Pacific Basin

1Q 2013 Trading Update

18 April 2013

2013 First Quarter Highlights

Pacific Basin Dry Bulk

- PB Handysize vessel earnings outperformed the weak first quarter market
- Spot market Handysize rates averaged US$6,530/day net

	1Q13 Achieved	2Q-4Q13 Forward Cover
PB Handysize	US$8,820/day	50% at US$9,500/day
PB Handymax	US$9,930/day	68% at US$11,070/day

- Global Handysize fleet registered zero net capacity growth in 1Q
  - significant newbuilding deliveries offset by high scrapping
- Purchased 9 secondhand vessels and chartered-in 10 ships long-term charters since Sep 2012
- Looking for more opportunities to buy and charter both new and secondhand ships

PB Towage

- Increased stake in OMSA JV reflecting our confidence in OMSA and Australia's offshore gas sector
- Finalising plans to open a harbour towage operation in Newcastle in mid-2013

Financing

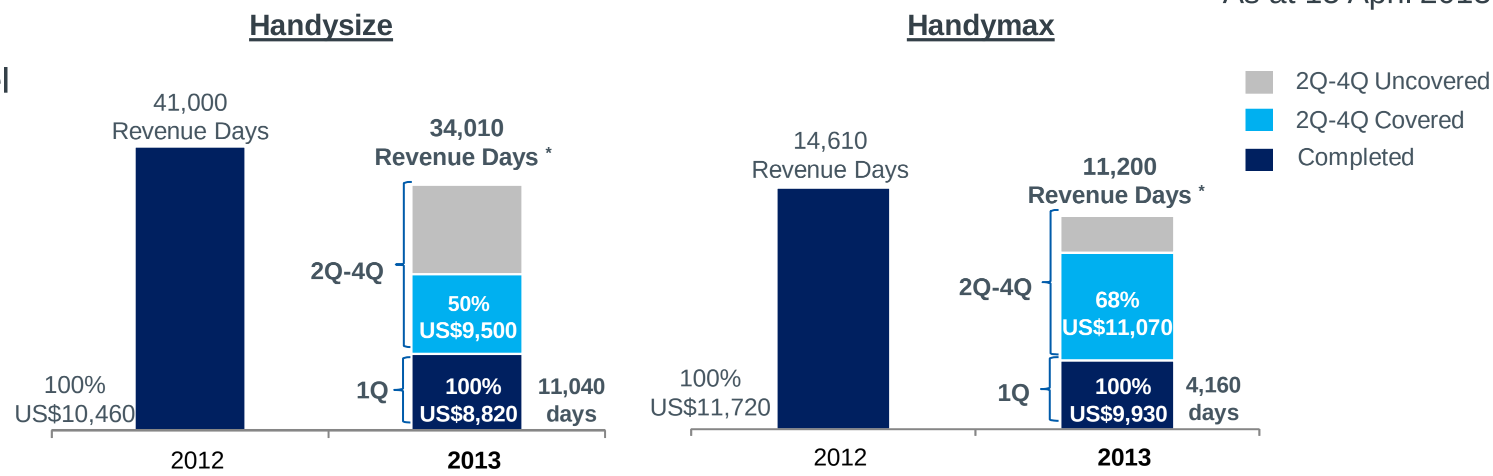
- Secured an US$85m, 12-year Japanese export credit agency loan, relating to 4 Japanese-built dry bulk vessels to be delivered by mid-2014
- Balance sheet remains strong

Pacific Basin Dry Bulk
Outperforming Weak Dry Bulk Market

Pacific Basin

As at 15 April 2013

- Our dry bulk business model facilitates a valuable cargo book
- Enables us to outperform the spot market (av. US$6,530)



Pacific Basin Dry Bulk Fleet: 211 (on the water: 195 [3,4])

average age of core fleet: 6.2 years old

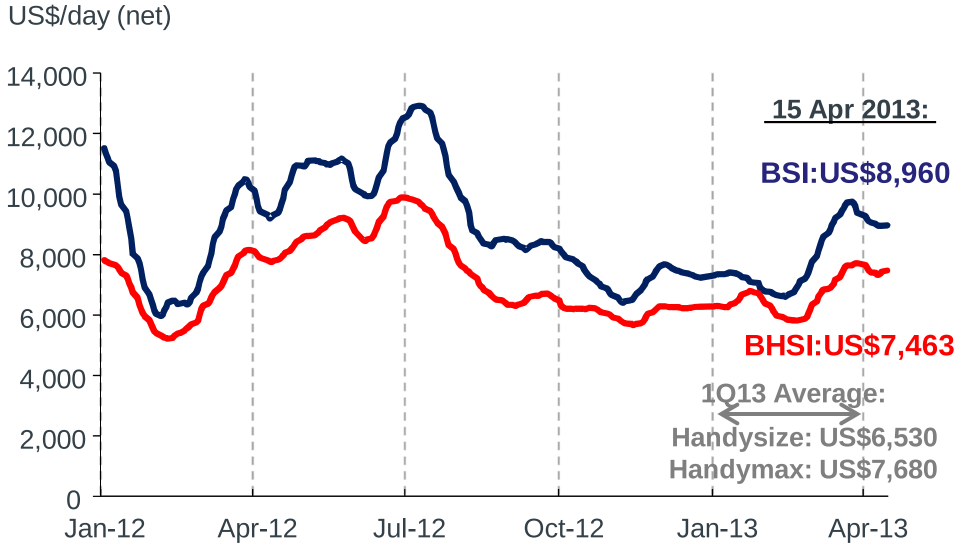
	Owned		Chartered		Total	As at 1Q12 (16 Apr 12)
	On the water	Newbuilding	On the water	Newbuilding	15 Apr 2013	
Handysize	39 [3]	6	104[2]	5	154	119
Handymax	7 [4]	4	43	1	55	46
Post-Panamax	1	0	1	0	2	2
Total	47	10	148	6	211	167

[1] 2013 cover excludes 6,226 (Handysize) & 1,126 (Handymax) revenue days chartered in on index-linked basis
[2] Includes 13 finance lease vessels
[3] Includes 1 secondhand Handysize acquisition which is committed to join by the end of 3Q13
[4] Includes 1 secondhand Handymax acquisition which is committed to join in 2Q13

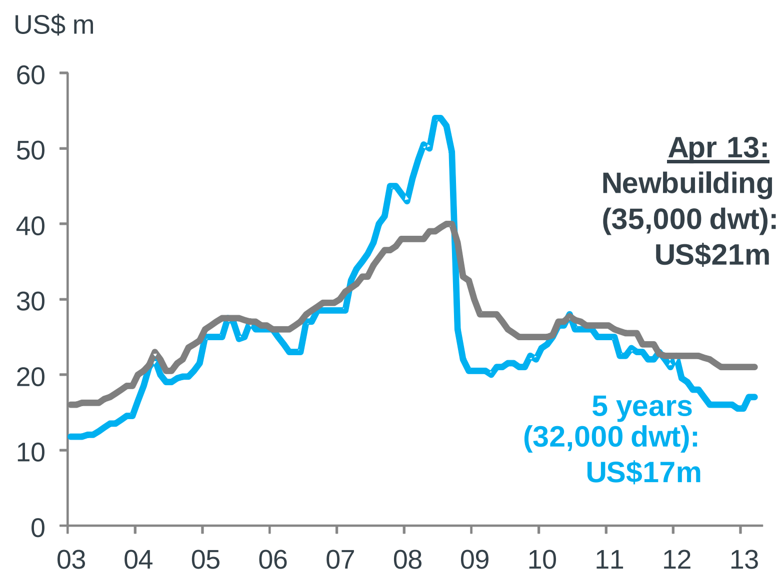
Dry Bulk Market Information

- Handysize spot market has followed a similar pattern to last year
- A weak start giving way to improved rates going into the second quarter
- Lowest quarterly average BDI since 1986
- Average Handysize / Handymax daily market rates again exceeded average Capesize rates
- 5-year old Handysize value: US$17m
  - Tightening sale and purchase market: 1) owners reluctant to sell; 2) weaker Japanese yen relieves pressure on Japanese owners
- We expect freight market to remain weak overall in 2013 with moderate seasonal variations

