Pacific Basin

Q1 Trading Update

21 April 2010
Pacific Basin Overview

- One of the world’s leading dry bulk owners/operators of modern handysize and handymax vessels
- Pacific Basin dry bulk business model highly flexible
  - Large 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 at Jan 2010
2010 First Quarter Highlights

- Good start to 2010, with continued demand of the smaller bulk carriers’ market — in line with our expectations
- Handysize and handymax freight rates increasing 20% and 17% respectively year to date on continued strong demand for commodities transport
- Remain neutral about the dry bulk market in the remainder of 2010 and 2011 due to the unpredictable impact of accelerating newbuilding deliveries
- Five year old handysize ship values have increased by US$3.5 million or 15% since January to US$26.5 million today, generating increased asset value for our existing fleet, including our recent acquisitions
- We have secured forward cargo cover as follows:

<table>
<thead>
<tr>
<th></th>
<th>Year 2010</th>
<th>Year 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handysize</td>
<td>72% (US$15,150)</td>
<td>29%</td>
</tr>
<tr>
<td>Handymax</td>
<td>94% (US$23,920)</td>
<td>135%</td>
</tr>
</tbody>
</table>

- For the balance of 2010, cargo cover is in place for 62% of our remaining handysize revenue days and 91% of our remaining handymax revenue days

*Handysize and handymax sectors off to a good start in the first quarter of 2010. We expect dry bulk to remain firm before weakening in the second half of the year, but see scope for surprise on the upside*
Pacific Basin Dry Bulk

- Dry bulk net profit in 2009: US$138m
  - Handysize: US$124m
  - Handymax: US$14m
- Fleet employed worldwide carrying a mix of contract (COA) and spot cargoes
- 7.3m tonnes of cargoes were carried in 1Q10:
  - 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 6 ships
    - Long-term chartered 4 ships

As at 31 Dec 2009:
Average net book value:
(33 delivered owned vessels)
- Handysize: US$17.8 m
- Handymax: US$16.8 m
Dry Bulk Market Information

Baltic Dry Index

As at 20 April 2010

20 April 2010

2,998

BCI, BSI & BHSI

Supramax (BSI): US$25,905
Capesize (BCI): US$25,185
Handysize (BHSI): US$19,068

1 Year TCE net rate

Capesize - $31,350
Panamax - $26,363
Supramax - $22,088
Handysize
1-Year: $16,150
3-Year: $13,538

BHSI officially began on 2 January 07
Sources: Clarksons, The Baltic Exchange, Bloomberg LP
Chinese Commodity Demand

China Iron Ore Sourcing for Steel Production

- China imported 59 million tonnes of iron ore in March, the 3rd highest monthly total ever recorded
- China’s decision on where it imports commodities from significantly impacts overall tonne-mile demand
- Port congestion and China’s domestic coastal trade increased

China is a Net Importer of Coal

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

Dry Bulk Fleet Demand and Supply 2003 - 2009

- **% Change YOY**
  - 2005: 4.3%
  - 2006: 6.1%
  - 2007: 6.5%
  - 2008: 3.8%
  - 2009E: 0.02%

- **% change YOY**
  - Q1: 9.4%
  - Q2: 10.7%
  - Q3: 5.6%
  - Q4: 14.6%
  - 2008: -10.5%
  - Q1: -8.3%
  - Q2: -5.9%
  - Q3: -0.3%
  - 2009E: 14.6%

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

**Source:** R.S. Platou, Clarksons

- **Continued strong Chinese demand for iron ore and coal combined with an upswing in dry bulk imports to others countries**
- **The expected economic recovery should have positive impact on the world seaborne dry bulk trade**
Dry Bulk Orderbook

3.1% handysize net fleet growth since 2010
Ageing fleet and relatively small orderbook

Total Dry Bulk >10,000 Dwt
- 61%
  - Capesize: 83%, 11 years
  - Panamax: 54%, 12 years
  - Handymax (35,000-59,999 Dwt): 49%, 15 years
  - Handysize (25,000-34,999 Dwt): 42%, 16 years

Handysize Orderbook
- 523 vessels (16.5 mil dwt) - 42%

Handysize Age Profile
- 0-15 years: 55%
- 16-24 years: 17%
- 25-29 years: 13%
- 30+ years: 13%

Source: Clarksons 1 Apr 2010
* Handysize is defined as 25,000-34,999 Dwt
Dry Bulk Fleet Changes

Dry Bulk Fleet Delivery & Scheduled Orderbook

Brokers’ estimate 35% to 40%, while we expect >40% of the new capacity will not deliver in 2010.

