Ref No. COR:MS/EL12016e/JN

TTA: Thoresen Thai Agencies Public Company Limited

FY12 Earnings Release

Oct 2011 - Sep 2012

Date:	30 November 2012
Subject:	Audited FY 2012 Financial Results
To:	The President of the Stock Exchange of Thailand

Thoresen Thai Agencies Public Company Limited ("TTA") reports net losses of Baht 4,619 million and losses per share of Baht 6.52 for the twelve-month period from 1 October 2011 to 30 September 2012 ("FY12"). This compares with a net profit and earnings per share of Baht 173 million and Baht 0.24, respectively for the twelve-month period from 1 October 2010 to 30 September 2011 ("FY11").

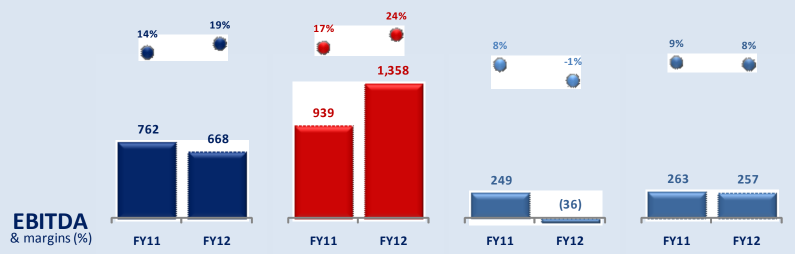
Executive Summary | Performance Overview

- TTA has four main business units today, Thoresen Shipping Singapore Pte. Ltd. ("Thoresen Shipping", dry bulk shipping), Mermaid Maritime Public Company Limited ("Mermaid", offshore oil and gas services), Unique Mining Services Public Company Limited ("UMS", coal distribution), and Baconco Ltd. ("Baconco", fertiliser production and logistics).
- From an operating fundamentals perspective, TTA showed significant signs of improvement in its two largest business units:
  - Thoresen Shipping delivered positive operating profits, even though average freight rates in FY12 dropped 30% versus FY11, including hitting a 25-year low. Normalised EBITDA for the twelve-month period was Baht 668 million while normalised EBIT jumped to Baht 118 million from a negative Baht 15 million in FY11. Strategic moves during the past 12-18 months (i.e. fleet reconfiguration, organisation changes, and tight cost discipline) have all proven successful in delivering a strong EBIT rebound of 886% yoy.
  - Mermaid generated Baht 1,358 million of normalised EBITDA and Baht 603 million of normalised EBIT (138% growth yoy) through better asset utilisation and strong focus on vessel and project cost efficiency.
  - UMS undertook various strategic moves in an attempt to reopen the Samut Sakorn plant as quickly as possible. Approximately 283,000 tonnes of 0-5 mm coal inventory at Samut Sakorn were sold to cement plants in Saraburi. Thus, UMS reported negative EBITDA and EBIT of Baht 36 million and 103 million, respectively. While the extra transport costs severely hurt the margins, roughly 62% of the inventory stockpile was turned into sales, paving the way for the plant's expected recommencement in 2013.
  - Baconco generated sales growth of 14% yoy, but gross margins came under pressure. Thus, Baconco closed FY12 with lower, but still solid, EBITDA and EBIT of Baht 257 million and Baht 243 million, respectively.
- Equity income from associates increased 17% yoy. Petrolift and Baria Serece continue to generate strong profits.
- Given the fundamental improvements at Thoresen Shipping and Mermaid, net cash flow from operating activities was Baht 1,974 million during FY12, compared to the net cash flow of Baht 145 million in FY11, a 1,261% improvement.

Income statement restated

Baht millions	FY11	FY12	%yoy
Revenues	**17,565**	**16,339**	-7%
Freight charges	5,430	3,527	-35%
Offshore services	5,543	5,714	3%
Sales	6,249	6,782	9%
Costs	**13,616**	**12,494**	-8%
Gross profits	**3,949**	**3,845**	-3%
SG&A	1,959	1,857	-5%
EBITDA	**1,990**	**1,988**	0%
Depreciation & Amortization	2,084	1,719	
Other income	575	229	
Equity income	110	129	17%
EBIT	**592**	**628**	6%
Finance costs	(670)	(602)	
Income taxes	(334)	(167)	
Profits before EI	**(412)**	**(141)**	-66%
Extraordinary items	424	(4,577)	
Minority interests	70	(22)	
Forex translation	92	121	
Net profit	**173**	**(4,619)**	-2767%

	Transport		Energy		Infrastructure			
	Thoresen Shipping		Mermaid Maritime		UMS		Baconco	
Baht millions	FY11	FY12	FY11	FY12	FY11	FY12	FY11	FY12
Revenues	5,430	3,527	5,543	5,714	3,276	3,428	2,970	3,376
EBITDA	762	668	939	1,358	249	(36)	263	257
EBITDA margin	14%	19%	17%	24%	8%	-1%	9%	8%
EBIT	(15)	118	253	603	194	(103)	261	243
	Respectable results in the industry's prolonged downturn		*Strong turnaround as the industry is in a cyclical upturn*		*Fighting through external challenges*		*Steady in spite of margins pressures*	



