



## Press Release

### **Pacific Basin Sells And Charters Back Two Handysize Vessels**

*Hong Kong, July 24, 2007* – **Pacific Basin Shipping Limited** (“Pacific Basin” or “the Company”; SEHK: 2343), one of the world’s leading dry bulk shipping companies, has today agreed to sell two handysize vessels for a consideration of US\$45 million apiece (approximately HK\$351 million apiece).

The first vessel, named “Matariki Forest” (28,709 deadweight tonnes), was delivered from Kurushima shipyard in June 2007, and will be chartered back to Pacific Basin for 11-13 months at a net rate of US\$24,250 upon delivery to the buyer in September 2007. The second vessel, to be named “Crescent Harbour” (32,000 deadweight tonnes), will be delivered from Kanda shipyard in December this year, and will be handed over to the buyer by end March, 2008, whereupon she will be chartered back to Pacific Basin for 11-13 months at a net rate of US\$23,750. Both vessels are being sold to the same Japanese buyer.

These transactions represent record high prices for handysize vessels, and lock in disposal gains of approximately US\$15.1 million (HK\$118 million) for “Matariki Forest” and approximately US\$18.0 million (HK\$140 million) for “Crescent Harbour”. Pacific Basin will be able to operate both vessels for three to four months prior delivery to the buyer. The charter-back rates are well below market, producing additional earnings potential for the Company. The current Baltic Handysize spot index is US\$30,750 net.

Mr. Richard Hext, CEO of Pacific Basin said, “We look forward to working with the buyers of these two vessels for the duration of their charters back into our IHC pool. These transactions have set new highs for handysize ship values and will lock in substantial cash value for our shareholders whilst retaining each vessel’s earnings power for at least another year following delivery to the buyer.”

Pacific Basin’s fleet currently numbers 116 vessels including a ‘core’ fleet of 83 vessels plus 33 vessels on short-term charter. The ‘core’ fleet comprises 58 handysize and 10 handymax vessels which are owned or chartered, and 15 newbuildings on order, of which 13 are handysize and 2 are handymax.

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#### **About Pacific Basin**

Pacific Basin Shipping Limited is one of the world’s leading commercial dry bulk shipping companies with an owned, chartered and managed fleet under the name of Pacific Basin ([www.pacbasin.com](http://www.pacbasin.com)) and International Handybulk Carriers (“IHC”) ([www.handybulkpool.com](http://www.handybulkpool.com)). It commenced its handymax activity in December 2005 under the name of International Handymax Carriers (“IHX”) ([www.handymaxpool.com](http://www.handymaxpool.com)).

The company specializes in shipping a broad range of dry bulk commodities which include forestry products, cement, minerals, grains and fertilizers and scrap steel from resource-rich regions such as Australia, New Zealand, West Coast North America and South East Asia to high commodity consumption countries such as Japan, China, and Korea.

Pacific Basin has a global presence with its headquarters in Hong Kong and operating offices in London, Tokyo, Melbourne, Shanghai, Dalian, Beijing, Vancouver, Auckland, Dubai, Fujairah, Seoul and Singapore.

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