



Pacific Basin

Goldman Sachs
China Conference
2015

高盛 2015
大中華區峰會

26 Oct 2015



Navigating with resilience

Experienced team

Exceptional fleet

Customers first





2015 Third Quarter Highlights

Pacific Basin Dry Bulk 太平洋乾散貨船

- 我們的業務模式於第三季為我們帶來高於現貨市場租金的表現：
Our business model enabled us to outperform spot market in 3Q:

Average Daily Earnings 日均收入	Q3 (US\$/day) 第三季 (美元 / 日)	Q3 (Outperformance) 第三季 (日均收入高於市場)	YTD (US\$/day) 本年至今 (美元 / 日)
Handysize TCE 小靈便型乾散貨船收入	\$8,350	+39%	\$8,070
Handymax TCE 大靈便型乾散貨船收入	\$9,630	+15%	\$9,460

- 3Q was highest quarter YTD but market rates have been weakening since early Sep
第三季租金為年初至今最高，但市場租金自9月初起回落
- Cost reduction program on track
持續減少開支
- Currently operate 215 dry bulk ships (83 owned)
目前營運215艘乾散貨船 (83艘為自有)
- Managing our business for a continued weak market in the medium term, focused on safeguarding our positive EBITDA generation and cash position
以中期市況持續疲弱的基礎管理業務，並致力維持稅息折舊及攤銷前溢利及現金流

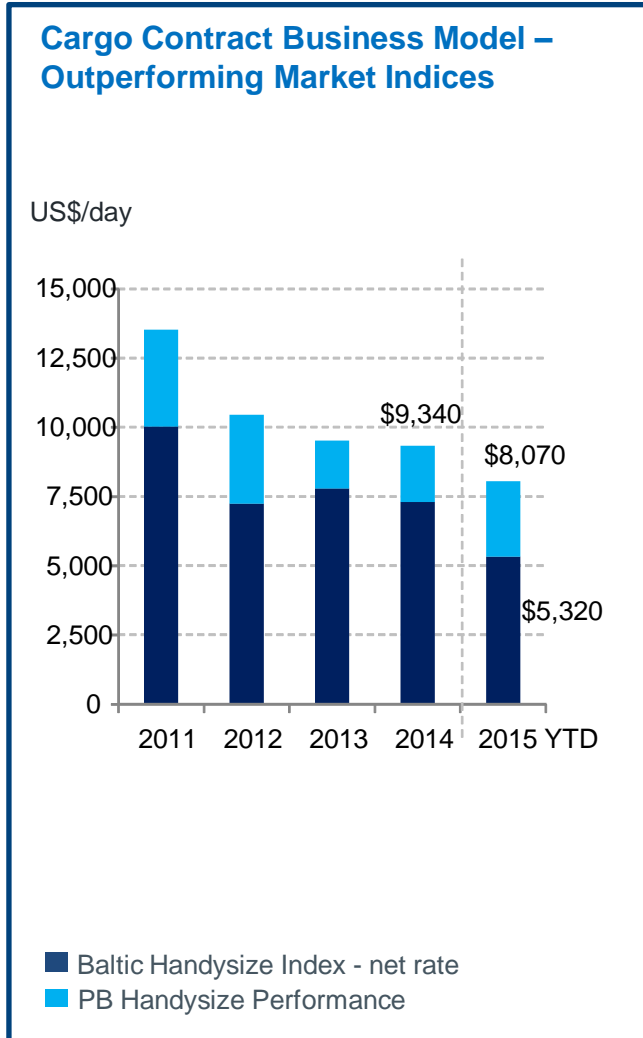
PB Towage & RoRo 拖船及滾裝貨船

- Consolidated towage results remain marginally profitable YTD
拖船綜合業績本年至今錄得輕微溢利
- Our RoRo exit is complete after our final RoRo vessel delivered to Grimaldi in August generating cash proceeds of around US\$31m
我們最後一艘滾裝貨船於8月交付予Grimaldi，帶來約31,000,000美元的現金收益，因此我們退出滾裝貨船業務的程序已告完成

Finance 財務

- We bought back and cancelled 2016 convertible bonds of US\$27.4m in 3Q15 (YTD total US\$55.2m)
我們已於第三季購回及註銷面值27,400,000美元的2016年可換股債券 (本年至今已購回及註銷共55,200,000美元2016年可換股債券)

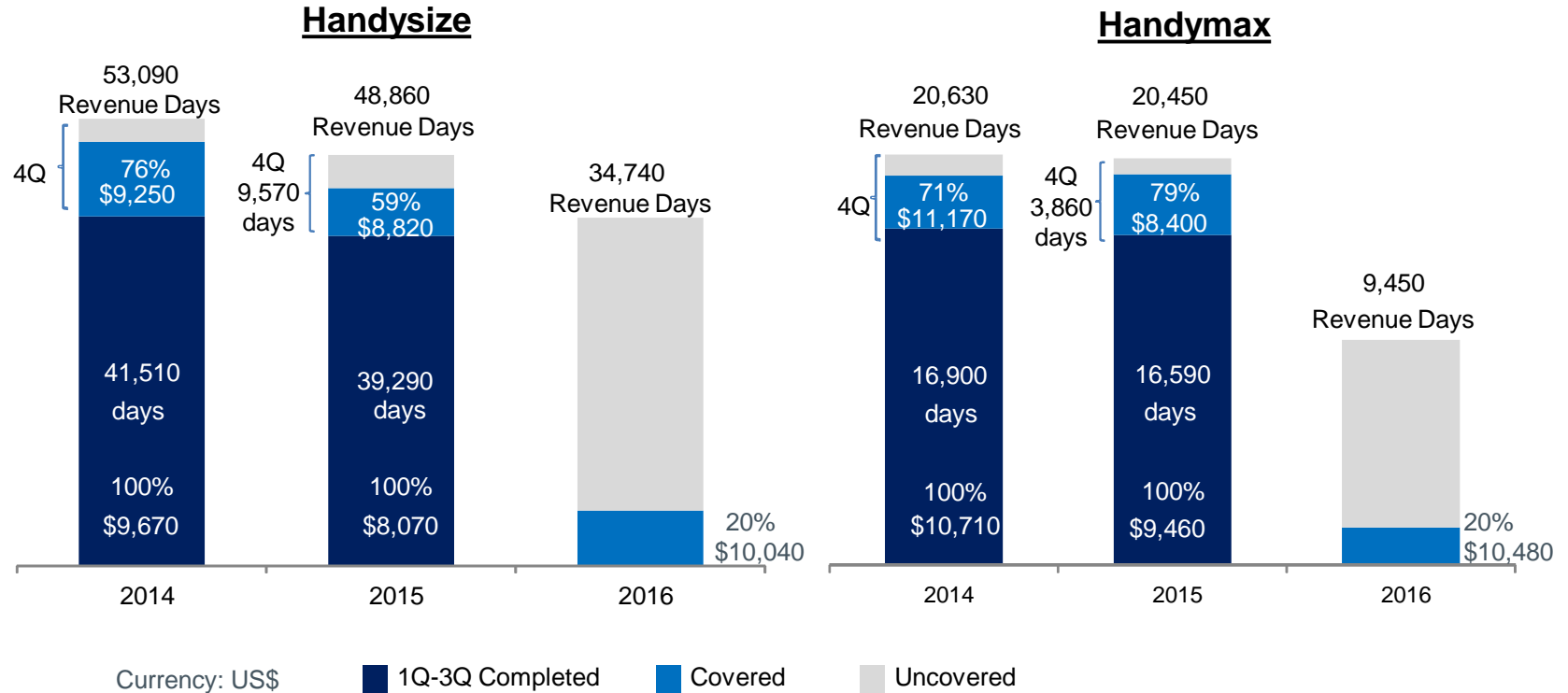
Cargo System Business Model – Outperforming Market Rates



- Experienced staff & global office network
富經驗的團隊及覆蓋全球的辦事處網絡
 - Large fleet of high-quality substitutable ships
龐大的高質素可互換貨船船隊
 - Large portfolio of cargo contracts & relationships
→ Direct end-user interaction
龐大的貨運合約組合及客戶關係
→ 直接面向客戶
 - High laden percentage (minimum ballast legs)
高裝載率 (低壓載率)
- Average premium last 5 years = US\$2,380/day
過去五年租金表現平均優於市場每日2,380美元



Pacific Basin Dry Bulk – Earnings Cover

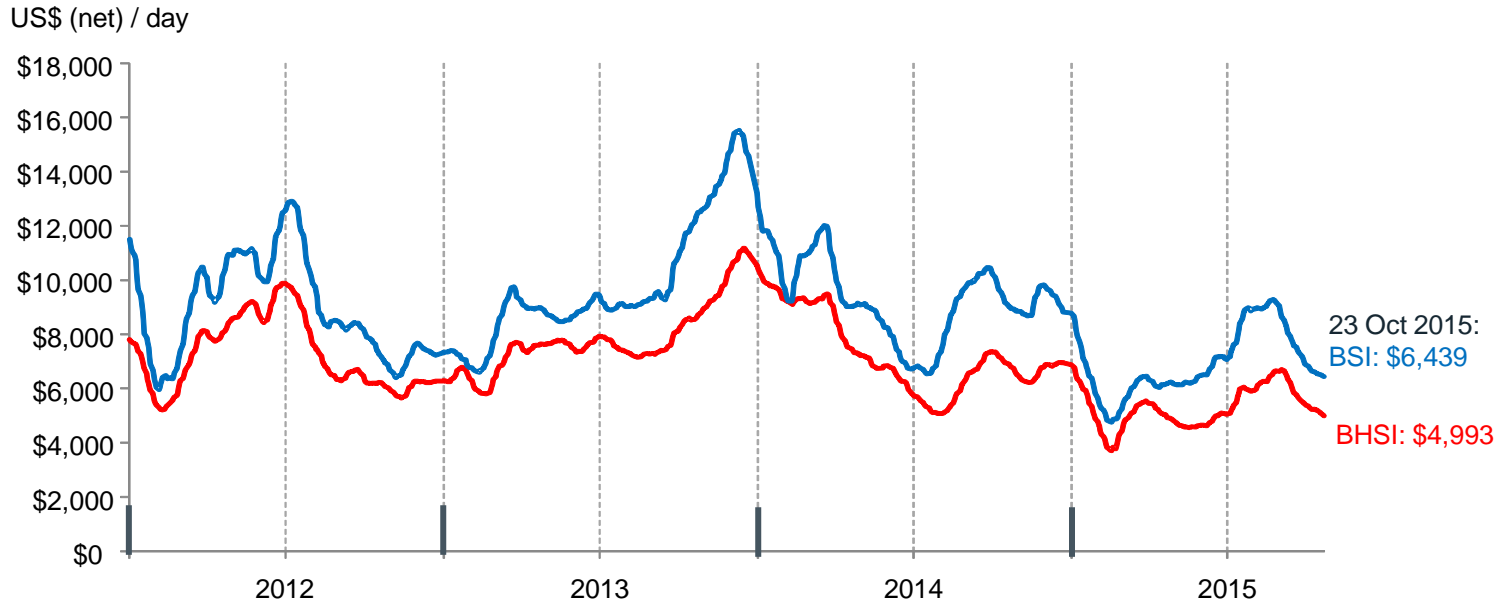


Comparative data shows cargo cover secured as at 30 Sep 2015 vs 10 Oct 2014
 Uncovered days excludes revenue days related to inward chartered vessels on index-linked rates

- About same % cover as last year but at lower rates/day
 訂約率與去年相若，但日均收入則較去年為低

Dry Bulk Spot Market

Baltic Handysize Index (BHSI) & Baltic Supramax Index (BSI)

