

Q2/2009 Results



Thoresen Thai Agencies PLC

Agenda













I. Q2/2009 Financial Results

II. Appendix



Q2/2009 Financial Highlights

-  TTA reports 35.95% decrease in revenues to Baht 4,276.94 million
-  Group gross profits down 26.94% to Baht 1,117.16 million
-  Group gross margin increased to 26.12%
-  Net profits down 88.95% to Baht 99.16 million
-  Return on average shareholders' equity of 0.32%
-  EPS down 88.98% to Baht 0.14
-  Net operating cash flow of Baht 607.04 million
-  Net cash decreased 13.25% to Baht 5,062.28 million due to dividend & capex payments
-  Excellent liquidity with cash levels of Baht 10,946.02 million
-  Available committed bank facilities of Baht 22,469.77 million



Key Drivers

Core Businesses: Be Proactive & Vigilant With Our Businesses



Declining trade flows due to global economic recession reduce dry bulk shipping demand and freight rates

Strategy: TTA continues to reduce capacity in line with falling demand by scrapping owned vessels & reducing chartered-in vessel days.



Seasonally low subsea activities at the beginning of year, some vessels were under maintenance & new contract awards were postponed

Strategy: Due to our specialised vessels, day rates remain firm. We continue to expand into new business areas, such as the Middle East and Brazil.






Full utilisation of the 2 drilling rigs and higher day rates on one unit

Strategy: Maintain existing rigs in top condition. Prepare for delivery of KM-1 in Dec 2009 (and the start of a 5-year contract with Petronas).



Key Drivers (cont'd)

Group: Ensure Financial Promptness for New Business Opportunities

-  Maintain high cash level and credit availability for potential investment opportunities, inevitably returns on cash are currently poor
-  Risk management focus on counterparty risk
-  Continue with planned investments in newbuild assets



Consolidated Income Statement Summary

Net profit decreased 88.95% to Baht 99.16 million
EPS down 88.98% to Baht 0.14

(Baht Million)	Q2/2009	Q1/2009
Revenues	4,276.94	6,677.75
Gross profit	1,117.16	1,529.03
GPM (%)	26.12%	22.90%
SGA expenses	483.16	448.61
GP/SGA (xs)	2.31	3.41
Finance costs (income) – net ⁽¹⁾	40.28	(465.00)
Net profits	99.16	897.13
Earnings per share (Baht)	0.14	1.27

Note: (1) Finance costs include interest expenses, losses from oil hedging, commitment fees from loans, fees for foreign currency collar contracts, offset with interest income and gains on convertible bonds cancellation



Group Segments Results

Contributions from Well Balanced and Diversified Earnings Base Declining tonnage ownership

(Baht Million)		Dry bulk shipping	Offshore services	Shipping services	Group ⁽¹⁾
Revenues	Q2/2009	3,077.23 72.81%	968.01 22.90%	181.29 4.29%	4,226.53 100%
	Q1/2009	4,887.59 72.71%	1,599.92 23.80%	234.48 3.49%	6,721.99 100%
Gross tonnage*	Q2/2009	335,779	27,139	N/A	362,918
	Q1/2009	354,099	27,139	N/A	381,238
Net profits	Q2/2009	21.00 55.70%	(33.48) -88.81%	50.18 133.10%	37.70 100%
	Q1/2009	181.94 41.83%	181.37 41.70%	71.62 16.47%	434.93 100%

Note: * Current owned fleet

(1) Group excludes operating results of TTA and elimination of inter-company transactions

