3Q 2013
Trading Update
2013 Third Quarter Highlights

**Pacific Basin Dry Bulk**
- Our 3Q average daily earnings (net):
  - **Handysize**: US$9,550/day on 14,410 revenue days
  - **Handymax**: US$10,420/day on 6,090 revenue days
- Handysize spot market rates averaged US$7,500/day net
- Our fleet scale and cargo-focused business model continues to enable us to outperform
- Our forward cargo cover for 2014:
  - **Handysize**: 22% covered at US$10,320/day
  - **Handymax**: 42% covered at US$11,570/day
- Global Handysize capacity registered zero net growth during 3Q
- Acquired 32 dry bulk ships and chartered 23 ships on long-term inward charters since Sep 2012
- Growing difficulty in finding good value opportunities – pace of acquisitions will likely be slower than past 12 mos

**PB Towage**
- Commenced operations in Newcastle where initial job numbers are encouraging
- OMSA JV’s Gorgon contract extended to Dec 2015
- Secured a 5-year contract for trans-shipment of iron ore in Australia’s Northern Territories

**Financing**
- We secured a further US$51million, 12-year Japanese export credit agency loan for 2 Handymax vessels
Earnings Cover as at 3Q Trading Update

Strong dry bulk business model enables us to outperform the spot market:

av. BHSI: $7,500
av. BSI: $9,300

Pacific Basin Dry Bulk Fleet: 251 (on the water: 226) average age of core fleet: 6 years old

<table>
<thead>
<tr>
<th></th>
<th>Owned</th>
<th></th>
<th>Chartered</th>
<th></th>
<th>Total</th>
<th>Last year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Delivered</td>
<td>Newbuilding</td>
<td>Delivered</td>
<td>Newbuilding</td>
<td>15 Oct 2013</td>
<td>31 Dec 2012</td>
</tr>
<tr>
<td>Handysize</td>
<td>58(^1)</td>
<td>6</td>
<td>106</td>
<td>14</td>
<td>184</td>
<td>134</td>
</tr>
<tr>
<td>Handymax</td>
<td>12(^1)</td>
<td>2</td>
<td>48</td>
<td>3</td>
<td>65</td>
<td>51</td>
</tr>
<tr>
<td>Post-Panamax</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>71</td>
<td>8</td>
<td>155</td>
<td>17</td>
<td>251</td>
<td>187</td>
</tr>
</tbody>
</table>

\(^1\) Including recent secondhand acquisitions of 2 Handysize and 1 Handymax vessels not yet delivered

PB Dry Bulk Fleet Development

No. of vessels on water
Gradual upward trend in Handysize rates since low point in 4Q 2012
Overall dry bulk market developments dominated by strong increase in Capesize rates – despite significant expansion of Capesize capacity over past 3 years
Seasonal improvement towards the fourth quarter:
- Pre-winter stock building for key commodities
- Iron ore restocking in China
- Increased exports from expanding mining capacity
- Significantly lower net fleet growth in Capesize segment
5-year old Handysize value: US$18.5m (+19% since 9-year low at start of 2013)

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

- **Handysize** 3Q13 average spot market rate: US$7,500 net
- **BHSI:** US$8,598
- **Capesize** 3Q13 average spot market rate: US$11,785

* US$ freight rates are net of 5% commission

**Handysize Vessel Values**

- **Sep 13:** Newbuilding: US$21.75m
- **5-year old:** US$18.5m

**Source:** Clarksons

3Q13 Trading Update
Dry Bulk Demand

% change YOY

Dry Bulk Effective Demand

Million tonnes

Chinese Minor Bulk Imports

- 1Q & 2Q dry bulk demand increased 5% and 5.5% YOY respectively
- Demand growth influenced by:
  - Expanded Chinese imports of iron ore – 7% greater YTD than same period in 2012
  - 19% increase in Chinese imports of seven key minor bulks in first 8 months...
  …lending strong support to global demand for Handysize and Handymax ships

Source: R.S. Platou, Bloomberg

China imports of a basket of 7 important minor bulks: logs, soyabean, fertiliser, bauxite, nickel, copper concs & manganese ore

International cargo volumes
- Congestion effect
- Tonne-mile effect
- China coastal cargo, off-hire & ballast effect
- Net demand growth

YTD Imports have increase 19% YOY

2006 2007 2008 2009 2010 2011 2012 1Q13E 2Q13E

Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

1Q13E 2Q13E

2013 2012 2011 2010
- Diverse range of commodities reduces product risk
- Australasia and China were our largest loading and discharging zones respectively