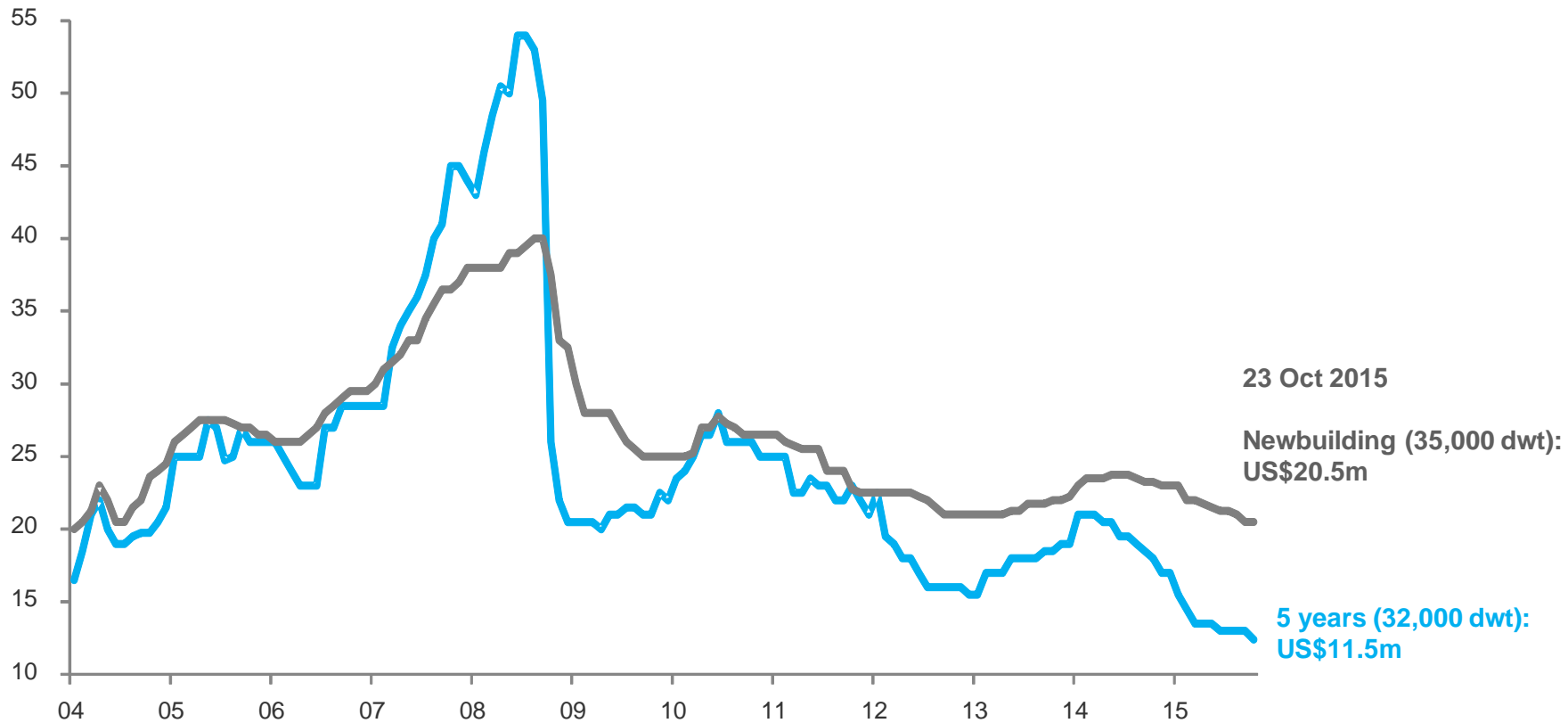


- QoQ improvement largely driven by healthier conditions in Atlantic on strong S. American agricultural exports
按季改善的主要原因是南美洲農產品出口強勁，帶動大西洋地區市況好轉
- Weak demand growth in Pacific largely due to continued slowdown in Chinese coal and iron ore imports
太平洋地區的需求增長疲弱，主要原因是中國的煤炭和鐵礦石進口量持續下降
- Rates reducing since early September as S. American grain season tapering off
9月初南美洲的季節性放緩致租金回落

Source: Baltic Exchange
* Net rates are net of 5% commission

Handysize Vessel Values

US\$ Million



- Second hand values substantially flat in recent months
二手貨船價值於近月大致沉寂

Source: Clarksons Platou

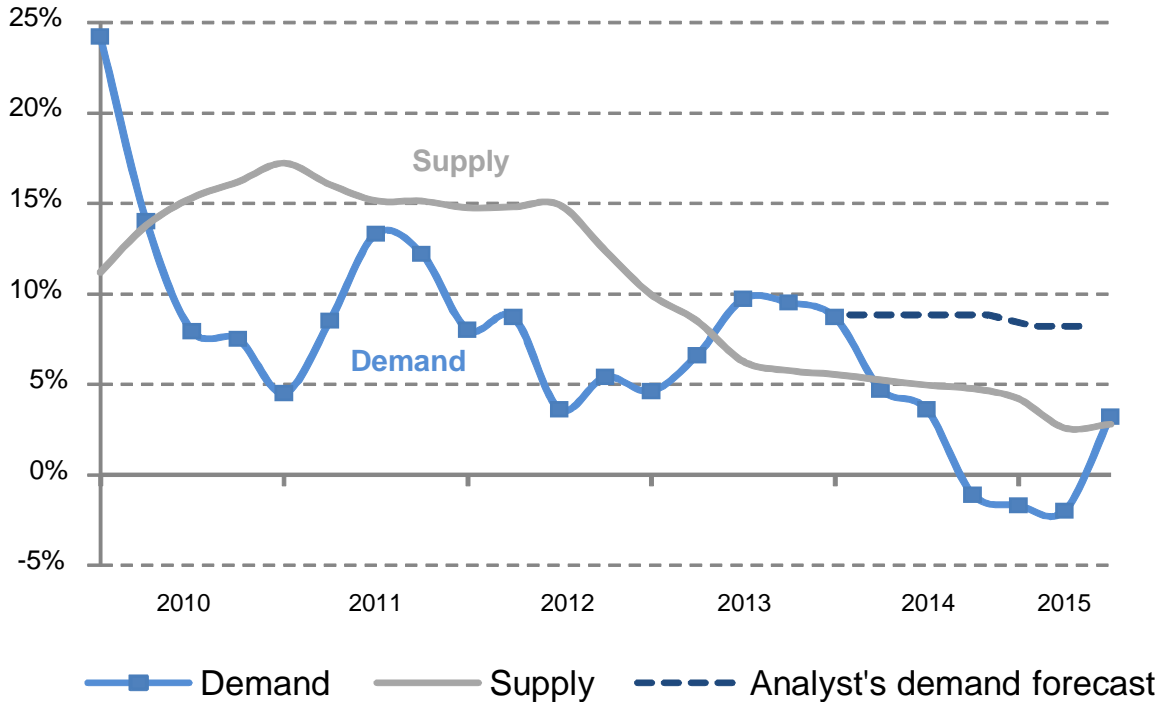
3Q15 Trading Update

6

With you for the long haul

Dry Bulk Supply & Demand

Quarterly YOY change %

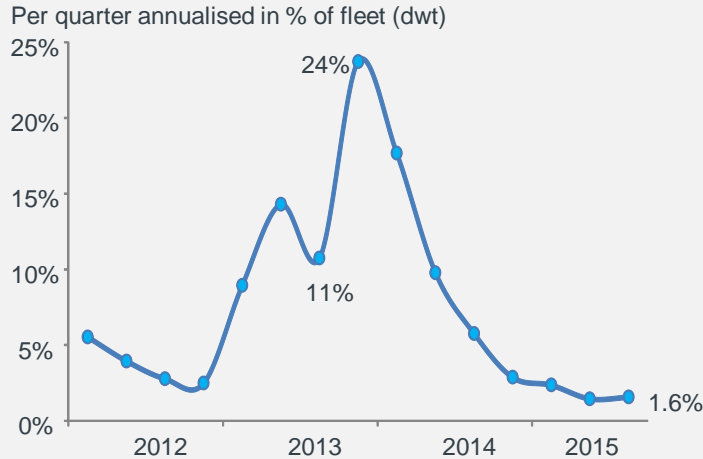


- Demand disappointment due primarily to much lower Chinese coal imports
 需求增長低於預期，主要受中國煤炭入口減少拖累

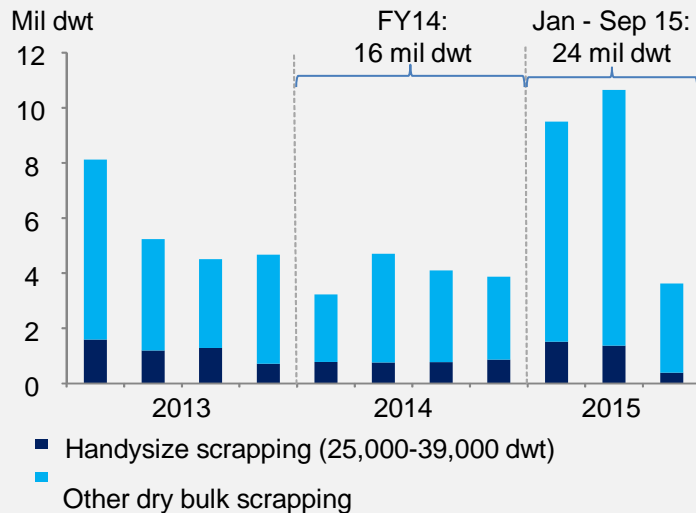


Dry Bulk Supply – Self Correcting Factors

New Vessel Ordering is Down



Increased Scrapping



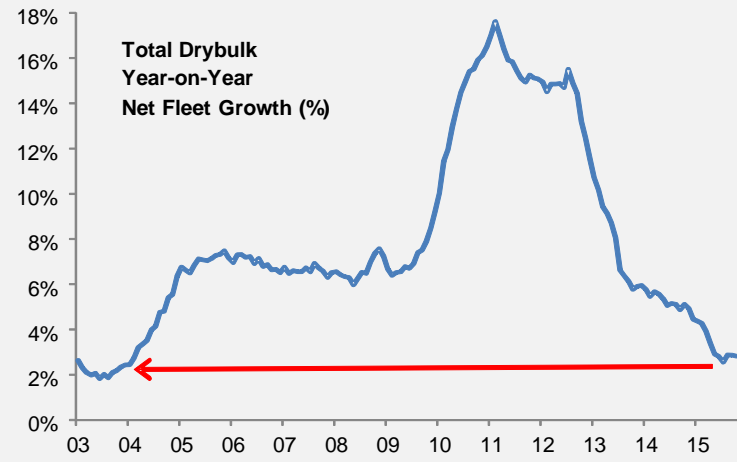
Number of Chinese yards delivering Handy bulk vessels decreased from 54 in 2012 to 21 in 2015

建造靈便型乾散貨船的中國造船廠數目自2012年的54間下降至2015年的21間

Delivery Slippage
實際新建造貨船交付數目較預期訂單少

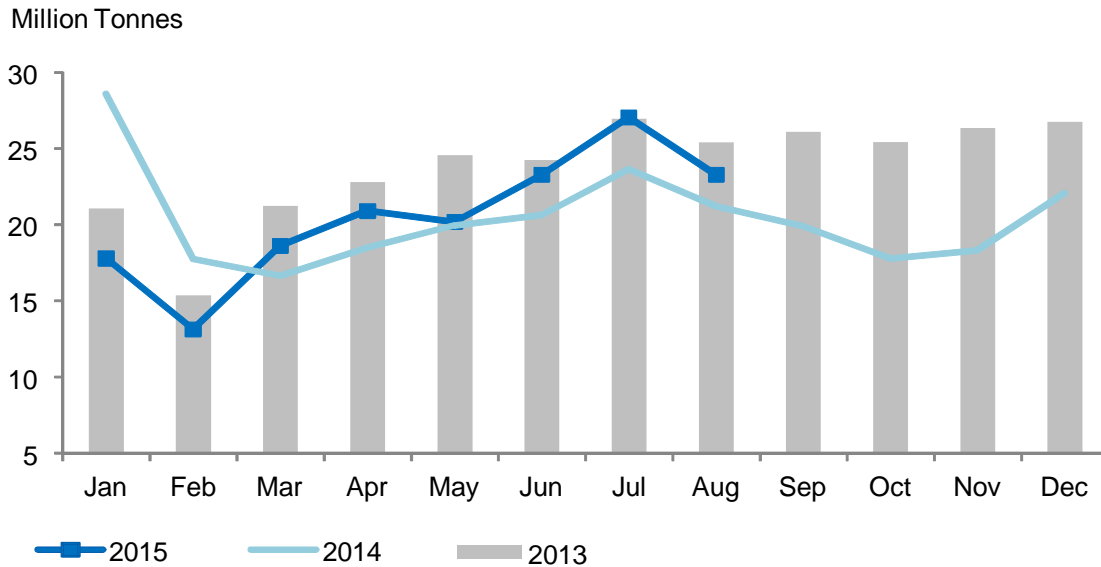
Orderbook Cancellations & Conversions
新建造貨船訂單取消或轉為其他船型

