Pacific Basin

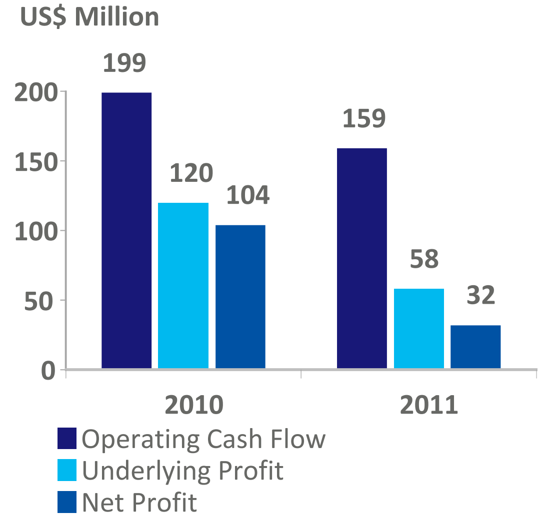
ANNUAL RESULTS 2011

1 Mar 2012

2011 Annual Results – Group Highlights

Net Profit	US$32m	↓ 69.3%
Underlying Profit	US$58m	↓ 52.0%
Operating Cash Flow	US$159m	↓ 19.7%
Cash Position	US$618m	↓ 12.1%
Earnings per Share	HK¢ 13	↓ 69.0%
Dividend per Share Proposed final dividend HK¢ 5	HK¢ 10	↓ 53.5%

Revenue and Net Profit



- Group results were impacted by:
  - Weaker Handysize spot rates driving 19% decrease in our Handysize earnings
  - Strong contribution of US$15m from PB Towage on improved towage markets
  - US$80m impairment of RoRo investment *
  - US$56m profit on sale of a non-core asset (Green Dragon Gas) *
- Fully funded vessel capital commitments of US$322m, predominately in dry bulk vessels
- Balance sheet retains substantial buying power with US$618m cash and low 10.5% group net gearing

* reported in 2011 interim results

Pacific Basin Dry Bulk – 2011 performance

Handysize
- Handysize daily rate of US$13,530 (-19% YOY)
- Outperformed the deteriorating spot market by 35%

Handymax
- Handymax daily rate of US$15,090 (-33% YOY)
- Outperformed the spot market by 10%
- Disappointing results due to reliance on relatively expensive short term chartered ships and repositioning costs

Post-Panamax
- 2 Post-Panamax ships commenced profitable charters (10 & 15 years)

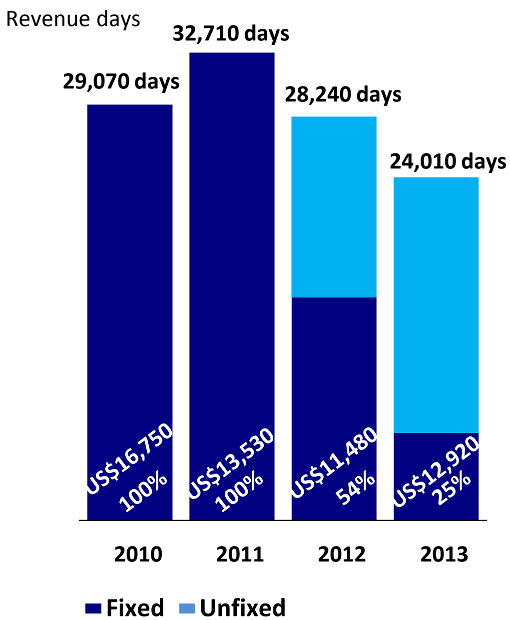
Other highlights
- 14 dry bulk offices across 6 continents - New offices in Stamford and Durban boost our growing Atlantic platform
- Increased efficiency through:
  - new maritime operating system and
  - “Right Speed Programme” for significant fuel savings

Dry Bulk net profit	**US$81.4m**
Handysize	US$89.8m
Handymax	US$(8.4)m
Operating cash flow	**US$138m**
Return on net assets	**11%**

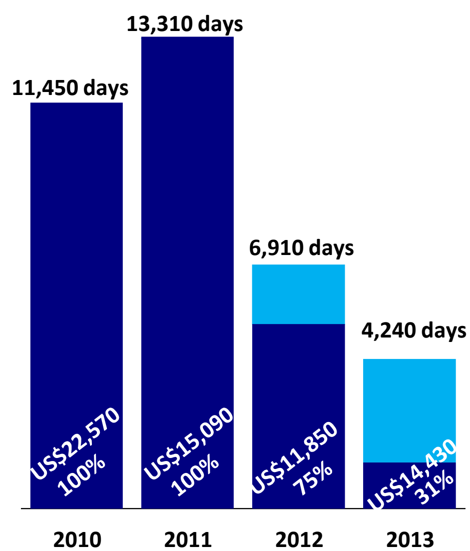
Pacific Basin Dry Bulk - Earnings Coverage

As at 27 Feb 2012

Handysize



Handymax



Pacific Basin Dry Bulk Fleet: 169

at 23 Feb 2012

	Owned		Chartered		Total
	On the water	NB	On the water	NB	
Handysize	30	8	77	7	122
Handymax	3	6	34	2	45
Post-Pmax	1	0	1	0	2
Total	34	14	112	9	169

Average Age of our core fleet: 6.5 years old

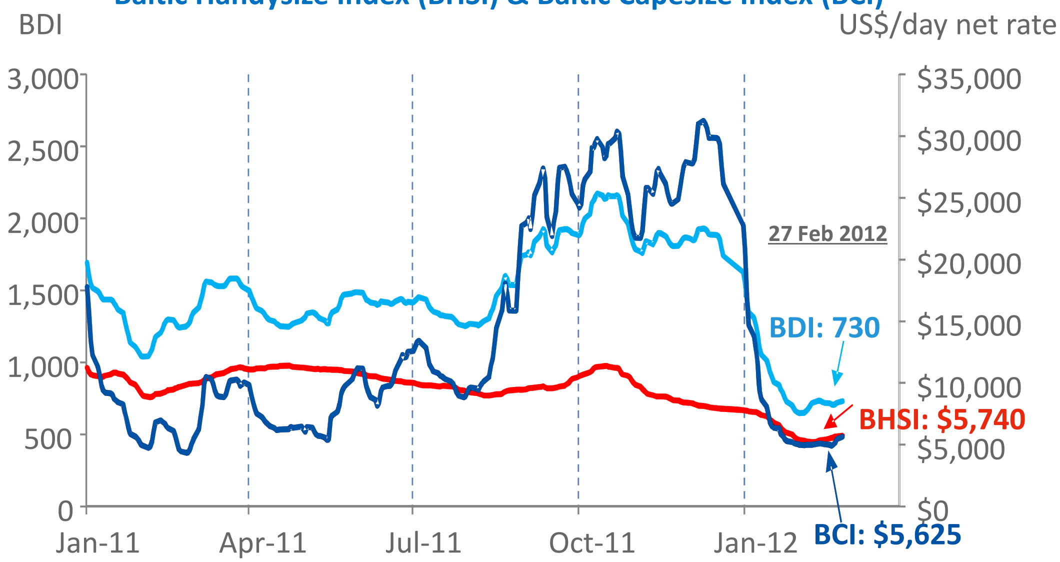
Pacific Basin

Note: NB – newbuilding

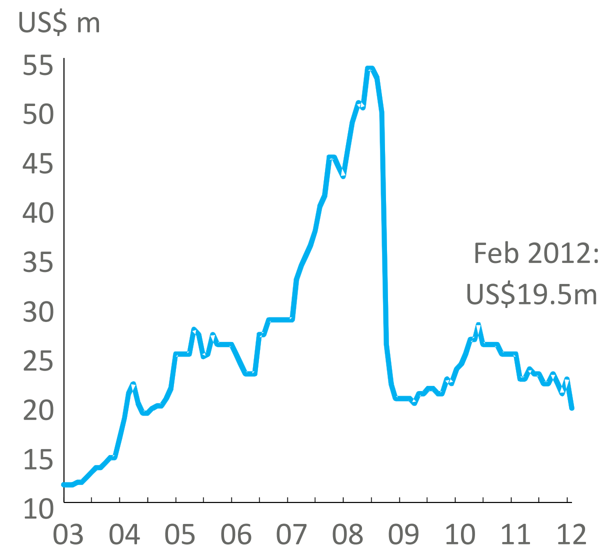
Dry Bulk Market Information

- Handysize and Handymax remained relatively flat - down 36% overall on 2010
- Poor start to 2011 and 2012:
  - Traditional rush of newbuilding deliveries
  - Seasonal demand disruptions in influential dry bulk trade areas
    e.g. Indian monsoons, heavy rain in Brazil, cyclones in Australia, Chinese New Year / winter
  - Secondhand values continue to fall

