2012 Interim Results – Group Highlights

<table>
<thead>
<tr>
<th></th>
<th>1H12</th>
<th>1H11</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net (Loss) / Profit</strong></td>
<td>US$(196)m</td>
<td>US$3m</td>
</tr>
<tr>
<td><strong>Underlying Profit</strong></td>
<td>US$3.2m</td>
<td>US$19m</td>
</tr>
<tr>
<td><strong>Operating Cash Flow</strong></td>
<td>US$48m</td>
<td>US$69m</td>
</tr>
<tr>
<td><strong>Cash Position</strong></td>
<td>US$657m</td>
<td>US$631m</td>
</tr>
<tr>
<td><strong>Earnings per Share</strong></td>
<td>HK¢(79)</td>
<td>HK¢1</td>
</tr>
<tr>
<td><strong>Dividend per Share</strong></td>
<td>Nil</td>
<td>HK¢5</td>
</tr>
</tbody>
</table>

- Group results were impacted by:
  - a US$190m impairment of RoRo investment
  - a weaker dry bulk spot market
  - a strong US$14m contribution from PB Towage
- Balance sheet retains substantial buying power with US$657m cash and low 14% group net gearing
- Fully funded vessel capital commitments of US$262m, all for dry bulk vessels
- No dividend for first half
- Will consider a payout based on the Group’s full-year performance
Pacific Basin Dry Bulk – 1H12 performance

**Handysize**
- Handysize daily rate: US$10,540 (-23% YOY)
- Outperformed the weak spot market by 38%
- Respectable performance in a on-going poor market

**Handymax**
- Handymax daily rate: US$11,520 (-24% YOY)
- Outperformed the spot market by 22%
- Disappointing results due to reliance on relatively expensive medium term chartered ships in weak market

**Post-Panamax**
- 2 Post-Panamax ships continue to operate satisfactorily under long-term charters

**Other highlights**
- 10 chartering offices across 6 continents – generating new customers, long-term cargo contracts and business to supplement our traditional bulk-based activity
- New operating system supports larger fleet

<table>
<thead>
<tr>
<th></th>
<th>1H12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dry Bulk net profit</td>
<td>US$7.5m</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>US$38.1m</td>
</tr>
<tr>
<td>Return on net assets (annualised)</td>
<td>2%</td>
</tr>
</tbody>
</table>
Pacific Basin Dry Bulk - Earnings Coverage

**Pacific Basin Dry Bulk Fleet: 182 (on the water: 160)**

Average Age of our core fleet: 6.4 years old

<table>
<thead>
<tr>
<th></th>
<th>Owned</th>
<th>Chartered</th>
<th>Total</th>
<th>No of ships as at 31 July 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>On the water</td>
<td>Newbuilding</td>
<td>On the water</td>
<td>Newbuilding</td>
</tr>
<tr>
<td>Handysize</td>
<td>30</td>
<td>8</td>
<td>91*</td>
<td>6</td>
</tr>
<tr>
<td>Handymax</td>
<td>3</td>
<td>6</td>
<td>34</td>
<td>2</td>
</tr>
<tr>
<td>Post-Panamax</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>34</strong></td>
<td><strong>14</strong></td>
<td><strong>126</strong></td>
<td><strong>8</strong></td>
</tr>
</tbody>
</table>

* Include 13 finance lease vessels

As at 23 July 2012

**Fixed**

**Unfixed**

**Handysize**

- Revenue days: 33,060 days
  - 2012: 22,490 days (85% US$10,910)
  - 2013: 10,680 days (19% US$12,370)

**Handymax**

- Revenue days: 10,680 days
  - 2012: 4,470 days (94% US$11,830)
  - 2013: 6,210 days (40% US$13,890)
Dry Bulk Market Information

- Market freight rates for Handysize and Handymax declined 34% and 49% in first six weeks to 3-year lows
  - A surge of newbuilding deliveries
  - Seasonal weather-related cargo disruptions in influential trades areas and an early Chinese New Year
- Rates gradually recovered since February due to revival in “minor bulk” cargo flows
- Cold lay-up for some Capesize ships due mainly to excessive supply
- Handysize and Handymax were again supported by a higher earnings floor than larger bulk carriers

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

Dry Bulk market in 1H12 was 31% weaker than 1H11

27 July 2012
- BDI: 933
- BHSI: US$8,298
- BCI: US$4,053

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

July 2012: US$16m

Source: The Baltic Exchange, Clarksons
Dry Bulk Demand

- **6.5% increase in 1Q12 dry bulk demand** reflecting resilience in international & Chinese coastal commodity trade...