H1/2009 Net Profit Contribution

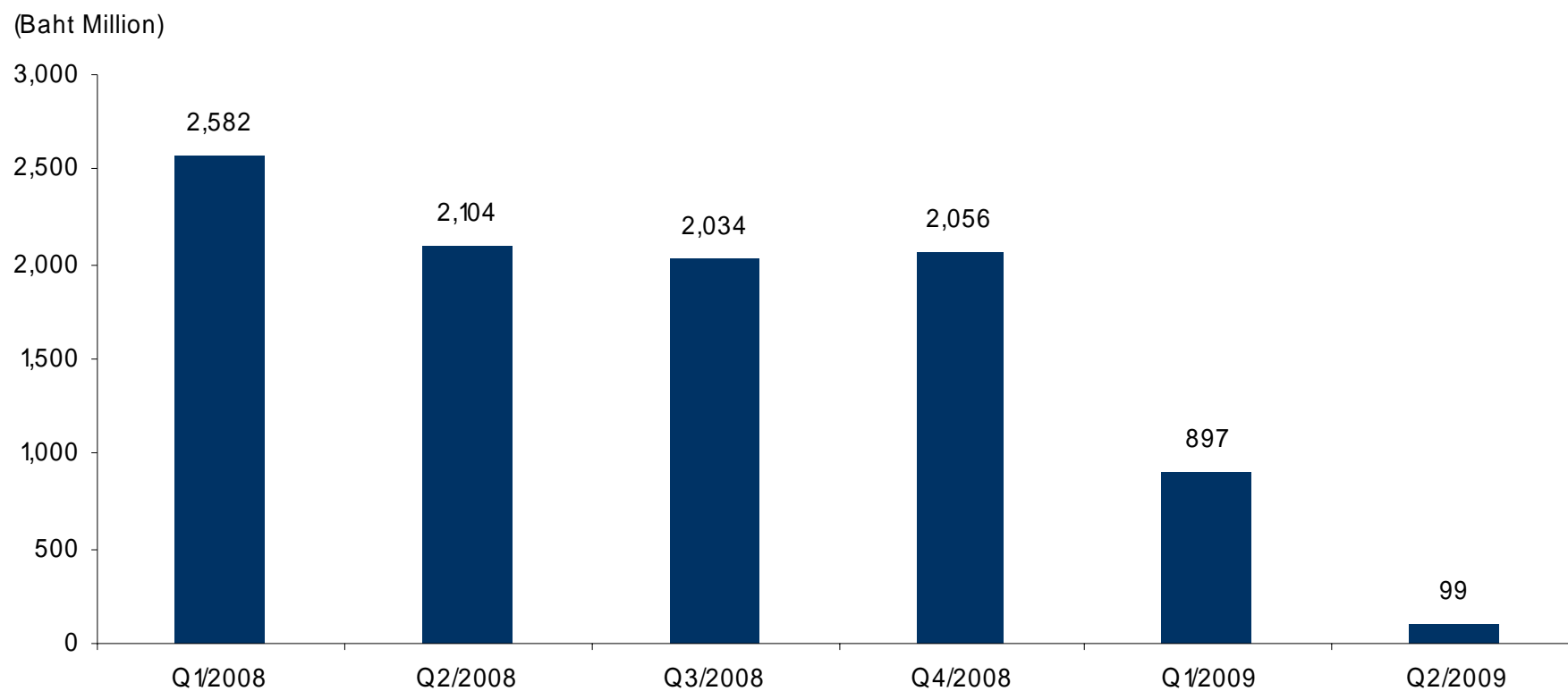


Remark: The above figures include FX gains/losses but exclude Minority Interests and gains on convertible bond cancellations



Group Net Profit

