Pacific Basin

Information is based on:

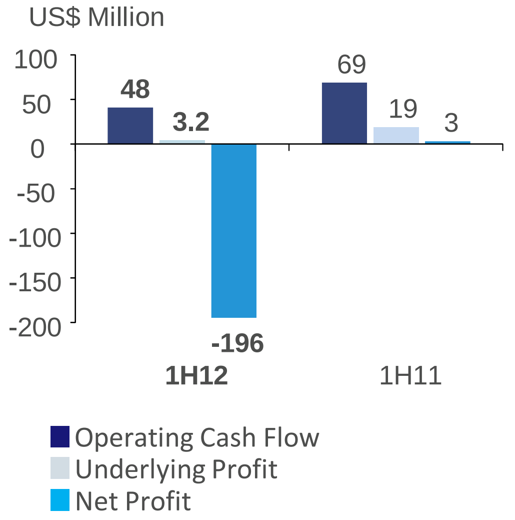
1) 2012 Interim Results
2) RoRo Announcement 7 Sep 2012

7 Sep 2012

2012 Interim Results – Group Highlights

	1H12	1H11
Net (Loss) / Profit	US$(196)m	US$3m
Underlying Profit	US$3.2m	US$19m
Operating Cash Flow	US$48m	US$69m
Cash Position	US$657m	US$631m
Earnings per Share	HK¢(79)	HK¢1
Dividend per Share	Nil	HK¢5

Revenue and Net Profit



- Group results were impacted by:
  - a US$190m impairment of RoRo investment
  - a weaker dry bulk spot market
  - a strong US$14m contribution from PB Towage
- Balance sheet retains substantial buying power with US$657m cash and low 14% group net gearing
- Fully funded vessel capital commitments of US$262m, all for dry bulk vessels
- No dividend for first half
- Will consider a payout based on the Group's full-year performance

Pacific Basin Dry Bulk – 1H12 performance

Handysize
- Handysize daily rate: US$10,540 (-23% YOY)
- Outperformed the weak spot market by 38%
- Respectable performance in a on-going poor market

Handymax
- Handymax daily rate: US$11,520 (-24% YOY)
- Outperformed the spot market by 22%
- Disappointing results due to reliance on relatively expensive medium term chartered ships in weak market

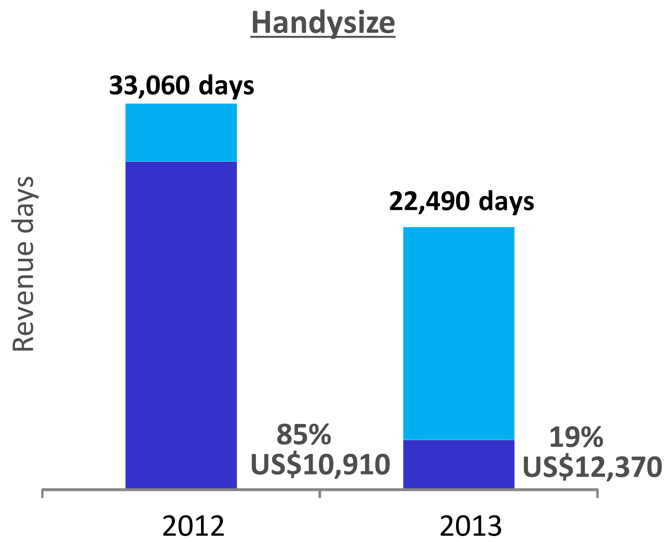
Post-Panamax
- 2 Post-Panamax ships continue to operate satisfactorily under long-term charters

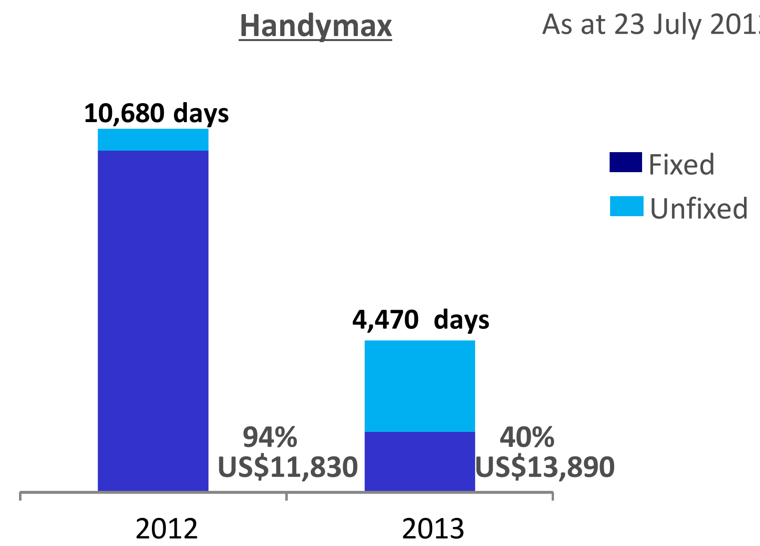
Other highlights
- 10 chartering offices across 6 continents – generating new customers, long-term cargo contracts and business to supplement our traditional bulk-based activity
- New operating system supports larger fleet

	1H12
Dry Bulk net profit	US$7.5m
Operating cash flow	US$38.1m
Return on net assets (annualised)	2%

Pacific Basin Dry Bulk - Earnings Coverage

As at 23 July 2012





Pacific Basin Dry Bulk Fleet: 182 (on the water: 160)

Average Age of our core fleet: 6.4 years old

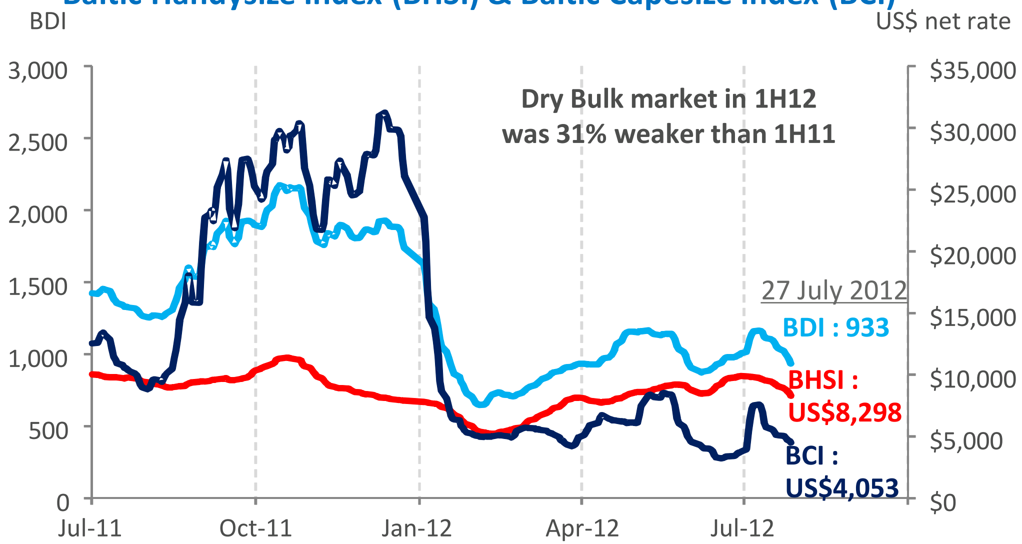
	Owned		Chartered		Total	No of ships as at 31 July 2011
	On the water	Newbuilding	On the water	Newbuilding	23 July 2012	
Handysize	30	8	91*	6	135	111
Handymax	3	6	34	2	45	50
Post-Panamax	1	0	1	0	2	2
Total	34	14	126	8	182	163

* Include 13 finance lease vessels

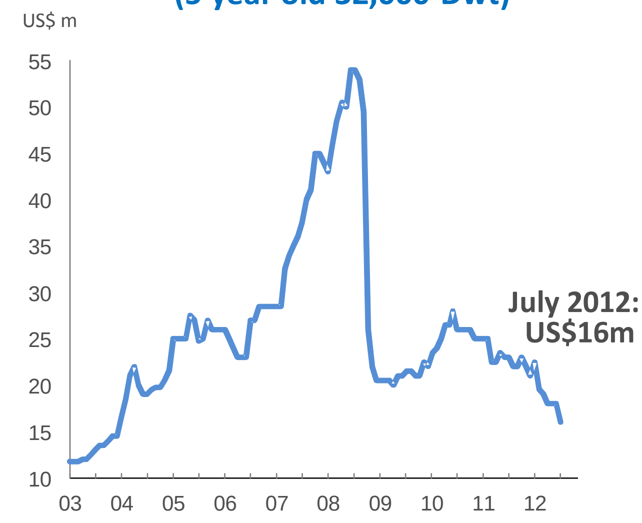
Dry Bulk Market Information

- Market freight rates for Handysize and Handymax declined 34% and 49% in first six weeks to 3-year lows
  - A surge of newbuilding deliveries
  - Seasonal weather-related cargo disruptions in influential trades areas and an early Chinese New Year
- Rates gradually recovered since February due to revival in "minor bulk" cargo flows
- Cold lay-up for some Capesize ships due mainly to excessive supply
- Handysize and Handymax were again supported by a higher earnings floor than larger bulk carriers