### Our Dry Bulk Cargo Volumes in 1Q-3Q13

- **Energy**
  - Coal: 5%
  - Petcoke: 7%

- **Metals**
  - Alumina: 5%
  - Ores: 7%
  - Concentrates & Other Metals: 6%

- **Minerals**
  - Salt: 3%
  - Sand & Gypsum: 5%

- **Agricultural Products**
  - Grains & Agriculture Products: 16%
  - Fertiliser: 9%
  - Sugar: 4%

- **Construction Materials**
  - Logs & Forest Products: 18%
  - Steel & Scrap: 6%
  - Cement & Cement Clinkers: 9%

Total: 36.5 Million Tonnes
Global Dry Bulk Fleet Development

Net fleet growth:
- Handysize:
  - 1 Jul – 30 Sep: +0%
  - YTD: +0.95%
- Dry Bulk overall:
  - 1 Jul – 30 Sep: +1%
  - YTD: +5.6%

Dry bulk fleet development YTD:
- New deliveries: 47m tonnes YTD
- Scrapping: 17m tonnes YTD

R.S Platou forecast net fleet growth:
- 7.9% in FY2013
- <5% in 2014

Handysize Age Profile (25,000-39,999 dwt)
- 2,138 vessels (68.9m dwt)

Global Dry Bulk Fleet Development

- Yard Deliveries
- Conversions
- Scrapping
- Net Fleet Growth YOY

Dry Bulk Scrapping versus BDI

Source: Clarksons, Bloomberg, as at 1 Oct 2013

With you for the long haul
New orders YTD are up 110% YOY (from low base in 2012) – mainly Capesize & large Handymax
Scheduled orderbook for 2015/16 deliveries remains relatively small… but continued ordering at this pace would be a concern
Daily Vessel Costs – Pacific Basin Handysize

As at 30 June 2013

- Overall direct overheads for Handysize and Handymax vessels US$550 per day
3Q13 Performance

Offshore Towage
- OMSA JV’s contract to supply marine logistics services to Gorgon was extended to Dec 2015
  - Expect a gradual and phased decline in construction work scope as the project approaches its production phase
- Secured a 5-year contract for trans-shipment of iron ore at a new location in Australia’s Northern Territories
  - We will redeploy 4 tugs and acquire 4 barges for the project
- PBT is tendering for other LNG related projects, working on longer-term opportunities in market for project cargo transportation, and pursuing potential expansion into neighbouring geographic, niche markets

Harbour Towage
- Steady growth in harbour towage sector
  - 3Q harbour jobs increased 15% YOY
- Commenced new harbour towage operation in Newcastle in July
  - secured NYK as our foundation client
Towage Segment
Operating Performance Before Overheads

As at 30 June 2013

Operating performance: US$22.3m
Direct overheads: US$(9.7)m
Segment net profit: US$12.6m
EBITDA: US$19.8m

Offshore & Infrastructure projects
Harbour Towage
Middle East & others
Total segment return on net assets (annualised)

1H12: 15.2% (US$22.1m)
1H13: 15.3% (US$22.3m)

11.5% (US$22.3m)
# Balance Sheet

<table>
<thead>
<tr>
<th>US$m</th>
<th>PB Dry Bulk</th>
<th>PB Towage</th>
<th>Treasury</th>
<th>Discontinued</th>
<th>30 Jun 13</th>
<th>31 Dec 12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessels &amp; other fixed assets</td>
<td>1,250</td>
<td>181</td>
<td>-</td>
<td>-</td>
<td>1,436</td>
<td>1,270</td>
</tr>
<tr>
<td>Total assets</td>
<td>1,501</td>
<td>249</td>
<td>544</td>
<td>32</td>
<td>2,347</td>
<td>2,470</td>
</tr>
<tr>
<td>Long term borrowings</td>
<td>466</td>
<td>25</td>
<td>366</td>
<td>-</td>
<td>857</td>
<td>931</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>616</td>
<td>39</td>
<td>373</td>
<td>3</td>
<td>1,051</td>
<td>1,138</td>
</tr>
<tr>
<td>Net assets</td>
<td>885</td>
<td>210</td>
<td>171</td>
<td>29</td>
<td>1,296</td>
<td>1,332</td>
</tr>
</tbody>
</table>

Net borrowings (after total cash of US$442m) | 415 | 178 |
Net borrowings to net book value of property, plant and equipment | 29% | 14% |