- **Despite weaker global economic conditions and slowing Chinese economic growth**

- **China continued to dominate dry bulk demand developments, most notably importing:**
  - **10% more iron ore yoy**
  - **82% more coal yoy**
  - **20% more minor bulks yoy**

* R.S. Platou estimate

Source: R.S. Platou, China Customs, Bloomberg
Global Dry Bulk Fleet Development

- Dry bulk capacity expanded 6.4% net in first half, and 14.5% net YOY
- Driven by the influx of 56m tonnes of new capacity
- Heavy influx of newbuildings was partially offset by record-high scrapping (1H12: 16m)
- Handysize fleet grew only 2.4% net in 1H12
- 28% of Handysize fleet is over 25 years old

Handysize Age Profile (25,000-39,999 dwt)
2,110 vessels (67.7m dwt)
- 0-15 years: 63%
- 16-24 years: 9%
- 25-29 years: 20%
- 30+ years: 8%

Global Dry Bulk Fleet Development

Dry Bulk Scrapping versus BDI

Source: Clarksons, Morgan Stanley, Bloomberg, as at 1 Jul 2012
*Scheduled orderbook as at 1 Jan 2012
Ship owners ordered >60% less new capacity in 1H12 due to weak market conditions.

- 139m dwt of new capacity scheduled to deliver in FY12.
- Newbuilding deliveries of 56m dwt were 34% below the scheduled orderbook at the start of the year – in line with our shortfall expectations for the full year.
Pacific Basin Dry Bulk - Outlook

- Strong Chinese demand for minor bulk commodities
- Growth in China’s dominant share of global bulk imports
- Scope of stronger recovery in US
- Increased levels of scrapping of older dry bulk capacity
- Severe bank lending constraints limit funding for ship acquisitions, raising barriers to entry and increasing opportunities for cash rich owners
- Continued excessive newbuilding deliveries
- Hesitant global economic recovery impacted by continued crisis in Europe
- Potential reduction in US grain exports if the current US drought persists
- Falling fuel prices reversing slow steaming trend and releasing further tonnage capacity in the market
- Potentially weaker growth in the Chinese economy and industrial production

PB Conclusion:
- Handysize and Handymax spot markets expected to remain weak over 2H12
- Scope remains for seasonal demand improvements to lift rates in our sectors temporarily around end of 3Q
- Expect dry bulk freight rates will be weaker overall in 2012 than in 2011
- 2012 to be a tough year for our dry bulk business

Strategy: Invest in further expansion of our dry bulk fleet
PB Towage

1H12 Performance
- Favourable market conditions and improved market presence and penetration continued to strengthen our towage results

Offshore Towage
- Australian offshore and infrastructure projects on the rise, e.g:
  - Increased vessel deployment in the Chevron–led Gorgon offshore gas project
  - Continued activity on BG’s Queensland Curtis LNG (QCLNG) project in Gladstone
  - Secured new contract to service Australia Pacific LNG project in Gladstone, which commenced in 2H12
  - New business alliance with US-based Crowley Solutions Group

Harbour Towage
- Market share is growing in the main liner ports and the vessel calls in bulk ports increase.
- Partners with Boluda to target LNG Terminal towage business
- Market conditions in Middle East remain challenging

<table>
<thead>
<tr>
<th></th>
<th>1H12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Towage net profit</td>
<td>US$14.1m</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>US$18.9m</td>
</tr>
<tr>
<td>Return on net assets (Annualised)</td>
<td>12%</td>
</tr>
</tbody>
</table>

PB Towage Fleet: 44 vessels
- 35 Tugs (32 Owned + 3 Chartered)
- 7 Barges (6 Owned + 1 Chartered)
- 1 owned Bunker Tanker and 1 chartered passenger/supply vessel

(as at 23 July 2012)
PB Towage - Outlook

- New projects expected to commence in Australasia towards year end in both oil and gas and mining sectors
- Continued improvement in Australian port activity with a relatively strong domestic economy and Chinese demand for primary resources

- Potential further slowdown in Chinese industrial growth impacting Australian commodity exports and port activity
- On-going labour market supply and cost pressures
- Increased supply and pricing competition as new entrants seek to redeploy assets from Asia

