1Q 2012 TRADING UPDATE
2012 First Quarter Highlights

Pacific Basin Dry Bulk
- Handysize and Handymax market rates declined to 3-year lows before partially recovering
- Seasonally stronger activity expected to temporarily support recently improved rates in 2Q
- Global Handysize capacity expanded by only 1% net in 1Q12
  - significant newbuilding deliveries largely offset by record high scrapping
- Acquisition opportunities for well-capitalised owners like us in on-going dry bulk market crisis
- Our forward cargo cover for year 2012:
  Handysize: 66% covered at US$10,840/day
  Handymax: 81% covered at US$12,060/day

PB Towage
- Outlook for towage market and our towage business in Australasia remains promising for 2012

PB RoRo
- RoRo charter market remains depressed
- Priority to secure best possible employment and utilisation

Other Company Development
- Klaus Nyborg has now left us
- Mats Berglund appointed as new CEO – joining no later than 3 July 2012

* reported in 2011 interim results
Pacific Basin Dry Bulk - Earnings Coverage

Pacific Basin Dry Bulk Fleet: 167
As at 16 April 2012

<table>
<thead>
<tr>
<th></th>
<th>Owned</th>
<th>Chartered</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>On the water</td>
<td>NB</td>
<td>On the water</td>
</tr>
<tr>
<td>Handysize</td>
<td>30</td>
<td>8</td>
<td>74</td>
</tr>
<tr>
<td>Handymax</td>
<td>3</td>
<td>6</td>
<td>35</td>
</tr>
<tr>
<td>Post-Pmax</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>34</td>
<td>14</td>
<td>110</td>
</tr>
</tbody>
</table>

Average Age of our core fleet: 6.6 years old

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue days</td>
<td>32,710</td>
<td>31,370</td>
</tr>
<tr>
<td>Handysize</td>
<td>100%</td>
<td>66%</td>
</tr>
<tr>
<td>Handymax</td>
<td>100%</td>
<td>81%</td>
</tr>
</tbody>
</table>

Handysize

2011

- Revenue days: 32,710 days
- Fixed: US$13,530
- Unfixed: US$10,840

Handymax

2011

- Revenue days: 13,310 days
- Fixed: US$15,090
- Unfixed: US$12,060

2012

- Revenue days: 7,970 days
- Fixed: US$12,060
- Unfixed: US$10,000

2011

- Dry Bulk net profit: US$81.4m
- Handysize: US$89.8m
- Handymax: US$(8.4)m
- Operating cash flow: US$138m
- Return on net assets: 11%

Note: NB – newbuilding
Dry Bulk Market Information

- Market freight rates for Handysize and Handymax declined 34% and 49% in first six weeks of 2012 before partially recovering
- By contrast, Capesize rates fell over 80% - no significant recovery to date
- Poor start to 2011 and 2012:
  - Surge in newbuilding deliveries
  - Seasonal demand disruptions in influential dry bulk trade areas
    e.g. Indo-Australian monsoon (incl. SE Asia), heavy rain in Brazil, Chinese New Year / winter
  - Secondhand values continue to fall due to financial difficulties of a number of ship owners

Baltic Dry Index (BDI) versus Baltic Handysize Index (BHSI) & Baltic Capesize Index (BCI)

Secondhand Handysize Values (5 year old 32,000 Dwt)
Dry Bulk Demand

- 10% increase in 2011 dry bulk demand* reflecting relatively healthy state of activity, albeit offset by excessive expansion of supply
- China dry bulk net imports represent 28% of global dry bulk trade:
  - Forestry products ↑37%; Bauxite ↑49%; Nickel ↑92%; Coal ↑10%; Ore: ↑11%
- India: reduced ore exports drove tonne-mile demand with more sourced from further afield; coal imports increased 11% and log imports from New Zealand grew >30%

* R.S. Platou estimate

Source: RS Platou

1Q12 Trading Update
Global Dry Bulk Fleet Development

- Dry bulk capacity expanded 3.4% net during 1Q, and 14% net YOY
- Heavy influx of newbuildings was partially offset by record-high scrapping
- Handysize fleet grew only 1% net in 1Q
- 31% of Handysize fleet is over 25 years old
Ship owners ordered >50% less new capacity in Jan/Feb due to weak market conditions

139m dwt of new capacity scheduled to deliver in FY12 *

We expect 30-35% delivery shortfall in 2012

Less onerous Handysize orderbook

Handysize Orderbook
482 vessels (17m dwt)

Total Dry Bulk Orderbook
2,338 vessels (192m dwt)

