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
- Presence in
  - Energy & Infrastructure Services
  - RoRo sector
- Over 190 vessels serving major industrial customers
- Hong Kong headquarters, 21 offices worldwide, 375 Group staff, 2,100+ seafarers *

* As at Jan 2011
2011 First Quarter Highlights

Pacific Basin Dry Bulk

- Handysize and handymax freight rates have increased 28% and 30% since early February on healthy South American grain exports and minor bulk trades
- Capesize rates dropped in January and remained below handysize and handymax rates over most of the period
- Five year old handysize ship values have decreased 10% YTD to US$22.5m, with downward pressure on values expected to generate opportunities for additional vessel acquisitions
- We have secured forward cargo cover as follows:

<table>
<thead>
<tr>
<th></th>
<th>Year 2011</th>
<th>Year 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handysize</td>
<td>68% (US$13,570)</td>
<td>30%</td>
</tr>
<tr>
<td>Handymax</td>
<td>93% (US$15,810)</td>
<td>139%</td>
</tr>
</tbody>
</table>

Disposal of Non-Core Assets

- Disposals of Green Dragon Gas shares in April 2011 generated gross proceeds of US$81.8m and a net gain of US$55.8m

Overall view of the Group's activities and markets in which we trade remains substantially unchanged since our 2010 Annual Results Announcement; while we expect minor bulk trades to support a stronger second quarter
Differentiated from BDI & Traditional Ship Owning

- Smaller bulk carrier segment benefits from:
  - Handysize orderbook smaller than ship capacity over 25 years old
  - Diverse range of commodities carried and trade patterns
  - Greater access to ports
  - Growing minor bulk trade imbalances

- Fleet
  - Modern, large scale & interchangeable ships
  - Ability to change market exposure through charter activity
  - Higher utilisation and earnings ability through optimum scheduling
  - Low breakeven cost and fuel efficient

- Unique network of offices
  - Close to our customers and understand their needs
  - Local chartering and operations staff support
  - Broad access to cargo and contract opportunities
  - New office in Stamford

- Customer focus
  - Strong relationship with over 200 customers
  - Mainly industrial commodity producers and end-user
  - Mixed with spot & long term contracts of affreightment

- Corporate profile
  - Trusted & transparent counterparty
  - Strong public balance sheet and track record
Dry Bulk Market Information

5 Year Old 28,000 Dwt Vessel Values

May11: US$23.5m
-6% YTD

Source: The Baltic Exchange, Clarksons
Chinese Dry Bulk Trade

- China dependency increased dramatically since 2008
- East-West trade imbalance has widened causing increasingly inefficient deployment of the global dry bulk fleet
- Variable earnings premium of Atlantic and Pacific compounded by higher fuel costs make repositioning of ships more prohibitive thus leading to market inefficiency

Source: Clarksons
Strong Minor Bulk & Coal Demand from China

- Significant growth and restocking in minor bulk commodity demand from China and other emerging economies
- 31% growth in coal YOY

Source: Bloomberg, Clarksons
Note: Copper Concentrates data available since 2008
Dry Bulk Demand

Growth in Chinese import of raw materials, including coal and minor bulks such as logs & grains

Increased Chinese domestic coastal transportation in bulk carriers, especially coal

Widening East-West imbalance attracting more ballast vessels from Asia to distant load ports for return cargoes

Source: R.S. Platou
Dry Bulk Fleet Changes

- Dry bulk capacity overall expanded by 3% net driven by the new delivery of 19.7m in 1Q11
- Handysize expanded by 2% net in 1Q11
- Approx. 51% delivery shortfall in first 3 months against scheduled orderbook
- 40% of handysize fleet is over 25 years old
- High scrapping price supports scrapping activities

With the development of newest, biggest Handysize & Supramax vessels, we now show data based on handysize vessels of 25,000-40,000 dwt and handymax vessels of 40,000-65,000 dwt.

