Ref No. COR:MS/EL12007e/JN

TTA: Thoresen Thai Agencies Public Company Limited

2QFY12 Earnings Release

Jan 2012 - Mar 2012

Date:	15 May 2012
Subject:	Second Quarter of 2012 Financial Results
To:	The President of the Stock Exchange of Thailand

Thoresen Thai Agencies Public Company Limited ("TTA") reports net losses of Baht 205 million and losses per share of Baht 0.29 for the three-month period from 1 January 2012 to 31 March 2012 ("2QFY12"). This compares with net losses and losses per share of Baht 119 million and Baht 0.17, respectively for the three-month period from 1 January 2011 to 31 March 2011 ("2QFY11").

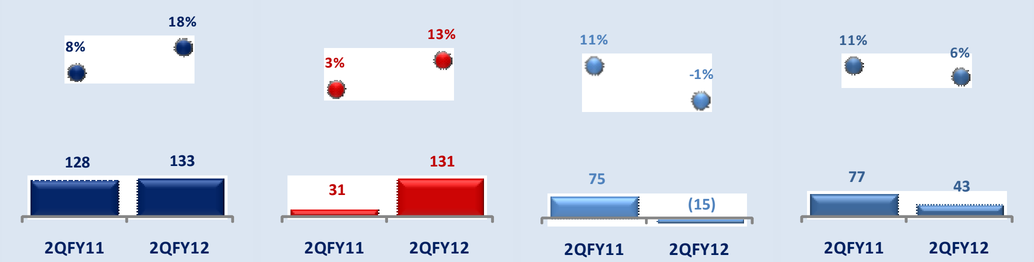
Executive Summary | Performance Overview

Income statement

Baht millions	2QFY11	1QFY12	2QFY12	%yoy	%qoq
Revenues	**4,131**	**3,393**	**3,529**	**-15%**	**4%**
Freight charges	1,503	826	753	-50%	-9%
Offshore services	1,144	1,151	996	-13%	-14%
Sales	1,384	1,345	1,705	23%	27%
Costs	**3,427**	**2,635**	**2,819**	**-18%**	**7%**
Gross profits	**704**	**758**	**710**	**1%**	**-6%**
SG&A	451	445	480	6%	8%
EBITDA	**253**	**313**	**230**	**-9%**	**-27%**
Depreciation & Amortization	542	434	424		
Other income	182	60	46		
Equity income	40	34	38		
EBIT	**(68)**	**(27)**	**(109)**	**62%**	**-303%**
Finance costs	(152)	(154)	(155)		
Income taxes	(106)	(41)	(9)		
Profits before EI	**(326)**	**(223)**	**(274)**	**16%**	**-23%**
Extraordinary items	102	(425)	(26)		
Minority interests	93	32	51		
Forex impacts	12	56	43		
Net profit	**(119)**	**(560)**	**(205)**	**-73%**	**63%**

- Consolidated revenues lower due to two key factors:
  - Low freight rates, as BDI hits a 25-year low
  - Lower offshore services income, as MTR-2 was off-hire for about three weeks
  - Which was offset by higher sales revenues from UMS' aggressive sales of 0-5 mm coal to expedite recommencement of its Samut Sakorn plant
- Effective cost savings measures improved gross margins in Thoresen Shipping and Mermaid
- Consolidated EBITDA slipped from higher SG&A, primarily due to UMS' extra transport expenses
- Equity income remained solid, as both Petrolift and Baria Serece continued to enjoy strong growth
- Net cash flows from operations during the first 6 months of FY12 were Baht 964 million

	Transport		Energy		Infrastructure			
	Thoresen Shipping		Mermaid Maritime		UMS		Baconco	
Baht millions	**2QFY11**	**2QFY12**	**2QFY11**	**2QFY12**	**2QFY11**	**2QFY12**	**2QFY11**	**2QFY12**
Revenues	1,503	753	1,144	996	676	1,044	708	667
EBITDA*	128	133	31	131	75	(15)	77	43
EBITDA margin	8%	18%	3%	13%	11%	-1%	11%	6%
EBIT*	(59)	(6)	(142)	(53)	61	(35)	76	39
	Margins improvement despite BDI hitting 25-year low		*Margins improvements from higher cost efficiency*		*Undergoing a strategic move to resume Sumut Sakorn Operations*		*Farmers delayed fertilisers purchases into 3QFY12*	