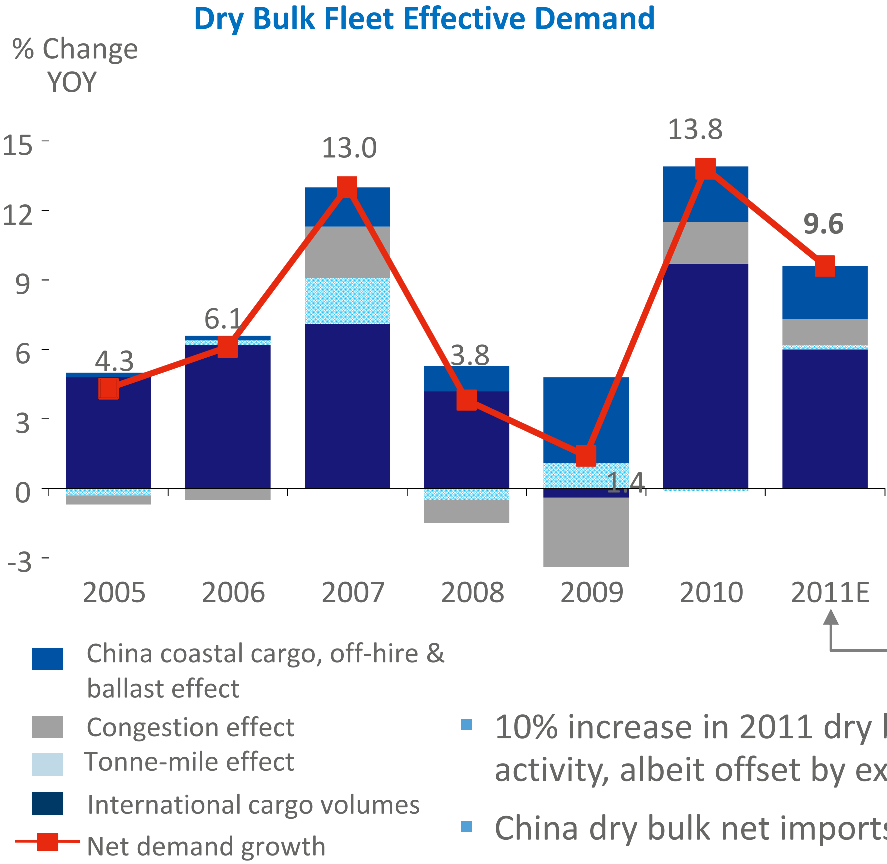
Baltic Dry Index (BDI) versus
Baltic Handysize Index (BHSI) & Baltic Capesize Index (BCI)

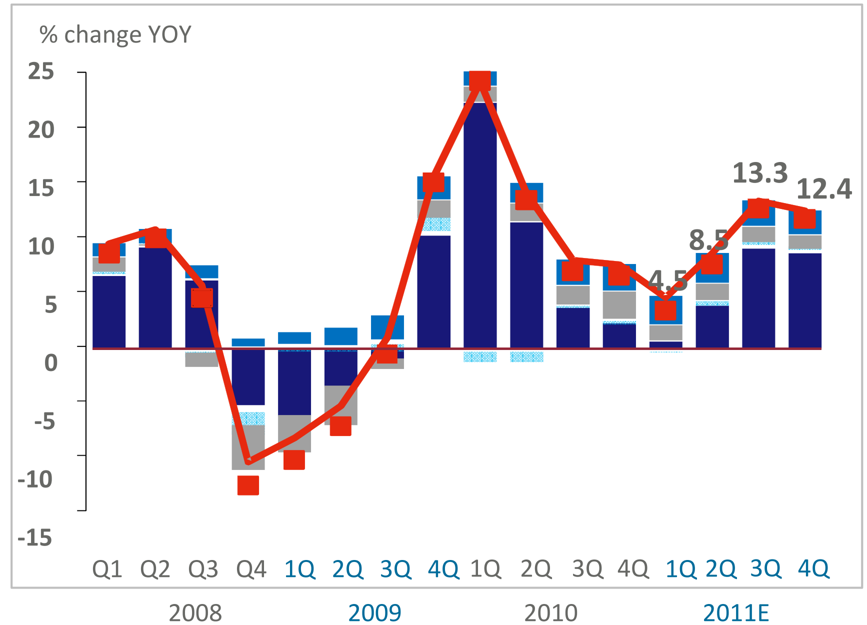


Secondhand Handysize Vessel Values
(5 year old 32,000 Dwt)



Dry Bulk Demand





- 10% increase in 2011 dry bulk demand* reflecting relatively healthy state of activity, albeit offset by excessive expansion of supply
- China dry bulk net imports represent 28% of global dry bulk trade:

  Forestry products ↑37%; Bauxite ↑49%; Nickel ↑92%; Coal ↑10%; Ore: ↑11%
- India: reduced ore exports drove tonne-mile demand with more sourced from further afield; coal imports increased 11% and log imports from New Zealand grew >30%

* R.S. Platou estimate

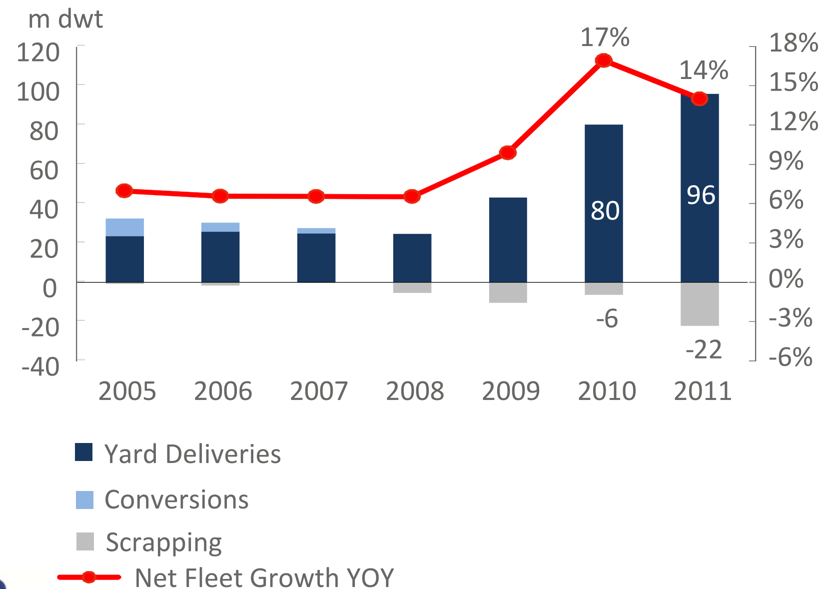
Source: RS Platou

Global Dry Bulk Fleet Development

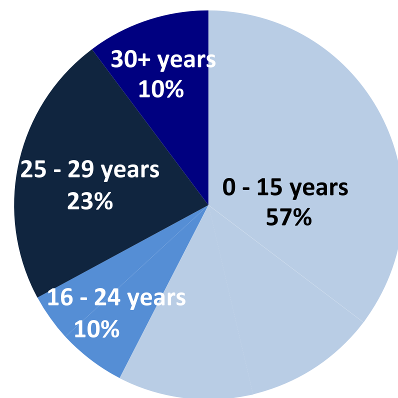
- Dry bulk capacity expanded 14% net YOY – driven by 96m tonnes of new deliveries
- 30% delivery shortfall against scheduled orderbook
- Heavy influx of newbuildings was moderated by record-high scrapping
- Handysize fleet grew 7% net YOY
- 33% of Handysize fleet is over 25 years old

m dwt	Dry Bulk	Handysize
2010	6.4	1.4
2011	22.0	3.4
2012 YTD	3.6	0.8

Global Dry Bulk Fleet Development



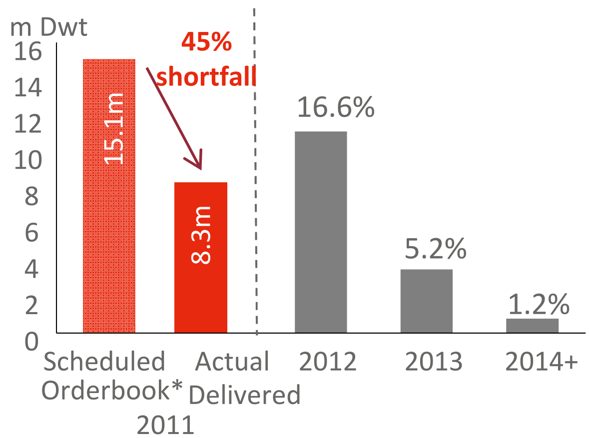
Handysize Age Profile (25,000-39,999 dwt)
2,091 vessels (66.8m dwt)