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

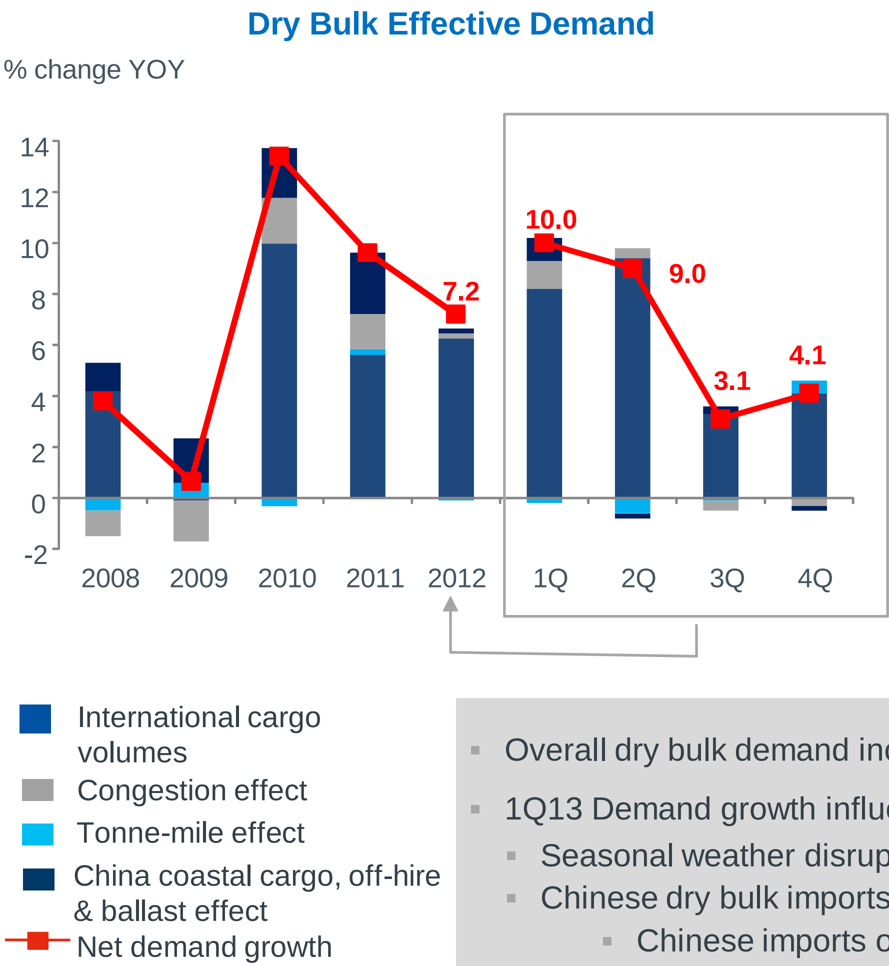


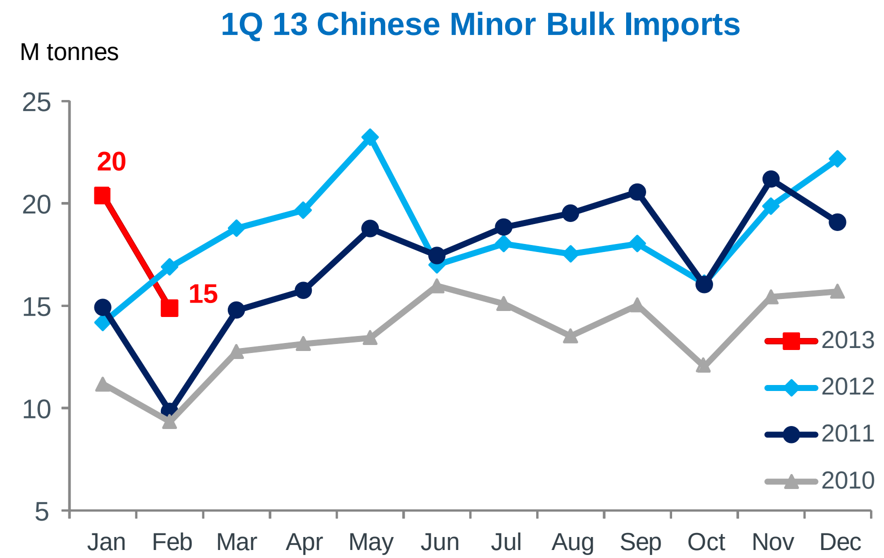
Handysize Vessel Values



Source: The Baltic Exchange, Clarksons

Nothing Wrong with Demand





China imports of a basket of 7 important minor bulks : logs, soyabean, fertiliser, bauxite, nickel, copper concentrates and manganese ore – representing 1/3 of Pacific Basin's 2012 cargo volumes

- Overall dry bulk demand increased 7% in 2012
- 1Q13 Demand growth influenced by:
  - Seasonal weather disruptions and reduced Chinese trading activity during CNY
  - Chinese dry bulk imports in Jan/Feb have remained positive:
    - Chinese imports of Coal YOY: +34%
    - Chinese imports of minor bulks YOY: +14%

Source: R.S. Platou, Bloomberg

Fleet Growth is Slowing but Still Oversupply

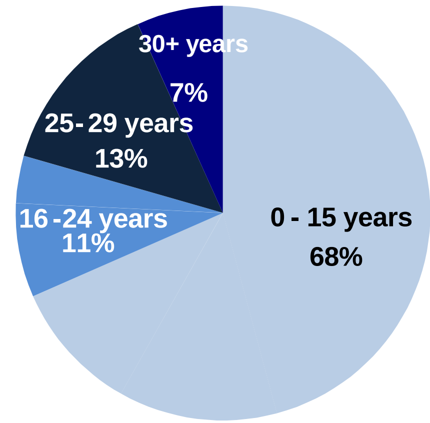
- 1Q13 net fleet growth:

	Handysize	Dry Bulk overall
1Q13	0%	1.6%
YOY	2%	8.4%

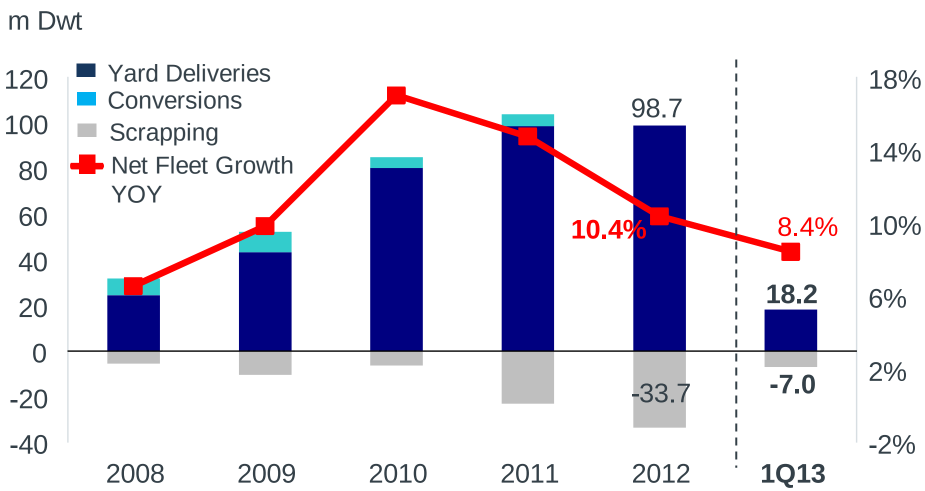
- Driven by 18m tonnes of new capacity in 1Q13
- Heavy influx of newbuildings was only partially offset by scrapping of 7m tonnes in 1Q13
- 20% of Handysize fleet is over 25 years old

Handysize Age Profile Looks Better (25,000-39,999 dwt)

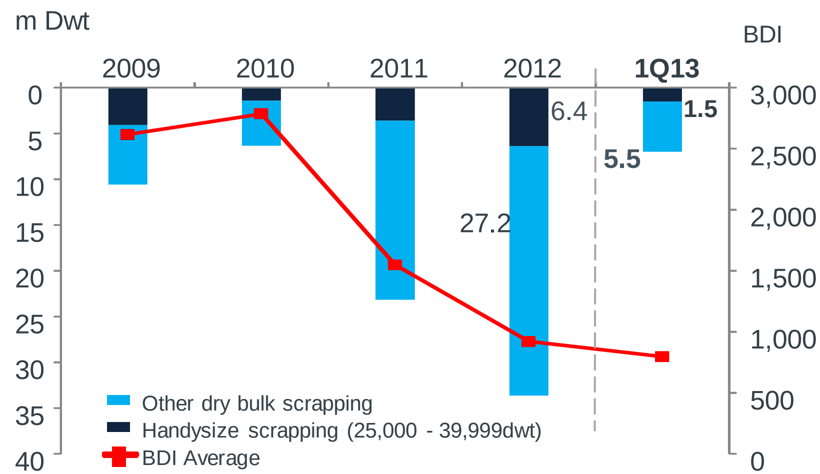
2,120 vessels (68.2m dwt) on 1 Apr 2013



Fewer Yard Deliveries



Scrapping Has Increased



Source: Clarksons, Bloomberg, as at 1 Apr 2013

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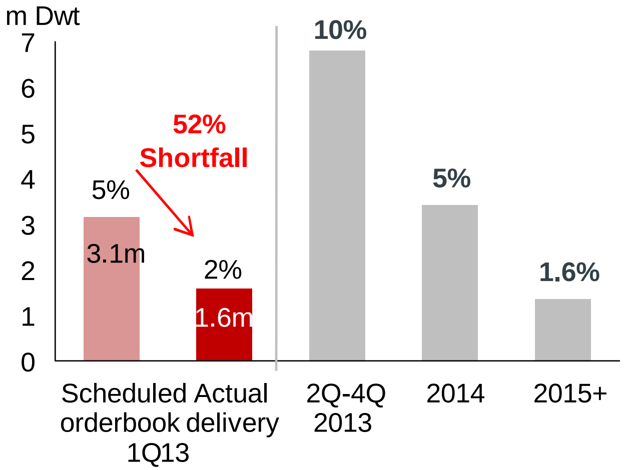
Dry Bulk Orderbook