*Normalised **EBITDA** & margins (%)

There are some positive points to note:

- Thoresen Shipping displayed resiliency in one of the worst quarters for this business
- Much lower normalised EBIT losses indicated significant improvements in balancing the revenue and cost structure

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- Even though Q2FY12 was the low season, Mermaid's results continue to improve and demonstrate strong offshore services demand, as evidenced by three subsea services contracts being awarded in the Middle East
- Both of Mermaid's existing drilling assets are operational in the second half of this fiscal year
- Jack-up rig market continuing to show good prospects
- Exploration of Qing Mei's coal concessions in Central Kalimantan continues to JORC standards with the drilling program extending to two of the four blocks. A resource in excess of 100 million tonnes of sub-bituminous thermal coal has been identified to date.
- Baconco's warehousing business license has been amended to cover more warehouse space, while a new 50,000-sq.m. piece of land has been acquired for construction of a new warehouse.

Performance Overview by Business Group

Profit contribution from Line of Businesses

Baht millions	2QFY11	2QFY12	YoY %
Transport	36	-7	*-118%*
Infrastructure	90	3	*-96%*
Energy	-120	-68	*43%*
Corporate*	-124	-134	*-8%*
Net profit	**-119**	**-205**	***73%***

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

Group Transport contributed Baht 7 million of losses, a 118% decrease year-on-year ("yoy"). On a normalised basis, Group Transport contributed Baht 31 million of normalised EBIT compared to losses of Baht 17 million last year. Gains of Baht 109 million on sales of old vessels were included in 2QFY11.

Group Infrastructure provided Baht 3 million of profits, down 96% yoy. The sharp decline was due to 1) UMS' aggressive sales of 0-5 mm coal inventories, and 2) relatively weaker fertiliser sales by Baconco, as South Vietnamese farmers delayed fertiliser purchases into April.

Group Energy contributed Baht 68 million of losses in 2QFY12, 43% less than 2QFY11.

Corporate contributed Baht 134 million of losses, 8% more than 2QFY11.

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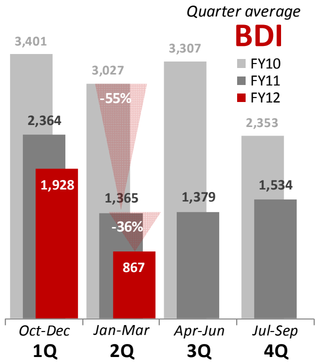
Group Transport | Highlights

- **BDI hits 25-year low in 2QFY12**
- **Thoresen Shipping remains resilient**
- **Period of peak global fleet growth is passing**
- **Strong growth in profit contribution from Petrolift**



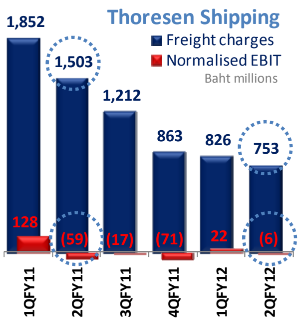
BDI hits 25-year low in 2QFY12

The Baltic Dry Index ("BDI") fell significantly during the first two months of 2012 and registered a new low of 647 points in early February, the lowest since August 1986. The BDI averaged 867 points during the quarter, a 36% fall from 1,365 points in 2QFY11. This followed the already sharp 55% drop from 3,027 points in 2QFY10.

This highly negative freight rate development was due to falling shipping demand from China and, to a greater extent, high newbuild deliveries. China's imports of commodities during the quarter were less active. Besides the long Chinese New Year holidays, China was reportedly running down its existing inventories.

During 2QFY12, Fearnleys estimated that the net fleet growth globally, in terms of dead-weight tonnes ("DWT"), was 12.5% on an annualised basis. The world fleet as of March 2012 stood at 9,149 vessels with 635 million DWT.

As a result, the Baltic Time-Charter ("TC") average for Supramax fell 41% to USD 8,679 per day from the preceding quarter, while the Baltic TC average for Handysize fell 31% to USD 6,925 per day. Dry bulk shipping companies around the world reported sharp performance declines, and many reported deep operating losses.