Global Dry Bulk Fleet Development

In 1Q10, 16.3 million tonnes of dry bulk tonnage delivered which drove a 3.5% net expansion during the period.

Scraping dropped when freight rates recovered strongly in 2H09.

Source: Clarksons Apr 2010

^Clarksons Jan 2009 and Jan 2010
Handysize Vessel Values

Sales and purchase activity return after stagnation for most of 2009

Since Jan 2010, the price of a benchmark five year old handysize vessel increased steadily

PB purchased 6 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

- Handysize and Handymax sectors off to a good start in the first quarter
- We expect dry bulk to remain firm before weakening in the second half of the year, but see scope for surprise on the upside
PB Dry Bulk Earnings Coverage

2010 total combined cover of 33,090 days*: 78%

Revenue Days

<table>
<thead>
<tr>
<th></th>
<th>Handysize</th>
<th>Handymax</th>
<th>Combined*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>26,100</td>
<td>16,000</td>
<td>23,650</td>
</tr>
<tr>
<td>2010</td>
<td>23,650</td>
<td>20,000</td>
<td>10,640</td>
</tr>
</tbody>
</table>

TCE Rates

- 2009: US$14,500, 100%
- 2010: US$15,150, 72%
- 2009: US$19,490, 100%
- 2010: US$23,920, 94%

Since publication of our 2009 Annual Results, we have added new cargo cover for 2010:

- Revenue Days:
  - Handysize: 3,680 days
  - Handymax: 2,050 days
  - Combined: -

FY 2011 Coverage:

- 29%
- 135%
- 38%

* Excludes 2 handymax vessels on long term charter out

* The total combined cover, stated at handysize equivalent days, is calculated as percentage cover on total handysize and handymax revenue days.
PB Energy & Infrastructure Services

PB Towage

PB Sea-Tow (Offshore Projects)

PB Towage Australia (Harbour Towage)

PB Towage Middle East (Offshore Projects)

Towage Fleet: 40 vessels (as at 21 April 2010)

- 28 Owned tugs
- 6 Barges
- 1 Bunker tanker
- 3 Tugs newbuildings
- 2 Chartered tugs

PB Energy & Infrastructure Services

- Offshore and project supply and harbour towage services (“Towage”) 1.0
- Fujairah Bulk Shipping (“FBSL”) 6.3
- PacMarine Services 0.9

Segment net profit in 2009  8.2

- 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 in 2009: 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

- Mixed performance and outlook: strengthening demand and increasing activity for offshore towage, but remains sluggish and infrastructure developments in the Middle East remain slow
- 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

<table>
<thead>
<tr>
<th>Euro/Day</th>
<th>1,300 lm-1,700 lm</th>
<th>1,800 lm-2,200 lm</th>
<th>2,300 lm-2,700 lm</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6,000</td>
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<tr>
<td>8,000</td>
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<tr>
<td>10,000</td>
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<td></td>
</tr>
<tr>
<td>12,000</td>
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<td></td>
</tr>
<tr>
<td>14,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18,000</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

1993 1995 1997 1999 2001 2003 2005 2007 2009

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**

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

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

**PB Conclusion**

- Slow trade recovery in Europe continues to undermine the RoRo market, though there are clear signs of recovering activity  
  We expect a challenging trading environment for our new RoRo’s delivery later this year
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>
<tr>
<td><strong>Underlying profit</strong></td>
<td>115.8</td>
<td>320.7</td>
</tr>
<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>
<tr>
<td><strong>Profit attributable to shareholders</strong></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