Fleet Growth is Reducing



- Expecting net fleet growth for 2015 of about 2.5%
預計2015年船隊淨增長為約 2.5%

Chinese Minor Bulk Imports



Chinese imports of 7 minor bulks including Logs, Soyabean, Fertiliser, Bauxite, Nickel, Copper Concentrates & Manganese Ore

These 7 commodities make up over one third of the cargo volumes we carry

- YTD Chinese imports of minor bulks down 2% yoy but growing since March to lend some support to demand for Handysize and Handymax ships
 本年至今中國小宗散貨進口量下降2%，但自3月起有所增長，有助於小靈便型及大靈便型乾散貨船的需求
 - Chinese imports of Bauxite increased YOY and soybeans and cereal grains are up substantially;
 中國的鐵鋁氧石進口量錄得按年上升，大豆和穀物的進口量亦大幅攀升；
 - Chinese steel exports also increased
 中國的鋼材出口量亦見上升



US\$m	PB Dry Bulk	PB Towage	30 Jun 15	31 Dec 14
Vessels & other fixed assets 貨船及其他固定資產	1,535	39	1,578	1,585
Total assets 資產總額	1,703	46	2,194	2,308
Total borrowings 貸款總額	930	-	930	1,000
Total liabilities 負債總額	1,144	9	1,199	1,306
Net assets 資產淨值	559	37	995	1,002
Net borrowings (total cash US\$392m) 借貸淨額 (已計入現金總額392,000,000美元)			538	636
Net borrowings to net book value of property, plant and equipment 借貸淨額相對物業、機器及設備賬面淨值比率			34%	40%

- Vessel average net book value: Handysize \$15.7m, 9.5 years
Handymax \$23.3m, 6.4 years
貨船平均賬面淨值：小靈便型乾散貨船15,700,000美元，平均船齡9.5年
大靈便型乾散貨船23,300,000美元，平均船齡6.4年
- KPI: net gearing below 50%
關鍵績效指標：淨負債比率低於50%

Note: Total includes other segments and unallocated
註：總額包括其他及未分配項目

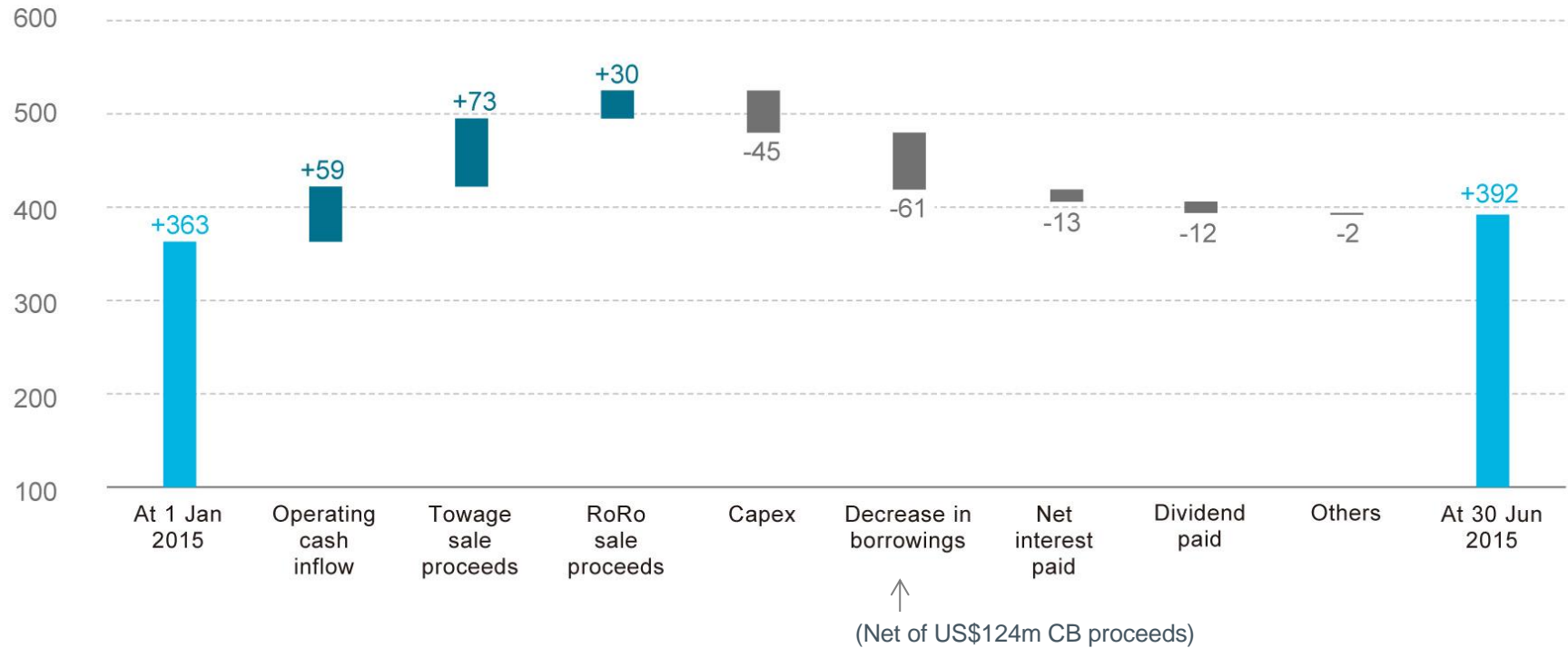
As at 30 June 2015

- Cash and deposits balance
- Cash inflow
- Cash outflow

Operating cash flow 經營所得現金流	US\$58.8m
EBITDA 稅息折舊及攤銷前溢利	US\$41.5m

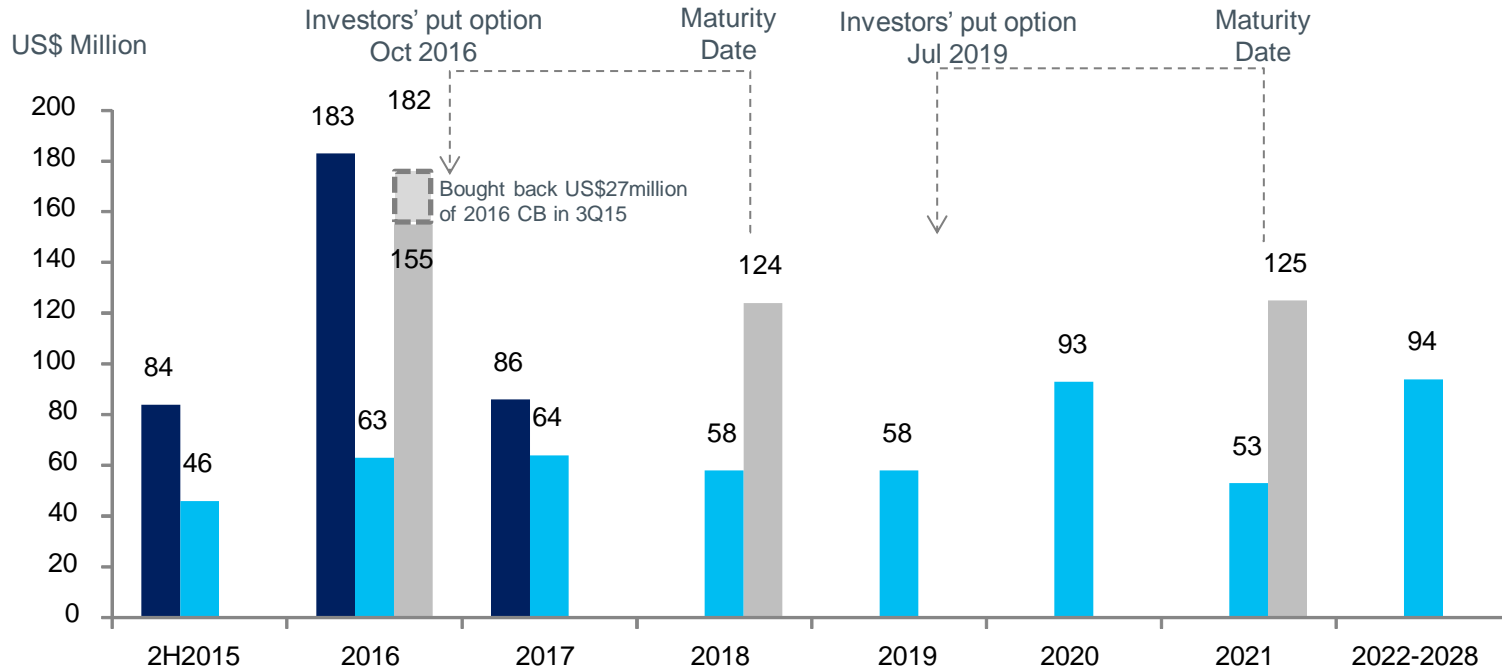
Sources and Uses of Group Cash Flow in 1H 2015

US\$ Million



Borrowings and Capex

As at 30 June 2015
(2016 CB updated as at 1 Oct 2015)



- Vessel capital commitments (US\$353 million)
- Bank borrowings (US\$513 million) & finance lease liabilities (US\$16 million due 2H 2015) – undrawn committed bank facilities US\$498m
- Convertible bonds, face value US\$404 million, book value US\$375 million
(as at 1 Oct 2015 after we bought back and cancelled 2016 CB with face value of US\$27.4 million in 3Q)



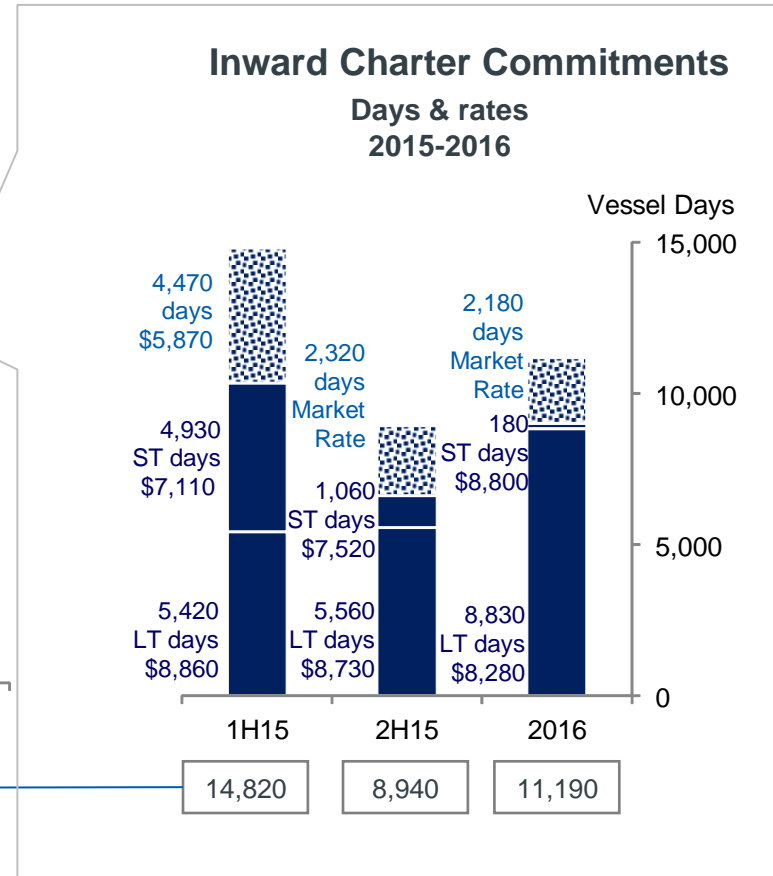
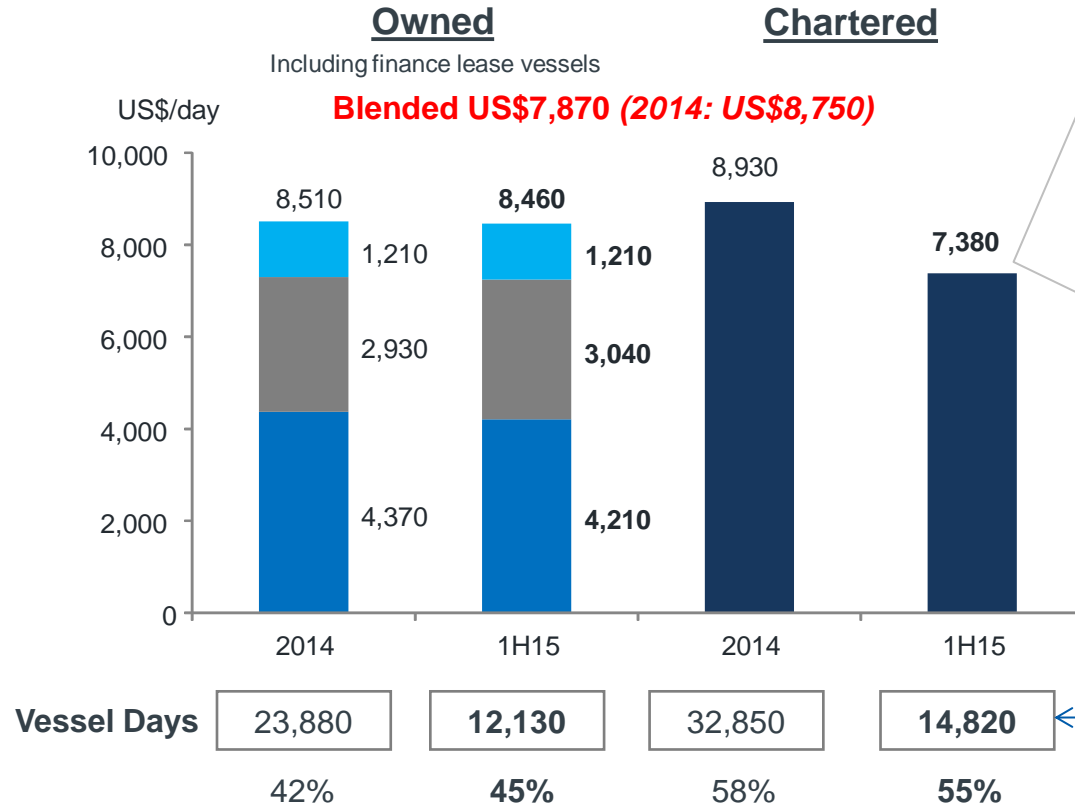
1H15 Daily Vessel Costs – Handysize