Handysize Orderbook

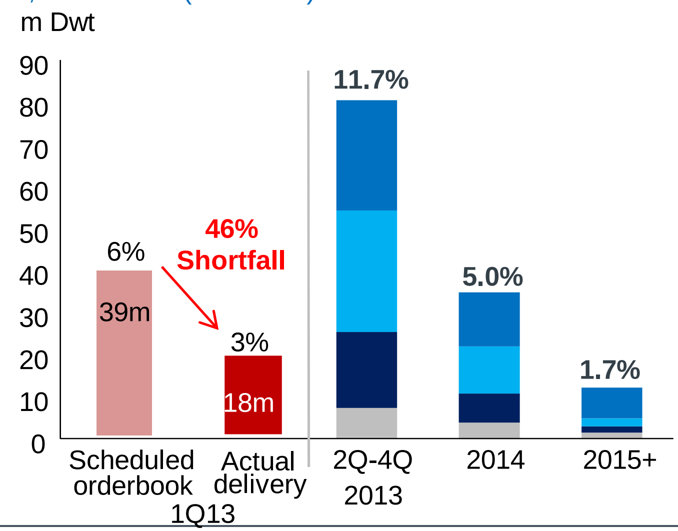
332 vessels (11.6m dwt)



- Zero fleet growth for Handysize in 1Q– fully offset by scrapping
- New orders for Capesize vessels increased significantly in 1Q13, though ordering of other dry bulk ships fell 30%-55% YOY
- At 1 Jan, 101m dwt of new capacity scheduled to deliver in 2013
- 1Q13 newbuilding deliveres of 18m dwt were 46% below the scheduled - expect approx. 30% slippage in FY2013

Total Dry Bulk Orderbook

1,599 vessels (127m dwt)

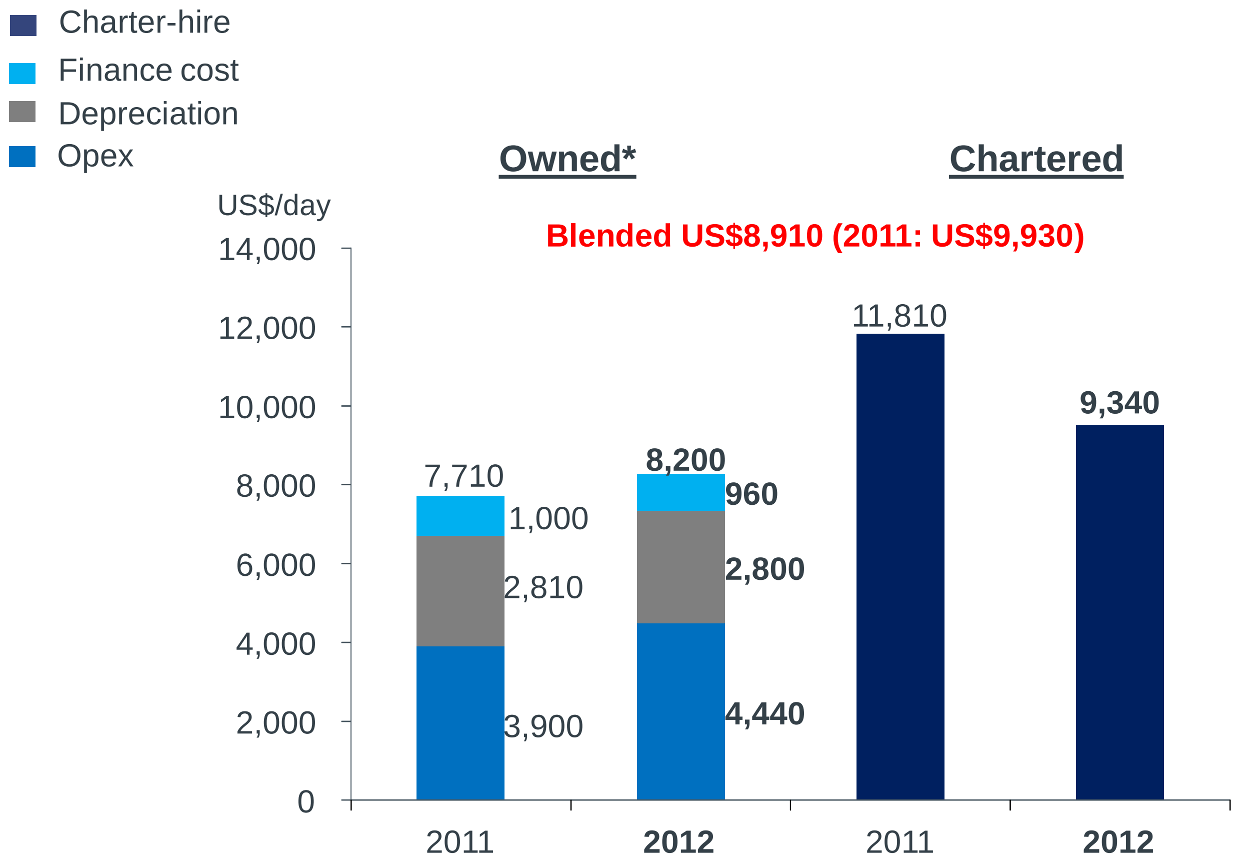


	Orderbook as % of Existing Fleet	Average Age	Over 25 Years	2013 annualised scrapping as % of fleet on 1 Apr 2013
Total Dry Bulk >10,000 dwt	**18%**	**10**	**8%**	**4%**
Handysize (25,000-39,999 dwt)	**17%**	**11**	**20%**	**9%**
Handymax (40,000-64,999 dwt)	**17%**	**9**	**8%**	**3%**
Panamax (65,000-119,999 dwt)	**23%**	**8**	**2%**	**3%**
Capesize (120,000+ dwt)	**17%**	**8**	**2%**	**5%**

Source: Clarksons, as at 1 Apr 2013

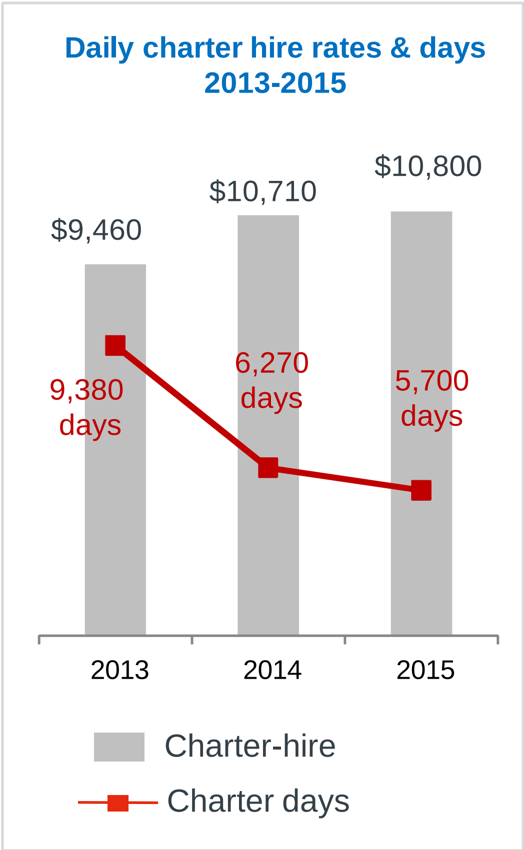
Daily Vessel Costs - Handysize

As at 31 Dec 2012



	2011 (Owned)	2012 (Owned)	2011 (Chartered)	2012 (Chartered)
Vessel Days	15,070	**15,570**	17,890	**25,630**
	46%	**38%**	54%	**62%**

* Includes 13 finance lease vessels



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Pacific Basin Dry Bulk - Outlook

- Strong Chinese demand for minor bulk commodities
- Global trade imbalances and fleet utilisation inefficiencies
- Stronger than anticipated US economic recovery and revived industrialisation in N. America
- Fewer newbuilding deliveries
- Continued high levels of dry bulk scrapping
- Bank lending constraints limit funding for ship acquisitions

- Still excessive, but reduced, overhang of supply + shipbuilding capacity
- Global economic recovery negatively impacted by further shocks relating to European finances and US government spending
- Premature shipowner optimism resulting in less scrapping, increased ordering activity and increased vessel prices
- Increased national protectionism impacting raw materials trade
- Potentially weaker growth in the Chinese economy and industrial production

PB Outlook:

