

Precious Shipping Public Company Limited and subsidiaries

Notes to interim financial statements

For the three-month periods ended 31 March 2008 and 2007

1. General information

1.1 Corporate information

Precious Shipping Public Company Limited (The Company) is a public company incorporated and domiciled in Thailand. The Company is principally engaged as a holding company for investment in the marine transportation business and its registered address is Cathay House, 7th floor, 8 North Sathorn Road, Silom, Bangrak, Bangkok 10500.

1.2 Basis for the preparation of the interim financial statements

These interim financial statements are prepared in accordance with Accounting Standard No. 41 (revised 2007) Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the balance sheets, the statements of income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

1.3 Accounting standards which are effective for the current year

TAS 25 (revised 2007)	Cash Flow Statements
TAS 29 (revised 2007)	Leases
TAS 31 (revised 2007)	Inventories
TAS 33 (revised 2007)	Borrowing Costs
TAS 35 (revised 2007)	Presentation of Financial Statements
TAS 39 (revised 2007)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 41 (revised 2007)	Interim Financial Reporting
TAS 43 (revised 2007)	Business Combinations
TAS 49 (revised 2007)	Construction Contracts

(Unaudited but reviewed)

These accounting standards become effective for the financial statements for fiscal years beginning on or after 1 January 2008. The management has assessed the effect of these accounting standards and believes that TAS 29 (revised 2007), TAS 33 (revised 2007), TAS 43 (revised 2007) and TAS 49 (revised 2007) are not relevant to the business of the Company, whereas TAS 25 (revised 2007), TAS 31 (revised 2007), TAS 35 (revised 2007), TAS 39 (revised 2007), TAS 41 (revised 2007) and TAS 51 do not have any significant impact on the financial statements for the current period.

1.4 Basis of consolidation

These interim consolidated financial statements include the financial statements of Precious Shipping Public Company Limited and subsidiaries (the Group) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2007. There have been no changes in the composition of the Group during the current period.

1.5 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2007, with the following addition in accounting policy during the period.

Software and amortisation

Software is stated at cost less accumulated amortisation. Amortisation is calculated by reference to cost on a straight-line basis over the expected future period, for which the asset is expected to generate economic benefit of 5 years.

The amortisation is included in determining income.

No amortisation is provided on software under development.

2. Change in accounting estimation

As of 1 January 2008, the Group changed the estimated residual value of its vessels by increasing the assumed steel price to USD 400 per tonne from USD 135 per tonne (residual value is calculated by multiplying steel weight of the vessel (Light Displacement Tonnage) with assumed steel price per tonne). This change in estimation was made in line with current steel prices in the market which have significantly increased from previous estimation. However, there was no change made in estimated useful life of vessels. This change in estimation has resulted in increase of net income

for the three-month period ended 31 March 2008 by Baht 187.2 million (Baht 0.18 per share) in the Group's consolidated income statement.

(Unaudited but reviewed)

3. Current investments

(Unit: Thousand Baht)

Consolidated/Separate financial
statements

	31 March 2008	31 December 2007
<u>Investment in debts securities</u>		
Bill of exchange	802,338	-
Total current investment	802,338	-

(Unit: Thousand Baht)

Consolidated financial statements

Paid-up capital		Shareholding percentage				Cost		Carrying amounts based on equity method	
31 March 2008	31 December 2007	31 March 2008	31 December 2007	31 March 2008	31 December 2007	31 March 2008	31 December 2007		
Thousand INR	Thousand INR	Percent	Percent						
<u>Investment in associate held by a subsidiary</u>									
Southern LPG Limited	64,592	64,592	50	50	31,716	31,716	19,365	19,365	
Less: Allowance for loss on investment							(19,365)	(19,365)	
Current investment - net							-	-	

A subsidiary (Precious Shipping (Mauritius) Limited) recorded investment in an associated company incorporated in India under equity method only until 31 December 2000, since the Company's management is making efforts to sell this investment. The investment has therefore been classified as current investment, under current assets, and allowance for loss on investment in full has been set up.

