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
- Major presence in Towage and RoRo businesses, with supporting Maritime Services
- >160 ships directly serving major industrial customers
- Carrying the dry bulk commodities required for Asia’s growth
- Headquartered in Hong Kong with 22 offices worldwide, 350+ Group staff, 1,700+ seafarers *

Network of PB Key Offices*

* As at July 2009
Q309 Highlights

- The dry bulk market performed better than expected due to stronger cargo demand, principally from China, and weaker than projected ship supply growth.

- We have become more optimistic for the remainder of 2009 but remain cautious for 2010 and expect a volatile and generally lower dry bulk market due to:
  - Excessive newbuilding deliveries
  - A bumpy global economic recovery
  - China’s erratic raw materials import demand

- We have reduced our market exposure by:
  - Increasing the proportion of short term chartered tonnage in our fleet; and
  - Securing a high level of cargo cover at attractive rates well above both today’s equivalent forward rates and our blended daily cost:

<table>
<thead>
<tr>
<th>Cargo Type</th>
<th>FY2009</th>
<th>FY2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handysize</td>
<td>97% / US$14,210</td>
<td>49% / US$14,260</td>
</tr>
<tr>
<td>Handymax</td>
<td>100% / US$19,640</td>
<td>108% / US$27,780</td>
</tr>
</tbody>
</table>

As at 22 Oct 2009
Business Direction – Dry Bulk

- Handysize freight rates continued to rise during the third quarter:
  - increased Chinese imports of minor bulk cargoes;
  - growing imbalance dry bulk capacity in the Pacific and Atlantic oceans;
  - scrapping of older vessels; and
  - Limited deliveries of newbuilding tonnage
- Cautious market view remain for 2010
- Significantly increased cargo cover level
- Short term vessel charters reduce our medium term cost exposure
- Post-panamax vessels – secured long term charters
- Conserving capital to invest in appropriate opportunities
- Cost savings across the Group
Business Direction – Towage & Infrastructure

**PB Towage**
- Operates modern tugs in Brisbane, Sydney, Melbourne, W. Australia and Arabian Gulf
- Providing:
  - Harbour towage
  - Regional specialist project towage (primarily to oil & gas and construction)
  - Offshore work

**Fujairah Bulk Shipping**
- FBSL began land reclamation project for the Municipality of Fujairah:
  - Requiring quarrying and transport of approx. 54m tonnes of aggregates
  - FBSL expects to perform on budget and on time by the end of 2011

**Port and Port Services**
- APMIG
  - Focusing on the Nanjing Longtan Tianyu Terminal (45% holding JV)
  - In 1H09, the terminal handled revenue throughput of 1 million (2008: 0.6 million) tonnes of bulk and general cargo
Towage Development

• US$1.6m 1H09 net profit in towage division (FY2008: US$5.8m loss)
• Profitable despite harbour towage operations in Australia being more affected by economic downturn than our offshore business
• Strong oil price supporting oil and gas exploration
• Towage fleet comprises 35 vessels:
  • 28 tugs * (including 6 newbuildings)
  • 6 barges
  • 1 bunker tanker *
• Development of the “Gorgon” gas project of Western Australia has been approved by the Australian Government, paving the way for PB Towage to commence towage logistics services for the project
• Secured long-term fixed-income contracts in bulk ports in Western Australia and Queensland

* The group has a 50% interest through its joint venture
Roll On Roll Off Development

- First RoRo vessel fixed to Norfolkline Shipping, a wholly-owned subsidiary of A.P.Moller-Maersk for 3 years since mid-Sep 2009
- 5 RoRo newbuildings on order including 2 chartered in vessels with purchase options
- No RoRo market exposure until second half of 2010
- Successfully negotiated deferred delivery of remaining three RoRo newbuildings from Odense Steel Shipyard into 2011
- Evaluating a number of potential employment routes and opportunities both within and outside of European