- Dry bulk market to remain weak overall in 2013
- Dry cargo demand is likely to be similarly healthy as last year
- Supply-side fundamentals are improving, but will take time to absorb oversupply
- Challenging market conditions likely to generate further acquisition opportunities

Strategy:

- Look for more opportunities to buy and charter both new and secondhand ships
- Expand our dry bulk customer and cargo portfolio
- Decentralise our operational support function

PB Towage Doing Well In Australia

1Q13 Performance

- Seasonal, weather-related factors impacted our 1Q fleet utilisation during Australian monsoon
- However, general levels of activity in Australian oil and gas sector continues to support strong utilisation of our offshore towage fleet
- Harbour towage is benefitting from recent market growth and our expanded market share

Offshore Towage

- Western Australia and Queensland oil & gas developments continued to drive demand for offshore marine logistics
- North West Shelf LNG construction projects have progressed further
- Increased our stake in the OMSA joint venture to 50%

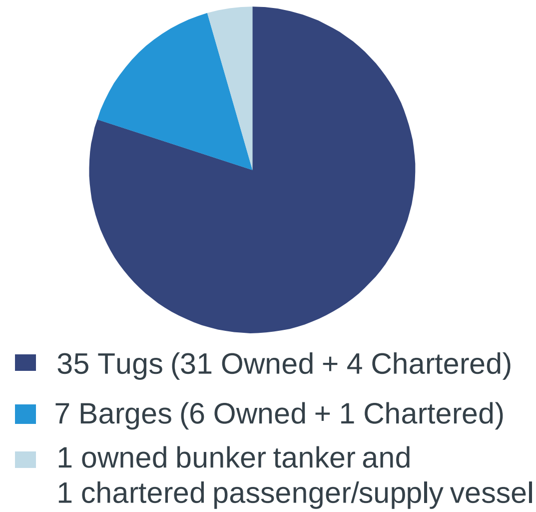
Harbour Towage

- Supported by 11% increase in volumes and higher market share in the main liner and bulk ports in 2012
- Finalising plans to open a harbour towage operation in Newcastle in mid-2013

Supply

- Barrier to entry for new entrants in Australian domestic market

PB Towage Fleet: 44 vessels
(as at 15 April 2013)

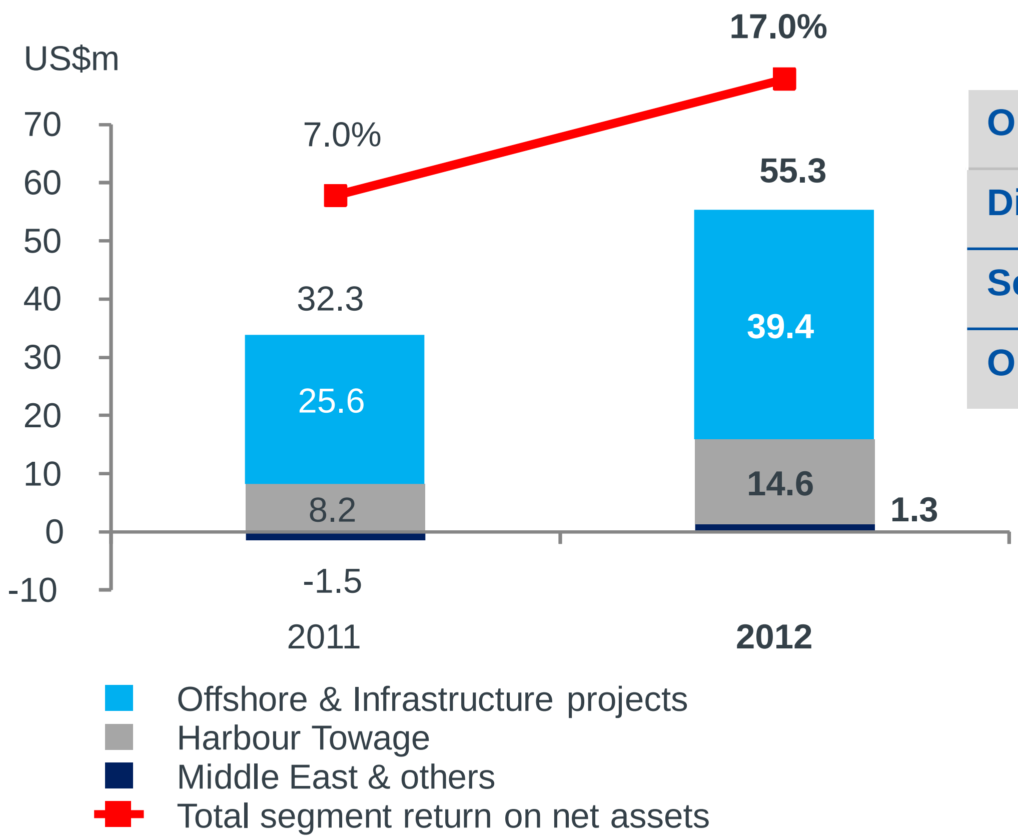


	2012
Towage net profit	US$37.7m
Operating cash flow	US$52.1m
Return on net assets	17%

Towage Segment Operating Performance Before Overheads

Pacific Basin

As at 31 Dec 2012



Operating performance	**US$55.3m**
Direct overheads	**US$(17.6)m**
Segment net profit	**US$37.7m**
Operating cash flow	**US$52.1m**

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PB Towage - Outlook

- Growing project activity in Australasia and construction support both domestically in Australia and internationally
- Increased exploration and production leading to demand for platform support services
- Continued growth in Australian bulk export volumes
- International transportation into Australian driving increased harbour towage jobs in container ports

- Hesitation in global economy recovery and Chinese slowdown – impacting Australian port activity
- Labour market shortages and cost pressures
- Exchange rate movements affecting Australia's global competitiveness

PB Outlook:

- Well positioned competitively to participate in offshore and harbour opportunities as market develops
- Expect healthy demand for towage activities in Australia to continue in the medium term

Strategy:

- Continue to pursue both growth and contract renewal opportunities for PB Towage targeting tug and barge transportation projects and new harbour towage activities

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Balance Sheet

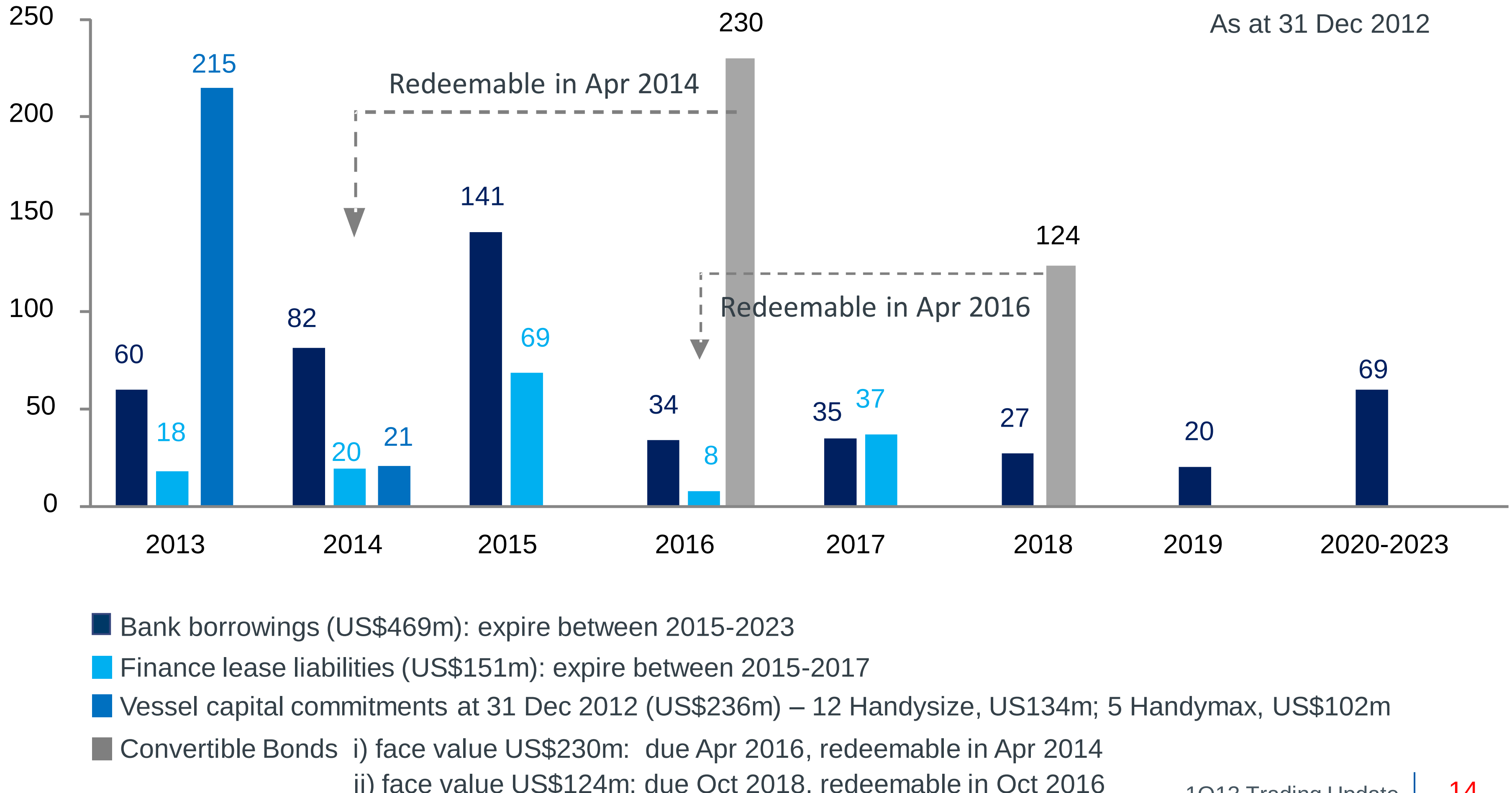
US$m	PB Dry Bulk	PB Towage	Discontinued RoRo	Treasury	31 Dec 12	31 Dec 11
Vessels & other fixed assets	1,057	208	-	-	**1,270**	1,525
Total assets	1,292	273	131	745	**2,470**	2,432
Long term borrowings	301	31	-	599	**931**	779
Total liabilities	437	55	4	618	**1,138**	947
Net assets	855	218	127	127	**1,332**	1,485

