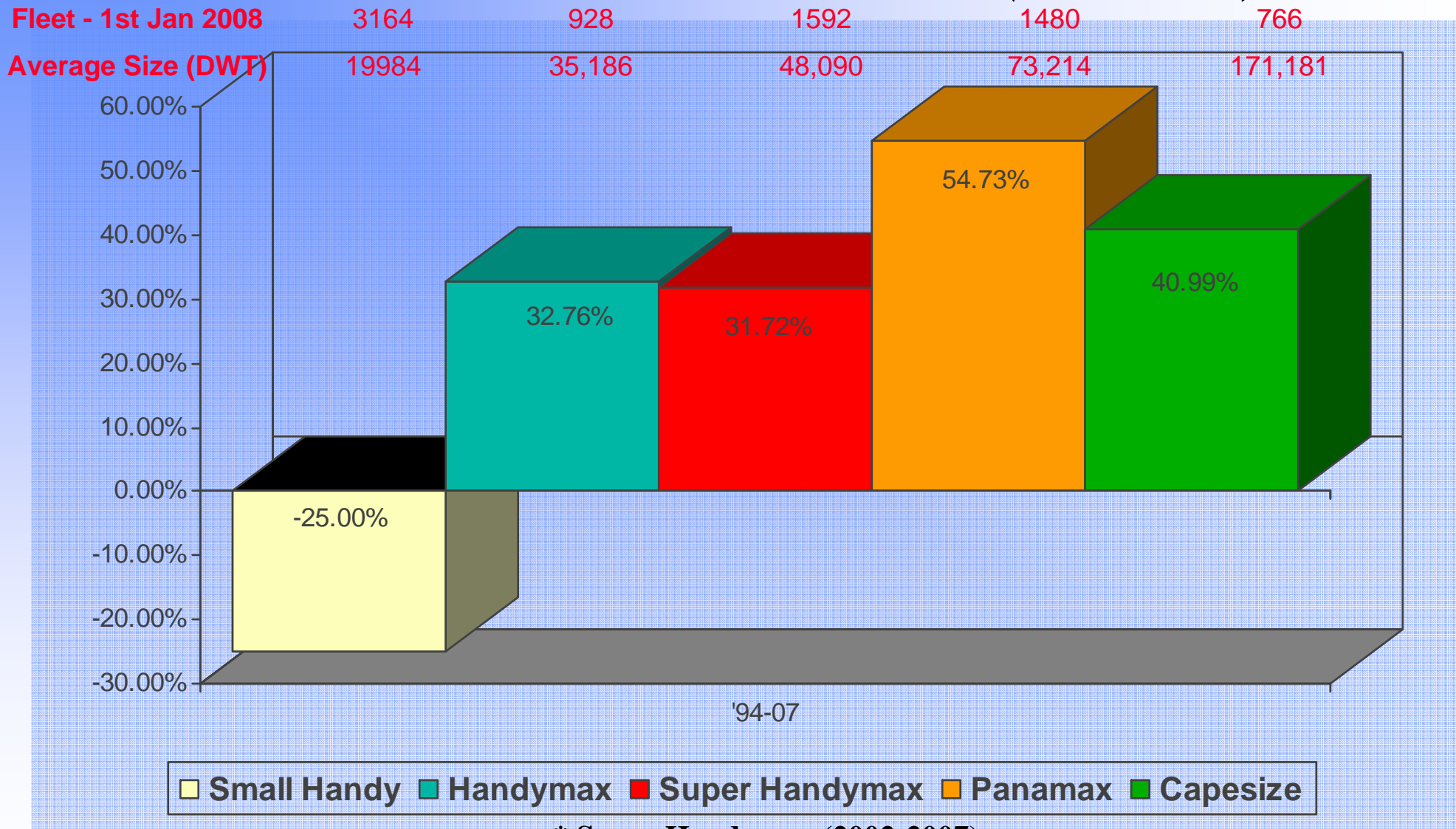
Dry Bulk Fleet as of 30th Sep 2008

Ship Type	DWT Range (MT)	Ships	Total DWT (m MT)	Av DWT (MT)	% of DWT
Small Handy*	10,000 - 29,999	3243	64.74	19,963	14.90%
Handymax	30,000 – 39.999	962	33.81	35,147	7.78%
Super Handymax	40,000 – 59,999	1682	81.49	48,448	18.76%
Panamax	60,000 – 89,9999	1495	108.87	72,826	25.06%
Capesize	90,000+	860	145.52	169,213	33.50%
Total		8242	434.43		100%

* Small Handy includes tween deckers of 10-30K DWT



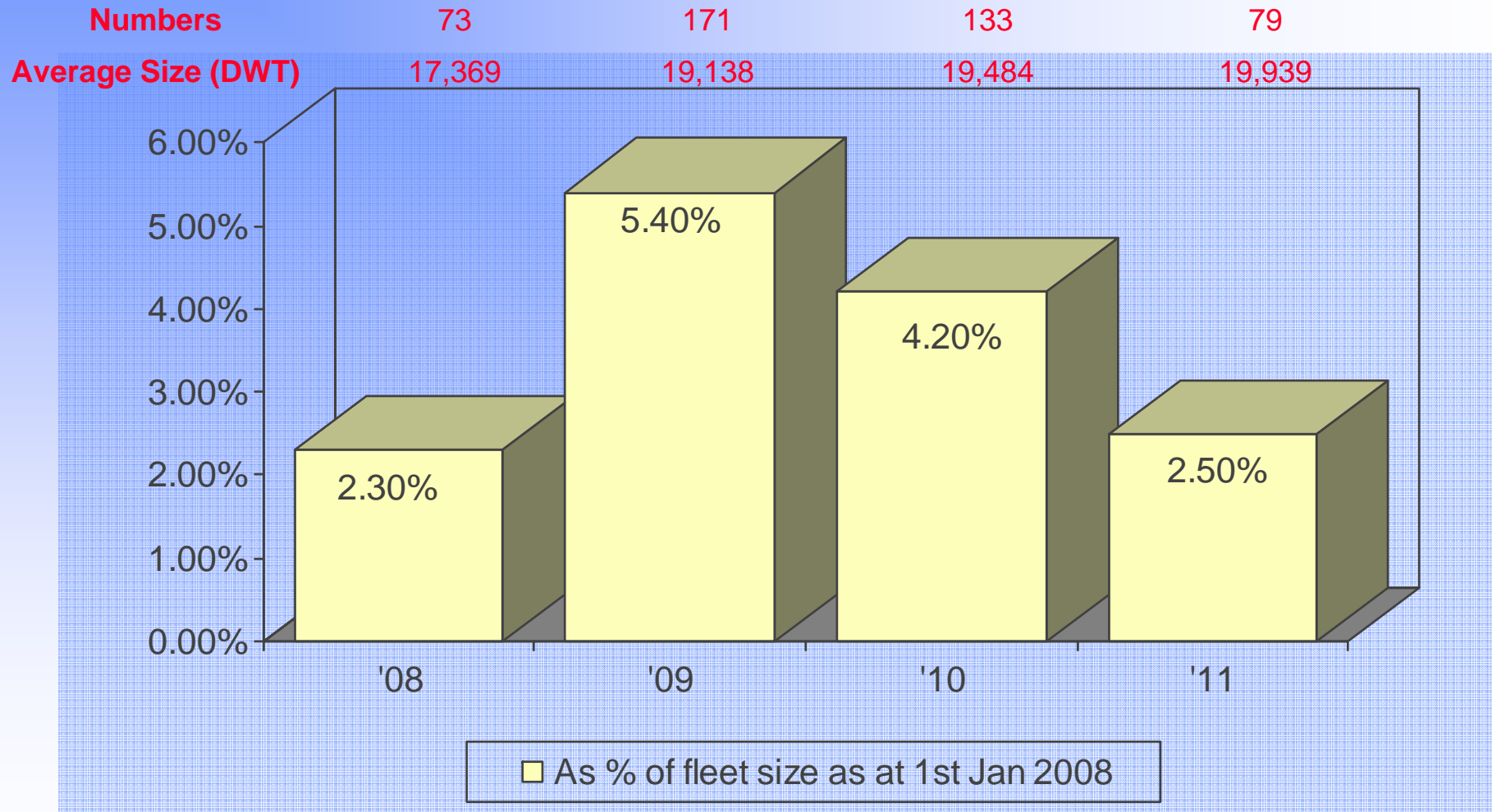
CHANGE IN NUMBER OF SHIPS AS % OF TOTAL FLEET AS OF 1st JAN 2008 (1994-2007)*





Industry Over view – Small Handies (As of 30th Sep 2008)

NEW BUILDINGS ON ORDER UPTO DEC 2011 (14.4%)

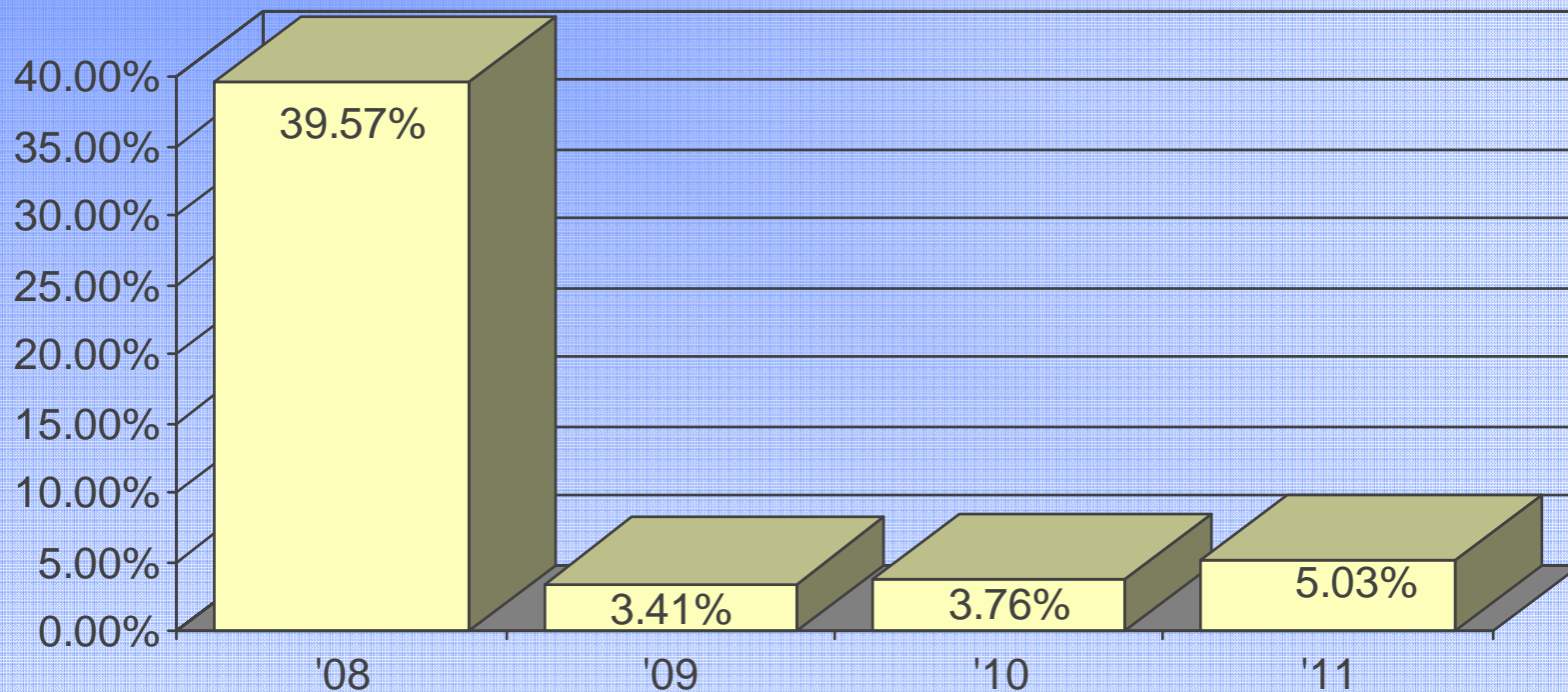




Industry Over view – Small Handies (As of 30th Sep 2008)

POTENTIAL SCRAPPING OF SHIPS 27 YEARS OR OLDER UPTO DEC 2011 (51.77% !)