- Handysize: US$ 450.2 Million
- Handymax: US$ 14.1 Million
- Pacific Basin Dry Bulk: US$ 124.1 Million
- PB Energy & Infrastructure Services: US$ 8.2 Million
- PB RoRo: US$ 0.1 Million

As at 31 Dec 2009
Daily Vessel Costs - Handysize

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

As at 31 Dec 2009

Charter-hire days & rates 2010-2012

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

Vessel Days 2010 2011 2012
Charter days 11,200 11,230 15,010
Charter-hire 9,410 8,770 10,380

Finance cost
Depreciation
Direct overhead
Charter-hire
## Balance Sheet

As at 31 Dec 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>Vessels &amp; other fixed assets</td>
<td>611</td>
<td>160</td>
<td>211</td>
<td>-</td>
<td>998</td>
<td>861</td>
</tr>
<tr>
<td>Total assets</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>Long term borrowings</td>
<td>199</td>
<td>41</td>
<td>65</td>
<td>572</td>
<td>877</td>
<td>848</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>295</td>
<td>57</td>
<td>67</td>
<td>572</td>
<td>1,014</td>
<td>1,112</td>
</tr>
<tr>
<td>Net assets</td>
<td>472</td>
<td>214</td>
<td>192</td>
<td>464</td>
<td>1,456</td>
<td>1,219</td>
</tr>
<tr>
<td>Net cash</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>229</td>
<td>176</td>
</tr>
<tr>
<td>Net cash / Fixed assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>23%</td>
<td>22%</td>
</tr>
<tr>
<td>Net cash / Shareholder's equity</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

Derived from 31 Dec 2009

Funded from:
- US$1,106m cash end 2009,
- US$230m cash from issue of new C.B.
- new borrowings, and
- future operating cashflows

Redeemable in:
- Feb 2011
- Apr 2014

Vessel capex (including purchase options & recent purchases) (US$457m)
- Bank borrowings (gross of loan arrangement fee) (US$383m): 2012-2021
- Finance lease liabilities (US$199m): 2015-2017
- Convertible Bonds due 2013 (Face value US$314m), redeemable in Feb 2011
- Convertible bonds due 2016 (Face value US$230m), redeemable in Apr 2014 (Issued April 2010)
Capex and Combined Value by Vessel Types

Based on 2009 Annual Report

### Vessels Commitments at 31 Dec 2009 (including options) & recent purchases up to 28 Feb 2010

<table>
<thead>
<tr>
<th>Vessel Type</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dry Bulk</td>
<td>384</td>
<td>219</td>
</tr>
<tr>
<td>Tug</td>
<td>84</td>
<td>22</td>
</tr>
<tr>
<td>RoRo</td>
<td>23</td>
<td>73</td>
</tr>
<tr>
<td>Post Panamax</td>
<td>22</td>
<td>51</td>
</tr>
<tr>
<td>Total US$456.8m</td>
<td></td>
<td></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>Tug</td>
<td>151</td>
<td>35</td>
</tr>
<tr>
<td>RoRo</td>
<td>480</td>
<td>269</td>
</tr>
<tr>
<td>Post Panamax</td>
<td>35</td>
<td>120</td>
</tr>
<tr>
<td>Tugs and barges</td>
<td>23</td>
<td>197</td>
</tr>
<tr>
<td>Total US$1,450m</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Handysize x5
- Handymax x1
- Post Panamax x1
- Tug x9
- RoRo x5

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

Further commitments expected in dry bulk
Outlook

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

- Handysize and handymax sectors off to a good start in the 1Q10. We expect dry bulk to remain firm before weakening in the 2H10, but see scope for surprise on the upside.

- Continued demand growth in China / Asia – stronger for longer.

- Our overall outlook for dry bulk market view remain neutral in the remainder 2010 and 2011 due to the unpredictable impact of accelerating newbuilding deliveries.

