Stock Code: 2343

CLSA Access Day – HK
24 June 2009

15 Jun 2009

Pacific Basin Overview

- World's leading dry bulk owner/operator of modern handysize vessels and a top 10 handymax operator, principally operating in the Asia Pacific region
- Operating over 100 ships directly serving major industrial customers
- Carrying the dry bulk commodities required for Asia's growth
- Major presence in RoRo, Towage businesses, with supporting Maritime Services
- Headquartered in Hong Kong with 21 locations worldwide, 360+ group staff, 1,800+ seafarers *

Network of PB Key Offices*

* As at Feb 2009

Q109 Highlight

- The dry bulk freight market improved to an unexpected degree during the first quarter of 2009 due to strong revival in demand and a much smaller than expected increase in the supply of ships

Demand	Supply
▶Lower commodity prices ▶Re-stocking of inventories ▶Improving trade credit ▶Effects of the Chinese stimulus package	▶Soaring scrapping of older vessels ▶Fewer newbuildings delivering than had originally been forecasted

- A volatile and extraordinarily challenging dry bulk market is anticipated throughout 2009

- We have secured a high level of cargo cover which reduces our freight market exposure:

	Year 2009	Year 2010
Handysize	78% (US$15,430)	39%
Handymax	121% (US$31,310)	165%

Strategy

- **Following 2008 strategic reorganisation:**

Handysize and Handymax dry bulk businesses	Towage	Roll on Roll off

- **Scale down non-core activities in China ports and maritime services**
- **Strategic capital commitments fully funded; >75% of future capex in Towage and RoRo assets**
- **Continue to build dry bulk cover by chartering directly with industrial commodity producers and users rather than intermediate users**
- **Use cash to invest in the right opportunities when they arise**

Business Development

PB Towage

▶Operates modern tugs in Brisbane, Sydney, Melbourne, W.Australia, Auckland and the Arabian Gulf.

▶Provide harbour towage, regional specialist project towage (primarily to oil & gas and construction) and offshore work

PB Towage

Roll on Roll off

▶6 newbuildings will deliver in 2009 to 2011 including 2 purchase options with total consideration of US$510m

▶Good demand prospects, high average fleet age and low orderbook

PB RoRo

Other Operations & Business Development

Fujairah Bulk Shipping

▶Strategy to be the market leader in sourcing and transporting aggregate in the Gulf region

▶In 2008, secured a major land reclamation contract in Fujairah

Port and Port Services

APMIG

▶Scaled back focusing on the Nanjing Longtan Tianyu Terminal (45% holding JV) In 2008, the port handled over 1.2mil tonnes of general cargo

Asia Pacific Maritime & Infrastructure Group

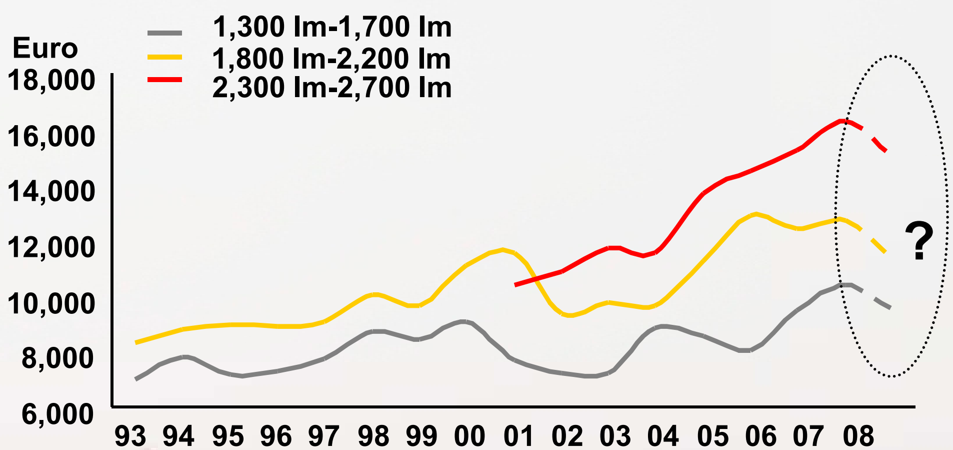
Post-Panamax

▶A fifteen year bareboat charter with China Huaneng Group (CHG) and ten-year time charter with purchase option contract to a blue chip counterparty were signed

Roll On Roll Off (RoRo)

- 4 newbuildings and 2 purchase option vessels (3,600-3,800 lane metres) set to deliver from 2009 to 2011
- Used for transportation of wheeled cargoes (mostly trucks) which are loaded over a ramp
- Proven design, environmental friendly, and suitable for the common short sea trades
- The first vessel has already been fixed for 3 years (plus an optional 2 year period) to an established operator. No unfixed tonnage until early 2010
- Difficult and uncertain short-term outlook

1 Year Moving Average Time Charter Rates (Euro)



Source: Maersk Broker Dec 2008

Attractive long term market fundamentals

- Good growth prospects in Asia Minor and Europe and, in future, the Far East
- "Motorways of the Sea" concept initiated by the EU
- Low orderbook (<20%)
- 40% of vessels aged 25 years or over

Fleet Profile

Fleet numbers as at 9 June 2009

Total core 121 ships

Dry Bulk Fleet (excluding short term) – 83

Short Term Chartered [1] – 24

Average Fleet Age: 6.8 years

Handysize: 66

Chartered 45
- Newbuilding 2
- Operating Lease 30
- Finance Lease 13

Owned 21
- Newbuildings 3
- Owned 18

Handymax: 15

Chartered 14
- Newbuilding 1
- Chartered 13

Owned 1
- Owned 1

Post Panamax: 2

- Newbuilding 1 – Chartered
- Newbuilding 1 – Owned

Towage – 32

Tugs: 25

- Newbuildings 7
- Owned 18

Barge: 6

- Owned 6

Bunker Tanker: 1

- Owned 1 [3]

