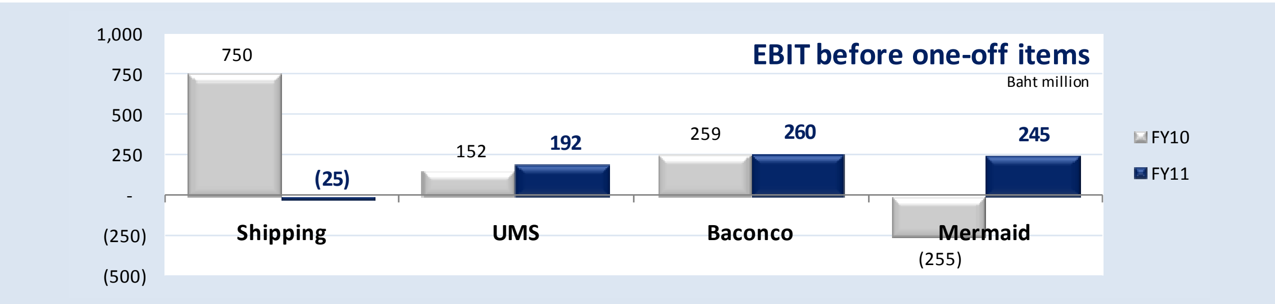
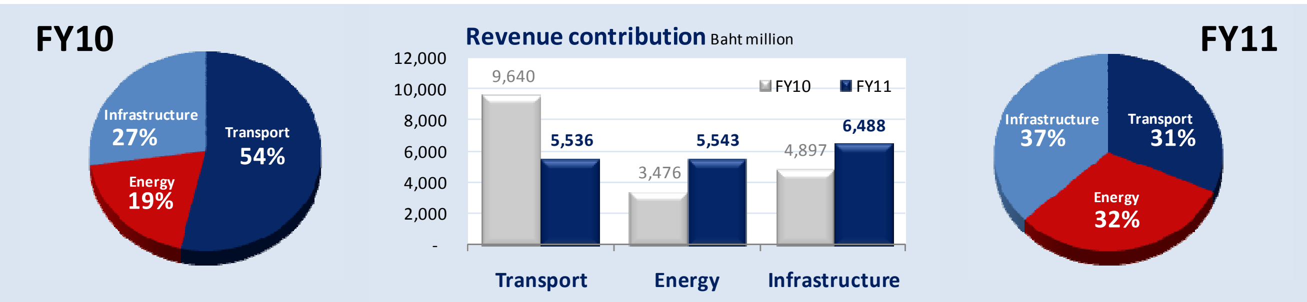
TTA announces THB 139 million net profits for FY2011

- **All businesses, except for dry bulk, generated positive EBIT before extraordinary items**
- **Group EBITDA before extraordinary items remained solid at Baht 2,544 million**
- **Balanced revenues achieved across all three core business segments**
- **Full year operating profit and 2nd half net profit reported by Mermaid**

Bangkok, Thailand, 29 November 2011 -- Thoresen Thai Agencies Plc (TTA) announced today net profits of THB 139 million and earnings per share of THB 0.20 for FY2011, compared to net profits of THB 795.57 million and earnings per share of THB 1.12 in FY2010. The year-on-year decrease was primarily driven by difficult dry bulk shipping market conditions, but was partially offset by sales of older, non-competitive dry bulk vessels as well as strong performances from the Group's Philippines oil tanker, Vietnamese fertiliser and deep water port businesses. Despite the drop in net profit, all TTA businesses other than the dry bulk shipping unit reported positive earnings before interest and taxes (EBIT) excluding extraordinary items. Consolidated TTA earnings before interest, taxes, depreciation, and amortisation (EBITDA) remained steady at THB 2,544 million (before extraordinary items), up 1% year-on-year.



TTA reported operating revenues of THB 17,565 million in FY2011, down slightly from THB 17,919 million in FY2010. Revenue contribution in FY2011 was balanced across TTA's three core business segments, with Group Transport contributing THB 5,536 million, Group Energy contributing THB 5,543 million and Group Infrastructure reporting revenues of THB 6,488 million.



"We saw a good turnaround at Mermaid Maritime Public Company Limited in the second half of FY2011, as well as strong contributions from recent acquisitions, Baconco Co., Ltd., Petrolift, Inc. and Baria Serece, which helped to offset in part, the decreased earnings reported by our dry bulk business," said M.L. Chandchutha Chandratat, TTA's President & CEO.

"Global vessel oversupply and slower world economic growth continued to depress dry bulk freight rates, a situation we expect to remain unchanged over the next 18-24 months. We have already taken a number of steps to address this issue, including a recently completed fleet reconfiguration and an organisational restructuring of the dry bulk business."

Group Transport

Group Transport reported profits of THB 271 million, 68% lower than FY2010. The decrease was primarily due to a non-cash impairment charge of THB 243 million on a cancelled project and an environment of continued low freight rates, which resulted in an operating loss of THB 25 million for the year. However, Group Transport recorded gains of THB 587 million on sales of 15 aging vessels and THB 319 million on a new vessel purchase-related currency swap, enabling it to report positive net profits for the year.

The sale of vessels, which was offset only in part by the purchase of three new-builds, resulted in a 29% drop in available service days. Furthermore, a piracy incident in the first quarter of FY2011 resulted in higher operating expenses.