Numbers	1,252	108	119	159
Average Size (DWT)	19,011	20,508	19,937	22,764

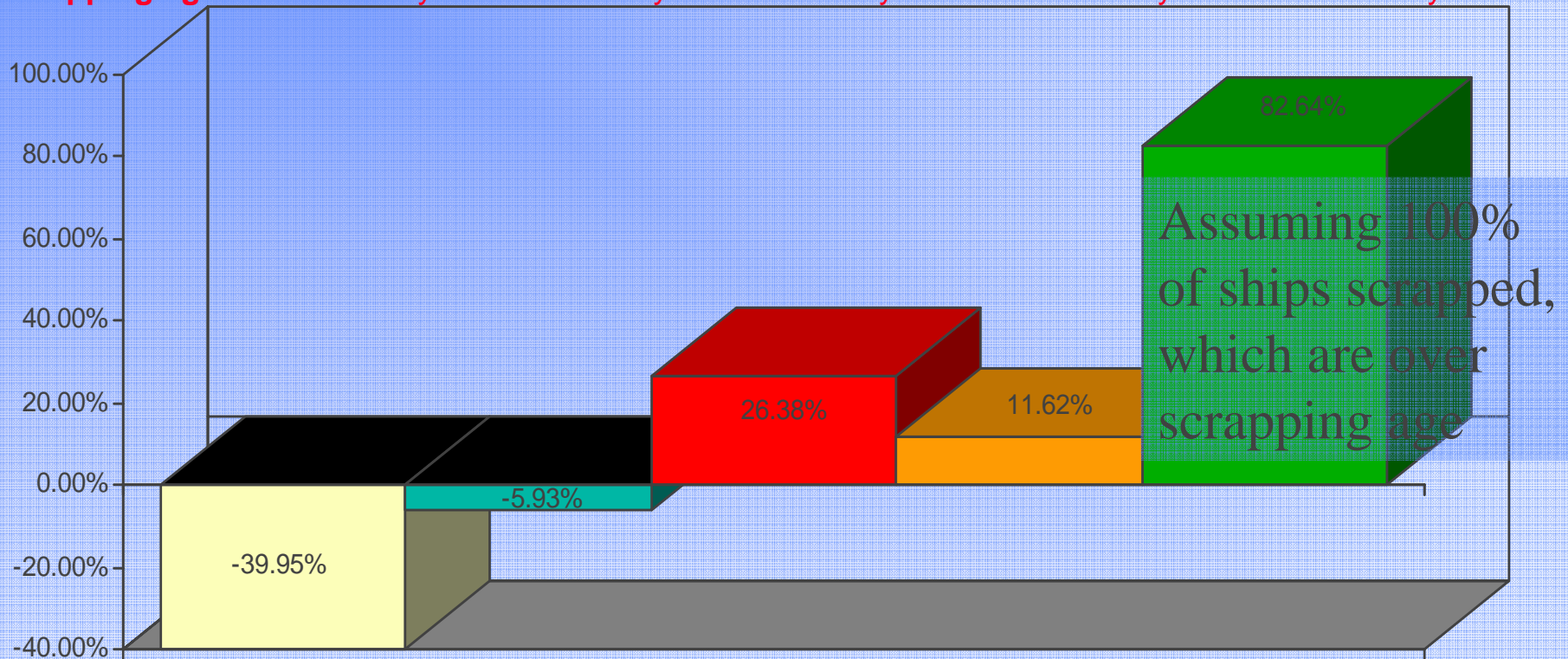


As % of fleet size as at 1st Jan 2008



CHANGE IN NUMBER OF SHIPS AS % OF TOTAL FLEET AS OF 1st JAN 2008

Fleet - 1st Jan 2008	3164	928	1592	1480	766
Projected – 1st Jan 2012	1900	873	2012	1652	1399
Av. Size (DWT)	20,280	34,065	52,502	72,180	173,011
Av scrapping age	27 yrs	25 yrs	25 yrs	24 yrs	22 yrs

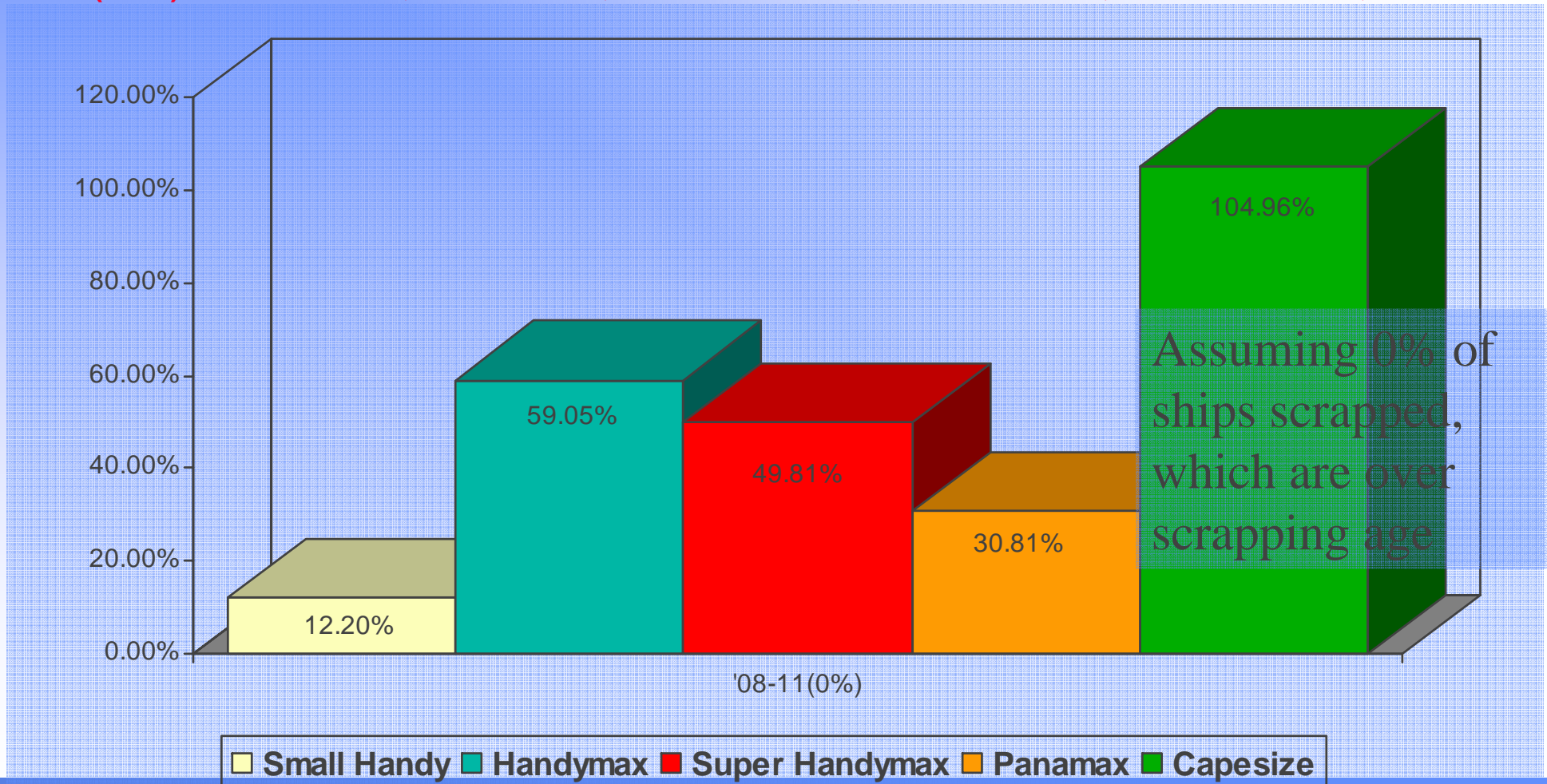


Small Handy
 Handymax
 Super Handymax
 Panamax
 Capesize



CHANGE IN NUMBER OF SHIPS AS % OF TOTAL FLEET AS OF 1st JAN 2008

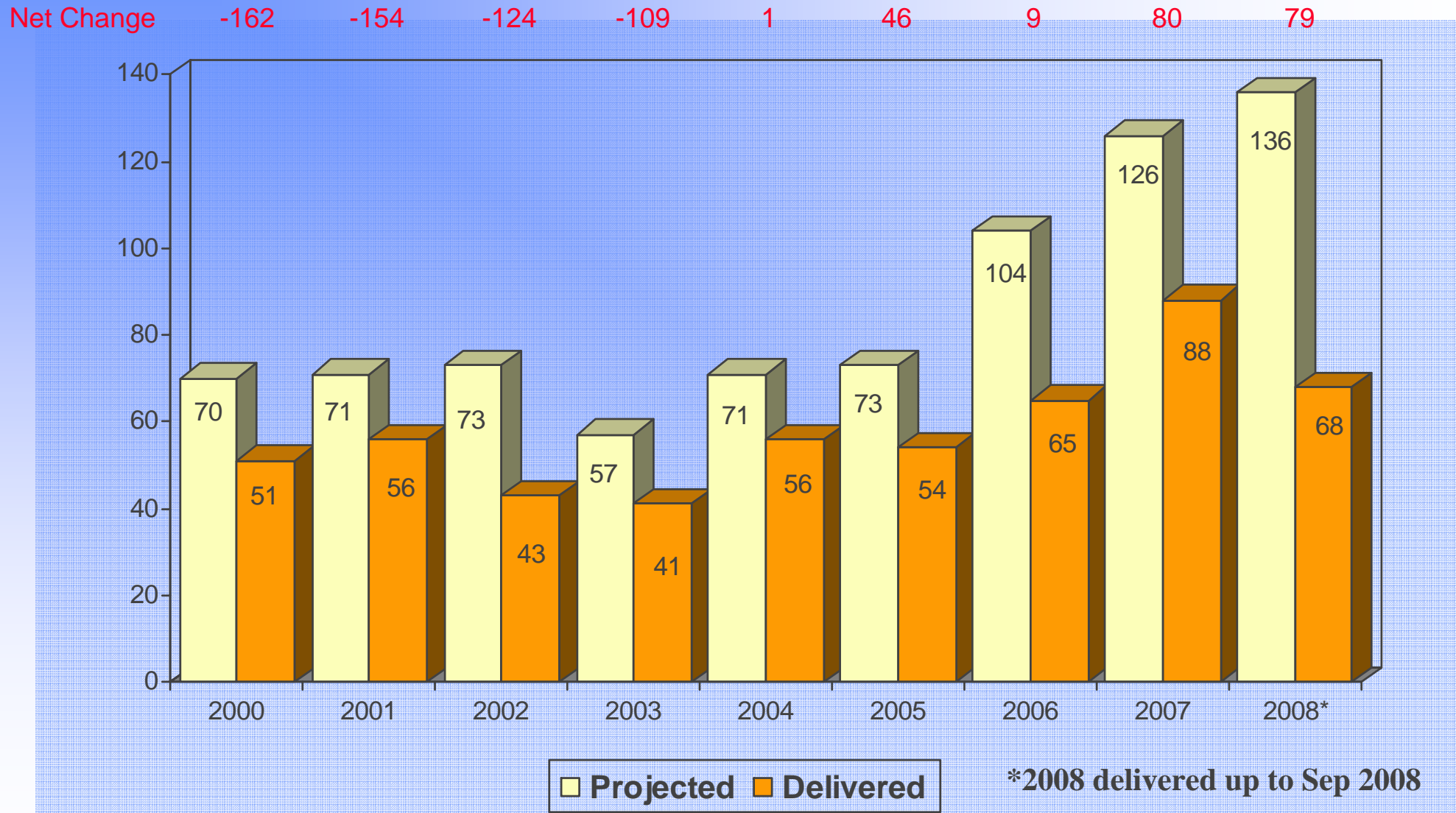
Fleet - 1st Jan 2008	3164	928	1592	1480	766
Projected – 1st Jan 2012	3550	1476	2385	1936	1570
Av Size (DWT)	19,840	34,468	50,655	74,140	167,142



