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.
Highlights – 1st Half 2004

- Revenues reached US$71.6 million (2003:$21.1 million)
- Profits increased to US$43.1 million (2003:$7.1 million)
- Earnings per share = 4.74 US cents (2003:0.9 US cents)
- Owned and Chartered Fleet expanded by over 50% to an average of 21 vessels (2003 average: 12 vessels)
- Investment of IPO proceeds has seen the fleet expanded to 39 vessels
- Average TCE rate achieved of $18,000 (2003: $8,300)
The Baltic Dry Index

High: 5,681 +270
Low: 2,622 -54%
Today: 4,192 +60%
Fleet expansion since IPO

- **At IPO**
  - Total ships: 42
  - Owned: 16 (45%)
  - Chartered: 7 (17%)
  - Managed: 19 (45%)
  - Average Age = 6 Years

- **Today**
  - Total ships: 44
  - Owned: 31 (70%)
  - Chartered: 8 (18%)
  - Managed: 5 (12%)
  - Average Age = 5 Years

- **+ Newbuildings**
  - Total ships: 51
  - Owned: 5 (10%)
  - Chartered: 8 (16%)
  - Managed: 31 (64%)

- **Average Age**
  - At IPO: 6 Years
  - Today: 5 Years
  - + Newbuildings: 5 Years

- **Percentage Changes**
  - Owned: +63%
  - Chartered: +14%
  - Managed: -69%
# Owned Fleet Expansion since IPO

<table>
<thead>
<tr>
<th>Delivered Newbuildings</th>
<th>dwt</th>
<th>Delivery Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Port Pegasus</td>
<td>32,774</td>
<td>28-May-04</td>
</tr>
<tr>
<td>Timaru Star</td>
<td>31,893</td>
<td>28-May-04</td>
</tr>
<tr>
<td>Cook Strait</td>
<td>31,893</td>
<td>05-Aug-04</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Committed at IPO</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cape Flattery</td>
<td>28,433</td>
<td>29-Jul-04</td>
</tr>
<tr>
<td>Flinders Island</td>
<td>27,414</td>
<td>30-Jul-04</td>
</tr>
<tr>
<td>Abbot Point</td>
<td>27,411</td>
<td>2-Aug-04</td>
</tr>
<tr>
<td>Port Pirie</td>
<td>27,408</td>
<td>1-Sep-04</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Announced Post IPO</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Castle Island</td>
<td>28,759</td>
<td>13-Aug-04</td>
</tr>
<tr>
<td>Gold River</td>
<td>32,973</td>
<td>17-Aug-04</td>
</tr>
<tr>
<td>Cape Spencer</td>
<td>28,799</td>
<td>6-Sep-04</td>
</tr>
<tr>
<td>World Express</td>
<td>28,760</td>
<td>Nov-04</td>
</tr>
<tr>
<td>Laurel Island*</td>
<td>26,516</td>
<td>4th quarter 2004</td>
</tr>
</tbody>
</table>

* Announced Today
Financial Overview
<table>
<thead>
<tr>
<th></th>
<th>1H04</th>
<th>1H03</th>
</tr>
</thead>
<tbody>
<tr>
<td>(US$ Millions)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>71.6</td>
<td>21.1</td>
</tr>
<tr>
<td>EBITDA</td>
<td>51.5</td>
<td>13.5</td>
</tr>
<tr>
<td>Depreciation &amp; Amortisation</td>
<td>(5.9)</td>
<td>(3.8)</td>
</tr>
<tr>
<td>Finance</td>
<td>(2.4)</td>
<td>(2.5)</td>
</tr>
<tr>
<td>PAT</td>
<td>43.1</td>
<td>7.1</td>
</tr>
</tbody>
</table>
Financial Highlights – Revenues

TCE

US$8,300/day  + 115%  US$18,000/day

Revenue Days

Days

1H03
2,500

1H04
3,800

+ 50%

+ 50%
Daily Vessel Costs

<table>
<thead>
<tr>
<th>Vessel days</th>
<th>1H03</th>
<th>1H04</th>
<th>1H03</th>
<th>1H04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owned</td>
<td>2,210</td>
<td>2,980</td>
<td>330</td>
<td>890</td>
</tr>
<tr>
<td>Charter</td>
<td>5,325</td>
<td>6,110</td>
<td>6,520</td>
<td>7,815</td>
</tr>
</tbody>
</table>