Thoresen Shipping remains resilient

Despite the dismal market, Thoresen Shipping reported marginal operating losses (normalised EBIT) of Baht 6 million during 2QFY12. Freight revenues fell 50% yoy from Baht 1,503 million to Baht 753 million due to weak freight rates and a smaller fleet. In fact, the normalised EBIT losses narrowed from Baht 59 million in 2QFY11 to Baht 6 million with only half of revenues. Thoresen Shipping continues to prove that its modern-fleet and right-sizing strategy is the best way to cope with the severe and prolonged industry downturn.

The daily operating results reflect improvement in the fundamentals in greater details. Thoresen Shipping's Time Charter Equivalent ("TCE") rate, whose fleet consists of Supramax and Handymax vessels, was USD 9,515 per day, down merely 14% quarter-on-quarter ("qoq") and higher than the Baltic TC averages for Supramax mentioned above.

Average Daily Operating Results (USD/Day)

USD/Day	2Q FY11**	1Q FY12	2Q FY12	%yoy	%qoq
USD/THB Rate (Daily Average)	30.56	31.02	**31.00**	*1%*	*0%*
Time charter equivalent (TCE Rate)*	$10,468	$11,105	**$9,515**	*-9%*	*-14%*
TCE Rate of Owned Fleet	$11,553	$11,406	**$9,673**	*-16%*	*-15%*
TCE Rate of Chartered-In	-$1,085	-$301	**-$158**	*85%*	*48%*
Vessel operating expenses (owner expenses)	$5,347	$4,541	**$3,773**	*-29%*	*-17%*
Dry-docking expenses	$1,474	$979	**$925**	*-37%*	*-5%*
General and administrative expenses	$1,494	$1,921	**$1,639**	*10%*	*-15%*
Financial costs	$213	$213	**$207**	*-3%*	*-3%*
Depreciation	$4,085	$4,146	**$4,087**	*0%*	*-1%*
Operating earnings*	-$2,146	-$696	**-$1,116**	*48%*	*-60%*

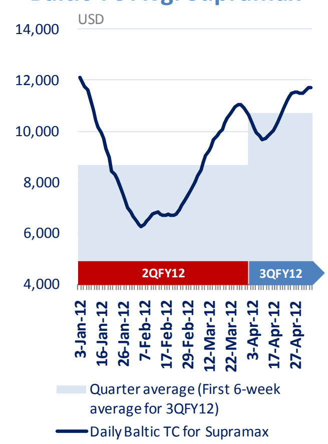
**The per day basis is calculated based on available service*

***Restated in compliance with IFRS*

Strong customer focus coupled with long-standing operational expertise allow Thoresen Shipping to work more specialised cargoes, which earn relatively higher rates (i.e. steel pipes, nickel ore, etc.). Thoresen Shipping moved to relocate part of the fleet in higher paying regions. These tactics helped Thoresen Shipping to outperform the market in terms of the average TCE rates.

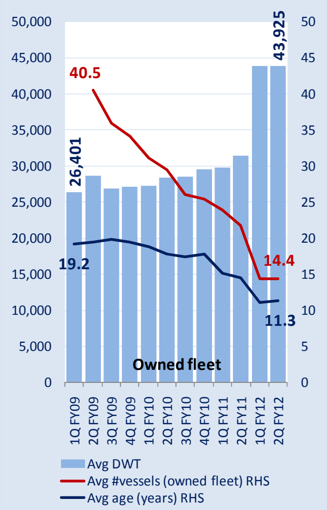
Thoresen Shipping's cost structure remains efficient. Vessel operating expenses were lower by another 17% qoq as a result of key initiatives such as improved inventory management of spares, implementation of pool purchasing, and reduction in lube oil consumptions. The modern fleet and on-board maintenance initiatives continue to save on dry docking expenses. Less dry docking days means higher revenue generating days. All of these factors contributed to the narrower daily operating losses by almost 50% in 2QFY12 compared to 2QFY11.

Baltic TC Avg: Supramax



The efficiency improvements put Thoresen Shipping in a position to benefit from any TCE rate rebound. The Baltic TC average for Supramax in the first six weeks of this quarter is 23% higher than the last quarter, suggesting that operating results will improve in the second half of this fiscal year.

During 2QFY12, Thoresen Shipping operated an average number of 16.3 vessels. The owned fleet consisted of 15 vessels (9 Handymax and 6 Supramax) with an average DWT of 43,925 per vessel and a DWT-weighted average age of 11.3 years. Two new 53,000- DWT Supramaxes are expected to be delivered, one in August 2012 and the other in 2QFY13.