Profit Momentum Adversely Affected by Dry Bulk Shipping Downturn and Temporary/Seasonal Slowdown in Subsea Activities





Liquidity Profile

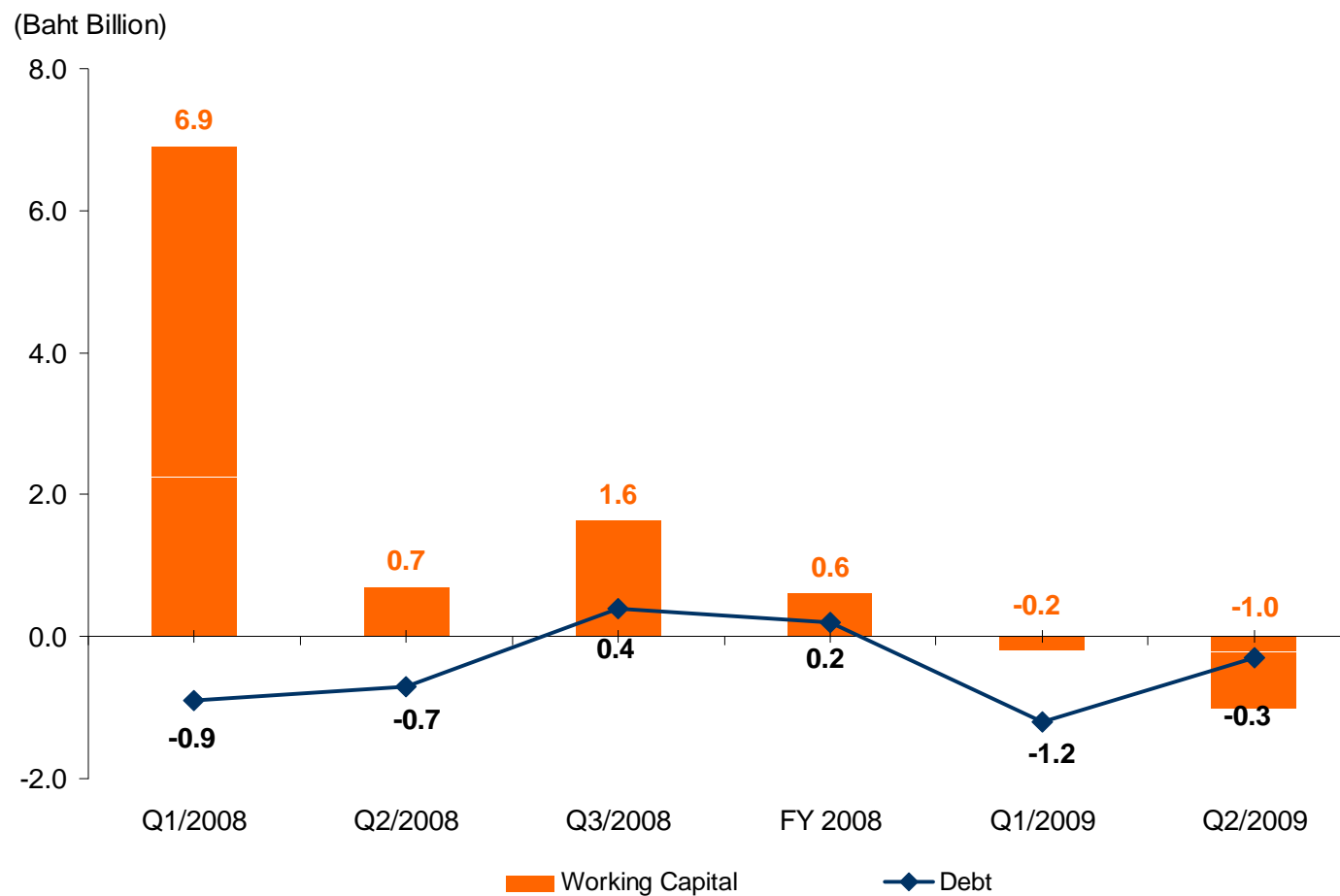
Cash and Liquidity Remain High Cash Conversion Cycle Increases to 22 days