PB Conclusion:
- Expect Australian towage activity to be maintained over the rest of 2012 and to improve further in the medium term
- PB Towage is well positioned to participate in increasing activity
- Benefit from recently secured additional business in Gladstone LNG project and Gorgon project

Strategy: strategically committed to our towage business and to grow this division through carefully considered investment
1H12 Performance
- Severe weakness in the RoRo charter market
- Achieved average daily charter rates of US$19,450 on utilisation of 55%

Business Highlights
- Demand-side weakness compounded by influx of newbuildings delivering into the already over-supplied large RoRo sector
- 3 of our 6 RoRos are currently laid up or idle – for which we are actively seeking employment
- Charters for the remaining 3 ships expire later 2012 or early 2013
- Downgraded RoRo outlook led to further impairment of US$190m in June 2012
PB RoRo - Outlook

- Potential development of new RoRo trades within and outside Europe
  - Increased levels of scrapping of older albeit smaller ships to reduce over-capacity
- Prolonged economic stagnation – possible recession – in Europe resulting in weak intra-European and a further fall in trailer volumes
  - Overcapacity in operator fleets resulting in lack of demand for chartered ships
  - Uncertain new regional low-sulphur fuel regulations expected to be implemented from 2015

PB Conclusion:
- Outlook for the RoRo charter market remains very poor
- Expect a flatter recovery in rates that are not likely to exceed 75% of the earnings peak of 2008
- PB RoRo segment is expected to remain loss making

Strategy:
- Premise for diversifying into RoRo as tonnage provider no longer compelling
- No longer regard RoRo shipping as a core activity
- A full exit in near-term is unrealistic
- Looking to manage our RoRo investment and exit the sector in an economically rational manner
- Realising the maximum possible value for our shareholders over the medium term
- Securing best possible utilisation for our RoRo fleet
- Implementing cost savings measures
**PB RoRo - Latest Developments**

- Immediate actions:
  - Closing RoRo management joint venture Meridian
  - Bring commercial management in-house
  - Outsource technical management

- These changes afford us:
  - Full control and greater flexibility in pursuing strategic employment and exit alternatives, commercially
  - Savings in technical management costs due to economies of scale

- New in-house RoRo team
  - Equip us well to manage and achieve our revised RoRo strategy
2012 Interim Financial Highlights

US$ m

<table>
<thead>
<tr>
<th>1H12</th>
<th>1H11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment net profit</td>
<td></td>
</tr>
<tr>
<td>Treasury</td>
<td>(0.9)</td>
</tr>
<tr>
<td>Non direct G&amp;A</td>
<td>(5.6)</td>
</tr>
<tr>
<td>Underlying profit</td>
<td></td>
</tr>
<tr>
<td>Unrealised derivative expenses</td>
<td>(9.1)</td>
</tr>
<tr>
<td>RoRo vessel impairment charge</td>
<td>(190.0)</td>
</tr>
<tr>
<td>Gain from sale of shares in Green Dragon Gas</td>
<td>-</td>
</tr>
<tr>
<td>(Loss)/Profit attributable to shareholders</td>
<td>(195.9)</td>
</tr>
</tbody>
</table>

1H 2012 Principal Segment Net Profit and Return on Net Assets

<table>
<thead>
<tr>
<th>Group</th>
<th>PB Dry Bulk</th>
<th>PB Towage</th>
<th>PB RoRo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets at period end</td>
<td>1,259.6</td>
<td>767.5</td>
<td>244.6</td>
</tr>
<tr>
<td>Return on net assets (annualised)</td>
<td>2%</td>
<td>12%</td>
<td>-12%</td>
</tr>
<tr>
<td>Operating cash inflow</td>
<td>48.0</td>
<td>38.1</td>
<td>18.9</td>
</tr>
</tbody>
</table>
### Pacific Basin Dry Bulk - Handysize