Fleet data summary

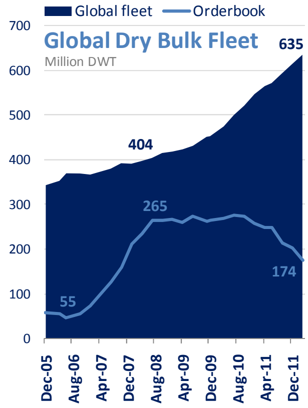
	2Q FY11	1Q FY12	2Q FY12	%yoy	%qoq
Average DWT	31,463	43,864	**43,925**	40%	0%
Calendar days for owned fleet (1)	2,294	1,380	**1,365**	-40%	-1%
Available service days for owned fleet (2)	1,959	1,331	**1,339**	-32%	1%
Operating days for owned fleet (3)	1,952	1,326	**1,308**	-33%	-1%
Owned fleet utilisation (4)	99.6%	99.7%	**97.7%**	-2%	-2%
Voyage days for chartered-in fleet	636	205	**171**	-73%	-16%
Average number of vessels (5)	28.8	16.6	**16.3**	-43%	-2%

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.

Period of peak global fleet growth is passing

The unprecedented shipping boom in the mid-2000's caused the global order book of dry bulk vessels to climb five folds from 50-60 million DWT in 2005 to over 260 million DWT by mid-2008. Depending upon their sizes, these vessels generally take 3-4 years to build. The global fleet has grown by nearly 60% to 635 million DWT as of March 2012. While global shipping demand continues to rise, the growth rate is much less than supply growth.

There is some positive news. The projected vessel delivery schedule over the next two years will be much lower than the previous two years. As of Mar 2012, Fearnleys estimates about 174 million DWT of new vessels to enter the market



Fearnleys Fleet Updates

during the next 2-3 years, which equals a growth rate of 27%, not yet taking into account of demolitions. This is significantly lower when compared to about 50% net fleet growth over the period of April 2009 to March 2012. The global fleet size could exceed 800 million DWT, if demolition rate remains subdued. Thus, the chance for freight rates to rally materially is slim over the next two years.

This low TC environment has caused the performance of all dry bulk shipping companies to deteriorate since 2009. The highly leveraged ones are finding it difficult to meet the heavy debt obligations, and many have been forced to restructure or file for bankruptcy. Thus, opportunities should arise for the financially sound companies to pick up vessels at the bottom of this shipping cycle. As with any cyclical business, the key performance driver will be Thoresen Shipping's ability to invest in lower-priced, modern vessels, which will affect long-term shareholders' value more than any other factor. Thus, Thoresen Shipping is keeping a close watch on any good opportunities that might come along, but is not in any rush to buy second-hand vessels if the price is not right.

Strong growth in profit contribution from Petrolift

Petrolift's performance remained strong in 2QFY12 with 8% yoy improvement in gross profits due to improvements in vessel cost management. Additionally, Petrolift repaid some debts, resulting in a 14% lower finance costs yoy. This enabled Petrolift to record 19% growth in net profit in Philippines-Peso terms, even without significant revenue growth yoy. With a favourable foreign exchange rate, Petrolift's profit contribution to TTA in 2QFY12 was 23% higher yoy in Thai-Baht terms. Petrolift remains one of TTA's best diversified investments, contributing the largest portion of the equity income.

With its stable business model and steady growth, Petrolift lessens the volatility impact of the dry bulk shipping business. During 2QFY12, 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.

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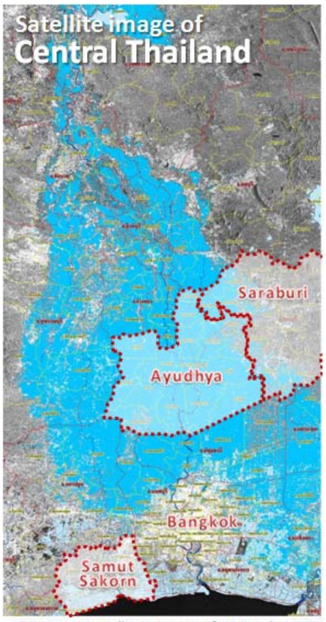
Group **Infrastructure** Highlights