Small Handy
 Handymax
 Super Handymax
 Panamax
 Capesize



Small Handy - New Buildings Projected vs Delivered



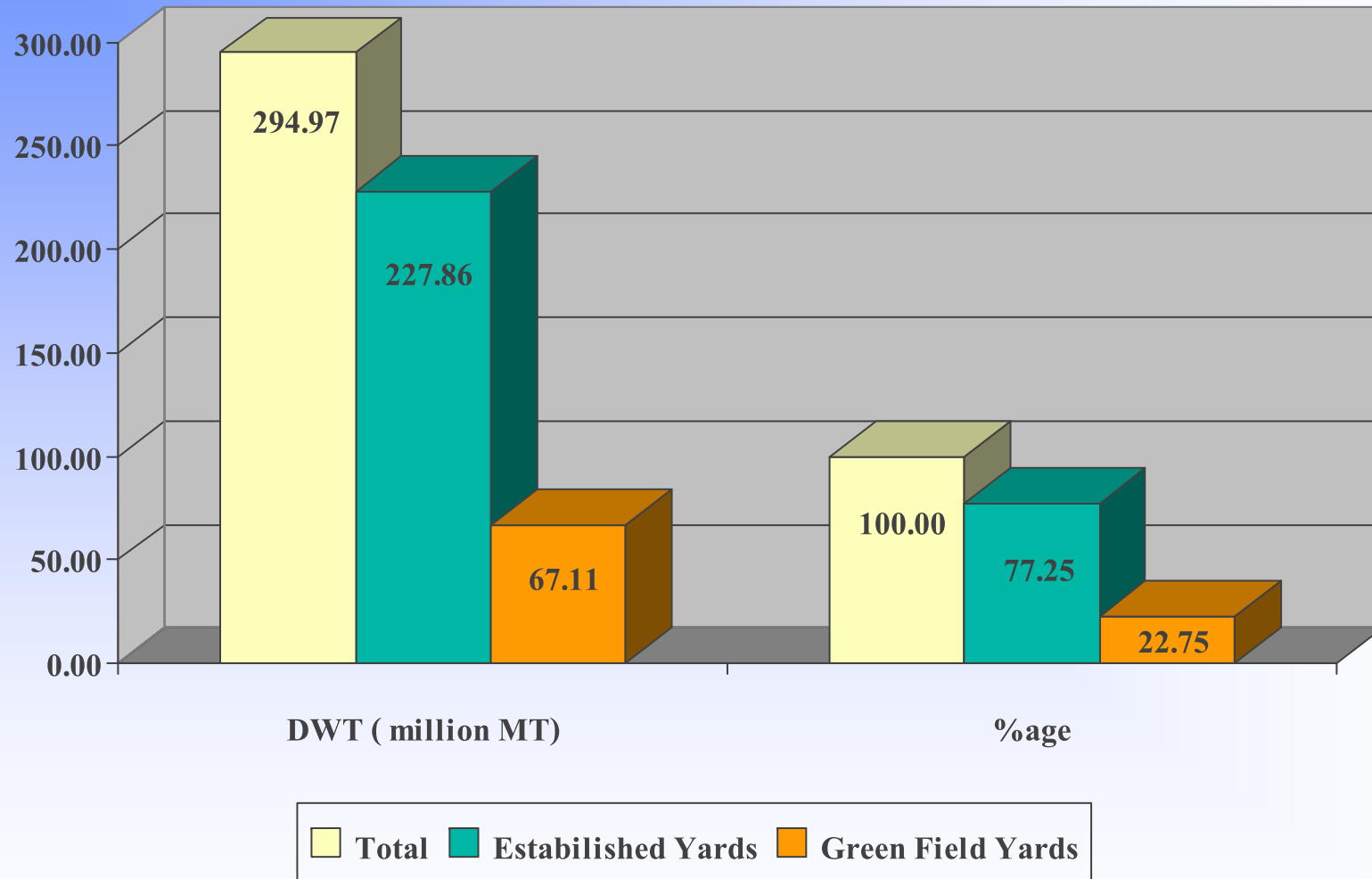


Soai Rap Shipyard



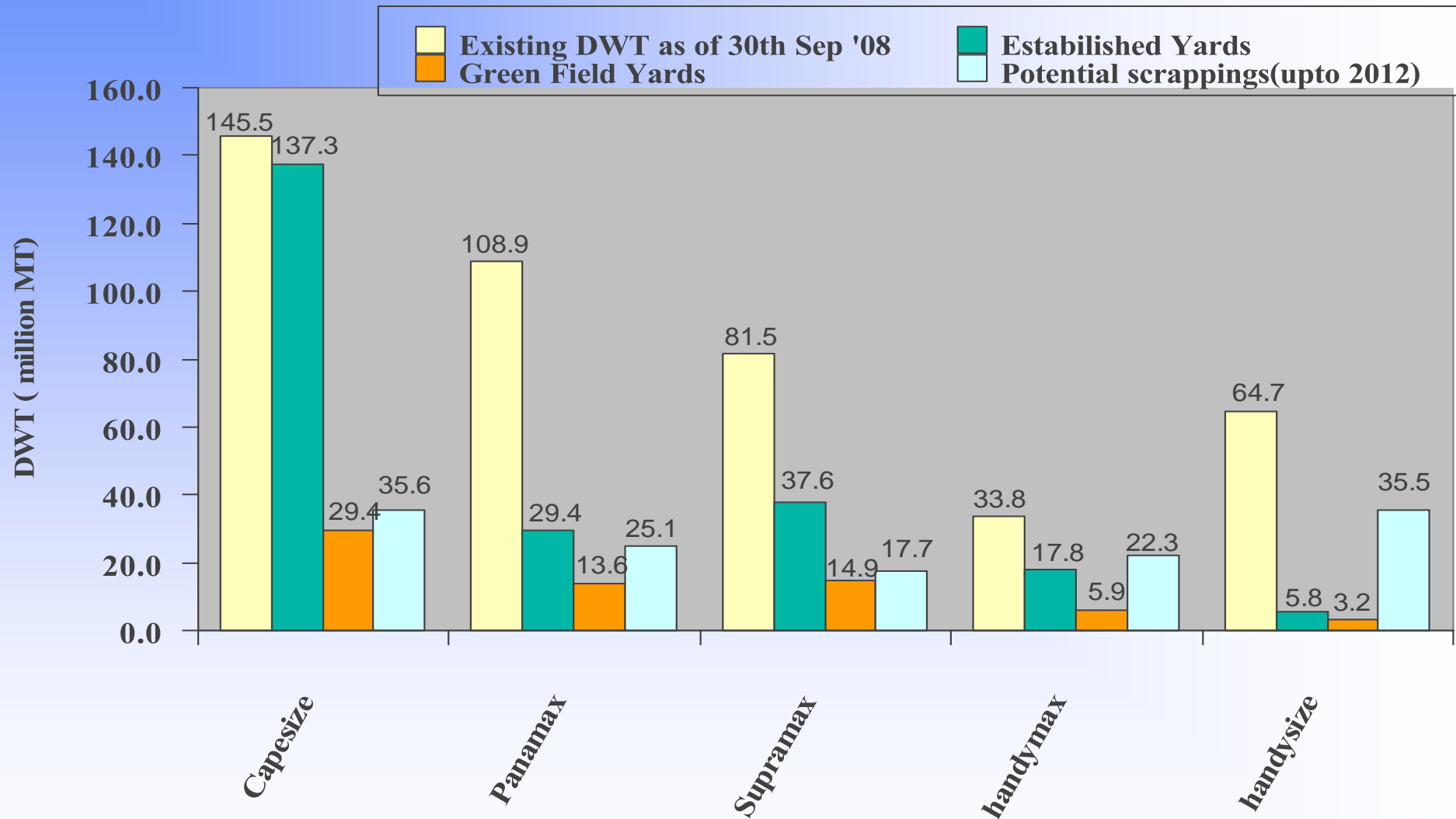


Confirmed Orders, all ships (up to 2012)