Attractive long term market fundamentals
- Good growth prospects in Asia Minor, Europe and the Far East
- “Motorways of the Sea” concept initiated by the EU
- Low orderbook (<20% vs current fleet) *
- 40% of vessels aged 25 years or over

* Maersk Broker Dec 2008
Diversified Cargo

Total Handysize and Handymax Cargo Volume Q1-Q3 2009

- Log & Forestry Products: 8%
- Fertilisers: 8%
- Steel & Scrap: 7%
- Alumina: 6%
- Salt: 6%
- Coal/Coke: 10%
- Diverse range of commodities reduces product risk

China was our largest discharge zone in Q1-Q3 2009 with 23% of volumes compared to 13% same time last year

*Other bulks: Gypsum and Sands
Baltic Dry Index

6 Nov 2009
3,393

The Baltic Handysize Index (BHSI)

6 Nov 2009
US$ 12,065 (net)

Sources: Clarksons, The Baltic Exchange, Bloomberg LP
Major Bulk Import to China

Iron Ore Import Growth in China

- Chinese iron ore imports up 48% in Q3 year on year, supporting freight market

Coal Import to China

- China has imported more than 87 mil tonnes of coal YTD, 110% more than the total coal import in 2008

Source: Bloomberg LP, Macquarie, Pacific Basin
China at Mid-Industrialization Stage

Steel Consumption Per Capita

- China (from 1990)
- Japan (from 1950)
- Korea (from 1970)
- India (from 2000)

Same growth as historical trend in Japan and Korea

Suggesting long term strong growth in dry bulk segment

Same trend for other commodities such as electricity and cement

Source: UBS, IISI, Pacific Basin
Dry Bulk Demand

Changes in Tonnage Demand

Implied demand improvement from 1Q09 to 3Q09 supported by reports of significantly increased dry bulk trade volumes

Tonnage imbalance between the Pacific and Atlantic oceans facilitate a positive tonne-mile effect

Source: R.S. Platou Oct 2009

- China Coastal Cargo Effect
- Congestion Effect
- Tonne-mile Effect
- International Cargo Volumes
- Net Change
Dry Bulk Orderbook

Orderbook by Year

Total Dry Bulk >10,000 Dwt
- Capesize: 91% (11 years)
- Panamax: 50% (12 years)
- Handymax (35,000-59,999 Dwt): 54% (16 years)
- Handysize (25,000-34,999 Dwt): 44% (17 years)

Orderbook peaks in 2010 dominated by Capesize sector

Orderbook as % of Existing Fleet

Average Age

Source: Clarksons 1 Oct 2009
Dry Bulk Fleet Changes

**Bulk Carrier Deliveries 2009**

- Actual Delivery
- Scheduled Orderbook

>40% delivery shortfall against schedule

**Dry Bulk Scrapping versus BDI**

- Scrupping
- BDI (quarterly average)

Delivery shortfall against schedule is mainly caused by ineffective orders and construction delays

We expect ~45 million tonnes of new dry bulk capacity to deliveries in 2009

Scraping is likely to pick up again if the freight market declines

Source: Clarksons Oct 2009

^Clarksons Jan 2009
Dry Bulk Orderbook – Sector Analysis

Capesize
- Remaining 2009 Orderbook: 161
- 2010 Orderbook: 147
- 2011 Orderbook: 119
- 2012+ Orderbook: 38

Panamax
- Remaining 2009 Orderbook: 119
- 2010 Orderbook: 59
- 2011 Orderbook: 107
- 2012+ Orderbook: 58

Handymax
- (35,000-59,999 Dwt) Remaining 2009 Orderbook: 528 vessels (16.7 mil dwt) - 44%
- 2010 Orderbook: 59
- 2011 Orderbook: 58
- 2012+ Orderbook: 17

Handysize
- (25,000-34,999 Dwt)
- Remaining 2009 Orderbook: 528 vessels (16.7 mil dwt) - 44%
- 2010 Orderbook: 38
- 2011 Orderbook: 17
- 2012+ Orderbook: 17