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



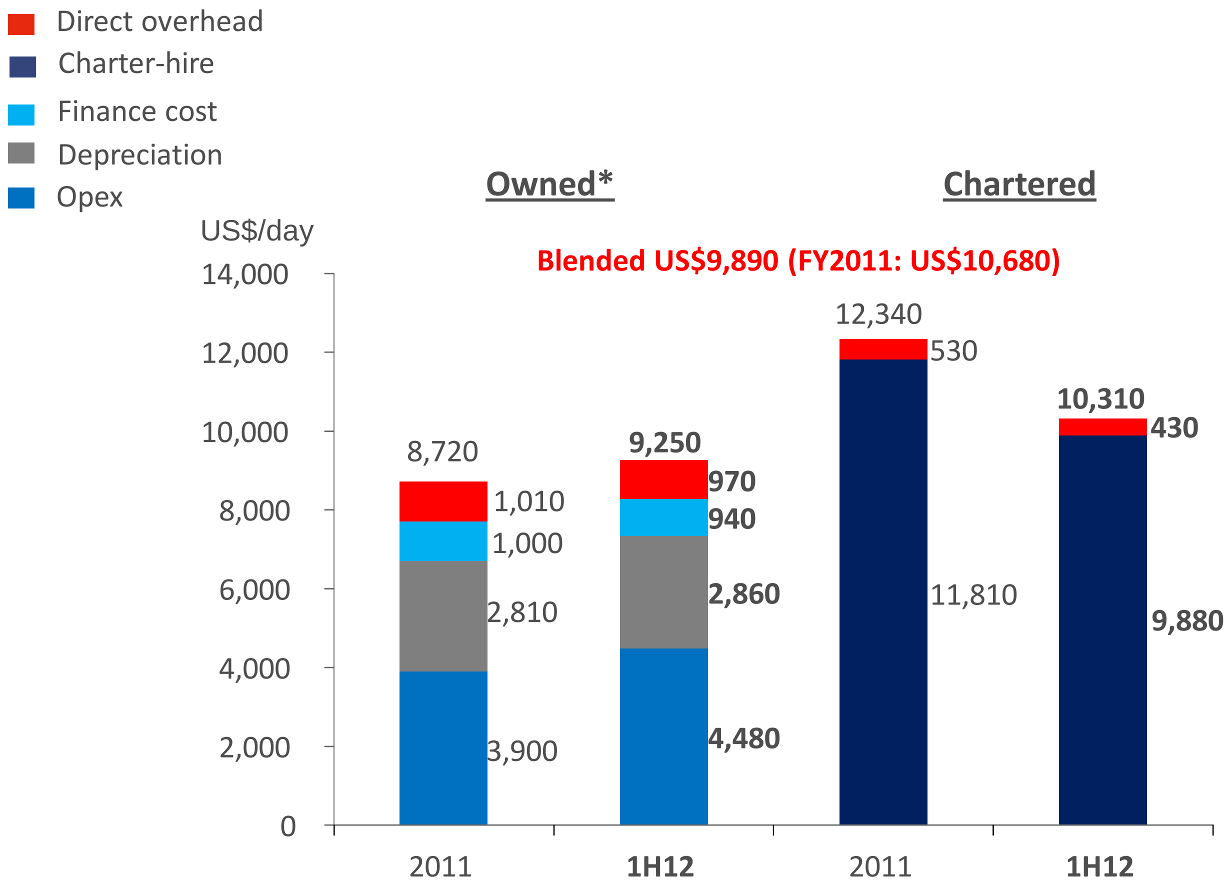
Secondhand Handysize Values
(5 year old 32,000 Dwt)



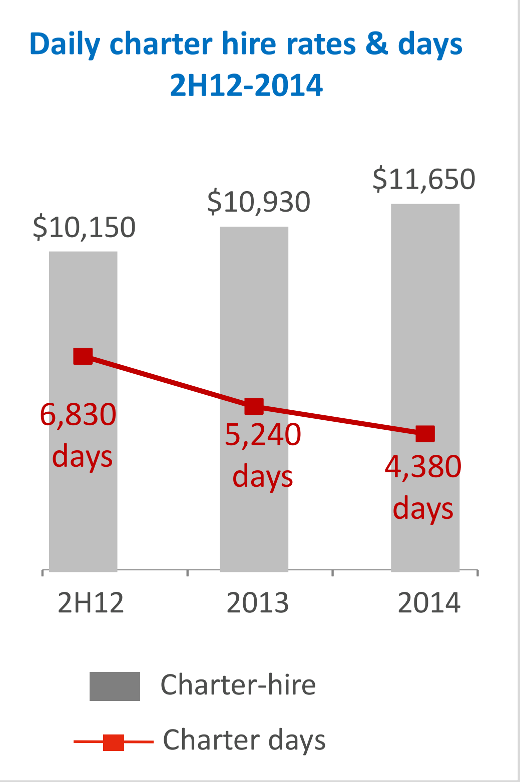
Source: The Baltic Exchange, Clarksons

Daily Vessel Costs - Handysize

As at 30 Jun 2012



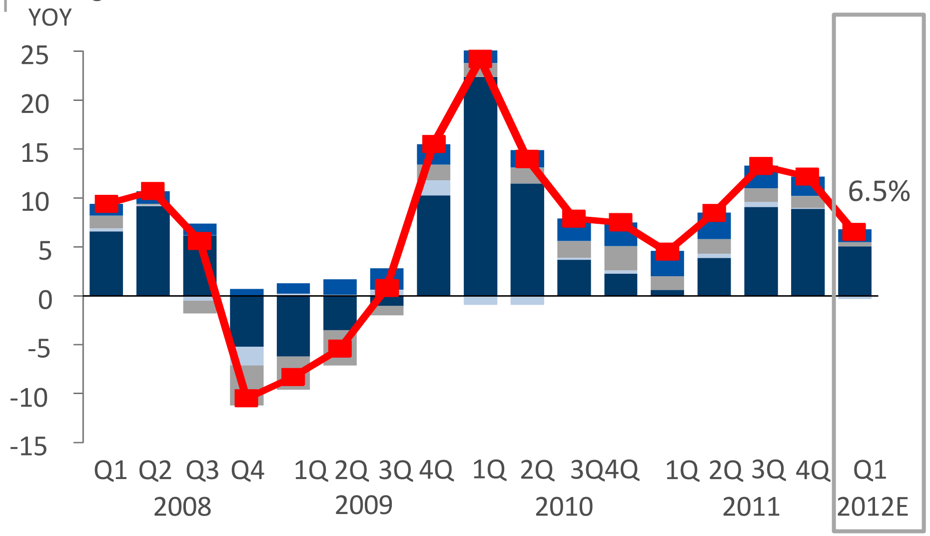
	2011	1H12	2011	1H12
Vessel Days	**15,070**	**7,640**	**17,890**	**11,780**
	46%	**39%**	**54%**	**61%**



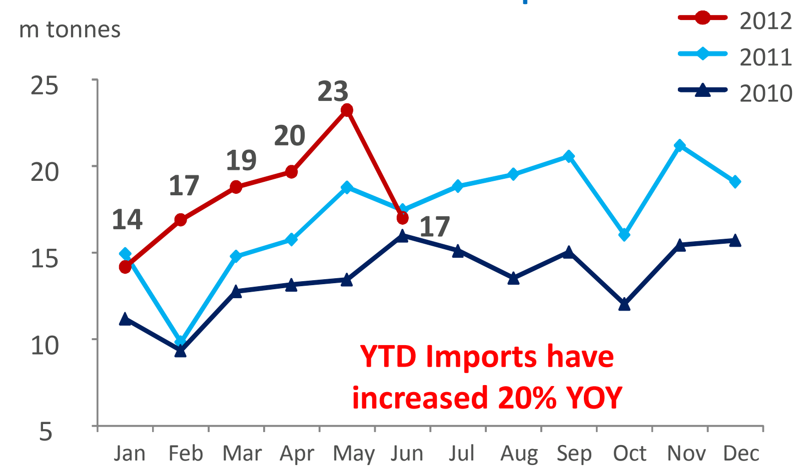
* Includes 13 finance lease vessels

Dry Bulk Demand

Dry Bulk Fleet Effective Demand



China Minor Bulk Imports



China imports of a basket of 7 important minor bulks : logs, soyabean, fertiliser, bauxite, nickel, copper concentrates and manganese ore.

- **6.5% increase in 1Q12 dry bulk demand* reflecting resilience in international & Chinese coastal commodity trade…**
- **Despite weaker global economic conditions and slowing Chinese economic growth**
- **China continued to dominate dry bulk demand developments, most notably importing:**
  - **10% more iron ore yoy**
  - **82% more coal yoy**
  - **20% more minor bulks yoy**

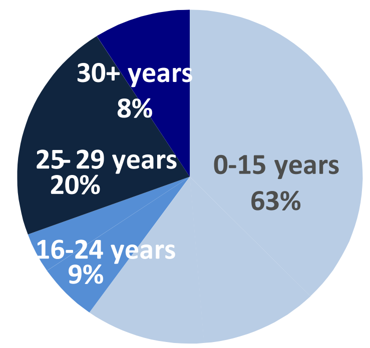
* R.S. Platou estimate

Source: R.S. Platou, China Customs, Bloomberg

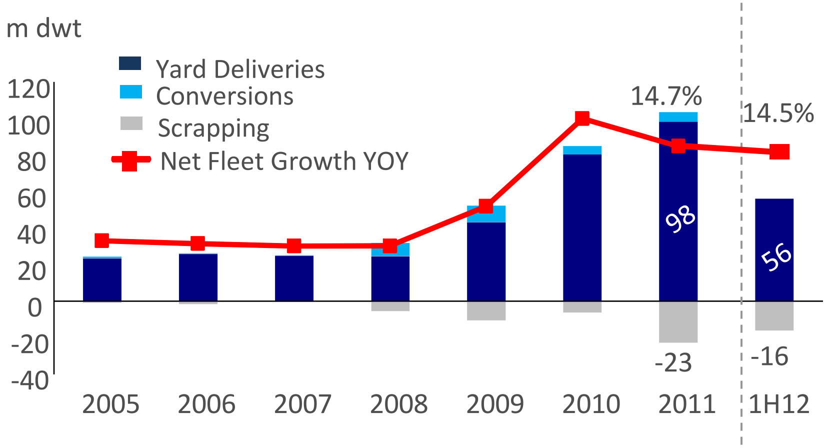
Global Dry Bulk Fleet Development

- Dry bulk capacity expanded 6.4% net in first half, and 14.5% net YOY
- Driven by the influx of 56m tonnes of new capacity
- Heavy influx of newbuildings was partially offset by record-high scrapping (1H12: 16m)
- Handysize fleet grew only 2.4% net in 1H12
- 28% of Handysize fleet is over 25 years old

