Interim Results
For the period ended 30th June 2005
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.
1st half 2005 Results Highlights

• Profits - US$85.5 million
  (1st half 2004 - $43.6 million)

• Revenues - US$191.1 million
  (1st half 2004 - $81.7 million)

• Earnings per share US cents 6.75 (HK cents 52.65)
  (1st half 2004 - US cents 4.80, HK cents 37.44)

• Interim dividend of HK cents 30.00 per share (2004 - nil)
  • 57% payout ratio

• Final dividend expected to be not less than HK cents 30.00
  • Dividend yield of 16%
**Handysize Growth Drivers**

- **Average number of revenue days in 1st half 2005= 6,750**  
  (1st half 2004 = 3,800)

- **Average TCE rate achieved of $18,600/day**  
  (1st half 2004 = $18,000/day)

- **Revenue days and contract cover now stand at**

<table>
<thead>
<tr>
<th></th>
<th>Days</th>
<th>Cover</th>
<th>$/day</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>14,200</td>
<td>80%</td>
<td>$17,400</td>
</tr>
<tr>
<td>2006</td>
<td>15,000</td>
<td>38%</td>
<td>$13,700</td>
</tr>
</tbody>
</table>

- **Balance sheet strengthened with over $300million of spending power**
The Baltic Dry Index
Demand – Key Imports to Asia

- Iron Ore
- Thermal Coal

Graph showing the demand for Iron Ore and Thermal Coal from 2001 to 2005E.
Demand – China’s Iron Ore Imports

% of total import to China

- Australia
- India
- Brazil

Jan Feb Mar Apr May Jun
Supply – Replacement or Growth?

- Capesize 100K+: Fleet > 20 years 28.0%, Orderbook 49%
- Panamax 60-100K: Fleet > 20 years 22.8%, Orderbook 89%
- Handymax 40-60K: Fleet > 20 years 14.3%, Orderbook 83%
- Handysize 10-40K: Fleet > 20 years 4.6%, Orderbook 550%
- Handysize 25-35K: Fleet > 20 years 3.2%
Supply: Handysize 25-35K Age Profile

>25 years old: 27%  
>15 years old: 62%

Order Book: 8.5%

Our Fleet Age 5 years
Industry Summary

- Market has followed similar track to 2004
- Expect rates to improve in 4th quarter
- Rates are still at historically high levels
- Possibility for rates to “spike”
- Demand remains strong and is growing
- More supply coming on stream but potential for increased scrapping limits impact
- Handysize continues to enjoy best sector demographics
# Top 10 Customers

<table>
<thead>
<tr>
<th>Customer</th>
<th>Cargoes</th>
<th>Main Trade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agrium</td>
<td>Urea</td>
<td>Alaska</td>
</tr>
<tr>
<td></td>
<td>Soda Ash</td>
<td>US</td>
</tr>
<tr>
<td>BHP Billiton</td>
<td>Concentrates / Alumina</td>
<td>Australia</td>
</tr>
<tr>
<td>Cargill</td>
<td>Grain/ Fertilizer</td>
<td>US</td>
</tr>
<tr>
<td>Holcim</td>
<td>Cement/ Clinker</td>
<td>Asia</td>
</tr>
<tr>
<td>National Material</td>
<td>Pig Iron</td>
<td>Asia</td>
</tr>
<tr>
<td>Rio Tinto</td>
<td>Salt / Alumina</td>
<td>US</td>
</tr>
<tr>
<td>Stratus</td>
<td>Logs</td>
<td>Australia / New Zealand</td>
</tr>
<tr>
<td>Taiheiyo</td>
<td>Cement</td>
<td>Asia</td>
</tr>
<tr>
<td>Weyerhaeuser</td>
<td>Logs</td>
<td>New Zealand / US</td>
</tr>
</tbody>
</table>

Top 10 customers = 35%
Major Load Areas

**Asia Pacific**
- 1H 2005 – 74% (4.5mil mt)
- 1H 2004 – 69% (3.2mil mt)

**Atlantic/Others**
- 1H 2005 – 26% (1.6mil mt)
- 1H 2004 – 31% (1.4mil mt)

Bar chart showing load percentages for each region.