	31 Dec 12	31 Dec 11
Net borrowings (after total cash of US$753m)	**178**	161
Net borrowings to net book value of property, plant and equipment	**14%**	11%

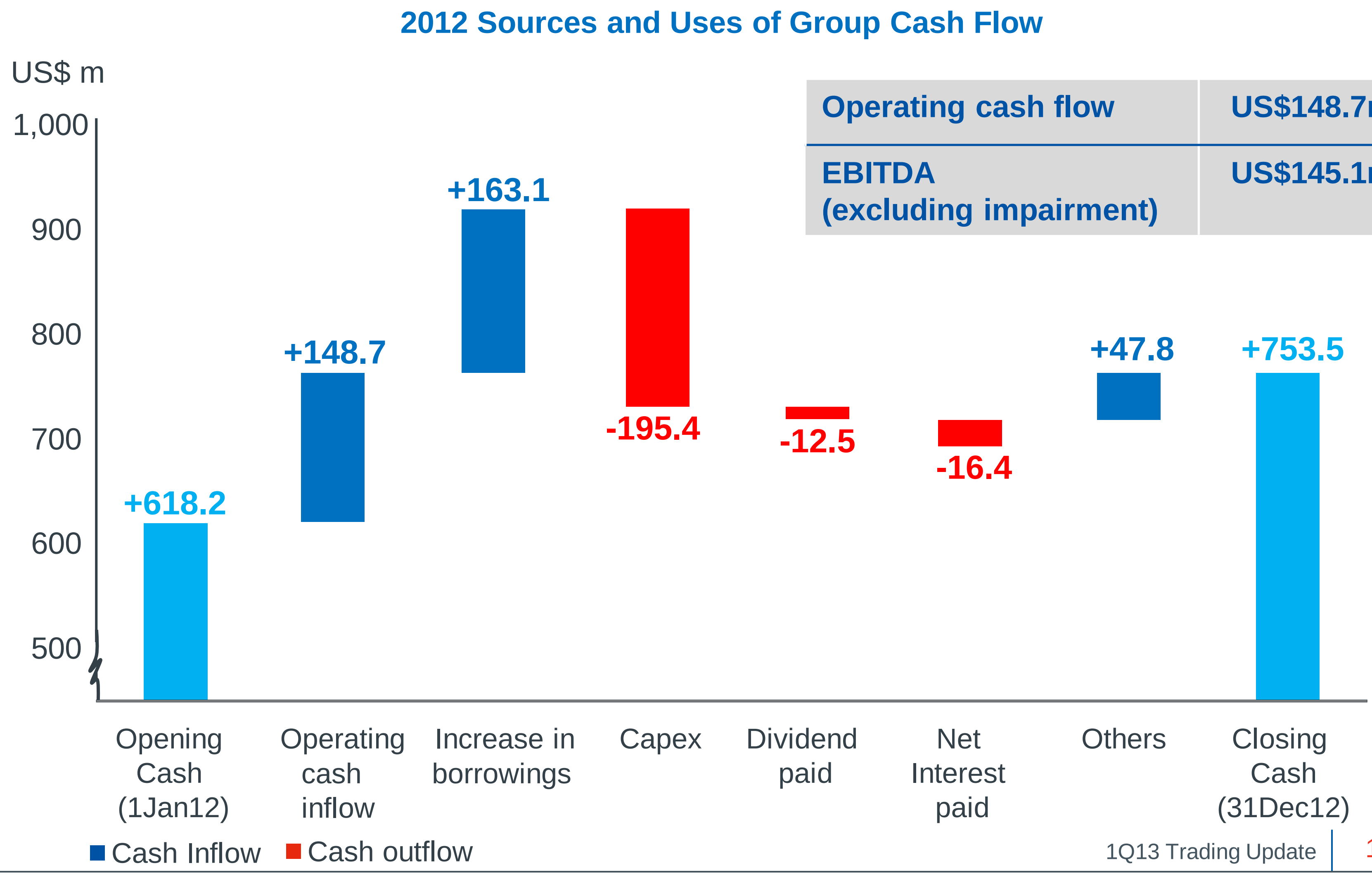
Notes: 31 Dec 2012 total includes other segments and unallocated

Borrowings and Capex

The Group had cash balances of US$753m, borrowings of US$931m and a net borrowings ratio of 14% against the Net Book Value of property, plant and equipment



Cash Flow



Operating cash flow	**US$148.7m**
EBITDA (excluding impairment)	**US$145.1m**

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Our Position, Outlook and Strategy

- **Focus on our two core businesses – we are now out of most non-core activities**

Dry Bulk

- Strong cargo and customer focused business model: outperforming market, outperforming larger ships
- Expect the dry bulk market to remain weak overall in 2013 with seasonal variations
- Expect weaker rates going into the summer period
- Reduced newbuilding deliveries in the second half of the year are expected to combine with resume demand to slightly improve rates after the summer
- Market needs longer to absorb over-supply before sustained recovery becomes apparent
- Acquisition opportunities for shipowners with available cash
- **Strategy: i) Continue to purchase Handysize and Handymax ships at attractive prices**

  ii) Expand our dry bulk customer and cargo portfolio in tandem with core fleet expansion

  iii) Enhance aspects of the customer experience through decentralised operational support

Towage

- Well positioned competitively to participate in developing opportunities in Australia
- **Strategy: Continue to pursue both growth and contract renewal opportunities for PB Towage targeting tug and barge transportation projects and new harbour towage activities**

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Disclaimer

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 & 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

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- **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 and harbour tugs
- >230 vessels serving major industrial customers around the world
- Hong Kong headquarters, 17 offices worldwide, 320 shore-based staff, 2,000 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

* As at Feb 2013

Appendix:
How we create value

Pacific Basin

Our large, flexible Fleet
- Large scale, high-quality dry bulk fleet
- Interchangeable nature provides flexibility to customers and ability to optimise scheduling
- Modern fleet of tugs and barges provides reliable service in harbours and for offshore projects
- Comprehensive in-house technical operations function

Our strong corporate profile
- Founded in 1987
- Strong balance sheet enhancing our profile as a preferred counterparty for cargo customers and tonnage providers
- Well-positioned to invest , expand
- Commitment to good corporate governance and CSR

Our customer focus priority
- Customer-focused model - strong relationship with >300 customers
- Spot cargoes and long-term cargo contracts – affording customers reliable freight cover
- Responsive, accessible and problem-solvers at every turn

Our global office network
- 17 offices globally – including 14 dry bulk offices across 6 continents
- Localised chartering and operations support
- Facilitates comprehensive, accurate market intelligence

