Annual Results

16 Mar 2010
Pacific Basin Overview

- One of the world’s leading dry bulk owners/operators of modern handysize and handymax vessels

- Flexible Pacific Basin dry bulk business model
  - Large scale fleet of uniform, interchangeable modern vessels
  - Mix of owned, long-term and short-term chartered ships
  - Diversified customer base of mainly industrial end users

- Growing presence in
  - Energy & Infrastructure Services
  - RoRo sector

- Over 160 vessels serving major industrial customers

- Hong Kong headquarters, 20 offices worldwide, 350+ Group staff, 1,700+ seafarers *

As announced:

- Dr. Simon Lee (Non-executive Director) passed away aged 82, one of Pacific Basin’s greatest supporters

* As at Jan 2010
2009 Group Highlights & 2010 Goals

- **Net Profit:** US$110m (2008: US$409m)
- **Basic EPS:** HK$0.46 (2008: HK$1.89)
- **ROE:** 8% (2008: 35%)
- **Net Profit Margin:** 12% (2008: 24%)
- **US$145m operating cash flow** (2008: US$459m)
- **2009 Dividend per share (HK$):** HK$0.23 (2008: HK$0.76)
  *Including proposed final dividend of HK$0.15*

Results incorporate:
- US$25m impairment of RoRo investment
- net US$25m write-back of onerous dry bulk contracts for future periods

Ambitions recalibrated and goals set for 2010 and beyond

- Significantly expand our dry bulk fleet subject to price and market developments
- Grow our energy and infrastructure services operations in specialised markets with high entry barriers and focus on Australasia and Middle East
- Secure employment for our remaining RoRo newbuildings delivering in second half 2010 and 2011
## Proposed Convertible Bonds Due 2016

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Issue size</strong></td>
<td>US$230 million</td>
</tr>
<tr>
<td><strong>Maturity Date</strong></td>
<td>12 April 2016 (6 years)</td>
</tr>
<tr>
<td><strong>Investor Put Date and Price</strong></td>
<td>12 April 2014 (4 years) at par</td>
</tr>
<tr>
<td><strong>Coupon</strong></td>
<td>1.75% p.a. payable semi-annually in arrears on 12 April and 12 October</td>
</tr>
<tr>
<td><strong>Redemption Price</strong></td>
<td>100%</td>
</tr>
<tr>
<td><strong>Initial Conversion Price</strong></td>
<td>HK$7.98 (27% premium to pricing of HK$6.28 on 4 March 2010)</td>
</tr>
<tr>
<td><strong>Conversion Condition</strong></td>
<td><strong>Before 11 Jan 2011:</strong> No Conversion is allowed</td>
</tr>
<tr>
<td></td>
<td><strong>12 Jan 2011 – 11 Jan 2014:</strong> Share price for 5 consecutive days &gt; 120% conversion price</td>
</tr>
<tr>
<td></td>
<td><strong>12 Jan 2014 – 5 Apr 2016:</strong> Share price &gt; conversion price</td>
</tr>
<tr>
<td><strong>Intended Use of Proceeds</strong></td>
<td>To purchase the 3.3% Existing Convertible Bonds due 2013 then redeem the remaining part of the Existing Convertible Bonds should bondholders’ request on 1 Feb 2011 or maturity in 2013</td>
</tr>
<tr>
<td><strong>Conditions</strong></td>
<td>• Shareholders approval at SGM to approve the issue of the New Convertible Bonds and the specific mandate to issue associated shares.</td>
</tr>
<tr>
<td></td>
<td>• 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</td>
</tr>
</tbody>
</table>

### Conversion/redemption Timeline

- **Closing Date**: 12 Apr 2010
- **No Conversion**
  - 12 Jan 2011
  - 12 Jan 2014
- **Bondholders can convert to PB shares after trading price for 5 consecutive days > 120% conversion price in effect**
  - 12 Apr 2014
- **Bondholder’s put option to redeem bonds**
  - 5 Apr 2016
- **Maturity**: 12 Apr 2016
  - 12 Jan 2014
  - 12 Apr 2014
  - 5 Apr 2016
  - 12 Apr 2016
  - 5 Apr 2016

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
Pacific Basin Dry Bulk – 2009 Performance