(Unaudited but reviewed)

4. Trade accounts receivable

The outstanding balances of trade accounts receivable are aged, based on invoice date, as follows:

(Unit: Thousand Baht)

	Consolidated	
	financial statements	
	31 March 2008	31 December 2007
<u>Age of receivables</u>		
Not over 3 months	11,253	33,268
3 - 6 months	4,217	531
6 - 12 months	604	723
Over 12 months	30,341	34,037
Total	46,415	68,559
Less: Allowance for doubtful accounts	(30,232)	(33,920)
Trade accounts receivable - net	16,183	34,639

5. Related party transactions

During the periods, the Company and subsidiaries had significant business transactions with related parties which have been concluded on commercial terms and basis agreed upon in the ordinary course of business between the Company and those companies. Below is a summary of those transactions.

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	For the three-month periods ended 31 March				
	2008	2007	2008	2007	
<u>Transactions with subsidiaries</u>					
(Eliminated from consolidated financial statements)					
Service income - management fees	-	-	23,478	25,320	Fixed rate per vessel per day set with reference to the administrative cost of the Company
Dividend received	-	-	1,204,084	1,100,639	As declared
Condominium rental expenses	-	-	2,327	2,387	Market price
<u>Transactions with related companies</u>					
Air ticket expenses	3,966	5,184	510	606	Market price
Rental and service expenses	1,656	1,844	854	1,145	Market price

(Unaudited but reviewed)

The balances of the accounts as at 31 March 2008 and 31 December 2007 between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	Separate financial statements			
	31		31	
	December		March	
	2007	Increase	Decrease	2008
<u>Receivable from and advances to subsidiaries</u>				
Precious Stones Shipping Limited	41,146	26,150	29,315	37,981
Precious Minerals Limited	-	114,680	106,281	8,399
Precious Rivers Limited	72,120	5,406	36,798	40,728
Precious Lakes Limited	1,948	37,146	35,828	3,266
Precious Seas Limited	-	130,535	118,807	11,728
Precious Stars Limited	-	78,062	66,887	11,175
Precious Planets Limited	814	-	814	-
Precious Diamonds Limited	-	104,597	98,362	6,235
Precious Sapphires Limited	-	77,945	72,200	5,745
Precious Emeralds Limited	181,426	-	181,426	-
Precious Garnets Limited	4,089	48,589	45,552	7,126
Precious Ponds Limited	4,203	25,392	25,204	4,391
Precious Orchids Limited	40,302	-	40,302	-
Precious Hills Limited	5,881	-	5,881	-
Precious Cities Limited	3,624	-	3,624	-
Nedtex Limited	108	-	-	108
Precious Storage Terminals Limited	64	1	-	65
Thebes Pte. Limited	904	29	-	933
Precious Shipping (Panama) S.A.	304,682	-	12,385	292,297
Precious Shipping (Mauritius) Limited	120,834	536	-	121,370
Precious Shipping (UK) Limited	-	283	77	206
Great Circle Shipping Agency Limited	216,410	15,610	53,703	178,317
Precious Projects Pte. Limited	1	25	-	26
Total	998,556	664,986	933,446	730,096