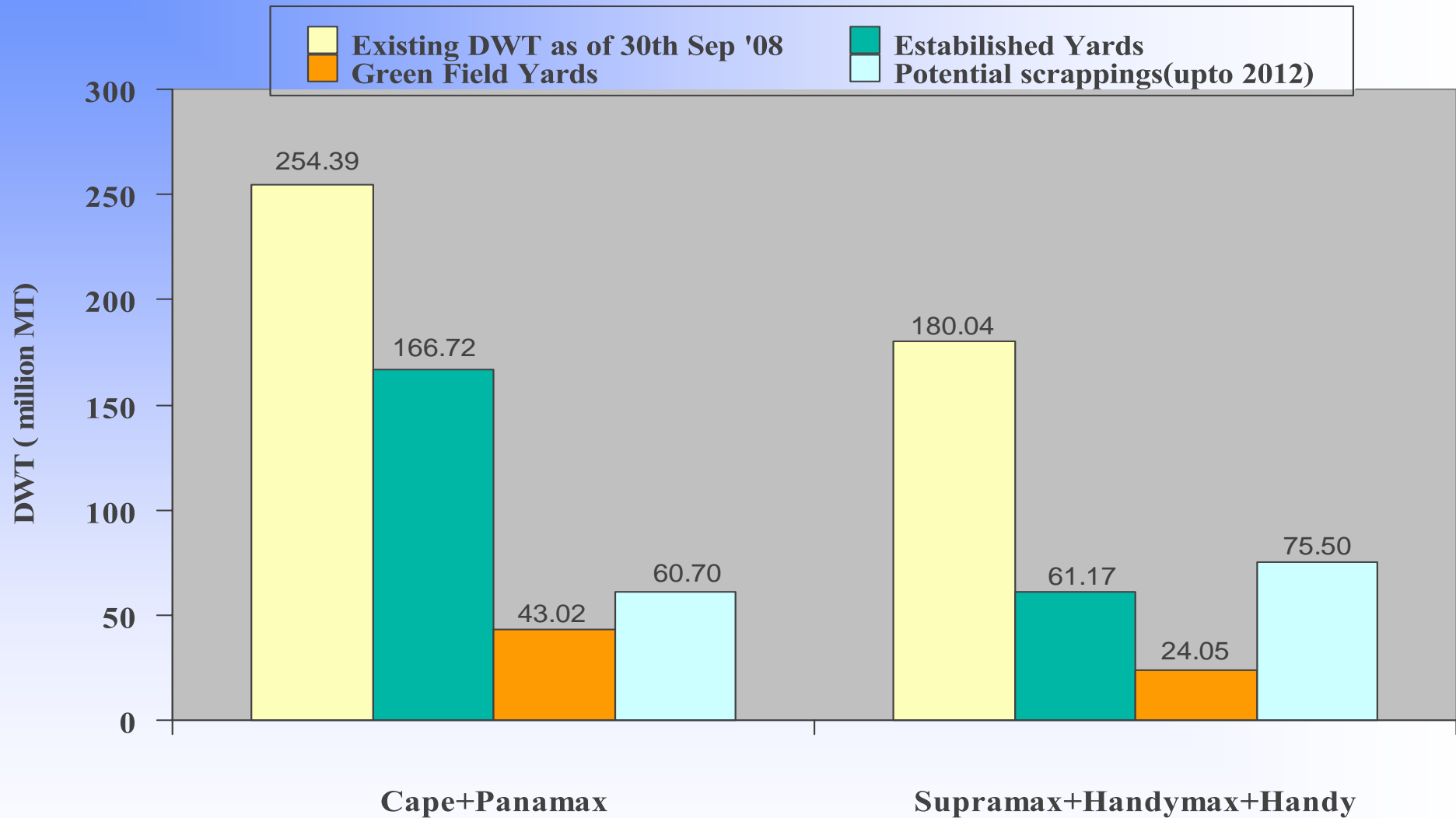


Confirmed Orders: Established vs Green Field Yards As of 30th Sep 2008



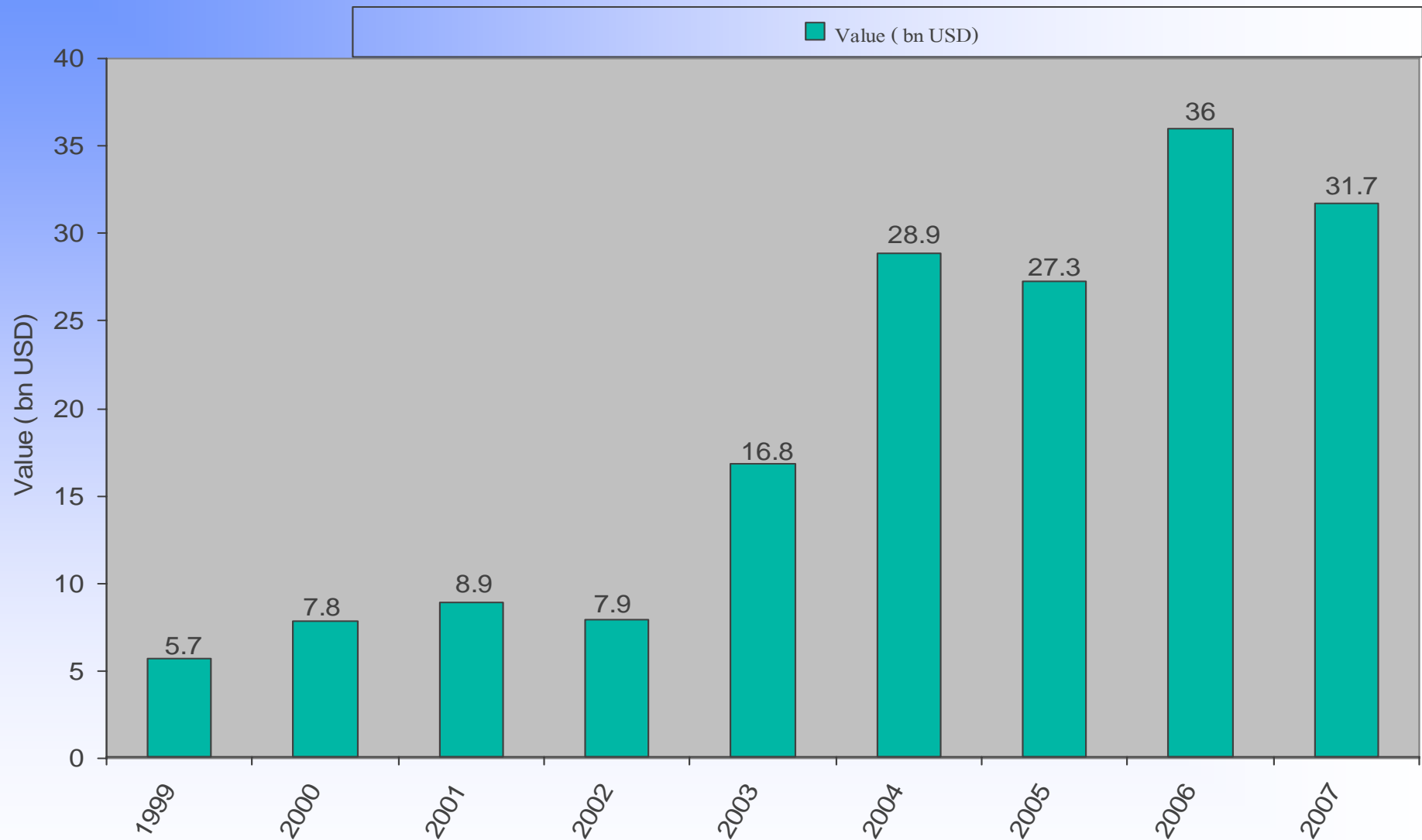


Confirmed Orders: Established vs Green Field Yards As of 30th Sep 2008



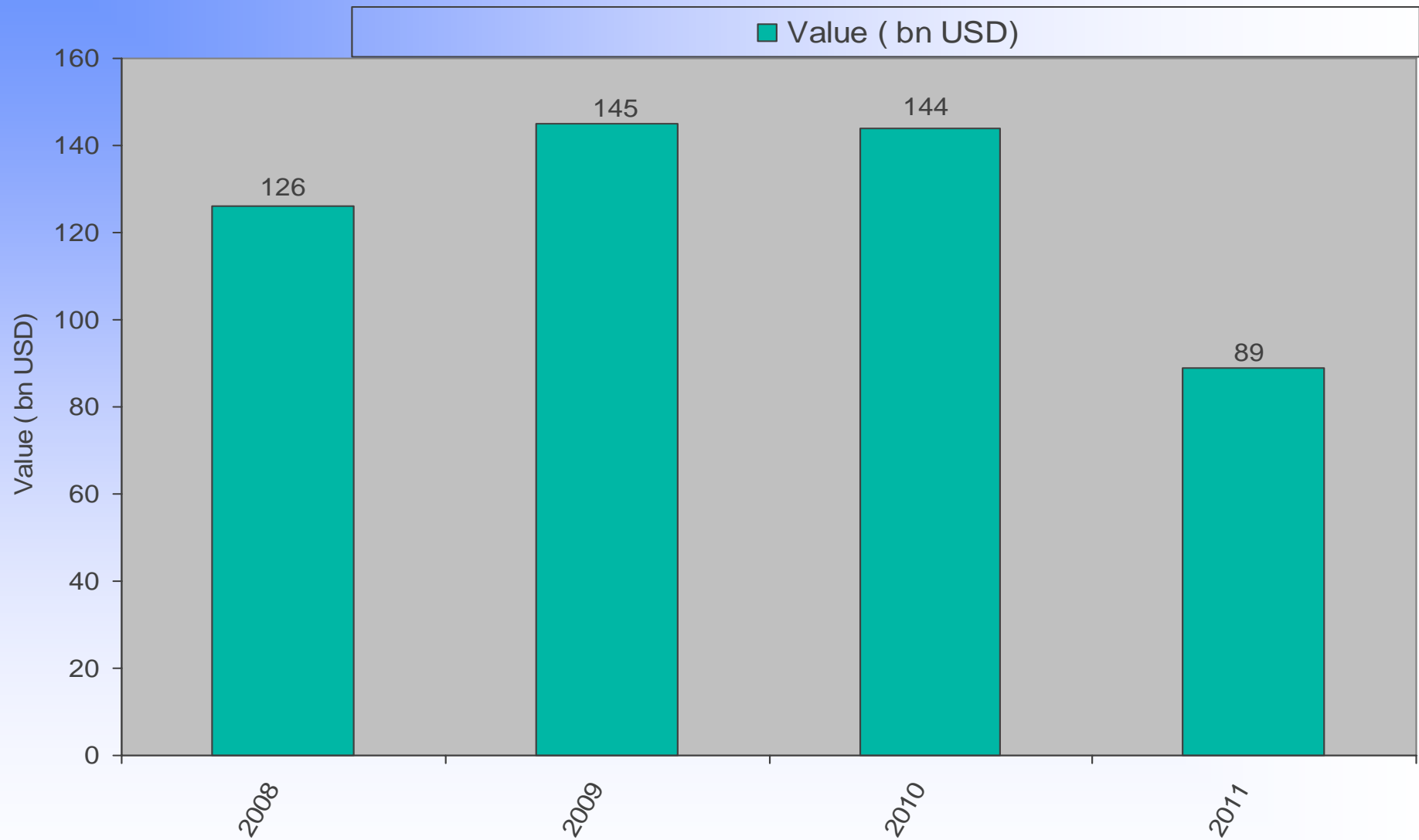


Contract values second hand ships (1999-2007)





Estimated contract values new buildings (2008-2011)





Estimated contract values - new buildings (2008-2011)

504 bn USD over 4 years

...or 345 million USD per day

...or 14.38 million USD per hour

...or 240,000 USD per minute

... or 4,000 USD per second !



Conclusions on the Supply Demand Equation

- **China's insatiable appetite for commodities will continue for the next few years fuelled by their Urbanisation and Infrastructure development drive**
- **India will also be a big player in the Urbanisation and Infrastructure development area**
- **The Middle East with their Petro Dollars will continue their Urbanisation and Infrastructure development currently running at USD 2.4 Trillion just in the GCC!**
- **Iron Ore, Coal and Steel will remain the dominant force behind the Commodity cycle**
- **The supply side especially in the Cape size sector looks daunting but when combined with the Panamax sector is not as frightening**
- **The Credit crunch should help slow down this flood of new ships reaching the market by aborting expansion plans at some of the shipyards**
- **Hopefully some, if not all, the ships in the Greenfield shipyards will fail to be built**
- **The demographics of the existing supply of ships should act as a safety valve when the new buildings start coming on stream in full force**

PSL's Strategy





PSL's Strategy

- **Sell older ships and en-cash capital gains on a regular annual basis for the next few years**
- **Purchase New Buildings from shipyards to rejuvenate the fleet and replace ships sold/scrapped**
- **Acquire additional ships from the second-hand markets as and when opportunities present themselves over the next few years**
- **Fix Ships on Long Term Time Charter when markets are high and achieve a 50% forward cover on a rolling 4 year basis**
- **Exploit the spot market for maximising profit from the spot fleet**



Our New Building Program

- **18 ships are on order – 12 X 34K (\$30m each) + 6 X 54K (\$38m each) – all double hulled**
- **Delivery: Three 34K ships per year (2010 to 2013), Three 54K per year (2011 and 2012)**
- **Total value of the New Building contract is USD 588 million**
- **We have already paid out USD 117.6 million from our Internal Resources**
- **We have a confirmed credit line for USD 398.4 million at 120 bps over LIBOR which leaves USD 72 million still unfunded covering 80% of the value of the three 34K ships due in 2013**
- **The first four 34K ships have been fixed for min 59 max 62.5 months each with an EBITDA of between USD 26 and 28 million per ship per contract, the same client has an option on the next two 34K ships declarable by end 2008 at an EBITDA of USD 25 million/ship/contract**
- **The first 54K ship has been fixed for min 60 max 64 months with an EBITDA of between USD 39 and 42 million for the contract.**

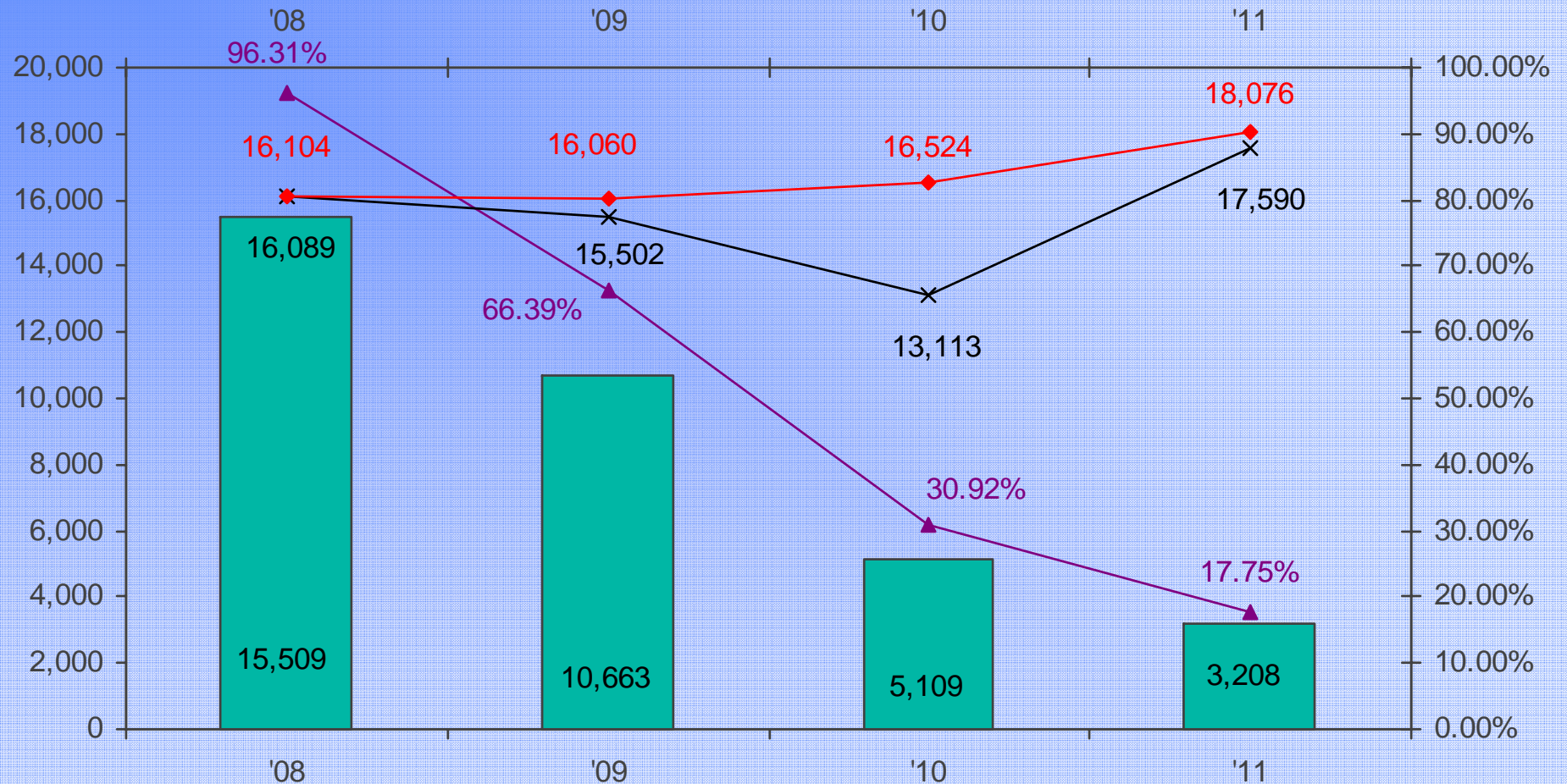


New Buildings - Milestones, Payment terms and funding

Ins. No.	Occasion	Source	2007	2008	2009	2010	2011	2012	2013	Total
1st	Signing the contract (20%)	Internal cash Flow	94,799,985	22,799,997						117,599,982
2nd	Steel cutting for the ship (20%)	Bank loan		66,399,990	51,199,992					117,599,982
3rd	Keel Laying of the Ship (20%)	Bank loan		5,999,999	39,199,996	40,799,997	31,599,996			117,599,988
4th	Launching of the Ship (20%)	Bank loan			6,000,000	33,200,000	33,200,000	33,200,000	12,000,000	117,600,000
5th	Delivery of the Ship (20%)	Bank loan				25,600,000	33,200,000	40,800,000	18,000,000	117,600,000
Total			94,799,985	95,199,974	96,399,988	99,599,997	97,999,996	74,000,000	30,000,000	587,999,952



Rolling 4 Year Forward Book (As of 30th Sep 2008)

