



THORESEN THAI AGENCIES

PUBLIC COMPANY LIMITED

REG. NO. 0107537002737



FOR IMMEDIATE RELEASE

TTA REPORTS Q2/2011 FINANCIAL RESULTS

Bangkok, 18 May 2011 -- Thoresen Thai Agencies Public Company Limited (“TTA” or the “Company”) reports a net loss of Baht 115.44 million and losses per share of Baht 0.16 for the three-month period from 1 January to 31 March 2011 or the 2011 Second Quarter (“2Q FY2011”). This compares with net profit and earnings per share of Baht 451.40 million and Baht 0.64, respectively for the same period last year.

Total operating revenues were Baht 4,185.42 million, total operating expenses were Baht 3,881.49 million, and thus operating profits were Baht 303.93 million. This represented a 52.70% year-on-year decrease from operating profits of Baht 642.58 million during the same period last year, and a 40.45% quarter-on-quarter drop for the 2011 First Quarter (“1Q FY2011”).

The breakdown of net profit contribution to TTA:

Baht millions	2Q FY 2011	2Q FY 2010	YoY %	1Q FY 2011	QoQ %
Transport	39.14	348.11	-88.76%	268.94	-85.45%
Infrastructure	89.90	46.10	95.01%	97.26	-7.57%
Energy	-120.24	-97.71	-23.06%	-113.48	-5.96%
Corporate	174.64	192.09	-9.08%	543.64	-67.88%
Eliminations	-298.88	-37.19	-703.66%	-650.86	54.08%
Total	-115.44	451.40	-125.57%	145.50	-179.34%

The Transport Group includes dry bulk shipping, a number of shipping services companies, and the oil and gas tanker business.

The dry bulk shipping business recorded a consolidated net loss of Baht 2.21 million, a decrease from the net profit of Baht 367.91 million for 2Q FY2010 and the net profit of Baht 245.49 million for 1Q FY 2011. The Baltic Dry Index (“BDI”) for 2Q FY2011 was down nearly 40% compared to 1Q FY2011, and our average time charter equivalent (“TCE”) rate was USD 10,521 per day during 2Q FY2011, which represented a decline of 16.32% quarter on quarter (“QoQ”) and 16.33% year on year (“YoY”).

We sold three vessels during this quarter. As a result, TTA owned 24 vessels at the end of March 2011. In addition, the dry bulk shipping business made instalment payments for a new build vessel with Vinashin of Baht 210.45 million and a new build vessel with Oshima of Baht 119.50 million. We expect the delivery of Oshima's new build vessel around 15 June and the first new build vessel of Vinashin around March 2012.

Market Outlook for Dry Bulk Shipping Services: The dry bulk shipping market remains weak. The BDI is down by more than 45.60% since the start of our financial year. For the remaining quarters of FY2011, the freight rate outlook remains weak considering the oversupply of tonnage. Although demand is robust driven by crude steel output in China, supply growth will most probably outpace demand growth and place continued pressure on TCE rates.

The shipping services businesses made a net profit contribution of Baht 13.29 million to TTA's financial results, a 167.16% YoY and a 223.15% QoQ increase. TTA equity accounted Baht 28.06 million of net profit from Petrolift Inc. ("Petrolift") during 2Q FY2011, compared to Baht 19.33 million last quarter. In January 2011, we raised our stake in Petrolift to 40% at a price of USD 839,520, or Baht 25.72 million.

The Energy Group comprises an offshore oil and gas services business and coal mining business. Mermaid Maritime Public Company Limited ("MMPLC") recorded a consolidated 2Q FY2011 net loss of Baht 208.37 million and thus TTA consolidated a net loss of Baht 119.06 million.

During this quarter, the drilling group generated gross profits of Baht 29.34 million (10.86% margin) and the survey group generated gross profits of Baht 17.73 million (22.27% margin), while the subsea group generated gross losses of Baht 106.56 million (minus 13.42% margin).