- US$136m Japanese export credit loan facility arranged in the period and partially drawn
- Finance lease liabilities have been reduced following exercise of the purchase option
- Cash has been used for our vessel commitments
- We plan to secure new bank facilities in due course

Note: 30 June 2013 total includes other segments and unallocated
The Group had cash balances of US$442m, borrowings of US$857m and a net borrowings ratio of 29% against the Net Book Value of property, plant and equipment.
## Our Outlook and Strategy

### We remain focused on growth

<table>
<thead>
<tr>
<th>Dry Bulk</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Expect seasonally stronger demand &amp; reduced newbuilding deliveries late in the year to support stronger Handysize and Handymax spot market in 4Q 2013… before seasonal softening early in the new year</td>
</tr>
<tr>
<td>- Handysize &amp; Handymax spot markets to continue to demonstrate gradual recovery in medium term</td>
</tr>
<tr>
<td>- Demand to remain relatively healthy, fundamentals improving, but will take time to absorb over-supply of larger ships and for cyclical upturn/sustained recovery to take hold</td>
</tr>
<tr>
<td>- <strong>Strategy:</strong></td>
</tr>
<tr>
<td>- Expand our fleet of high-quality owned and chartered Handysize and Handymax ships</td>
</tr>
<tr>
<td>NB growing difficulty in finding good value opportunities, so our pace of acquisitions is likely to be slower</td>
</tr>
<tr>
<td>- Expand our customer and cargo portfolio – including new dry bulk presence in Dubai in January 2014</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Towage</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Expect continued long-term demand for logistics and construction support services and harbour towage service on Australian coast… Long-term outlook for PB Towage remains positive</td>
</tr>
<tr>
<td>- Shorter-term contribution from PB Towage is likely to be impacted by costs and reduced revenue and reduced utilisation as we redeploy our assets and resources from completed projects to new projects</td>
</tr>
<tr>
<td>- <strong>Strategy:</strong></td>
</tr>
<tr>
<td>- Target profitable growth opportunities in both harbour and marine logistics support sectors</td>
</tr>
<tr>
<td>- Harbour - continue to consolidate position in existing ports, including Newcastle, and pursue potential opportunities to operate at exclusive ports</td>
</tr>
<tr>
<td>- Project/offshore – concentrate on delivering best possible service on existing contracts while also seeking opportunities in Australia and internationally including shipment of modular project cargo</td>
</tr>
</tbody>
</table>
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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ir@pacificbasin.com
Tel : +852 2233 7000

- **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

- **Social Media Communications**
  - Follow us on Facebook, Twitter and Linkedin!
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
- >260 vessels serving major industrial customers around the world
- Hong Kong headquarters, 16 offices worldwide, 350 shore-based staff, 2,500 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
Appendix: How we create value

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 global office network
- 16 offices globally – including 12 dry bulk offices across 6 continents
- Localised chartering and operations support
- Facilitates comprehensive, accurate market intelligence

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
### Appendix: 2013 Interim Results – Group Highlights

<table>
<thead>
<tr>
<th></th>
<th>1H13</th>
<th>1H12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying Profit</td>
<td>US$13.6m</td>
<td>US$3.2m</td>
</tr>
<tr>
<td>EBITDA</td>
<td>US$59.4m</td>
<td>US$53.7m</td>
</tr>
<tr>
<td>Net Profit / (Loss)</td>
<td>US$0.3m</td>
<td>US$(-195.9)m</td>
</tr>
<tr>
<td>Earnings per Share</td>
<td>HK¢0.1</td>
<td>HK¢(-79)</td>
</tr>
<tr>
<td>Cash Position</td>
<td>US$442.3m</td>
<td>US$753.5m  (31 Dec)</td>
</tr>
</tbody>
</table>

- Group results were impacted by:
  - valuable cargo book & business model → 32% outperformance
  - 16-18% reduction in our daily vessel costs
  - solid US$12.6m contribution from PB Towage
    - weakest half-year dry bulk market since 1986
    - one-off US$6m lease break costs and exchange rate losses
- Balance sheet remains healthy with substantial cash position:
  - US$442m total cash and deposits
  - 29% group net gearing
- Acquired 27 dry bulk ships and long-term chartered another 9 YTD
- Fully-funded capital commitments of US$298m relating to 19 dry bulk ships
- No dividend for first half…
  …but will consider a payout based on the Group’s full-year performance
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:
China Dry Bulk Trade, Iron Ore & Coal Demand