<table>
<thead>
<tr>
<th></th>
<th>1H12</th>
<th>1H11</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue days (days)</td>
<td>19,210</td>
<td>14,620</td>
<td>+31%</td>
</tr>
<tr>
<td>TCE earnings (US$/day)</td>
<td>10,540</td>
<td>13,660</td>
<td>-23%</td>
</tr>
<tr>
<td>Owned + chartered costs (US$/day)</td>
<td>9,890</td>
<td>10,640</td>
<td>-7%</td>
</tr>
<tr>
<td>Net profit (US$m)</td>
<td>10.3</td>
<td>42.9</td>
<td>-76%</td>
</tr>
<tr>
<td>Return on net assets (%)</td>
<td>3%</td>
<td>13%</td>
<td>-10%</td>
</tr>
</tbody>
</table>

- **Earnings**: 1H12 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$5.5m unrealised net derivatives expenses
Daily Vessel Costs - Handysize

- Direct overhead
- Charter-hire
- Finance cost
- Depreciation
- Opex

* Includes 13 finance lease vessels

As at 30 Jun 2012

**Vessel Days**

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>1H12</th>
<th>2011</th>
<th>1H12</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Owned</strong></td>
<td>8,720</td>
<td>9,250</td>
<td>12,340</td>
<td>10,310</td>
</tr>
<tr>
<td>Finance cost</td>
<td>1,010</td>
<td>970</td>
<td>530</td>
<td>430</td>
</tr>
<tr>
<td>Depreciation</td>
<td>2,810</td>
<td>4,480</td>
<td>11,810</td>
<td>9,880</td>
</tr>
<tr>
<td>Charter-hire</td>
<td>3,900</td>
<td>940</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opex</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>15,070</td>
<td>9,250</td>
<td>12,340</td>
<td>10,310</td>
</tr>
<tr>
<td><strong>Chartered</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charter-hire</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opex</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


**Daily charter hire rates & days**

- **2H12-2014**
  - 2H12: $10,150, 6,830 days
  - 2013: $10,930, 5,240 days
  - 2014: $11,650, 4,380 days

2012 Interim Results 17
Daily Earnings and Vessel Costs – RoRo

As at 30 Jun 2012

**RoRo Performance**

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue Days</th>
<th>Off-hire</th>
<th>Daily charter rates (US$)</th>
<th>Daily vessel costs (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>1,270 days</td>
<td>250 days</td>
<td>$18,730</td>
<td>$21,190</td>
</tr>
<tr>
<td>1H12</td>
<td>1,090 days</td>
<td>490 days</td>
<td>$17,280</td>
<td>$19,450</td>
</tr>
</tbody>
</table>

**RoRo daily vessel costs**

- Finance cost
- Depreciation
- Opex

- June 2012 US$190m impairment will reduce deprecations by about US$3,000 per day
## Balance Sheet

<table>
<thead>
<tr>
<th>US$m</th>
<th>PB Dry Bulk</th>
<th>PB Towage</th>
<th>PB RoRo</th>
<th>Treasury</th>
<th>30 Jun 12</th>
<th>31 Dec 11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessels &amp; other fixed assets</td>
<td>969</td>
<td>207</td>
<td>178</td>
<td>-</td>
<td>1,360</td>
<td>1,525</td>
</tr>
<tr>
<td>Total assets</td>
<td>1,192</td>
<td>299</td>
<td>184</td>
<td>572</td>
<td>2,306</td>
<td>2,432</td>
</tr>
<tr>
<td>Long term borrowings</td>
<td>289</td>
<td>32</td>
<td>44</td>
<td>487</td>
<td>853</td>
<td>779</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>424</td>
<td>54</td>
<td>48</td>
<td>491</td>
<td>1,046</td>
<td>947</td>
</tr>
<tr>
<td>Net assets</td>
<td>768</td>
<td>245</td>
<td>136</td>
<td>81</td>
<td>1,260</td>
<td>1,485</td>
</tr>
</tbody>
</table>

### Notes:
- 30 June 2012 total includes other segments and unallocated.

### Net borrowings
- 196
- 161

### Net borrowings to net book value of property, plant and equipment
- 14%
- 11%
Capex and Combined Vessel Value

As at 30 Jun 2012

Vessels Commitments (including authorised commitments)

- Handysize x8, US$107m
- Handymax x6, US$155m

Total US$262m

A Combined View of Vessel Carrying Values and Commitments

Total US$1,616m

- Vessel carrying values, US$1,231m
- Progress payment made, US$144m
- Future installments amount, US$262m

- Dry bulk
- Tugs and barges
- RoRo

Further commitments expected in Dry Bulk
The Group had cash balances of US$657m, borrowings of US$853m and a net borrowings ratio of 14% against the Net Book Value of property, plant and equipment post impairment.