- **UMS expediting operations recommencement at Samut Sakorn plant**
- **Sacrifice near-term profitability for significantly stronger fundamentals next year**
- **Baconco: farmers not stocking up on fertilisers yet**
- **More land acquired for more warehouse space**



RADARSAT-1 satellite image as of 29 October 2011
Blue shade indicating flood-affected areas
Source: GISTDA

UMS expediting operations recommencement at Samut Sakorn plant

One of UMS' great challenges since July 2011 is that its Samut Sakorn plant was forced to close operations after a series of community protests. The Samut Sakorn province has set certain guidelines to allow recommencement of plant operations, the key one being to remove its entire 0-5 mm coal inventories.

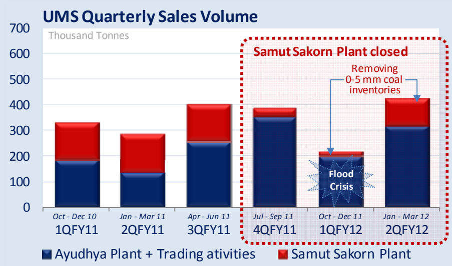
Approximately 400,000 tonnes of 0-5mm inventories were located in Samut Sakorn plant when it was shut down. The Ayudhya plant had to increase production and truck classified coal southward to serve customers in Samut Sakorn before its own operations were disrupted by the massive floods in October. The Ayudhya plant's full operations did not resume until January 2012.

To resume operations at the Samut Sakorn plant, UMS must 1) remove the 400,000-tonne, 0-5 mm coal stockpile and 2) make minor improvements in the port area where coal is discharged.

Post the flood crisis, demand for coal rose on the back of higher cement demand. This coincided perfectly with the official permission in December 2011 for UMS to truck its 0-5mm coal out of the Samut Sakorn plant. Thus, UMS was able to sell large volumes of 0-5 mm coal to cement factories in Saraburi province.

Sacrifice near-term profitability for significantly stronger fundamentals next year

UMS sold approximately 428,000 tonnes of coal in 2QFY12. This is the main reason for the high revenues of Baht 1,044 billion, surging 54% yoy. Selling prices of 0-5 mm coal are not as high as classified coal of larger sizes. Thus, the gross margins were squeezed heavily from 22% to 11% in 2QFY12. Moreover, the 0-5mm coal had to be trucked to customers in Saraburi, while classified coal had to be trucked from Ayudhya to Samut Sakorn. This implies extra transport expenses, which are reflected in the 72% higher SG&A yoy, causing EBITDA losses of Baht 15 million. Continuing pressure on margins is expected in the next 2-3 quarters, as aggressive sales of 0-5 mm coal inventories continue.



UMS' income statement*

Baht millions	2QFY11	2QFY12	%yoy
Total Revenues	676	1,044	54%
Total costs	527	930	77%
Gross profits	149	114	-24%
%Gross margins	22%	11%	-11%
SG&A	75	129	72%
EBITDA	75	(15)	-120%
%EBITDA margins	11%	-1%	-12%
EBIT	61	(35)	-158%

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

The aggressive sales of 0-5 mm coal should be considered a strategic move to improve UMS' profitability going forward. Once all 0-5 mm coal inventories are removed, the two plants can go back to service their customers in their respective areas. Additionally, granular production can resume normally at both plants and continue to add value (i.e. increase selling prices) and improve margins as originally intended.

UMS improved its working capital management in 2QFY12. The aggressive sales of 0-5 mm coal are turning inventories into cash. The cash will be used to reduce debts and subsequently lower interest expenses. Upon recommencement of the Samut Sakorn plant, UMS shall return to immediate profitability at greatly improved margins. In the meantime, a number of initiatives are being explored to help alleviate the near-term pressures on margins. These initiatives will be announced publicly in due course of time.

Baconco: farmers not stocking up on fertilisers yet

Baconco's sales declined by 6% yoy to Baht 667 million in 2QFY11. The NPK fertiliser sales volume were 17% lower yoy to 34,786 tonnes, while the price remained relatively high.