Source: Clarksons, as at 1 Apr 2011, Morgan Stanley
137 m dwt* of new dry bulk capacity scheduled to deliver this year (2010: 126m)

- We expect 40% of slippage in 2011, net deliveries before scrapping in 2011 will be around 15%
- Minor bulk orderbook, handysize in particular, is less onerous
- Bleak outlook for the major bulk vessels with heavy orderbook
Pacific Basin Dry Bulk Earnings Coverage

- Solid coverage: no cargo counterparty defaults
- 4% of Handysize revenue days chartered in on an index-linked basis
- 2012 coverage: Handysize – 30%; Handymax – 139%; Combined – 38%

as at 11 Apr 2011

2011 Total Combined Cover: 76%

Revenue Days (US$/day)

<table>
<thead>
<tr>
<th></th>
<th>Handysize</th>
<th>Handymax</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>29,070</td>
<td>11,450</td>
</tr>
<tr>
<td>2010</td>
<td>$16,750</td>
<td>$22,570</td>
</tr>
<tr>
<td>2011</td>
<td>$13,570</td>
<td>$15,810</td>
</tr>
</tbody>
</table>

Handysize

- 100% Unfixed
- 68% Fixed

Handymax

- 100% Unfixed
- 93% Fixed

Note:

1) The total combined cover is calculated as percentage cover on total Handysize and Handymax revenue days stated at Handysize equivalent days
2) Excludes 2 Handymax vessels on long term charter out

Pacific Basin Dry Bulk Fleet: 146
as at 15 Apr 2011
Average age: 6.5 years

Owned + Committed
Chartered Newbuildings

Handysize Handymax Post-Panamax

- 52+ 7NB
- 39+ 2NB
- 2+ 5NB
- 2 1 NB
## Dry Bulk Outlook

### Positive Factors
- China’s continued dependence on imported minor bulks from further afield
- Strong growth in developing countries increased steel & raw materials demand
- Restocking after Brazil & Queensland floods, and harsh northern hemisphere winter
- Slippage continue in 2011 deliveries as yards decelerate production
- Increased scrapping due to high fleet age

### Negative Factors
- Continued excessive newbuilding deliveries
- Dry bulk demand stifled by shortfall in mining capacity and other supply bottlenecks
- High commodity price favours Chinese switch to domestic iron ore
- Weather problems

### Pacific Basin Conclusion
Handysize dry bulk market in 2011 is expected to be weaker than 2010
Near term demand recovery overshadowed by continued newbuilding deliveries
However, we remain encouraged by prospects for the longer term
PB Energy & Infrastructure Services

<table>
<thead>
<tr>
<th>Segment net profit in 2010 (2009: US$8.2m)</th>
<th>US$m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offshore/project supply &amp; harbour towage services (“Towage”)</td>
<td>1.0</td>
</tr>
<tr>
<td>PacMarine Services</td>
<td>1.0</td>
</tr>
<tr>
<td>Fujairah Bulk Shipping (“FBSL”)</td>
<td>2.9</td>
</tr>
</tbody>
</table>

Towage Fleet: 42 vessels (as at 25 Feb 2011)

- 32 Owned Tugs
- 7 Barges
- 2 Chartered Tugs
- 1 Bunker Tanker

Offshore Towage and Infrastructure Support Services

- Continued to perform well despite deferral of Australian projects negatively impacting fleet utilisation
- Secured a contract to transport aggregates for the Queensland Curtis LNG project at Gladstone and other further projects, expected to start in 2011

Harbour Towage

- Successfully commenced operation in the Port of Townsville
- Our exclusive towage licenses in 2 bulk ports benefitted from strong commodity exports

FBSL

- FBSL did well with Northern Project drawing to a close
- Protracted difficult economic conditions resulted in the decision to scale down the business and make a US$19 million impairment against our investment
Energy & Infrastructure – Outlook

Positive Factors

- Increasing oil and energy prices are leading to more offshore projects and related infrastructure development activities
- Further economic recovery, thus increasing number of tug jobs

Negative Factors

- Slow resumption of infrastructure and offshore projects in the Middle East
- Some further delays to new project timelines
- New competition from Southeast Asian operators targeting the Australian sector

Pacific Basin Conclusion

Encouraging signs of improvement in the Australian offshore towage market offset by expected negative contribution from the Middle East giving mixed outlook
PB RoRo

Net loss in 2010: -US$1.1m (2009: Profit US$0.1m)

- Slow export-led recovery in European economy remains fragile
- Charter demand for RoRo vessels is still very weak and well below what we had expected a year ago
- Four of our six investments now have employment
- Invested in NGB Express Lines in December 2010 to operate the new Nafta Gulf Bridge RoRo service between Veracruz (Mexico) and Mobile (USA)
- Last two newbuildings deliver in 2011

World RoRo Fleet
438 Vessels
(862,453 Lane Metres)