As at 30 Jun 2012

- **Bank borrowings (US$489m)**: expire between 2014-2023
- **Finance lease liabilities (US$160m)**: expire between 2015-2017
- **Convertible Bonds (Face value US$230m)**: due April 2016, redeemable in Apr 2014

**Borrowing and Capex**

Vessel capital commitments (US$262m)

- 2H12: 107
- 2013: 135
- 2014: 81
- 2015: 140
- 2016: 69
- 2017: 34
- 2018: 37
- 2019-2023: 85

Redeemable in Apr 2014
First Half 2012 Sources and Uses of Group Cash Flow

Operating cash flow: US$48.0m
EBITDA (excluding impairment): US$53.7m

Cash Inflow
- Operating cash flow: US$48.0m
- EBITDA (excluding impairment): US$53.7m

Cash outflow
- Opening Cash (1Jan12)
- Operating cash inflow: +618.2
- Increase in borrowings: +48.0
- Capex: -73.3
- Dividend paid: -12.5
- Net Interest paid: -6.3
- Others: +2.7
- Closing Cash (30Jun12): +656.8

Cash Inflow vs. Cash outflow
- Opening Cash (1Jan12) to Closing Cash (30Jun12): +656.8
- Operating cash inflow: +618.2
- Increase in borrowings: +48.0
- Capex: -73.3
- Dividend paid: -12.5
- Net Interest paid: -6.3
- Others: +2.7
Our Position, Outlook, and Strategy

**Dry Bulk**
- Strong cargo and customer focused business model – Outperforming both market and larger ships
- Capacity expansion, slower Chinese growth and uncertainty in global trade
- Expect weaker freight rates overall in 2012 than 2011
- Protracted dry bulk market weakness and significant contraction in funding will eventually generate opportunities for cash-rich ship owners like ourselves

  **Strategy:** Continue to build existing strategy – This is where most of our investments will take place

**Towage**
- Well positioned and expect further improvement in the medium term
- Towage outlook remains positive with growing service to Australian LNG projects

  **Strategy:** Grow our towage division through carefully considered investments in both the project and harbour sectors, as specific projects materialise

**RoRo**
- Weak European market, Surplus Large RoRo capacity, No route network to fall back on
- Take over Commercial Management and get closer to the line operators

  **Strategy:** Exit the sector in an economically rational manner that realises the maximum possible value for our shareholders

**Other Business Highlight**
- Consider opportunities for further divestment of non-core businesses
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 & Interim Reports
  - Voluntary quarterly trading updates
  - Press releases on business activities

- **Shareholder Meetings and Hotlines**
  - Analysts Day & IR Perception Study
  - Sell-side conferences

**Contact IR – Emily Lau**
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         ir@pacificbasin.com
Tel    : +852-2233 7000

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

- **Social Media Communications**
  (follow us on Facebook and Twitter!)
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
- >230 vessels serving major industrial customers around the world
- Hong Kong headquarters, 19 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

- 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

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

- 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

Pacific Basin Handysize and Handymax Cargo Volume 1H12

- Sugar 4%
- Salt 4%
- Alumina 6%
- Coal/Coke 6%
- Other Bulks 6%
- Ore 6%
- Petcoke 6%
- Steel & Scrap 7%
- Grains & Agriculture Products 15%
- Logs & Forest Products 14%
- Fertilisers 10%
- Cement & Cement Clinker 9%
- Concentrates 7%

- 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

<table>
<thead>
<tr>
<th>Tons per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
</tr>
<tr>
<td>0.9</td>
</tr>
<tr>
<td>0.8</td>
</tr>
<tr>
<td>0.7</td>
</tr>
<tr>
<td>0.6</td>
</tr>
<tr>
<td>0.5</td>
</tr>
<tr>
<td>0.4</td>
</tr>
<tr>
<td>0.3</td>
</tr>
<tr>
<td>0.2</td>
</tr>
<tr>
<td>0.1</td>
</tr>
<tr>
<td>0.0</td>
</tr>
</tbody>
</table>

Years from Start Date

- China (from 1990)
- Japan (from 1950)
- Korea (from 1970)
- India (from 2005)
Appendix: China Dry Bulk Trade, Iron Ore & Coal Demand