There is a strong seasonality in Baconco's performance. Fertiliser demand is high right before the new planting season begins. In 2011, the harvesting of the last crop finished early. And because fertiliser prices were rising, farmers stocked up fertiliser in February, ahead of the normal March-April season. In 2012, the new planting season has started in March-April. But because of the fertiliser prices trending down coupling with late rain, the farmers were waiting until the last minute to buy, not stocking in advance as in 2011. The farmers' fertiliser purchases are back to normal trends in this quarter.

Baconco's income statement*

Baht millions	2QFY11	2QFY12	%yoy
Total Revenues	708	667	-6%
Total costs	610	601	-1%
Gross profits	98	66	-32%
%Gross margins	14%	10%	-4%
EBITDA	77	43	-44%
%EBITDA margins	11%	6%	-4%
EBIT	76	39	-49%

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

Pressures of raw material prices on margins eased slightly qoq, allowing gross margins to improve marginally to 10% in 2QFY12, but still considerably lower than 14% in 2QFY11. Although EBITDA were lower in 2QFY12, Baconco remains one of TTA's best diversified investments and continues to contribute positive cash flows and profits.

More land acquired for more warehouse space

In February 2012, Baconco's warehousing license was amended to cover more warehouse space. Subsequently, additional 50,000 sq.m. of land was acquired by Baconco out of its own internal cash. The land is expected to be transferred within May. Baconco is yet to finalise on the construction plan of more warehouse space, but approaches have already been made by many clients. Based on the land space, there could be up to 30,000 sq.m. of new warehouse space.

Demand for professional logistics services in South Vietnam has been rising. The Group's new warehouse space launched in January this year was immediately filled up to full capacity since its opening.

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 2QFY12, Baria Serece contributed Baht 8.2 million of equity income, growing 13% from the same quarter last year.

Group **Energy** Highlights

- **Significant improvement in Mermaid's operating results**
- **Three subsea services contracts awarded in the Middle East**
- **Further positive developments for existing offshore drilling assets**
- **Continuing good prospects for jack-up rigs market**
- **Exploration works continue on Qing Mei's Central Kalimantan concessions**

Significant improvement in Mermaid's operating results

The January-March quarter is generally the low season for Mermaid's subsea business, as monsoons are frequent in Southeast Asia. Nonetheless, Mermaid was able to record a continued increase in its subsea vessel utilisation rate to 59%, primarily through time charters.

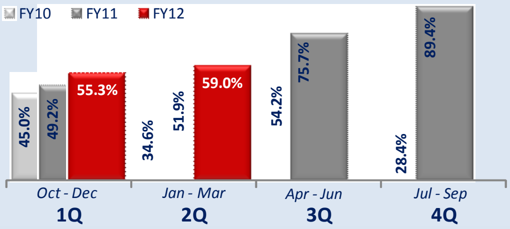
Mermaid's total revenues were 13% lower yoy, as MTR-2 underwent technical maintenance for about 3 weeks. MTR-2 has resumed its work subsequently in March.

Mermaid's income statement*

Baht millions	2QFY11	2QFY12	%yoy
Total Revenues	1,144	996	-13%
Total costs	981	716	-27%
Gross profits	163	280	71%
SG&A	133	149	12%
EBITDA	31	131	329%
%EBITDA margins	3%	13%	
EBIT	(142)	(53)	62%

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

Subsea vessel utilisation rate*



**Utilisation rate per calendar days*

Mermaid's margins, however, improved significantly in 2QFY12. Despite the relatively lower revenues, gross profit went up 71% as a result of aggressive cost savings efforts. Adjustments in crew contracts along with the effective implementation of TTA Group's shared services (i.e. procurement) enabled MOS to reduce both vessel running costs and project costs considerably since December 2011. The significant improvement in gross profit helped boost Mermaid's EBITDA by Baht 100 million yoy in 2QFY12. Thus, EBIT losses narrowed by 62% to only Baht 53 million from Baht 142 million during the same period last year.

Three subsea services contracts awarded in the Middle East

With spot oil prices above USD 100 per barrel, demand for offshore services continues to increase globally, and Mermaid's international subsidiaries, Subtech and Seascape, are benefiting from this trend.

In April 2012, Subtech was awarded three subsea services contracts with new and existing oil and gas development clients operating in the Middle East. The combined potential value of the contracts is USD 14 million.