- Aging fleet (average age: 25 years)
- Weak market leading to significant scrapping: ~12% in 2010

Source: Navitaship, Feb 2011
RoRo – Outlook

Positive Factors

- Global and especially European economic recovery expected to support modest growth in trailer volumes and short-sea RoRo trades
- Scrapping will continue to erode overcapacity
- New RoRo routes emerging

Negative Factors

- Significant number of large RoRo newbuilding scheduled to deliver in 2011
- Excess capacity and reluctant to charter new vessels in core European market
- Medium term prospects of some European economies remains uncertain

Pacific Basin Conclusion

- Timing of a sustainable improvement in the RoRo market predicted too early
- Despite ongoing marginal improvement in freight volumes for the sector, RoRo market expected to remain depressed resulting in a loss-making year for PB
- Positive on the longer term prospects
## 2010 Financial Highlights

### As at 31 December 2010

<table>
<thead>
<tr>
<th>Segment net profit</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasury</td>
<td>(18.5)</td>
<td>(13.8)</td>
</tr>
<tr>
<td>Non direct G&amp;A</td>
<td>(8.0)</td>
<td>(12.3)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Underlying profit</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrealised derivative expenses</td>
<td>(12.4)</td>
<td>(4.5)</td>
</tr>
<tr>
<td>Impairment of Fujairah Bulk Shipping</td>
<td>(19.1)</td>
<td>-</td>
</tr>
<tr>
<td>Gain from partial sale of shares in Green Dragon Gas</td>
<td>16.0</td>
<td>-</td>
</tr>
<tr>
<td>Future onerous contracts - net provision write-back</td>
<td>-</td>
<td>25.2</td>
</tr>
<tr>
<td>Vessel impairment charges – RoRo</td>
<td>-</td>
<td>(25.0)</td>
</tr>
<tr>
<td>Net dry bulk vessel disposal losses</td>
<td>-</td>
<td>(1.2)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Profit attributable to shareholders</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>104.3</td>
<td>110.3</td>
</tr>
</tbody>
</table>

### Returns on net assets

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pacific Basin Dry Bulk</td>
<td>21%</td>
</tr>
<tr>
<td>PB EIS</td>
<td>2%</td>
</tr>
<tr>
<td>PB RoRo</td>
<td>0%</td>
</tr>
</tbody>
</table>

### Segment Net Profit versus Net Assets

<table>
<thead>
<tr>
<th>Segment Net Profit versus Net Assets</th>
<th>US$ Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pacific Basin Dry Bulk</td>
<td>144.9</td>
</tr>
<tr>
<td>PB EIS</td>
<td>229.4</td>
</tr>
<tr>
<td>PB RoRo</td>
<td>384.4</td>
</tr>
</tbody>
</table>
Daily Vessel Costs - Handysize

Year ended 31 Dec 2010

<table>
<thead>
<tr>
<th>US$/day</th>
<th>Owned</th>
<th>Chartered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opex</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct overhead</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charter-hire</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Blended US$11,970 (2009: US$9,690)

Vessel Days

2009: 11,230 (43%)
2010: 13,320 (45%)
2009: 15,010 (57%)
2010: 15,980 (55%)

Charter-hire days & rates 2011-2013

2011: $11,570, 5,390 days
2012: $11,480, 4,030 days
2013: $11,650, 2,610 days
## Balance Sheet

**As at 31 Dec 2010**

<table>
<thead>
<tr>
<th>US$m</th>
<th>PB Dry Bulk</th>
<th>PB EIS</th>
<th>PB RoRo</th>
<th>Treasury</th>
<th>31 Dec 10</th>
<th>31 Dec 09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessels &amp; other fixed assets</td>
<td>829</td>
<td>224</td>
<td>429</td>
<td>-</td>
<td>1,519</td>
<td>998</td>
</tr>
<tr>
<td>Total assets</td>
<td>979</td>
<td>291</td>
<td>444</td>
<td>680</td>
<td>2,555</td>
<td>2,470</td>
</tr>
<tr>
<td>Long term borrowings</td>
<td>185</td>
<td>45</td>
<td>55</td>
<td>575</td>
<td>860</td>
<td>877</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>288</td>
<td>62</td>
<td>59</td>
<td>576</td>
<td>1,011</td>
<td>1,014</td>
</tr>
<tr>
<td>Net assets</td>
<td>691</td>
<td>229</td>
<td>385</td>
<td>104</td>
<td>1,544</td>
<td>1,456</td>
</tr>
</tbody>
</table>

| Net borrowings / (cash)           | 156        | (229)  |
| Net borrowings / (cash) to Fixed assets | 10%       | (23)%  |
| Net borrowings / (cash) to Shareholder's equity | 10%       | (16)%  |

