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Lloyd's List

Thoresen Thai narrows losses (positive)

Thoresen Thai Agencies narrowed its net losses to Baht138m (\$4.6m) in its first fiscal quarter ending in December from a loss of Baht560m the year before, but the better performance was due to its non-shipping businesses.

TTA's group transport division posted an earnings before interest and tax loss of Baht68m, saying that "dry bulk shipping remained at or near the bottom of the industry cycle."

The company did not release net profit or loss figures for Thoresen Shipping, its dry bulk unit, but did say that revenues climbed Baht1.2bn in the quarter, up 47% and 19% year-on-year and quarter-on-quarter, respectively. The company's average time charter earnings for the quarter stood at \$7,540 per day, 32% down from the year-earlier period.

However, Thoresen said that its owner operating expenses stood at \$4,257 per day, below the industry average of \$4,500 - \$4,600 per day. Thoresen said in a release that it generated positive earnings before interest, tax, depreciation and amortisation "despite the difficult global freight rate environment".

Thoresen Shipping operated a larger fleet of chartered in vessels at an average of 28.5 ships for the quarter, against a fleet of 16 vessels. "The active chartering-in activity accommodated growing commercial relationships as Thoresen Shipping's network of key clients and brokers continues to expand," TTA said in its release.

TTA won approval from shareholders for a \$214m fundraising of newly issued shares in late January, and will use the sums to invest in second-hand vessels for Thoresen Shipping and for growth of its Mermaid Maritime subsidiary in its group energy unit. Earlier, shareholders rejected a higher sum of \$323m in an earlier vote.

In its first fiscal quarter earnings announcement, TTA reported that the group energy division contributed Baht68m of ebit, versus a negative ebit of Baht38m for the same period last year, on the strength of a turnaround at Mermaid.