Source: Clarksons, Morgan Stanley, Bloomberg, as at 1 Feb 2012
*Scheduled orderbook as at 1 Jan 2011

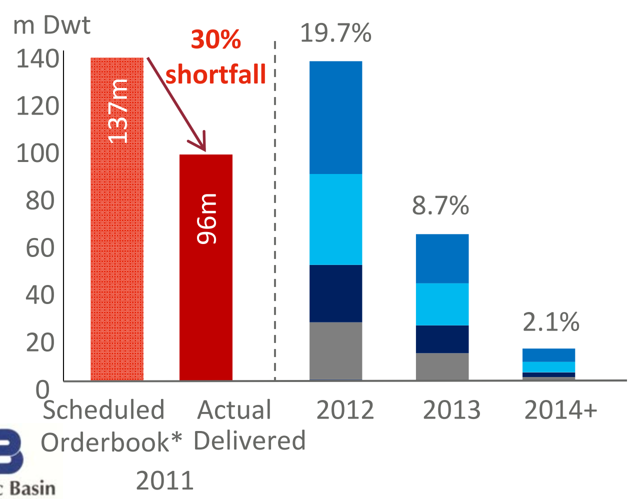
Dry Bulk Orderbook

Handysize Orderbook
443 vessels (15m dwt)

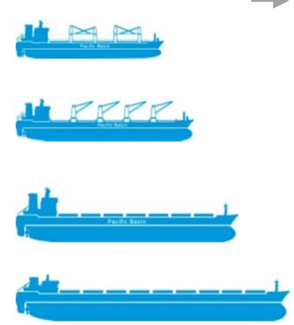


- Ship owners ordered >80% less newbuilding capacity in 2011 due to weak market conditions
- 139m dwt of new capacity scheduled to deliver in 2012
- We expect 35% delivery shortfall in 2012
- Less onerous Handysize orderbook

Total Dry Bulk Orderbook
2,256 vessels (190m dwt)



Total Dry Bulk >10,000 dwt



	Orderbook as % of Existing Fleet	Average Age	Over 25 Years
Total Dry Bulk >10,000 dwt	30.5%		
Handysize (25,000-39,999 dwt)	23%	14	33%
Handymax (40,000-64,999 dwt)	27%	10	14%
Panamax (65,000-119,999 dwt)	40%	9	5%
Capesize (120,000+ dwt)	31%	8	4%

Source: Clarksons, as at 1 Feb 2012
*Scheduled orderbook as at 1 Jan 2011

Pacific Basin Dry Bulk - Outlook

- China's continued dependence on imported minor bulks
- Slow steaming because of high fuel prices and weak market
- Scrapping increase
- Severe bank lending constraints increase opportunities for cash rich owners

- Continued excessive newbuilding deliveries
- Hesitant global economic recovery impacted by continued crisis in Europe
- Potentially weaker growth in the Chinese economy and industrial production

PB Conclusion:

- Dry bulk market to remain weak during 1H12 until revival in activity provides scope for buoyancy in 2H12
- Weaker freight rates overall in 2012
- Positive longer term market outlook: generally stronger demand + less onerous orderbook from 2013 = more favourable supply / demand balance

Strategy: Invest in further expansion of our dry bulk fleet – patiently awaiting right opportunities at right price

PB Energy & Infrastructure Services

Now renamed "PB Towage" with effect from 1 January 2012

2011 Performance

- Much improved year led by towage activity
- Capitalised on improved markets for offshore and harbour tugs in Australasia

PB Towage

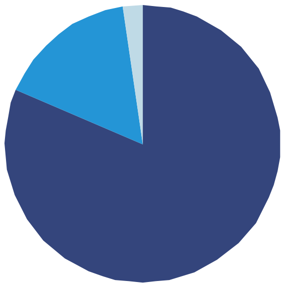
- Australian offshore and infrastructure projects on the rise
  - e.g. Gorgon project expansion, commencement of Queensland Curtis LNG project
- Harbour towage improved on increased demand and market share
- PB Towage activities in Middle East recovered quicker than expected after FBSL closure

Other EIS developments

- After completion of Northern Project, FBSL was closed in June 2011 due to Middle East market challenges
- PacMarine sold

PB EIS net profit	US$10.8m
PB Towage	US$15.2m
PacMarine Service	US$0.7m
FBSL	US$(5.1)m
Operating cash flow	**US$29m**
Return on net assets	**5%**

PB Towage Fleet: 43 vessels
(as at 23 Feb 2012)



PB Towage - Outlook

- High oil prices buoying demand for new, cleaner, safer fuel sources
- Australia striving to become a major LNG exporter
- Further improvement in Australian port activity

- Hesitant global economic recovery
- Potential decline in Chinese industrial production impacting Australian commodity exports and port activity
- Increasing market competition & political instability in Middle East
- Ongoing labour market cost pressures

PB Conclusion:

- Significant improvement in Australasian offshore and harbour towage markets will continue in 2012
- PB Towage is well positioned to participate in increasing activity
- Good earnings cover in place for 2012

Strategy: Invest further in towage fleet as specific projects materialise

PB RoRo

2011 Performance

- Unsatisfactory performance in a very difficult year - continued depression in Euro-centric RoRo market
- Our RoRo fleet recorded 84% utilisation, generating average daily rates of US$21,190 despite very weak charter market
- Daily operating cost: US$19,890

PB RoRo net profit	US$(10.6)m
Operating cash flow	US$7.5m
Return on net assets	-3%

Business Highlights

- Completion of RoRo newbuilding programme - final 2 ships delivered in Aug 2011 and Jan 2012
- Employment
  - 1 on charter to DFDS until 3Q12
  - 1 traded satisfactorily in Med on 1 year time charter, recently renewed
  - 2 on short term charters in US Gulf region
  - 2 newest ships seeking employment
- Nafta Gulf Bridge suspended in Oct due to insufficient cargo support (2 ships redeployed in USG)
- Reassessment of RoRo prospects led to US$80m impairment in 1H11
- 2012: full focus given to chartering effort to secure satisfactory employment

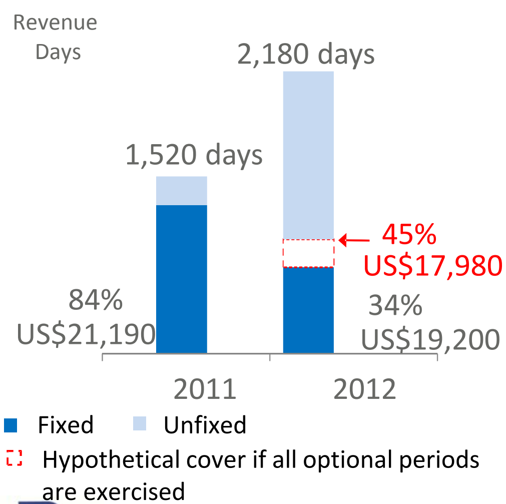
PB RoRo - Outlook

- Scrapping of older ships to increase
- High fuel prices making modern vessels more attractive
- Continued albeit limited development of new RoRo trades both in Europe and elsewhere

- Continuing economic crisis
- Weak intra-European trade
- Limited growth in trailer volumes
- Significant new RoRo deliveries scheduled in 2012 (Large RoRo orderbook: 21%)
- Most European RoRo operators still have excess capacity and are not chartering new vessels