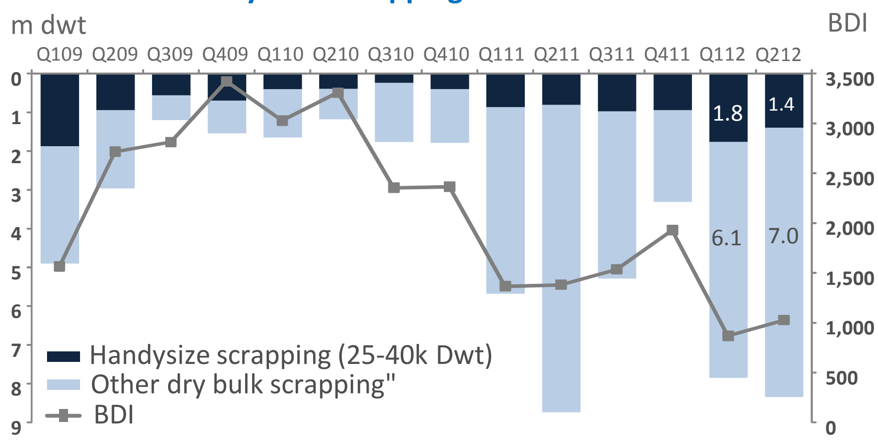
Handysize Age Profile (25,000-39,999 dwt)
2,110 vessels (67.7m dwt)



Global Dry Bulk Fleet Development



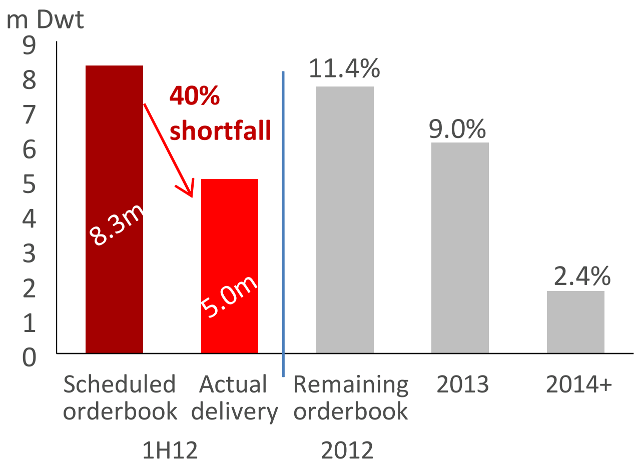
Dry Bulk Scrapping versus BDI



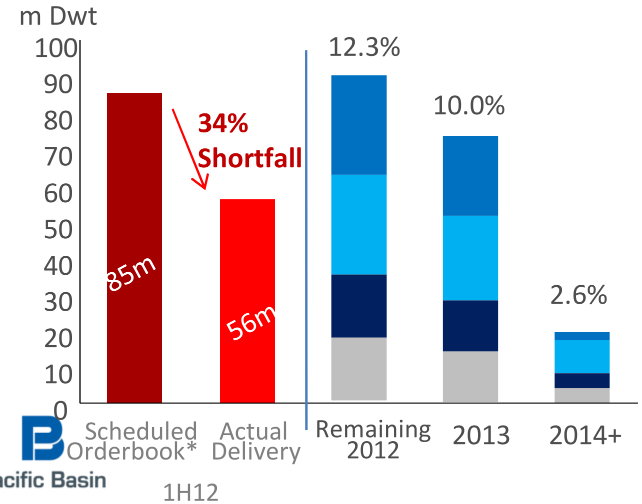
Source: Clarksons, Morgan Stanley, Bloomberg, as at 1 Jul 2012
*Scheduled orderbook as at 1 Jan 2012

Dry Bulk Orderbook

Handysize Orderbook
452 vessels (16m dwt)

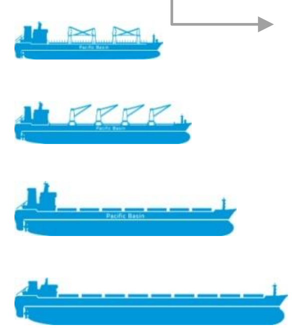


Total Dry Bulk Orderbook
2,106 vessels (164m dwt)



- Ship owners ordered >60% less new capacity in 1H12 due to weak market conditions
- 139m dwt of new capacity scheduled to deliver in FY12 *
- Newbuilding deliveries of 56m dwt were 34% below the scheduled orderbook at the start of the year – in line with our shortfall expectations for the full year

	Orderbook as % of Existing Fleet	Average Age	Over 25 Years	Scrapping 1H12 (annualised)
Total Dry Bulk >10,000 dwt	**25%**	**11**		**5%**
Handysize (25,000-39,999 dwt)	**23%**	**13**	**28%**	**9%**
Handymax (40,000-64,999 dwt)	**25%**	**10**	**12%**	**5%**
Panamax (65,000-119,999 dwt)	**36%**	**9**	**4%**	**3%**
Capesize (120,000+ dwt)	**20%**	**8**	**2%**	**5%**



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

Pacific Basin Dry Bulk - Outlook

- Strong Chinese demand for minor bulk commodities
- Growth in China's dominant share of global bulk imports
- Scope of stronger recovery in US
- Increased levels of scrapping of older dry bulk capacity
- Severe bank lending constraints limit funding for ship acquisitions, raising barriers to entry and increasing opportunities for cash rich owners

- Continued excessive newbuilding deliveries
- Hesitant global economic recovery impacted by continued crisis in Europe
- Potential reduction in US grain exports if the current US drought persists
- Falling fuel prices reversing slow steaming rend and releasing further tonnage capacity in the market
- Potentially weaker growth in the Chinese economy and industrial production

PB Conclusion:

- Handysize and Handymax spot markets expected to remain weak over 2H12
- Scope remains for seasonal demand improvements to lift rates in our sectors temporarily around end of 3Q
- Expect dry bulk freight rates will be weaker overall in 2012 than in 2011
- 2012 to be a tough year for our dry bulk business

Strategy: Invest in further expansion of our dry bulk fleet

PB Towage

1H12 Performance

- Favourable market conditions and improved market presence and penetration continued to strengthen our towage results

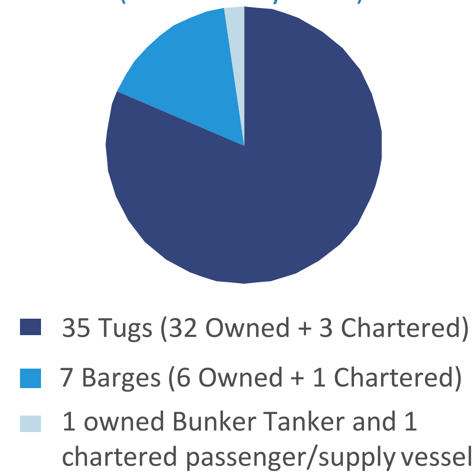
	1H12
Towage net profit	US$14.1m
Operating cash flow	US$18.9m
Return on net assets (Annualised)	12%

Offshore Towage

- Australian offshore and infrastructure projects on the rise, e.g:
  - Increased vessel deployment in the Chevron–led Gorgon offshore gas project
  - Continued activity on BG's Queensland Curtis LNG (QCLNG) project in Gladstone
  - Secured new contract to service Australia Pacific LNG project in Gladstone, which commenced in 2H12
  - New business alliance with US-based Crowley Solutions Group

PB Towage Fleet: 44 vessels

(as at 23 July 2012)



Harbour Towage

- Market share is growing in the main liner ports and the vessel calls in bulk ports increase.
- Partners with Boluda to target LNG Terminal towage business
- Market conditions in Middle East remain challenging

PB Towage - Outlook

- New projects expected to commence in Australasia towards year end in both oil and gas and mining sectors
- Continued improvement in Australian port activity with a relatively strong domestic economy and Chinese demand for primary resources

- Potential further slowdown in Chinese industrial growth impacting Australian commodity exports and port activity
- On-going labour market supply and cost pressures
- Increased supply and pricing competition as new entrants seek to redeploy assets from Asia

PB Conclusion:

- Expect Australian towage activity to be maintained over the rest of 2012 and to improve further in the medium term
- PB Towage is well positioned to participate in increasing activity
- Benefit from recently secured additional business in Gladstone LNG project and Gorgon project

Strategy: strategically committed to our towage business and to grow this division through carefully considered investment

PB RoRo - Latest Developments – Sale of 6 RoRo vessels

- Signed Agreement to sell all 6 RoRo vessels to Atlantica (a Grimaldi Group company)
- Consideration: Eur153m (approx. US$188m)
- Atlantica will purchase at least one vessel by end of each six month period ending 30 June and 31 December in 2013, 2014 and 2015, paying the relevant portion of consideration on respective delivery dates
- All 6 vessels will be bareboat chartered to Atlantica until they deliver into Atlantica's ownership
- Bareboat charter commencement:
  - 2 vessels (built 2011 and 2012 at Odense) expected to commence by 31 Oct 2012
  - 2 vessels (both built 2010 at Hyundai Mipo) expected to commence by 31 Jan 2013
  - 2 vessels (built 2009 and 2011 at Odense) expected to commence around end of 1Q13 (but no later than April 2014) after their current charters expire
- Atlantica will pay Eur10m (approx. US$12.3m) deposit which will be deducted from payment of first vessel purchase price
- Reasons for transactions:
  - Fully addresses our revised RoRo strategy by providing employment and a definite exit timetable for all 6 RoRo vessels
  - Allows us to direct more of our resources to our core dry bulk and towage businesses