Total Dry Bulk >10,000 dwt

Source: Clarksons, as at 1 Apr 2012
*Scheduled orderbook as at 1 Jan 2012

1Q12 Trading Update
Pacific Basin Dry Bulk - Outlook

- China’s continued dependence on imported minor bulks
- Slow steaming because of high fuel prices and weak market
- Scrapping increase
- Severe bank lending constraints increase opportunities for cash rich owners
- Continued excessive newbuilding deliveries
- Hesitant global economic recovery impacted by continued crisis in Europe
- Potentially weaker growth in the Chinese economy and industrial production

PB Conclusion:
- Seasonally stronger activity to temporarily support recently improved Handysize and Handymax rates in 2Q
- Freight rates in 2012 expected to be weaker overall than 2011
- Positive longer term market outlook: generally stronger demand + less onerous orderbook from 2013 = more favourable supply / demand balance

Strategy: Invest in further expansion of our dry bulk fleet – patiently awaiting right opportunities at right price
PB Towage

1Q12 Performance

- Australasian oil and gas project activity continues to grow and drive demand for our offshore project towage services
- Container line and dry bulk export activity continues to impact positively on demand for our harbour towage services
- Expect market improvements to continue in 2012

Offshore Towage

- Australian offshore and infrastructure projects on the rise, e.g:
  - Gorgon project expansion
  - Commencement of Queensland Curtis LNG project

Harbour Towage

- Harbour towage improved in 2011 on increased demand and market share
- PB Towage activities in Middle East recovered quicker than expected after FBSL closure

PB EIS net profit | 2011
---|---
PB Towage | US$15.2m
PacMarine Service | US$0.7m
FBSL | US$(5.1)m
Operating cash flow | US$29m
Return on net assets | 5%

PB Towage Fleet: 43 vessels (as at 16 April 2012)
- 35 Tugs (33 Owned + 2 Chartered)
- 7 Barges (6 Owned + 1 Chartered)
- 1 owned Bunker Tanker
PB Towage - Outlook

- High oil prices buoying demand for new, cleaner, safer fuel sources
- Australia striving to become a major LNG exporter
- Further improvement in Australian port activity
- Hesitant global economic recovery
- Potential decline in Chinese industrial production impacting Australian commodity exports and port activity
- Increasing market competition & political instability in Middle East
- Ongoing labour market cost pressures

PB Conclusion:
- Improvement in Australasian offshore and harbour towage markets expected to continue in 2012
- PB Towage is well positioned to participate in increasing activity
- Good earnings cover in place for 2012

Strategy: Invest further in towage fleet as specific projects materialise
PB RoRo

1Q12 Performance
- RoRo charter market remains depressed
- Earnings cover is currently in place for 36% of 2012 capacity at US$19,380/day
- More positive outlook in longer term - limited newbuilding orders, scrapping of older ships

Business Highlights
- Completion of RoRo newbuilding programme
- Employment
  - 1 on charter to DFDS until 3Q12
  - 1 in Med on 1 year time charter
  - 2 on short term charters in US Gulf region
  - 2 newest ships seeking employment
- Nafta Gulf Bridge suspended in Oct due to insufficient cargo support (2 ships redeployed in USG)
- Reassessment of RoRo prospects led to US$80m impairment in 2011
- 2011 daily operating cost: US$19,890

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>PB RoRo net profit</td>
<td>US$(-10.6)m</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>US$7.5m</td>
</tr>
<tr>
<td>Return on net assets</td>
<td>-3%</td>
</tr>
</tbody>
</table>

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PB RoRo - Outlook

- Scrapping of older ships to increase
  - High fuel prices making modern vessels more attractive
  - Continued albeit limited development of new RoRo trades both in Europe and elsewhere

RoRo Earnings cover
As at 16 April 2012

<table>
<thead>
<tr>
<th>Revenue Days</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,520 days</td>
<td></td>
<td></td>
</tr>
<tr>
<td>84%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>US$21,190</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2,180 days</td>
<td></td>
<td></td>
</tr>
<tr>
<td>47%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>US$18,150</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,520 days</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>US$19,380</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Charter rates earned in Euros are translated to US$ at an indicative rate of EUR1.00 to US$1.3

PB Conclusion:
- RoRo charter market to remain weak throughout 2012
- Another very challenging, loss-making year for PB RoRo
- More positive longer term outlook after orderbook delivers (2012-2013), European economy recovers and new RoRo trades are developed

Strategy: To secure best possible charters, improve utilisation and implement stringent cost control to minimise losses until market recovers – no plans to invest in expansion of our RoRo fleet