RoRo Earnings cover

As at 27 Feb 2012



PB Conclusion:

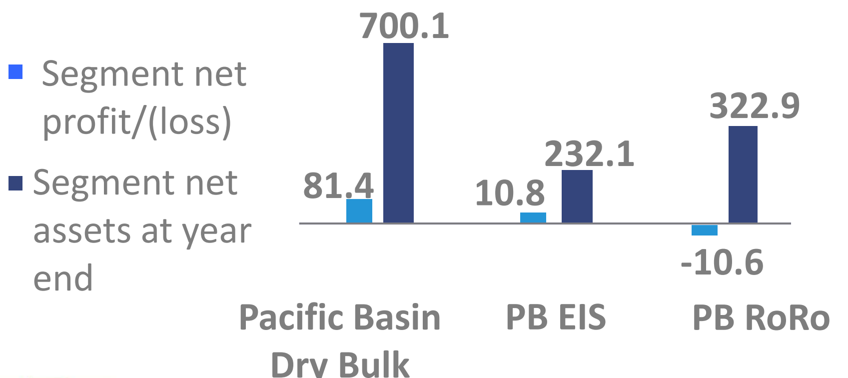
- RoRo charter market to remain weak throughout 2012
- Another very challenging, loss-making year for PB RoRo
- More positive longer term outlook after orderbook delivers (2012-2013), European economy recovers and new RoRo trades are developed

Strategy: To secure best possible charters, improve utilisation and implement stringent cost control to minimise losses until market recovers – no plans to invest in expansion of our RoRo fleet

2011 Annual Financial Highlights

	2011	2010
Segment net profit	**78.9**	146.3
▪ Treasury	**(12.8)**	(18.5)
▪ Non direct G&A	**(8.3)**	(8.0)
Underlying profit	**57.8**	119.8
▪ Unrealised derivative expenses	**(1.6)**	(12.4)
▪ RoRo vessel impairment charge	**(80.0)**	-
▪ Gain from sale of shares in Green Dragon Gas	**55.8**	16.0
▪ Fujairah Bulk Shipping impairment charge	**-**	(19.1)
Profit attributable to shareholders	**32.0**	104.3

Segment Net profit and Net Assets



Return on net assets

Pacific Basin Dry Bulk	11%
PB Energy & Infrastructure Services	5%
PB RoRo	-3%

Pacific Basin

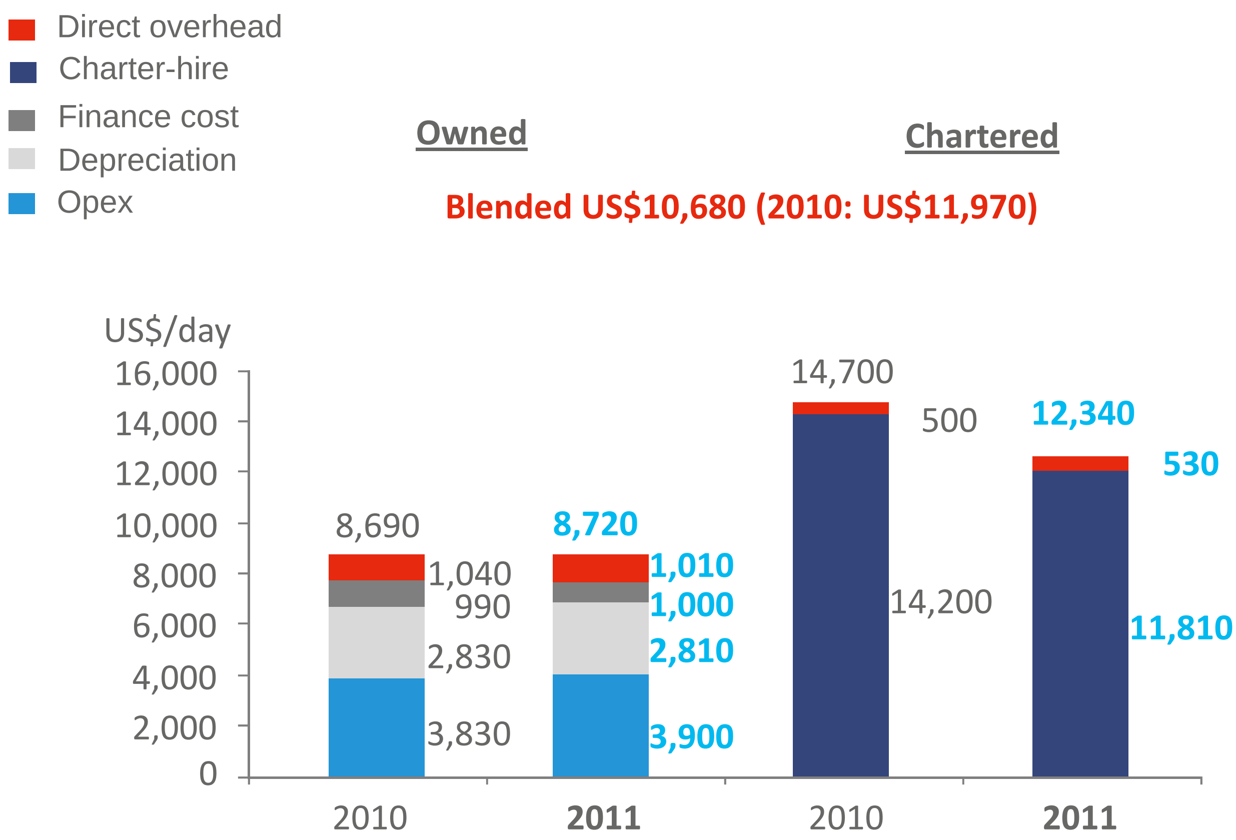
Pacific Basin Dry Bulk - Handysize

		2011	2010	Change
Revenue days	(days)	**32,710**	29,070	+13%
TCE earnings	(US$/day)	**13,530**	16,750	-19%
Owned + chartered costs	(US$/day)	**10,680**	11,970	-11%
Net profit	(US$m)	**89.8**	136.1	-34%
Return on net assets	(%)	**16%**	22%	-6%

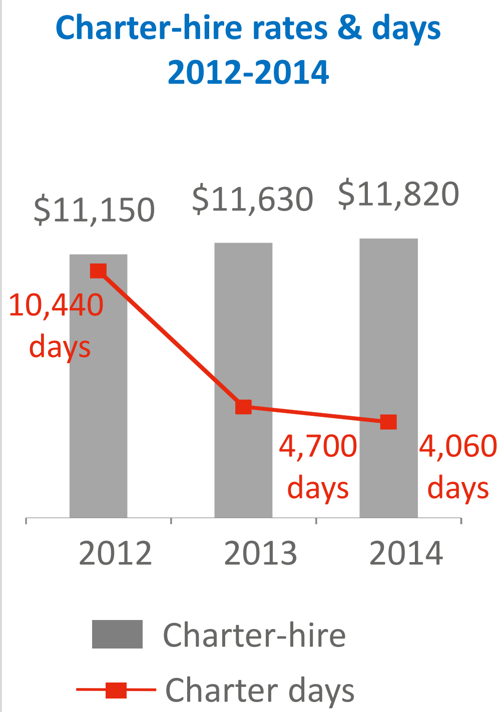
- Earnings: 2011 Time Charter Equivalent rates reflect weaker spot freight market
- Costs: Blended daily costs reflect lower chartered-in costs of market vessels
- Net profit: excludes US$0.6m unrealised net derivatives expenses

Daily Vessel Costs - Handysize

As at 31 Dec 2011



Vessel Days	13,320	15,070	15,980	17,890
	45%	46%	55%	54%



Balance Sheet

US$m	PB Dry Bulk	PB EIS	PB RoRo	Treasury	**31 Dec 11**	31 Dec 10
Vessels & other fixed assets	936	214	370	-	**1,525**	1,519
Total assets	1,107	291	375	596	**2,432**	2,555
Long term borrowings	298	34	48	399	**779**	860
Total liabilities	407	59	52	401	**947**	1,011
Net assets	700	232	323	195	**1,485**	1,544
Net borrowings					**161**	156
Net borrowings to Shareholders' equity					**11%**	10%