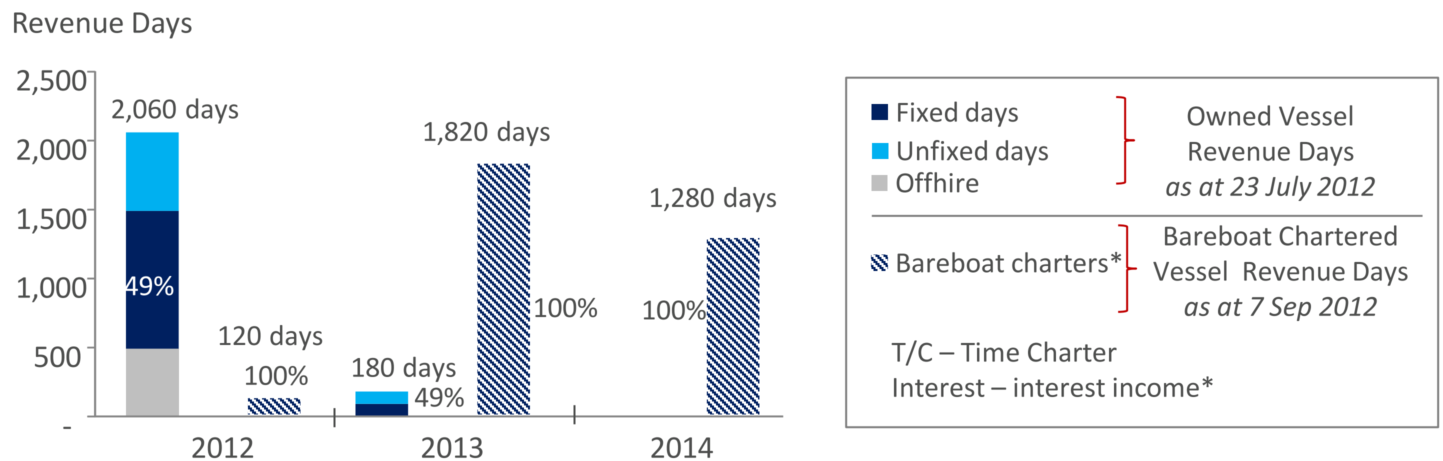
PB RoRo

1H12 Performance

- Severe weakness in the RoRo charter market
- Achieved average daily charter rates of US$19,450 on utilisation of 55%

	1H12
PB RoRo net loss	US$(8.5)m
Operating cash flow	US$(0.8)m
Return on net assets (Annualised)	-12%

Earnings Coverage after sale of 6 RoRo vessels (7 Sep 2012 announcement)



Estimated earnings development (US$)	T/C	interest	T/C	interest	T/C	interest
	$18.1m	$0.6m	$1.1m	$8.5m	-	$6.1m

Note:

- US$ Group income will depend on the average Euro exchange rate in the year earned
- *Estimates are based on exchange rate of US$1.228 to Eur1.0

PB RoRo – Estimated Financial Impact of Sale

Estimated financial effect of 6 vessel sale on
PB consolidated P/L :

US$m	2012	2013	2014	2015	Total
Interest income	0.6	8.5	6.1	2.7	17.9
Additional impairment charge	(0.4)	-	-	-	(0.4)
Group non-cash exchange losses transferred to P/L	(11.1)	(16.5)	-	-	(27.6)
Total	(10.9)	(8.0)	6.1	2.7	(10.1)

- Carrying value of 6 vessels immediately after additional impairment charge will be US$174m – be reclassified as “assets held for sale”
- Each vessel sale will result in the release of the cumulative foreign exchange reserve (relating to the translation of Euro-denominated net asset value of each vessel’s owning company to US$) to the consolidated PB’s P/L (Exchange losses) at the bareboat charter commencement date
- Estimates are based on exchange rate of US$1.228 to Eur1.0

Balance Sheet

US$m	PB Dry Bulk	PB Towage	PB RoRo	Treasury	**30 Jun 12**	31 Dec 11
Vessels & other fixed assets	969	207	178	-	**1,360**	1,525
Total assets	1,192	299	184	572	**2,306**	2,432
Long term borrowings	289	32	44	487	**853**	779
Total liabilities	424	54	48	491	**1,046**	947
Net assets	768	245	136	81	**1,260**	1,485

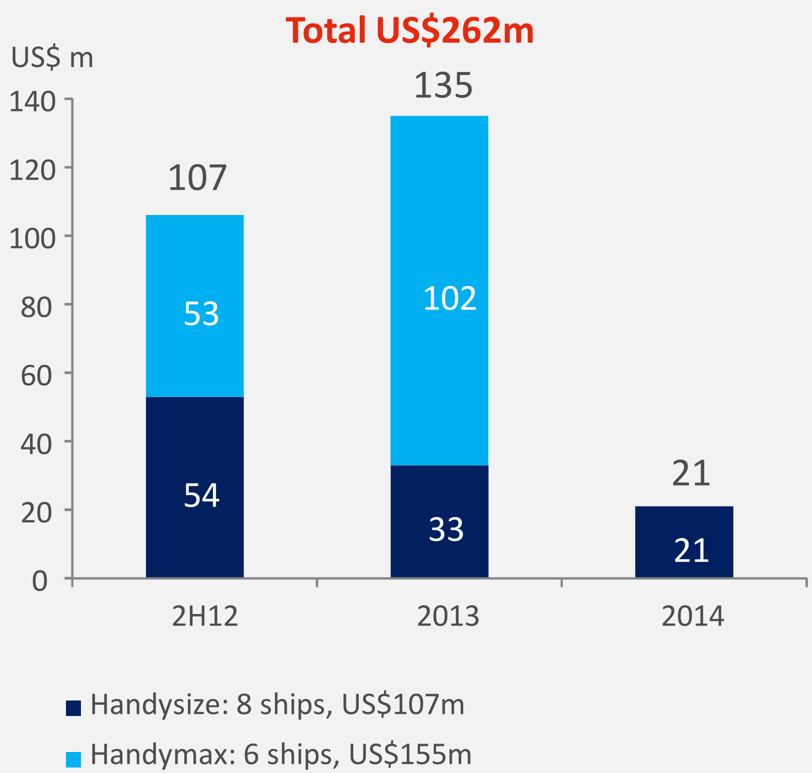
Net borrowings	**196**	161
Net borrowings to net book value of property, plant and equipment	**14%**	11%