Appendix:
Pacific Basin Dry Bulk – Diversified Cargo

Pacific Basin Handysize and Handymax Cargo Volume 1Q13

Enerygy

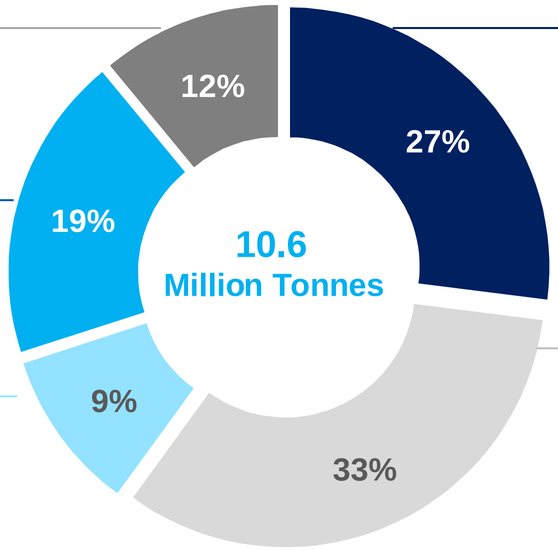
Coal	5.0%
Petcoke	6.7%

Metals

Alumina	3.5%
Ores	8.6%
Concentrates & other metals	7.2%

Minerals

Salts	3.7%
Sand & Gypsum	4.9%
Soda Ash	0.3%



Agricultural Products

Agricultural Products	3.5%
Grains	12.2%
Fertiliser	7.2%
Sugar	3.7%

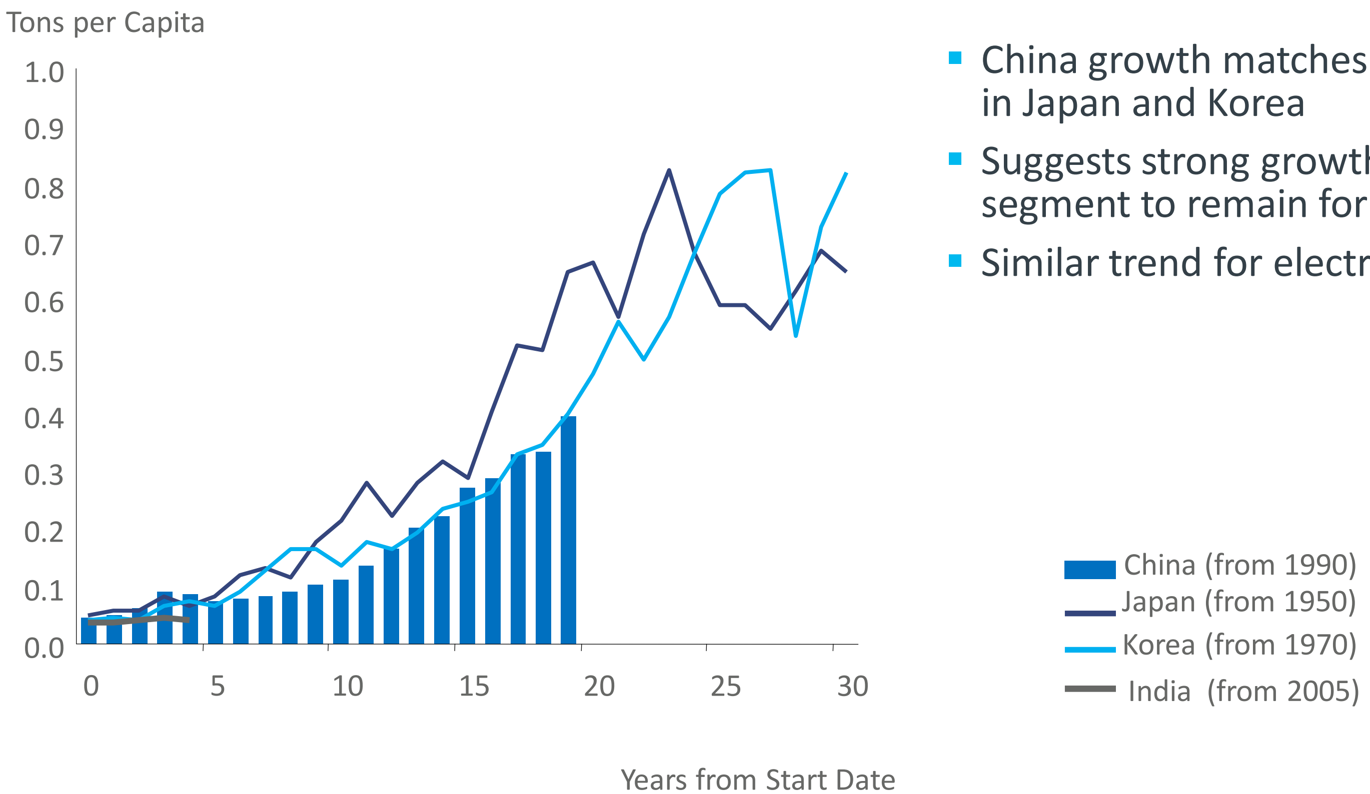
Construction Material

Logs & Forest Products	17.6%
Steel & Scrap	7.0%
Cement & Cement Clinkers	8.8%

- Diverse range of commodities reduces product risk
- Australia and China were our largest loading and discharging zones respectively
- Increasing proportion of our business in the Atlantic

Appendix:
China at late-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

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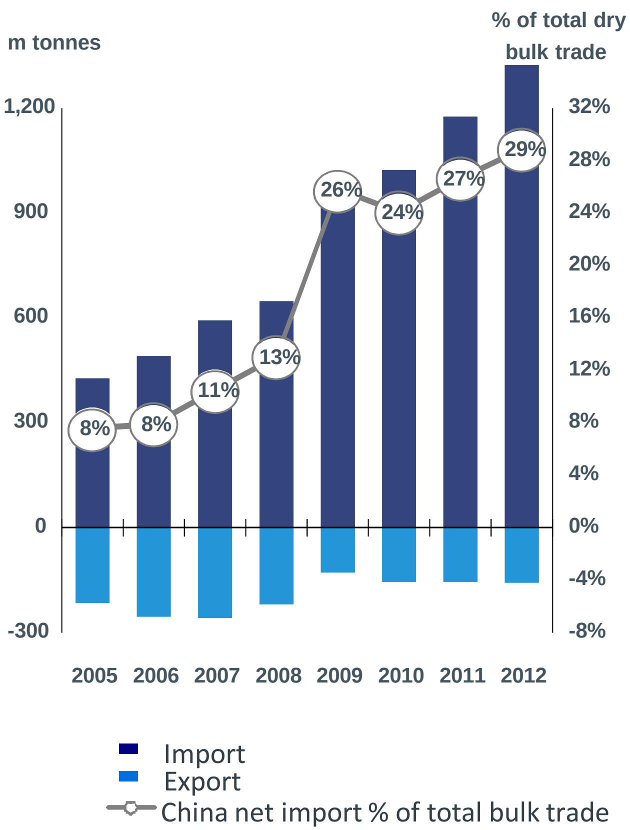
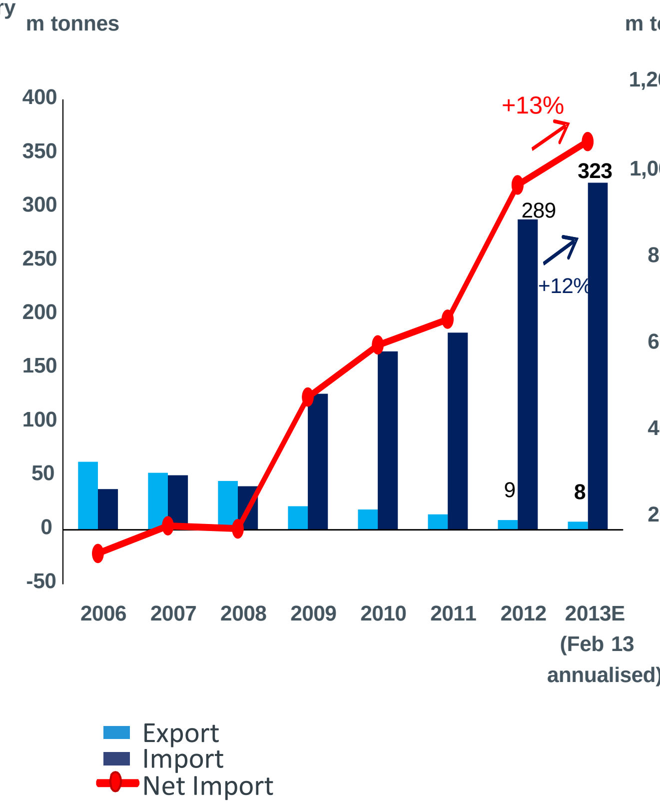
Appendix: China Dry Bulk Trade, Iron Ore & Coal Demand