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	31			31
	December			March
	2007	Increase	Decrease	2008
<u>Payable to and advances from subsidiaries</u>				
Precious Metals Limited	113,395	153,091	135,230	131,256
Precious Wishes Limited	103,181	118,178	83,090	138,269
Precious Minerals Limited	16,682	-	16,682	-
Precious Lands Limited	26,702	45,626	36,077	36,251
Precious Seas Limited	28,834	-	28,834	-
Precious Stars Limited	32,287	-	32,287	-
Precious Oceans Limited	87,260	37,629	27,924	96,965
Precious Planets Limited	-	224,397	169,333	55,064
Precious Diamonds Limited	24,408	-	24,408	-
Precious Sapphires Limited	32,517	-	32,517	-
Precious Emeralds Limited	-	198,446	194,719	3,727
Precious Rubies Limited	43,267	59,185	57,606	44,846
Precious Opals Limited	54,435	44,651	42,888	56,198
Precious Pearls Limited	45,358	49,503	14,907	79,954
Precious Flowers Limited	29,573	89,425	52,713	66,285
Precious Forests Limited	34,592	20,938	12,956	42,574
Precious Trees Limited	21,576	83,003	18,078	86,501
Precious Ventures Limited	43,502	51,272	51,478	43,296
Precious Capitals Limited	36,325	43,354	21,002	58,677
Precious Jasmines Limited	86,241	81,536	110,086	57,691
Precious Orchids Limited	-	131,681	130,524	1,157
Precious Lagoons Limited	5,566	31,313	34,276	2,603
Precious Cliffs Limited	2,922	36,450	38,633	739
Precious Hills Limited	-	28,158	27,092	1,066
Precious Mountains Limited	5,629	32,570	38,146	53
Precious Resorts Limited	356	17,274	17,341	289
Precious Cities Limited	-	39,288	34,650	4,638
Precious Comets Limited	9,280	44,419	38,451	15,248
Precious Ornaments Limited	9,397	44,120	26,631	26,886
Precious Shipping (Singapore) Pte. Limited	467,082	27,857	7,752	487,187
Precious Shipping (UK) Limited	75	-	75	-
Total	<u>1,360,442</u>	<u>1,733,364</u>	<u>1,556,386</u>	<u>1,537,420</u>

(Unaudited but reviewed)

The outstanding balances of the amounts due from/to subsidiaries represent current accounts between the Company and those companies. The Company's management believes that no allowance for doubtful accounts is necessary. No interest was charged on advances to/from subsidiaries.

Directors and management's remuneration

During the periods, the Company and subsidiaries paid salaries, bonuses, personal income tax, house rental, contributions to provident fund, other allowance, and meeting allowances to their directors and management. Details of directors and management's remuneration included in administrative expenses can be summarised as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 31 March			
	2008	2007	2008	2007
Directors	1,861	1,451	1,736	1,339
Management	64,578	39,486	56,927	34,362
Total	66,439	40,937	58,663	35,701

6. Investments in subsidiaries

These represent investments in ordinary shares in the following subsidiaries:

(Unit: Thousand Baht)

Company's name	Separate financial statements							
	Paid-up capital		Shareholding		Cost		Dividend received	
	31	31	percentage		31	31	For the three-month periods	
	March	December	March	December	March	December	ended 31 March	
2008	2007	2008	2007	2008	2007	2008	2007	
		Percent	Percent					
Precious Metals Limited	250,000	250,000	99.99	99.99	250,000	250,000	55,000	30,000
Precious Wishes Limited	230,000	230,000	99.99	99.99	229,999	229,999	52,900	-
Precious Stones Shipping Limited	260,000	260,000	99.99	99.99	260,000	260,000	-	-
Precious Minerals Limited	230,000	230,000	99.99	99.99	230,000	230,000	92,000	-
Precious Lands Limited	84,000	84,000	99.99	99.99	84,000	84,000	24,360	22,680
Precious Rivers Limited	234,000	234,000	99.99	99.99	234,000	234,000	-	156,779
Precious Lakes Limited	99,000	99,000	99.99	99.99	99,000	99,000	21,780	19,800