As in Interim Results

Pacific Basin

- Finance cost
- Charter-hire : Short-term (ST) / Long-term (LT)
- Depreciation
- Charter-hire : Index-linked
- Opex

As at 30 June 2015



- Direct overheads of US\$660/day
直接管理開支為每日660美元
- Note that cost of index linked vessels going up with rates in 3Q
與指數掛鈎貨船開支於第三季有所上升

* Chartered rates are shown net of provision



Pacific Basin

As in Interim Results

Our Increased Focus on Dry Bulk

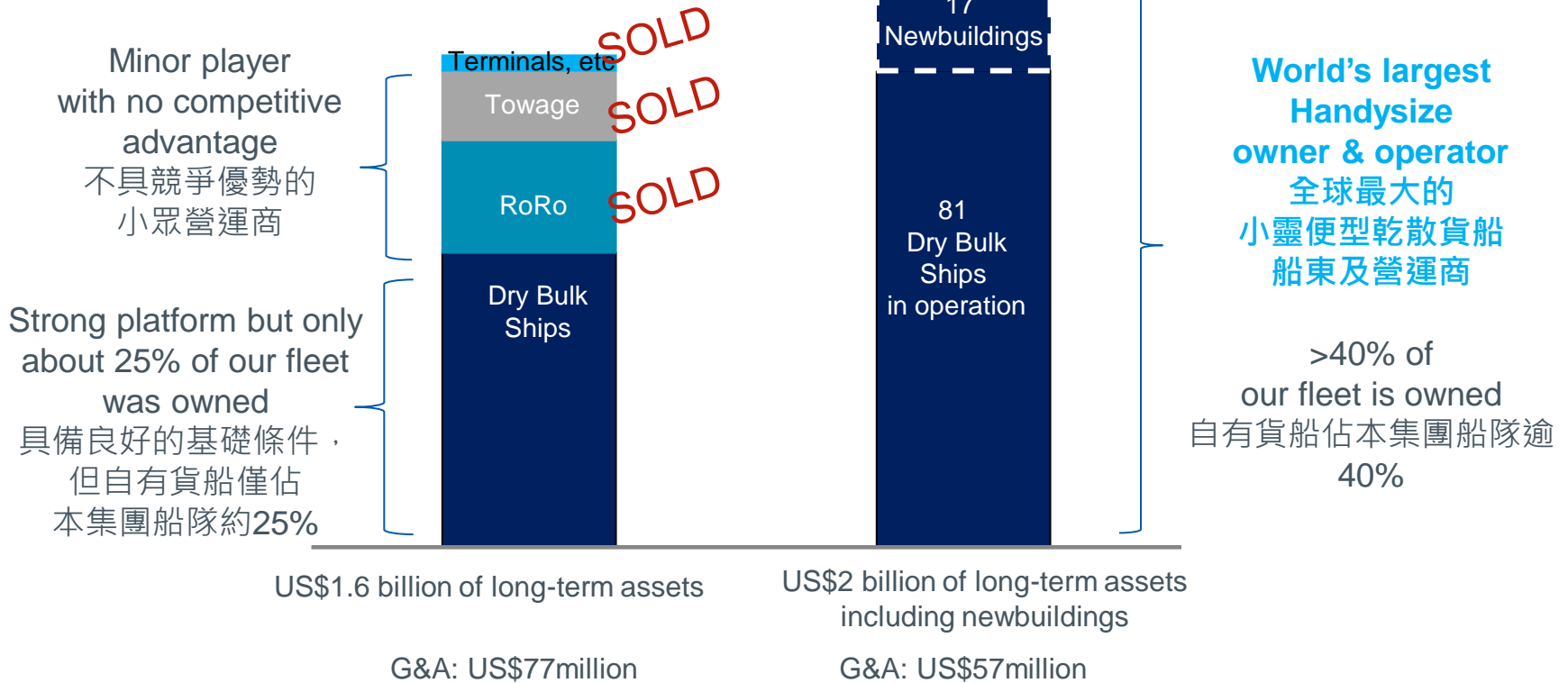
Early 2012

Four business units
四個業務分部

2015

Fully dry bulk focused
全力發展乾散貨船分部

US\$m





Dry Bulk Market and Strategy

Dry Bulk Market 乾散貨運市場

- Uncertain market situation - Oversupplied global fleet and reduced growth in dry bulk commodity demand – especially coal into China
市場因素不確定 – 全球船隊供應過剩及乾散貨商品需求增長放緩 – 尤其是中國的煤炭進口
- Scrapping, NB cancellations & postponements and very little new ordering are helping to mitigate supply growth
貨船報廢、新建造貨船訂單取消及延期交付、新船訂單增長輕微皆對限制供應增長有幫助

Strategy策略

- Fully focused on our world-leading Handy dry bulk business, now well structured and out of non-core
撤離非核心業務，全力集中發展於全球具領先地位及架構完善的靈便型乾散貨運核心業務專注發展
- Reduce costs, optimise our teams and fleet and cargo combinations
減少開支、善用我們的團隊及船隊、更好地組合我們的船隊和貨運合約
- Redelivering expiring and long-term chartered-in ships
歸還到期及長期的租賃貨船
- Relying more on owned ships, complemented by shorter-term and index-linked chartered ships
進一步依賴自有貨船，並輔助以開支較低的短期及與租金市場指數掛鈎的租賃貨船
- Managing our business for a continued weak market in the medium term, focused on safeguarding our positive EBITDA generation and cash position
我們將以中期市況持續疲弱的基礎管理業務，維持產生稅息折舊及攤銷前溢利的能力及穩健的現金狀況

Pacific Basin Benefits 太平洋航運之優勢

Now fully Handy focused
全力集中發展靈便型乾散貨運業務



Business Model → Premium
業務模式 → 表現較市場優勝



High-quality predominately
Japanese-built fleet
主要由日本建造的貨船所組成的高質素船隊



Experienced staff, globally
富經驗的團隊及覆蓋全球的辦事處



Access to Capital
集資渠道

→ Well positioned
於週期性行業中處於有利位置

This presentation contains certain forward looking statements with respect to the financial condition, results of operations and business of Pacific Basin and certain plans and objectives of the management of Pacific Basin.

Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of Pacific Basin to be materially different from any future results or performance expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding Pacific Basin's present and future business strategies and the political and economic environment in which Pacific Basin will operate in the future.

Our Communication Channels:

- **Financial Reporting**
 - Annual (PDF & Online) & Interim Reports
 - Voluntary quarterly trading updates
 - Press releases on business activities
- **Shareholder Meetings and Hotlines**
 - Analysts Day & IR Perception Study
 - Sell-side conferences
 - Investor/analyst calls and enquiries
- **Company Website - www.pacificbasin.com**
 - Corporate Information
 - CG, Risk Management and CSR
 - Fleet Profile and Download
 - Investor Relations:
 - financial reports, news & announcements, excel download, awards, media interviews, stock quotes, dividend history, corporate calendar and glossary



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Appendix: Pacific Basin Overview

- A leading dry bulk owner/operator of Handysize & Handymax dry bulk ships
- Flexible Pacific Basin Dry Bulk business model
 - Large fleet of uniform, interchangeable, modern ships
 - Mix of owned and long-term, short-term chartered ships
 - Operating mainly on long term cargo contract (COA) and spot basis
 - Diversified customer base of mainly industrial producers and end users
 - Extensive network of offices positions PB close to customers
- Also owning/operating offshore tugs and barges in the Middle East
- About 200 vessels serving major industrial customers around the world
- Hong Kong headquarters, 12 offices worldwide, 340 shore-based staff, 3,000 seafarers*
- Our vision: To be a shipping industry leader and the partner of choice for customers, staff, shareholders and other stakeholders

www.pacificbasin.com
Pacific Basin business principles



OUR LARGE VERSITILE FLEET

Fleet scale and interchangeable high-quality dry bulk ships facilitate service flexibility to customers, optimised scheduling and maximised vessel utilisation

In-house technical operations facilitate enhanced health & safety, quality and cost control, and enhanced service reliability and seamless, integrated service and support to customers

OUR MARKET LEADING CUSTOMER FOCUS & SERVICE

Priority to build and sustain long-term customer relationships

Solution-driven approach ensures accessibility, responsiveness and flexibility towards customers

Close partnership with customers generates enhanced access to spot cargoes and long-term cargo contract opportunities of mutual benefit



OUR STRONG CORPORATE & FINANCIAL PROFILE

Striving for best-in-class internal and external reporting, transparency and corporate stewardship

Robust balance sheet and strong track record sets us apart as a preferred counterparty

Hong Kong listing & location facilitates good access to capital

Responsible observance of stakeholder interests and our commitment to good corporate governance and CSR

DEPTH OF STAFF & GLOBAL OFFICE NETWORK

Integrated international service enhanced by experienced commercial and technical staff around the world

Being local facilitates clear understanding of and response to customers' needs and first-rate personalised service

Being global facilitates comprehensive market intelligence and cargo opportunities, and optimal trading and positioning of our fleet

Appendix: Pacific Basin Dry Bulk – 1H15 Performance

As in Interim Results

US\$ million	1H15	1H14
Dry Bulk net loss	(15.4)	(11.4)
▪ Handysize contribution	(0.6)	26.2
▪ Handymax contribution	10.4	(10.7)
▪ Post-Panamax contribution	2.7	2.7
▪ Direct overheads	(24.6)	(24.7)
▪ Indirect overheads	(3.3)	(4.9)
EBITDA	39.3	49.5
Vessel net book value	1,535	1,545

- 60% and 49% outperformance vs market rates (Handysize and Handymax)
- Positive turnaround in Handymax as concentrating on key trades
- Chartered in cost reduced by redelivery of medium & long-term charters, instead taking advantage of low cost short-term & index charters
- Maintained good control of our operating costs and intensified our efforts to reduce costs without compromising safety and customer service