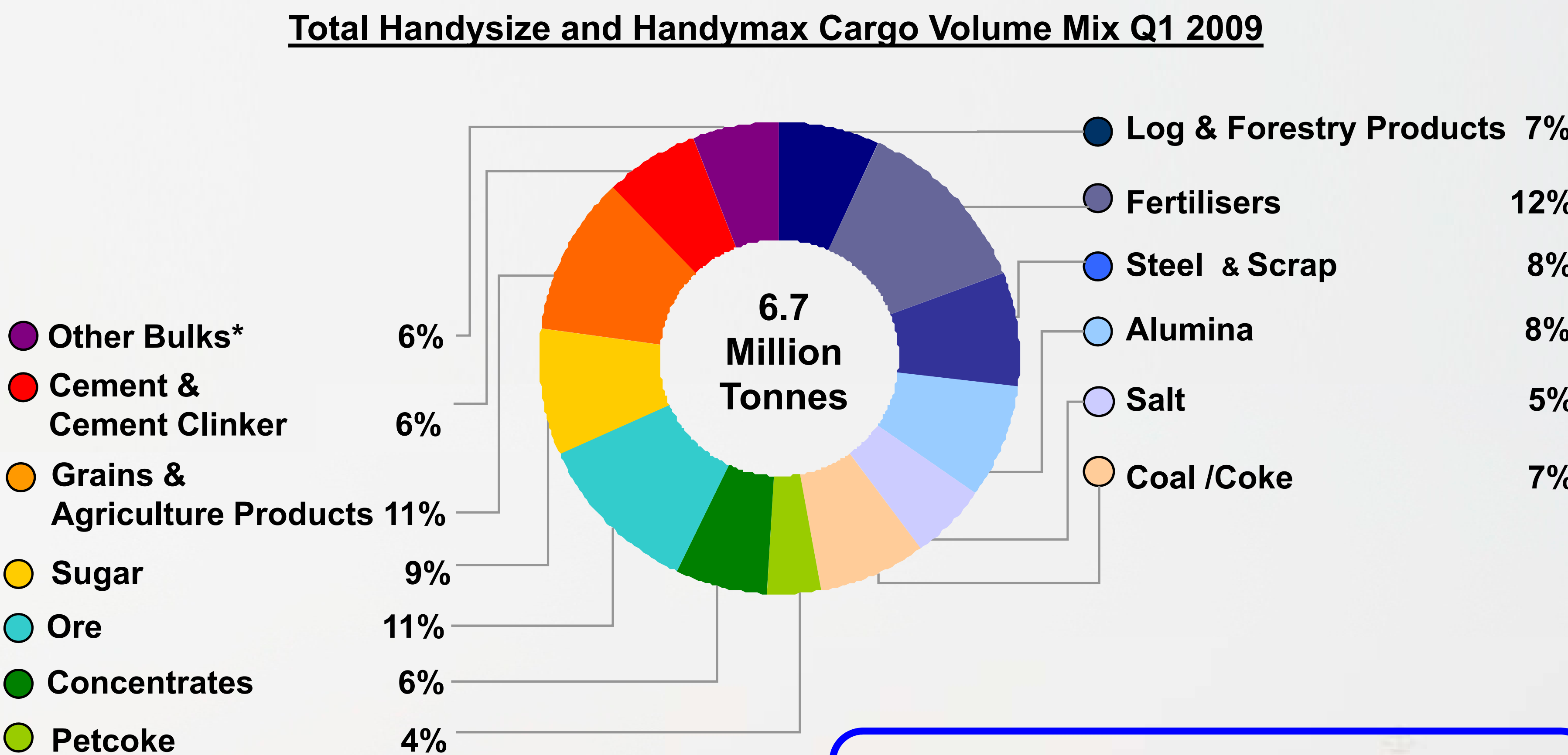
Roll on Roll off [2] – 6

- Newbuildings 6

Includes 25 operating and finance leases vessels with purchase options

[1] Short term charters are generally those with charter periods not exceeding six months
[2] Two of the RoRo newbuilding vessels can be acquired by the Group within approx. 2 months of their delivery from the shipyard subject to the exercise of purchase options
[3] The Group has a 50% interest through its joint venture

Diversified Cargo



Other bulks: Gypsum, Sands, Soda Ash, Aggregates and other bulks

We carry a broad range of commodities and thus experience less volatility than larger dry bulk vessels

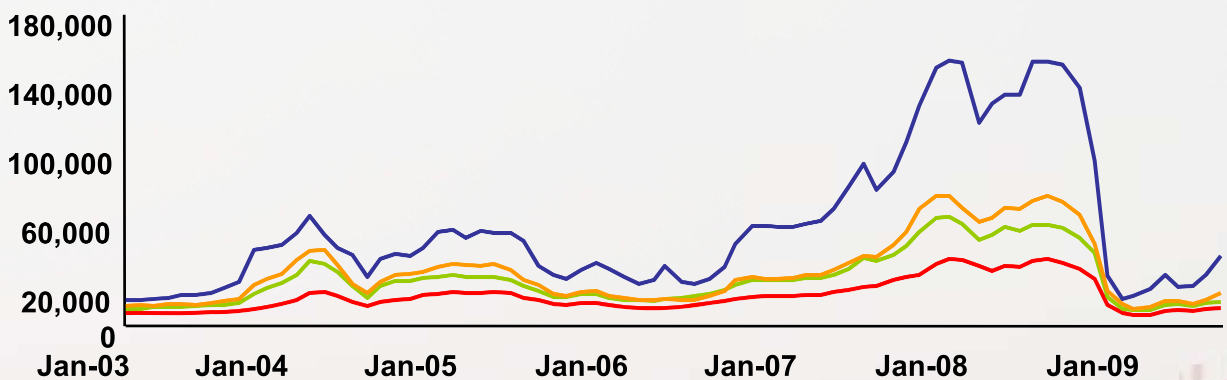
Market Information

The Baltic Dry Index (BDI)

The Baltic Handysize Index (BHSI)

Dry Bulk 1 Year Time-Charter Rate

US$/day
(net rate)