(Baht Million)	Q2/2009	Q1/2009
Cash and cash equivalents	10,946.02	11,894.55
Current ratio (xs)	4.25	4.08
Adjusted cash conversion cycle (days)	22	12
A/R	52	36
A/P	30	24
Adjusted working capital / Revenues	2.80	1.95



Changes in Working Capital and Debt QoQ

Active Management of Working Capital to Maximize Cash





Capital Structure

Sufficient Cash to repay all interest – bearing Group debts

(Baht Million)	Q2/2009	Q1/2009
Gross debt	6,586.33	6,851.52
Cash and marketable securities	11,648.61	12,687.26
Net cash	5,062.28	5,835.74
Shareholders' equity	30,580.45	30,848.68
Debt / Total capitalisation ⁽¹⁾	0.18	0.18




Note: (1) Total capitalisation includes gross debts and shareholders' equity



Credit / Funding Facilities

Cash is King

Primary Use for Funding Capex and Assets Expansion

-  Cash levels exceed Baht 10,946.02 million equivalent to 27.08% of total assets
-  US\$ 38.31 million available under committed US\$ 38.31 million revolving term loan facilities
-  US\$ 584.16 million available under committed US\$ 595.16 million term loan facilities
-  US\$ 7.59 million available under committed US\$ 7.59 million short-term credit facilities



Debt Maturity Profile

Conservative and Diversified Debt Profile:

- 35.96% of group debt from commercial banks
- 63.25% raised in debt capital markets

Long-term Debt Profile with 67.76% of Total Debt with Maturities over 18 months

(Baht Million)	Within 12 Months	12-24 Months	>24 Months
<u>At 31 March 2009</u>			
▪ Bank Debt	458.31	541.11	1,369.09
▪ Others	30.36	21.89	-
▪ Convertible Bonds	-	1,388.53	2,777.05
Total	488.67	1,951.53	4,146.14



Credit Metrics

Well Managed Debt Servicing Capability

(Baht Million)	Q2/2009	Q1/2009
Shareholder's equity	30,580.45	30,848.68
Net book value per share	43.19	43.57
Adjusted EBITDA*	652.72	1,080.42
Adjusted EBITDA margin (%)	15.26%	16.18%
Gross debt/Adjusted & Annualised EBITDA* (xs)	1.90	1.59
Adjusted net financial debt/Adjusted & Annualised EBITDA* (xs)	(1.46)	(1.35)
Adjusted net financial debt/Equity (xs)	(0.17)	(0.19)
Adjusted EBITDA*/Net interest expenses (xs)	8.34	33.06

Note: *Adjusted to exclude one-off gains/losses

TTA 2009 capital investment



Ensure Strong Growth Initiatives

Strategy	Project	Project Cost	Spending up to 31 Mar 09
Dry bulk shipping fleet renewal	Newbuild vessels from Oshima and Vinashin	US\$181.76 million	US\$32.46 million
Subsea fleet expansion	Newbuild vessels and ROV's from Jaya, Aquanos Limited, Saab Seaeye Limited, Soil Machine Dynamics Ltd.	US\$58.33 million	US\$39.19 million
Drilling fleet expansion	Newbuild rig from Kencana HL	US\$139.54 million	US\$75.53 million
Increase short-term fleet capacity	Chartered-in <ul style="list-style-type: none"> ▪ 7 dry bulk vessels⁽¹⁾ ▪ 2 subsea vessels 	US\$160.067 million	US\$110.292 million
		US\$19.13 million	US\$7.16 million