- Dry bulk net profit: US$138m
  - Handysize: US$124m
  - Handymax: US$14m
- Fleet employed worldwide carrying a mix of contract (COA) and spot cargoes
- 28.8mil tonnes of cargoes were carried in 2009:
  - Handysize: logs & forest products, grain & agriculture products, metal concentrates
  - Handymax: coal/coke, ore, grain & agriculture products
- Strategy:
  - Secure forward cargo cover for 2011 and beyond
  - Maintain a cost-competitive fleet
  - Fleet expansion
    - Since Dec 2009, purchased 5 ships at some of the lowest prices of the past 5 years
    - Long-term chartered 3 ships
Dry Bulk Market Information

Baltic Dry Index

15 Mar 2010
3,574

The Baltic Handysize Index (BHSI)

15 Mar 2010
US$ 18,744 (net)

As at 12 Mar 2010

US$/day (net)

1 Year TCE net rate

Capesize - $35,625
Panamax - $27,075
Supramax - $22,325
Handysize
1-Year: $15,675
3-Year: $13,538

Sources: Clarksons, The Baltic Exchange, Bloomberg LP

BHSI officially began on 2 January 07
**Chinese Commodity Demand**

### China Iron Ore Sourcing for Steel Production

- **2004**: 223 million tonnes
- **2005**: 354 million tonnes (+41%)
- **2006**: 444 million tonnes
- **2007**: 799 million tonnes (+13%)
- **2008**: 628 million tonnes (+41%)
- **2009**: 906 million tonnes

### China is a Net Importer of Coal

- **2005**: 278 million tonnes (-21%)
- **2006**: 223 million tonnes (-51%)
- **2007**: 223 million tonnes
- **2008**: 223 million tonnes
- **2009**: 127 million tonnes (+218%)

**China iron ore and coal imports increased 41% and 218% respectively yoy.**

**China’s decision on where it imports commodities from significantly impacts overall tonne-mile demand.**

**Port congestion and China’s domestic coastal trade increased.**

Source: Bloomberg LP, Macquarie, Pacific Basin
Dry Bulk Demand

Dry Bulk Fleet Demand and Supply 2003 - 2009

% Change YOY

<table>
<thead>
<tr>
<th>Year</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>2008</th>
<th>2009E</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>4.3</td>
<td>6.1</td>
<td>6.5</td>
<td>3.8</td>
<td>0.02</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>7.0</td>
<td>6.8</td>
<td>13.0</td>
<td>9.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>6.5</td>
<td>6.5</td>
<td>6.5</td>
<td>0.02</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>9.4</td>
<td>10.7</td>
<td>5.6</td>
<td>0.02</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009E</td>
<td>-10.5</td>
<td>-8.3</td>
<td>-5.9</td>
<td>-0.3</td>
<td>14.6</td>
<td></td>
</tr>
</tbody>
</table>

- China Coastal Cargo Effect
- Congestion Effect
- Tonne-mile Effect
- International Cargo Volumes
- Net Demand Growth
- Supply Growth

- Strong 2009 freight market improvement cannot be easily explained by fundamentals
- 2009 demand growth did not exceed supply growth
- Sharp improvement from exceptionally weak starting point
- Large improvement in Q4 demand yoy

Source: R.S. Platou, Clarksons
**Dry Bulk Orderbook**

- **Orderbook peaks in 2010 dominated by Capesize**
- **2009 handysize net fleet growth : -0.4%**
- **Ageing fleet and relatively small orderbook**

**Orderbook by Year**

- Total Dry Bulk >10,000 Dwt: 60%
- Capesize: 84%, 11 years
- Panamax: 49%, 12 years
- Handymax (35,000-59,999 Dwt): 52%, 15 years
- Handysize (25,000-34,999 Dwt): 41%, 16 years

**Handysize Orderbook**

- 497 vessels (15.7 mil dwt) - 41%

**Handysize Age Profile**

- 0-15 years: 54%
- 16-24 years: 15%
- 25-29 years: 17%
- 30+ years: 14%

Source: Clarksons 1 Feb 2010

* Handysize is defined as 25,000-34,999 Dwt
Dry Bulk Fleet Changes

Dry Bulk Fleet Delivery & Scheduled Orderbook

Million Dwt

<table>
<thead>
<tr>
<th>Year</th>
<th>Scheduled Orderbook</th>
<th>Recorded Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>26.0</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>24.7</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>24.4</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>42.8</td>
<td>71.8</td>
</tr>
<tr>
<td>2010</td>
<td>126.0</td>
<td></td>
</tr>
</tbody>
</table>

Brokers’ non-delivery predictions range from 35% to 40%.