As at 12 Jun 2009

Capesize - $42,750

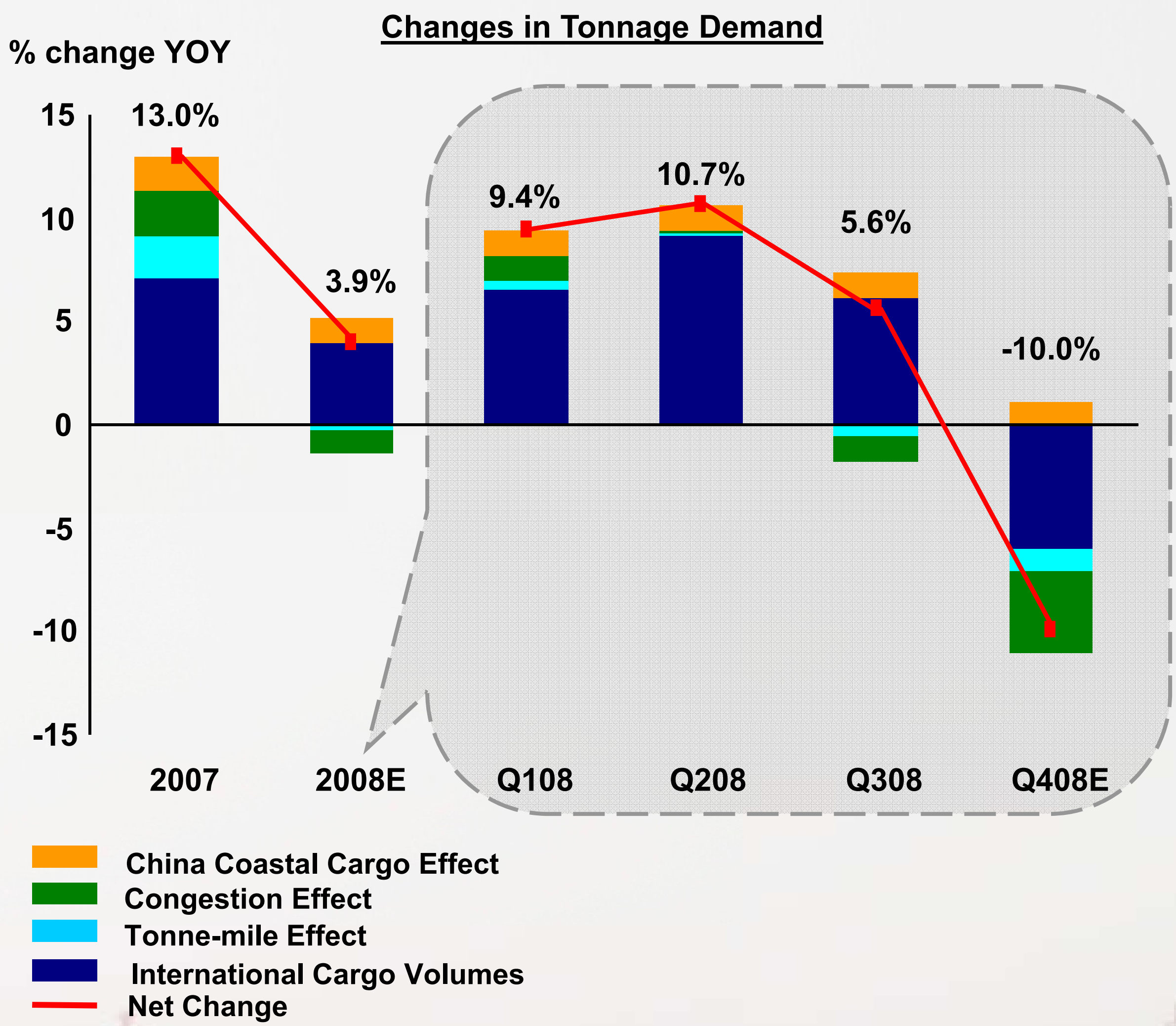
Panamax - $19,950

Supramax - $14,013

Handysize
1-Year: $10,688
3-Year: $10,213

BHSI officially started on 2 January 07
Sources: Clarksons, The Baltic Exchange, Bloomberg LP

Tonnage Demand Contracting

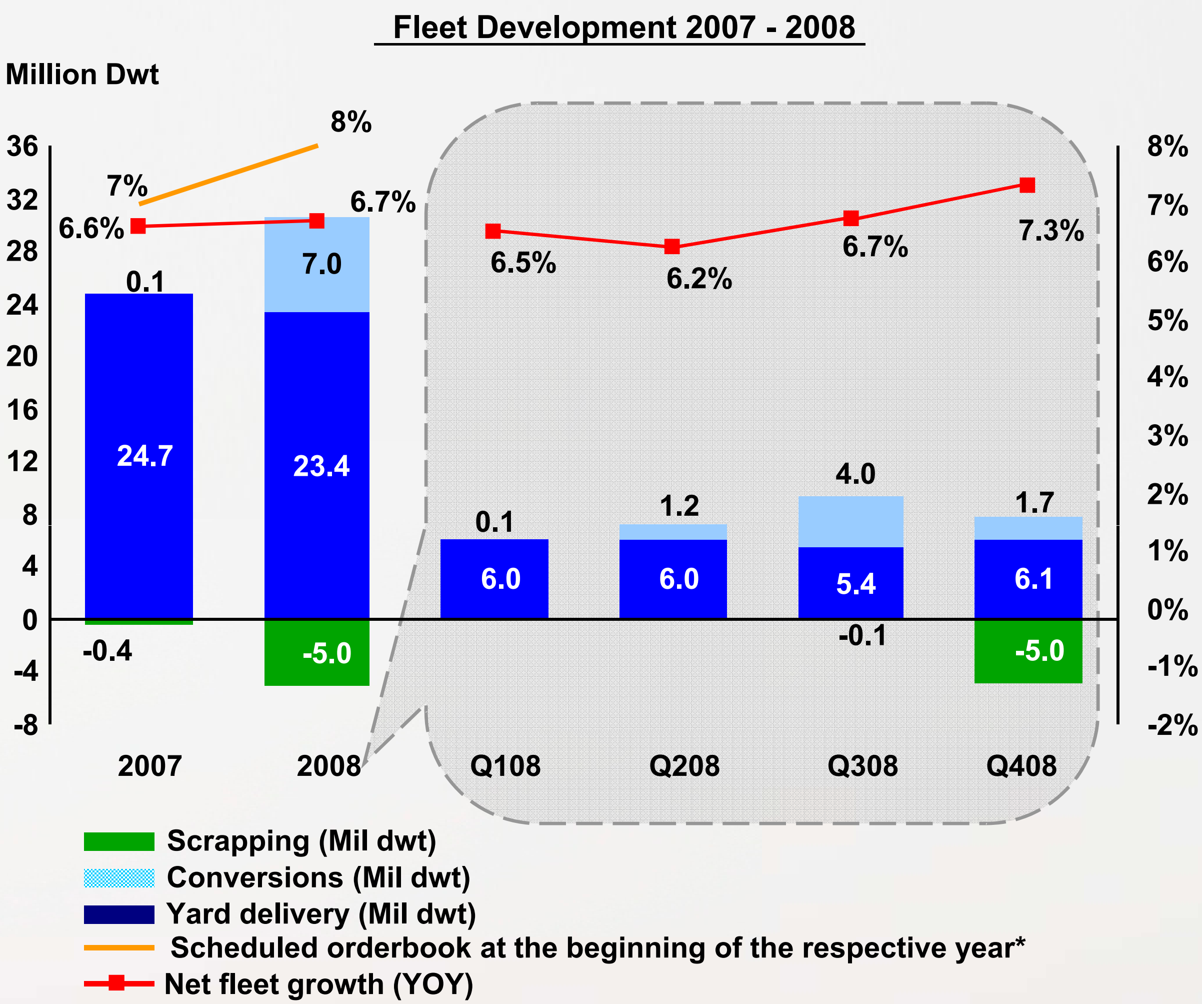


Source: R.S. Platou Feb 2009

Significant decrease in 4Q demand due to financial crisis, lack of trade credit, recession and slowdown in economic growth globally

Long term, the industrialisation of China, India and other countries should support dry bulk demand for many years to come

Fleet Development



•Data as at Jan 2007 and Jan 2008 from Clarkson's World Shiptype Monitor

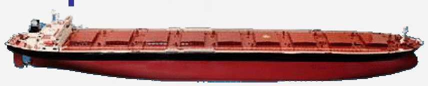
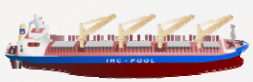
Source: Clarksons

Increased scrapping of existing old vessels reduced the fleet afloat

Some 8.5mil dwt of Dry bulk vessels were scrapped from Oct08 to Mar09

Cancelled or delayed ship order resulted in a difference between orderbook and actual yard delivery