Notes: 30 June 2012 total includes other segments and unallocated

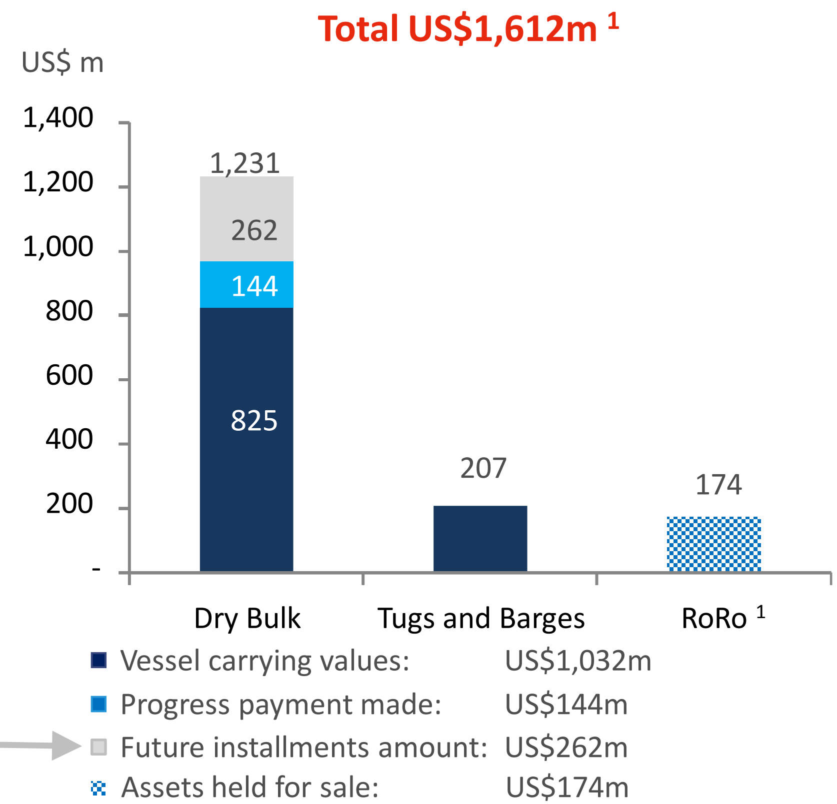
Capex and Combined Vessel Value

As at 30 Jun 2012

Vessel Commitments



A Combined View of Vessel Carrying Values and Commitments



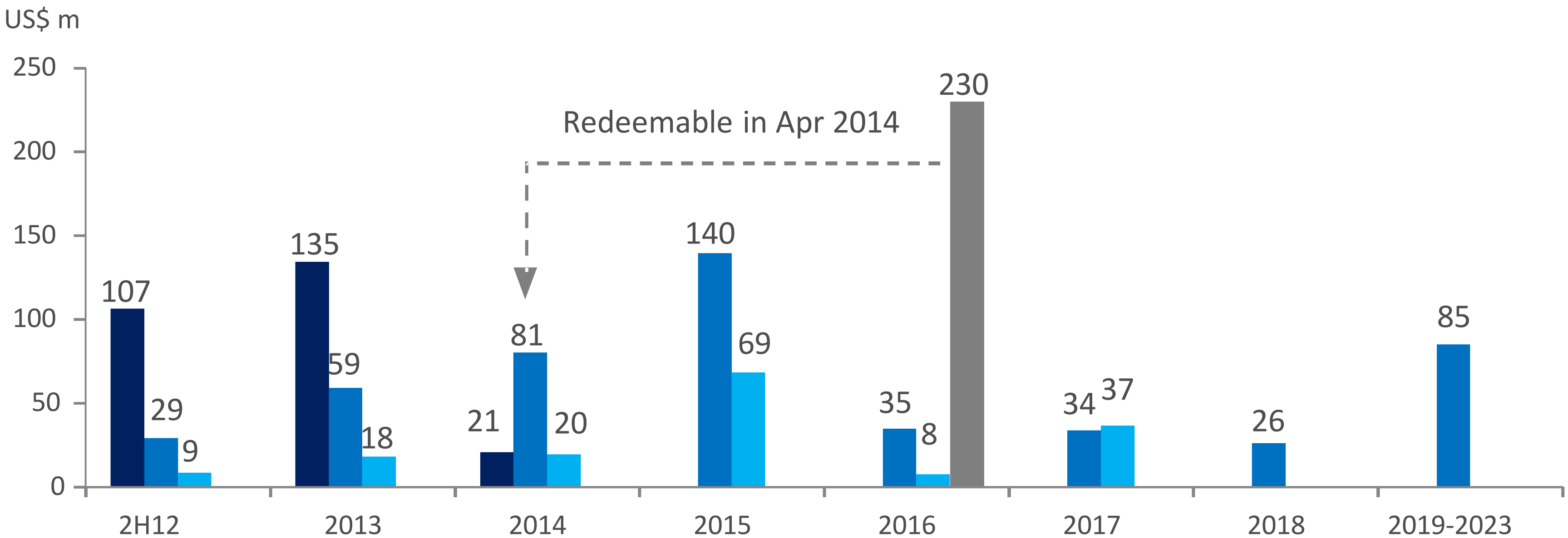
[1] Following 7 Sep 2012 announcement of 6 RoRo vessel sale

- Further commitments expected in Dry Bulk

Borrowing and Capex

The Group had cash balances of US$657m, borrowings of US$853m and a net borrowings ratio of 14% against the Net Book Value of property, plant and equipment post impairment

As at 30 Jun 2012

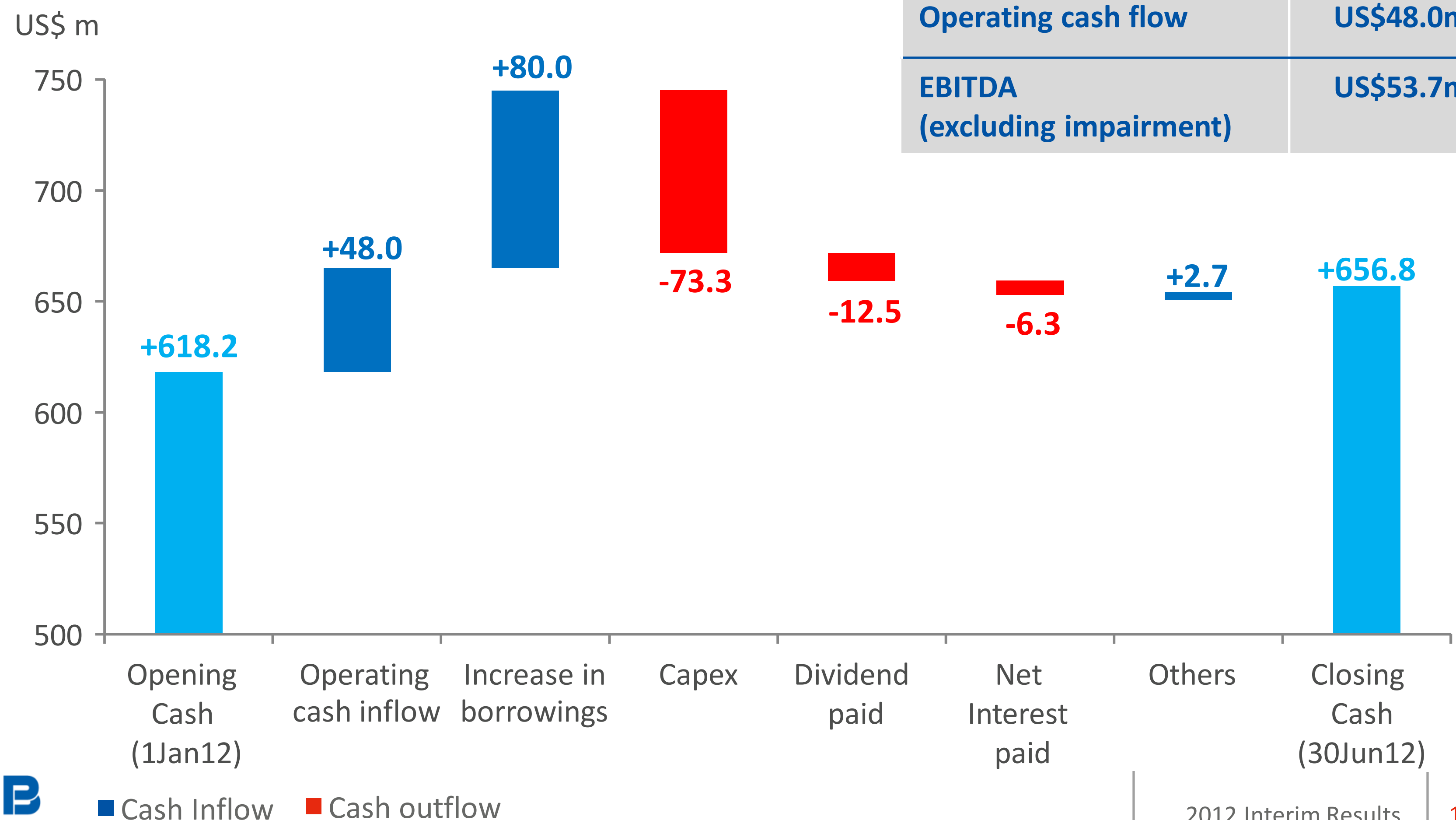


- Vessel capital commitments (US$262m)
- Bank borrowings (US$489m): expire between 2014-2023
- Finance lease liabilities (US$160m): expire between 2015-2017
- Convertible Bonds (Face value US$230m): due April 2016, redeemable in Apr 2014

Cash Flow

First Half 2012 Sources and Uses of Group Cash Flow

Operating cash flow	US$48.0m
EBITDA (excluding impairment)	US$53.7m



Our Position, Outlook, and Strategy

Dry Bulk

- Strong cargo and customer focused business model – Outperforming both market and larger ships
- Capacity expansion, slower Chinese growth and uncertainty in global trade
- Expect weaker freight rates overall in 2012 than 2011
- Protracted dry bulk market weakness and significant contraction in funding will eventually generate opportunities for cash-rich ship owners like ourselves
- **Strategy: Continue to build existing strategy – This is where most of our investments will take place**

Towage

- Well positioned and expect further improvement in the medium term
- Towage outlook remains positive with growing service to Australian LNG projects
- **Strategy: Grow our towage division through carefully considered investments in both the project and harbour sectors, as specific projects materialise**

RoRo

- Continue to manage the vessels in an efficient manner until they all deliver to Grimaldi Group

Other Business Highlight

- **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.

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

Contact IR – Emily Lau
E-mail: elau@pacificbasin.com
ir@pacificbasin.com
Tel : +852-2233 7000

- **Company Website - www.pacificbasin.com**
  - Corporate Information
  - CG, Risk Management and CSR
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  - Investor Relations:
    financial reports, news & announcement, excel downloading, awards & media interviews, stock quotes and dividend history, corporate calendar and glossary
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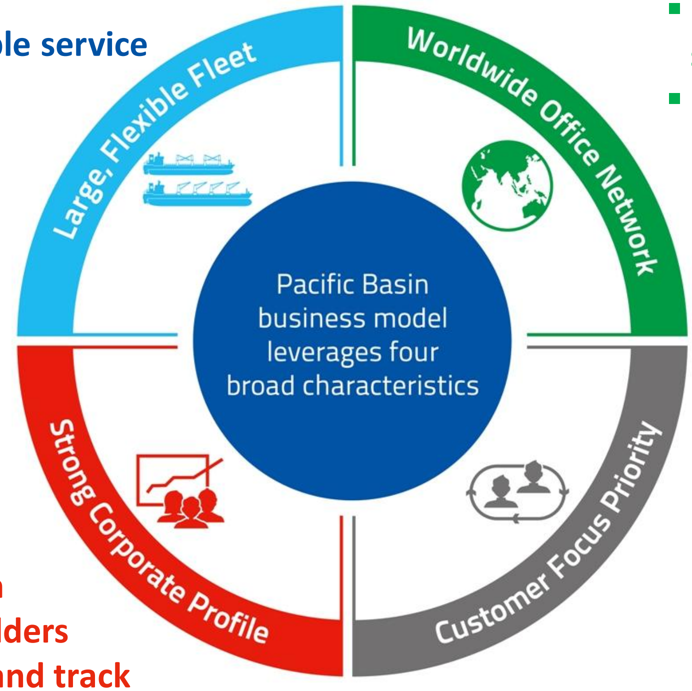
Appendix: Pacific Basin Overview