Continuing economic crisis
- Weak intra-European trade
- Limited growth in trailer volumes
- Significant new RoRo deliveries scheduled in 2012 (Large RoRo orderbook: 21%)
- Most European RoRo operators still have excess capacity and are not chartering new vessels
Outlook

- Dry bulk shipping market is in crisis - market freight rates in 2012 will be weaker overall than 2011
- Seasonally stronger activity to temporarily support recently improved Handysize rates in 2Q
- Outlook for towage market and our PB Towage business is promising
- Another challenging year for RoRo

**Key strategic objectives for the Group in 2012:**

- On-going dry bulk market crisis should present an acquisition opportunities for well-capitalised owners like us – patience
- Grow our dry bulk customers and cargo contract portfolio
- Invest further in our towage business and fleet as specific projects materialise
- Enhance our towage organisation to improve execution efficiency of our business
- Secure best possible charters and utilisation for our RoRo fleet
- Consider opportunities for further divestment of non-core businesses
Daily Vessel Costs - Handysize


As at 31 Dec 2011

Charter-hire rates & days 2012-2014

<table>
<thead>
<tr>
<th>Year</th>
<th>Charter-hire</th>
<th>Charter days</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$11,150</td>
<td>10,440 days</td>
</tr>
<tr>
<td>2013</td>
<td>$11,630</td>
<td>4,700 days</td>
</tr>
<tr>
<td>2014</td>
<td>$11,820</td>
<td>4,060 days</td>
</tr>
</tbody>
</table>

Finance cost
Depreciation
Opex
**Capex and Combined Vessel Value**

**Vessels Commitments**
(including authorised commitments)

**Total US$322m**

<table>
<thead>
<tr>
<th>Year</th>
<th>Handysize x8, US$129m</th>
<th>Handymax x7, US$177m</th>
<th>RoRo x1, US$16m</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>80</td>
<td>75</td>
<td>16</td>
</tr>
<tr>
<td>2013</td>
<td>102</td>
<td>29</td>
<td>20</td>
</tr>
<tr>
<td>2014</td>
<td>20</td>
<td>16</td>
<td></td>
</tr>
</tbody>
</table>

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

**Total US$1,842m**

<table>
<thead>
<tr>
<th>Category</th>
<th>Vessel carrying values, US$1,355m</th>
<th>Progress payment made, US$165m</th>
<th>Future installments amount, US$322m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dry Bulk</td>
<td>820</td>
<td>306</td>
<td>386</td>
</tr>
<tr>
<td>RoRo</td>
<td>321</td>
<td>116</td>
<td>16</td>
</tr>
<tr>
<td>Tugs and Barges</td>
<td>214</td>
<td>49</td>
<td>214</td>
</tr>
</tbody>
</table>

- Further commitments expected in Dry Bulk
### Borrowing and Capex

**As at 31 Dec 2011**

- **Funded from US$618m cash, US$117m undrawn facilities, and future operating cashflows**

![Borrowing and Capex Chart]

#### Key Data:
- **Bank borrowings (US$406m): 2012-2023**
- **Finance lease liabilities (US$168m): 2015-2017**
- **Convertible Bonds (Face value US$230m): April 2016, redeemable in Apr 2014**

#### Vessel capital commitments (US$322m)
- 2012: US$171m
- 2013: US$131m
- 2014: US$49m
- 2015: US$20m
- 2016: US$69m
- 2017: US$230m
- 2018: US$17m
- 2019-2023: US$37m

#### Finance lease liabilities:
- 2012: US$48m
- 2013: US$18m
- 2014: US$20m
- 2015: US$30m
- 2016: US$8m
- 2017: US$24m
- 2018: US$36m
- 2019-2023: US$17m

#### Convertible Bonds:
- April 2016, redeemable in Apr 2014

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2011 Sources and Uses of Group Cash Flow

<table>
<thead>
<tr>
<th></th>
<th>US$ Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flow</td>
<td>US$159.4m</td>
</tr>
<tr>
<td>EBITDA</td>
<td>US$149.9m</td>
</tr>
<tr>
<td>Operating cash to EBITDA</td>
<td>1.1x</td>
</tr>
</tbody>
</table>

Cash Flow

- **1 Jan 11**: Operating cash inflow +US$703.4m, Sale of Green Dragon Gas shares +US$159.4m, Increase in borrowings +US$80.0m, Capex -US$174.5m, Convertible bonds repurchase -US$105.2m, Dividend paid -US$53.4m, Interest paid -US$35.9m, Others +US$14.7m, 31 Dec 11: +US$618.2m

- **US$ Million**: 500, 550, 600, 650, 700, 750, 800, 850, 900, 950, 1,000

- **Cash Inflow**: Blue bars
- **Cash outflow**: Red bars

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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.