Orderbook

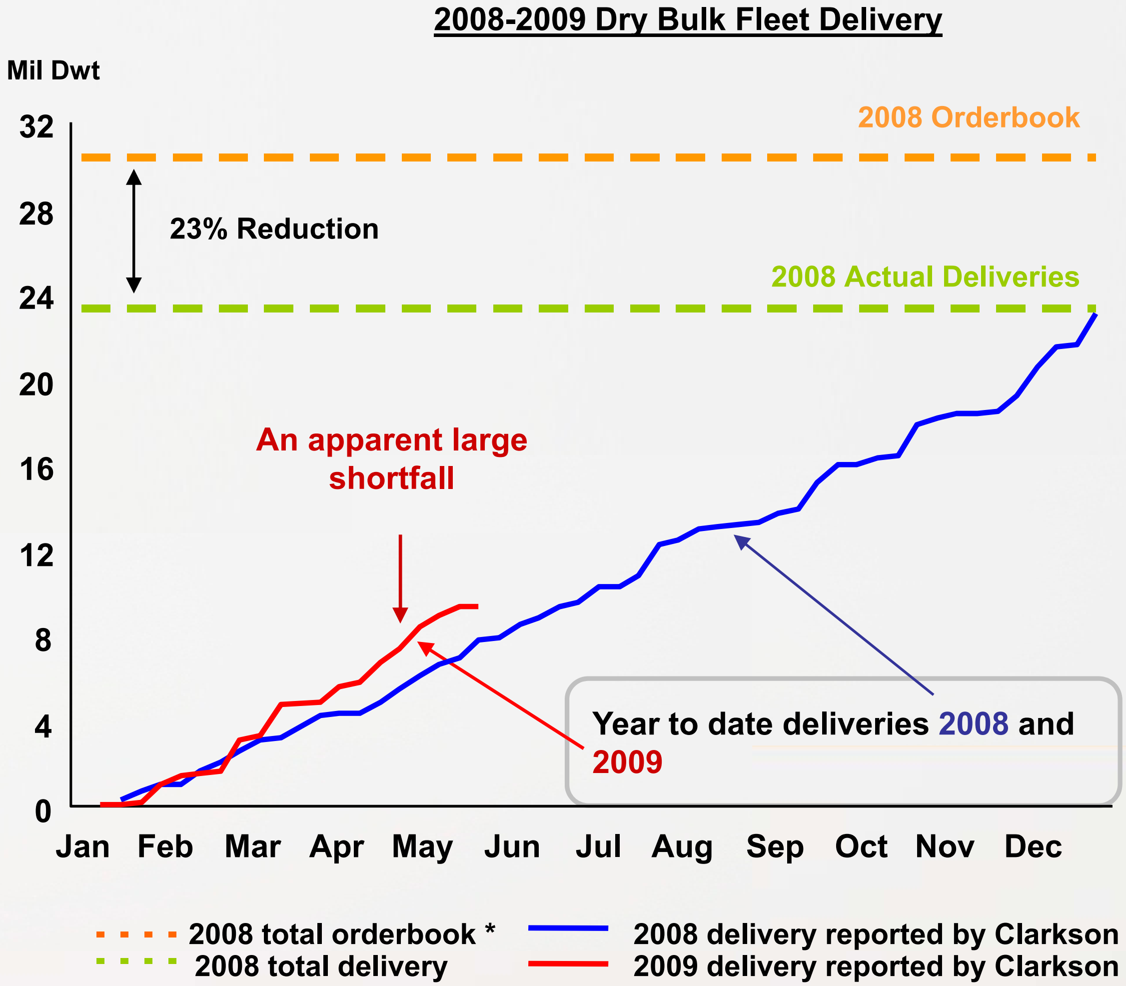
Type of Vessels	Orderbook as % of Existing Fleet (dwt)	Ave. Age
Dry Bulk *	70.6%	
Capesize 100K + 	103%	11.6
Panamax 60-100K 	52%	12.1
Handymax 35K-60K 	67%	15.4
Handysize 25,000- 34,999 	42%	17.4

Few new orders placed

Bank constraints limit desire and ability to order

Source: Clarksons May2009
*Note: * >10,000 Dwt*

Slow Pace of Deliveries



Source: Clarksons May 2009
** Clarksons World Shipyard Monitor Jan2008*
^ Clarksons World Shipyard Monitor Jan 2009

In 2008, Orderbook: 30.4mil * VS Actual delivery:23.4mil

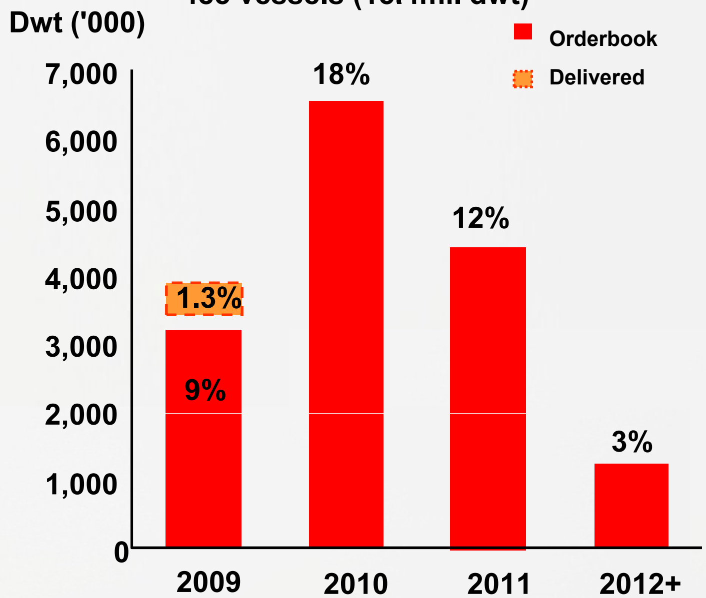
2009 scheduled Orderbook: 71.3 mil dwt ^

Preliminary figures indicate less vessels may deliver than the orderbook implies

Handysize Age Profile

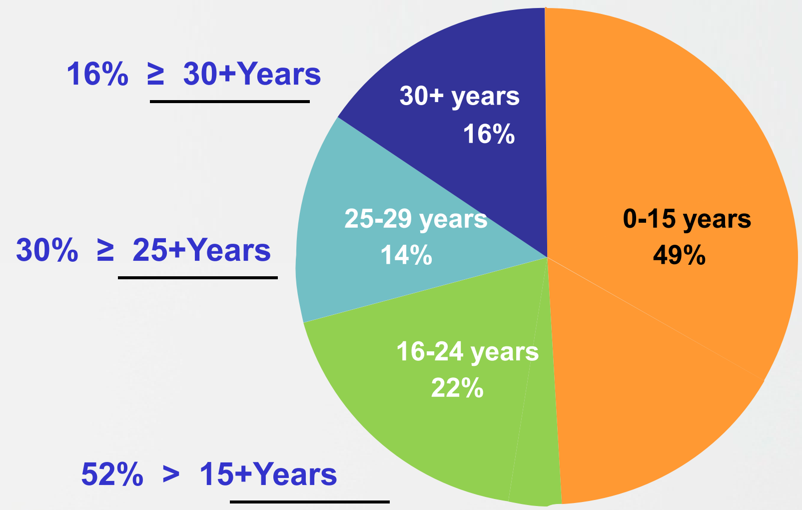
Orderbook
25,000-34,999dwt (42%)