Chinese Dry Bulk Trade Volume

China is a net importer of coal in 2012

China Iron Ore Sourcing for Steel Production

Source: Clarksons, Bloomberg
### Appendix: Pacific Basin Dry Bulk - Handymax

<table>
<thead>
<tr>
<th></th>
<th>1H12</th>
<th>1H11</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue days (days)</td>
<td>6,940</td>
<td>6,390</td>
<td>+9%</td>
</tr>
<tr>
<td>TCE earnings (US$/day)</td>
<td>11,520</td>
<td>15,130</td>
<td>-24%</td>
</tr>
<tr>
<td>Owned + chartered costs (US$/day)</td>
<td>12,280</td>
<td>16,190</td>
<td>-24%</td>
</tr>
<tr>
<td>Net (loss)/profits (US$m)</td>
<td>(5.6)</td>
<td>(7.5)</td>
<td>-25%</td>
</tr>
<tr>
<td>Contribution from Post Panamax (US$m)</td>
<td>2.8</td>
<td>0.3</td>
<td>+833%</td>
</tr>
<tr>
<td>Net (loss)/profits (US$m)</td>
<td>(2.8)</td>
<td>(7.2)</td>
<td>-61%</td>
</tr>
<tr>
<td>Return on net assets (%)</td>
<td>-4%</td>
<td>-11%</td>
<td>+7%</td>
</tr>
</tbody>
</table>

- **Earnings**: 1H12 Time Charter Equivalent rates reflect weaker spot freight market
- **Costs**: Blended daily costs reflect lower chartered-in costs market vessels
- **Net profit**: excludes US$3.7m unrealised net derivatives expenses
Appendix: Daily Vessel Costs – Handymax

As at 30 Jun 2012

- Direct overhead
- Charter-hire
- Finance cost
- Depreciation
- Opex


<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>1H12</th>
<th>2011</th>
<th>1H12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessel Days</td>
<td>370</td>
<td>360</td>
<td>12,970</td>
<td>6,610</td>
</tr>
<tr>
<td></td>
<td>3%</td>
<td>5%</td>
<td>97%</td>
<td>95%</td>
</tr>
<tr>
<td>Owned</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charter-hire</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opex</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>9,490</td>
<td>9,370</td>
<td>16,030</td>
<td>12,440</td>
</tr>
<tr>
<td>Billed</td>
<td>4,810</td>
<td>4,640</td>
<td>15,590</td>
<td>11,910</td>
</tr>
<tr>
<td></td>
<td>3,750</td>
<td>3,530</td>
<td>530</td>
<td></td>
</tr>
</tbody>
</table>

Finance cost:
- 5%
- 3%
- 95%
- 97%

Depreciation:
- 3%
- 5%
- 97%
- 95%

Opex:
- 3%
- 5%
- 97%
- 95%
Appendix: PB Towage Net Profit by Division

As at 30 Jun 2012

<table>
<thead>
<tr>
<th>Division</th>
<th>2011 (US$ m)</th>
<th>1H12 (US$ m)</th>
<th>Total Return on Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offshore &amp; infrastructure projects</td>
<td>15.2</td>
<td>14.1</td>
<td>6.6%</td>
</tr>
<tr>
<td>Middle East &amp; others</td>
<td>3</td>
<td>4.1</td>
<td>-1.4</td>
</tr>
<tr>
<td>Harbour Towage</td>
<td>13.6</td>
<td>10</td>
<td>11.5%</td>
</tr>
</tbody>
</table>

Total Return on Net Assets: 11.5%
Appendix: PB RoRo Impairment in June 2012

- 18 June, announced US$190m non-cash impairment following reassessment of RoRo prospects
- Euro-centric RoRo market severely impacted by protracted European debt crisis and macro-economic and political uncertainty
- Significantly reduced demand for chartered RoRos
- Influx of newbuildings into already over-supplied sector
- We do not have our own route network to fall back on
- Expect flatter recovery in charter rates - not likely to exceed 75% of 2008 peak
- Dysfunctional RoRo sale and purchase market
- Impairment sensitivity: approx. US$30m adjustment for every US$1,000 decrease/increase in daily vessel earnings assumption

Financial Effects:
- Depreciation reduced by approx. 50% to US$3,000/day
### 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$7.98 (Current conversion price: HK$ 7.26 with effect from 24 April 2012)</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 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/redeemption Timeline

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

**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 Jan 2011
- 12 Apr 2014