- 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 and offices positions PB close to customers
- Also owning/operating offshore and harbour tugs and RoRo freight ferries
- >230 vessels serving major industrial customers around the world
- Hong Kong headquarters, 19 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

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

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

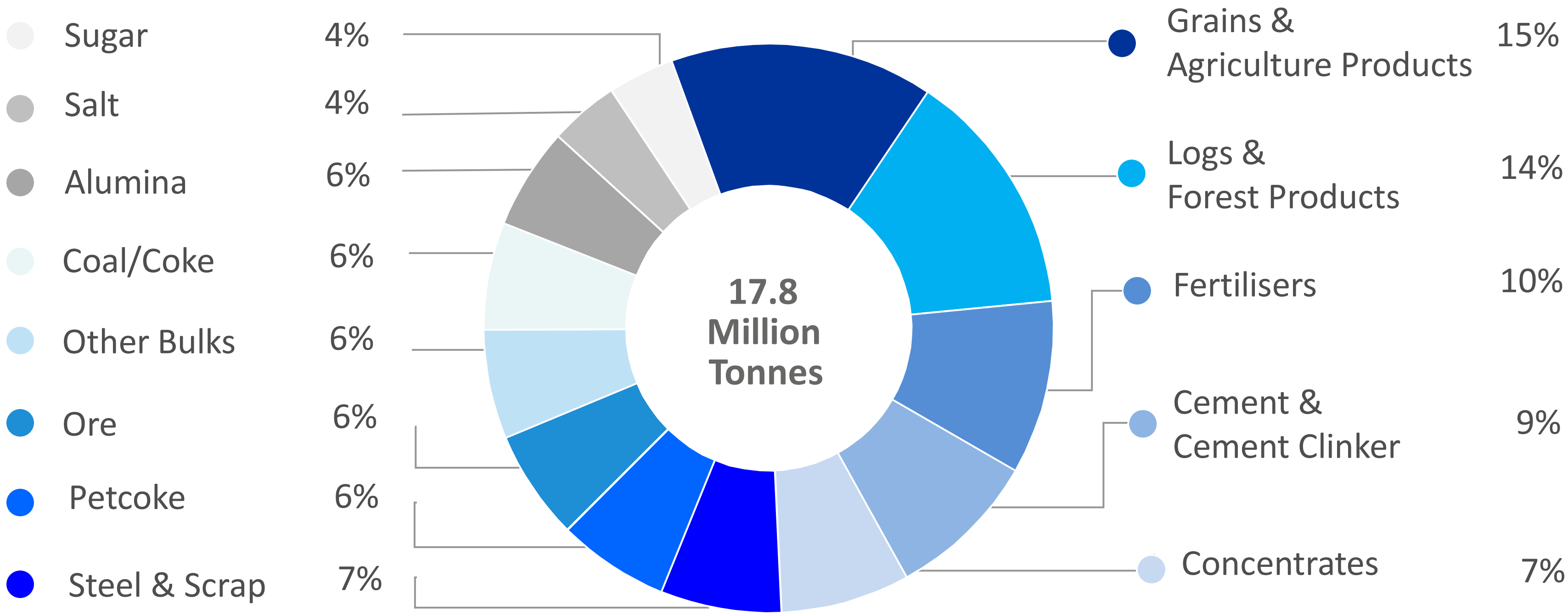


- Strong reputation
- Ability to engage closely with quality partners and stakeholders
- Strong public balance sheet and track record enhance our profile
- CSR and environmental programmes

- 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

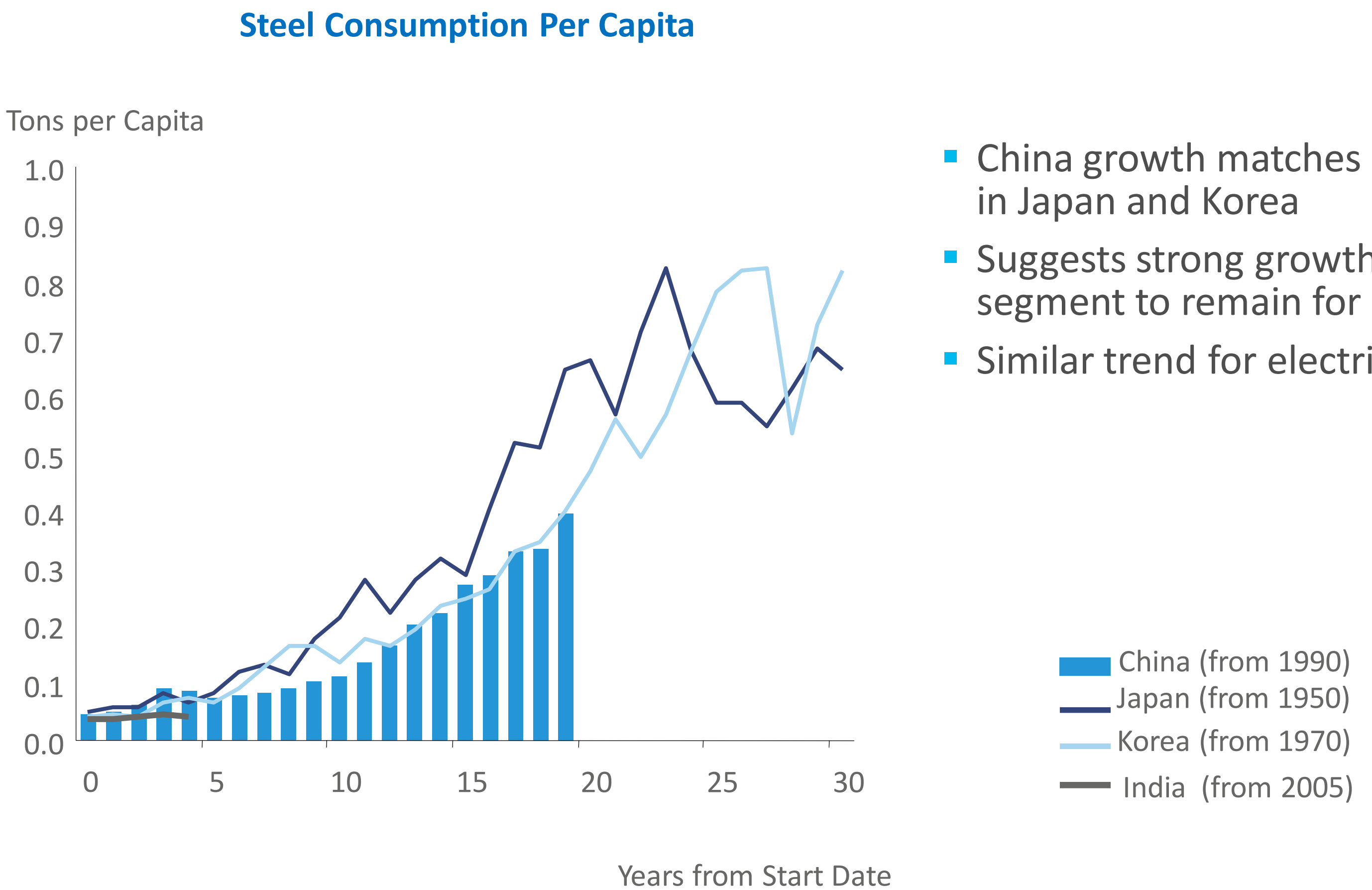
Appendix: Pacific Basin Dry Bulk – Diversified Cargo

Pacific Basin Handysize and Handymax Cargo Volume 1H12



- 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

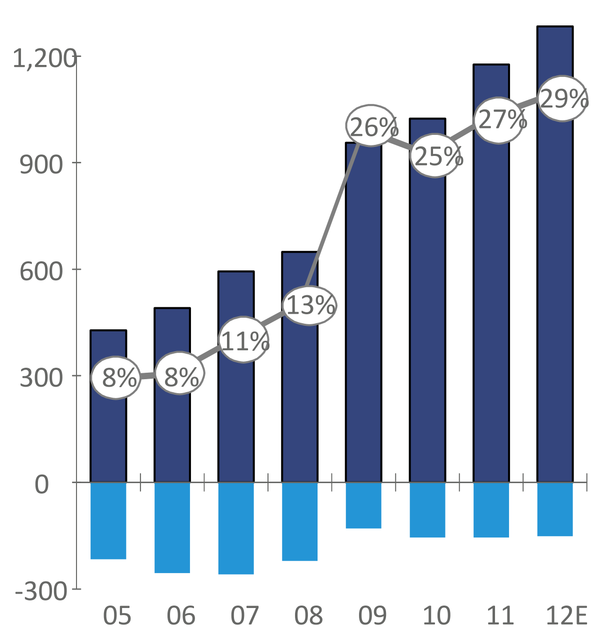
Appendix: China at late-Industrialisation Stage



- 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

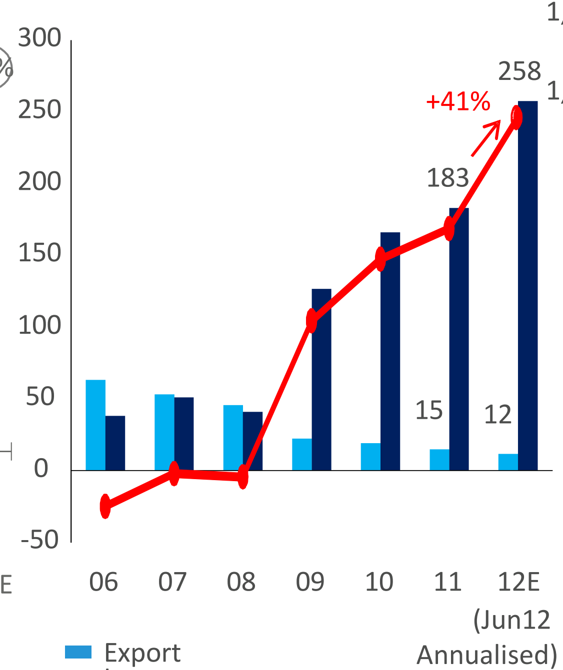
Appendix: China Dry Bulk Trade, Iron Ore & Coal Demand