485 vessels (15.4mil dwt)



Existing Fleet

Total handysize 25,000- 34,999 dwt fleet :
1,257 Vessels (37.0 mil dwt)

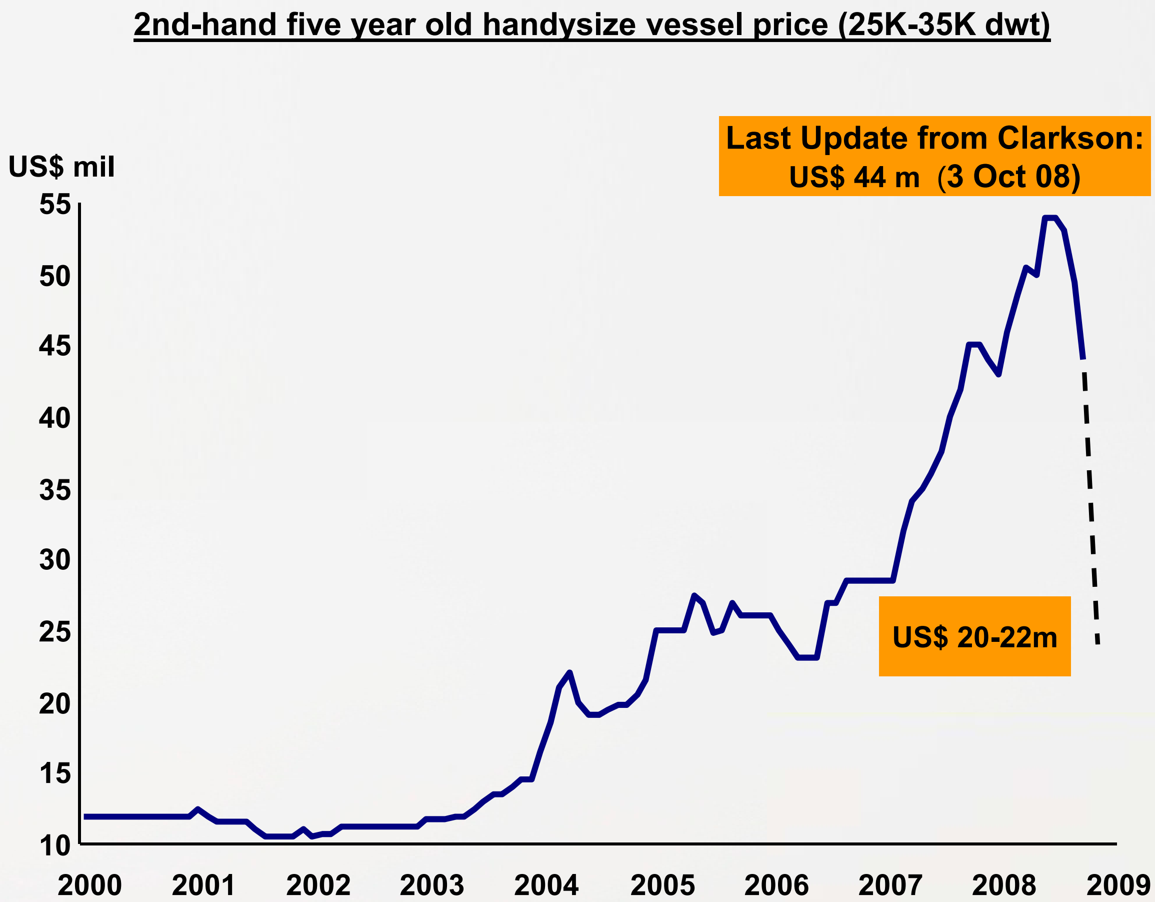


Uncertainty over actual deliveries in 2009/2010, compounded by financial crisis

More than 30% older than 25 years, >2.5mil dwt of handysize ships were scrapped (as at April 2009)

Source: Clarksons May 2009
Note: % of the existing fleet expressed in Dwt
** 25,000-34,999 Dwt*

Dry Bulk Carrier Sale & Purchase Market



Source: Clarksons, 3 Oct 08

Clarksons has stopped publishing handysize (indeed any dry bulk carrier) vessel values

Market turbulence has affected secondhand vessel prices

Sale and purchase activity started to return in November 2008 as owners and operators adjusted to the lower market

We estimate price of a 5 year old secondhand handysize at ~US$20-22m

Balance Sheet

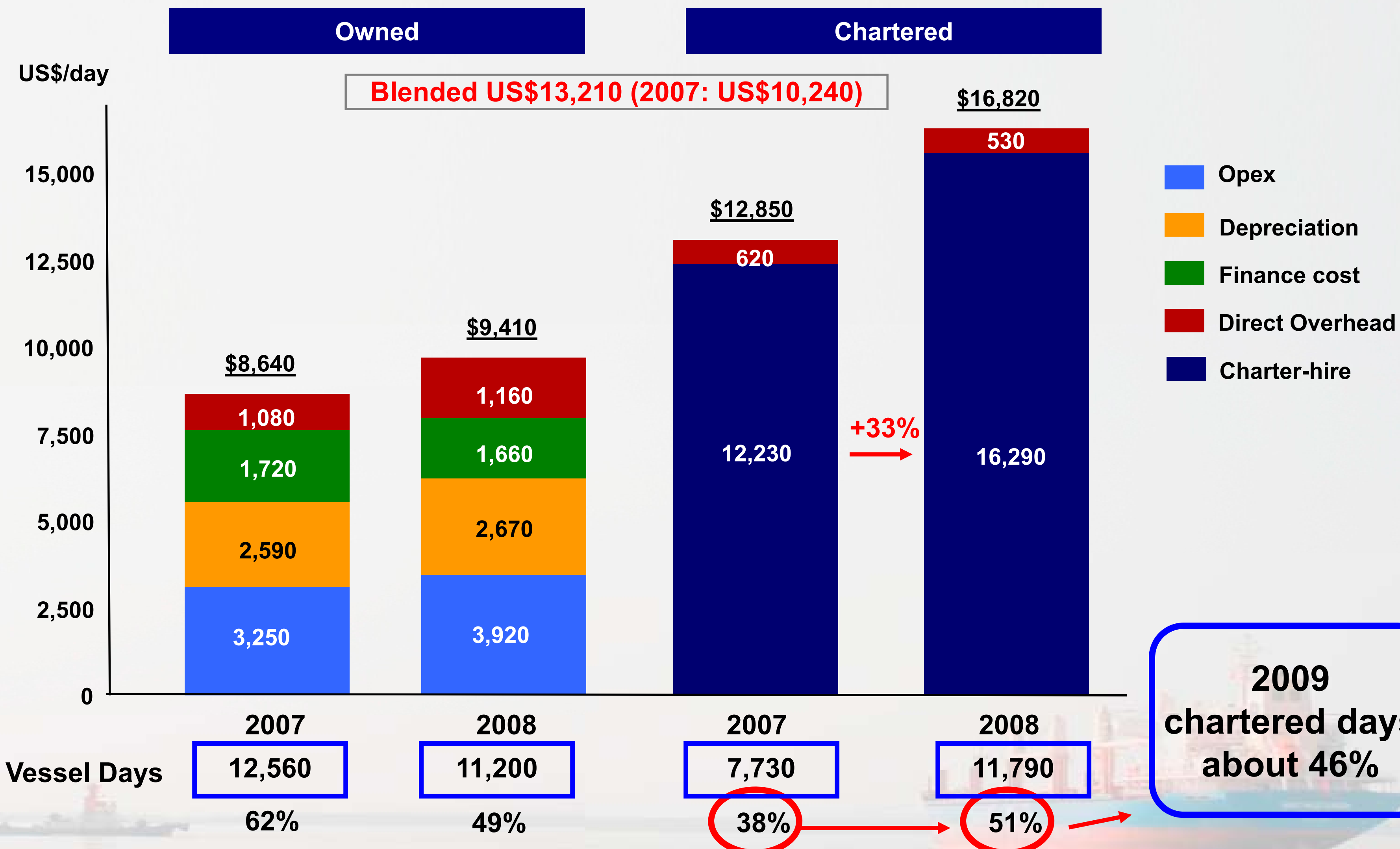
US$mil	31 Dec 08	31 Dec 07
Net book value of fixed assets [1]	794.6	755.9
Gross borrowings	847.8	660.2
Cash	1,023.7	649.5
Net cash / (borrowings)	175.9	(10.7)
Shareholder's equity	1,218.7	867.6
Net cash (borrowings) / Fixed assets	21.8%	(1.4)%
Net cash (borrowings) / Shareholder's equity	14.4%	(1.2)%