Dry Bulk Scraping versus BDI

2009 total scrapping:
- Dry Bulk – 10m dwt
- Handysize – 5m dwt

World dry bulk fleet expanded by 10% yoy, significantly above the 7% of previous 5 years.

41% delivery shortfall against schedule in 2009 mainly due to ineffective orders and construction delays.

Scraping dropped when freight rates recovered strongly in 2H09.

Source: Clarksons Jan 2010

^Clarksons Jan 2009 and Jan 2010
Handysize Vessel Values

5 Year Old 28,000 Dwt Values

Clarksons ceased publication in Oct08: US$44m

Clarksons resumed publication of ship values January 2010: US$23 million for 5 year old

PB purchased 5 vessels since Dec 2009

Source: Clarksons (up to Oct 2008, since Jan 2010), Aggregate brokers estimates (from Oct 2008 to Dec 2009)
Dry Bulk Outlook

+ Global economic recovery
+ Strong cargo demand from China
+ Port congestion & others bottlenecks
+ Slippage and non-realisation of 2010 scheduled newbuilding deliveries

- Unwinding Chinese economic stimulus
- Enormous orderbook for 2010
- Increasing commodity prices favour domestic production over imports

PB Conclusion

- Shift from a negative to a neutral market view for 2010
- Investing in dry bulk vessels
- Maintain cost-competitive fleet and avoid significant inflation of break-even cost
- Building cover for 2011 and beyond
PB Dry Bulk Earnings Coverage as at 22 Feb 2010

**Handysize**
- Revenue Days: 26,100 days
- Unfixed: 22,630 days
- Fixed: 3,470 days
- Cover: 59%
- Revenue: US$14,290

**Handymax**
- Revenue Days: 10,640 days
- Cover: 100%
- Revenue: US$19,490

Total combined cover: 64% for 2010

^ Excludes 2 handymax vessels on long term charter out
*As at 22 Feb 2009, we had combined cover of 64% of handysize / handymax fleet (covered 59% of our 2010 handysize revenue days and 81% of our 2010 handymax revenue days, equating to approximately 64% of our handysize equivalent days)
PB Energy & Infrastructure Services

Return on assets: 4%

2009 Performance:
- Offshore tug utilisation of 72% but at a lower margin
- Low oil price resulted in weak demand for offshore towage
- Container market slump led to fewer tug jobs at depressed rates
- Strong profitable growth in infrastructure projects (mainly FBSL)
- Gorgon project has been successful from the outset with 5 tugs employed
PB Energy & Infrastructure – Fujairah Bulk Shipping

- FBSL contribution to PB results: US$6.3m (2008: US$0.3m)
- Land reclamation for Municipality of Fujairah requiring approx. 54m tonnes of rock & aggregates of which over 30m tonnes already delivered
- FBSL well positioned for growth:
  - Construction of Abu Dhabi Crude Oil Pipeline to Fujairah
  - New regional projects

About FBSL
- JV between PB (50%) and Government of Fujairah
- Staff: >600
- Services: Rock & aggregates export, domestic reclamation, fully integrated supply chain including transportation & logistics in the Gulf Region
Energy & Infrastructure – Outlook

+ ▪ Global economic recovery
  ▪ High entry barriers
  ▪ Increase in oil and energy prices
  ▪ Resumption of infrastructure and offshore projects
  ▪ Low orderbook
  ▪ High scrapping potential

- ▪ Container-related harbour towage market still weak

PB Conclusion
  ▪ Positive market outlook in 2010
  ▪ Expand in infrastructure and offshore projects
  ▪ Needs to build scale, realise synergies, optimise systems and processes
  ▪ Not yet able to reap full benefit of good market position
PB RoRo

2009 net profit US$0.1 m

- Group incurred US$25m impairment reflecting our concern about ability to deploy RoRo vessels profitably in 2010 and 2011
- First vessel “Humber Viking” fixed to Norfolk Line for 3 years from Sep 2009
- 5 newbuildings remain on order
  - 2 chartered in vessels with purchase options to deliver late 2010
  - 3 postponed newbuildings to deliver in 2011
- Strategy
  - Become a tonnage supplier to major European freight service operators
  - Actively continue to explore employment opportunities within and outside European
  - We do not anticipate investing in further RoRo ships until our existing orderbook has been profitably employed