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	Separate financial statements							
	Paid-up capital		Shareholding percentage		Cost		Dividend received	
	31	31	31	31	31	31	For the three-month periods	
	March	December	March	December	March	December	ended 31 March	
	2008	2007	2008	2007	2008	2007	2008	2007
			Percent	Percent				
Precious Seas Limited	100,000	100,000	99.99	99.99	100,000	100,000	124,999	45,000
Precious Stars Limited	105,000	105,000	99.99	99.99	105,000	105,000	72,449	42,000
Precious Oceans Limited	175,000	175,000	99.99	99.99	175,000	175,000	22,750	-
Precious Planets Limited	100,000	100,000	99.99	99.99	100,000	100,000	126,999	62,999
Precious Diamonds Limited	205,000	205,000	99.99	99.99	205,000	205,000	92,250	-
Precious Sapphires Limited	144,000	144,000	99.99	99.99	143,999	143,999	72,000	-
Precious Emeralds Limited	366,000	366,000	99.99	99.99	366,000	366,000	-	-
Precious Rubies Limited	84,000	84,000	99.99	99.99	84,000	84,000	40,320	21,000
Precious Opals Limited	74,000	74,000	99.99	99.99	74,000	74,000	37,000	23,680
Precious Garnets Limited	379,000	379,000	99.99	99.99	378,999	378,999	37,900	-
Precious Pearls Limited	73,000	73,000	99.99	99.99	72,999	72,999	5,840	81,029
Precious Flowers Limited	76,000	76,000	99.99	99.99	75,999	75,999	44,839	129,199
Precious Forests Limited	96,000	96,000	99.99	99.99	95,999	95,999	4,800	28,800
Precious Trees Limited	80,000	80,000	99.99	99.99	79,999	79,999	7,200	57,599
Precious Ponds Limited	84,000	84,000	99.99	99.99	83,999	83,999	8,400	8,400
Precious Ventures Limited	80,000	80,000	99.99	99.99	79,999	79,999	43,999	64,799
Precious Capitals Limited	200,000	200,000	99.99	99.99	199,999	199,999	15,000	40,000
Precious Jasmines Limited	98,000	98,000	99.99	99.99	97,999	97,999	57,819	49,000
Precious Orchids Limited	217,000	217,000	99.99	99.99	216,999	216,999	10,850	86,800
Precious Lagoons Limited	140,000	140,000	99.99	99.99	139,999	139,999	28,000	4,200
Precious Cliffs Limited	140,000	140,000	99.99	99.99	139,999	139,999	25,200	16,800
Precious Hills Limited	140,000	140,000	99.99	99.99	139,999	139,999	9,800	28,000
Precious Mountains Limited	140,000	140,000	99.99	99.99	139,999	139,999	25,200	25,200
Precious Resorts Limited	140,000	140,000	99.99	99.99	139,999	139,999	7,000	-
Precious Cities Limited	170,000	170,000	99.99	99.99	169,999	169,999	17,000	39,100
Precious Comets Limited	71,100	71,100	99.99	99.99	71,099	71,099	-	17,775
Precious Ornaments Limited	68,100	68,100	99.99	99.99	68,099	68,099	20,430	-
Nedtex Limited	2,500	2,500	69.99	69.99	648	648	-	-
Precious Storage Terminals Limited	6,000	6,000	69.99	69.99	4,199	4,199	-	-
Thebes Pte. Limited	0.0365	0.0365	100.00	100.00	0.0365	0.0365	-	-
Precious Shipping (Panama) S.A.	250	250	99.99	99.99	250	250	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

Separate financial statements								
Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received	
	31	31	31	31	31	31	For the three-month periods	
	March	December	March	December	March	December	Ended 31 March	
	2008	2007	2008	2007	2008	2007	2008	2007
			Percent	Percent				
Precious Shipping (Mauritius) Limited	250	250	100.00	100.00	250	250	-	-
Precious Shipping (Singapore) Pte. Limited	363,338	363,338	100.00	100.00	363,338	363,338	-	-
Precious Shipping (UK) Limited	250	250	99.99	99.99	250	250	-	-
Great Circle Shipping Agency Limited	60,000	15,000	99.99	99.99	166,995	121,995	-	-
Precious Projects Pte. Limited	0.0345	0.0345	100.00	100.00	0.0345	0.0345	-	-
Total investments in subsidiaries					5,668,110	5,623,110	1,204,084	1,100,639
Less: Allowance for loss on investments in subsidiaries					(5,097)	(5,097)		
Investments in subsidiaries - net					5,663,013	5,618,013		

The Company offset the above dividend income against amounts receivable from/payable to subsidiaries in the balance sheets.

As at 22 January 2008, a local subsidiary (Great Circle Shipping Agency Limited) issued new ordinary shares, which the Company purchased in proportion to its shareholding at that date, at par value, or a total of Baht 45 million.