- **Australia**
- **West Coast US**
- **S.E. Asia**
- **China**
- **New Zealand**
- **Korea**
- **Japan**
- **South America**
- **East Coast US**
- **Europe**
- **Africa**
- **Others**

Legend:
- 2005
- 2004
Major Discharge Areas

Asia Pacific
1H 2005 – 73% (4.4mil mt)
1H 2004 – 74% (3.5mil mt)

Atlantic/Others
1H 2005 – 27% (1.7mil mt)
1H 2004 – 26% (1.2mil mt)
## Results - Highlights

<table>
<thead>
<tr>
<th>(US$mil)</th>
<th>1H 2005</th>
<th>1H 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>191.1</td>
<td>81.7</td>
</tr>
<tr>
<td>EBITDA</td>
<td>104.1</td>
<td>53.1</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>88.0</td>
<td>45.4</td>
</tr>
<tr>
<td>Net Profit</td>
<td>85.5</td>
<td>43.6</td>
</tr>
<tr>
<td>Basic Earnings (US cents per share)</td>
<td>6.75</td>
<td>4.80</td>
</tr>
<tr>
<td>Dividends (HK cents per share)</td>
<td>30.00</td>
<td>-</td>
</tr>
<tr>
<td>Payout Ratio</td>
<td>57%</td>
<td></td>
</tr>
<tr>
<td>Handysize TCE (US$/day)</td>
<td>18,600</td>
<td>18,000</td>
</tr>
<tr>
<td>Handysize revenue days</td>
<td>6,750</td>
<td>3,800</td>
</tr>
</tbody>
</table>
## Results - Analysis

<table>
<thead>
<tr>
<th>US$mil</th>
<th>1st half 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying Net Profit</td>
<td>68.6</td>
</tr>
<tr>
<td>1) Add - Profit resulting from new Accounting Standards</td>
<td></td>
</tr>
<tr>
<td>HKAS 39 Financial instruments</td>
<td>5.8</td>
</tr>
<tr>
<td>Other</td>
<td>(1.1)</td>
</tr>
<tr>
<td>2) Add - Net Gain on disposal of vessels</td>
<td>12.2</td>
</tr>
<tr>
<td>Reported Net Profit</td>
<td>85.5</td>
</tr>
</tbody>
</table>
Daily Vessel Costs

- Finance cost
- Depreciation
- Dry Dock
- Opex
- Direct Overhead
- Charter-hire

<table>
<thead>
<tr>
<th></th>
<th>FY04</th>
<th>1H05</th>
<th>FY04</th>
<th>1H05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owned</td>
<td>6,900</td>
<td>7,380</td>
<td>2,410</td>
<td>2,480</td>
</tr>
<tr>
<td></td>
<td>570</td>
<td>980</td>
<td>1,920</td>
<td>2,550</td>
</tr>
<tr>
<td></td>
<td>1,260</td>
<td>1,370</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Excluding Sea Bell

- Gross of hedging fair value gain

Revenue days:
- FY04: 5,720
- 1H05: 1,385

www.pacbasin.com 2343.HK
Balance Sheet - Highlights

(US$mil)

<table>
<thead>
<tr>
<th></th>
<th>1H 2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net book value of Fixed Assets *</td>
<td>518.2</td>
<td>545.1</td>
</tr>
<tr>
<td>Total Debt</td>
<td>293.3</td>
<td>370.1</td>
</tr>
<tr>
<td>Net Debt</td>
<td>259.3</td>
<td>322.4</td>
</tr>
<tr>
<td>Shareholder’s Equity</td>
<td>292.0</td>
<td>233.5</td>
</tr>
</tbody>
</table>

*Insured Value of Delivered Vessels (Aug05) US$828mil

Net Debt / Fixed Assets   50%  59%
Net Debt / Shareholder’s Equity  89%  138%
Chartered-in vessel commitments

<table>
<thead>
<tr>
<th>Vessels</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,500</td>
<td>9,000</td>
</tr>
</tbody>
</table>

As at 30 June 2005

<table>
<thead>
<tr>
<th>TCE US$ per day</th>
<th>$8,600</th>
<th>$8,500</th>
<th>$8,700</th>
</tr>
</thead>
</table>

As at 31 August 2005

<table>
<thead>
<tr>
<th>TCE US$ per day</th>
<th>$8,600</th>
<th>$8,700</th>
<th>$8,800</th>
</tr>
</thead>
</table>
Investment Capacity

- Interim Dividend: $49
- Undrawn Facilities cancelled due to sale of vessels: $21
- Sale & Charter back: $70
- Undrawn Facilities at 30 Jun 05: $95
- Cash at 30 Jun 05: $29

Potential vessel expenditures: $310 mil
Potential bank borrowings: $186
Cash: $124
Further Acquisitions: $46
Capital Commitment: $44

Net = $124 mil
Outlook & Prospects
Earnings Momentum

- **2004**
  - Fixed: 9,900 days, Average Rate: $17,900
  - Unfixed: 100%

- **2005**
  - Fixed: 14,200 days, Average Rate: $17,400
  - Unfixed: 80%

- **2006**
  - Fixed: 15,000 days, Average Rate: $13,700
  - Unfixed: 38%
Summary

Market conditions remain positive and our outlook is optimistic.

Handysize sector offers the best “demographics”.

The demand from our own customer base and our cargo cover give us confidence in our revenues, cashflows and dividends.

Strength of our balance sheet allows us to respond quickly to vessel purchase opportunities.
Thank You