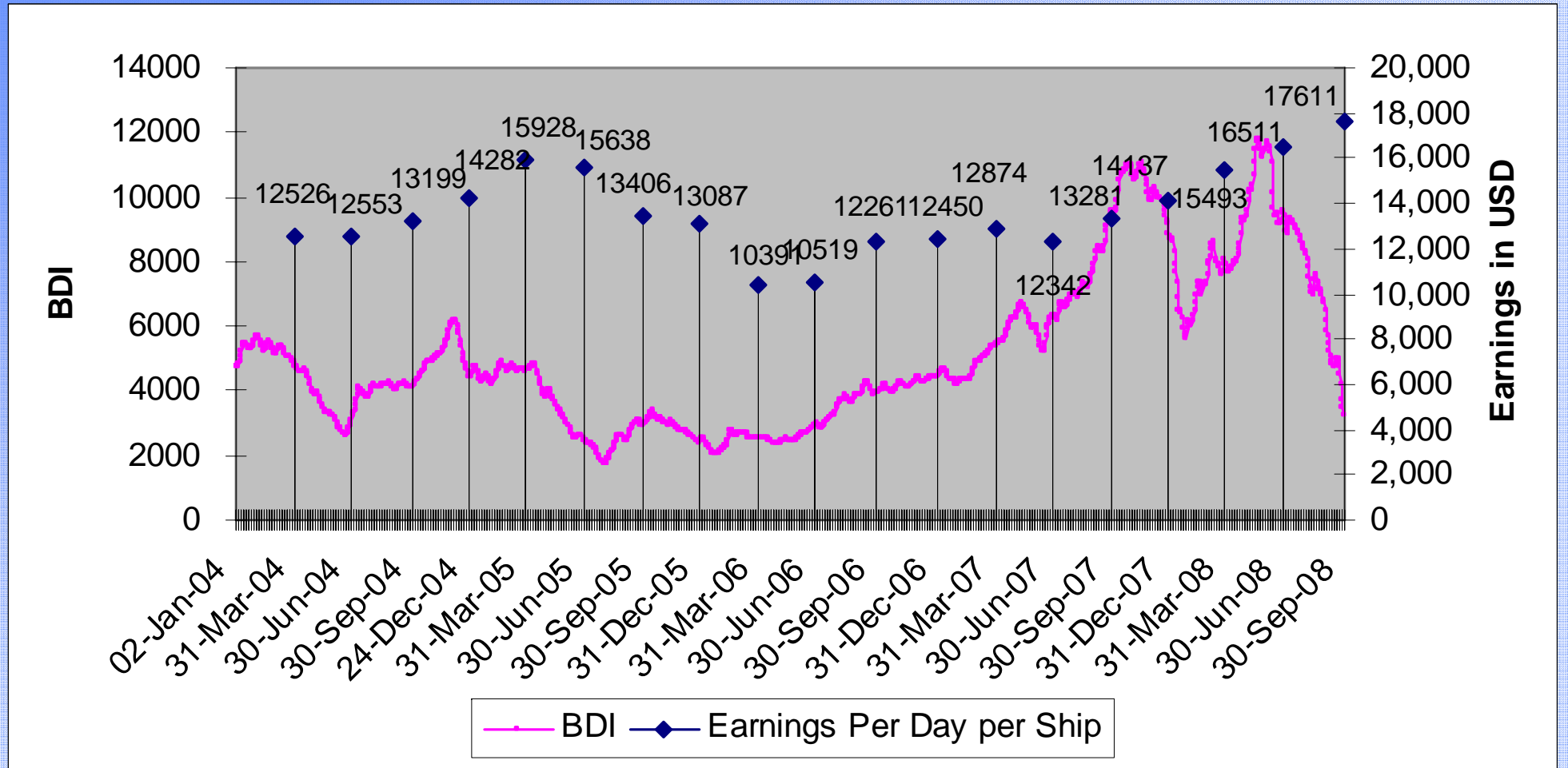


Contract value	'08	'09	'10	'11
	USD 249.5m	USD 165.3m	USD 67.0m	USD 56.4m

■ Fixed T/C days
 ▲ %age Fixed
 ✕ T/C rate
 ◆ Total Days



BDI Vs PSL Earnings per day per ship





Earnings per day per ship vs Expenses





Operating Expenses

- These are the fixed costs required to run a ship and are evenly spread over the entire year of 365 days
- PSL's Opex per day per ship for Sep 2008 was USD 4,767 broken up into:

Item	USD	%
Crew costs(Abt 26 people /ship)	1,589	33.33%
Manning Expenses	226	4.74%
Lub oils	287	6.02%
Insurance	404	8.47%
Repairs/Maintenance	128	2.69%
Stores/Spares	540	11.33%
Drydocks/Special Surveys	999	20.96%
Victualling	184	3.86%
Management Expenses	368	7.72%
Misc expenses	42	0.88%
Total	4,767	100.00%

Operating Expenses Comparison

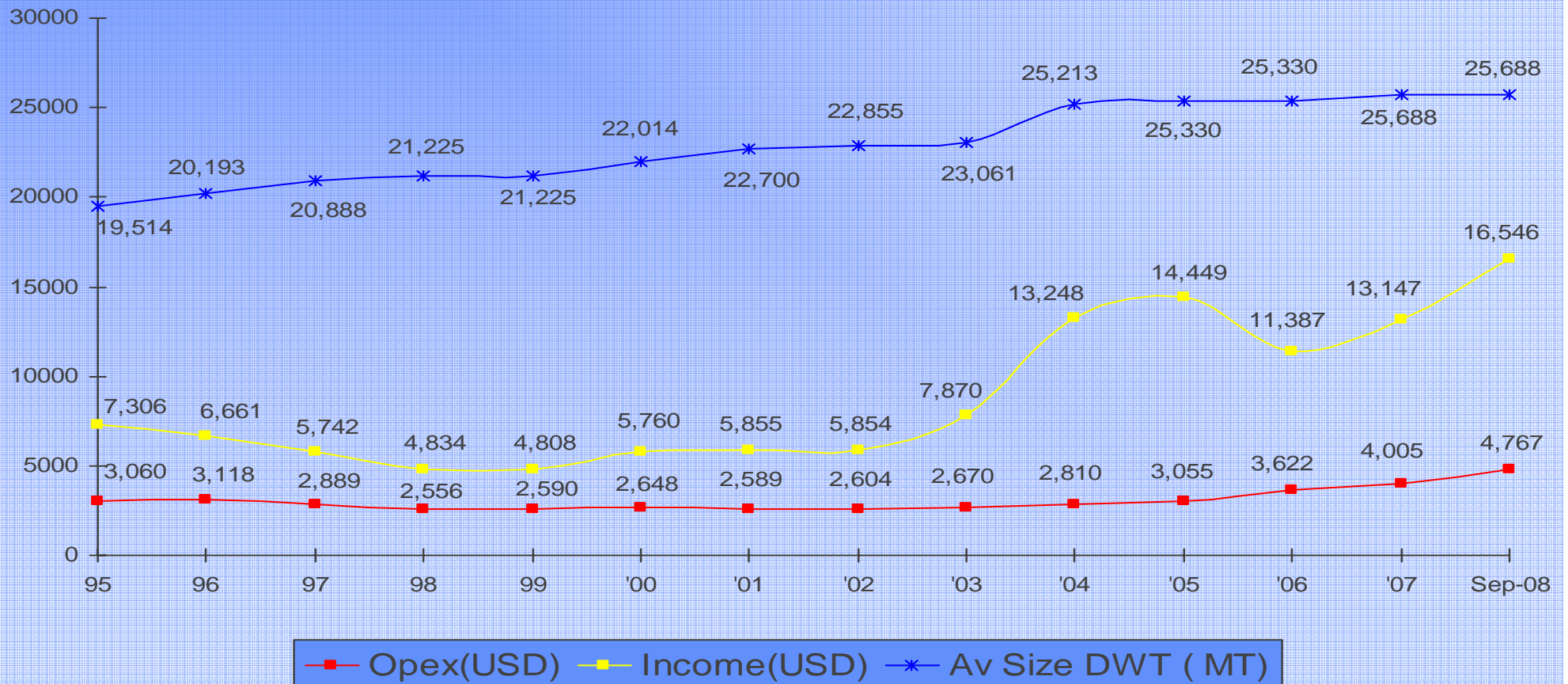
- OPEX Comparison with Industry compiled by Moore Stephens & Co.
- OPEX excluding dry dock and special survey cost

Precious Shipping Public Company Limited				
Source: Moore Stephens and Company				
	Industry	PSL	Industry	PSL
For years	2006	2006	2007	2007
Particulars	US\$ (Per Day)	US\$ (Per Day)	US\$ (Per Day)	US\$ (Per Day)
Crew Wages	1,331	1,264	1,382	1,318
Provisions	149	152	153	167
Crew Other	222	161	247	218
Crew Cost Total	1,702	1,577	1,782	1,703
Lubricants	259	238	313	301
Stores Other	307	242	320	232
Stores Total	566	480	633	533
Spares	330	214	353	210
Repairs & Maintenance	293	117	346	111
Repairs & Maintenance Total	623	331	699	321
P & I Insurance	215	155	259	153
Insurance	244	163	247	286
Insurance Total	459	318	506	439
Registration Costs	28	0	28	0
Management Fees	380	143	447	187
Sundries	181	58	166	43
Administration Total	589	201	641	230
Total Operating Costs	\$3,939	\$2,907	\$4,261	\$3,226



Average Opex / TC Rates 1995 / Sep-2008

Year	95	96	97	98	99	00	01	02	03	04	05	06	07	Sep-08
Av Age	15.97	16.18	14.24	14.59	15.59	15.57	15.65	15.82	16.60	17.35	18.98	19.98	19.59	19.59