Appendix: 2015 Interim Financial Highlights

As in Interim Results

US\$m	1H15	1H14
Pacific Basin Dry Bulk	(15.4)	(11.4)
PB Towage	1.4	(9.2)
Others	(0.6)	(0.9)
Underlying loss	(14.6)	(21.5)
▪ Unrealised derivative income/(expense)	16.7	(0.3)
▪ Sale of interests in bunker tanker joint venture	3.7	-
▪ Towage impairments and provisions	-	(63.9)
▪ RoRo exchange loss	-	(5.0)
Profit/(Loss) attributable to shareholders	5.8	(90.7)

- Dry bulk affected by one of the weakest ever dry bulk half-year periods
- We sold our 50% shares in our New Zealand bunker tanker for a US\$3.7m profit
- Our significant reduced Towage operation generated US\$1.4m profit



Appendix: 1H15 Pacific Basin Dry Bulk

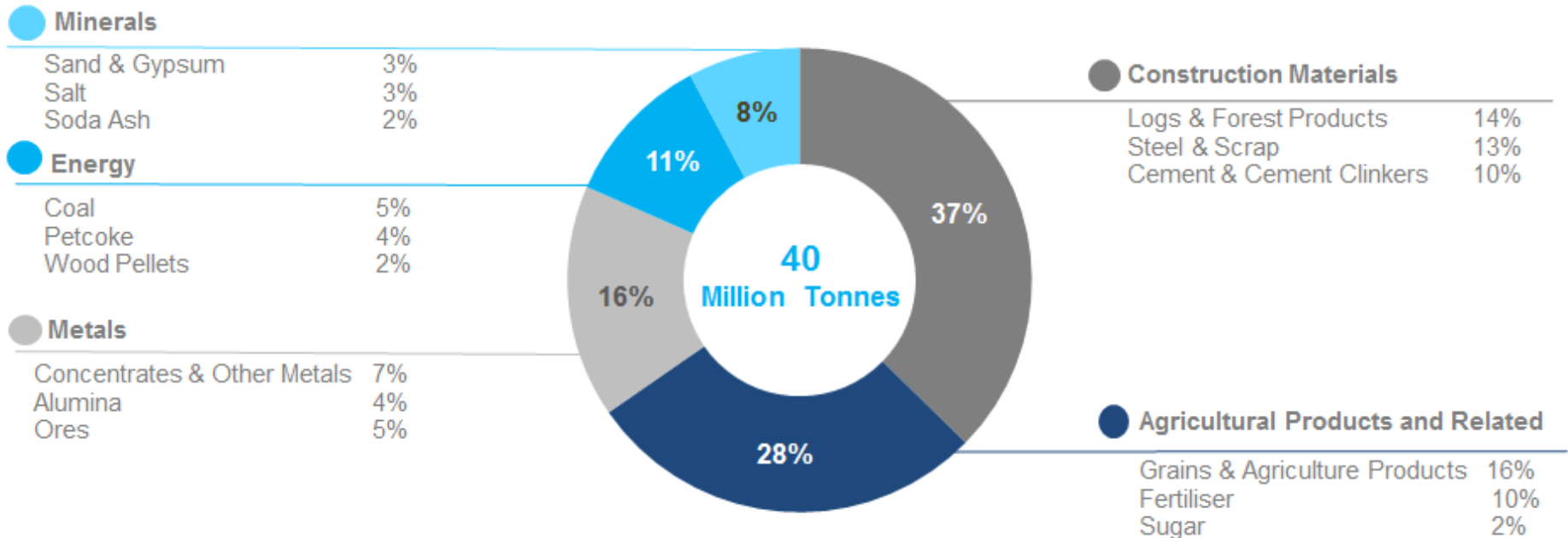
As in Interim Results

Handysize		1H15	1H14	Change
Revenue days	(days)	26,620	27,200	-2%
TCE earnings	(US\$/day)	7,940	10,210	-22%
Owned + chartered costs	(US\$/day)	7,870	9,120	+14%
Handysize contribution	(US\$m)	(0.6)	26.2	-102%
Handymax				
Revenue days	(days)	10,280	11,640	-12%
TCE earnings	(US\$/day)	9,350	11,100	-16%
Owned + chartered costs	(US\$/day)	8,330	11,890	+30%
Handymax contribution	(US\$m)	10.4	(10.7)	+198%

- Reduction in Handymax days reflected changed strategy with tighter trade areas
- Weak market condition impacted both Handysize and Handymax TCE
- Redelivering of high cost Handymax charters

Appendix: Pacific Basin Dry Bulk – Diversified Cargo

Our Dry Bulk Cargo Volume in 3Q15



- Diverse range of commodities reduces product risk
- China and North America were our largest market
- 60% of business in Pacific and 40% in Atlantic

More than
400 customers!

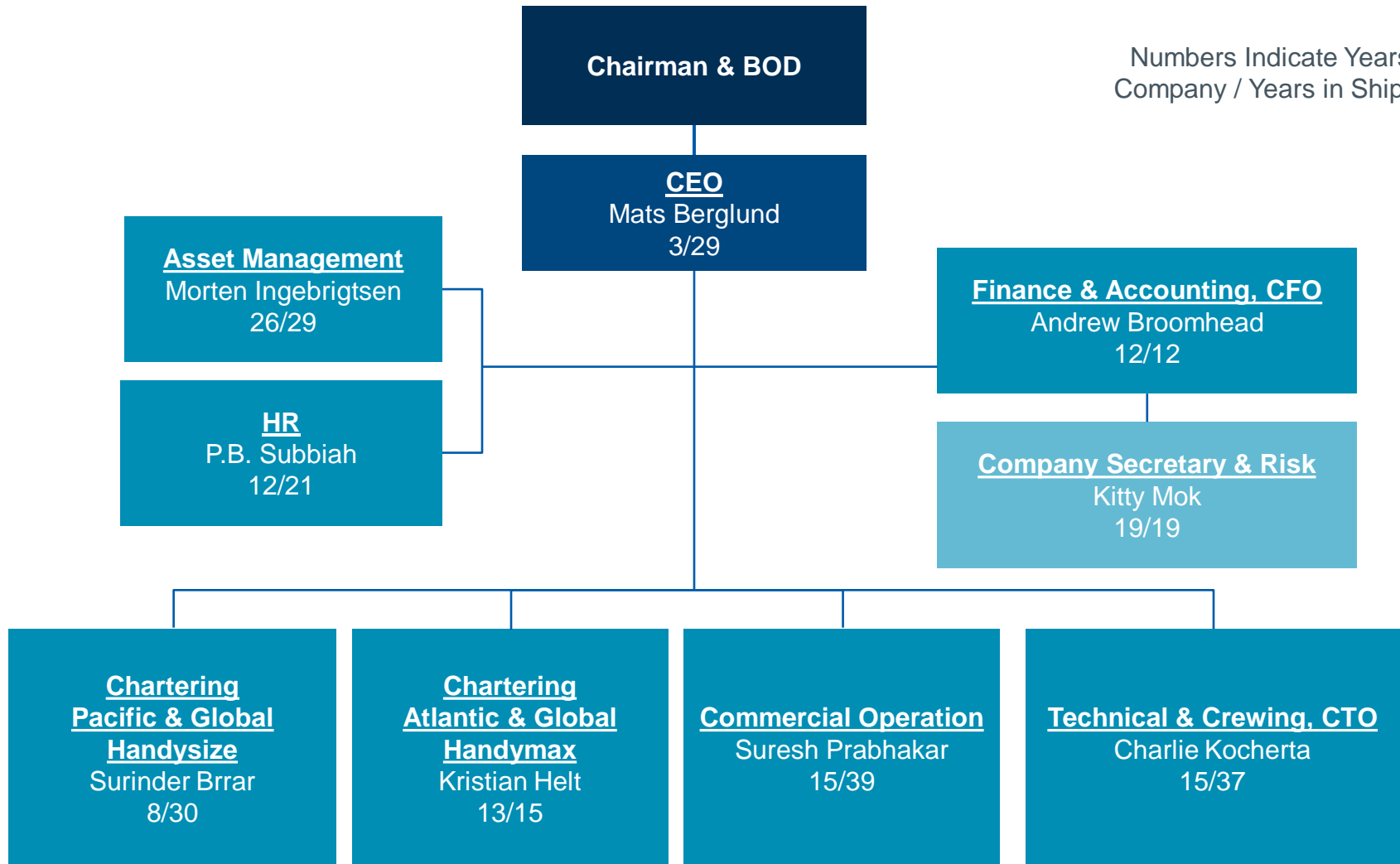
Appendix: Fleet List – 30 September 2015



	Vessels in operation			Newbuildings on order			Total
	Owned	Chartered	Total	Owned	Chartered	Total	
Dry Bulk Fleet							
Handysize	66	72	138	10	6	16	154
Handymax	16	59	75	5	1	6	81
Post-Panamax	1	1	2	-	-	-	2
Total Dry Bulk Vessels	83	132	215*	15	7	22	237
Towage							
Tugs	13	1	14	-	-	-	14
Barges	6	-	6	-	-	-	6
Other PB Towage Vessels	-	1	1	-	-	-	1
Total Towage Vessels	19	2	21	-	-	-	21
Grand Total	102	134	236	15	7	22	258

* Dry bulk fleet in operation defined as: number of owned ships at 30 September + average number of chartered ships in full month of September

Appendix: Experienced Management - Team



- **Applying sustainable thinking in our decisions and the way we run our business**
- **Creating long-term value through good corporate governance and CSR**

Corporate Social Responsibility (CSR)

- Guided by strategic objectives on (i) workplace practices (primarily safety), (ii) the environment, and (iii) our communities (where our ships trade and our people live and work)
- Active approach to CSR, with KPIs to measure effectiveness
- Reporting follows SEHK's ESG Reporting Guide
- Disclosure also through CDP, HKQAA, CFR for HK-listed companies

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CSR report



Corporate Governance & Risk Management

- Adopted recommended best practices under SEHK's CG Code (with quarterly trading update)
- Closely integrated Group strategy and risk management
- Transparency priority
- Stakeholder engagement includes in-depth customer and investor surveys
- Risk management committee interaction with management and business units
- Integrated Reporting following International <IR> Framework of IIRC

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Corporate Governance



- Towage activities significantly reduced after sale of harbour towage business and our shareholding in OMSA
- About US\$3.7m gain on disposal of our share in a bunker tanker

Middle East:

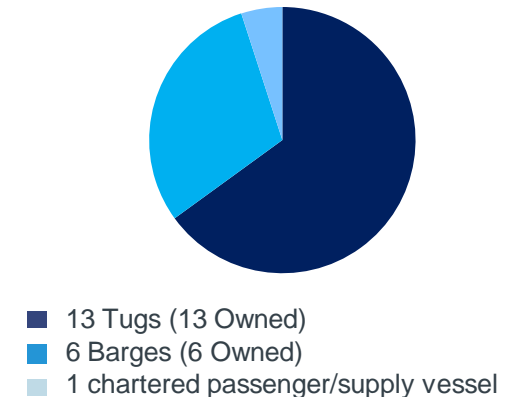
- Remaining towage assets are operating in the oil and gas and construction sectors in ME
- Low charter rates due to low oil price environment but partly offset by continued demand for tug and barge activity in offshore construction and land reclamation projects in UAE and Qatar

Australasia:

- Two chartered-in vessels will redeliver later this year
- Remaining small tugs and barges in Australia are idle and being considered for sale
- Administrator's efforts to sell WDR have been unsuccessful - WDR announced bankruptcy in April 2015 with no likelihood of returns to unsecured creditors

	1H15 US\$ million
Towage net profit	1.4
EBITDA	2.2

PB Towage Fleet: 20 vessels
(as at 1 Sep 2015)