TTA's oil tanker investment in the Philippines, Petrolift, continued to deliver strong results with consecutive quarter-on-quarter growth in equity income to TTA's bottom line throughout FY2011. TTA's return on investment on its 40% stake in Petrolift was 12% in FY2011. Driven by a steady business model, Petrolift has lessened Group Transport's exposure to the difficult operating environment faced by the dry bulk shipping business.

Group Energy

Group Energy's loss contribution declined 45% year-on-year from THB 200 million in FY2010 to THB 110 million in FY2011. On the back of higher utilisation rates, Mermaid's subsea engineering business turned a net profit in the last two quarters of FY2011, reflecting stronger demand for subsea engineering services amidst a stabilisation of oil prices. Mermaid reported operating profits of THB 245 million in FY2011 compared with operating losses of THB 255 million in the previous year. Non-cash impairment charges of THB 204 million on the MTR-1 asset and a cancelled project however resulted in net losses in FY2011 and contributed THB 89 million in losses to TTA.

Mermaid's associate company, Asia Offshore Drilling Limited (AOD), successfully completed a second round of fundraising in July 2011, with Seadrill Limited, one of the most successful drilling companies in the world, taking a 33.75% stake in the venture. AOD has ordered three high-specification jack-up rigs and expects to take delivery of the first two during the first half of 2013.

TTA's SERI coal mining project in Cebu, Philippines, continued its strong development, producing up to 10,000 tonnes of high quality, thermal coal per month, with plans to ramp up production to 20,000 tonnes by March 2012. The company has signed a life-of-mine agreement with Glencore, the world's largest commodities trader, providing a guaranteed channel for all coal produced at the first mine site. Given SERI's proven capability to mine high quality coal at a commercial scale, TTA decided to invest a further USD 25.3 million into the project, giving it a 47.07% direct economic interest in the venture.

Group Infrastructure
Group Infrastructure generated stable profits of THB 301 million in FY2011, as compared with THB 312 in FY2010. Profit contribution from UMS was down 52% year-on-year from THB 92 million in FY2010 to THB 44 million in FY2011, due mostly to higher interest expenses and income taxes. During the year, community protests and flooding adversely affected UMS' production in its Samut Sakorn and Ayudhya plants, respectively. Despite the issues faced by UMS during FY2011, the company reported operating profits of THB 192 million, a 26% increase over the previous year.

Other businesses within the Infrastructure Group performed on budget and generated solid profits. Baconco in particular recorded another strong year of growth, with THB 2,970 million in revenues and net profits of THB 219 million in FY2011. TTA's investment in Baria Serece, which owns the Phu My Port in Southern Vietnam, also performed well, contributing THB 23 million towards Group Infrastructure profits in FY2011.

"2011 was a very challenging year, but overall performance came largely in line with our expectations," concluded M.L. Chandchutha. "More than anything, we were pleased to see some of our recent investments making significant contributions to our consolidated earnings. In addition, we were able to achieve balanced revenue streams from our three primary business segments – an important objective we set for ourselves when we first embarked on our diversification strategy.

"We have restructured the dry bulk business to better meet the challenges ahead and have taken similar measures with Mermaid and UMS – changes we expect to bring tangible benefits in FY2012. Along with our solid financial standing, I am confident that TTA is positioned well going into the next fiscal year, despite what appears to be a very challenging macro environment in 2012."

Outlook
The dry bulk shipping industry is expected to remain under pressure as supply growth continues to outpace demand growth, especially with vulnerable western world economies. As a result, freight rates are likely to remain weak through 2013.
On the supply side, dry bulk vessel deliveries are expected to peak in 2011 but should remain high in 2012. As ordering activities taper off, new vessel deliveries are projected to stabilise in 2013.

On the demand side, dry bulk trade volume globally is expected to increase by 7-8% in 2012. China should continue to lead the way, generating about half of the increase in trade projected for 2012. Specifically, Chinese steel production should start rising again, while Chinese steam coal and grain imports are also expected to increase. Elsewhere, modest further growth is expected for Japanese imports as the country continues to recover from the March 2011 earthquake.

In subsea engineering, 2012 is expected to usher in a further uptick in utilisation and margins, as the supply/demand balance remains tight. The outlook for 2013 onwards is bullish, as growth in fleet sizes is expected to lag spending growth.

Recent acquisitions including Petrolift, Baconco and Baria Serece are expected to continue their strong performances, but the relatively small size of these investments means that gains in these businesses will not be enough to fully offset the expected flat performance of dry bulk in FY2012.

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About TTA

Thoresen Thai Agencies Public Company Limited (TTA) is a strategic investment holding company listed on the Stock Exchange of Thailand (TTA:TB). Its investment strategy is to grow through a balanced and diversified business portfolio of transport, energy, and infrastructure assets, both domestically and internationally. TTA's evolution from a dry bulk shipping operator began in 2005 with an investment in subsea engineering firm Mermaid Maritime Public Company Limited, which has since been listed on the Singapore Stock Exchange (MMT:SP). Since then, TTA has acquired interests in fertiliser and logistics (Baconco Co., Ltd.) coal-related businesses (SKI Energy Resources Inc, Merton Group (Cyprus) Limited and Unique Mining Services Public Company Limited), petroleum tankers (Petrolift, Inc) and a port in Southern Vietnam (Baria Joint Stock Company of Service for Import Export of Agro Forestry Products and Fertilizers).

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