- The heavy consolidated net losses were a result of various extraordinary items. The Board of Directors mandated reviews of investments and assets during FY12 and applied very conservative forward assumptions. These reviews resulted in specific provisions and impairments of Baht 4,577 million during FY12.
- The main extraordinary items are as follows:

  Thoresen Shipping:
  - Baht 209 million write-off of management and commitment fees on a syndicated loan secured in 2007 as the loan availability period expired in 1QFY12
  - Baht 199 million impairment charges on assets under construction at a supplier
  - Baht 501 million fixed assets impairment charges and write-offs in 4QFY12

  UMS:
  - Baht 107 million allowance for net realisable value of inventories

  Corporate:
  - Baht 2,319 million impairment charge in 3QFY12 on TTA's investment in UMS, as it has been working through significant challenges in its business for the past two years
  - Baht 908 million doubtful debts provision, as the Philippines coal mine project is under restructuring negotiations

These impairments and provisions were taken in line with best corporate governance practices that call for transparent and conservative financial reporting. The balance sheet has become more conservative than previously, well positioning TTA for higher profitability over the next few years, given the significant signs of improvement in key business units.

Performance Overview by Business Group

Profit contribution from Line of Businesses

Baht millions	FY11	FY12	YoY %
Transport	305	(775)	*-354%*
Infrastructure	301	(23)	*-108%*
Energy	(110)	24	*122%*
Corporate*	(323)	(3,845)	*1091%*
Net profit	**173**	**(4,619)**	***-2767%***

** Corporate = TTA, the holding company, and inter-company eliminations*

Group Transport contributed Baht 775 million of losses primarily due to the above write-offs and impairment charges. Excluding these extraordinary items, Group Transport would have contributed Baht 133 million of normalised net profits, which is a strong result given prolonged weakness in the global dry bulk industry.

Group Infrastructure contributed Baht 23 million of losses in FY12 primarily because of UMS' aggressive sales of its 0-5 mm coal stockpile and the allowance for net realisable value of inventories. Excluding the allowance (which is adjusted annually and could be reversed once coal prices improve), Group Infrastructure would have turned in a profit, as Baconco and Baria Serece continued their strong performance.

Group Energy contributed Baht 24 million of profits, compared to losses of Baht 110 million last year, as Mermaid has turned around its business and has generated strong positive momentum in both subsea and offshore drilling businesses over the next few years.

Corporate contributed Baht 3,845 million of losses primarily from the Baht 2,319 million non-cash goodwill impairment charge and the 908 million doubtful debts provisions related to the coal mine project in the Philippines.

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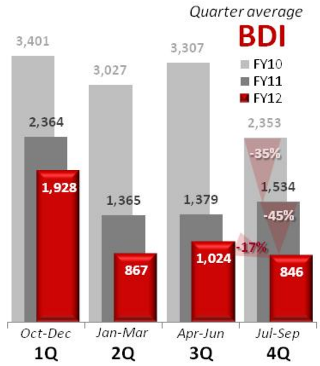
Group Transport | Highlights

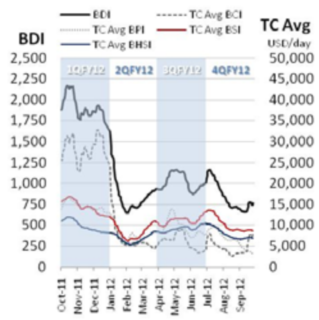
- **Global fleet growth continued to pressure BDI**
- **Thoresen Shipping generating increasingly healthy operating results**
- **Endeavour to rebuild fleet**
- **2013 headwinds should bring interesting opportunities**
- **Petrolift: slightly softer but still strong**

Global fleet growth continued to pressure BDI



The FY12 average Baltic Dry Index ("BDI") was 1,156 points, down 30% and 62% compared to 1,657 points in FY11 and 3,011 points in FY10, respectively. The trend was actually down for most of the year, as the BDI averaged only 846 points during the July-September quarter, down 45% from the same period last year and down 17% from 3QFY12. The dry bulk shipping market continues to be plagued by vessel oversupply, as evidenced by a new 25-year low BDI in February 2012.

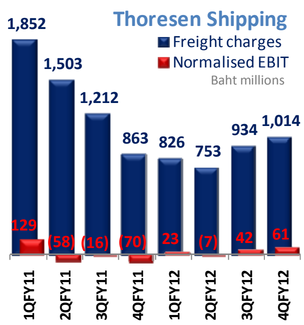
At the end of September 2012, Fearnleys estimated a global fleet of 9,520 vessels with a total capacity of 674 million dead-weight tonnes ("DWT"). Compared to 8,949 vessels and 614 million DWT at the end of 2011, another 60 million DWT of net new tonnage was added to the global fleet, equivalent to 13% annualised growth, primarily centred around the largest Capesize vessels.



Preliminary trade figures indicated relatively healthy demand during 2012. Marsoft estimates that global dry bulk trade increased around 6.1% annually. Transport demands were dwarfed by the 17.8% growth in Capesize vessels during January-September 2012. As a result, the Baltic time charter average rate for Capesize vessels ("TC Avg BCI") underperformed even the Handysize segment for the most part of 2012. The TC Avg BCI dipped below USD 2,700/day in August 2012 (compared to a twelve-month high of nearly USD 33,000/day in December 2011) before a modest rebound to around USD 8,000/day at the end of September 2012.