Notes: 31 Dec 2010 total includes other segments and unallocated
Borrowings and Capex

Funded from US$703m cash, new borrowings, and future operating cashflows

As at 31 Dec 2010 + Authorised commitments

US$m

- Vessel capex (US$411m)
- Bank borrowings (gross of loan arrangement fee) (US$373m): 2012-2021
- Finance lease liabilities (US$185m): 2015-2017

Redeemable in Apr 2014

Authorised commitments

Borrowings and Capex


0 50 100 150 200 250

159 111 120 44 43 44 61 69 230 37 26

44 16 17 18 21 20 10 8 20 20 20 20 37 26
Capex and Combined Value by Vessel Types

Further commitments expected in Dry Bulk

As at 31 Dec 2010 + Authorised commitments

Vessels Commitments (including authorised commitments)

Total US$411m

US$m

180
160
140
120
100
80
60
40
20
0

2011
2012
2013
2014

3
22
78
95
25
120
111
87
159

Handysize x11
Post Panamax x1
Handymax x5
RoRo x3

A Combined View of Vessel Carrying Values and Commitments

Dry Bulk
RoRo
Tugs and Barges

US$m

1,226
364
122

740
476
223

47
192
223

1,200 million
314 million
411 million

• Vessel carrying values, US$1,200 million
• Progress payment made, US$314 million
• Future installments amount, US$411 million
## Cashflow

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating cash inflows</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from issuance of convertible bonds</td>
<td>227</td>
<td>-</td>
</tr>
<tr>
<td><strong>Investing cash out/inflows</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Vessels &amp; other fixed assets related payments</td>
<td>(541)</td>
<td>(298)</td>
</tr>
<tr>
<td>- Sales of vessels</td>
<td>-</td>
<td>105</td>
</tr>
<tr>
<td>- Jointly controlled entities related payments and receipts</td>
<td>(10)</td>
<td>45</td>
</tr>
<tr>
<td>- Disposal of part of our holdings in GDG</td>
<td>26</td>
<td>-</td>
</tr>
<tr>
<td>- Change in restricted cash &amp; notes receivables</td>
<td>42</td>
<td>(58)</td>
</tr>
<tr>
<td>- Others, mainly interest received</td>
<td>21</td>
<td>28</td>
</tr>
<tr>
<td><strong>Financing cash (out)/inflows</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Proceeds from issuance of convertible bonds</td>
<td>227</td>
<td>-</td>
</tr>
<tr>
<td>- Repurchase of convertible bonds</td>
<td>(211)</td>
<td>(9)</td>
</tr>
<tr>
<td>- Net repayment/drawdown of borrowings &amp; finance lease</td>
<td>(26)</td>
<td>24</td>
</tr>
<tr>
<td>- Proceeds from placement</td>
<td>-</td>
<td>97</td>
</tr>
<tr>
<td>- Dividends paid</td>
<td>(50)</td>
<td>(20)</td>
</tr>
<tr>
<td>- Others, mainly interest paid</td>
<td>(37)</td>
<td>(36)</td>
</tr>
<tr>
<td><strong>Cash and bank deposits</strong></td>
<td>703</td>
<td>1,106</td>
</tr>
</tbody>
</table>
Outlook

- We anticipate the dry bulk market will be weaker than 2010
- We expect minor bulk trades to support an improved second quarter, with near term demand recovery overshadowed by continued newbuilding deliveries
- Our dry bulk market view remains unchanged since our 2010 Annual Results Announcement
- Business model and strong balance sheet position us well for further expansion of our dry bulk business as opportunities arise
- Improved outlook for PB Towage but expected negative contributions from Middle East.
- Charter market for RoRo vessels to remain depressed despite ongoing improvement in freight volumes
- Our strategic goals remain unchanged:
  - To expand further our core dry bulk fleet at reasonable cost
  - To consider further divestment of certain non-core assets in 2011
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:
Pacific Basin Dry Bulk - Diversified Cargo