7. Investment in associate held by a subsidiary

7.1 Details of associate held by a subsidiary

(Unit: Thousand Baht)

Consolidated financial statements										
Company's name	Nature of business	Country of incorporation	Shareholding percentage				Carrying amounts based on equity method			
			31		31		31		31	
			March	December	March	December	March	December	March	December
			2008	2007	2008	2007	2008	2007	2008	2007
			Percent	Percent						
International Seaports (Haldia) Private Limited	Design, construction, development and operation of a berth	India	22.40	22.40	87,701	87,701	139,071	134,282		

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	Consolidated financial statements	
	Share of loss from investment in associate held by a subsidiary for the three-month periods ended 31 March	
	2008	2007
International Seaports (Haldia) Private Limited	957	3,074

Shares of loss from investment in associate held by a subsidiary for the three-month periods ended 31 March 2008 and 2007, included in the consolidated income statements, were recorded based on the financial statements for the three-month periods ended 31 December 2007 and 2006, respectively prepared by the management of that company and not reviewed by auditor.

7.2 Summarised financial information of associate held by a subsidiary

(Unit: Thousand Baht)

Company's name	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenues for the		Net loss for the	
	31 December		31 December		31 December		three-month periods ended		three-month periods ended	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
	Thousand INR	Thousand INR								
International Seaports (Haldia) Private Limited	440,580	440,580	889,535	980,494	425,926	528,508	96,530	86,624	(4,275)	(13,720)

8. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2008 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2008	9,526,015	25,124
Acquisitions of equipment and payment of dry-dock and special survey expenses during period - at cost	149,706	12,275
Write-off during period - net book value at write-off date	(523)	-
Depreciation for period	(268,452)	(1,961)
Net book value as at 31 March 2008	9,406,746	35,438

(Unaudited but reviewed)

9. Software

Movements of the software account during the three-month period ended 31 March 2008 are summarised below.

(Unit: Thousand Baht)

	Consolidated/Separate financial statements
Net book value as at 1 January 2008	43,496
Acquisitions during period - at cost	4,038
Amortisation for period	<u>(52)</u>
Net book value as at 31 March 2008	<u>47,482</u>

10. Advances for vessel construction

On 20 July 2007, 14 September 2007 and 11 February 2008, the Company entered into 18 contracts with a builder to construct 18 vessels (12 handysize vessels and 6 supramax vessels) classified as bulk carriers at an aggregate price of approximately USD 588 million (or approximately USD 30 million per handysize vessel and USD 38 million per supramax vessel). The contract price will be paid in 5 installments of 20 percent each, with each installment (except the fifth) paid only on the submission of a bank guarantee in favour of the Company, guaranteeing the refund of each installment (with interest at 7.5 percent per annum) in case of a failure by the builder to perform per the contract. The vessels are expected to be delivered in the years 2010 to 2013. However, if the builder can deliver the vessels earlier, the Company has to pay an aggregate sum of incentive amount not exceeding USD 18.5 million to the builder for all the 18 vessels.

During the current period, the Company made payment of the first installment to the shipbuilder for the building of 3 additionally-ordered vessels, amounting to USD 22.8 million (approximately Baht 742.5 million). Such amounts were recorded as advances for vessel construction in non-current assets in the balance sheet.

11. Long-term loan facilities

11.1 On 22 August 2005 and 28 December 2006, the Company and local subsidiaries entered into a main secured revolving loan facility agreement and an amended and restated agreement, respectively with overseas banks to obtain credit facilities of USD 250 million carrying interest at the rate of LIBOR plus 1.00 to 1.40 percent per annum, the margin of which is based on the USD Restated Financial Statements of the Company and subsidiaries of each quarter. Details are as follows:

- A Revolving Acquisition Facility (RAF) is to be used for purchasing of vessels. Such facility was to be drawn down by 31 December 2007 and was automatically to be converted to a Revolving Reducing Credit Facility (RRCF) as at 31 December 2007, or earlier if mutually agreed between the borrowers and the lenders.
- The Revolving Reducing Credit Facility (RRCF) is to be repaid in 32 quarterly installments, per the proportions stipulated in the agreement, from March 2008 or three months after conversion of the RAF to RRCF if earlier.