Note: (1) Down to 5 dry bulk vessels at current time

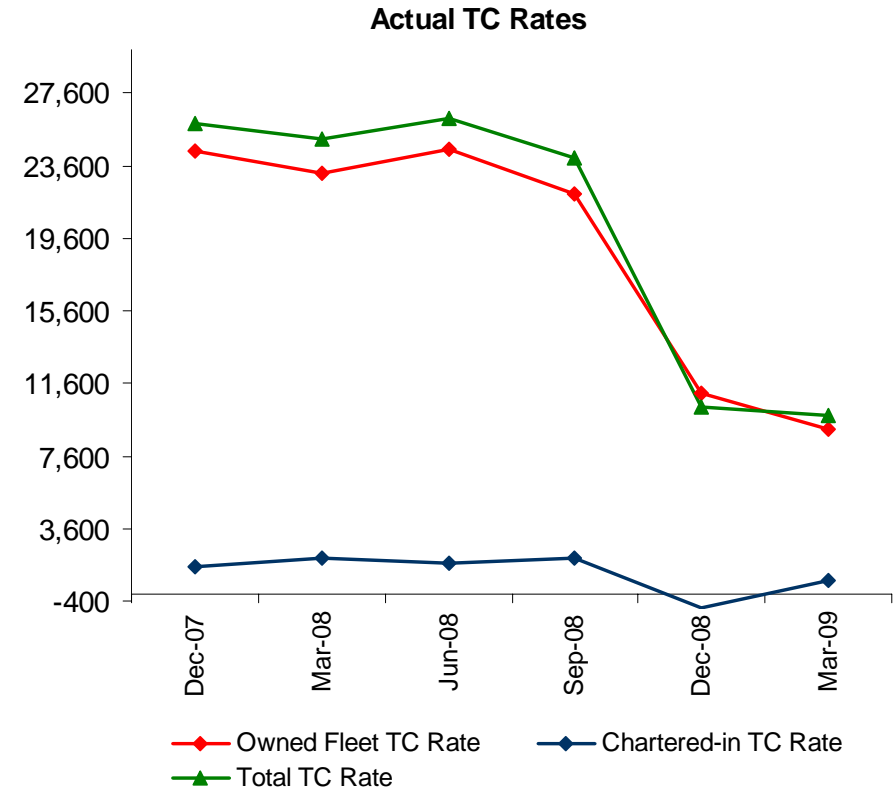
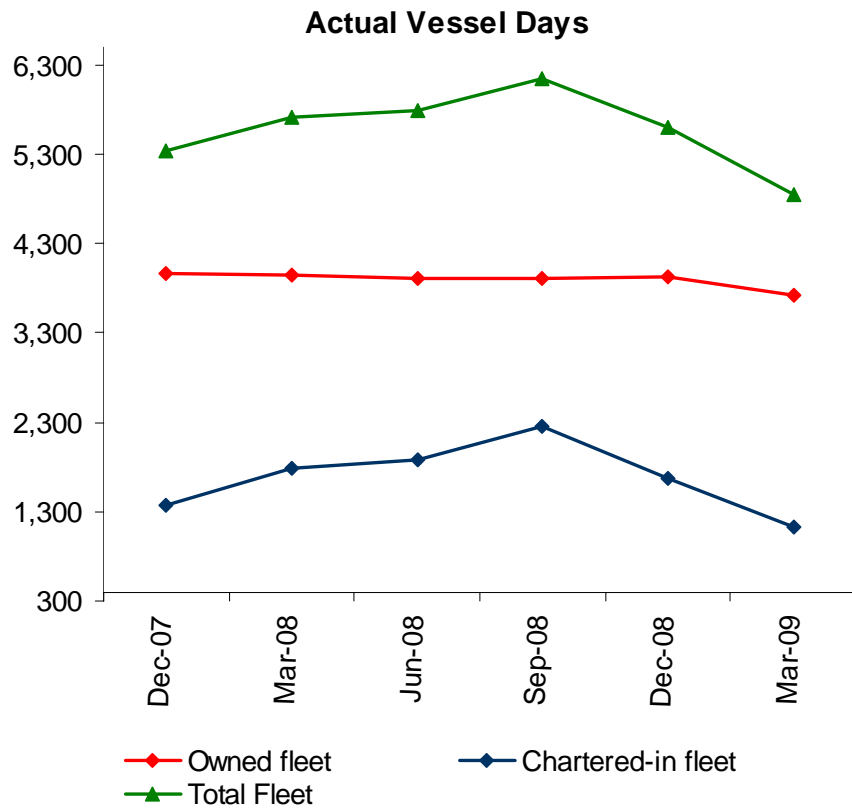
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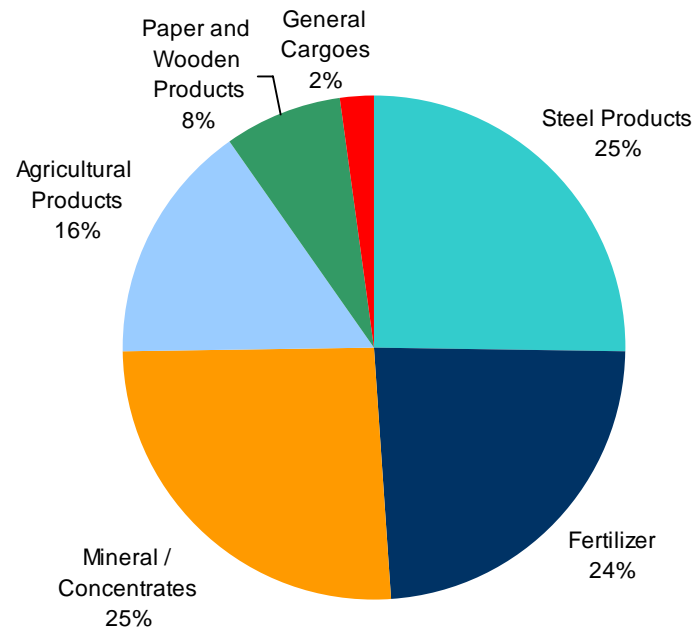
TTA achieved a TC rate performance of US\$ 9,826 per vessel day in Q2/2009