Note 1
30 delivered dry bulk, NBV = US$528.9m
Avg NBV: HS: US$17.7m, HM: US$16.4m
Avg replacement value: HS: US$29.0m, HM: US$31.5m

Replacement values of vessels with Ownership interest US$1.7bn
- 46 Dry bulk = 1.3bn
- 4 RoRos = 0.3bn
- 27 Tugs & barges = 0.1bn

Daily Vessel Costs - Handysize

As at 31 Dec 08



2009 chartered days about 46%

Lower Future Charter Expenses

2 adjustment items:

One-off early termination payments US$41.8 million for new lower cost charters

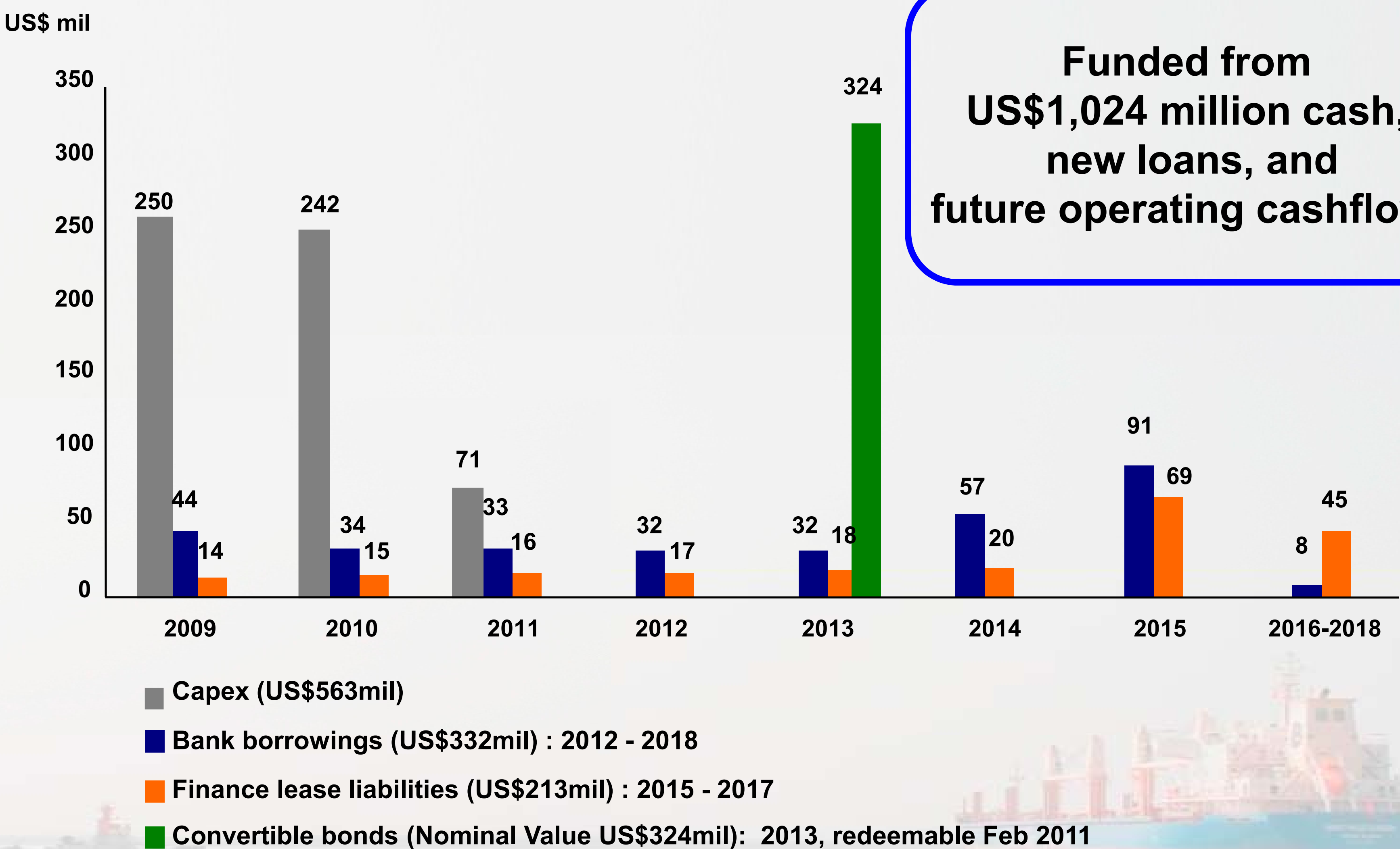
Provision for onerous charter contracts US$53.9 million

US$/day	PB Handysize Operating leases			PB Handymax Operating leases		
	Before	After	Days	*Before*	After	Days
Year						
2009	*15,260*	10,130	9,590	*29,000*	25,710	3,650
2010	*13,870*	9,160	6,180			
2011	*10,800*	8,620	2,840			
2012	*11,250*	11,090	2,510			