The loan is secured by the mortgage of the subsidiaries' vessels, the assignment of the beneficiary rights under the insurance policies for the mortgaged vessels of the subsidiaries, and the assignment of the revenues earned from the mortgaged vessels of the subsidiaries to the lenders.

The loan agreement includes certain covenants and restrictions pertaining to, among other things, non-payment of dividend in an event of default, the pledge/mortgage of assets, the provision of guarantees for liabilities, conditions on the disposal of certain vessels, and the maintenance of financial ratios such as:

- a) Maintenance of a funded debt to total shareholders' equity ratio not exceeding 2:1.
- b) Maintenance of a funded debt to EBITDA ratio not exceeding 5:1.
- c) Maintenance of minimum free liquidity of USD 100,000 per vessel.

On 6 March 2008, the Company and local subsidiaries entered into a supplemental agreement with overseas banks to extend the availability period up to 31 December 2008, but for a reduced loan amount of USD 200 million with repayment starting from March 2009.

(Unaudited but reviewed)

11.2 On 18 January, 21 May and 29 October 2007, the Company and local subsidiaries entered into a main agreement and amended and restated agreements, respectively with local commercial banks to obtain credit facilities, as detailed below.

- a) A term loan of USD 300 million carrying interest at LIBOR plus 2.2 percent per annum. The loan is to be used to pay for purchases of vessels and is to be drawn down within 18 January 2009, and is to be repaid in quarterly installments over a period of 12 years (commencing after the completion of a grace period of one year from the date of first drawdown), in accordance with the proportionate amounts stipulated in the agreement.
- b) A foreign currency exchange facility of USD 5 million.

The credit facilities have to be secured by the mortgage of the subsidiaries' vessels, the pledge of the subsidiaries' shares, the assignment of the beneficiary rights under the insurance policies for the mortgaged vessels of the subsidiaries, and the assignment of the revenues earned from the mortgaged vessels of the subsidiaries to the lenders when the facility is drawn down.

The credit facility agreements contain covenants that, among other things, require the Company and subsidiaries to maintain certain financial ratios such as:

- a) Maintenance of a total debt to total shareholders' equity ratio not exceeding 2:1.
- b) Maintenance of a total debt to EBITDA ratio not exceeding 5:1.
- c) Maintenance of minimum free liquidity of USD 100,000 per vessel.
- d) Maintenance of a debt service coverage ratio of at least 1:1.

The covenants a), c) and d) above are applicable from 18 January 2007 whereas covenant b) is applicable from the first draw down date.

As at 31 March 2008, no draw down had been made from the facilities.

12. Debenture offering plan

On 6 July 2007, the Extraordinary General Meeting of shareholders passed a resolution to approve the Company or a newly established subsidiary of the Company to issue debentures in an amount not exceeding USD 1,000 million or the equivalent in another currency to foreign investors, and to empower the Board of Directors to subsequently determine details of the debenture issue and offering such as the nature of the debentures, the value, the currency, the interest rate, the maturity, the redemption period, the selling method, the subscription period, the allocation method and others. As at 31 March 2008, the debentures have yet to be issued by either the Company or the subsidiary.

13. Segment information

The Company and subsidiaries' operations involve the business of owning and internationally operating (chartering) small handy sized dry bulk ships, on a tramp shipping basis without any set routes. This is the only industry segment in which the Company and subsidiaries mainly operate and almost entire revenues are generated from this segment. As such, no segmental bifurcation is applicable since the operations are mainly limited to only one aforesaid segment.