- 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.
## Convertible Bonds Due 2016

<table>
<thead>
<tr>
<th><strong>Issue size</strong></th>
<th>US$230 million</th>
</tr>
</thead>
<tbody>
<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$7.79 (with effect from 16 April 2010)</td>
</tr>
</tbody>
</table>

### Conversion Condition
- **Before 11 Jan 2011:** No Conversion is allowed
- **12 Jan 2011 – 11 Jan 2014:** Share price for 5 consecutive days > 120% conversion price
- **12 Jan 2014 – 5 Apr 2016:** Share price > conversion price

### 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

### Conversion/redemption Timeline

- **Closing Date**: 12 Apr 2010
- **12 Jan 2011**
- **12 Apr 2014**
- **12 Jan 2014**
- **5 Apr 2016**
- **12 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

#### Bondholder’s put option to redeem bonds
- No Conversion
- Bondholders can convert to PB shares after trading price for 5 consecutive days > 120% conversion price in effect
- Bondholders can convert to PB shares when trading price > conversion price
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:
Pacific Basin Dry Bulk - Diversified Cargo

Pacific Basin Dry Bulk Cargo Volume 1Q10
(Handysize and Handymax)

- Alumina: 6% (+2%)
- Coal / Coke: 9% (+2%)
- Concentrates: 10% (+4%)
- Fertilisers: 7% (-5%)
- Logs & Forest Products: 11% (+4%)
- Ore: 5% (-6%)
- Grains & Agriculture: 19% (+8%)
- Other Bulks*: 6% (+0%)
- Cement & Cement Clinker: 6% (-4%)
- Grains & Agriculture Products: 19% (+8%)
- Sugar: 4% (-5%)
- Steel & Scrap: 5% (-3%)
- Salt: 6% (+0%)
- Petcoke: 6% (+3%)

Total: 7.3 Million Tonnes

Diverse range of commodities reduces product risk

Australia and China were our largest loading & discharge zones respectively

*Other bulks: Gypsum and Sands
( ) % changes against 1Q09
Appendix:
Towage Financial Drivers

- 2009 Towage net profit: US$1.0m

<table>
<thead>
<tr>
<th>Operation</th>
<th>Offshore Towage</th>
<th>Harbour Towage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offshore Towage</td>
<td>Providing project/module transportation and offshore support with associated tug/barge services</td>
<td>Operating harbour tugs in the ports of Melbourne, Brisbane and Botany (Sydney), and a number of bulk ports in Western Australia</td>
</tr>
<tr>
<td>Fleet size (As at 29 Feb 2010)</td>
<td>16</td>
<td>17</td>
</tr>
<tr>
<td>Geographical presence</td>
<td>Australasia, S.E. Asia, Middle East</td>
<td>Australia</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
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
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>

**PB RoRo segment net profit**

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PB RoRo</strong></td>
<td>0.1</td>
<td>(1.7)</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 – Handysize

**As at 31 Dec 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
- US$3.8m unrealised net derivatives income

### Segment result excludes:
- US$27.2m write-back of onerous contracts provision for future periods
## 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

<table>
<thead>
<tr>
<th>Net Gains / (Losses)</th>
<th>Year ended 31 December</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Realised</td>
</tr>
<tr>
<td>Forward freight agreements</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>28.3</td>
</tr>
<tr>
<td>Bunker swap contracts</td>
<td>(0.8)</td>
</tr>
<tr>
<td>Interest rate swap contracts</td>
<td>(4.2)</td>
</tr>
<tr>
<td></td>
<td>23.3</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**
# Appendix:

## Cashflow

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating cash inflows</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>US$m</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>145</td>
<td>459</td>
</tr>
<tr>
<td><strong>Investing cash outflows</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Vessels &amp; other fixed assets related payments</td>
<td>(176)</td>
<td>(244)</td>
</tr>
<tr>
<td>- Sales of vessels</td>
<td>(297)</td>
<td>(381)</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></td>
<td></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>
<tr>
<td><strong>Cash and bank deposits</strong></td>
<td>1,106</td>
<td>1,024</td>
</tr>
</tbody>
</table>

*As at 31 Dec 2009*