- Long term borrowings reduced following convertible bond repurchases

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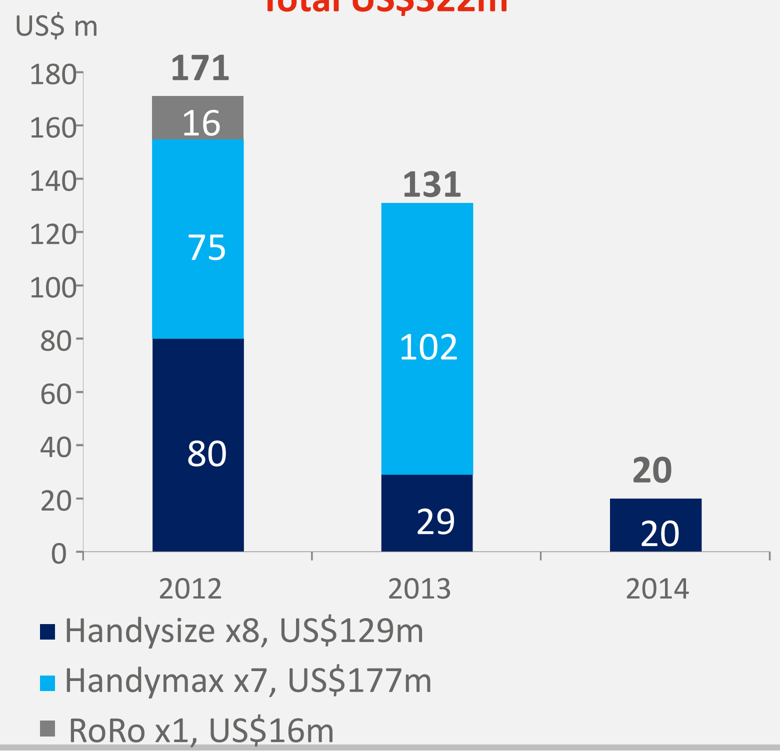
Notes: 31 December 2011 total includes other segments and unallocated

Capex and Combined Vessel Value

As at 31 Dec 2011

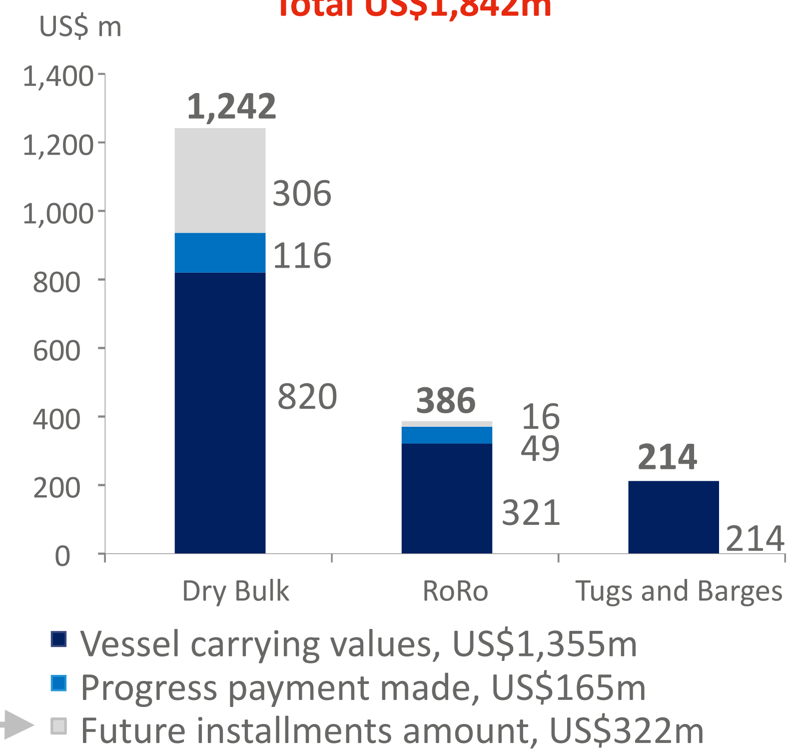
Vessels Commitments (including authorised commitments)

Total US$322m



A Combined View of Vessel Carrying Values and Commitments

Total US$1,842m



- Further commitments expected in Dry Bulk

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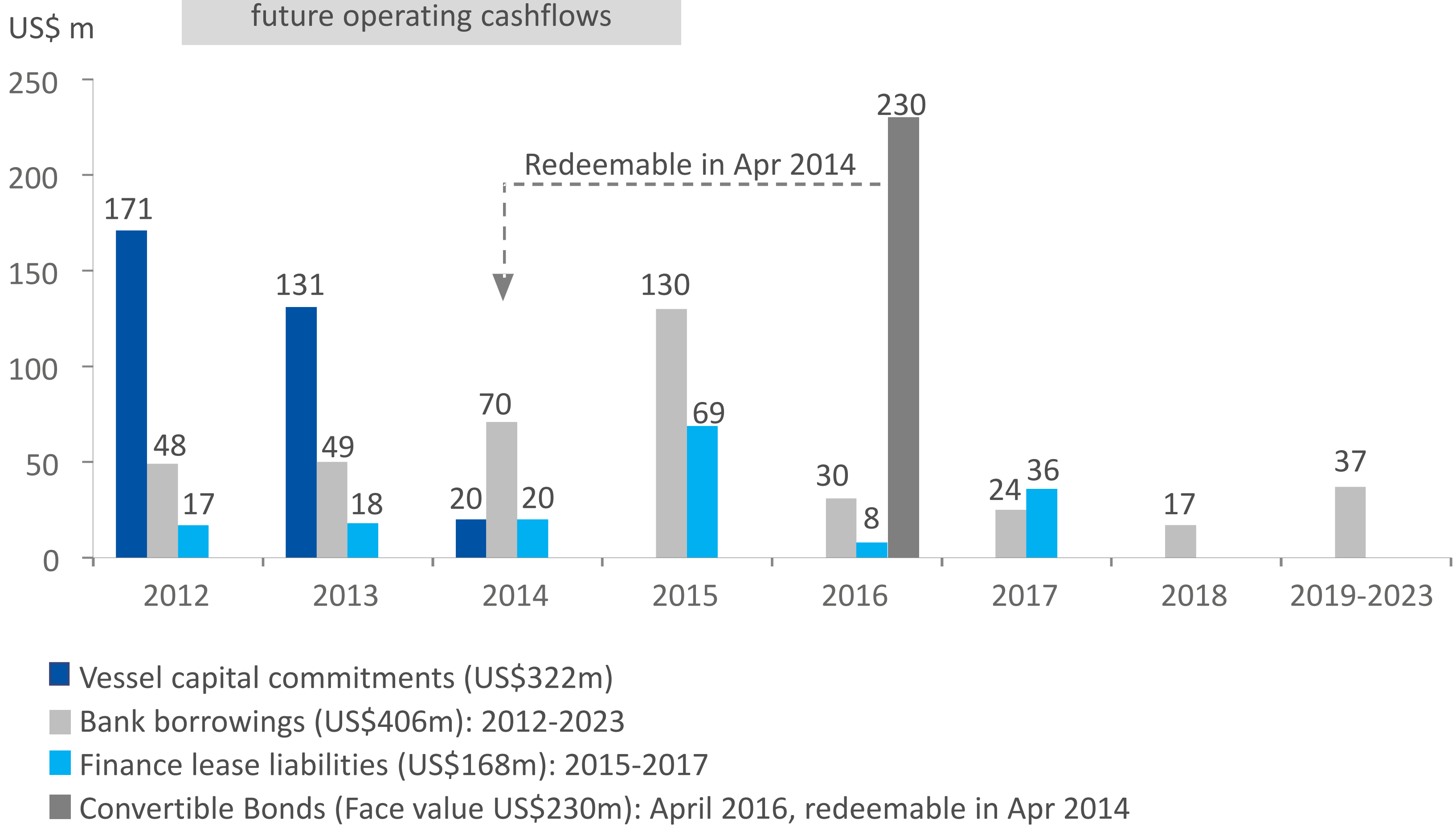
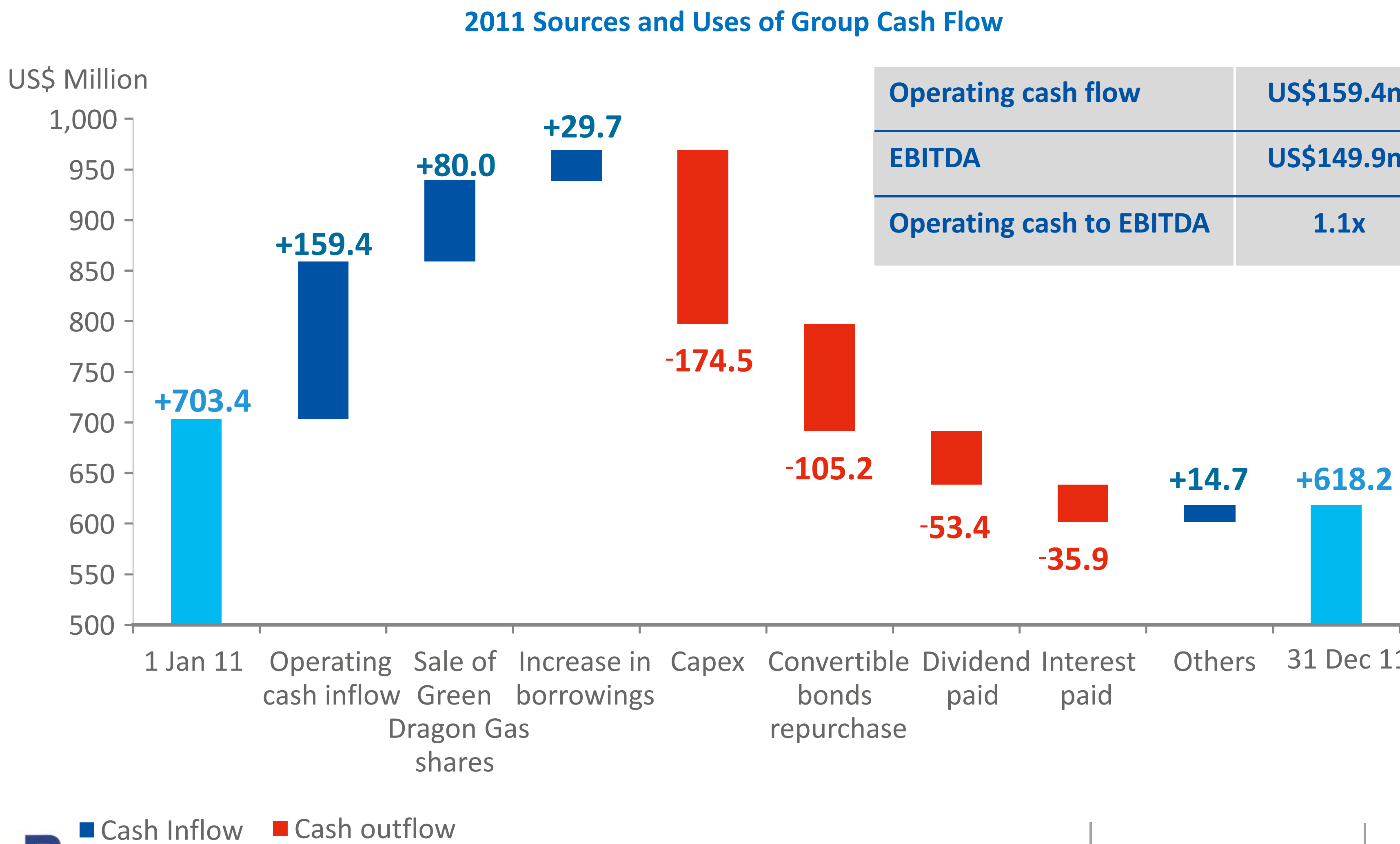
Borrowing and Capex