Some modest recovery of the BDI in 2012, particularly in the April-June quarter, was mainly driven by the smaller vessel segments. The South American grain trade season coinciding with fewer prompt tonnages in the Atlantic resulted in higher Panamax and Supramax freight rates for transatlantic routes during April. Supramax and Handysize rates remain relatively higher and less volatile, outperforming the larger segments throughout the year.

Thoresen Shipping generating increasingly healthy operating results



Thoresen Shipping's revenues continued an upward trend for two consecutive quarters. 4QFY12 freight revenues of Baht 1,014 million (+17% yoy and +9% qoq) were sufficient to generate a respectable operating profit (normalised EBIT) of Baht 61 million. The freight revenues in FY12 totalled Baht 3,527 million with normalised EBIT of Baht 118 million, compared to Baht 5,430 million of freight revenues and a negative normalised EBIT of Baht 15 million in FY11. This can be regarded as a remarkable turnaround, given that the overall shipping market is operating through a sustained cyclical downturn.

The relatively stronger 4QFY12 revenue was mainly a result of a larger fleet. One second-hand Supramax was added in early July 2012, bringing the owned fleet up to 16 vessels during the quarter. And with increased chartering-in activities, Thoresen Shipping operated a total fleet of 23.5 vessels during 4QFY12, compared to 17.9 and 21.2 vessels during 4QFY11 and 3QFY12, respectively. While the owned fleet's Time Charter Equivalent ("TCE") softened along with the market, the chartered-in TCE turned in a positive contribution of USD 843/day. As discussed in the last quarter report, the vessels chartered in during 3QFY12 were successfully positioned to higher yielding geographies, earning higher rates, and thus contributing to a 4% growth in the overall TCE. Thoresen Shipping continues with its proven and successful strategy to maximise revenues and position about half of its fleet to exploit the relatively higher rates for the transatlantic routes.

Average Daily Operating Results (USD/Day)

USD/Day	4Q FY11**	3Q FY12	4Q FY12	%yoy	%qoq
USD/THB Rate (Daily Average)	30.12	31.29	**31.36**	*4%*	*0%*
Time charter equivalent (TCE Rate)*	$11,272	$9,912	**$10,284**	*-9%*	*4%*
TCE Rate of Owned Fleet	$11,840	$10,425	**$9,441**	*-20%*	*-9%*
TCE Rate of Chartered-In	-$567	-$513	**$843**	*249%*	*264%*
Vessel operating expenses (owner expenses)	$6,001	$3,401	**$4,094**	*-32%*	*20%*
Dry-docking expenses	$978	$844	**$813**	*-17%*	*-4%*
General and administrative expenses	$2,604	$1,611	**$741**	*-72%*	*-54%*
Financial costs	$338	$222	**$326**	*-4%*	*47%*
Depreciation	$4,582	$3,979	**$3,870**	*-16%*	*-3%*
Operating earnings*	-$3,231	-$145	**$440**	*114%*	*402%*

**The per day basis is calculated based on available service days.*
***Restated in compliance with IFRS*

On the cost side, Thoresen Shipping continues to stress high efficiency. With effective cost control initiatives, vessel operating expenses were sharply lower by 32% yoy. Improved inventory management of spares, implementation of pool purchasing, and reduction in lube oil consumptions are among the primary initiatives that reduced costs. The 20% increase qoq was mainly an effect of year-end adjustments (i.e. crew performance incentives adjustments, late invoices, etc.) On the full-year basis, the vessel operating expenses averaged about USD 3,952/day in FY12, which places Thoresen Shipping in the top quartile of owner expenses as surveyed by Moore Stephens' Opcost2012. Dry-docking costs are lower due to the modern fleet and on-board maintenance initiatives. The sharply lower general and administrative ("G&A") expenses were due to a reversal of over-accrued staff retirement benefits. FY12 G&A expenses averaged around USD 1,460/day.

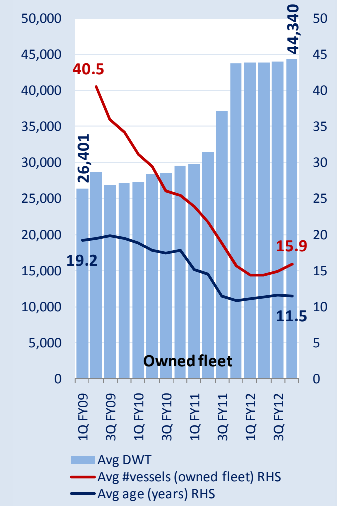
Through a combination of revenue maximisation strategies and cost control efforts, Thoresen Shipping managed to stabilise its operating profits. EBITDA during FY12 averaged about Baht 8-9 million per vessel per quarter and generated positive operating cash flow. As freight rates rise over the next few years, these operating fundamentals should result in higher profit margins.

Endeavour to rebuild fleet

Anticipating a cyclical downturn, Thoresen Shipping timely executed a fleet reconfiguration strategy. During the three-year period between 2009 and 2011, a total of 34 smaller, older, and loss-making vessels were sold and replaced by 5 larger, modern, and efficient Supramaxes (some of which were new-built vessels ordered prior to the 2008 downturn). The fleet reconfiguration has proven to be a crucial move to improve operating efficiency and help Thoresen Shipping turn in positive operating profits during the current prolonged downturn.