Chinese Dry Bulk Trade Volume



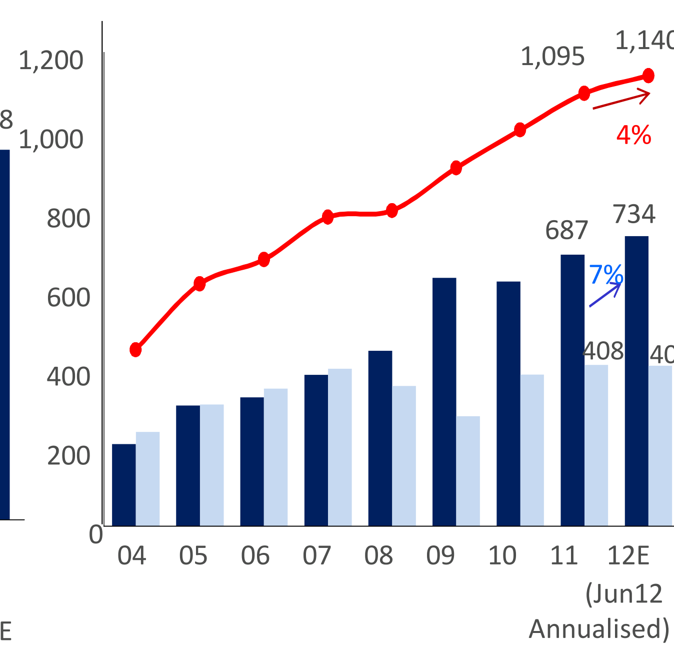
Import
Export
China net import % of total bulk trade

China is a net importer of coal in 2012



Export
Import
Net Import

China Iron Ore Sourcing for Steel Production



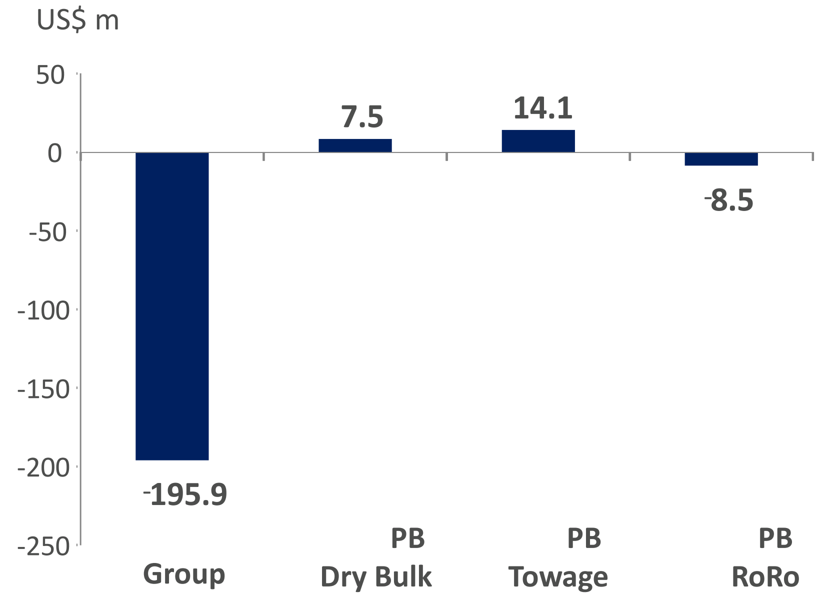
Import
Domestic
Total requirement for steel production
(basis international Fe content level 62.5%)

Source: Clarksons, Bloomberg

Appendix: 2012 Interim Financial Highlights

US$ m	1H12	1H11
Segment net profit	**9.7**	28.8
▪ Treasury	**(0.9)**	(5.8)
▪ Non direct G&A	**(5.6)**	(4.2)
Underlying profit	**3.2**	18.8
▪ Unrealised derivative expenses	**(9.1)**	8.4
▪ RoRo vessel impairment charge	**(190.0)**	(80.0)
▪ Gain from sale of shares in Green Dragon Gas	**-**	55.8
(Loss)/Profit attributable to shareholders	**(195.9)**	3.0

1H 2012 Principal Segment Net Profit and Return on Net Assets



	Group	PB Dry Bulk	PB Towage	PB RoRo
Net assets at period end	1,259.6	767.5	244.6	135.6
Return on net assets (annualised)		2%	12%	-12%
Operating cash inflow	48.0	38.1	18.9	(0.8)

Appendix: Pacific Basin Dry Bulk - Handysize

		1H12	1H11	Change
Revenue days	(days)	**19,210**	14,620	+31%
TCE earnings	(US$/day)	**10,540**	13,660	-23%
Owned + chartered costs	(US$/day)	**9,890**	10,640	-7%
Net profit	(US$m)	**10.3**	42.9	-76%
Return on net assets	(%)	**3%**	13%	-10%

- Earnings: 1H12 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$5.5m unrealised net derivatives expenses

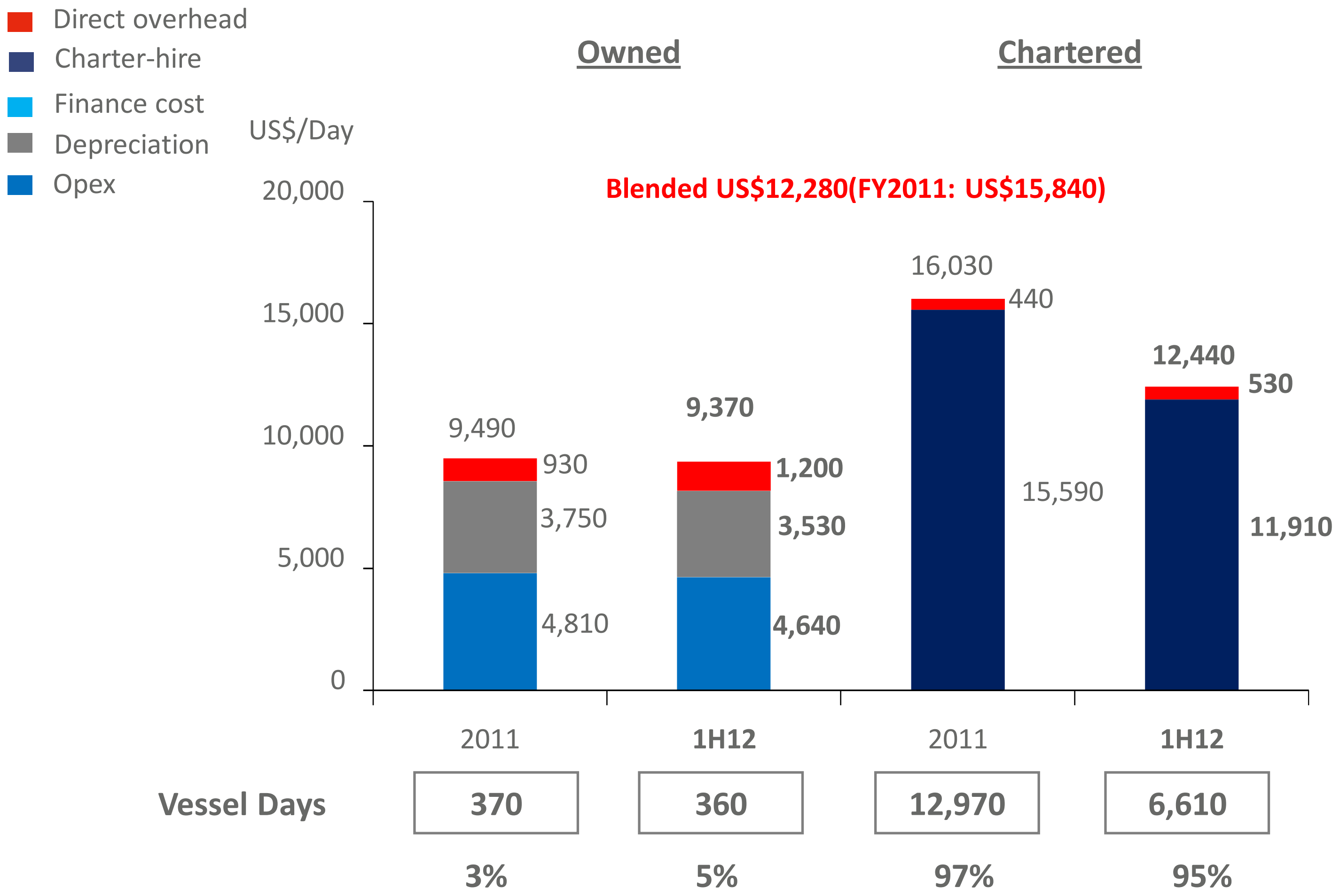
Appendix: Pacific Basin Dry Bulk - Handymax

		1H12	1H11	Change
Revenue days	(days)	**6,940**	6,390	+9%
TCE earnings	(US$/day)	**11,520**	15,130	-24%
Owned + chartered costs	(US$/day)	**12,280**	16,190	-24%
Net (loss)/profits	(US$m)	**(5.6)**	(7.5)	-25%
Contribution from Post Panamax	(US$m)	**2.8**	0.3	+833%
Net (loss)/profits	(US$m)	**(2.8)**	(7.2)	-61%
Return on net assets	(%)	**-4%**	-11%	+7%

