Our Dry Bulk Market
Overview

- Forecast market recovery 2014 - 2016 due to healthy demand and muted supply growth
- No sign in the cargo data of China slowing down
- Chinese price-related buying behaviour is causing the delay to a seasonal pickup that should have started in early April
Our Market Outlook

Market improvement continuing during the forecast period 2014 - 2016

Demand avg +7.5%
Supply avg +5.5%
What lies behind the supply side assumptions?

**Orderbook at the start of each calendar year except 2015/16/17 which is as of now**

- **Delivery forecast**: 2017 is open so forecast ends in 2016

- **Supply forecast in % YoY growth of avg fleet**
  - 2010: -7%
  - 2011: -23%
  - 2012: -33%
  - 2013: -22%
  - 2014: -15%
  - 2015: -12%
  - 2016: -11%

- **Scrap forecast**

- **Delivery forecast**
  - 2010: 80 (14%)
  - 2011: 102 (16%)
  - 2012: 139 (14%)
  - 2013: 99 (14%)
  - 2014: 100 (14%)
  - 2015: 62 (8%)
  - 2016: 80 (16%)


With you for the long haul
What is so special about 2014?

**Annual supply growth** (based on avg. fleet size for each cal. year)
This is what is measured against YoY demand growth

**Monthly YoY fleet growth** (each month compared to 1 year earlier)

2014 will be the first time in 10 years with supply growth below 6% and we think that is pretty special.
Total Chinese imports of iron ore, coal and 8 minor bulks are up 16% since 1Q 2013. Apart from bauxite & nickel ore which are affected by the Indonesian export ban, import data for 2014 show solid growth.
Solid growth for the logs trade to China

Chinese log imports
Mill cu.m / month
2mos rolling avg

- NZ/Australia: +33%
- Russia: -4%
- USA/Canada: +31%

Trendline annual growth / decline
Drybulk Supply / Demand is biased is favoured towards the second half of the year

Major bulk exports since 2000

-1% 8% 9% difference

1H 2H

China minor imports since 2000

5% 9% 4% difference

1H 2H

NZ log exports since 2000

2% 6% difference

1H 2H

Net fleet growth since 2000

8% 7% 1% difference

1H 2H

2014 Analyst Day
Business Foundation

People
- Unique network of 13 local dry bulk offices
- Close to our customers and understand their needs
- 24/7 chartering and operations support

Fleet
- Modern, quality ships with best-in-class design
- Competitive freight for customers
- Low breakeven cost and fuel efficient

Corporate Profile
- Trusted & transparent counterparty
- Strong public balance sheet and track record
- Award winning CSR policy and environmental focus

Customer Focus
- Passionate about service delivery to customers
- Strong relationship with over 400 customers
- Substantial portfolio of long term cargo contracts
Staff in Dry Bulk Division

Management: 4
Chartering and Asset Management: 43
Operations and Revenue Accounting: 73
Technical & Crewing: 92
Insurance & Legal: 4
Admin: 11

Total: 227
Cargo Systems

- Key back haul
- Key front haul
Diversified Cargo

Pacific Basin Handysize and Handymax Cargo Volume 2013

**Energy**
- Coal: 5%
- Petcoke: 7%

**Metals**
- Alumina: 5%
- Ores: 7%
- Concentrates & Other Metals: 5%

**Minerals**
- Salt: 3%
- Sand & Gypsum: 5%

**Agricultural Products**
- Grains & Agriculture Products: 17%
  - Fertiliser: 9%
  - Sugar: 4%

**Construction Materials**
- Logs & Forest Products: 18%
- Steel & Scrap: 6%
- Cement & Cement Clinkers: 9%

*Total*: 50.3 Million Tonnes
PB Handysize and Handymax Fleet

Fleet defined as average of vessel days for March 2014

<table>
<thead>
<tr>
<th>Type</th>
<th>Handysize</th>
<th>Handymax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owned</td>
<td>64</td>
<td>15</td>
</tr>
<tr>
<td>Chartered</td>
<td>91</td>
<td>58</td>
</tr>
<tr>
<td>New-building</td>
<td>28</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>183</td>
<td>83</td>
</tr>
</tbody>
</table>

Vessel Days

**Handysize**
- Index-linked: 10,980 days / $8,530
- LT: 9,140 days / $9,290
- ST: 13,530 days / $8,490

**Handymax**
- Index-linked: 10,850 days / $9,860
- LT: 9,030 days / $9,860
- ST: 12,380 days / $10,700

Inward Charter Commitments (As at 31 Dec 2013)

<table>
<thead>
<tr>
<th>Vessel Days</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handysize</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LT:</td>
<td>3,150 days / $11,680</td>
<td>2,260 days / $12,770</td>
</tr>
<tr>
<td>ST:</td>
<td>12,380 days / $10,700</td>
<td>1,730 days / $13,220</td>
</tr>
<tr>
<td>LT:</td>
<td>9,030 days / $9,860</td>
<td>3,150 days / $11,680</td>
</tr>
<tr>
<td>Handymax</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LT:</td>
<td>2,190 days / $10,450</td>
<td>2,050 days / $10,450</td>
</tr>
<tr>
<td>ST:</td>
<td>1,080 days / $9,860</td>
<td>1,530 days / $9,860</td>
</tr>
<tr>
<td>LT:</td>
<td>3,150 days / $11,680</td>
<td>2,260 days / $12,770</td>
</tr>
</tbody>
</table>

Market rate:
- 2013: 17,720 days
- 2014: 4,200 days
We believe in the importance of human interaction and the personal touch.

We are determined to find and deliver the right solutions to problems and challenges faced by our customers.

We strongly believe in the value of long term relationships over short term gain.

We always look for ways to make it easier to do business with us.

We always honor our commitments.

Everyone in Pacific Basin is a corporate ambassador – each of us embodies these values and creates excellence through dedication, continuous improvement and teamwork.

We take a considered approach to everything we do.

We are a nimble and dynamic organisation with quick decision making at all levels.

We operate with the highest standards of diligence and care as individuals and as a company.
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.

Our Communication Channels:

- **Financial Reporting**
  - Annual (PDF & Online) & Interim Reports
  - Voluntary quarterly trading updates
  - Press releases on business activities

- **Shareholder Meetings and Hotlines**
  - Analysts Day & IR Perception Study
  - Sell-side conferences
  - Investor/analyst calls and enquiries

- **Company Website - www.pacificbasin.com**
  - Corporate Information
  - CG, Risk Management and CSR
  - Fleet Profile and Download
  - Investor Relations:
    - financial reports, news & announcements, excel download, awards, media interviews, stock quotes, dividend history, corporate calendar and glossary

- **Social Media Communications**
  - Follow us on Facebook, Twitter and Linkedin!

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