The prolonged downturn pushed freight rates well under breakeven point for many operators. There are more debt restructuring cases in the global shipping industry, putting additional downward pressure on second-hand vessel prices. Thoresen Shipping has indicated since late 2011 that it is keeping a close watch on any good opportunities to acquire vessels as the industry is bottoming out.

In July 2012, Thoresen Shipping acquired and took delivery of M.V. Thor Insuvi. With a price tag of USD 19.2 million, the Thor Insuvi is a 52,489-DWT Supramax built by Tsuneshi Heavy Industries in November 2005. At 6.5 years of age, she is the younger sister to three of Thoresen Shipping's current fleet: Thor Integrity, Thor Independence, and Thor Infinity. All three were built by the same shipyard to the same specifications (TESS 52 class) in the Philippines. With the M.V. Thor Insuvi adition, the owned fleet at the end of FY12 was 16 vessels with an average size of 44,340 DWT and an average age of 11.5 years.



Fleet data summary

	4Q FY11	3Q FY12	4Q FY12	%yoy	%qoq
Average DWT	43,798	43,985	**44,340**	1%	1%
Calendar days for owned fleet [1]	1,505	1,365	**1,467**	-3%	7%
Available service days for owned fleet [2]	1,463	1,365	**1,467**	0%	7%
Operating days for owned fleet [3]	1,443	1,360	**1,466**	2%	8%
Owned fleet utilisation [4]	98.6%	99.6%	**99.9%**	1%	0%
Voyage days for chartered-in fleet	199	568	**695**	248%	22%
Average number of vessels [5]	17.9	21.2	**23.5**	32%	11%

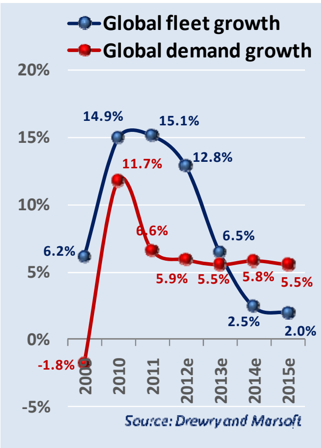
Note:
(1) Calendar days are the total calendar days TTA owned the vessels in our fleet for the relevant period, including off hire days associated with major repairs, dry dockings, or special or intermediate surveys.
(2) Available service days are calendar days [1] less planned off hire days associated with major repairs, dry dockings, or special or intermediate surveys.
(3) Operating days are the available days [2] less unplanned off-hire days, which occurred during the service voyage.
(4) Fleet utilisation is the percentage of time that our vessels generated revenues and is determined by dividing operating days by available service days for the relevant period.
(5) Average number of vessels is the number of vessels that constituted our fleet for the relevant period, as measured by the total operating days for owned fleet plus voyage days for chartered in fleet during the period divided by the number of calendar days in the relevant period.

In November 2012, Thoresen Shipping announced the delivery of a new-build vessel, M.V. Thor Brave, from Vietnam Shipbuilding Industry Group ("Vinashin"). Thor Brave is a 53,506-DWT Supramax, ordered back in September 2007. The addition brings Thoresen Shipping's owned fleet up to 17 vessels in 1QFY13. Another sister ship is expected to be delivered around the second quarter of 2013. We purchased the contracts for three new-build vessels ordered at Vinashin from Grieg Group, a UK-based ship design and management company, and paid a novation fee of around USD 16 million. The novation fee was equivalent to a vessel resale premium at the height of the market. A decision was made by the Board of Directors to write off this portion rather than depreciating it over the life of the vessel, thereby increasing its breakeven point. Thus, a total of Baht 501 million written down during 4QFY12.

Besides the resale premium write-off, there were two other non-cash write-off and impairment charges in 1QFY12. First, a write-off of Baht 209 million was taken against arrangement and commitment fees paid on a syndicated loan whose availability period ended in November 2011. The syndicated loan was arranged to finance fleet expansion. Although the BDI nosedived in 2008, the price of Supramax vessels (both new and second-hand) generally held up in the USD 30-35 million range. Therefore, Thoresen was very conservative in its expansion plans and only drew down USD 60 million of the USD 360 million loan. The arranging and commitment fees are normally amortised over the life loan, so the fee related to the undrawn portion was expensed during 1QFY12. The effective interest rate on the drawn portion, even combining this write-off, is below current market rates.

Thoresen Shipping also set an impairment reserve of Baht 199 million against the remaining investment towards its engine supply deal. In November 2007, an order for four main engines was made as part of a cancelled newbuild vessel programme. Approximately USD 15 million was paid to the supplier in instalment payments. The sub-contractor of the supplier, however, has run into financial difficulties and has not been able to build and deliver the engines as agreed upon. While continuing to negotiate with the supplier on an equitable solution, it was more conservative to take this additional impairment to reflect the expected net realisable value. Excluding these one-off items, Thoresen Shipping would have reported a breakeven bottom line result.

2013 headwinds should bring interesting opportunities



With supply growth likely to outpace demand growth for at least the next two quarters, freight rates are expected to remain low and continue to encourage scrapping activity. According to Marsoft, scrapping level for 2012 is expected to be around 6% of the total fleet size.