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Emily Lau
elau@pacificbasin.com / ir@pacificbasin.com
+852 2233 7000
Appendix: Pacific Basin Overview

- A leading dry bulk owner/operator of Handysize & Handymax dry bulk ships
- Flexible Pacific Basin Dry Bulk business model
  - Large fleet of uniform, interchangeable, modern ships
  - Mix of owned and long-term, short-term chartered ships
  - Operating mainly on long term cargo contract (COA) and spot basis
  - Diversified customer base of mainly industrial producers and end users
  - Extensive network and offices positions PB close to customers
- Also owning/operating offshore and harbour tugs and RoRo freight ferries
- >220 vessels serving major industrial customers around the world
- Hong Kong headquarters, 21 offices worldwide, 300 shore-based staff, 2,000 seafarers*
- Our vision: To be a shipping industry leader and the partner of choice for customers, staff, shareholders and other stakeholders

* As at Mar 2012
Appendix: Our Dry Bulk Business Model

- Largest owner and operator of modern Handysize ships with 9% share of global fleet of modern (max 15 years) 25,000-40,000 dwt bulk carriers
- Scale and uniformity for reliable service
- Homogeneous fleet of interchangeable ships allows us to optimise our scheduling
- Comprehensive in-house technical operations function

- 21 offices globally – including 14 dry bulk offices across 6 continents
- Localised chartering and operations support
- Facilities comprehensive, accurate market intelligence

- Strong reputation
- Ability to engage closely with quality partners and stakeholders
- Strong public balance sheet and track record enhance our profile
- CSR and environmental programmes

- Customer-focused model - strong relationship with >300 customers
- Spot cargoes and long term cargo contracts – affording customers reliable freight cover
- Committed service delivery to customers
Appendix: Pacific Basin Dry Bulk – Diversified Cargo

- Diverse range of commodities reduces product risk
- Australia and China were our largest loading and discharging zones respectively
- Increasing proportion of our business in the Atlantic
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
Appendix: Chinese Dry Bulk Trade - Minor Bulk

- Chinese minor bulk imports increased significantly
  - 37% more logs / forestry products imported, and proportionally more sourced from further afield
  - 49% more bauxite driving five-fold increase in bauxite volumes we carried
Appendix: China Iron Ore & Coal Demand

China is a net importer of coal in 2012

- Increased ore imports from less tradition sources benefitted demand for smaller vessel types

China Iron Ore Sourcing for Steel Production

- Total requirement for steel production (basis international Fe content level 62.5%)

Source: Bloomberg
## Appendix: 2011 Annual Financial Highlights

<table>
<thead>
<tr>
<th>Segment net profit</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasury</td>
<td>78.9</td>
<td>146.3</td>
</tr>
<tr>
<td>Non direct G&amp;A</td>
<td>(12.8)</td>
<td>(18.5)</td>
</tr>
<tr>
<td></td>
<td>(8.3)</td>
<td>(8.0)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Underlying profit</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrealised derivative expenses</td>
<td>57.8</td>
<td>119.8</td>
</tr>
<tr>
<td>RoRo vessel impairment charge</td>
<td>(1.6)</td>
<td>(12.4)</td>
</tr>
<tr>
<td>Gain from sale of shares in Green Dragon Gas</td>
<td>(80.0)</td>
<td>-</td>
</tr>
<tr>
<td>Fujairah Bulk Shipping impairment charge</td>
<td>55.8</td>
<td>16.0</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>(19.1)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Profit attributable to shareholders</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>32.0</td>
<td>104.3</td>
</tr>
</tbody>
</table>

### Segment Net profit and Net Assets

<table>
<thead>
<tr>
<th>Segment</th>
<th>Net profit/(loss)</th>
<th>Net assets at year end</th>
</tr>
</thead>
<tbody>
<tr>
<td>PB Dry Bulk</td>
<td>700.1</td>
<td>81.4</td>
</tr>
<tr>
<td>PB EIS</td>
<td>10.8</td>
<td>232.1</td>
</tr>
<tr>
<td>PB RoRo</td>
<td>-10.6</td>
<td>322.9</td>
</tr>
</tbody>
</table>

### Return on net assets

- **Pacific Basin Dry Bulk**: 11%
- **PB Energy & Infrastructure Services**: 5%
- **PB RoRo**: -3%