Chinese Dry Bulk Trade Volume

China is a significant net importer of coal in 1H13

China Iron Ore Sourcing for Steel Production

Source: Clarksons, Bloomberg, data as at 1 Sep 2013
### Appendix: 2013 Interim Financial Highlights

<table>
<thead>
<tr>
<th>Segment net profit</th>
<th>1H13</th>
<th>1H12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasury</td>
<td>25.8</td>
<td>18.2</td>
</tr>
<tr>
<td>Discontinued Operations - RoRo</td>
<td>(4.3)</td>
<td>(0.9)</td>
</tr>
<tr>
<td>Non direct G&amp;A</td>
<td>(0.8)</td>
<td>(8.5)</td>
</tr>
<tr>
<td></td>
<td>(7.1)</td>
<td>(5.6)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Underlying profit</th>
<th>1H13</th>
<th>1H12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrealised derivative expenses</td>
<td>13.6</td>
<td>3.2</td>
</tr>
<tr>
<td>RoRo vessel exchange loss &amp; impairment charge</td>
<td>(3.5)</td>
<td>(9.1)</td>
</tr>
<tr>
<td>Expenses relating exercising five purchase options under finance leases</td>
<td>(8.3)</td>
<td>(190.0)</td>
</tr>
<tr>
<td>Towage exchange gain</td>
<td>(6.1)</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Profit/(Loss) attributable to shareholders</th>
<th>1H13</th>
<th>1H12</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.3</td>
<td>(195.9)</td>
</tr>
</tbody>
</table>

- Underlying profit increase reflected increased Handymax contribution and reduced loss from discontinued RoRo operation
- RoRo foreign exchange loss was released from reserves upon commencement of 3 bareboat charters
### Appendix:
**Pacific Basin Dry Bulk**

<table>
<thead>
<tr>
<th></th>
<th>1H13</th>
<th>1H12</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Handysize</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue days</td>
<td>(days)</td>
<td>23,740</td>
<td>19,210</td>
</tr>
<tr>
<td>TCE earnings</td>
<td>(US$/day)</td>
<td>9,290</td>
<td>10,540</td>
</tr>
<tr>
<td>Owned + chartered costs</td>
<td>(US$/day)</td>
<td>8,280</td>
<td>9,250</td>
</tr>
<tr>
<td>Handysize contribution</td>
<td>(US$m)</td>
<td>22.4</td>
<td>22.8</td>
</tr>
<tr>
<td>Handymax contribution</td>
<td>(US$m)</td>
<td>4.3</td>
<td>(1.4)</td>
</tr>
<tr>
<td>Post Panamax contribution</td>
<td>(US$m)</td>
<td>2.9</td>
<td>2.8</td>
</tr>
<tr>
<td>Direct overhead</td>
<td>(US$m)</td>
<td>(18.3)</td>
<td>(16.7)</td>
</tr>
<tr>
<td><strong>Dry Bulk Net profit</strong></td>
<td>(US$m)</td>
<td>11.3</td>
<td>7.5</td>
</tr>
<tr>
<td>Annualised return on net assets (%)</td>
<td>3%</td>
<td>2%</td>
<td>+1%</td>
</tr>
</tbody>
</table>

- Revenue day increase reflects increased index-linked chartered-in vessels
- Daily costs reduction reflects lower market rates for chartered-in vessels
### Appendix: Pacific Basin Dry Bulk – Handymax

<table>
<thead>
<tr>
<th></th>
<th>1H13</th>
<th>1H12</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue days (days)</td>
<td>9,050</td>
<td>6,940</td>
<td>+30%</td>
</tr>
<tr>
<td>TCE earnings (US$/day)</td>
<td>10,570</td>
<td>11,520</td>
<td>-8%</td>
</tr>
<tr>
<td>Owned + chartered costs (US$/day)</td>
<td>10,060</td>
<td>11,720</td>
<td>-14%</td>
</tr>
<tr>
<td>Handymax contribution (US$m)</td>
<td>4.3</td>
<td>(1.4)</td>
<td>+407%</td>
</tr>
<tr>
<td>Post Panamax contribution (US$m)</td>
<td>2.9</td>
<td>2.8</td>
<td>+4%</td>
</tr>
<tr>
<td>Total contribution (US$m)</td>
<td>7.2</td>
<td>1.4</td>
<td>+414%</td>
</tr>
</tbody>
</table>

- **Earnings**: 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$1.4m unrealised net derivatives expenses
Appendix:
Daily Vessel Costs – Handymax

Blended US$10,060 (FY2012: US$11,240)