Marsoft, in their base case scenario, expects the global economy to improve gradually over the coming year, followed by relatively steady economic growth from 2014 to 2016. This should lead to trade growth around 5-6% per year. Both China and the developing Asia region should lead the way. For China, while steel production is projected to grow by 4% next year, iron ore imports are seen growing by 6% over the same period, as international iron ore prices near USD 120 per tonne make some high-cost domestic Chinese mines uncompetitive. Marsoft also expects Chinese steam coal imports to grow by 15-16% next year, with lower cost international supplies encouraging import activity. In the developing Asia region, much of the growth should come from Indian coal imports. Marsoft also expects Korean and Taiwanese steel output to pick up, leading to increased iron ore imports into the region.

On the supply side, dry bulk deliveries are expected to remain relatively high over the next two quarters. Combined with expected higher scrapping activity in 2013, Marsoft sees the net dry bulk fleet growth slowing to just 6-7% in 2013, slightly in excess of demand growth. Meanwhile, dry bulk ordering continued to shrink in the July-September quarter of 2012, totalling just 2.7 million DWT. So far this year, orders have totalled 12.8 million DWT, running at their slowest pace since 2001. Consequently, the order book has fallen back to 22% of the existing fleet, its lowest level since 2006, and down from a peak of 75% in 2008.

The continued low-freight-rate driven debt restructuring should bring more opportunities, as the dry bulk vessel prices are expected to bottom out over the next 6-12 months. Thoresen Shipping will continue to operate with highest levels of efficiency and with prudent financial management, while keeping a close watch for more opportunities to rebuild its fleet and achieve significant long-term competitive advantages.

Petrolift: slightly softer but still strong

Petrolift performance softened slightly during FY12. Revenues during the second half were lower due to the delayed dry-docking of two vessels as a consequence of poor weather conditions. One more vessel was on a scheduled dry docking in

4QFY12. As a result, the overall FY12 revenues were lower. EBITDA both in absolute terms and margins, however, remained strong. Petrolift remains as one of the best diversified investments, contributing the largest portion of the equity income with a return on investments of 12% during FY12.

During FY12, Petrolift operated a young (ten-years-old average age) fleet of ten petroleum tankers/barges, including two liquefied petroleum gas tanker. The fleet has a total capacity of approximately 41 million litres transporting fuel oil, refined petroleum, and LPG products to all major ports/depots in the Philippines.

Group Infrastructure Highlights

- **UMS recording losses due to attempts to reopen Samut Sakorn Plant**
- **Temporary narrower operating losses as 0-5 mm sales slowdown**
- **Still determined to reopen Samut Sakorn Plant**
- **Solid contribution from Baconco**
- **More warehouse space on track to open in January 2013**

UMS recording losses due to attempts to reopen Samut Sakorn Plant

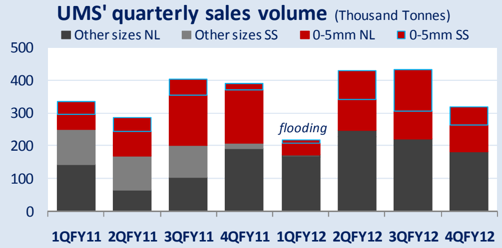
UMS has faced a series of significant challenges over the past two years, most of which have been external factors beyond its control. First, a lawsuit was filed against the Samut Sakorn Governor by an environmental activist that resulted in the shutdown of all coal operators in the province since July 2011 regardless of their locations or their adherences to environmental standards. It is a case where a few operators who do not meet environmental standards have adversely affected all operators, in effect, giving everyone in the area a "bad name". Other issues behind UMS' poor performance include a downward trend in coal prices since late 2011 and a temporary shutdown of its Ayudhya plant during and in the aftermath of last year's flooding.

In December 2011, the Samut Sakorn provincial government mandated three pre-conditions for the reopening of UMS' Samut Sakorn facility: 1) complete removal of 0-5 mm coal inventory, 2) upgrades to the port and flooring of its warehouse, and 3) improvements to the waste water treatment system. As a result of these pre-conditions, UMS was aggressively selling off its 0-5 mm coal inventory to cement plants in Saraburi during December 2011-July 2012. At the same time, Samut Sakorn clients are being served from the Ayudhya plant. These activities caused much higher transport costs, resulting in continuing net losses for the past three quarters. In effect, UMS has been operating on only "one leg" rather than its normal "two legs" which would be much more cost efficient.

Temporary narrower operating losses as 0-5 mm sales slowdown

UMS sold approximately 319,000 tonnes of coal in 4QFY12, about 26% less than the volume sold in 3QFY12. EBIT losses, however, sharply narrowed qoq to a negative Baht 12 million. The main reason for the lower revenues and narrower losses was that only about 56,000 tonnes of 0-5 mm coal was trucked to Saraburi and sold during 4QFY12, compared to over 126,000 tonnes in 3QFY12. Thus, much less negative margins sales (i.e. less transport costs) were incurred during the quarter.