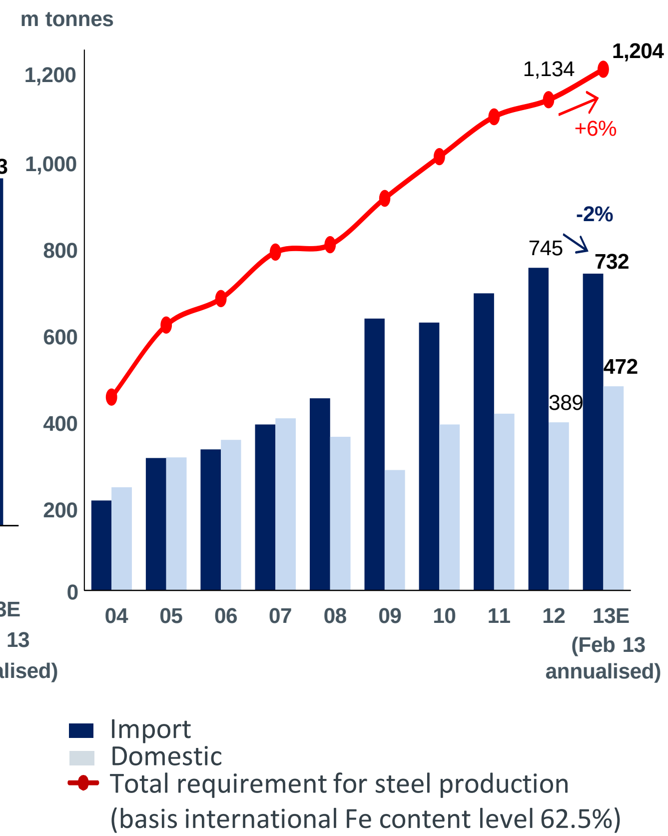
Chinese Dry Bulk Trade Volume



China Coal Import



China Iron Ore Sourcing for Steel Production



Source: Clarksons, Bloomberg

Appendix:
2012 Annual Financial Highlights

Pacific Basin

US$ m	2012	2011
Segment net profit	**74.5**	89.5
▪ Treasury	**(6.1)**	(12.8)
▪ Discontinued Operations - RoRo	**(12.1)**	(10.6)
▪ Non direct G&A	**(8.5)**	(8.3)
Underlying profit	**47.8**	57.8
▪ Unrealised derivative expenses	**(3.3)**	(1.6)
▪ RoRo vessel impairment charge & exchange loss	**(198.6)**	(80.0)
▪ Other impairments	**(4.4)**	-
▪ Gain from sale of shares in Green Dragon Gas	**-**	55.8
(Loss)/Profit attributable to shareholders	**(158.5)**	32.0

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Appendix: Pacific Basin Dry Bulk

Handysize		**2012**	2011	Change
Revenue days	(days)	**41,000**	32,710	+25%
TCE earnings	(US$/day)	**10,460**	13,530	-23%
Owned + chartered costs	(US$/day)	**8,910**	9,930	+10%
Handysize contribution	(US$m)	**62.0**	115.2	-46%
Handymax & Post Panamax	(US$m)	**12.6**	(1.7)	+841%
Direct overhead	(US$m)	**(35.3)**	(32.1)	-10%
Dry Bulk Net profit	**(US$m)**	**39.3**	81.4	-52%
Return on net assets	**(%)**	**5%**	11%	-6%

- Earnings: Time Charter Equivalent (TCE) rates reflect weaker spot freight market
- Costs: Blended daily costs reflect lower chartered-in costs of market vessels
- Net profit: excludes US$2.1m unrealised net derivatives expenses

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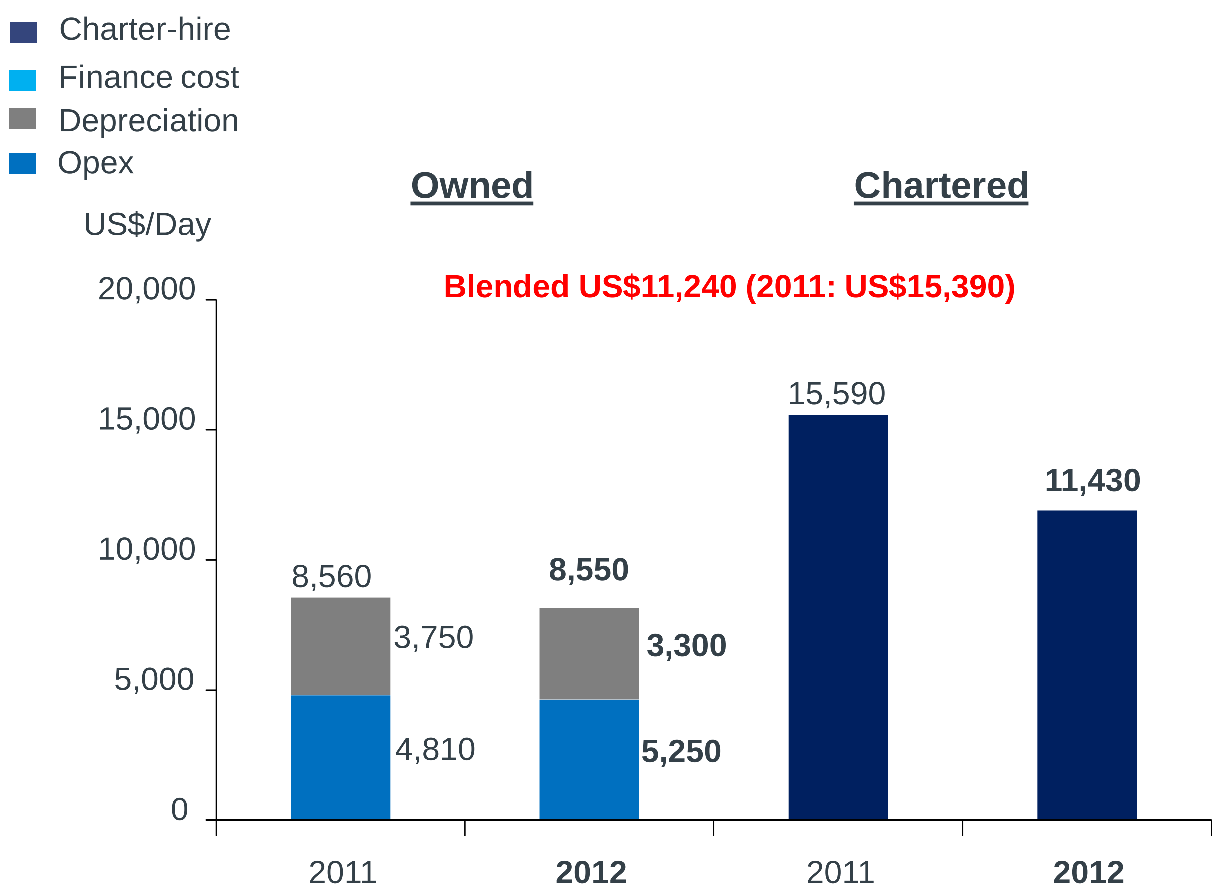
Appendix:
Pacific Basin Dry Bulk - Handymax

		2012	2011	Change
Revenue days	(days)	**14,610**	13,310	+10%
TCE earnings	(US$/day)	**11,720**	15,090	-22%
Owned + chartered costs	(US$/day)	**11,240**	15,390	+27%
Handymax contribution	(US$m)	**6.7**	(4.7)	+243%
Post Panamax contribution	(US$m)	**5.9**	3.0	+97%
Total contribution	(US$m)	**12.6**	(1.7)	+841%

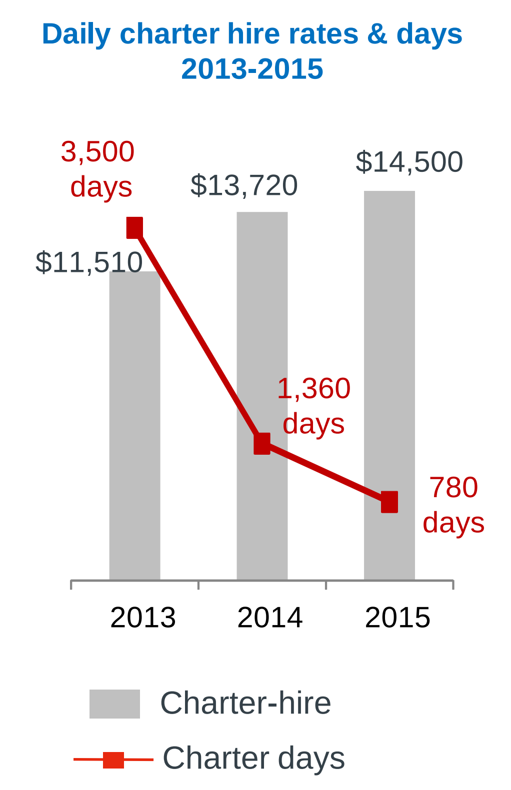
- Earnings: 2012 Time Charter Equivalent (TCE) rates reflect weaker spot freight market
- Costs: Blended daily costs reflect lower chartered-in costs market vessels
- Net profit: excludes US$1.7m unrealised net derivatives expenses

Appendix:
Daily Vessel Costs – Handymax

As at 31 Dec 2012



	2011	2012	2011	2012
Vessel Days	370	**940**	12,970	**13,690**
	3%	**6%**	97%	**94%**



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Appendix: PB RoRo

	2012
PB RoRo net loss (Excluding US$199m impairment and exchange loss)	US$(12.1)m
Operating cash flow	US$3.1m

- Considered a discontinued operation
- Continued severe weakness in the RoRo sector impacted results and prospects for our RoRo business
- Mid-year impairment and decision to exit RoRo in medium term
- Agreed sale of all 6 RoRos to Grimaldi for Eur153m (approx. US$188m)
- At least one vessel to be purchase by end of each six month period ending 30 June 2013 through December 2015
- All 6 vessels to be bareboat chartered by buyers until transfer of ownership
- 5 bareboat charters commenced:
    - 2 in Oct 2012
    - 3 in Feb 2013
    - 1 to commence in March 2014, after current time charter
- Our Eur162m, 12-year RoRo loan converted to a dry bulk loan of approx. US$210m