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## Appendix: Balance Sheet

<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 11</th>
<th>31 Dec 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessels &amp; other fixed assets</td>
<td>936</td>
<td>214</td>
<td>370</td>
<td>-</td>
<td>1,525</td>
<td>1,519</td>
</tr>
<tr>
<td>Total assets</td>
<td>1,107</td>
<td>291</td>
<td>375</td>
<td>596</td>
<td>2,432</td>
<td>2,555</td>
</tr>
<tr>
<td>Long term borrowings</td>
<td>298</td>
<td>34</td>
<td>48</td>
<td>399</td>
<td>779</td>
<td>860</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>407</td>
<td>59</td>
<td>52</td>
<td>401</td>
<td>947</td>
<td>1,011</td>
</tr>
<tr>
<td>Net assets</td>
<td>700</td>
<td>232</td>
<td>323</td>
<td>195</td>
<td>1,485</td>
<td>1,544</td>
</tr>
<tr>
<td>Net borrowings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>161</td>
<td>156</td>
</tr>
<tr>
<td>Net borrowings to Shareholders’ equity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>11%</td>
<td>10%</td>
</tr>
</tbody>
</table>

- Long term borrowings reduced following convertible bond repurchases

Notes: 31 December 2011 total includes other segments and unallocated
## Appendix: Pacific Basin Dry Bulk - Handysize

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue days (days)</td>
<td>32,710</td>
<td>29,070</td>
<td>+13%</td>
</tr>
<tr>
<td>TCE earnings (US$/day)</td>
<td>13,530</td>
<td>16,750</td>
<td>-19%</td>
</tr>
<tr>
<td>Owned + chartered costs (US$/day)</td>
<td>10,680</td>
<td>11,970</td>
<td>-11%</td>
</tr>
<tr>
<td>Net profit (US$m)</td>
<td>89.8</td>
<td>136.1</td>
<td>-34%</td>
</tr>
<tr>
<td>Return on net assets (%)</td>
<td>16%</td>
<td>22%</td>
<td>-6%</td>
</tr>
</tbody>
</table>

- **Earnings**: 2011 Time Charter Equivalent rates reflect weaker spot freight market
- **Costs**: Blended daily costs reflect lower chartered-in costs of market vessels
- **Net profit**: excludes US$0.6m unrealised net derivatives expenses
## Appendix: Pacific Basin Dry Bulk - Handymax

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue days (days)</td>
<td>13,310</td>
<td>11,450</td>
<td>+16%</td>
</tr>
<tr>
<td>TCE earnings (US$/day)</td>
<td>15,090</td>
<td>22,570</td>
<td>-33%</td>
</tr>
<tr>
<td>Owned + chartered costs (US$/day)</td>
<td>15,840</td>
<td>21,690</td>
<td>-27%</td>
</tr>
<tr>
<td>Net (loss)/profits (US$m)</td>
<td>(11.4)</td>
<td>8.8</td>
<td>-228%</td>
</tr>
<tr>
<td>Contribution from Post Panamax (US$m)</td>
<td>3.0</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net (loss)/profits (US$m)</td>
<td>(8.4)</td>
<td>8.8</td>
<td>-194%</td>
</tr>
<tr>
<td>Return on net assets (%)</td>
<td>-6%</td>
<td>8%</td>
<td>-14%</td>
</tr>
</tbody>
</table>

- **Earnings:** 2011 Time Charter Equivalent rates reflect weaker spot freight market
- **Costs:** Blended daily costs reflect lower chartered-in costs market vessels
- **Net profit:** excludes US$0.3m unrealised net derivatives income
# 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$7.98 (Current conversion price: HK$ 7.35 with effect from 16 August 2011)</td>
</tr>
</tbody>
</table>

## Conversion Condition

<table>
<thead>
<tr>
<th></th>
<th>Before 11 Jan 2011:</th>
<th>No Conversion is allowed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>12 Jan 2011 – 11 Jan 2014:</td>
<td>Share price for 5 consecutive days &gt; 120% conversion price</td>
</tr>
<tr>
<td></td>
<td>12 Jan 2014 – 5 Apr 2016:</td>
<td>Share price &gt; conversion price</td>
</tr>
</tbody>
</table>

## Intended Use of Proceeds
To purchase the 3.3% Existing Convertible Bonds due 2013, then redeem the 2013 Convertible Bonds (now all redeemed & cancelled)

## 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

### No Conversion
- Bondholders can convert to PB shares after trading price > 120% conversion price in effect for 5 consecutive days

### 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

### Bondholders’ put option to redeem bonds
- 12 Apr 2014
- 5 Apr 2016

### Maturity
- 12 Apr 2016

### Bondholders can convert to PB shares when trading price > conversion price