As at 31 Dec 2011

Funded from US$618m cash, US$117m undrawn facilities, and future operating cashflows



Cash Flow



Operating cash flow	US$159.4m
EBITDA	US$149.9m
Operating cash to EBITDA	1.1x

Outlook

- Dry bulk shipping market is in crisis
- Excess ship supply + significant contraction in funding for secondhand and newbuilding purchases = opportunity for cash rich ship owners
- Dry bulk freight rates will be weaker overall in 2012
- Outlook for towage market and our PB Towage business is promising
- **Key strategic objectives for the Group in 2012:**
  - **Direct new investment predominantly towards expansion of our owned fleet of dry bulk ships – patiently awaiting right opportunities at right price**
  - **Grow our dry bulk customers and cargo contract portfolio**
  - **Invest further in our towage business and fleet as specific projects materialise**
  - **Enhance our towage organisation to improve execution efficiency of our business**
  - **Secure best possible charters and utilisation for our RoRo fleet , with no plans to invest in RoRo fleet expansion**
  - **Consider opportunities for further divestment of non-core businesses**

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.

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Appendix: Pacific Basin Overview

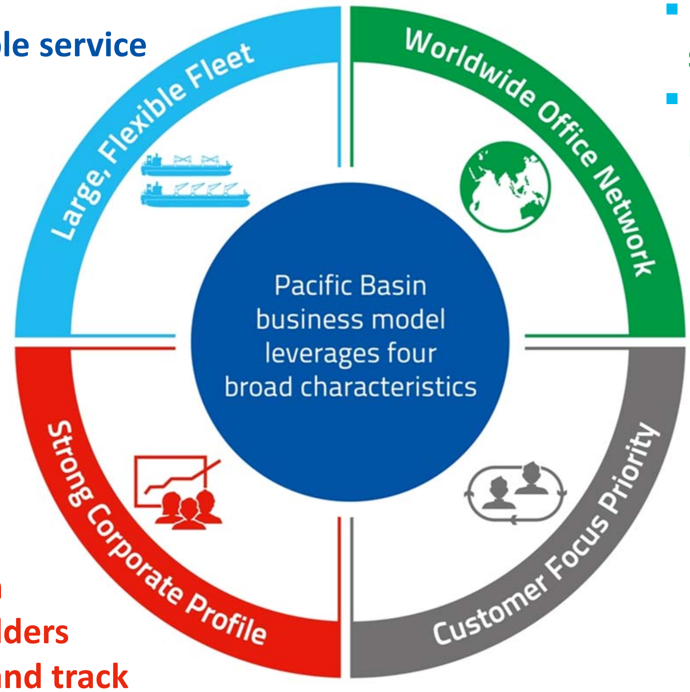
- A leading dry bulk owner/operator of Handysize & Handymax dry bulk ships
- Flexible Pacific Basin Dry Bulk business model
  - Large fleet of uniform, interchangeable, modern ships
  - Mix of owned and long-term, short-term chartered ships
  - Operating mainly on long term cargo contract (COA) and spot basis
  - Diversified customer base of mainly industrial producers and end users
  - Extensive network and offices positions PB close to customers
- Also owning/operating offshore and harbour tugs and RoRo freight ferries
- >220 vessels serving major industrial customers around the world
- Hong Kong headquarters, 21 offices worldwide, 300 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

* As at Mar 2012

Appendix: Our Dry Bulk Business Model

- Largest owner and operator of modern Handysize ships with 9% share of global fleet of modern (max 15 years) 25,000-40,000 dwt bulk carriers
- Scale and uniformity for reliable service
- Homogeneous fleet of interchangeable ships allows us to optimise our scheduling
- Comprehensive in-house technical operations function

- 21 offices globally – including 14 dry bulk offices across 6 continents
- Localised chartering and operations support
- Facilities comprehensive, accurate market intelligence