Pacific Basin Dry Bulk Cargo Volume Q1 2011

- Alumina: 8% (+2%)
- Coal/Coke: 3% (-6%)
- Concentrates: 6% (-5%)
- Fertilisers: 7% (0%)
- Logs & Forest Products: 17% (+6%)
- Ore: 4% (-1%)

- Soda Ash: 1% (+1%)
- Other Bulks: 10% (+4%)
- Cement & Cement Clinker: 8% (+2%)
- Grains & Agriculture Products: 15% (-6%)
- Sugar: 3% (0%)
- Steel & Scrap: 5% (0%)
- Salt: 7% (+2%)
- Petcoke: 6% (0%)

Diverse range of commodities reduces product risk
Australia, USWC and China were our largest loading & discharging zones respectively

() % changes against Q1 2010
Appendix: China at late-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: Chinese Iron Ore Demand

Slow down of Chinese iron ore import mainly due to the Chinese energy conservation policy.

China Iron Ore Sourcing for Steel Production

<table>
<thead>
<tr>
<th>Year</th>
<th>Imported (m tonnes)</th>
<th>Domestic (m tonnes)</th>
<th>Total (m tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>278</td>
<td>100</td>
<td>378</td>
</tr>
<tr>
<td>2005</td>
<td>300</td>
<td>110</td>
<td>410</td>
</tr>
<tr>
<td>2006</td>
<td>323</td>
<td>120</td>
<td>443</td>
</tr>
<tr>
<td>2007</td>
<td>358</td>
<td>130</td>
<td>488</td>
</tr>
<tr>
<td>2008</td>
<td>383</td>
<td>140</td>
<td>523</td>
</tr>
<tr>
<td>2009</td>
<td>419</td>
<td>150</td>
<td>569</td>
</tr>
<tr>
<td>2010</td>
<td>456</td>
<td>160</td>
<td>616</td>
</tr>
</tbody>
</table>

2004-2010 CAGR for Iron ore import: 17%

Source: Bloomberg LP
Appendix:
Pacific Basin Dry Bulk – Handysize

<table>
<thead>
<tr>
<th></th>
<th>1H10</th>
<th>2H10</th>
<th>2010</th>
<th>2009</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue days (days)</td>
<td>13,940</td>
<td>15,130</td>
<td>29,070</td>
<td>26,100</td>
<td>+11%</td>
</tr>
<tr>
<td>TCE earnings (US$/day)</td>
<td>16,840</td>
<td>16,670</td>
<td>16,750</td>
<td>14,500</td>
<td>+16%</td>
</tr>
<tr>
<td>Owned + chartered cost (US$/day)</td>
<td>11,750</td>
<td>12,170</td>
<td>11,970</td>
<td>9,690</td>
<td>+24%</td>
</tr>
<tr>
<td>Segment net profits (US$m)</td>
<td>69.7</td>
<td>66.4</td>
<td>136.1</td>
<td>124.1</td>
<td>+10%</td>
</tr>
<tr>
<td>Return on net assets (%)</td>
<td>26%</td>
<td>21%</td>
<td>22%</td>
<td>28%</td>
<td>-6%</td>
</tr>
</tbody>
</table>

- **Earnings**: 2010 TCE rates reflect demand strength
- **Costs**: Blended daily costs reflect higher chartered-in costs from the market
- **Segment result excludes**: US$2.5m unrealised net derivatives expenses
Appendix:
Pacific Basin Dry Bulk – Handymax

As at 31 December 2010

<table>
<thead>
<tr>
<th></th>
<th>1H10</th>
<th>2H10</th>
<th>2010</th>
<th>2009</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue days (days)</td>
<td>5,570</td>
<td>5,880</td>
<td>11,450</td>
<td>10,640</td>
<td>+8%</td>
</tr>
<tr>
<td>TCE earnings (US$/day)</td>
<td>23,680</td>
<td>21,520</td>
<td>22,570</td>
<td>19,490</td>
<td>+16%</td>
</tr>
<tr>
<td>Owned + chartered cost (US$/day)</td>
<td>22,050</td>
<td>21,350</td>
<td>21,690</td>
<td>18,120</td>
<td>+20%</td>
</tr>
<tr>
<td>Segment net profits (US$m)</td>
<td>8.8</td>
<td>-</td>
<td>8.8</td>
<td>14.1</td>
<td>-38%</td>
</tr>
<tr>
<td>Return on net assets (%)</td>
<td>32%</td>
<td>0%</td>
<td>12%</td>
<td>64%</td>
<td>-52%</td>
</tr>
</tbody>
</table>