Favourable design of our RoRo vessels for European market:
- High speed
- Low fuel consumption
- Optimal deck heights
- Wide fixed ramps
- High degree of maneuverability
RoRo Market

RoRo Vessels (1,300-2,700 Lane Metres)
1-Year Time Charter Rates

- 1,300 lm-1,700 lm
- 1,800 lm-2,200 lm
- 2,300 lm-2,700 lm

RoRo Orderbook: 16%
45 Vessels (143,408 Lane Metres)

- 0-14 Year: 35%
- 15-24 Years: 17%
- 25-29 Years: 16%
- 30+ Years: 32%

World RoRo Fleet
472 Vessels
(899,753 Lane Metres)

RoRo Market Development in 2009 (estimates)
- Europe trailer demand: ↓ 20-25%
- 1 year moving average TCE rate: ↓ 35%
- Vessel values: ↓ 10-15%

- Long-term fundamentals attractive
- Ageing RoRo fleet → scrapping
- Low orderbook: 16%

Source: Maersk Broker Jan 2010,Danske Bank
RoRo – Outlook

**Pros**
- Slow economic recovery in Europe
- Increasing environmental regulation, trend towards use of larger, more fuel efficient RoRos
- Scrapping (ageing RoRo fleet)

**Cons**
- Increased RoRo newbuilding deliveries expected in 2010/2011
- Limited employment potential
- Indebtedness of UK economy affecting trailer traffic volumes

**PB Conclusion**
- Expect challenging, only moderately improving trading environment for RoRos in 2010
- Positive outlook for long term with revival of European economic growth and favourable demand/supply balance
# 2009 Financial Highlights

## Segment net profit

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasury</td>
<td>(13.8)</td>
<td>21.0</td>
</tr>
<tr>
<td>Non direct G&amp;A</td>
<td>(12.3)</td>
<td>(11.8)</td>
</tr>
</tbody>
</table>

## Underlying profit

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessel impairment losses – RoRo / Dry bulk</td>
<td>(25.0)</td>
<td>(19.5)</td>
</tr>
<tr>
<td>Unrealised derivative (expenses)/income</td>
<td>(4.5)</td>
<td>6.9</td>
</tr>
<tr>
<td>Net Dry bulk vessel disposal (losses)/gains</td>
<td>(1.2)</td>
<td>154.6</td>
</tr>
<tr>
<td>Future onerous contracts - net provision write-back/(provision)</td>
<td>25.2</td>
<td>(53.9)</td>
</tr>
</tbody>
</table>

## Profit attributable to shareholders

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit attributable to shareholders</td>
<td>110.3</td>
<td>408.8</td>
</tr>
</tbody>
</table>

## Returns on net assets

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pacific Basin Dry Bulk</td>
<td></td>
</tr>
<tr>
<td>Handysize</td>
<td>28%</td>
</tr>
<tr>
<td>Handymax</td>
<td>64%</td>
</tr>
<tr>
<td>PB EIS</td>
<td>4%</td>
</tr>
<tr>
<td>PB RoRo</td>
<td>0%</td>
</tr>
</tbody>
</table>

## Segment Net Profit versus Net Assets

<table>
<thead>
<tr>
<th></th>
<th>US$ Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pacific Basin Dry Bulk</td>
<td>124.1</td>
</tr>
<tr>
<td>Handysize</td>
<td>450.2</td>
</tr>
<tr>
<td>Handymax</td>
<td>14.1</td>
</tr>
<tr>
<td>PB Energy &amp; Infrastructure Services</td>
<td>22.0</td>
</tr>
<tr>
<td>PB RoRo</td>
<td>8.2</td>
</tr>
<tr>
<td>Net Profit</td>
<td>214.0</td>
</tr>
<tr>
<td>Net Asset</td>
<td>192.1</td>
</tr>
</tbody>
</table>
## Pacific Basin Dry Bulk – Handysize