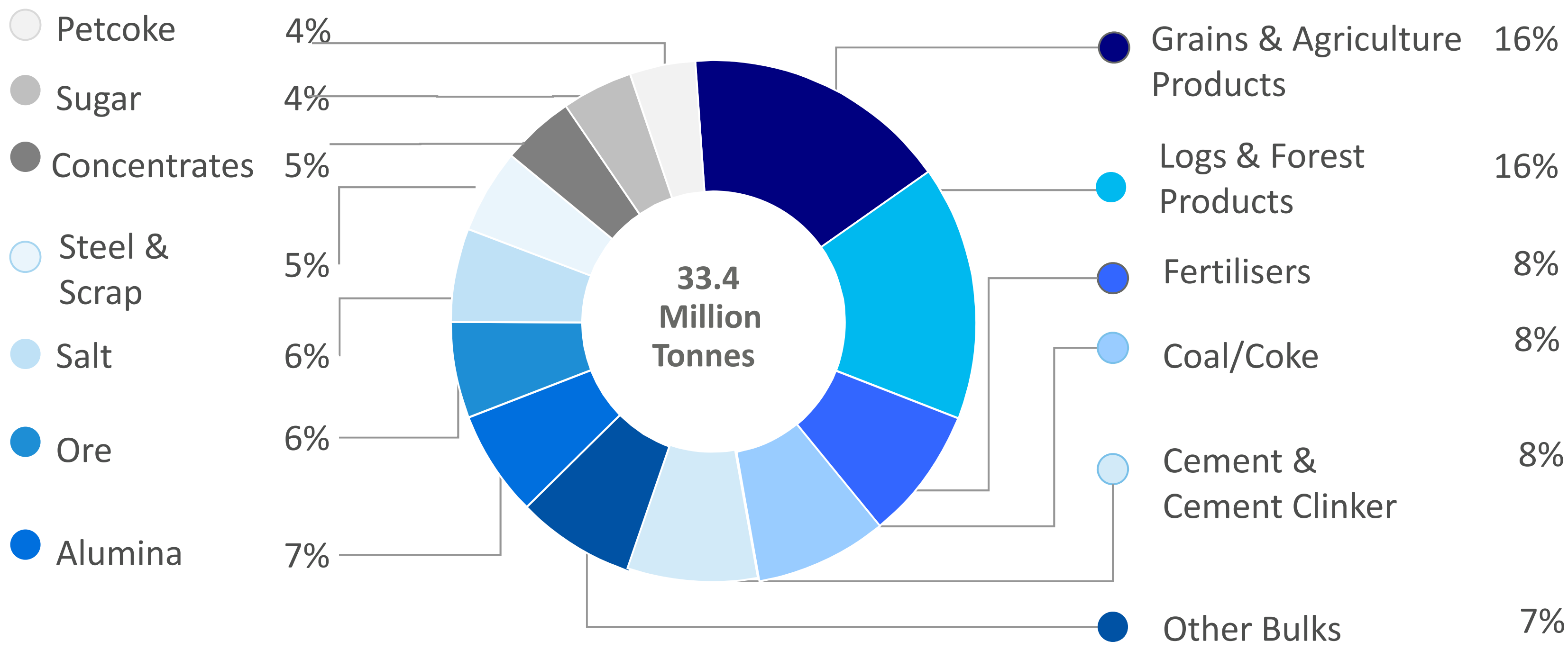


- Strong reputation
- Ability to engage closely with quality partners and stakeholders
- Strong public balance sheet and track record enhance our profile
- CSR and environmental programmes

- Customer-focused model - strong relationship with >300 customers
- Spot cargoes and long term cargo contracts – affording customers reliable freight cover
- Committed service delivery to customers

Appendix: Pacific Basin Dry Bulk – Diversified Cargo

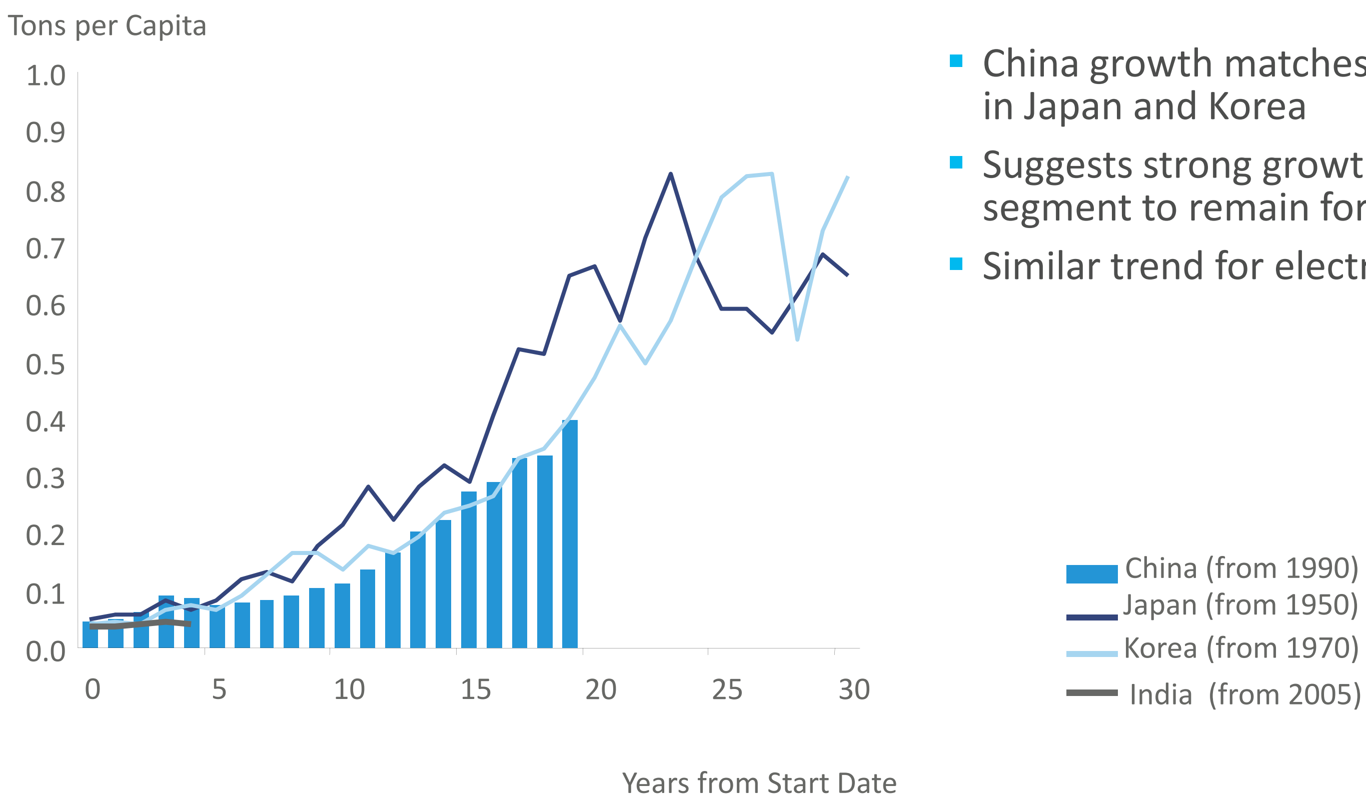
Pacific Basin Dry Bulk Cargo Volume 2011



- Diverse range of commodities reduces product risk
- Australia and China were our largest loading and discharging zones respectively
- Approximately 40% of our business is now in the Atlantic

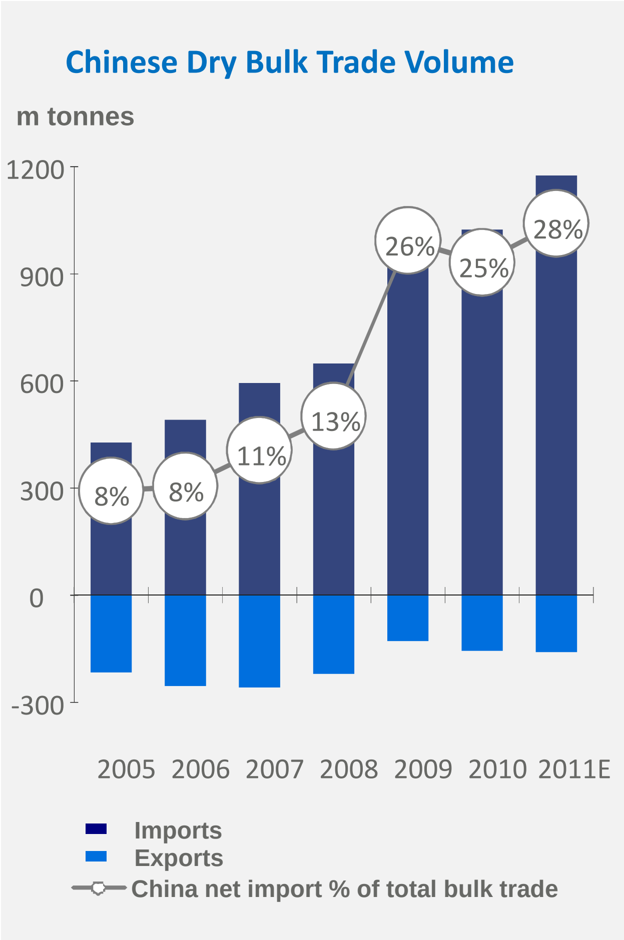
Appendix: China at late-Industrialisation Stage