Age Profile of Handysize Vessel
- 1,279 Vessels (37.8mil dwt)
- 0-15 years: 52%
- 16-24 years: 21%
- 25-29 years: 13%
- 30+ years: 14%
- 27% are 25+ years old
- 4m dwt of handysize ships scrapped in Q1-Q309

Source: Clarkson Oct 2009

* Dry bulk fleet is defined as dry bulk vessels over 10,000 Dwt; Handysize is defined as 25,000-34,999 Dwt
Sales and purchase activity continues to be relatively stagnant

Slight strengthening in sentiment in half year since January

Few owners willing to contemplate acquisitions due to newbuilding overhang and uncertain future newbuilding prices

Source: Clarksons (up to Oct 2008), Aggregate brokers estimates (from Oct 2008)
2009 Financial Highlights

Revenue (US$m)

Net Profit (US$m)

Basic EPS (HK¢)

Net Profit after:
- US$15.0m unrealised net derivatives income
- US$5.5m write-back of onerous contract provisions for future period
- US$2.5m vessel disposal losses

Hence underlying profit US$56.8m
## Segment Result – Handysize

### As at 30 June 2009

<table>
<thead>
<tr>
<th></th>
<th>1H09</th>
<th>1H08</th>
<th>% Change</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue days (days)</td>
<td>12,460</td>
<td>12,480</td>
<td>-</td>
<td>24,890</td>
</tr>
<tr>
<td>TCE earnings (US$/day)</td>
<td>13,610</td>
<td>32,580</td>
<td>-58%</td>
<td>29,600</td>
</tr>
<tr>
<td>Owned + chartered cost (US$/day)</td>
<td>9,380</td>
<td>14,470</td>
<td>-35%</td>
<td>14,960</td>
</tr>
<tr>
<td>Segment net profits (US$m)</td>
<td>52.1</td>
<td>225.7</td>
<td>-77%</td>
<td>361.2</td>
</tr>
</tbody>
</table>

### Earnings:
- Average BHSI reduced 76%
- Our TCE reduced 58%

### Costs:
- Cheaper chartered-in vessels
- Write-back of US$16.5m of onerous contracts provision relating to this period
- Cost reduction

### Segment result excludes:
- US$5.5m write-back of onerous contracts provision for future periods
- US$11.3m unrealised net derivatives income
## Segment Result – Handymax

As at 30 June 2009

<table>
<thead>
<tr>
<th></th>
<th>1H09</th>
<th>1H08</th>
<th>% Change</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue days (days)</td>
<td>5,150</td>
<td>5,210</td>
<td>-1%</td>
<td>11,050</td>
</tr>
<tr>
<td>TCE earnings (US$/day)</td>
<td>19,840</td>
<td>49,150</td>
<td>-60%</td>
<td>44,610</td>
</tr>
<tr>
<td>Owned + chartered cost (US$/day)</td>
<td>17,580</td>
<td>41,980</td>
<td>-58%</td>
<td>40,070</td>
</tr>
<tr>
<td>Segment net profits (US$m)</td>
<td>11.5</td>
<td>36.6</td>
<td>-69%</td>
<td>48.9</td>
</tr>
</tbody>
</table>

### Earnings:
- Average BSI reduced 72%
- Our TCE reduced 60%

### Costs:
- Cheaper chartered-in vessels
- Cost reduction
- No onerous contracts provision or changes

### Segment result excludes:
- US$0.9m unrealised net derivatives income
**Daily Vessel Costs - Handysize**

**Owned**

- **Opex**
- **Depreciation**
- **Finance cost**
- **Direct overhead**
- **Charter-hire**

**Chartered**

- **Blended US$9,380 (FY2008: US$14,960)**

**As at 30 June 2009**

- **Finance cost**: $19,420
- **Depreciation**: 530
- **Opex**: $9,100

**Vessel Days**

- **2008**: 11,200 (45%)
- **1H09**: 5,490 (44%)
- **2008**: 13,910 (55%)
- **1H09**: 7,040 (56%)