Cargo volumes decreased 8.37% due to falling demand

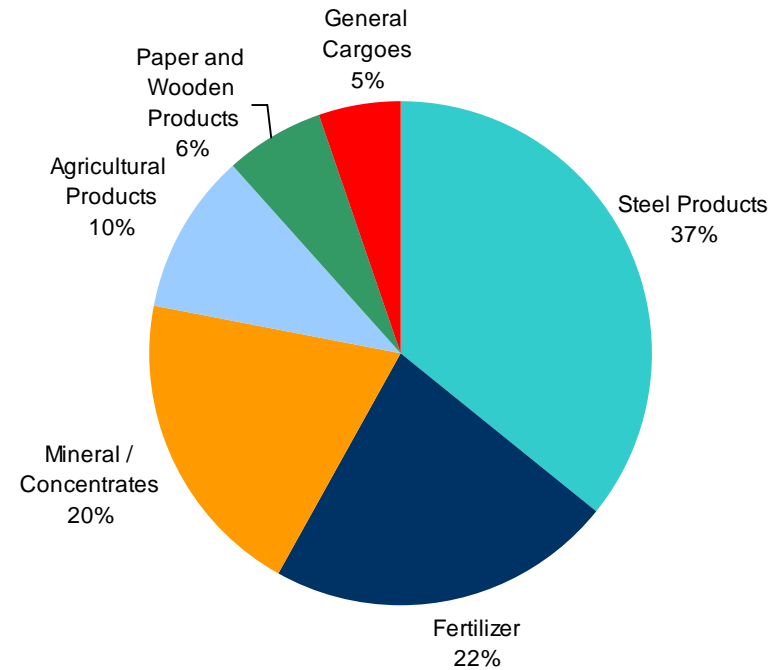


Q1/2009



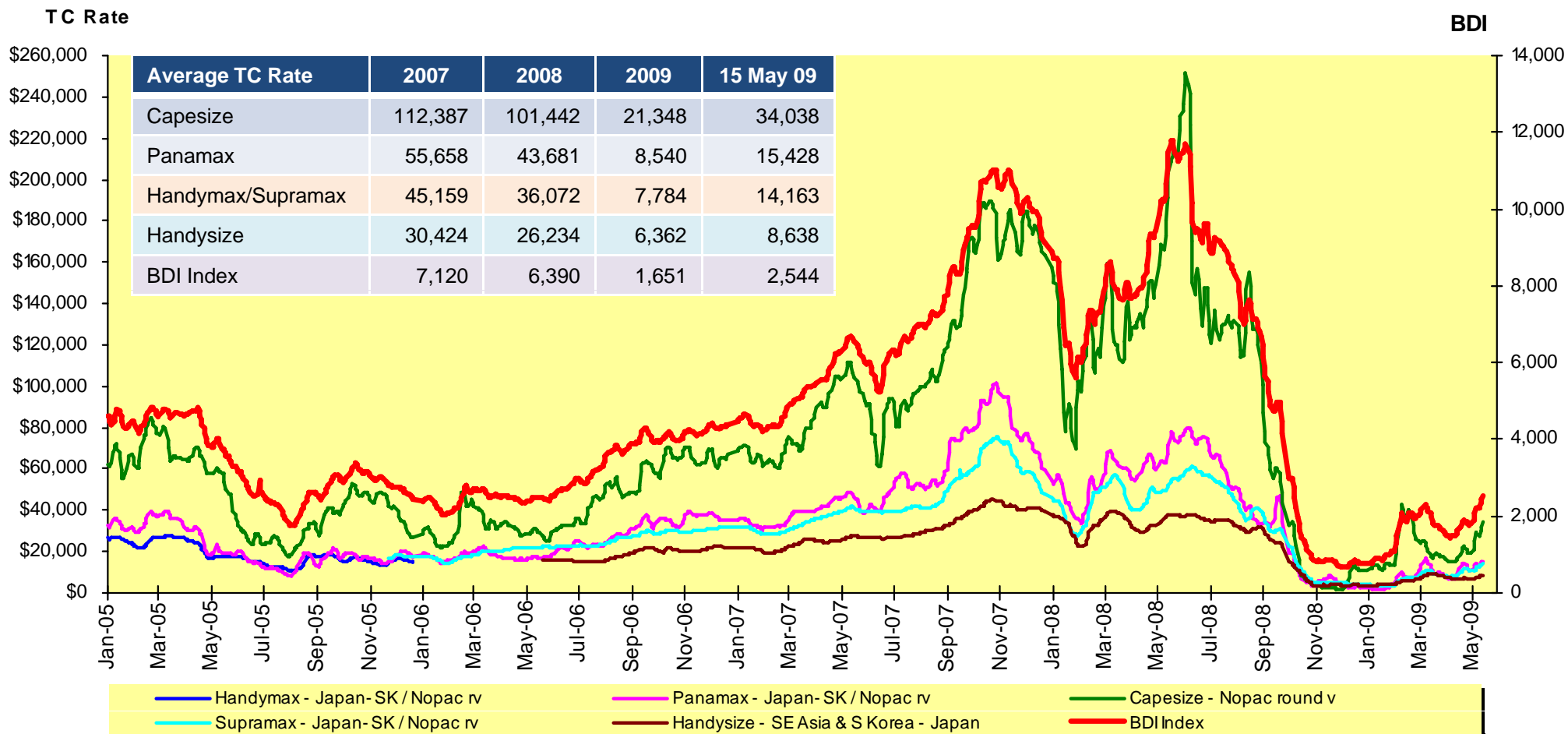
Volume = 3.159 million tonnage

Q2/2009



Volume = 2.894 million tonnage

The 2009 dry bulk outlook remains very weak in line with economic fundamentals



The dry bulk fleet is projected to grow 17.28% in 2009 to 486.605* million DWT



Size (DWT 000's)	Total Fleet (incl. Delivery in March 2009)			Total Order Book (2009-2014)		
	No.	DWT (MM)	%	No.	DWT (MM)	% of Current Fleet
10-40	2,812	74.742	17.64%	705	22.813	30.52%
40-60	1,717	83.571	19.73%	825	46.313	55.42%
60-100	1,585	116.608	27.53%	664	53.963	46.28%
100-150	154	21.401	5.05%	94	10.746	50.21%
150+	695	127.301	30.05%	626	125.819	98.84%
Total	6,963	423.623	100.00%	2,914	259.654	61.29%