- **Earnings**: 2010 TCE rates reflect demand strength
- **Costs**: Blended daily costs reflect higher chartered-in costs from the market
- **Segment result excludes**: US$9.1m unrealised net derivatives expenses
## Appendix:
### PB Energy & Infrastructure Services
#### PB RoRo

As at 31 Dec 2010

<table>
<thead>
<tr>
<th>Service Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offshore and project supply and harbour towage services (&quot;Towage&quot;)</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>PacMarine Services</td>
<td>1.0</td>
<td>0.9</td>
</tr>
<tr>
<td>Fujairah Bulk Shipping (&quot;FBSL&quot;)</td>
<td>2.9</td>
<td>6.3</td>
</tr>
<tr>
<td><strong>Segment net profit</strong></td>
<td><strong>4.9</strong></td>
<td><strong>8.2</strong></td>
</tr>
</tbody>
</table>

### PB RoRo segment net (loss) / profit

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(1.1)</strong></td>
<td>0.1</td>
<td></td>
</tr>
</tbody>
</table>

---

### PB E&I

- **Towage:** Consolidation phase
  - Operating 37 tugs & barges
- **PacMarine:** Ship survey and inspection services
- **FBSL:** Scaling down after reclamation project complete

### PB RoRo

- **First RoRo vessel operated from September 2009**
- **Second & third RoRo vessel operated from Q4 2010 deploying in US Gulf / Mexico**
## Appendix: Impact of Financial Instruments

<table>
<thead>
<tr>
<th>Net Gains / (Losses)</th>
<th>US$m</th>
<th>Realised</th>
<th>Unrealised</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forward freight agreements</td>
<td></td>
<td>(3.4)</td>
<td>(3.4)</td>
<td>(6.8)</td>
<td>(25.7)</td>
</tr>
<tr>
<td>Bunker swap contracts</td>
<td></td>
<td>6.0</td>
<td>(8.2)</td>
<td>(2.2)</td>
<td>45.7</td>
</tr>
<tr>
<td>Interest rate swap contracts</td>
<td></td>
<td>(5.5)</td>
<td>(0.8)</td>
<td>(6.3)</td>
<td>1.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(2.9)</td>
<td>(12.4)</td>
<td>(15.3)</td>
<td>18.8</td>
</tr>
</tbody>
</table>

- Cash settlement of contracts completed in the year
- Included in segment results
- Contracts to be settled in future periods
- Accounting reversal of earlier period contracts now completed
- Not part of segment results
Appendix: Convertible Bonds Due 2016

<table>
<thead>
<tr>
<th>Issue size</th>
<th>US$230 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maturity Date</td>
<td>12 April 2016 (6 years)</td>
</tr>
<tr>
<td>Investor Put Date and Price</td>
<td>12 April 2014 (4 years) at par</td>
</tr>
<tr>
<td>Coupon</td>
<td>1.75% p.a. payable semi-annually in arrears on 12 April and 12 October</td>
</tr>
<tr>
<td>Redemption Price</td>
<td>100%</td>
</tr>
<tr>
<td>Initial Conversion Price</td>
<td>HK$7.98 and HK$7.44 after April 2011 AGM</td>
</tr>
<tr>
<td>Conversion Condition</td>
<td>Before 11 Jan 2011: No Conversion is allowed</td>
</tr>
<tr>
<td></td>
<td>12 Jan 2011 – 11 Jan 2014: Share price for 5 consecutive days &gt; 120% conversion price</td>
</tr>
<tr>
<td></td>
<td>12 Jan 2014 – 5 Apr 2016: Share price &gt; conversion price</td>
</tr>
<tr>
<td>Intended Use of Proceeds</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>Conditions</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
- **Bondholders can convert to PB shares after trading price for 5 consecutive days > 120% conversion price in effect**: 12 Jan 2014
- **PB’s call option to redeem all bonds**: 12 Apr 2014
  1) Trading price for 30 consecutive days > 130% conversion price in effect
  2) >90% of Bond converted / redeemed / purchased / cancelled
- **Bondholders can convert to PB shares when trading price > conversion price**: 5 Apr 2016
- **Bondholder’s put option to redeem bonds**: 12 Apr 2016
- **Maturity**: 12 Apr 2016

Intended Use of Proceeds: 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.

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.