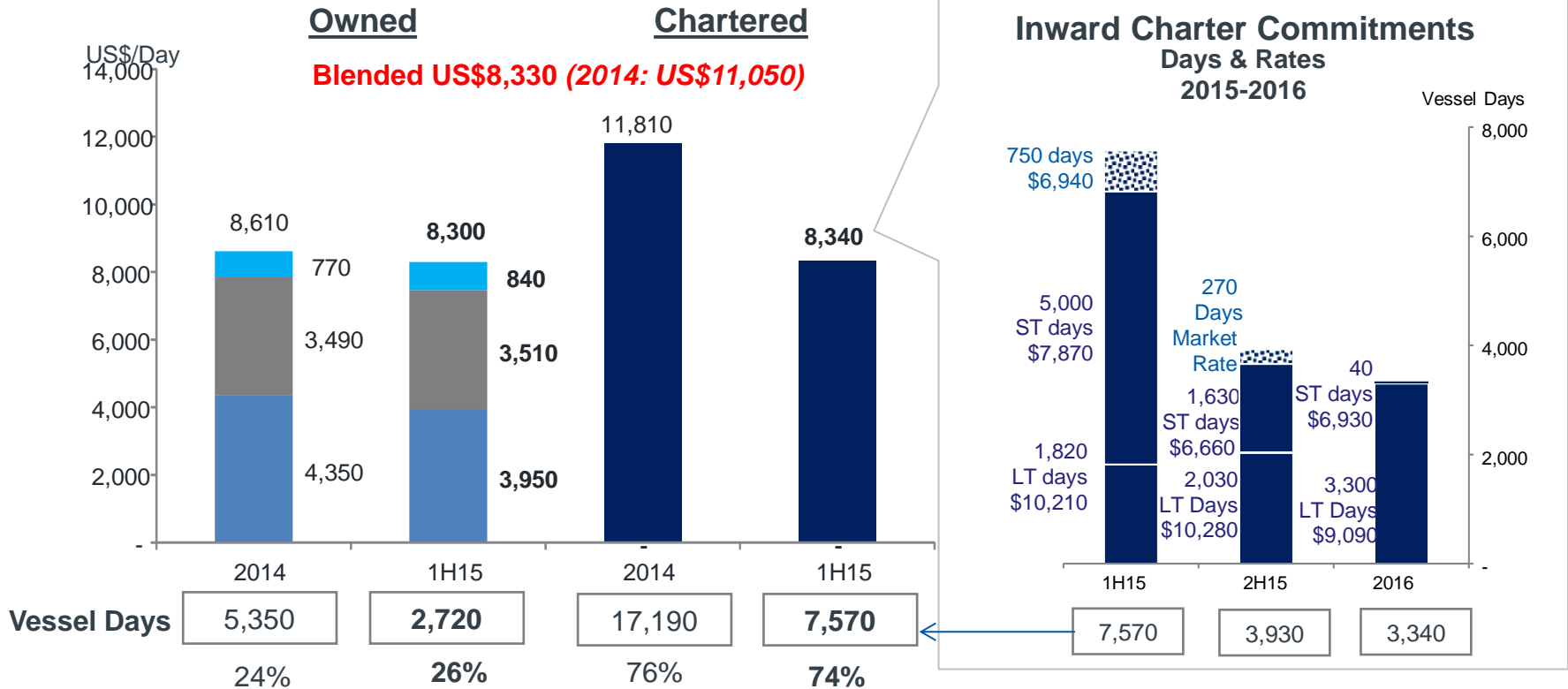
Appendix: 1H15 Daily Vessel Costs – Handymax

As in Interim Results

Pacific Basin

- Finance cost
- Charter-hire : Short-term (ST) / Long-term (LT)
- Depreciation
- Charter-hire : Index-linked
- Opex

As at 30 June 2015



- Direct overheads of US\$660/day
- Note that cost of index linked vessels going up with rates in 3Q

* Chartered rates are shown net of provision

Appendix: Vessel Operating Lease Commitments

As in Interim Results

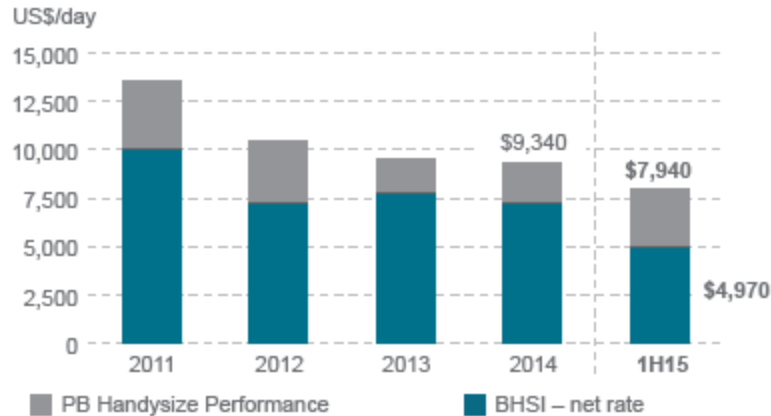
As at 30 June 2015

	1H2015		2H2015		2016	
	Vessel Days	Average daily rate (US\$)	Vessel Days	Average daily rate (US\$)	Vessel Days	Average daily rate (US\$)
Handysize						
Long-term (> 1 year)	5,420	8,860	5,560	8,730	8,830	8,280
Short-term	4,930	7,110	1,060	7,520	180	8,800
Index-linked	4,470	5,870	2,320	Market rate	2,180	Market rate
Total	14,820	7,380	8,940		11,190	
Handymax						
Long-term (> 1 year)	1,820	10,210	2,030	10,280	3,300	9,090
Short-term	5,000	7,870	1,630	6,660	40	6,930
Index-linked	750	6,940	270	Market rate	–	Market rate
Total	7,570	8,340	3,930		3,340	

Performance vs Market **KPI**

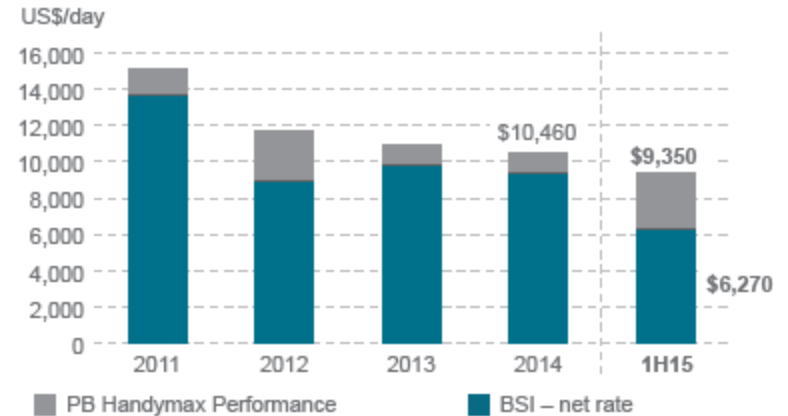
Handysize

60% 1H2015
outperformance compared to market



Handymax

49% 1H2015
outperformance compared to market

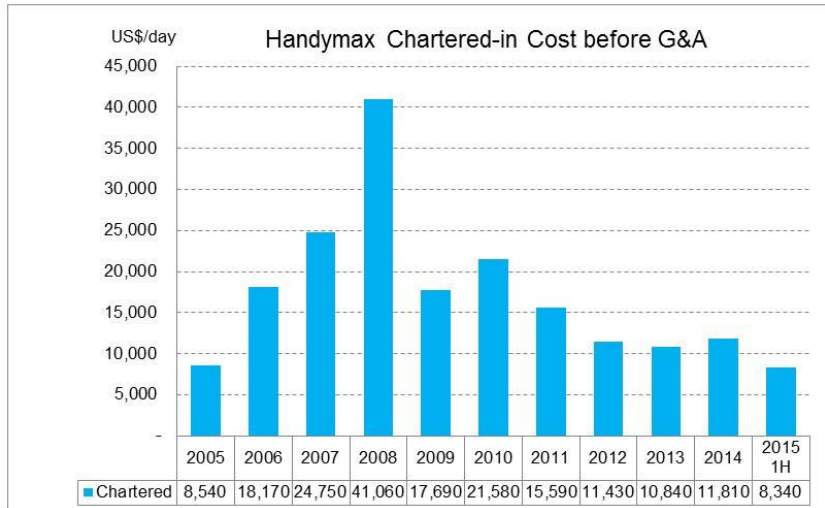
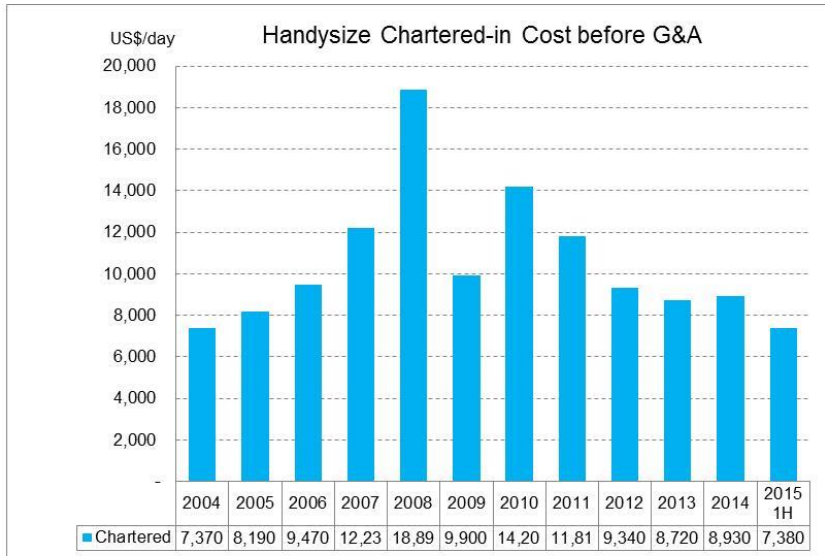
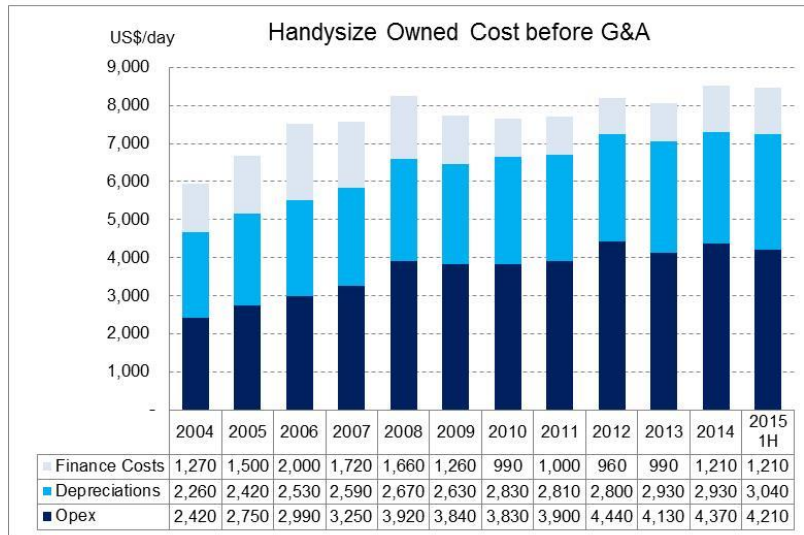


- Our 60% and 49% outperformance in first half 2015 compared to spot market indices reflects the value of our fleet scale and cargo book, and our ability to optimise cargo combinations and match the right ships with the right cargoes

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Annual Report – Key Performance Indicators