The business activity in the segment, i.e. the chartering of the ships, is undertaken in two ways, viz., Time charter and Voyage charter. Under Time charter, the charterer (customer) pays charter hire (at an agreed daily rate, almost always in US Dollars) to operate the vessel for an agreed time period. In this case, the charterer bears all voyage expenses including port disbursements and costs of bunker oil. Under Voyage charter, the charterer pays freight on a per tonne basis (almost always in US Dollars) to transport a particular cargo between two or more designated ports. In this case, the Company (or subsidiary) bears all the voyage expenses. The voyage expenses are presented in the financial statements as voyage disbursements and bunker consumption. Under Time charter, the ship routes are determined or controlled exclusively by the charterers and under Voyage charters, the route varies from time to time for each voyage, which is determined by a number of factors which are totally beyond the Company's and subsidiaries' control. As such, reporting by geographical segments would not be practical or meaningful, and could in fact be misleading.

In view of the above, segment information is limited to the bifurcation of the total vessel operating income (and voyage expenses in respect of Voyage charter) for the three-month periods ended 31 March 2008 and 2007 derived from Time charter and Voyage charter presented as "Hire income" and "Freight income" respectively, as under:

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements										
For the three-month periods ended 31 March										
	Time charter		Voyage charter		Total		Elimination		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Hire income	1,915,031	1,774,072	-	-	1,915,031	1,774,072	-	-	1,915,031	1,774,072
Freight income	-	-	83,270	222,186	83,270	222,186	-	43,673	83,270	178,513
Total vessel operating income	1,915,031	1,774,072	83,270	222,186	1,998,301	1,996,258	-	43,673	1,998,301	1,952,585
Voyage disbursements	-	-	(23,938)	(69,549)	(23,938)	(69,549)	-	(43,673)	(23,938)	(25,876)
Bunker consumption	-	-	(10,274)	(37,173)	(10,274)	(37,173)	-	-	(10,274)	(37,173)
Total voyage expenses	-	-	(34,212)	(106,722)	(34,212)	(106,722)	-	(43,673)	(34,212)	(63,049)
Net vessel operating income/time charter equivalent income	1,915,031	1,774,072	49,058	115,464	1,964,089	1,889,536	-	-	1,964,089	1,889,536

14. Dividend payable

Dividend declared during the current period consist of the following:

	Approved by	Total dividend	Dividend per share
		(Million Baht)	(Baht)
Final dividend of 2007 income	Annual General Meeting of the shareholders on 27 March 2008	779.48	0.75

As at the closing date of the share register, 1,039,311,395 of the Company's ordinary shares were qualified to receive final dividend, after deduction of 209,205 shares disqualified to receive this final dividend held by the registrar (Thailand Securities Depository Co., Ltd. for Depositors both Thai and Foreign shareholders) from the total number of shares outstanding (1,039,520,600 shares). The total final dividend was thus Baht 779.48 million. The Company paid dividend on 10 April 2008.

(Unaudited but reviewed)

15. Commitments and contingent liabilities

15.1 Vessel building contracts commitments

As at 31 March 2008, the Company's future minimum payment commitments under vessel building contracts amounting to USD 470.4 million or approximately Baht 14,875.4 million (31 December 2007: USD 379.2 million or approximately Baht 12,849.2 million).

15.2 Obligations in respect of charges for management of the undrawn portion of loan facilities

As at 31 March 2008, the Company and its subsidiaries had obligations in respect of the charges for management of the undrawn portion of loan facilities, which can be summarised as follows:

Facility	Percentage of obligation	Maximum facility amount per contract (million USD)	Undrawn loan balance as at 31 March 2008 (million USD)	Term of payment	Drawdown period ending
Facility 1	30 percent of the applicable margin per annum on the difference between the facility outstanding and the applicable maximum facility amount	200	200	Every three month starting from 22 August 2005 until the end of the drawdown period	31 December 2008
Facility 2	0.375 percent per annum of undrawn loan balance	300	300	Quarterly starting from 18 January 2007 until the end of the drawdown period	18 January 2009

15.3 Uncalled portion of other long-term investment

As at 31 March 2008, the Company has a commitment of Baht 10.1 million in respect of the uncalled portion of other long-term investment (31 December 2007: Baht 10.1 million).

16. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 2 May 2008.