**Charter-hire days & rates 2009-2011**

- **2009**: 13,100 days
- **2010**: 6,600 days
- **2011**: 2,840 days

**Charter-in days decrease by ~50% each year from 2009 - 2011**

**Charter Days**

- **2008**: 11,200
- **1H09**: 5,490

**Charter-hire**

- **2H09**: 18,890
- **1H09**: 13,910

**Finance costs**

- **2008**: $9,410
- **1H09**: $8,650

**Depreciation**

- **2008**: $1,160
- **1H09**: $950

**Opex**

- **2008**: $2,670
- **1H09**: $2,650

**Charter-hire**

- **2008**: $3,920
- **1H09**: $3,750

**Direct overhead**

- **2008**: $9,950
- **1H09**: $430

**Charter-in days**

- **2008**: $9,798
- **1H09**: $9,900

- **2009**: US$9,798
- **2010**: US$9,900
- **2011**: US$9,300

**2009-2011**

- **2009**: -50%
- **2010**: -50%
- **2011**: -50%
## Impact of Financial Instruments

<table>
<thead>
<tr>
<th>Net Gains / (Losses)</th>
<th>Period ended 30 June</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>US$ m</td>
</tr>
<tr>
<td></td>
<td>Realised</td>
</tr>
<tr>
<td>Interest rate swap contracts</td>
<td>(1.5)</td>
</tr>
<tr>
<td>Bunker swap contracts</td>
<td>(10.4)</td>
</tr>
<tr>
<td>Forward freight agreements</td>
<td>19.0</td>
</tr>
<tr>
<td></td>
<td>7.1</td>
</tr>
</tbody>
</table>

- Completed in period and cash settled
- Included in divisional results

- Contracts to be settled in future period
- Accounting reversal of earlier period contracts now completed
- Not part of divisional results
# Balance Sheet

## As at 30 June 2009

<table>
<thead>
<tr>
<th></th>
<th>US$m</th>
<th>Dry bulk</th>
<th>Towage</th>
<th>RoRo</th>
<th>Treasury</th>
<th>30 Jun 09</th>
<th>31 Dec 08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessels &amp; other fixed assets</td>
<td>594</td>
<td>121</td>
<td>181</td>
<td>-</td>
<td></td>
<td>912</td>
<td>861</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>744</td>
<td>156</td>
<td>222</td>
<td>1,097</td>
<td></td>
<td>2,406</td>
<td>2,331</td>
</tr>
<tr>
<td>Long term borrowings</td>
<td>207</td>
<td>39</td>
<td>-</td>
<td>581</td>
<td></td>
<td>827</td>
<td>848</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>324</td>
<td>50</td>
<td>-</td>
<td>586</td>
<td></td>
<td>983</td>
<td>1,112</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td>420</td>
<td>105</td>
<td>222</td>
<td>511</td>
<td></td>
<td>1,424</td>
<td>1,219</td>
</tr>
<tr>
<td>Net cash</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>314</td>
<td>176</td>
</tr>
<tr>
<td>Net cash / Fixed assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>34%</td>
<td>22%</td>
</tr>
<tr>
<td>Net cash / Shareholder's equity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>22%</td>
<td>14%</td>
</tr>
</tbody>
</table>

**Dry bulk - 30 delivered vessels**

*Average age 6 years; Average book value: Handysize: US$17.6m, Handymax: US$16.0m*
Borrowings and Capex

As at 30 June 2009

Funded from US$1,141 million cash, new loans, and future operating cashflows

- Vessel capex (US$439m, including 2 RoRo options)
- Bank borrowings (US$330m): 2012 - 2018
- Finance lease liabilities (US$206m): 2015 - 2017
- Convertible bonds (Nominal Value US$314m): 2013, redeemable Feb 2011
**Capex and Combined Value by Vessel Types**