Appendix: Historical Owned and Chartered-in Cost

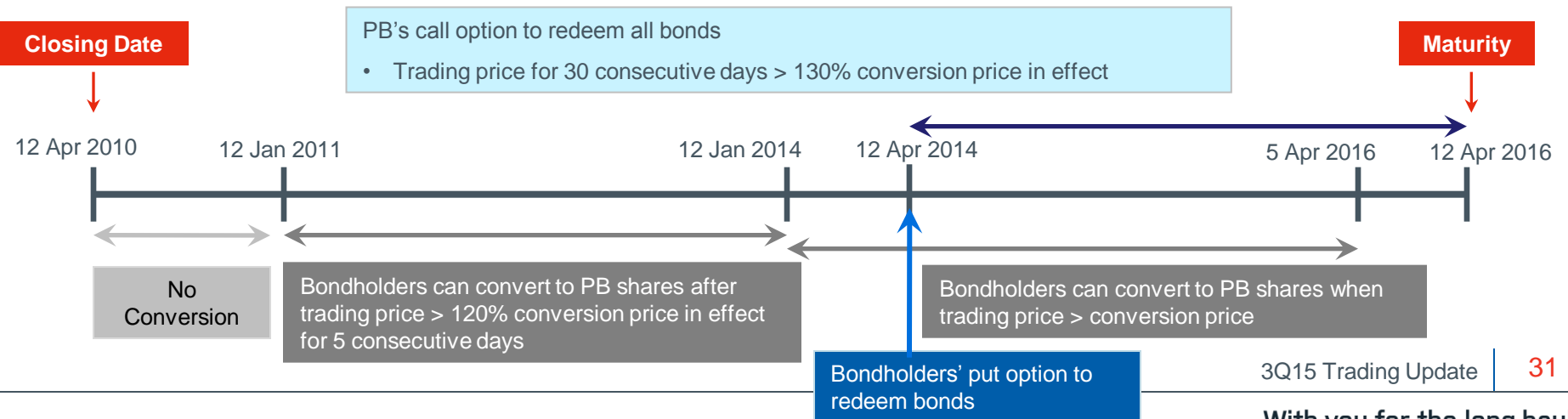
As in Interim Results



Appendix: Convertible Bonds Due 2016

Issue size	US\$230 million (US\$20.5m face value put back and repaid on 14 April 2014; Remaining: US\$210m)	
Maturity Date	12 April 2016 (6 years)	
Investor Put Date and Price	12 April 2014 (4 years) at par	
Coupon	1.75% p.a. payable semi-annually in arrears on 12 April and 12 October	
Redemption Price	100%	
Initial Conversion Price	HK\$7.98 (Current conversion price: HK\$ 6.97 with effect from 27 April 2015)	
Conversion Condition	Before 11 Jan 2011:	No Conversion is allowed
	12 Jan 2011 – 11 Jan 2014:	Share price for 5 consecutive days > 120% conversion price
	12 Jan 2014 – 5 Apr 2016:	Share price > conversion price
Intended Use of Proceeds	To purchase the 3.3% Existing Convertible Bonds due 2013, then redeem the 2013 Convertible Bonds (now all redeemed & cancelled)	
Conditions	<ul style="list-style-type: none"> Shareholders' approval at SGM to approve the issue of the New Convertible Bonds and the specific mandate to issue associated shares. If the specific mandate is approved by the shareholders at the SGM, the Company would not pursue a new general share issue mandate at the forthcoming AGM on 22 April 2010 	

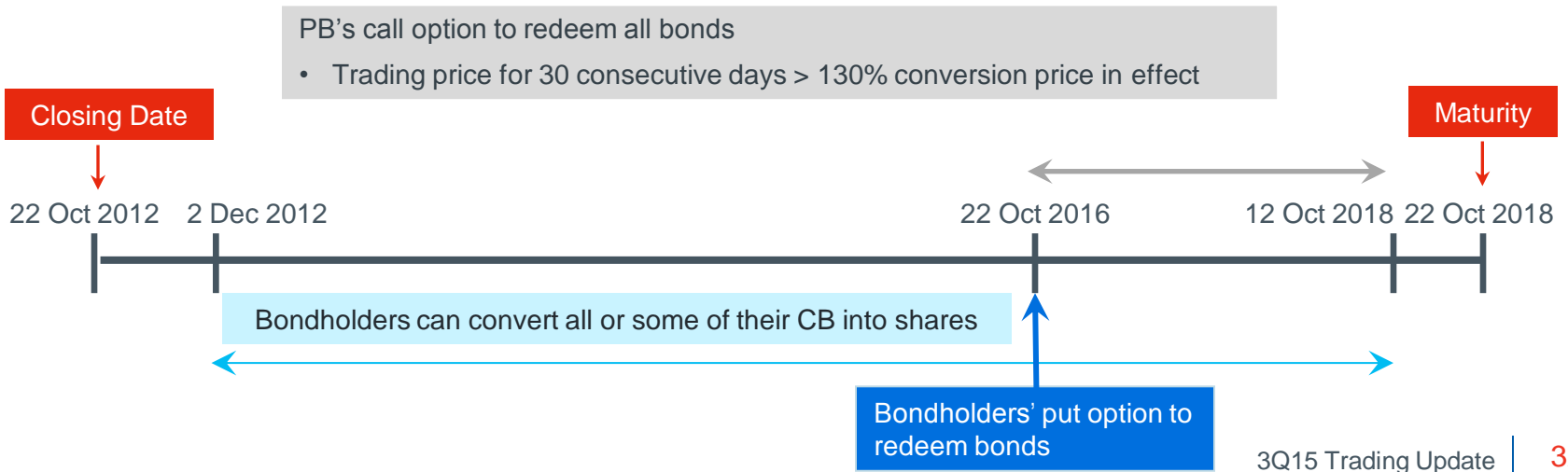
Conversion/redemption Timeline



Appendix: Convertible Bonds Due 2018

Issue size	US\$123.8 million
Maturity Date	22 October 2018 (6 years)
Investor Put Date and Price	22 October 2016 (4 years) at par
PB's Call Option	1) Trading price for 30 consecutive days > 130% conversion price in effect 2) >90% of Bond converted / redeemed / purchased / cancelled
Coupon	1.875% p.a. payable semi-annually in arrears on 22 April and 22 October
Redemption Price	100%
Initial Conversion Price	HK\$4.96 (current conversion price: HK\$4.75 with effect from 27 April 2015)
Intended Use of Proceeds	To acquire additional Handysize and Handymax vessels, as well as for general working capital

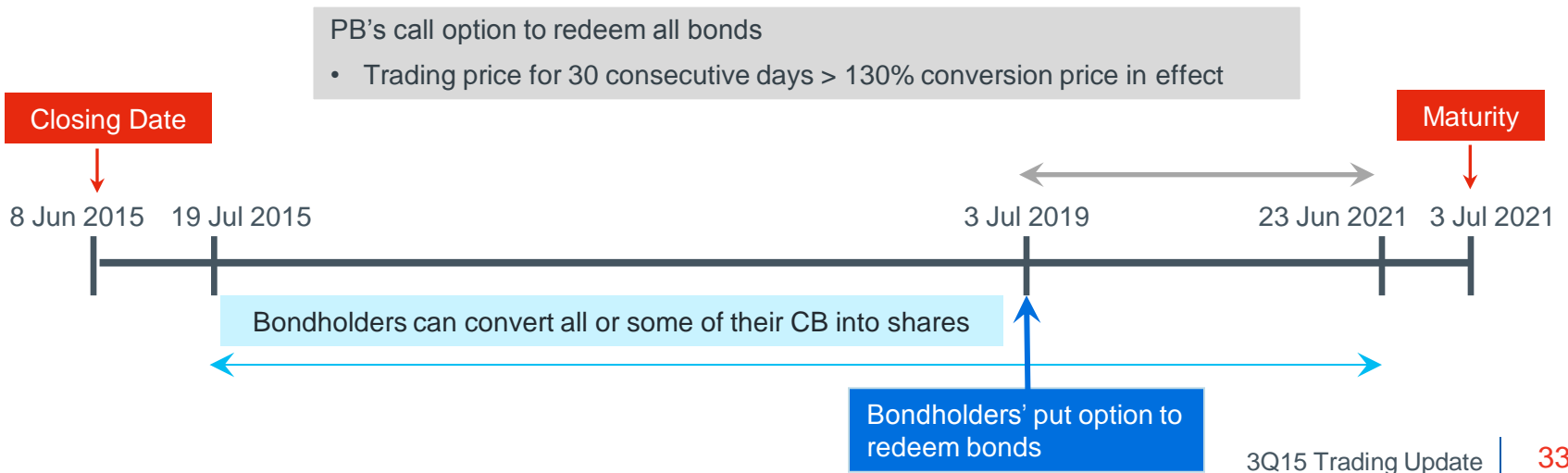
Conversion/redemption Timeline



Appendix: Convertible Bonds Due 2021





Issue size	US\$125 million
Maturity Date	3 July 2021 (approx. 6 years)
Investor Put Date and Price	3 July 2019 (approx. 4 years) at par
Coupon	3.25% p.a. payable semi-annually in arrears on 3 January and 3 July
Redemption Price	100%
Initial Conversion Price	HK\$4.08
Intended Use of Proceeds	To maintain the Group's balance sheet strength and liquidity and to continue to proactively manage its upcoming liabilities, including its Existing Convertible Bonds, as well as for general working capital purposes
Conditions	Shareholders' approval at a SGM to approve the issue of the new Convertible Bonds and the issue of new shares upon conversion of the new Convertible Bonds.


Conversion/redemption Timeline



Appendix: Understanding Our Core Market

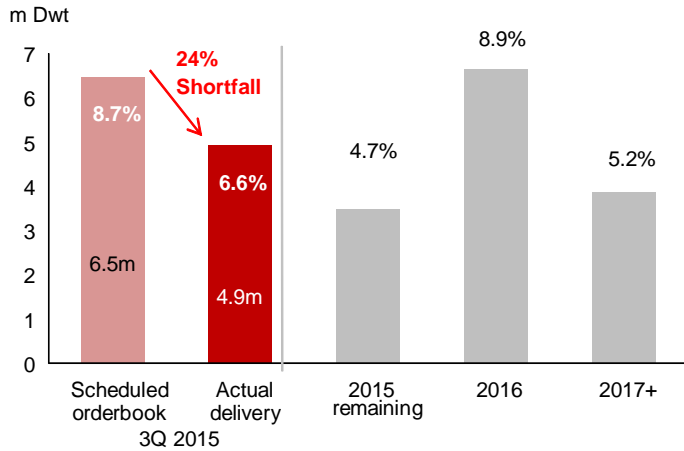
**Our
Focus**

Bulk Carrier Ship Types			Percentage of Global Dry Bulk Capacity	Versatility	Main Commodities Carried
Major bulks without cranes		Capesize 120,000+ dwt	40%	Less Versatile	Major Bulks <ul style="list-style-type: none"> • Iron ore • Coal • Grains
		Panamax & Post-Panamax 65,000-120,000 dwt	28%		
Minor bulks with cranes		Handymax 40,000-65,000 dwt	22%	More Versatile	Minor Bulks <ul style="list-style-type: none"> • Logs & Forest Products • Agriculture Products • Fertiliser • Cement & Cement Clinker • Bauxite • Alumina • Dyes • Steel & Scrap • Concentrates • Salt • Coal/Coke • Petcoke • Sugar • Other Bulks
		Handysize 25,000-40,000 dwt	10%		

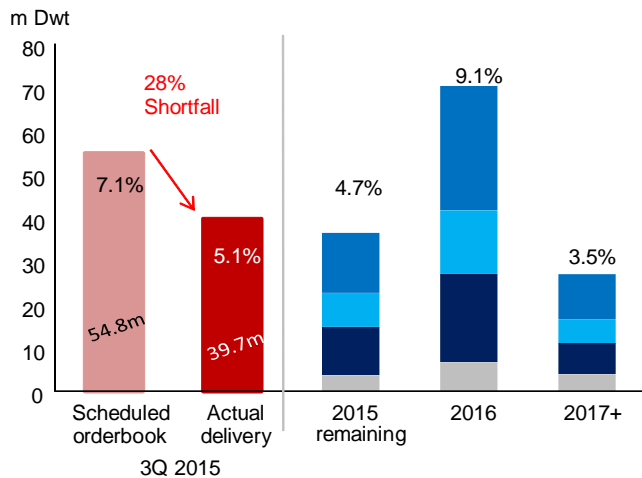

Few ports, few customers, few cargo types, low scope for triangulation
Many ports, many customers, many cargo types, high scope for triangulation





Appendix: Dry Bulk Supply

Handysize Orderbook 379 vessels (13.9m dwt)