As at 31 Dec 2008

Borrowings and Capex

<u>After the 8 Jun 2009 Announcement</u>

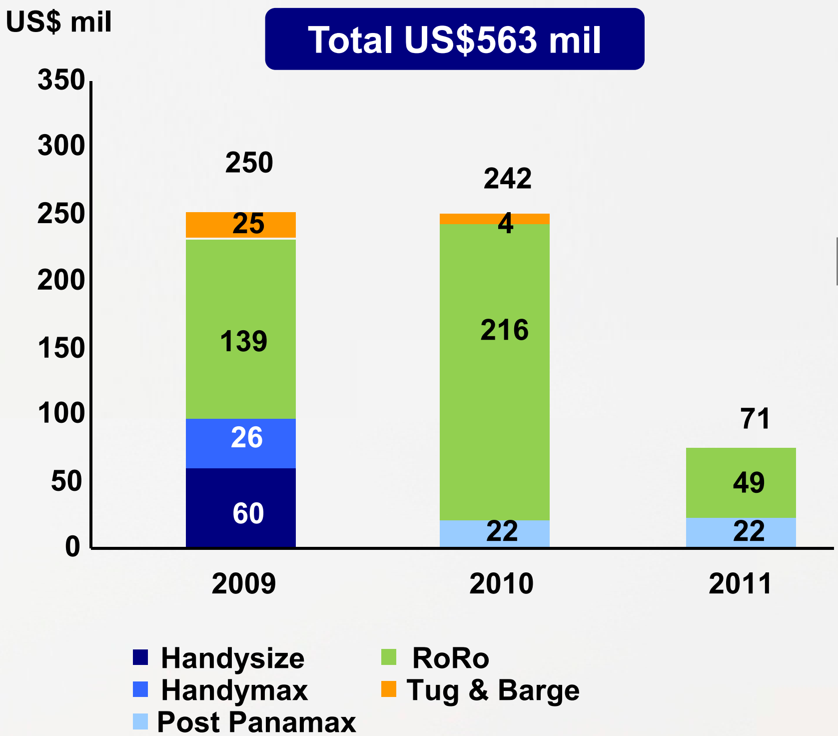


Funded from US$1,024 million cash, new loans, and future operating cashflows

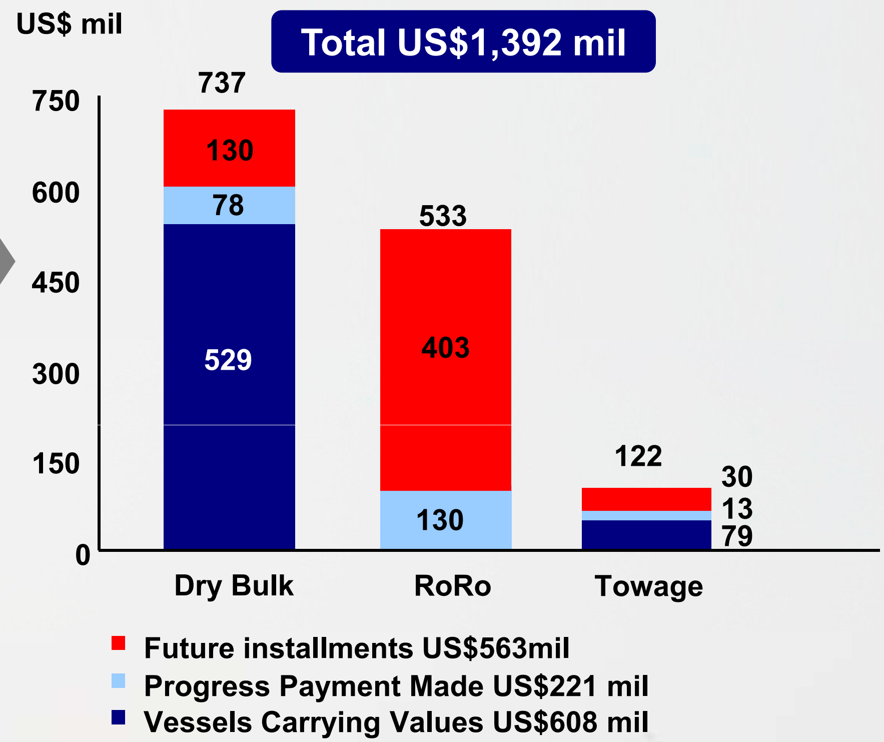
Capex and Combined Value by Vessel Types

After the 8 Jun 2009 Announcement

Vessels Commitments



A Combined View of Vessel Carrying Values and Commitments

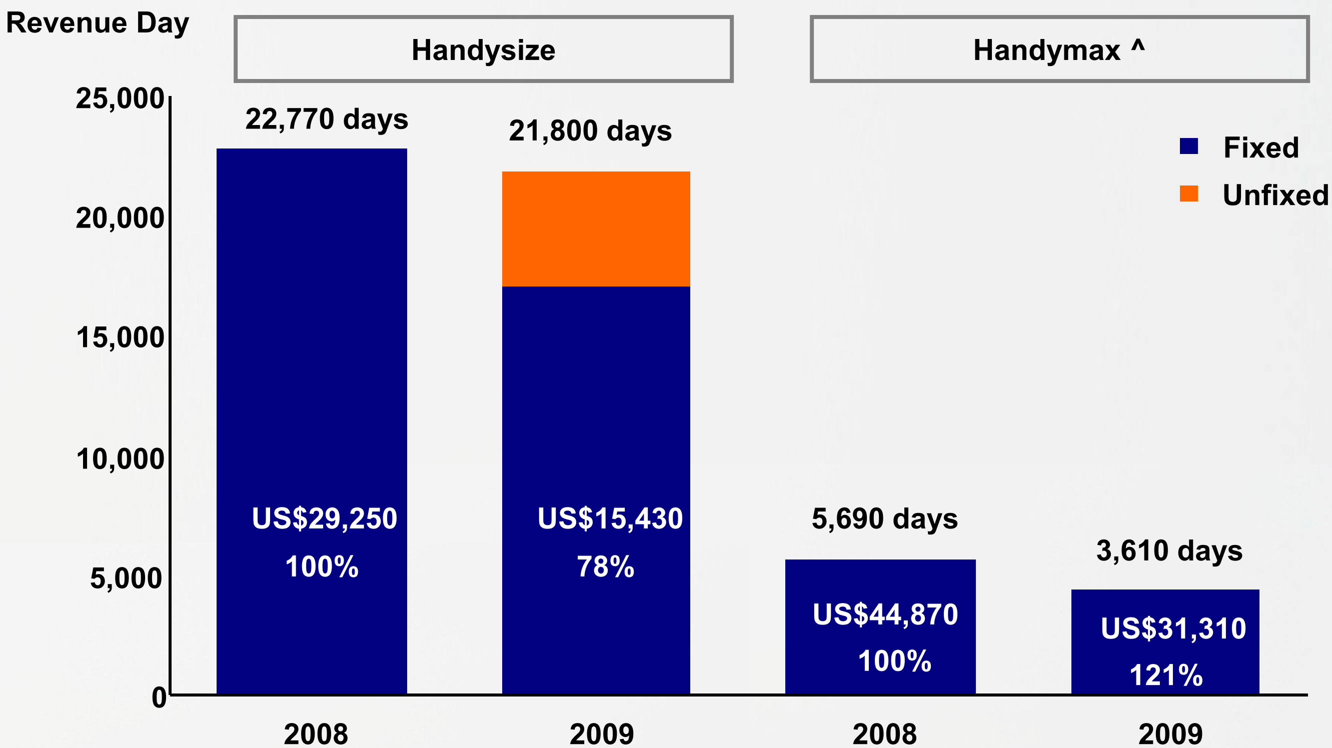


Funded from operating cashflow, existing cash + new debt (as required)