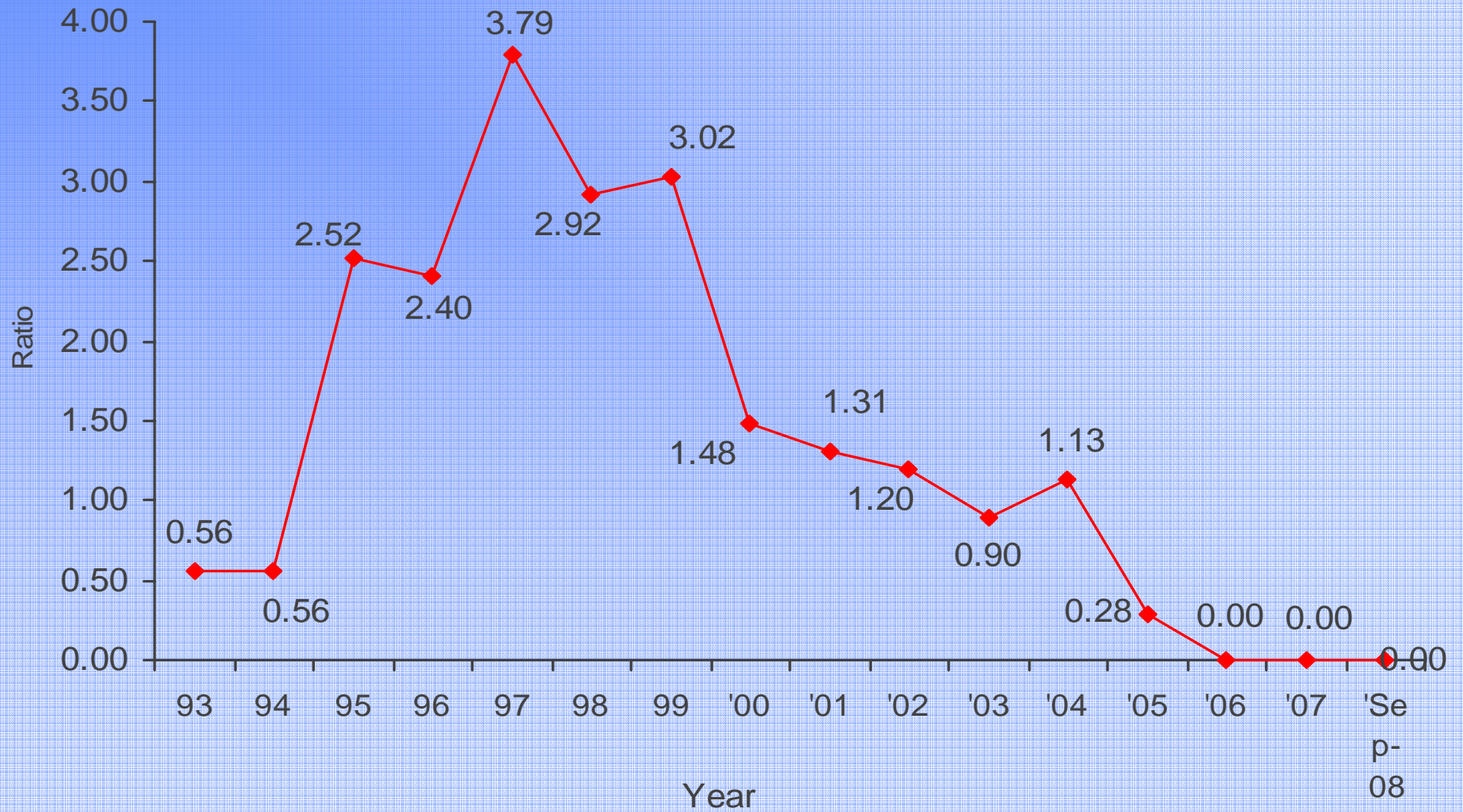


Financials



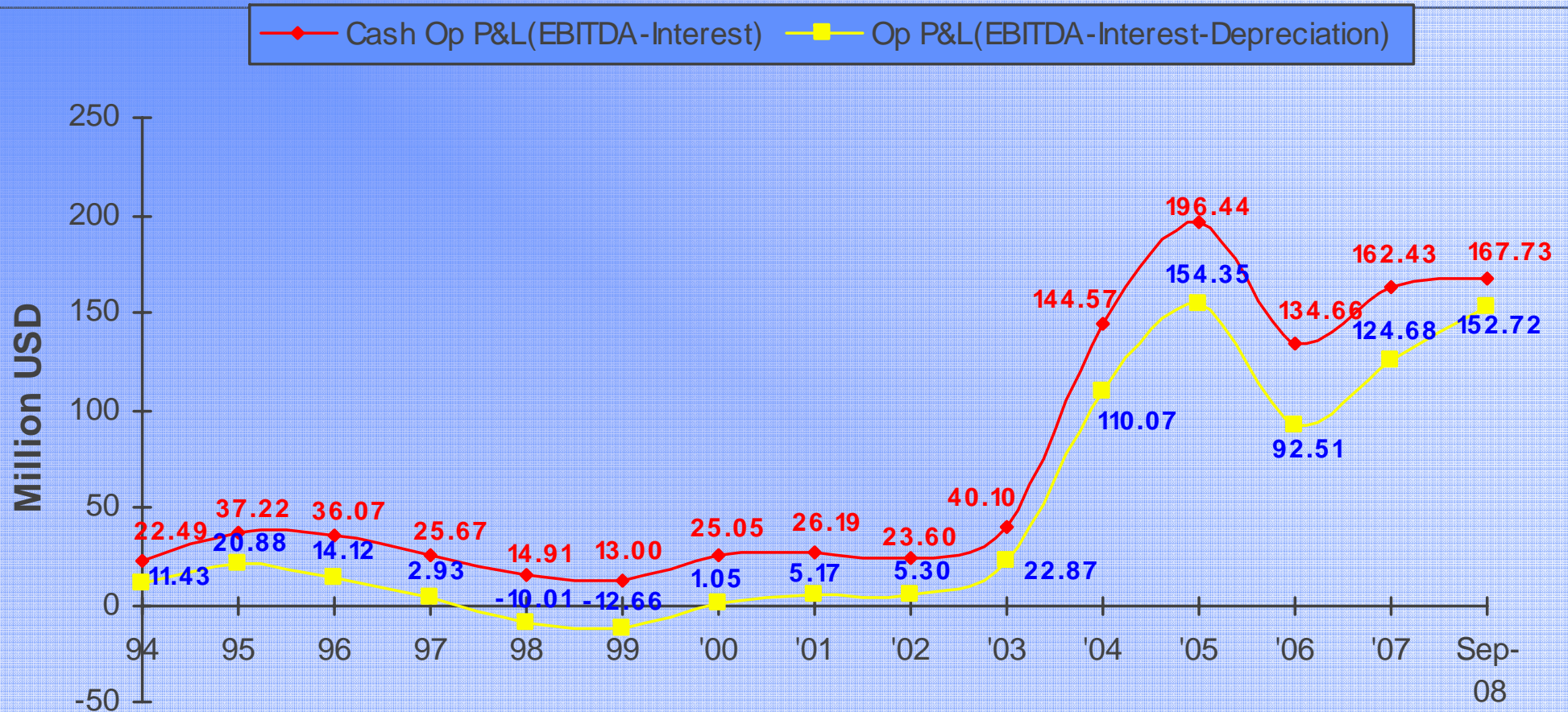


FUNDED DEBT/EQUITY RATIO





Cash Operating Profit/ Operating Profit



Sep-2008 Numbers annualized



FINANCIAL PROFILE PRE / POST 1997 ASIAN FINANCIAL CRISIS

	High (Year)	Low (Year)	Sep-08
Funded Debt	\$256.6m (1997)	\$185m (1999)	\$0.00m
Equity	\$94.4m (1996)	\$61.3m (1999)	\$451.43m
Funded Debt/Equity	3.79 (1997)	2.40 (1996)	0.00
EBITDA	\$52.4m (1996)	\$28.9m (1999)	\$126.26m
Debt/EBITDA	6.5 (1998)	4.33 (1996)	0.00
Daily Earnings	\$7,306 (1995)	\$4,808 (1999)	\$16,546
Daily Opex	\$3,118 (1996)	\$2,556 (1998)	\$4,767
Total Assets	\$367.0m (1996)	\$270.6m (1999)	\$475.11m
Net Profit/(Loss)	\$20.9m (1995)	\$(15.3m) (1997)	\$113.45m
Total Revenues	\$127.21 (1996)	\$96.53m (1995)	\$193.95m



Awards and Achievements





Industry Awards and Honors



Precious Shipping PCL



Marine Money Ranking: Methodology

Methodology: Simple Average of Performance Ranks

Performance Ranks:

Total Return to Shareholders (TRS)	(Change in Share Price + Dividend) / (Share Price at the beginning of Period)
Assets Turnover	Sales / Total Assets
Profit Margin	EBITDA / Sales
Return on Equity(ROE)	Net Income / Average Shareholders Equity
Return on Assets(ROA)	EBIT / Average Total Assets
Price / Book Value	Market Value of Equity / Book Value of Equity



Marine Money International Rankings 2006/2007

Particulars	1st Rank-2006	PSL Ratio-2006	1st Rank-2007	PSL Rank-2007	PSL Ratio-2007
1st Rank	PSL		Courage Marine	14	
Total Return to Shareholders	1	235.07%	16	45	30.14%
Turnover Rate	28	0.66	27	41	0.49
Profit Margin	13	64.55%	19	18	65.44%
Return on Equity (ROE)	14	29.68%	9	21	31.84%
Return on Asstes (ROA)	2	26.19%	1	6	21.20%
Price / Book Value	17	2.21	32	41	2.14
Total	75		104	172	

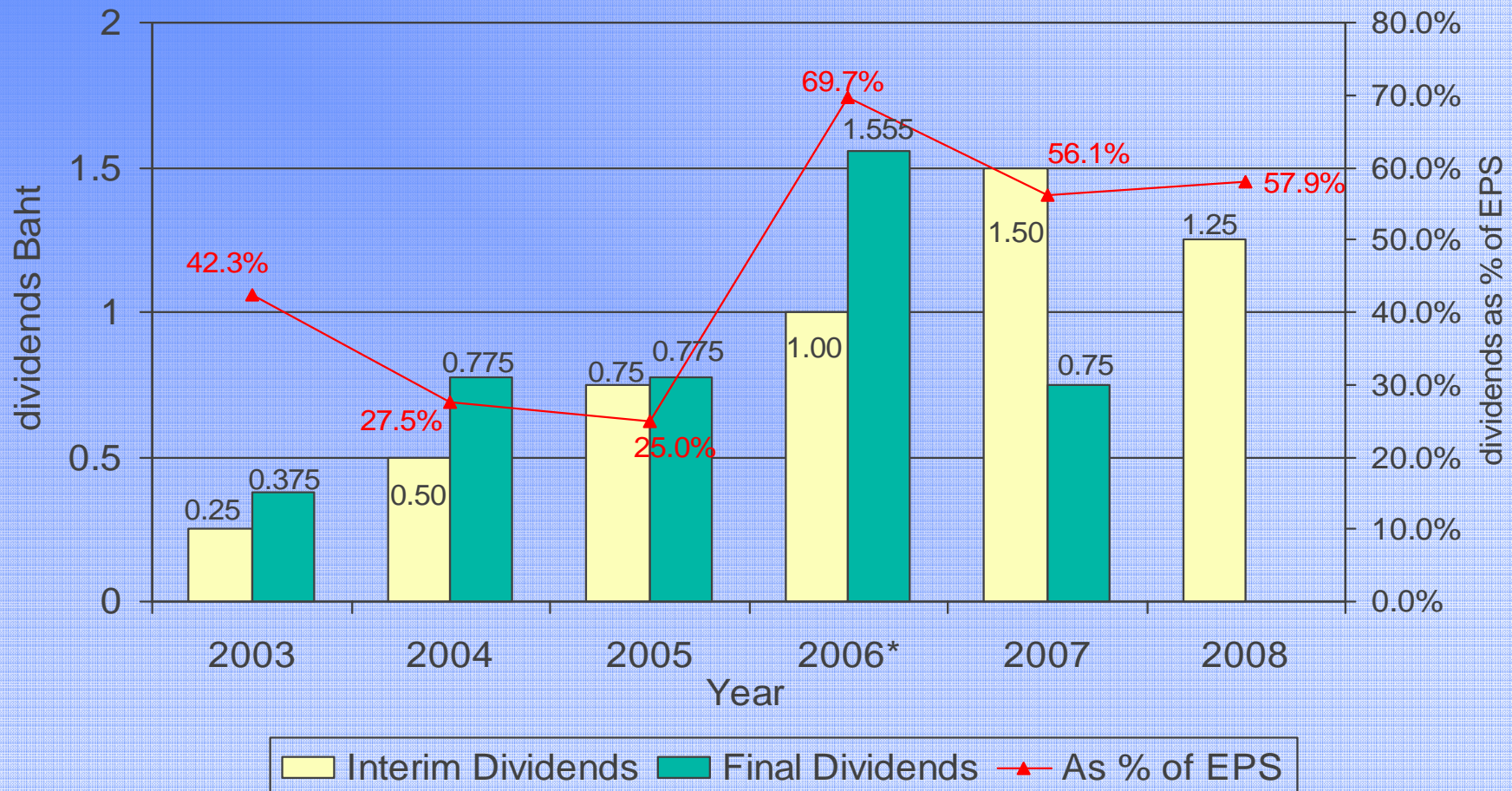


Shareholder's returns





Dividend policy: not less than 25% of net profit Actual Dividend Paid Out



- *2006 Final Dividend includes 1:1 bonus share at par
- All dividends shown adjusted for 1:1 bonus shares at par



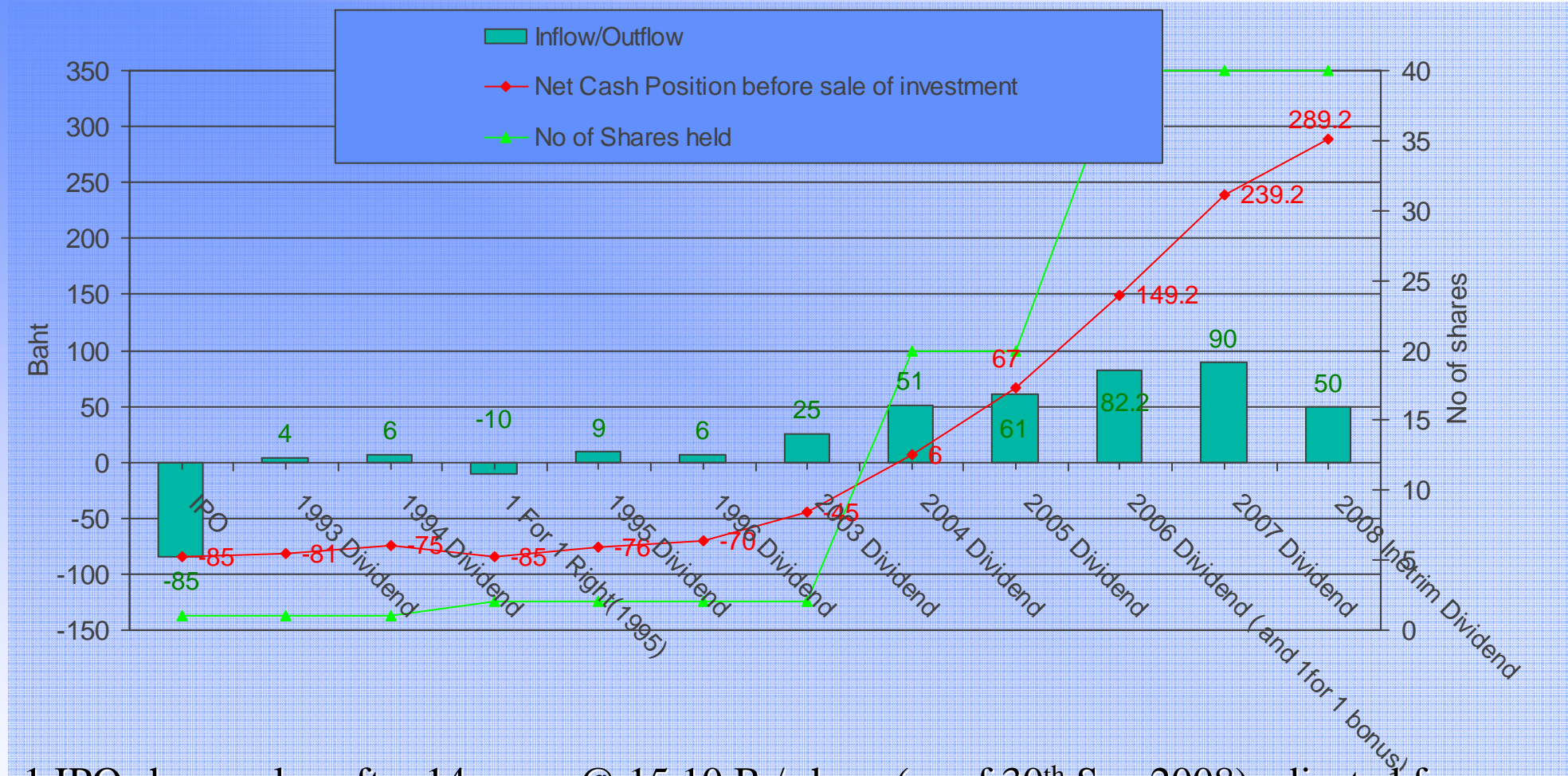
SHAREHOLDER SCORECARD-Bangkok Post 18th May 2007