UMS' quarterly sales volume (Thousand Tonnes)



UMS' income statement*

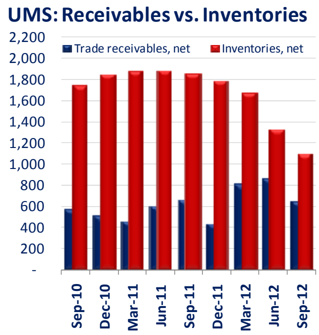
Baht millions	4QFY11	3QFY12	4QFY12	%yoy	%qoq
Total revenues	891	1,013	826	-7%	-18%
Total costs	767	928	714	-7%	-23%
Gross profits	124	85	112	-10%	32%
%Gross margins	14%	8%	14%	0%	5%
SG&A	117	128	113	-4%	-12%
Normailsed EBITDA	7	(43)	(1)	-108%	99%
%EBITDA margins	1%	-4%	0%	-1%	4%
Noramalised EBIT	(7)	(60)	(12)	-74%	80%

**as consolidated on TTA's P&L*

In 4QFY12, a decision was made to temporary slowdown the sales of 0-5 mm coal from the Samut Sakorn plant, as a special taskforce negotiated alternative solutions with the local community and Samut Sakorn government. Barge transport was explored as it could carry larger volumes in one trip while incurring less transport costs. However, following a series of discussions with the Provincial Governor and multiple government bodies, it was resolved that UMS should not transport its 0-5 mm coal via barges at this time. Thus, to meet the original pre-conditions as set forth by the Governor originally, UMS must remove its remaining 0-5 mm stockpile, approximately 180,000 tonnes, by trucks within February 2013, following which, the re-opening process would commence.

Although the operating losses narrowed in 4QFY12, UMS reported deeper net losses during the quarter. An additional Baht 107 million allowance for net realisable value of inventories was recorded during 4QFY12. As the world coal price have been on a declining trend during 2012, the allowance was conservatively taken to reflect the current selling prices.

Still determined to reopen Samut Sakorn Plant



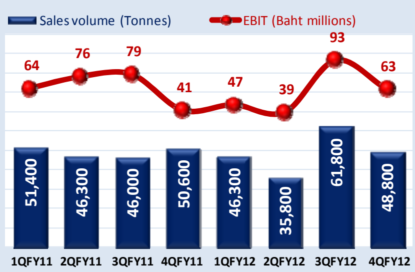
The taskforce will continue to work closely with the Board to negotiate a solution with the Samut Sakorn provincial government to reopen the plant. Once the Samut Sakorn plant is reopened or some other alternative solution is implemented, UMS is expected to return to profitability quickly. There are a large number of coal users in the province, i.e. food processing factories, and their needs must be served.

On a positive note, the aggressive 0-5 mm coal sales program did significantly improve working capital management, as inventories turned into cash. As of 30 September 2012, UMS had net inventories of Baht 1,087 million, 42% lower than the peak of Baht 1,880 million on 30 June 2011. The trade receivables were Baht 639 million, down from Baht 859 million at the end of June 2012.

Solid contribution from Baconco

Baconco reported another strong quarter in 4QFY12. Baconco reported 53% EBIT growth yoy. The qoq drop mainly was due to abnormally high sales volume in 3QFY12 because of pent up demand from 2QFY12, as the South Vietnamese farmers were waiting until the last minute to purchase fertilisers.

Despite the flood and long holiday impacts in 1HFY12, Baconco managed to drive fertiliser sales volume to 189,900 tonnes, only slightly less than the 190,500 tonnes achieved in FY11. Baconco emphasised exports to compensate for the softer local NPK fertilisers demand. As such, the export volume more than doubled from 28,600 tonnes to 60,700 tonnes in FY11 and FY12, respectively.

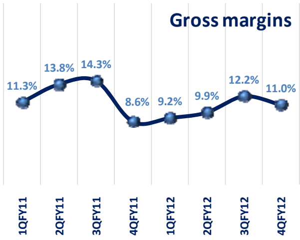


Baconco's income statement*

Baht millions	4QFY11	3QFY12	4QFY12	%yoy	%qoq
Total Revenues	794	1,038	865	9%	-17%
Total costs	726	912	770	6%	-16%
Gross profits	69	126	95	39%	-25%
%Gross margins	9%	12%	11%	2%	-1%
SG&A	27	29	29	6%	0%
EBITDA	41	97	66	60%	-32%
%EBITDA margins	5%	9%	8%	2%	-2%
EBIT	41	93	63	53%	-32%

as consolidated on TTA's P&L

Baconco has been trying to improve its gross margins. Price of raw materials continues to soar. Baconco was able to raise selling prices slightly to help absorb



the rising raw materials costs. Furthermore, Baconco took advantage of the currently lower raw material costs and continued to source about 60% of raw materials domestically. Both initiatives have contributed to restore the gross margins.

For FY12, Baconco contributed Baht 204 million of net profits to TTA with about 55% returns on investment, remaining one of TTA's best diversified investments.

More warehouse space on track to open in January 2013

In 2QFY12, Baconco acquired a new 50,000-sq.m. piece of land out of its own cash. The land transfer was completed in May. About 27,000 sq.m. of new additional warehouse space is on schedule to open in January 2013. The total capacity would be 100,000 metric tonnes: 80,000 tonnes of bagged and bulk cargoes and 20,000 tonnes of containers, pipes, and steel. Customers have already started pre-booking the facilities. Meanwhile, the current warehouse space at all facilities under TTA Group companies in Vietnam continues to enjoy 90%+ capacity utilisation.