Further commitments expected in these areas

Earnings Coverage

Earnings coverage as at 22 April 2008



2010 Cover:
Handysize: 39%
Handymax:165%

78% of 2009 Handysize revenue days covered at rates significantly above market

Total Combined Cover * is 86% for Year 2009 and 49% for Year 2010

^ Excludes 2 handymax vessels on long term charter

* As at 22 April 2009, we had covered 78% of our 21,800 2009 handysize revenue days and 121% of our 3,610 2009 handymax revenue days, equating to approximately 86% of our 2009 handysize equivalent days

Counterparty Risk Management

Customer

▶Diversified customer base (over 200 customers) & ~100 different commodities carried

▶95%-100% of contracted dry bulk freight is payable upon completion of loading

▶Fixing long term contracts with large, often blue chip commodity companies with a successful track record and reputation

▶Assessing the credit worthiness of customers to ensure vessels are chartered to customers with an appropriate payment history

Forward Freight Agreements (FFA)

▶Mainly trading with banks (minimum S&P - A Rating)

▶Trading through a clearing house to settle accounts and maintain margin monies

▶Assessing the counterparties for those previous contracts entered in the OTC market. We now substantially trade through the clearing system

Bunker

▶Mainly trading with creditworthy oil companies & trading houses with minimum S&P - A Rating

Outlook

- Focus on three core segments of dry bulk, towage, and RoRo
- Solid balance sheet as at 31 December 2008– US$176 million net cash, and shareholders' equity of US$1.2 billion
- 78% of 2009 handysize days covered at almost US$15,500 per day. 2009 total combined cover is 86%
- Unchanged dividend policy - continue to pay out a minimum of 50% of profits excluding vessel disposal gains
- Challenging and uncertain market conditions in 2009

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.

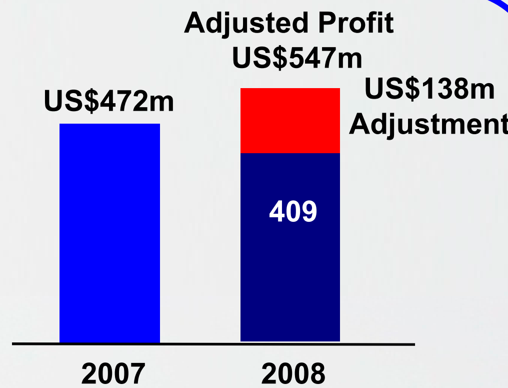
Appendix - 2008 Financial Highlights

	2008	2007
TCE Earnings (US$m)	909.4	700.5
Vessel disposal gains	149.8	137.4
Reported net profit	**409.1**	**472.1**
One-off termination payments	41.8	-
Provision for onerous charter contracts	53.9	-
Net mark-to-market expenses for equity investment	23.1	-
Impairment for vessels to be disposed in 2009	19.5	-
Adjusted net profit	**547.4**	**472.1**
Basic EPS (HK¢)	189	234
Return on average shareholders' equity	**35%**	**78%**
Dividends (HK¢ per share)	76.0	120.0
Eligible profits payout ratio	**57%**	**52%**

Appendix - Measures Taken in 2008

We are well positioned to weather the shipping and economic crisis and strengthen the Group:

- **We have taken charges of US$138m for:**
  - **One-off advance charter hire payments (US$42m)**
  - **Provision for charter-in vessel contracts (US$54m)**
  - **Provision for vessel disposal loss in 2009 (US$19m)**
  - **→ The above will benefit 2009 – 2012**
  - **Net mark-to-market impairment for equity investment (US$23m)**



- **Scale down non-core and focus on core businesses**
- **Anticipated 25% YoY reduction of 2009 overhead including 10% salary reduction for our most senior executives**

Appendix -
Results – Handysize Freight & Charter-hire

Drivers of the results

		1H08	2H08	2008	2007	% Change
Revenue days	(days)	11,540	11,230	22,770	20,100	+13%
TCE earnings	(US$/day)	32,460	25,950	29,250	23,200	+26%
Owned + chartered cost	(US$/day)	12,840	13,590	13,210	10,240	+29%
Contribution	(US$m)	226.4	138.8	365.2	260.5	+40%
One-off early termination charterhire payments				(28.8)		
Provision for onerous charter contracts				(53.9)		

Blended daily cost reflects more chartered in vessels

Blended daily cost excludes one-off payments and provisions

2H08 still profitable after one-off payment & provision

Appendix -
Results – Handymax Freight & Charter-hire

Drivers of the results

		1H08	2H08	2008	2007	% Change
Revenue days	(days)	2,900	2,790	5,690	4,870	+17%
TCE earnings	(US$/day)	46,100	43,590	44,870	30,040	+49%
Owned + chartered cost	(US$/day)	32,940	38,120	35,460	23,050	+54%
Contribution	(US$m)	38.2	15.3	53.5	34.0	+57%
One-off early termination charterhire payments				(13.0)		

More chartered in vessels
Increased revenue days

2008 TCE rates reflect use of
short term chartered in vessels

Appendix – Impact of Financial Instruments

US$ mil	Realised	Unrealised	2008	2007
	Year ended 31 December			
Net Gains / (Losses)				
Interest rate swap contracts	(0.8)	(5.9)	(6.7)	(1.4)
Bunker swap contracts	11.8	(59.0)	(47.2)	35.4
Forward freight agreements	5.2	71.8	77.0	(51.9)
	16.2	6.9	23.1	(17.9)

Completed in period & cash settled

i) Contracts to be settled in future period
+
ii) Accounting reversal of earlier period contracts now completed

Appendix - Cashflow

US$ mil

	2008	2007
Operating cash inflows	459.1	314.0
Investing cash (out) / inflows	(244.5)	102.0
- Vessels & other fixed assets related payments	(378.1)	(259.4)
- Sales of vessels	313.5	365.9
- Jointly controlled entities related payments	(84.7)	(1.5)
- Purchase of available-for-sale financial assets	(66.5)	-
- Others	(28.7)	(3.0)
Financing cash in/ (out) flows	110.8	170.3
- Proceeds from placement / issuance of convertible bonds	271.0	384.2
- Repurchase of convertible bonds	(44.5)	-
- Net drawdown / (repayment) of borrowings	239.1	(59.8)
- Dividends paid	(323.0)	(136.3)
- Others, mainly interest paid	(31.8)	(17.8)
Cash and bank balances	1,023.7	649.5