As at 30 June 2013

Inward Charter Commitments

<table>
<thead>
<tr>
<th>Year</th>
<th>Charter-hire</th>
<th>Charter-hire</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$10,190</td>
<td>$12,880</td>
</tr>
<tr>
<td>2014</td>
<td>$13,720</td>
<td>$13,720</td>
</tr>
</tbody>
</table>

Daily charter hire rates & days 2013-2015

- 2H13: $10,190, 5,030 days
- 2014: $12,880, 2,170 days
- 2015: $13,720, 1,490 days

With you for the long haul
Appendix: Capex and Combined Vessel Value

As at 30 June 2013

A Combined View of Vessel Carrying Values and Commitments

Total US$1,735m

- Vessel carrying values, US$1,324m
- Progress payments made, US$113m
- Future installments due, US$298m

- Further commitments expected in Dry Bulk

Vessels Commitments

Total US$298m

US$m

2H13 2014 2015 2016

Handysize x 15, US$223m

Handymax x 4, US$75m

US$m

2016 2015 2014 2H13

Dry bulk

Tugs and barges

Dry bulk

Tugs and barges

1,555

298

113

1,144

180

25
Appendix: Cash Flow

1H2013 Sources and Uses of Group Cash Flow

As at 30 June 2013

<table>
<thead>
<tr>
<th>Source/Use</th>
<th>Amount (US$m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Cash (1Jan13)</td>
<td>26</td>
</tr>
<tr>
<td>Operating cash inflow</td>
<td>+754</td>
</tr>
<tr>
<td>Decrease in borrowings</td>
<td>-227</td>
</tr>
<tr>
<td>Capex</td>
<td>-76</td>
</tr>
<tr>
<td>Dividend paid</td>
<td>-12</td>
</tr>
<tr>
<td>Net Interest paid</td>
<td>-21</td>
</tr>
<tr>
<td>Others</td>
<td>-11</td>
</tr>
<tr>
<td>Closing Cash (30Jun13)</td>
<td>+442</td>
</tr>
</tbody>
</table>

Operating cash flow: US$34.5m
EBITDA: US$59.4m

2H13 cash levels expected to be affected by:
- Drawdown from US$67 million unutilised ECA facility
- New loan facilities to be secured using our existing 50 unmortgaged vessels (NBV: US$508 million)
Appendix: Pacific Basin Dry Bulk – Outlook

- China’s continued strong demand for minor bulks despite slower economic growth
- Continued US economic recovery and reviving industrialisation in North America
- High level of scrapping and decreasing newbuilding deliveries leading to zero or negative Handysize net fleet growth
- Bank lending remains selective, limiting funding for ship acquisitions to shipowners with track records and healthy balance sheets

- Excessive newbuilding capacity, especially in China, and competition from shipyards to win new orders
- Credit squeeze in China leading to slower economic and industrial growth and slower growth in dry bulk imports
- Shipowner optimism resulting in less scrapping and increased vessel ordering

PB Outlook:
- Expect seasonally stronger demand combined with reduced newbuilding deliveries late in the year to support a stronger Handysize and Handymax spot market in 4Q 2013 (benefitting also from current strength in larger ship segments)
- Handysize & Handymax spot markets to continue to demonstrate gradual recovery in medium term, but…
- Will take time to absorb over-supply of larger ships and for cyclical upturn/sustained recovery to take hold

Strategy:
- Expand our fleet of high-quality owned and chartered Handysize and Handymax ships (growing difficulty in finding good value opportunities, so our pace of acquisitions is likely to be slower)
- Expand our customer and cargo portfolio – including new dry bulk presence in Dubai in January 2014
Appendix: PB Towage – Outlook

- Growth in Australian bulk exports and port infrastructure development
  - Exclusive licences in a number of bulk ports up for tender in 2015 onwards
  - Potential for long-term LNG terminal towage contracts as projects move from construction to production phase
  - Growth in international and domestic project cargo movements in LNG and mining sectors

- Volatile global markets and hesitation in global economic recovery, amplified by a credit squeeze in China, impacting growth in dry bulk trades and Australian port activity
  - Labour market shortages and cost pressures in Australia impacting returns from capital investment projects and oil companies’ appetite for investment
  - Exchange rate movements affecting business drivers including Australia’s export competitiveness, imports and trade balance