### As at 31 December 2009

<table>
<thead>
<tr>
<th></th>
<th>1H09</th>
<th>2H09</th>
<th>2009</th>
<th>2008</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue days (days)</td>
<td>12,460</td>
<td>13,640</td>
<td>26,100</td>
<td>24,890</td>
<td>+5%</td>
</tr>
<tr>
<td>TCE earnings (US$/day)</td>
<td>13,610</td>
<td>15,310</td>
<td>14,500</td>
<td>29,600</td>
<td>-51%</td>
</tr>
<tr>
<td>Owned + chartered cost (US$/day)</td>
<td>9,380</td>
<td>9,970</td>
<td>9,690</td>
<td>14,960</td>
<td>-35%</td>
</tr>
<tr>
<td>Segment net profits (US$m)</td>
<td>52.1</td>
<td>72.0</td>
<td>124.1</td>
<td>331.9</td>
<td>-63%</td>
</tr>
<tr>
<td>Return on net assets (%)</td>
<td></td>
<td></td>
<td>28%</td>
<td>86%</td>
<td>-58%</td>
</tr>
</tbody>
</table>

### Earnings:
- Average BHSI reduced 61%
- Our TCE reduced 51%

### Costs:
- Cheaper chartered-in vessels
- US$26.7m write-back of onerous contracts provision relating to 2009
- Cost reduction

### Segment result excludes:
- US$27.2m write-back of onerous contracts provision for future periods
- US$3.8m unrealised net derivatives income
Daily Vessel Costs - Handysize

As at 31 Dec 2009

Charter-hire days & rates 2010-2012

Charter-in days decreased over 64% from 2010-2012

<table>
<thead>
<tr>
<th>Year</th>
<th>Charter-in Days</th>
<th>Charter-in Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>8,480 days</td>
<td>US$12,320</td>
</tr>
<tr>
<td>2011</td>
<td>3,020 days</td>
<td>US$10,970</td>
</tr>
<tr>
<td>2012</td>
<td>2,820 days</td>
<td>US$10,370</td>
</tr>
</tbody>
</table>

Vessel Days

<table>
<thead>
<tr>
<th>Year</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>11,200</td>
</tr>
<tr>
<td>2009</td>
<td>11,230</td>
</tr>
</tbody>
</table>

Blended US$9,690 (FY2008: US$14,960)

<table>
<thead>
<tr>
<th>Year</th>
<th>Opex</th>
<th>Depreciation</th>
<th>Finance Cost</th>
<th>Direct Overhead</th>
<th>Charter-hire</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>11,410</td>
<td>1,160</td>
<td>1,660</td>
<td>2,670</td>
<td>3,920</td>
</tr>
<tr>
<td>2009</td>
<td>8,770</td>
<td>1,040</td>
<td>1,260</td>
<td>2,630</td>
<td>3,840</td>
</tr>
<tr>
<td>2008</td>
<td>18,890</td>
<td>530</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>10,380</td>
<td>480</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2010-2012 Charter-in days decreased over 64% from 2010
## Balance Sheet

**As at 31 December 2009**

<table>
<thead>
<tr>
<th></th>
<th>PB Dry Bulk</th>
<th>PB EIS</th>
<th>PB RoRo</th>
<th>Treasury</th>
<th>31 Dec 09</th>
<th>31 Dec 08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vessels &amp; other fixed assets</strong></td>
<td>611</td>
<td>160</td>
<td>211</td>
<td>-</td>
<td>998</td>
<td>861</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>767</td>
<td>271</td>
<td>259</td>
<td>1,036</td>
<td>2,470</td>
<td>2,331</td>
</tr>
<tr>
<td><strong>Long term borrowings</strong></td>
<td>199</td>
<td>41</td>
<td>65</td>
<td>572</td>
<td>877</td>
<td>848</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>295</td>
<td>57</td>
<td>67</td>
<td>572</td>
<td>1,014</td>
<td>1,112</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td>472</td>
<td>214</td>
<td>192</td>
<td>464</td>
<td>1,456</td>
<td>1,219</td>
</tr>
<tr>
<td><strong>Net cash</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>229</td>
<td>176</td>
</tr>
<tr>
<td><strong>Net cash / Fixed assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>23%</td>
<td>22%</td>
</tr>
<tr>
<td><strong>Net cash / Shareholder's equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>16%</td>
<td>14%</td>
</tr>
</tbody>
</table>

**Notes:**
- 31 Dec 2009 total includes other segments and unallocated
- RoRo vessels are net of US$25.0m impairment charge
Borrowings and Capex