This is testimony of rising demand for professional logistics services in South Vietnam. It is our strategic drive to create a fully-integrated professional logistics services in South Vietnam. Thoresen Vinama Logistics, Baconco, and Baria Serece are uniquely positioned to offer a full logistics solution with sea and land transport, warehousing, bagging, forwarding, and customs clearance. These logistics services will support the continuing expansion of Baria Serece, in which TTA owns a 20% stake. In FY12, Baria Serece contributed Baht 29 million of equity income with about 8% return on investment.

Group **Energy** Highlights

- **Mermaid showing strong signs of turnaround**
- **Good progress in participating the industry's cyclical upturn**
- **Positive momentum for tender rigs market**
- **Continuing good prospects for jack-up rigs market**
- **Coal mine project in the Philippines needs restructuring**

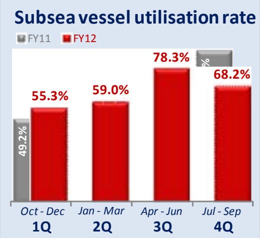
Mermaid showing strong signs of turnaround

During FY12, total revenue was Baht 5,714 million, an increase of 3% yoy. The revenue from subsea segment was up 3% yoy in spite of lower subsea vessel utilisation rate of 68.2% in 4QFY12. In fact, the subsea revenues grew slightly qoq implying that the vessels were deployed at higher day rates. The drilling segment revenue was up 5% mainly, because MTR-1 accommodation barge commenced its work in Indonesia since mid-May after being off-hire for over a year.

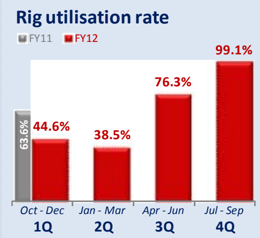
Mermaid's income statement*

Baht millions	FY11	FY12	%yoy
Total Revenues	5,543	5,714	3%
Total costs	3,912	3,770	-4%
Gross profits	1,631	1,944	19%
EBITDA	939	1,358	45%
%EBITDA margins	17%	24%	7%
EBIT	253	603	138%

**as consolidated on TTA's P&L*



**Utilisation rate per calendar days*



**Utilisation rate per calendar days*

Mermaid's margins, however, improved significantly in FY12. Gross profit went up 19% to Baht 1,944 million as a result of aggressive vessel and project cost management. The significant improvement in gross profit, coupled with relatively lower depreciation costs, resulted in positive EBITDA to net profit.

Good progress in participating the industry's cyclical upturn

Mermaid has been working towards a subsea fleet optimisation strategy to focus on higher vessel yields and increased market penetration in growth areas, such as the Middle East and Africa.

In a deal concluded in October 2012, a new joint venture between Mermaid and Zamil Offshore Services Company ("Zamil"), the largest offshore and marine services provider in the Middle East, was awarded a five-year Inspection, Repair, and Maintenance ("IRM") contract, worth at least USD 530 million over five years (with a two year extension option) by Saudi Arabian Oil Company ("Saudi Aramco"), the world's largest oil and gas company. Mermaid's share of revenue from the IRM contract is expected to be in the range of 60% to 70% over five years. The contract scope of work calls for full diving services, including air/mixed gas diving, saturation diving, ROV intervention, inspection, and routine offshore field repair and maintenance. Saudi Aramco has contracted for the deployment of four offshore support vessels and one dedicated saturation dive support vessel. Mermaid will relocate M.V. Mermaid Asiana to Saudi Arabia to service the contract. In addition, Mermaid and its Middle East-based subsidiary, Subtech Ltd., will provide up to 110 highly skilled divers, three remotely operated vehicles, and scuba replacement packages.

In November 2012, Mermaid's Qatar-based subsidiary Subtech, won a five-year

USD 25 million contract from a leading international upstream oil and gas operator. Carried out by Mermaid's specialised DP barge, DPB Mermaid Siam, the scope of services will include full service offshore field maintenance, remedial and call-off work provided during a window of about three months in each contact year. These two deals represent good progress in securing longer-term contracts and expanding Mermaid's subsea services business beyond South East Asia. The Middle East is a high growth region, and given its weather conditions, diving teams can work year-round, as compared to South East Asia, which has a low season.

Positive momentum for tender rigs market

Due to a tender rig's typical build specifications, tender rigs generally only operate in the benign weather conditions of South East Asia and West Africa, with 75% of the fleet reportedly located in South East Asia itself. With regard to the tender rig market outlook, modern tender rigs have recently reported utilisation rates as high as 95%, with older tender rigs reportedly achieving utilisation rates as high as 85%. The MTR-1 continues to operate as an accommodation barge support unit in Indonesia with its current contract expiring in 2QFY13. The MTR-2 finished its drilling contract in Indonesia in mid-November 2012 and is now undergoing a special periodic survey for a period of three to four months. Mermaid has already started to market the MTR-2 for continued work upon the completion of the survey. Mermaid is exploring opportunities in the tender drilling segment where global, modern tender rigs are reporting high utilisation rates amidst a supply shortage that will likely keep this rate steady for at least in the medium term.