- **Depreciation**: 1,715, 1,790
- **Finance Cost**: 2,470, 3,500
- **Opex**: 1,140, 820
- **Charter-in**: None
## Financial Highlights – Balance Sheet

<table>
<thead>
<tr>
<th>(US$ Millions)</th>
<th>30 Jun 2004</th>
<th>31 Dec 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Book value of fixed assets</td>
<td>320.2</td>
<td>200.8</td>
</tr>
<tr>
<td>Total Debt</td>
<td>(214.3)</td>
<td>(145.9)</td>
</tr>
<tr>
<td>Net Debt</td>
<td>(162.1)</td>
<td>(137.7)</td>
</tr>
<tr>
<td>Shareholders Equity</td>
<td>128.1</td>
<td>38.9</td>
</tr>
<tr>
<td>Net Debt/ Fixed Asset</td>
<td>51%</td>
<td>69%</td>
</tr>
<tr>
<td>Net Debt / Shareholders Equity</td>
<td>127%</td>
<td>354%</td>
</tr>
</tbody>
</table>
# Debt, Cash & Capital Expenditures

<table>
<thead>
<tr>
<th>Interest Hedging</th>
<th>Capital Expenditures</th>
<th>31 July 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>US$124mil</strong> :</td>
<td><strong>2004 (Post 31 Jul)</strong></td>
<td>153</td>
</tr>
<tr>
<td>@ 4.9%</td>
<td><strong>2005/2006</strong></td>
<td>68</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>221</td>
</tr>
<tr>
<td><strong>US$62mil</strong> :</td>
<td><strong>Less : Debt Financed</strong></td>
<td>(151)</td>
</tr>
<tr>
<td>5 year knock out Swap</td>
<td></td>
<td></td>
</tr>
<tr>
<td>@ 5.0% + 7.0% Cap</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost : 3.5% P A</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## (US$ Millions)

<table>
<thead>
<tr>
<th>(Post Listing)</th>
<th>30 June 2004</th>
<th>31 July 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt</td>
<td>214</td>
<td>269</td>
</tr>
<tr>
<td>Less : Cash</td>
<td>(52)</td>
<td>(78)</td>
</tr>
<tr>
<td></td>
<td><strong>162</strong></td>
<td><strong>191</strong></td>
</tr>
</tbody>
</table>
Dividend policy:

- At least 50% of profits each year

For 2004:

- Dividends based on profit from 1 Jun – 31 Dec
Business Review
Diversified Cargo Demand

Volume Growth (%)

- Other bulk*: 106%
- Steel: 45%
- Cement: 163%
- Grains: 121%
- Fertilisers: 37%
- Forestry Products: 15%

* (includes Minerals, Coal/Coke, Concentrates, Agricultural Products and other bulk products)
Major Discharge Ports

Asia Pacific
1H03 – 86%
1H04 – 88%
+1,273

Atlantic/Others
1H03 – 14%
1H04 – 12%
+576

Back-hauls
Outlook & Prospects
Market remains very strong, buoyed by high demand in dry bulk cargoes

Supply of vessels likely to remain constrained with Handysize fleet aging and less efficient

Our fleet expansion will drive average revenue days
+ 60% for 2H04 over 1H04
+ 42% for Full Year 2005 over Full Year 2004

Charter rates likely to remain high and potentially volatile
The Baltic Dry Index

Market remains strong, with increased volatility
Earnings Momentum: Increasing Revenue Days 2H04 vs. 1H04

Days

1H04

- Days: 3,800
- Average rate: US$18,000
- Percentage: 100%

2H04

- Days: 6,100
- Average rate: US$15,700
- Percentage: 32% (Increase 68%)
Increasing Revenue Days 2005 vs. 2004

- **Days**
  - **2004**
    - 20%: 9,900 days
    - 80%: 8,800 days
    - Average rate: US$16,800
  - **2005**
    - 22%: 14,100 days
    - 78%: 13,300 days
    - Average rate: US$15,600

+42% increase from 2004 to 2005.
Summary

- Revenue: US$71.6mil, Profit: US$43.1mil, EPS: 4.74 US cent
- 50% dividend payout ratio from 1 June
- Current Fleet: 31 Owned, 8 Chartered-in, 5 Managed
  (Expanded from: 19 Owned, 7 Chartered-in, 16 Managed)
- We remain confident about the prospects for rates for the balance of the year and for 2005 cargo contract renewal season in the autumn
Thank You