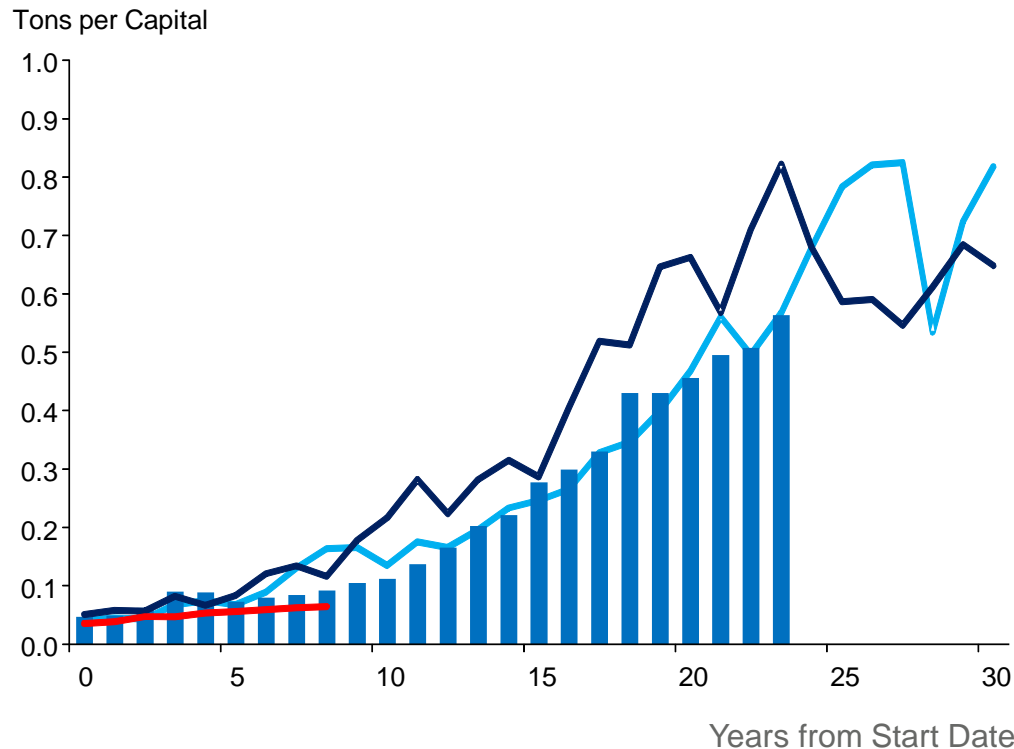
Total Dry Bulk Orderbook 1,644 vessels (133.7m dwt)



	Orderbook as % of Existing Fleet	Average Age	Over 25 Years	Scrapping as % of Existing Fleet (Annualised)
 Handysize (25,000-39,999 dwt)	19%	9	8%	6%
 Handymax (40,000-64,999 dwt)	22%	8	3%	2%
 Panamax (65,000-119,999 dwt)	13%	8	2%	3%
 Capesize (120,000+ dwt)	18%	7	1%	6%
Total Dry Bulk >10,000 dwt	17%	9	3%	4%

Appendix: China at Post Industrialisation Stage

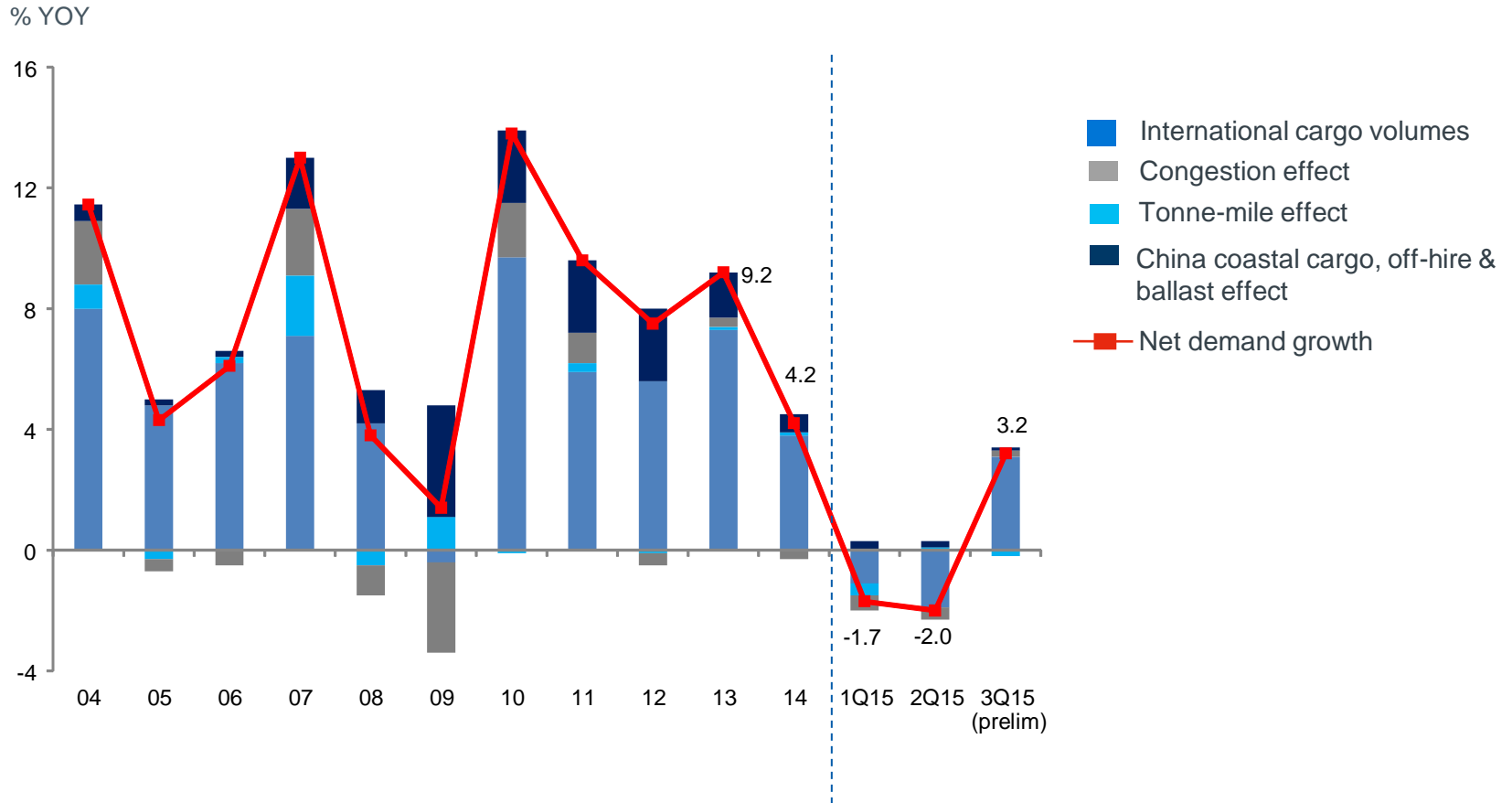
Steel Consumption Per Capita



- China growth matches historical trend in Japan and Korea
- Suggests strong growth in dry bulk segment to remain for medium term
- Similar trend for electricity and cement

■ China (from 1990)
 ■ Japan (from 1950)
 ■ Korea (from 1970)
 ■ India (from 2005)

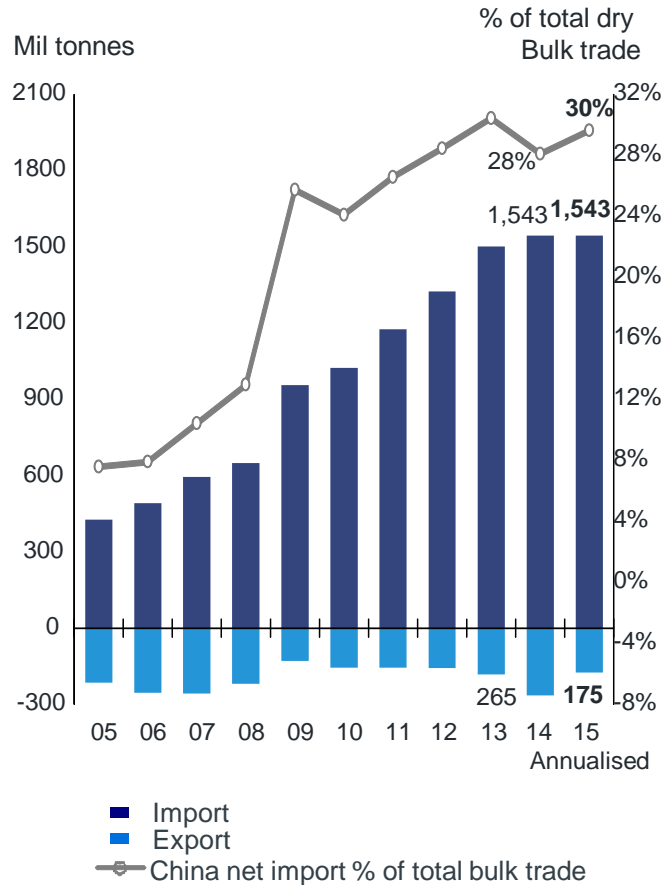
Appendix: Dry Bulk Effective Demand



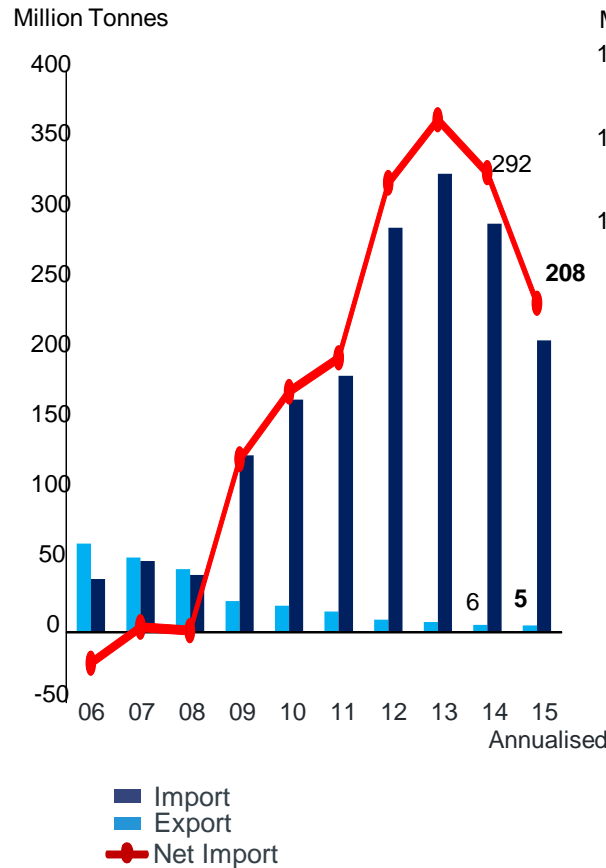
Source: Clarksons. Platou

Appendix: China Dry Bulk Trade, Iron Ore & Coal Demand

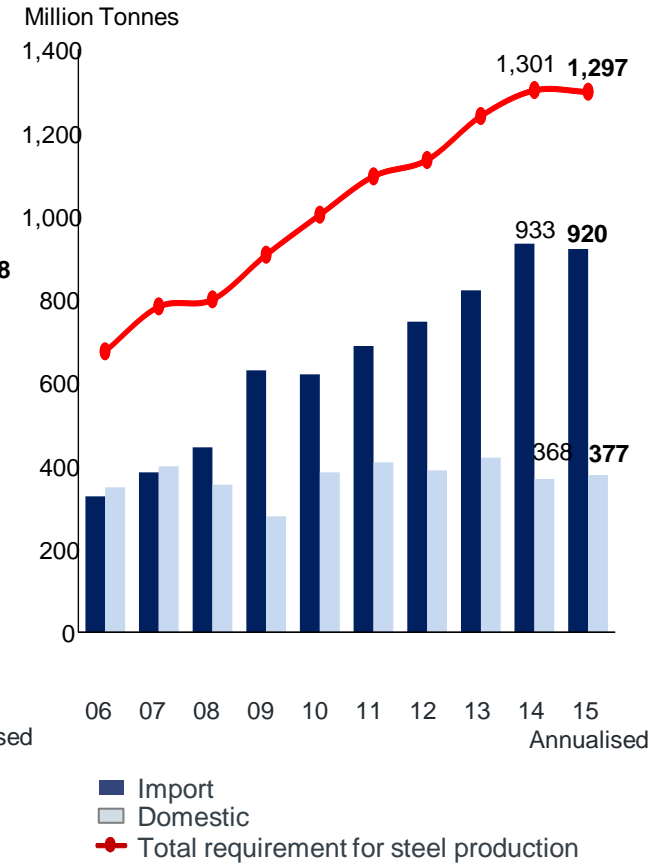
Chinese Dry Bulk Trade Volume



China Coal Net Import



China Iron Ore Sourcing for Steel Production



Source: Clarksons Platou, Bloomberg