As at 30 June 2009

**Vessels Commitments**

<table>
<thead>
<tr>
<th>US$ m</th>
<th>Total US$439m</th>
</tr>
</thead>
<tbody>
<tr>
<td>2H09</td>
<td>114</td>
</tr>
<tr>
<td>2010</td>
<td>253</td>
</tr>
<tr>
<td>2011</td>
<td>15</td>
</tr>
</tbody>
</table>

**A Combined View of Vessel Carrying Values and Commitments**

<table>
<thead>
<tr>
<th>US$ m</th>
<th>Total US$1,345m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dry Bulk</td>
<td>681</td>
</tr>
<tr>
<td>RoRo</td>
<td>496</td>
</tr>
<tr>
<td>Towage</td>
<td>168</td>
</tr>
</tbody>
</table>

**Legend**

- Handysize
- Handymax
- Tug & Barge
- Post Panamax
- RoRo (including options)

**Notes**

- Further commitments expected in dry bulk
- Funded from operating cashflow, existing cash + new debt (as required)
- Future installments US$439m
- Progress payment made US$257m
- Vessels carrying values US$649m
## Cashflow

**As at 30 June 2009**

<table>
<thead>
<tr>
<th>Category</th>
<th>1H09</th>
<th>1H08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating cash inflows</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>US$ m</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating cash inflows</strong></td>
<td>61</td>
<td>284</td>
</tr>
<tr>
<td><strong>Investing cash in / (out) flows</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>US$ m</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Vessels &amp; other fixed assets related payments</td>
<td>105</td>
<td>81</td>
</tr>
<tr>
<td>- Sales of vessels</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Jointly controlled entities related payments and receipts</td>
<td>40</td>
<td>(17)</td>
</tr>
<tr>
<td>- Purchase of available-for-sale financial assets</td>
<td>-</td>
<td>(40)</td>
</tr>
<tr>
<td>- Net receipts from forward foreign exchange contracts</td>
<td>17</td>
<td>-</td>
</tr>
<tr>
<td>- Change in restricted / pledged bank deposits</td>
<td>13</td>
<td>(34)</td>
</tr>
<tr>
<td><strong>Financing cash in/ (out) flows</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>US$ m</strong></td>
<td>57</td>
<td>54</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>-</td>
</tr>
<tr>
<td>- Net drawdown / (repayment) of borrowings</td>
<td>(14)</td>
<td>(52)</td>
</tr>
<tr>
<td>- Dividends paid</td>
<td>-</td>
<td>(153)</td>
</tr>
<tr>
<td>- Others, mainly interest paid</td>
<td>(18)</td>
<td>(13)</td>
</tr>
<tr>
<td><strong>Cash and bank deposits</strong></td>
<td>1,141</td>
<td>804</td>
</tr>
</tbody>
</table>
Earnings Coverage

Earnings coverage as at 22 Oct 2009

Covered

Handysize

Handymax

97% of 2009 handysize revenue days covered at rates significantly above market

Total combined cover * is 98% for year 2009 and 57% for year 2010

^ Excludes 2 handymax vessels on long term charter out

*As at 22 October 2009, we had for 2009 covered 97% of our 25,580 handysize revenue days and 100% of our 10,180 handymax revenue days, equating to approximately 98% of our handysize equivalent days
Outlook

• Focus on three core segments:

Dry Bulk  Towage  RoRo

• Robust balance sheet as at 30 June 2009: US$1.1 billion cash, and shareholders’ equity of US$1.4 billion

• 97% of 2009 handysize days covered at US$14,210 per day. 2009 total combined cover is 98%

• Unchanged dividend policy: continue to pay out for the full year a minimum of 50% of profits excluding vessel disposal gains

• Remain cautious for 2010 when we expect a difficult and volatile freight market with healthy levels of cargo demand being outstripped by escalating vessel supply
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.