As at 31 Dec 2009

Funded from US$1,106m cash, new borrowings, and future operating cashflows

- Vessel capex (including purchase options) (US$457m)
- Bank borrowings (gross of loan arrangement fee) (US$383m): 2012-2021
- Finance lease liabilities (US$199m): 2015-2017
- Convertible Bonds (Face value US$314m): 2013, redeemable in Feb 2011
- Potential convertible bonds (Face value US$230m): 2016, redeemable in April 2014

Subject to shareholders approval at SGM

Redeemable in Feb 2011
Capex and Combined Value by Vessel Types

As at 31 Dec 2009

Vessels Commitments (including options)

<table>
<thead>
<tr>
<th>Year</th>
<th>Dry Bulk</th>
<th>Energy &amp; Infrastructure Services</th>
<th>RoRo</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>384</td>
<td>84</td>
<td>23</td>
</tr>
<tr>
<td>2011</td>
<td>219</td>
<td>22</td>
<td>51</td>
</tr>
</tbody>
</table>

A Combined View of Vessel Carrying Values and Commitments

<table>
<thead>
<tr>
<th>Vessel Type</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dry Bulk</td>
<td>773</td>
<td>587</td>
</tr>
<tr>
<td>RoRo</td>
<td>480</td>
<td>269</td>
</tr>
<tr>
<td>Tugs and barges</td>
<td>197</td>
<td>123</td>
</tr>
</tbody>
</table>

Future commitments expected in dry bulk

- Vessel carrying values, US$801 million
- Progress payment made, US$192 million
- Future installments amount, US$457 million
# Cashflow

## As at 31 December 2009

<table>
<thead>
<tr>
<th>Category</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating cash inflows</strong></td>
<td>145</td>
<td>459</td>
</tr>
<tr>
<td><strong>Investing cash outflows</strong></td>
<td>(176)</td>
<td>(244)</td>
</tr>
<tr>
<td>- Vessels &amp; other fixed assets related payments</td>
<td>(297)</td>
<td>(381)</td>
</tr>
<tr>
<td>- Sales of vessels</td>
<td>105</td>
<td>314</td>
</tr>
<tr>
<td>- Jointly controlled entities related payments and receipts</td>
<td>45</td>
<td>(77)</td>
</tr>
<tr>
<td>- Purchase of available-for-sale financial assets</td>
<td>-</td>
<td>(67)</td>
</tr>
<tr>
<td>- Net receipts from forward foreign exchange contracts</td>
<td>17</td>
<td>-</td>
</tr>
<tr>
<td>- Change in restricted cash &amp; notes receivables</td>
<td>(58)</td>
<td>(50)</td>
</tr>
<tr>
<td>- Others</td>
<td>12</td>
<td>17</td>
</tr>
<tr>
<td><strong>Financing cash in/ (out) flows</strong></td>
<td>56</td>
<td>111</td>
</tr>
<tr>
<td>- Proceeds from placement</td>
<td>97</td>
<td>271</td>
</tr>
<tr>
<td>- Repurchase of convertible bonds</td>
<td>(9)</td>
<td>(45)</td>
</tr>
<tr>
<td>- Net drawdown / (repayment) of borrowings</td>
<td>24</td>
<td>239</td>
</tr>
<tr>
<td>- Dividends paid</td>
<td>(20)</td>
<td>(323)</td>
</tr>
<tr>
<td>- Others, mainly interest paid</td>
<td>(36)</td>
<td>(31)</td>
</tr>
</tbody>
</table>

## Cash and bank deposits

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,106</td>
<td>1,024</td>
</tr>
</tbody>
</table>
Outlook

- Focus on three core businesses:
  - Pacific Basin Dry Bulk
  - PB Energy & Infrastructure Services
  - PB RoRo

- Slow, gradual recovery of global economy & international trade
- Continued demand growth in China / Asia – stronger for longer
- Our outlook for dry bulk market view improves from negative to neutral -- volatility to remain
- Business model and balance sheet position us well for opportunities in 2010
- Three key goals for 2010 and beyond:
  - Significantly expand our dry bulk fleet
  - Grow our energy and infrastructure services operations
  - Secure profitable employment for remaining RoRo newbuildings
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: China at Mid-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.