BEST AND WORST PERFORMERS

Top 20th percentile across all scorecards			TSR (%)			
	Market value (bt m)	Sector	1-year	3-year	5-year	10-year
■ Central Pattana	49,241	Property development	60.1	34.3	61.6	20.6
■ Minor International	34,446	Food and beverages	86.5	66.1	77.8	37.2
■ Precious Shipping	26,520	Transportation and logistics	77.0	21.5	113.8	31.8
■ Central Plaza Hotel	8,978	Tourism	59.8	50.8	46.6	34.8
■ Ramkhamhaeng Hospital	5,424	Health care	76.6	42.0	106.2	31.3
■ Minor Corporation	4,368	Commerce	85.5	80.6	79.1	28.0
■ Bangkok Ranch	4,052	Agribusiness	290.4	736.6	257.7	43.6



Total Return to Shareholders: 1993 to 2008



1 IPO share value after 14 years @ 15.10 B / share (as of 30th Sep 2008) adjusted for rights , splits and bonus = 604 Baht

Total net Cash position = Baht 893.20, Returns = 10.51 times

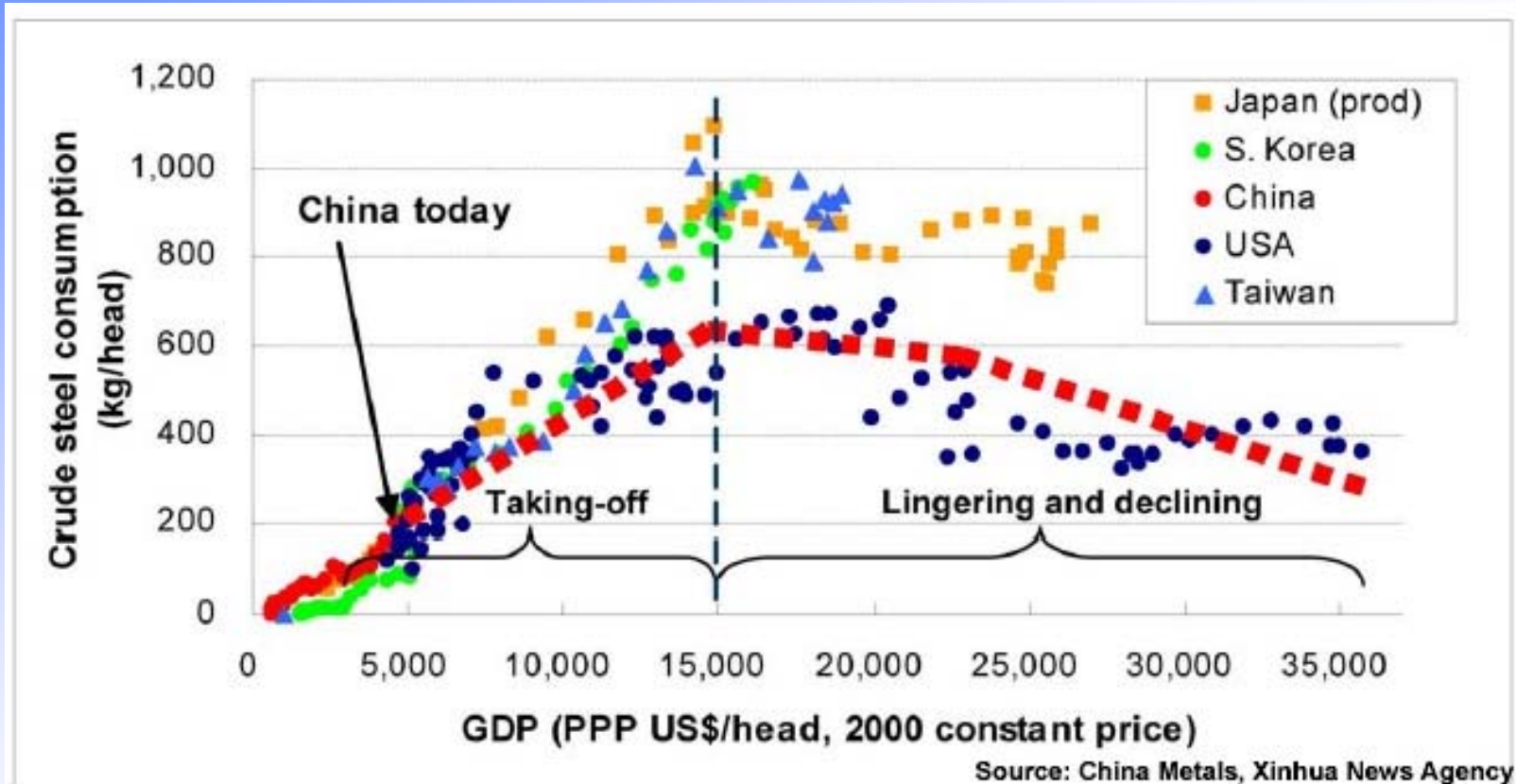


Thank You!

**A
PRECIOUS SHIPPING
PRESENTATION**



Chinese Steel – How long can it continue?



China's steel consumption is still very low by historical standards of countries experiencing industrialization.



China Drivers for commodities consumption

	Current	Potential
Cities > 1.5 m people	45	147
Expressways	45,000 km	>140,000 km
Railways	77,000 km	>85,000 by 2010 >100,000 km by 2020
Subways	602 km	>2,300 km
Airports	486	40 new, 121 expansions
Ports	3 bn tones capacity	>5 bn tones capacity

Source: National Development and Reform Commission, China; Ministry of Railway, China



Beijing Subway Development Potential

Beijing Subway (2008)



Beijing Subway (2050)



London Underground



Tokyo Underground



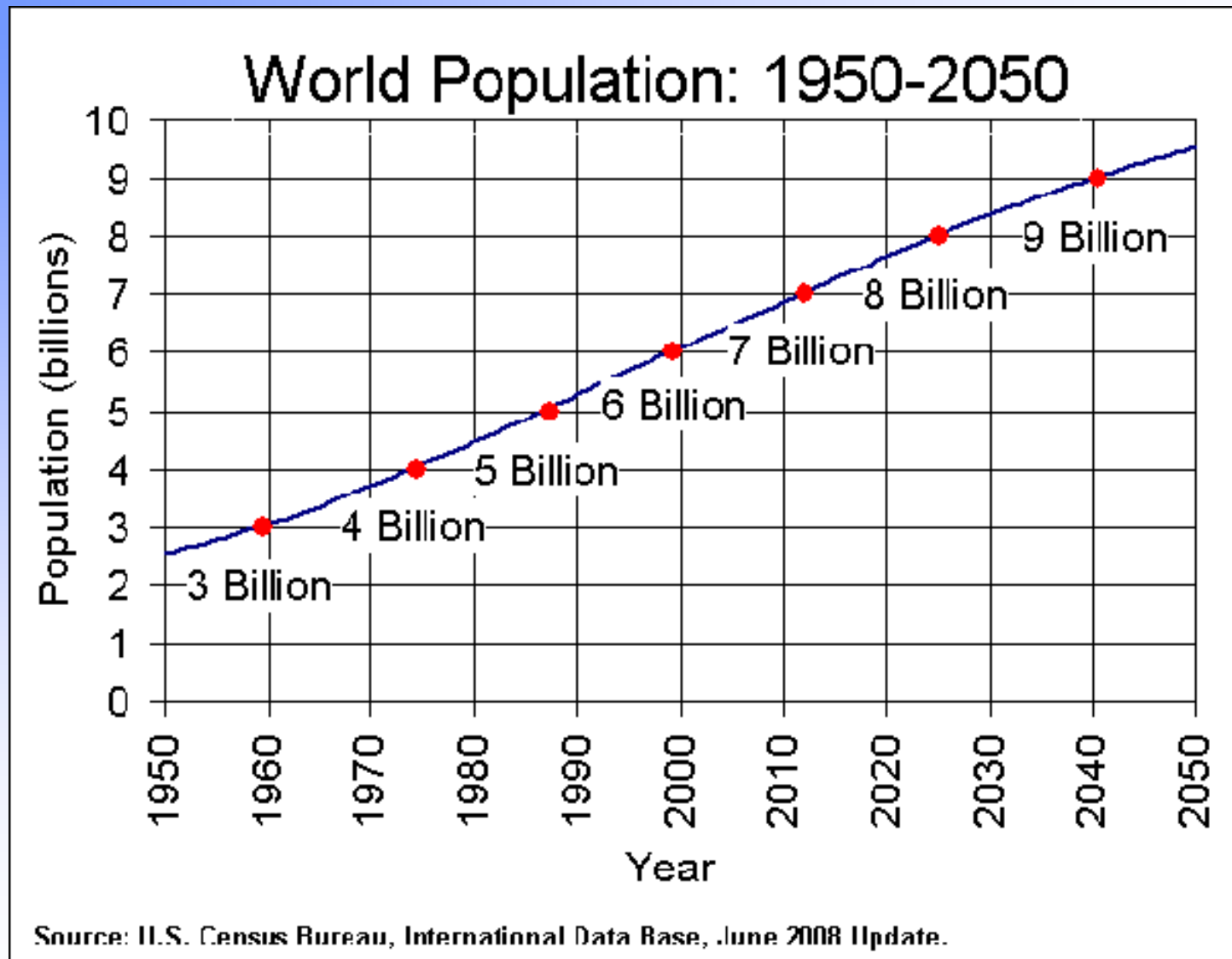


India Vs China

	Year	China	India
Gross National Saving	2002	44%	22%
Trade in Goods	2002	49%	21%
% of World Merchandise export	2003	5.8% (4 th largest exporter)	0.7% (31 st largest exporter)
Stock of FDI	2003	\$501.5bn	\$30.8bn
Inflow of FDI	2003	\$53.5bn	\$4.3bn
Overall illiteracy	2000	6%	35%
Spending on infrastructure		8x	1x
Private Investment-Telecom	1996-2002	\$13bn	\$9.3bn
Private Investment-Energy	1996-2002	\$14.3bn	\$7.5bn
Change in population engaged in agriculture	1981-2001	68% - 45%	67% - 59%
Fiscal deficit % of GDP		<4%	10%
Formal Sector Employment		>20%	<10%



Fundamental Drivers: World Population: 1950-2050





Fundamental Drivers: 600,000 join world millionaire club

Wednesday, June 25, 2008 2:57 AM

By Candice Choi

Associated Press

NEW YORK -- Add an extra zero to the ranks of the millionaires club.

The number of people around the world with at least \$1 million in assets passed 10 million for the first time last year, according to a new report. And their bank accounts are growing even faster.

The combined wealth of the globe's millionaires grew to nearly \$41 trillion last year, an increase of 9 percent from a year earlier, Merrill Lynch & Co. and consulting firm Capgemini Group said yesterday.

That means their average wealth was more than \$4 million, the highest it's ever been. Home values were not included in asset totals.

"The growth of their wealth is outpacing the growth of their population, and that's a trend that's going to continue in coming years," said Ileana Van Der Linde, a principal with Capgemini.