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Appendix: PB RoRo Impairment & exchange loss in 2012

- Euro-centric RoRo market severely impacted by protracted European debt crisis and macro-economic and political uncertainty significantly reduced demand for chartered RoRos
  - 18 June, announced US$190m non-cash impairment and intention to exit RoRo following reassessment of RoRo prospects

- 6 September, announced sale of all six RoRo vessels for €153 million
  - Buyer is obliged to purchase at least one vessel by the end of each of the six month periods ending 30 June 2013 through 31 December 2015
  - Buyer to bareboat charter vessels at agreed charter rates until sale
  - Further impairment of US$0.4m and exchange loss of US$8.2m in 2012

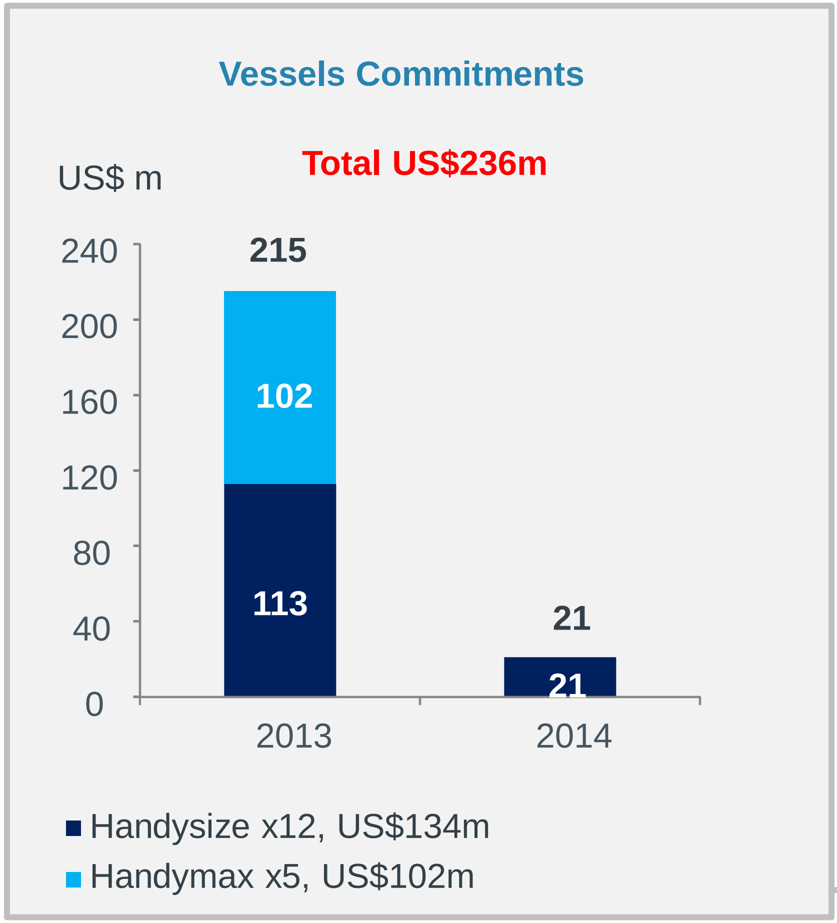
- **Estimated Future Financial Effects:**

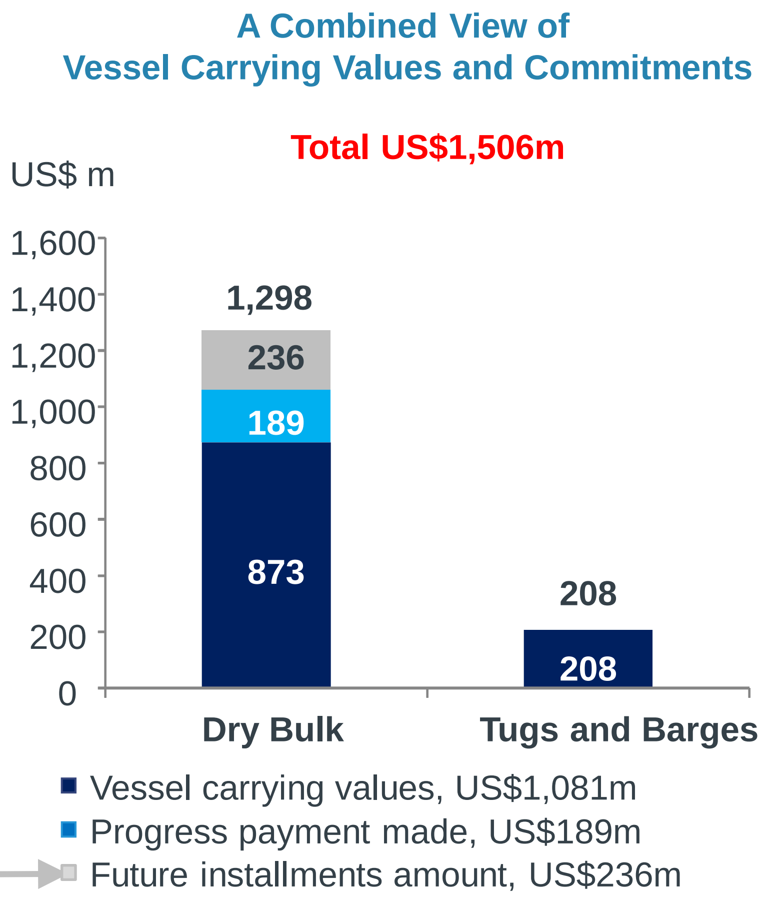
US$m	2013	2014	2015
Interest Income - Treasury	7.5	6.1	2.8
Exchange Losses - Unallocated	-8.3	-5.0	-
Total	**-0.8**	**1.1**	**2.8**

Based on the 2012 year end rate of EUR 1 to US$1.3231

Appendix: Capex and Combined Vessel Value

As at 31 Dec 2012





- Further commitments expected in Dry Bulk

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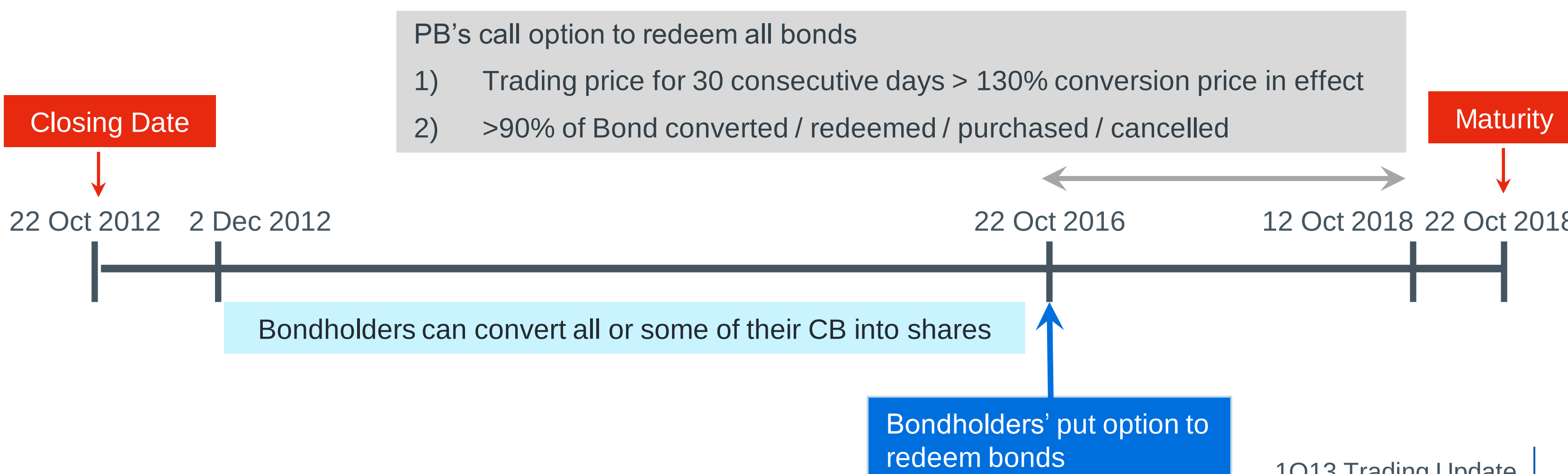
Appendix: Convertible Bonds Due 2018

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
Intended Use of Proceeds	To acquire additional Handysize and Handymax vessels, as well as for general working capital

Conversion/redemption Timeline



Pacific Basin

Appendix: Convertible Bonds Due 2016

Issue size	US$230 million
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$7.98 (Current conversion price: HK$ 7.26 with effect from 24 April 2012)
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	▪ 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