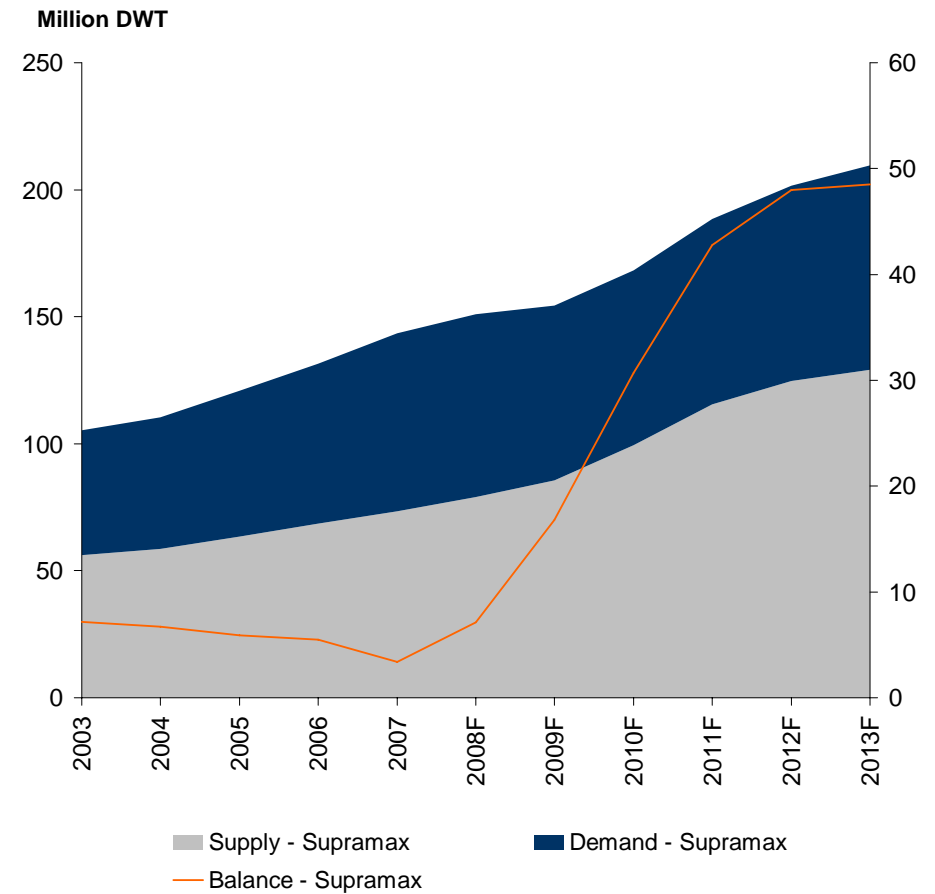
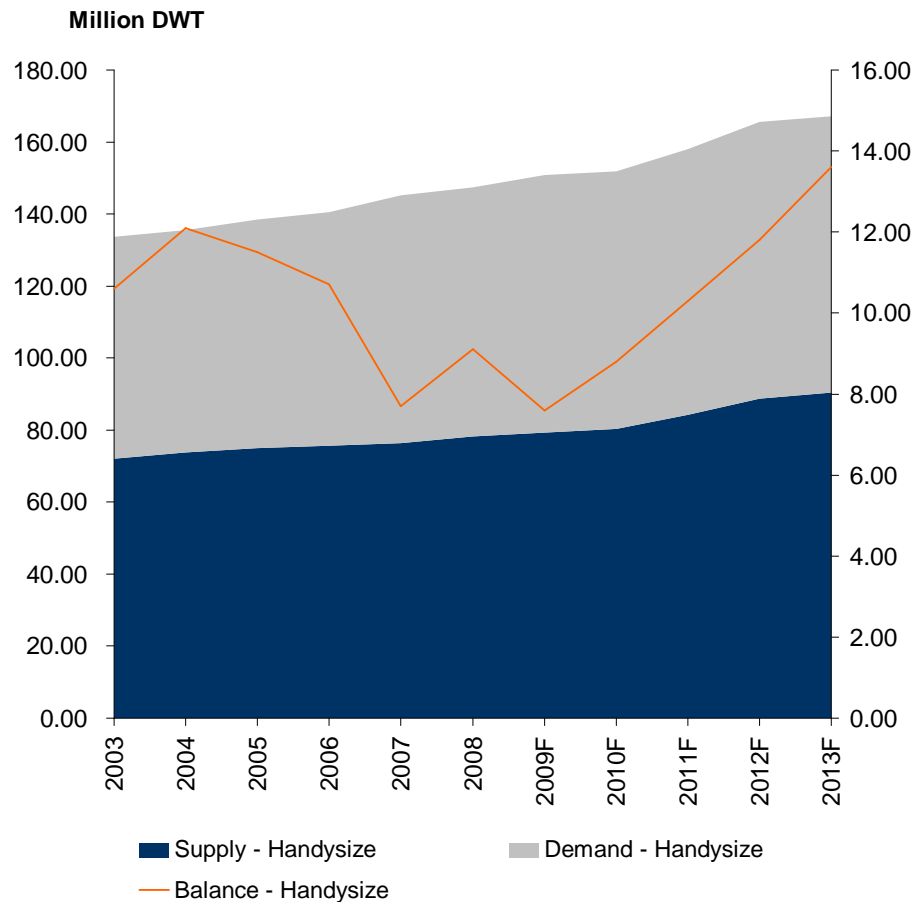
Note: * By Dec 2009