The subsea market remains challenging, and downward pressure on day rates continues to occur as a result of increased vessel availability, as new vessels are completed and join the dive support vessel fleet. We have also observed our peers to be encountering similar predicaments, both in the areas of slower than expected contract awards, lower vessel utilisation, pressure on day rates and hence decreased profits. To the extent that prevailing market conditions continue to exist, we expect that rates will remain low throughout 2011.

Over the next 12 months, the underlying trends support improving business opportunities and a steady increase in committed exploration and production capital spending. We are continuing to review various opportunities in the new build market for future acquisition of drilling assets or businesses beyond Asia Offshore Drilling Limited ("AOD"), which represents a long-term strategic intent to grow our drilling business in a manner that allows us to share the associated risks and returns with like-minded co-investors to benefit from the positive developments within the offshore drilling sector at a time where new-build prices for high-specification rigs are clearly rising. As committed during the initial fund raising for AOD, we have already commenced discussions with the relevant parties regarding a possible listing of AOD on the Oslo Axess Exchange in Norway.

For coal mining, TTA equity accounted Baht 1.18 million of net loss from Merton Group (Cyprus) Limited during 2Q FY 2011.

The Infrastructure Group consists of a coal logistics business, fertiliser and logistics business, third party logistics business, and ship supply and warehouse businesses.

Unique Mining Services Public Company Limited ("UMS") recorded a consolidated net loss of Baht 1.76 million in 2Q FY 2011 versus a net loss of Baht 9.59 million in 2Q FY2010. The profit contributions to TTA were Baht 14.66 million this quarter, compared to Baht 3.71 million in 2Q FY2010 and Baht 38.63 million last quarter.

Coal sales improved 18.46% YoY to Baht 668.55 million. However, when compared to last quarter, coal sales fell by 15.31% due to lower sales volumes to large-sized clients, which have variable demand for coal throughout the year.

YoY gross margins improved to 20.35% due to the full effect of increased selling prices that were implemented since last year and the absence of high cost freight rate contracts. QoQ gross margins declined from the rate of 23.86% mainly due to lower classified coal prices to maintain market share and volume.

Market Outlook for UMS' Business and Operations: International coal prices have shown a strong upward trend since 4Q FY2010. UMS is expected to set prices in conjunction with domestic price trends, which are affected by ongoing competition and varying domestic coal supplies. Domestic cement production is expected to improve this year; we expect these plants will purchase more coal.

However, cement companies are seeking lower prices for longer term and higher volume purchase contracts.

TTA received a net profit contribution of Baht 67.22 million from Baconco and equity accounted Baht 7.28 million of net profit from Baria Serece Port to its Infrastructure Group in 2Q FY2011

“While our recent diversification strategy has achieved profitable results, the capital employed in our recent investments is relatively small compared to the dry bulk shipping business and MMPLC. The profitable results from our recent investments is not enough to compensate for weak results in the two most important businesses, a situation that is expected to remain through FY2011. Baconco, Petrolift, and newly acquired Baria all made positive profit contributions during this quarter, and we expect these companies to be a major contributor to TTA over the next few years. MMPLC is in the midst of a turnaround situation, and further actions shall be taken in the near future to accelerate performance improvement over the next few quarters,” M.L. Chandchutha Chandratat President & Chief Executive Officer concluded.

About TTA

Thoresen Thai Agencies Public Company Limited ("TTA") is a strategic investment holding company listed on the Stock Exchange of Thailand. Its investment strategy is to grow through a balanced and diversified business portfolio of transport, energy, and infrastructure assets, both domestically and internationally. Previously, TTA has primarily invested in the dry bulk shipping and related shipping services businesses. The company has since expanded its investments into other business areas, such as offshore services through Mermaid Maritime Public Company Limited, fertilisers and logistics through Baconco Co., Ltd., coal-related businesses through Merton Group (Cyprus) Limited and Unique Mining Services Public Company Limited, petroleum tankers through Petrolift, Inc, and ports through Baria Joint Stock Company of Service for Import Export of Agro Forestry Products and Fertilizers.

For media inquiry, please contact:

Ravisada Angkeeros, Corporate Communications Department, Thoresen Thai Agencies Plc.
Tel: +66 2254 8437 ext. 393 Email: ravisada_a@thoresen.com