PB Outlook:
- LNG projects under construction expected to drive continued long-term demand for logistics and construction support services on Australian coast
- Further expansion of mines and minerals sector expected to support Australian seaborne trade growth and, in turn, sustained steady growth in harbour towage job numbers
- Long-term outlook for PB Towage remains positive
- Shorter-term contribution from PB Towage is likely to be impacted by costs and reduced revenue and utilisation as we redeploy our assets and resources from completed projects to new projects

Strategy:
- Target profitable growth opportunities in both the harbour and marine logistics support sectors
- In harbour sector, continue to consolidate our position in existing ports, including Newcastle, and pursue potential opportunities to operate at exclusive ports
- In the project sector, concentration remains on delivering best possible service on existing contracts while also seeking opportunities in Australia and internationally including shipment of modular cargo
### Appendix: PB RoRo

<table>
<thead>
<tr>
<th>US$ Million</th>
<th>2H13</th>
<th>2014</th>
<th>2015</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Income - Treasury</td>
<td>3.8</td>
<td>6.1</td>
<td>2.9</td>
<td>12.8</td>
</tr>
<tr>
<td>Exchange Losses - Unallocated</td>
<td>-</td>
<td>(5.0)</td>
<td>-</td>
<td>(5.0)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3.8</td>
<td>1.1</td>
<td>2.9</td>
<td>7.8</td>
</tr>
</tbody>
</table>

- Considered a discontinued operation
- 2012: Agreed sale of all 6 RoRos to Grimaldi for Eur153m (approx. US$188m)
- 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 (ownership transfer of 1 completed in June 2013)
  - 1 to commence in March 2014, after current time charter
- At least one vessel to be purchased by end of each 6-month period ending June 2013 through Dec 2015
Appendix: Convertible Bonds Due 2018

<table>
<thead>
<tr>
<th>Issue size</th>
<th>US$123.8 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maturity Date</td>
<td>22 October 2018 (6 years)</td>
</tr>
<tr>
<td>Investor Put Date and Price</td>
<td>22 October 2016 (4 years) at par</td>
</tr>
<tr>
<td>PB's Call Option</td>
<td>1) Trading price for 30 consecutive days &gt; 130% conversion price in effect</td>
</tr>
<tr>
<td></td>
<td>2) &gt;90% of Bond converted / redeemed / purchased / cancelled</td>
</tr>
<tr>
<td>Coupon</td>
<td>1.875% p.a. payable semi-annually in arrears on 22 April and 22 October</td>
</tr>
<tr>
<td>Redemption Price</td>
<td>100%</td>
</tr>
<tr>
<td>Initial Conversion Price</td>
<td>HK$4.96 (current conversion price: HK$4.90 with effect from 24 April 2013)</td>
</tr>
<tr>
<td>Intended Use of Proceeds</td>
<td>To acquire additional Handysize and Handymax vessels, as well as for general working capital</td>
</tr>
</tbody>
</table>

Conversion/redemption Timeline

PB’s call option to redeem all bonds
1) Trading price for 30 consecutive days > 130% conversion price in effect
2) >90% of Bond converted / redeemed / purchased / cancelled

Bondholders can convert all or some of their CB into shares

Bondholders’ put option to redeem bonds

Closing Date: 22 Oct 2012, 2 Dec 2012
Maturity: 22 Oct 2018
Appendix: Convertible Bonds Due 2016

<table>
<thead>
<tr>
<th>Issue size</th>
<th>US$230 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maturity Date</td>
<td>12 April 2016 (6 years)</td>
</tr>
<tr>
<td>Investor Put Date and Price</td>
<td>12 April 2014 (4 years) at par</td>
</tr>
<tr>
<td>Coupon</td>
<td>1.75% p.a. payable semi-annually in arrears on 12 April and 12 October</td>
</tr>
<tr>
<td>Redemption Price</td>
<td>100%</td>
</tr>
<tr>
<td>Initial Conversion Price</td>
<td>HK$7.98 (Current conversion price: HK$ 7.18 with effect from 24 April 2013)</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Closing Date</th>
<th>Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 Apr 2010</td>
<td>12 Apr 2016</td>
</tr>
<tr>
<td>12 Jan 2011</td>
<td>5 Apr 2016</td>
</tr>
</tbody>
</table>

PB’s call option to redeem all bonds
1) Trading price for 30 consecutive days > 130% conversion price in effect
2) >90% of Bond converted / redeemed / purchased / cancelled

Bondholders’ put option to redeem bonds
Bondholders can convert to PB shares when trading price > conversion price
Bondholders can convert to PB shares after trading price > 120% conversion price in effect for 5 consecutive days

3Q13 Trading Update