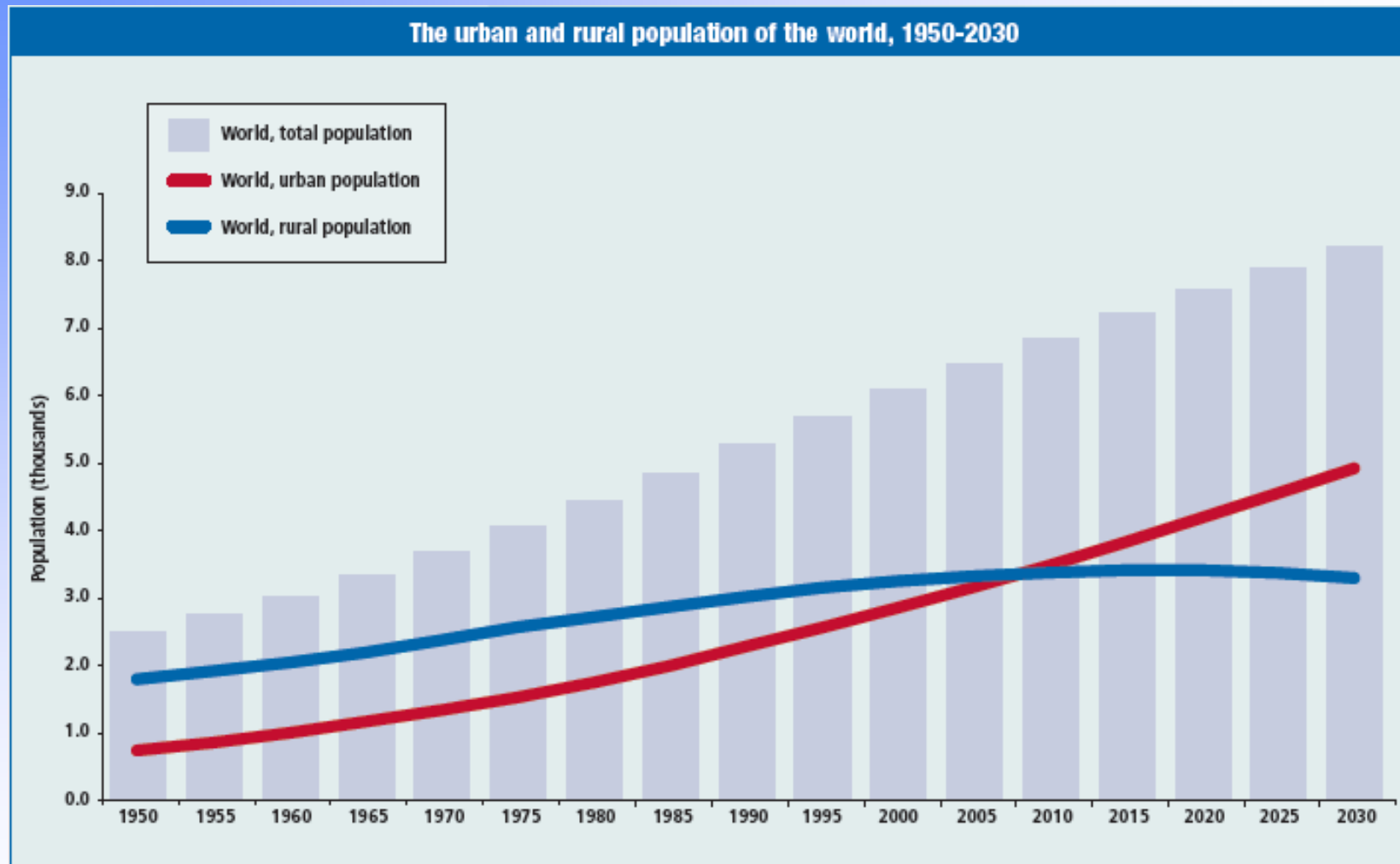
The ranks of the wealthy are growing fastest in the developing economies of India, China and Brazil. The number of millionaires in India grew by about 23 percent.

One in three millionaires in the world lives in America. Combined, Africa, the Middle East and Latin America account for just one in 10.

The world had about 600,000 more millionaires in 2007 than in 2006, for a total of about 10.1 million. Ten million may seem like a big number for such an elite club, but it represents less than one-fifth of 1 percent of the world's 6.7 billion people.



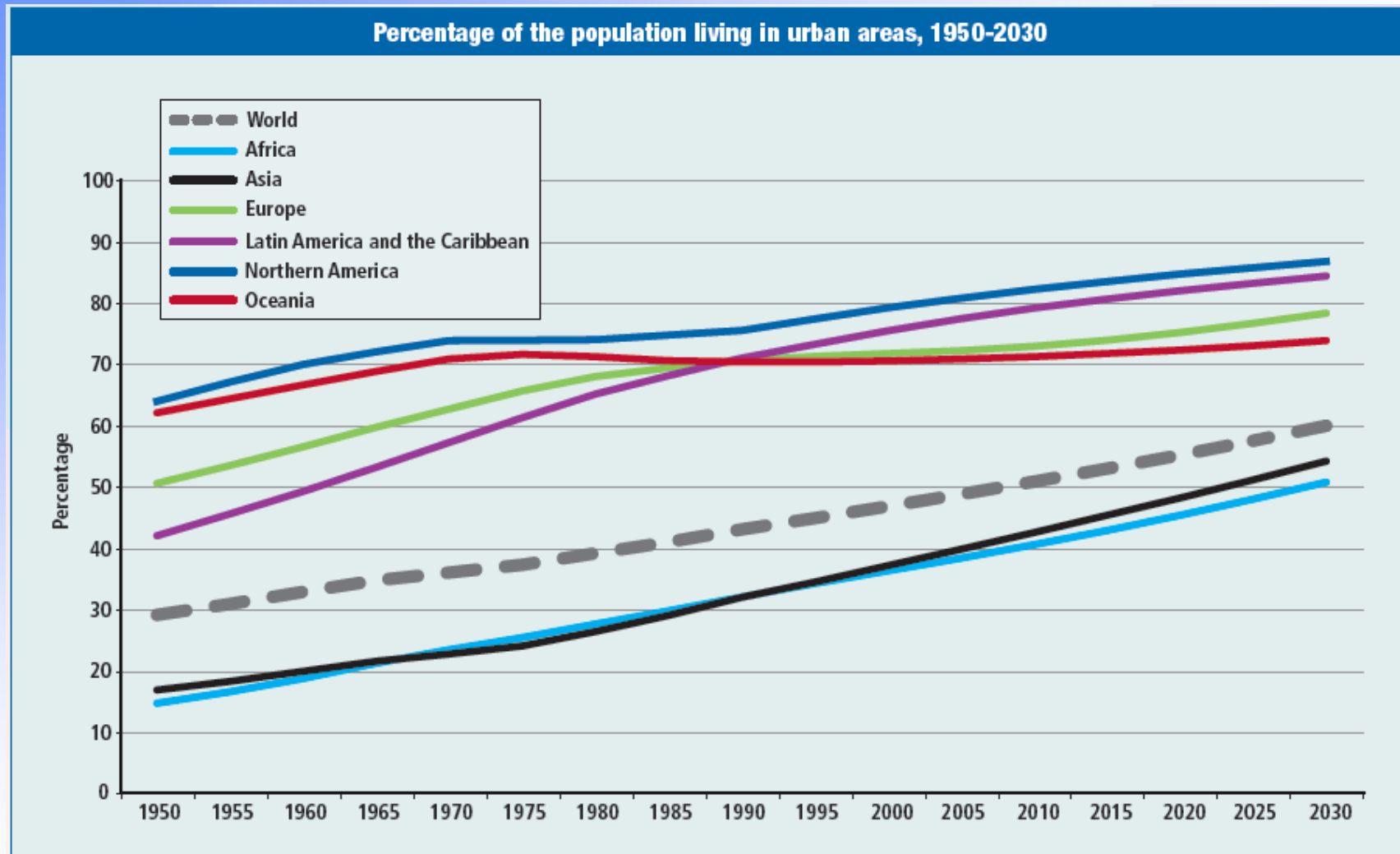
Fundamental Drivers: Urban and Rural Areas



Source: Urban and Rural Areas 2005, UN – Department of Economic & Social Affairs



Fundamental Drivers: Urban and Rural Areas



Source: Urban and Rural Areas 2005, UN – Department of Economic & Social Affairs



Greenfield Yards

	China	Korea	Japan
(a) Yards with deliveries in 2007	69	18	34
(b) Total yards with current orders	129	26	34
(c = b - a) Greenfield yards	60	8	0



Confirmed Orders (China, Korea and Japan)

Subsegment	Greenfield Yards		Established yards		Grand Total
	DWT	% over total	DWT	% over total	
Capesize*	22,745,900	17.60%	106,462,342	82.40%	129,208,242
Panamax	1,509,900	11.54%	11,579,628	88.46%	27,729,834
Supramax	10,838,806	28.45%	27,261,437	71.55%	38,100,279
Handymax	130,000	31.07%	288,400	68.93%	418,400
Handysize	5,420,800	36.01%	9,634,181	63.99%	15,054,981
Grand Total	47,899,606	22.75%	162,612,094	77.25%	210,511,736

*Capesize includes VLOC, Handy cape and post panamax

Expert Opinions





Estimated Annualised Dead Weight Cargo carrying Capacity of the Fleet on Order (MMT per annum)

	2008	2009	2010
VLOC/VLCC	24	24	26
Cape	59	148	270
Panamax	58	85	156
Handymax	81	145	149
Handy	30	48	39
Total	252	450	640

Source:
Howe Robinson Shipbrokers,
Dry Cargo Market - Outlook for 2008



Forecast Dry Bulk Trade for 2008 (MMT)

	2008f (MMT)	
	Low	High
Iron Ore	+100	+110
Chinese Coastal Coal	+40	+50
Thermal Coal	+25	+30
Minor Bulk	+25	+35
Grain	+12	+16
Met Coal	+7	+13
Steel	+5	+10
Containers	-10	-20
Total	+204	+244

Source:
Howe Robinson Shipbrokers,
Dry Cargo Market - Outlook for 2008



PSL New Building Strategy

Vessel	Hull No.	DWT (MT)	Est Delivery	Builder
1	329	32,000	15th Mar 2010	ABG Shipyard
2	330	32,000	31st Jul 2010	ABG Shipyard
3	331	32,000	15th Dec 2010	ABG Shipyard
4	333	32,000	30th Apr 2011	ABG Shipyard
5	334	32,000	31st Aug 2011	ABG Shipyard
6	335	32,000	31st Dec 2011	ABG Shipyard
7	336	32,000	30th Apr 2012	ABG Shipyard
8	337	32,000	31st Aug 2012	ABG Shipyard
9	338	32,000	31st Dec 2012	ABG Shipyard
10	339	32,000	30th Apr 2013	ABG Shipyard
11	340	32,000	31st Aug 2013	ABG Shipyard
12	342	32,000	31st Dec 2013	ABG Shipyard
13	313	54,000	31st Dec 2010	ABG Shipyard
14	315	54,000	30th Jun 2011	ABG Shipyard
15	316	54,000	31st Dec 2011	ABG Shipyard
16	347	54,000	31st May 2012	ABG Shipyard
17	348	54,000	31st Oct 2012	ABG Shipyard
18	349	54,000	31st Dec 2012	ABG Shipyard

PSL New Buildings - Brief Description

Size	32K DWT	54K DWT
Hull	Double Hull	Double Hull
Hatch Type	Open hatch type	Conventional
LOA	182.50 m	190.00 m
LBP	175.00 m	182.00 m
Beam	29.00 m	32.26 m
Holds	5	5
Hatches	5	5
Hold Types	2,3,4 box type, 1 & 5 semi box with lower hopper	Conventional with top & bottom hoppers
Cargo Gear	4 x 30 MT cranes	4 x 36 MT cranes
Class	NK, complying with new CSR requirements to the highest class	ABS, complying with new CSR requirements to the highest class
Speed*	Laden 14 K	Laden 13.75 K
Consumption*	Laden 26MT/day, Ballast 21.5 MT/day	Laden 32.5 MT/day, Ballast 29.5 MT/day
Main Engine	MAN B & W 6S46MC-C Marine Diesel. 7860 kW MCR	MAN B & W 6S50MC-C Marine Diesel. 9480 kW x 127 rpm (MCR)
Diesel Generators	2 sets. 500 kW each approx	3 sets. 600 kW each approx
Shaft Generator	1, Driven off main engine shaft	-
Accommodation	European style	European style

* Subject to model testing and sea trials.



PSL New Buildings - Payment terms and funding

Installment Number	Occasion	32K Ship (USD)	54K Ship (USD)	Source
1st	Signing the contract (20%)	5,999,999	7,599,999	Internal cash Flow
2nd	Steel cutting for the ship (20%)	5,999,999	7,599,999	Bank loan
3rd	Keel Laying of the Ship (20%)	5,999,999	7,600,000	Bank loan
4th	Launching of the Ship (20%)	6,000,000	7,600,000	Bank loan
5th	Delivery of the Ship (20%)	6,000,000	7,600,000	Bank loan