Source: UBS, IISI, Pacific Basin.
Appendix:

Pacific Basin Dry Bulk - Diversified Cargo

Pacific Basin Dry Bulk Cargo Volume 2009
(Handysize and Handymax)

- Alumina: 6% (+2%)
- Coal / Coke: 9% (+2%)
- Concentrates: 8% (+1%)
- Fertilisers: 8% (-3%)
- Logs & Forest Products: 8% (+2%)
- Ore: 10% (+0%)
- Steel & Scrap: 7% (-2%)
- Sugar: 8% (+3%)
- Petcoke: 4% (-1%)
- Other Bulks*: 5% (-4%)
- Cement & Cement Clinker: 8% (-5%)
- Grains & Agriculture Products: 12% (+0%)

Diverse range of commodities reduces product risk

Australia and China were our largest loading & discharge zones in 2009 respectively

*Other bulks: Gypsum and Sands
( ) % changes against 2008
Appendix: Towage Financial Drivers

- 2009 Towage net profit: US$1.0m

<table>
<thead>
<tr>
<th>Offshore Towage</th>
<th>Harbour Towage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operation</strong></td>
<td>Providing project/module transportation and offshore support with associated tug/barge services</td>
</tr>
<tr>
<td><strong>Fleet size</strong></td>
<td>16</td>
</tr>
<tr>
<td>(As at 29 Feb 2010)</td>
<td></td>
</tr>
<tr>
<td><strong>Geographical presence</strong></td>
<td>Australasia, S.E. Asia, Middle East</td>
</tr>
</tbody>
</table>
| **Financial Drivers** | ▪ Utilization rates  
▪ Dependent on special projects (e.g. Oil & Gas)  
▪ Mostly spot rates, leverage on PB Sea-Tow expertise  
▪ Higher variable cost, mainly repairs & maintenance  
▪ Strategy: Seeking longer term project charters | ▪ No. of jobs / days  
▪ Dependent on visiting ship movements  
▪ Mostly pre-agreed rates  
▪ Higher fixed costs relative to variable costs e.g. crews  
▪ Strategy: Pursuing exclusive harbour towage licenses |
Appendix: PB Energy & Infrastructure – Gorgon Project

Pacific Basin’s role:

- 1/3 partner in Offshore Marine Services Alliance (OMSA)
- Secured a A$350m marine logistics contract for the Gorgon Project
- Phase 1: 5 tugs on bareboat charter to the JV
- Outlook: Seeking opportunities to deploy additional vessels on Gorgon and other related projects in the region

Gorgon Project

An LNG project under development in Western Australia:

- development of Greater Gorgon gas fields
- subsea gas-gathering infrastructure
- LNG plant on Barrow Island, expected to export 15 mil tonnes of LNG per annum

Source: Chevron Australia, Pacific Basin
PB Energy & Infrastructure – Towage Market

Oil price collapse in 2008 & 2009 resulted in weakened demand and steep decline in offshore charter market.

Economic crisis negatively affected shipping traffic and demand for harbour towage services. Ship movements in Australian container ports fell approx. 20%.

Supply/demand affected by:
- Price of oil and gas
- Barriers to entry
- Cabotage regulations
- Specific market requirements
- High redeployment costs

Towage Market overview
- Fragmented sector
- Almost 14,000 vessels of very different size, age and type
- Average age (21 years)
- Various uses globally

Pacific Basin’s chosen sector

<table>
<thead>
<tr>
<th>Charter Rate</th>
<th>Oil Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>US$</td>
<td>US$</td>
</tr>
<tr>
<td>60,000</td>
<td>100</td>
</tr>
<tr>
<td>50,000</td>
<td>90</td>
</tr>
<tr>
<td>40,000</td>
<td>80</td>
</tr>
<tr>
<td>30,000</td>
<td>70</td>
</tr>
<tr>
<td>20,000</td>
<td>60</td>
</tr>
<tr>
<td>10,000</td>
<td>50</td>
</tr>
<tr>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>10,000</td>
<td>30</td>
</tr>
<tr>
<td>20,000</td>
<td>20</td>
</tr>
<tr>
<td>30,000</td>
<td>10</td>
</tr>
<tr>
<td>40,000</td>
<td>0</td>
</tr>
<tr>
<td>50,000</td>
<td>10,000 bhp+</td>
</tr>
<tr>
<td>40,000</td>
<td>7,000-10,000 bhp</td>
</tr>
<tr>
<td>30,000</td>
<td>5,000 bhp</td>
</tr>
<tr>
<td>20,000</td>
<td>Oil prices</td>
</tr>
</tbody>
</table>

- 10,000 bhp+
- 7,000-10,000 bhp
- 5,000 bhp
- Oil prices
Appendix: PB RoRo Operations

Loading and discharging cargoes over the stern ramp.