The current newbuild order book equals to 61.29% of the total dry bulk fleet



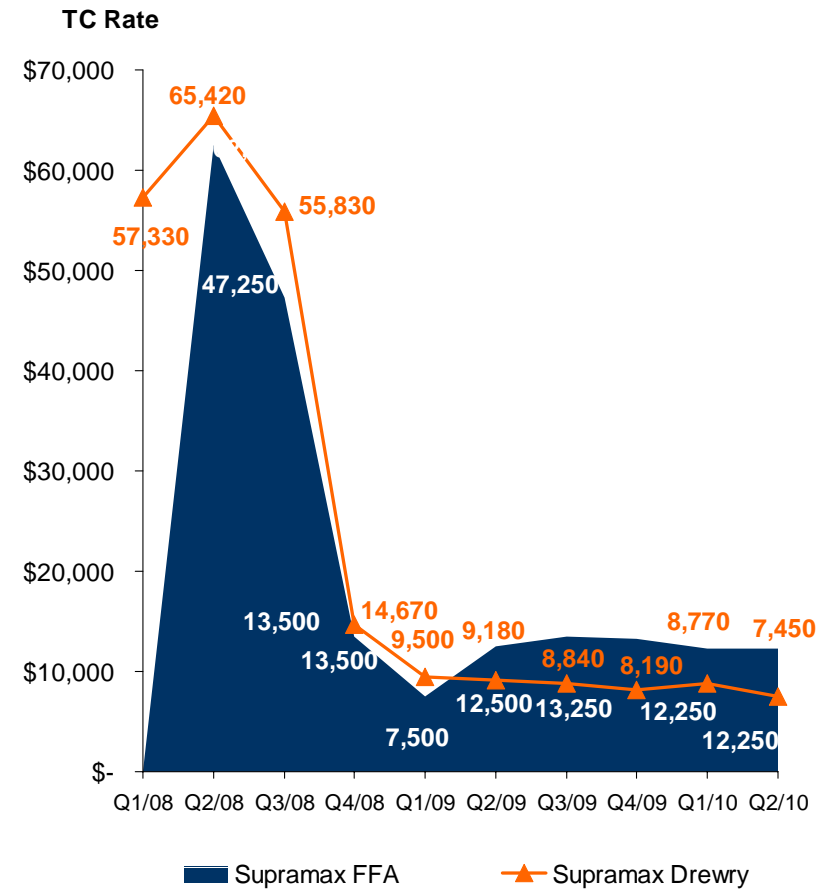
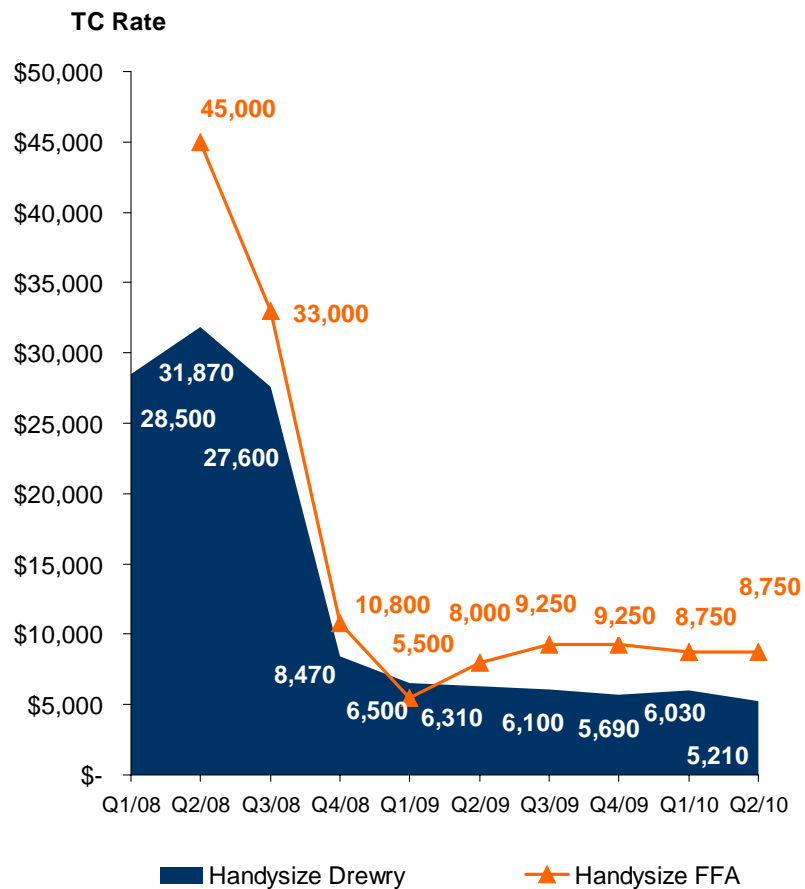
Size (DWT 000's)	2009		2010		2011		2012		2013 onwards	
	No.	DWT (MM)	No.	DWT (MM)	No.	DWT (MM)	No.	DWT (MM)	No.	DWT (MM)
10-40	239	7.447	213	6.769	171	5.770	75	2.579	7	0.248
40-60	264	14.616	307	17.337	202	11.427	44	2.487	8	0.446
60-100	127	10.535	257	20.999	181	14.813	72	5.518	27	2.098
100-150	11	1.237	26	2.966	33	3.774	18	2.078	6	0.691
150+	151	29.149	286	53.705	135	29.324	43	11.395	11	2.246
Total	792	62.984	1,089	101.776	722	65.108	252	24.057	59	5.729

The increasing supply of vessels will create significant supply/demand imbalances



Source : Drewry – Dry Bulk Forecaster 4Q08

Freight rates expectations remain low but stable in 2009 due to the increasing vessel supplies and limited demand



Source : Drewry – Dry Bulk Forecaster 4Q08 & Clarkson Securities Ltd dated 15 May 09