The first two contracts are for Mermaid's specialised vessel, M.V. Mermaid Siam, over a period of eight weeks, worth approximately USD 5.8 million. The M.V. Mermaid Siam has already been deployed to the Persian Gulf for the first of these assignments. The third contract is for air diving and other support services over a period of more than two years beginning in May 2012. This contract has a potential value of USD 8.2 million and will likewise be carried out in the Persian

Gulf area as well.

These contracts are particularly noteworthy, because they validate Mermaid's on-going efforts to streamline operations across all of its subsea business units with the intention of offering a consistent set of top quality services throughout the geographies.

The outlook of subsea services for 2013 is bullish. The growth in fleet sizes is expected to lag spending growth while the global oil price should remain relatively high. The growth in the subsea industry appears to have a regional focus, with more potential activities seen in Indonesia and the Middle East and West Africa region. MOS, with its streamlined cost structure, should be in a better position to benefit from the continued activities in the industry while enjoying its margin improvements.

Further positive developments for existing offshore drilling assets

In 1QFY12, Mermaid announced a contract for its MTR-1 accommodation barge with a USD 4.9 million potential value. The 150-day contract commenced on 9 May 2012.

MTR-2, subsequent to a 30-day interim extension, has been extended for another 6 months from mid-May until mid-November 2012 with a potential value of USD 16.1 million. Both of Mermaid's existing offshore drilling/barge assets will be operational in the second half of FY12, further evidence of the increased level of offshore exploration and production spending around the world.

Continuing good prospects for jack-up rig market

Asia Offshore Drilling has three Mod V–B Class jack-up rigs under construction at Keppel FELS Limited in Singapore. All three rigs are scheduled to be completed in 2013. The construction of the rigs is progressing as planned.

The overall demand for jack-up rigs globally continues to improve. According to Pareto Securities' research, the number of warm-stacked and cold-stacked jack-up rigs has decreased drastically in the past 18 months. The total stacked rigs of 130 rigs in October 2010 are down to 74 in May 2012. The 30-50% improvements in day rates justify reactivation of the older rigs, pushing up the utilisation rate to 88%. This is driven by increasing demand in West Africa, Mexico, the Middle East, and Southeast Asia. The utilisation rate for newer jack-up rigs, built after 1990 with more than 300 feet water depth capacity, remains above 90% due to strong demand for premium rigs in most regions.

The overall market development suggests a positive trend in terms of rig demand, utilisation rates, contract terms, and day rate levels. In this environment, oil companies continue to show a preference for newer equipment due to their superior technical capacities and operational flexibility.

Based on these developments and observations, AOD remains optimistic about the market outlook and prospects for its premium jack-up rigs.

Exploration works continue on Qing Mei's Central Kalimantan concessions

Exploration of Qing Mei's coal concessions in Central Kalimantan continues to JORC standards, with the drilling program extending to two of the four blocks. A resource in excess of 100 million tonnes of sub-bituminous thermal coal has been identified to date, and on-going exploration works will extend to the remaining blocks this quarter. To recap, TTA entered into a strategic partnership in March 2011 to establish a new company, Qing Mei, to develop a new coal-mining project in Indonesia. The partnership includes TTA/Soleado, Merton, and Britmar (Asia) Pte. Ltd. At the end of 2QFY12, each partner holds an equal 33.3% share of USD 7.5 million capital of Qing Mei.

Qing Mei acquired a 70% interest in four coal concessions, totalling 33,000 hectares (206,250 rais) in Central Kalimantan. Sizes of the 4 blocks are as follows:

- Block 1: 6,800 hectares
- Block 2: 10,000 hectares
- Block 3: 10,000 hectares
- Block 4: 6,500 hectares

The **Corporate**

The Corporate represents the holding companies (including Soleado Holdings Pte. Ltd. and Athene Holdings Ltd.), which provide support in terms of finance, accounting, human resources, IT, administration, and other services. Including eliminations from intercompany transactions, the Corporate contributed Baht 134 million of losses in 2QFY12. These are purely indirect expenses (i.e. SG&A, depreciation, and interest expenses) incurred at the holding company level.

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. We regularly review the value of our various businesses. Due to the changing business environment that some business units currently face, a review of our investments using the services of independent valuers is being done. We will update shareholders once that assessment is completed.

Market trends in the second half of this fiscal year should result in better performance at Thoresen Shipping and Mermaid, which remain the two largest core businesses. We remain highly focused on securing additional revenues and managing our costs well to solidify the fundamentals of each business unit.

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