A wide range of goods on wheeled trailers. Examples:
- Chilled vegetables from Holland to the UK
- Chemicals from the UK to Holland

Our first RoRo vessel has been chartered to Norfolk Line Shipping and is now sailing between Holland and the UK.

Only the trailers remain on board while the trucks’ head units & drivers leave the ship.
Appendix:

PB Energy & Infrastructure Services

PB RoRo

As at 31 December 2009

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offshore and project supply and harbour towage services (“Towage”)</td>
<td>1.0</td>
<td>(16.0)</td>
</tr>
<tr>
<td>Fujairah Bulk Shipping (“FBSL”)</td>
<td>6.3</td>
<td>0.3</td>
</tr>
<tr>
<td>PacMarine Services</td>
<td>0.9</td>
<td>1.3</td>
</tr>
<tr>
<td><strong>Segment net profit</strong></td>
<td><strong>8.2</strong></td>
<td><strong>(14.4)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>PB RoRo segment net profit</td>
<td><strong>0.1</strong></td>
<td><strong>(-1.7)</strong></td>
</tr>
</tbody>
</table>

**PB E&I:**
- **Towage:** Expansion phase;
  Tugs & barges increased to 28
- **FBSL:** Reclamation project commenced
- **PacMarine:** Ship survey and inspection services

**PB RoRo**
- First RoRo vessel operated from September 2009
- Group results charged US$25.0m impairment losses due to expected lower earnings in 2010 & 2011
## Appendix:
### Pacific Basin Dry Bulk – Handymax

As at 31 December 2009

<table>
<thead>
<tr>
<th></th>
<th>1H09</th>
<th>2H09</th>
<th>2009</th>
<th>2008</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue days (days)</td>
<td>5,150</td>
<td>5,490</td>
<td>10,640</td>
<td>11,050</td>
<td>-4%</td>
</tr>
<tr>
<td>TCE earnings (US$/day)</td>
<td>19,840</td>
<td>19,160</td>
<td>19,490</td>
<td>44,610</td>
<td>-56%</td>
</tr>
<tr>
<td>Owned + chartered cost (US$/day)</td>
<td>17,580</td>
<td>18,630</td>
<td>18,120</td>
<td>40,070</td>
<td>-55%</td>
</tr>
<tr>
<td>Segment net profits (US$m)</td>
<td>11.5</td>
<td>2.6</td>
<td>14.1</td>
<td>36.4</td>
<td>-61%</td>
</tr>
<tr>
<td>Return on net assets (%)</td>
<td></td>
<td></td>
<td>64%</td>
<td>52%</td>
<td>+12%</td>
</tr>
</tbody>
</table>

### Earnings:
- Average BHSI reduced 58%
- Our TCE reduced 56%

### Costs:
- Cheaper chartered-in vessels
- Cost reduction
- No write-back of onerous contracts provision

### Segment result excludes:
- US$2.0m provision for onerous contracts
- US$8.3m unrealised net derivatives expenses
# Appendix: Impact of Financial Instruments

## Year ended 31 December

<table>
<thead>
<tr>
<th>US$ m</th>
<th>Realised</th>
<th>Unrealised</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Gains / (Losses)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forward freight agreements</td>
<td>28.3</td>
<td>(54.0)</td>
<td>(25.7)</td>
<td>77.0</td>
</tr>
<tr>
<td>Bunker swap contracts</td>
<td>(0.8)</td>
<td>46.5</td>
<td>45.7</td>
<td>(47.2)</td>
</tr>
<tr>
<td>Interest rate swap contracts</td>
<td>(4.2)</td>
<td>3.0</td>
<td>(1.2)</td>
<td>(6.7)</td>
</tr>
<tr>
<td></td>
<td>23.3</td>
<td>(4.5)</td>
<td>18.8</td>
<td>23.1</td>
</tr>
</tbody>
</table>

- **Cash settlement of contracts completed in the year**
- **Included in segment results**

- **Contracts to be settled in future years**
- **Accounting reversal of earlier period contracts now completed**
- **Not part of segment results**