- Earnings: 1H12 Time Charter Equivalent rates reflect weaker spot freight market
- Costs: Blended daily costs reflect lower chartered-in costs market vessels
- Net profit: excludes US$3.7m unrealised net derivatives expenses

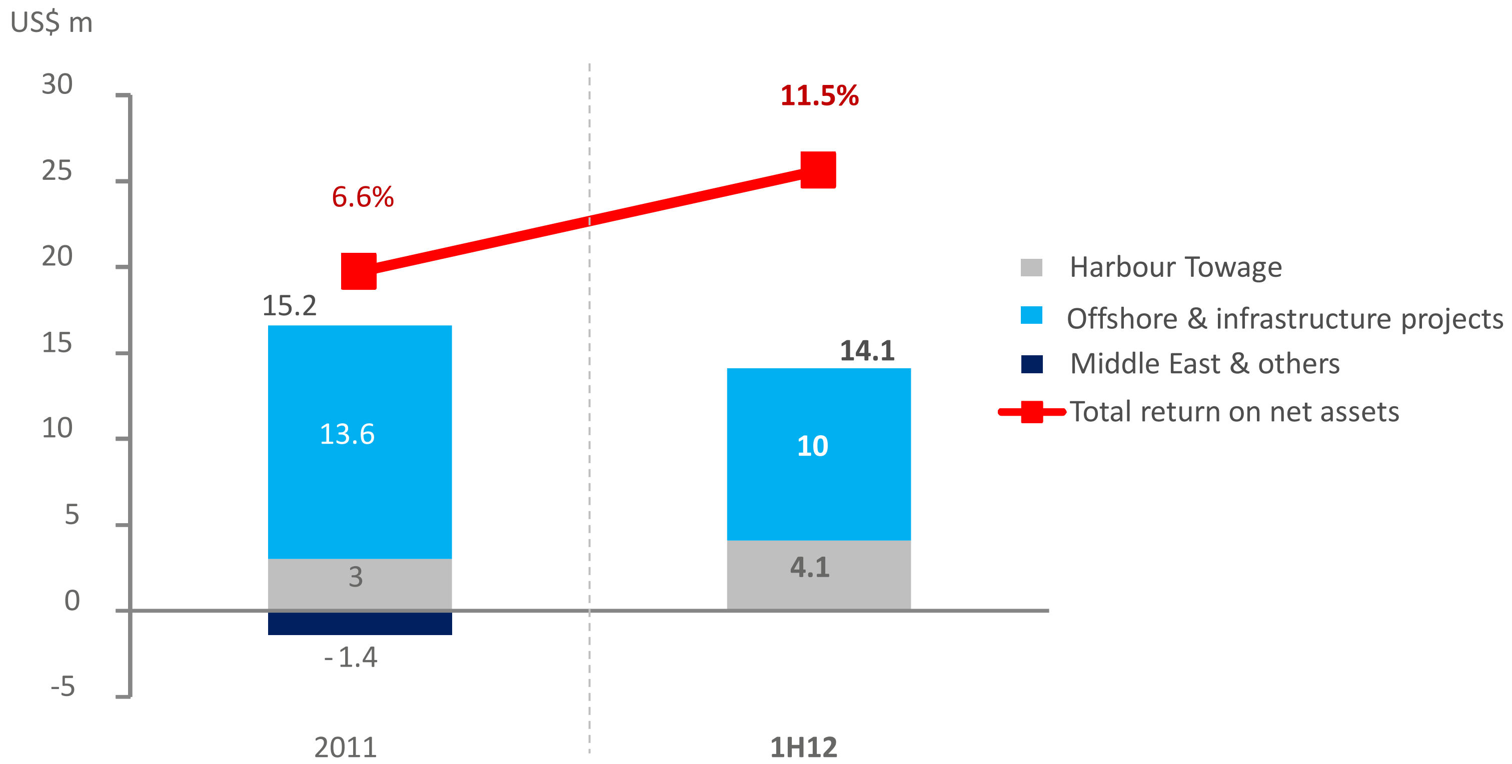
Appendix: Daily Vessel Costs – Handymax

As at 30 Jun 2012



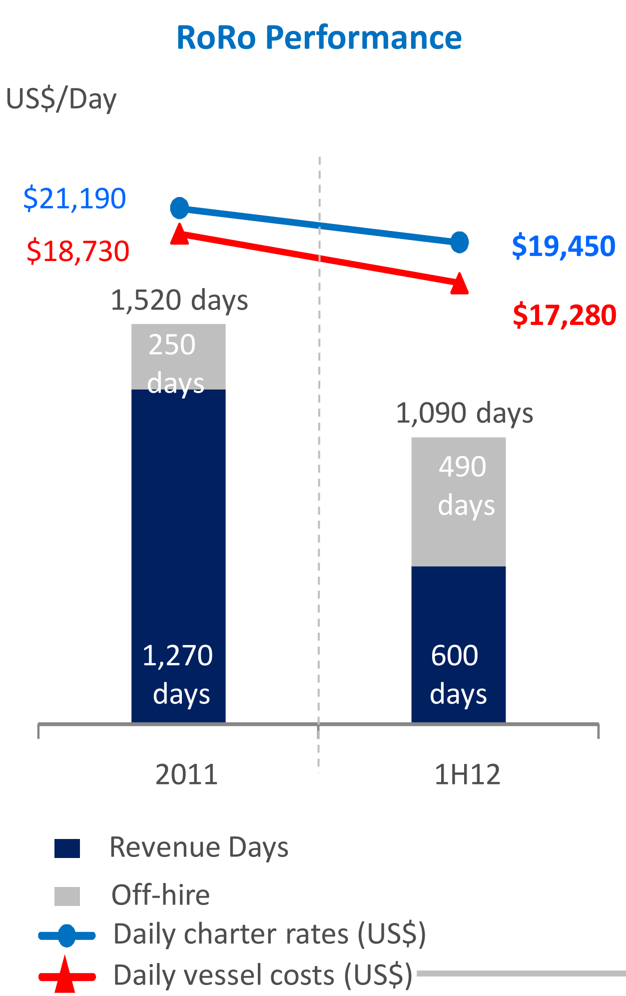
Appendix: PB Towage Net Profit by Division

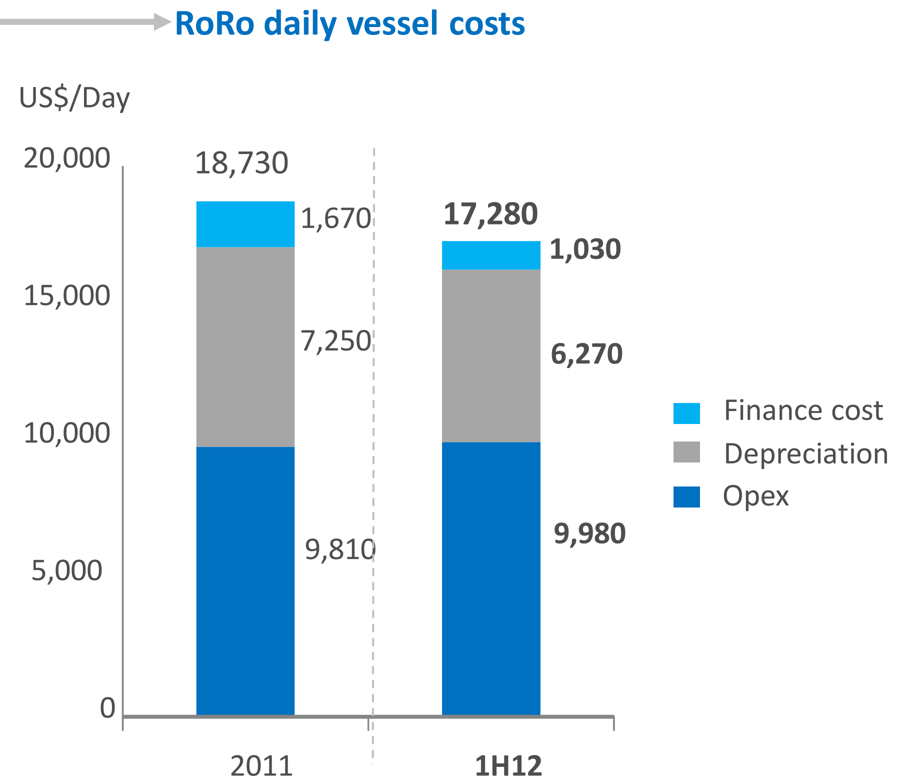
As at 30 Jun 2012



Appendix: Daily Earnings and Vessel Costs – RoRo

As at 30 Jun 2012





- June 2012 US$190m impairment will reduce depreciations by about US$3,000 per day

Pacific Basin

Appendix: PB RoRo Impairment in June 2012

- 18 June, announced US$190m non-cash impairment following reassessment of RoRo prospects
- Euro-centric RoRo market severely impacted by protracted European debt crisis and macro-economic and political uncertainty
- Significantly reduced demand for chartered RoRos
- Influx of newbuildings into already over-supplied sector
- We do not have our own route network to fall back on
- Expect flatter recovery in charter rates - not likely to exceed 75% of 2008 peak
- Dysfunctional RoRo sale and purchase market
- Impairment sensitivity: approx. US$30m adjustment for every US$1,000 decrease/increase in daily vessel earnings assumption

Financial Effects:

- Depreciation reduced by approx. 50% to US$3,000/day

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