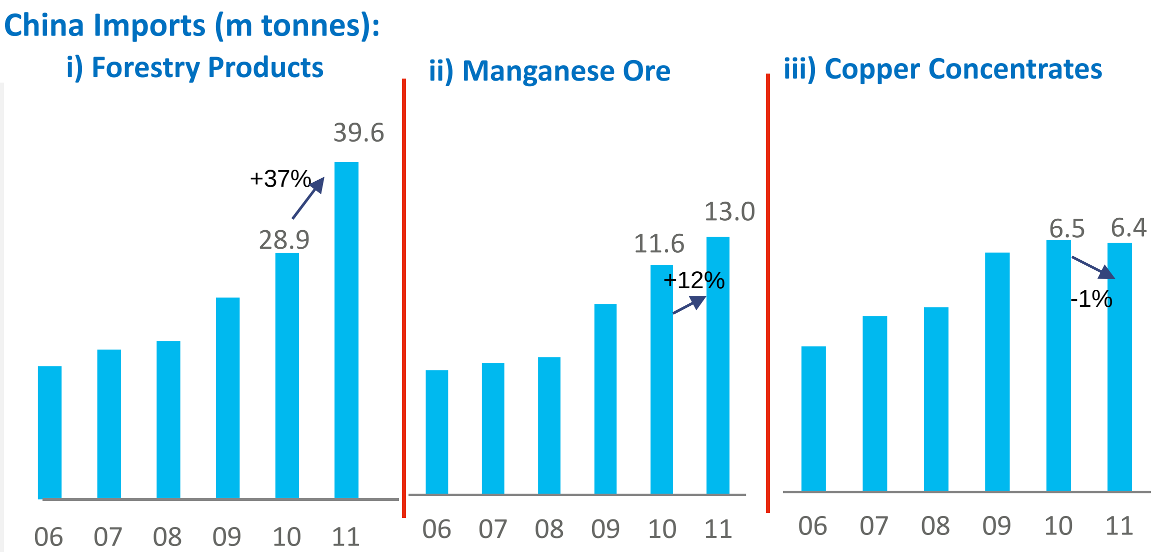
Steel Consumption Per Capita



- 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

Appendix: Chinese Dry Bulk Trade - Minor Bulk

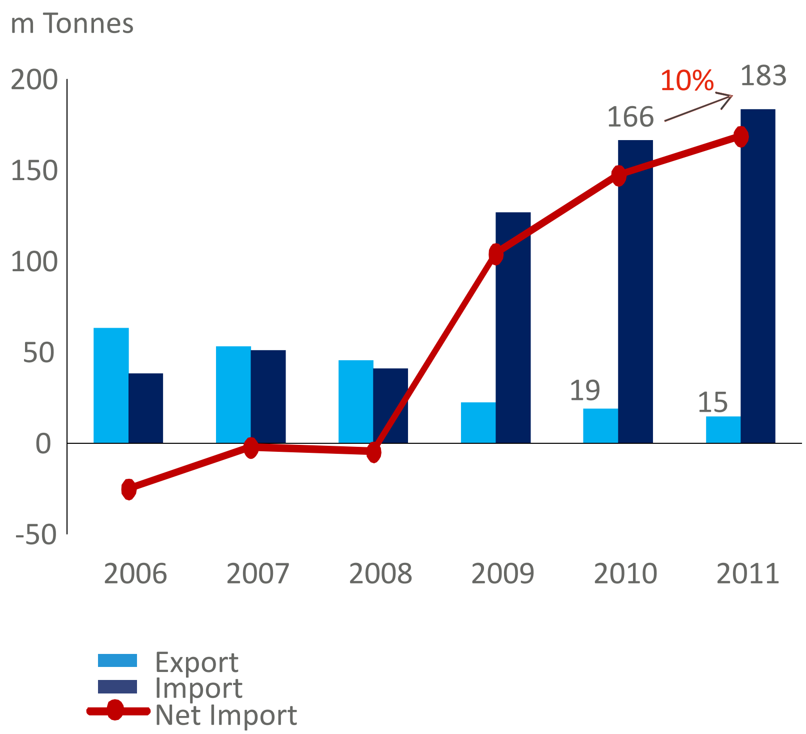




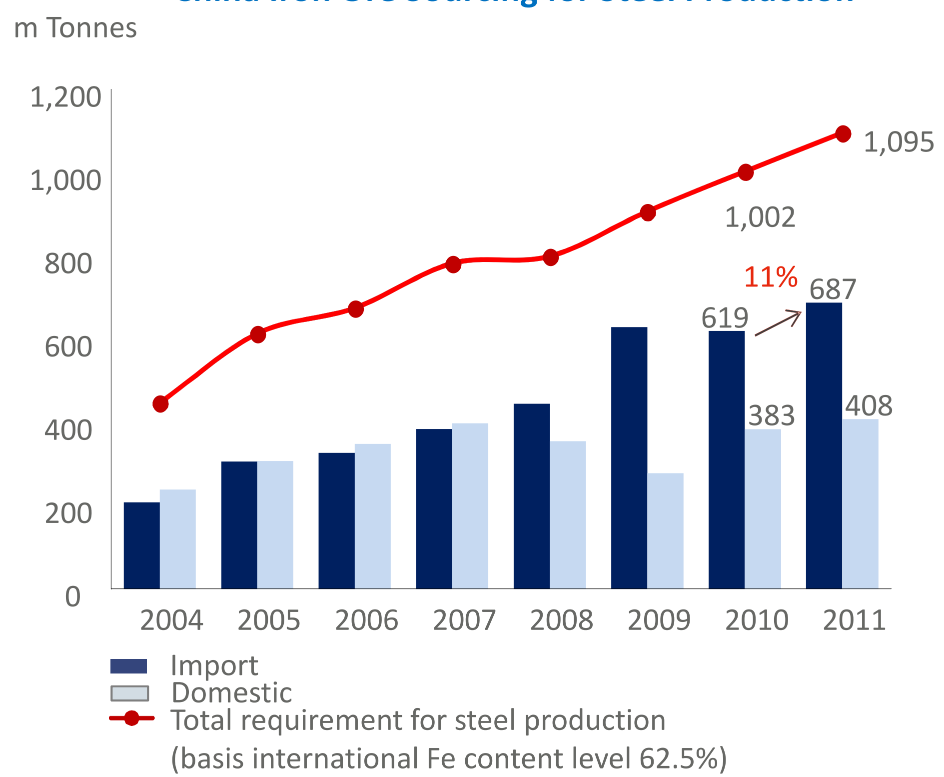
- Chinese minor bulk imports increased significantly
  - 37% more logs / forestry products imported, and proportionally more sourced from further afield
  - 49% more bauxite driving five-fold increase in bauxite volumes we carried

Appendix: China Iron Ore & Coal Demand

China is a net importer of coal in 2011



China Iron Ore Sourcing for Steel Production



- Seaborne iron ore and coal imports experienced a slow 1H and record-breaking 2H to grow 11% and 10% respectively in the year overall
- Increased ore imports from less tradition sources benefitted demand for smaller vessel types

Source: Bloomberg

Appendix: Pacific Basin Dry Bulk - Handymax

		2011	2010	Change
Revenue days	(days)	**13,310**	11,450	+16%
TCE earnings	(US$/day)	**15,090**	22,570	-33%
Owned + chartered costs	(US$/day)	**15,840**	21,690	-27%
Net (loss)/profits	(US$m)	**(11.4)**	8.8	-228%
Contribution from Post Panamax	(US$m)	**3.0**	-	-
Net (loss)/profits	(US$m)	**(8.4)**	8.8	-194%
Return on net assets	(%)	**-6%**	8%	-14%

- Earnings: 2011 Time Charter Equivalent rates reflect weaker spot freight market
- Costs: Blended daily costs reflect lower chartered-in costs market vessels
- Net profit: excludes US$0.3m unrealised net derivatives income

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$7.79 (Current conversion price: HK$ 7.35 with effect from 16 August 2011)
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