Continuing good prospects for jack-up rig market

The overall demand for premium jack-ups rigs has remained strong in all relevant regions. The utilisation rate for newer jack-up rigs, built after 1990 with more than 300 feet water depth capacity, remains above 95% globally. Oil companies continue to show a preference for newer equipment due to their superior technical capacities and operational flexibility. In this sector, the overall market development suggests a positive trend in terms of rig demand, utilisation rates, contract terms, and day rate levels.

In October 2011, Mermaid's 33.75% owned affiliate, Asia Offshore Drilling Ltd ("AOD"), announced its inaugural drilling contract for the first of its three high specification jack-up rigs, AOR-1. The deal worth USD 197 million (implying a day rate of USD 180,000) plus a USD 39.5 million mobilisation fee, over three years, with an additional one-year option was also signed with Saudi Aramco. The drilling deployment will be managed by Seadrill Limited ("Seadrill") on behalf of AOD. AOR-1 is currently under construction with Keppel FELS in Singapore and is scheduled to arrive in the Middle East and begin operations by June 2013. The other two jack-up rigs, AOR-2 and AOR-3, also under construction with Keppel FELS and are scheduled for delivery in 2013 as well.

Mermaid's investment in AOD was perfectly timed. It is now well positioned to reap the rewards, with the new-build assets arriving at a time when demand for modern, high specification jack-up rigs is high and supply is limited. Realising these potential future values, Seadrill announced on 25 October 2012 that it has acquired additional shares of AOD, bringing its shareholding up to 64.23%. Seadrill will proceed with the launch of a mandatory cash offer for the remaining shares at a price at NOK 28.70 per share (approx. USD 5 per share). As of 6

November 2012, Seadrill's shareholding in AOD stood at 65.94%.

Coal mine project in the Philippines needs restructuring

Given SERI's high quality coal reserves and its growth potential, TTA (through Soleado) in late 2011 decided to invest USD 25.3 million directly in SERI by injecting USD 5 million cash and converting USD 20.3 million of debt into equity. The move, which would have resulted in Soleado (as a foreign shareholder) owning 40% of the total number of common voting shares with 47% economic interests, was intended to put SERI in a stronger position to unlock future values.

However, the plan did not materialise as intended, as the Philippines Securities Exchange Commission has ruled that the share restructuring proposed by SERI, Soleado, and SERI's shareholders must be changed due to pending legal motions about foreign share ownership restrictions for Philippine companies engaged in mining. Given that the two existing shareholders of SERI are unable to properly finance its operations, SERI is producing insufficient coal to reach break-even cash flow. To be conservative, a full provision has been taken against the loan, as we work to restructure SERI to allow its intended growth to resume.

The **Corporate**

As TTA is a holding company with six major business units, our policy is to regularly consider whether each major investment is fairly valued on our financial statements. The Board of Directors regularly reviews the value of our various businesses.

UMS, one of TTA's major investments, has faced a series of significant challenges over the past two years, most of which have been outside factors beyond our control. The key issue behind UMS' poor performance is the continuing shutdown of its production facility in Samut Sakorn, which has lasted for more than 12 months and may continue for some time. In effect, UMS has been operating on only one plant, instead of two.

This situation is not one that management or the Board could have predicted when TTA acquired UMS in 2009. UMS continues to meet or exceed all environmental standards in its operations, so it is unfair that it is subjected to this mass work stoppage order.

Given the continuing risks over a permanent reopening of the Samut Sakorn facility, the Board of Directors asked for a mid-year review of this investment. Accounting standards dictate that goodwill not exceed the recoverable amount of an investment (value-in-use or disposal value – whichever is higher). As a company that places great importance on corporate governance, transparency, and conservative financial reporting, the Board of Directors mandated a number of forward operating assumptions to calculate value-in-use that capture the adverse external conditions UMS is operating under. Based on the Board's forward operating assumptions, we determined that the value-in-use of UMS has decreased significantly, and a non-cash impairment loss against goodwill of THB 2.32 billion was recognised in 3QFY12.

The calculation of value-in-use was performed using projected free cash flows covering the next five years. Cash flows beyond the five-year period were extrapolated using the estimated growth rates and a discount rate of 3.6% and 14%, respectively. UMS is working diligently on different alternatives to address the continuing plant shutdown to return UMS to consistent profitability as soon as possible.

As for the Philippines coal mine project, the Philippines Securities Exchange Commission's ruling has delayed the loan-to-equity conversion process. With SERI producing coal below breakeven cash flow level, a provision of Baht 908 million against our existing loan was recognised in 4QFY12. We are working hard to restructure this project and allow it to achieve its intended growth profile.

From our shareholders' point of view, we hope that this step will be seen as positive to show our transparency and conservative financial reporting. This will allow profitability to improve rapidly in 2013 and beyond, as TTA has made significant improvements in its operations, as evidenced by the 1,261% increase in cash flow from operations compared to the same period of FY11. Market conditions look favourable in the offshore oil and gas services business over the next few years, and freight rates should start to improve in 2014 onwards. We expect to report better performance in FY13 after taking these impairment charges and provisions into this year's financial statements.

Yours faithfully,
Thoresen Thai Agencies Public Company Limited

M.L. Chandchutha Chandratat President & Chief Executive Officer	Ms. Thitima Rungkwansiriroj Executive Vice President Group Finance and Accounting