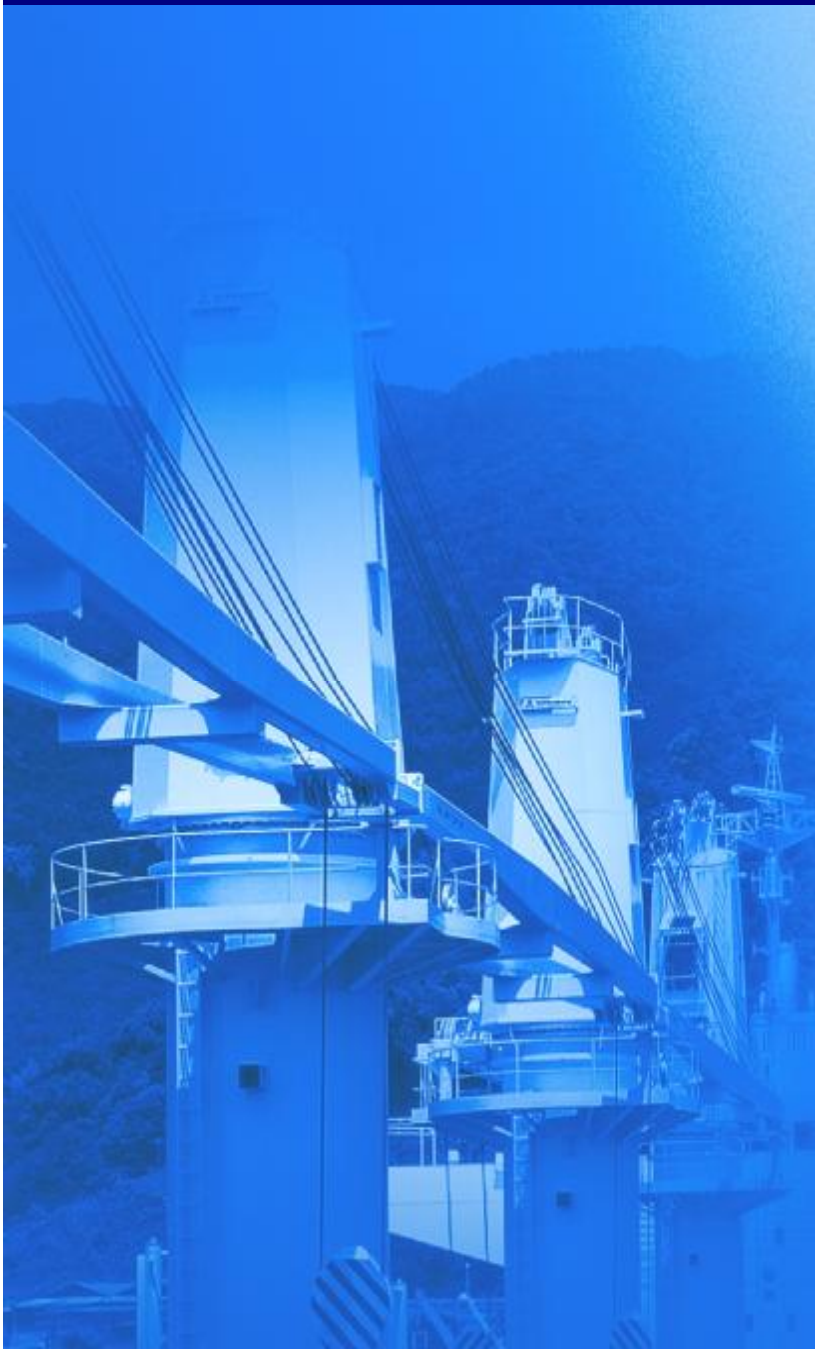




Pacific Basin Shipping Limited

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



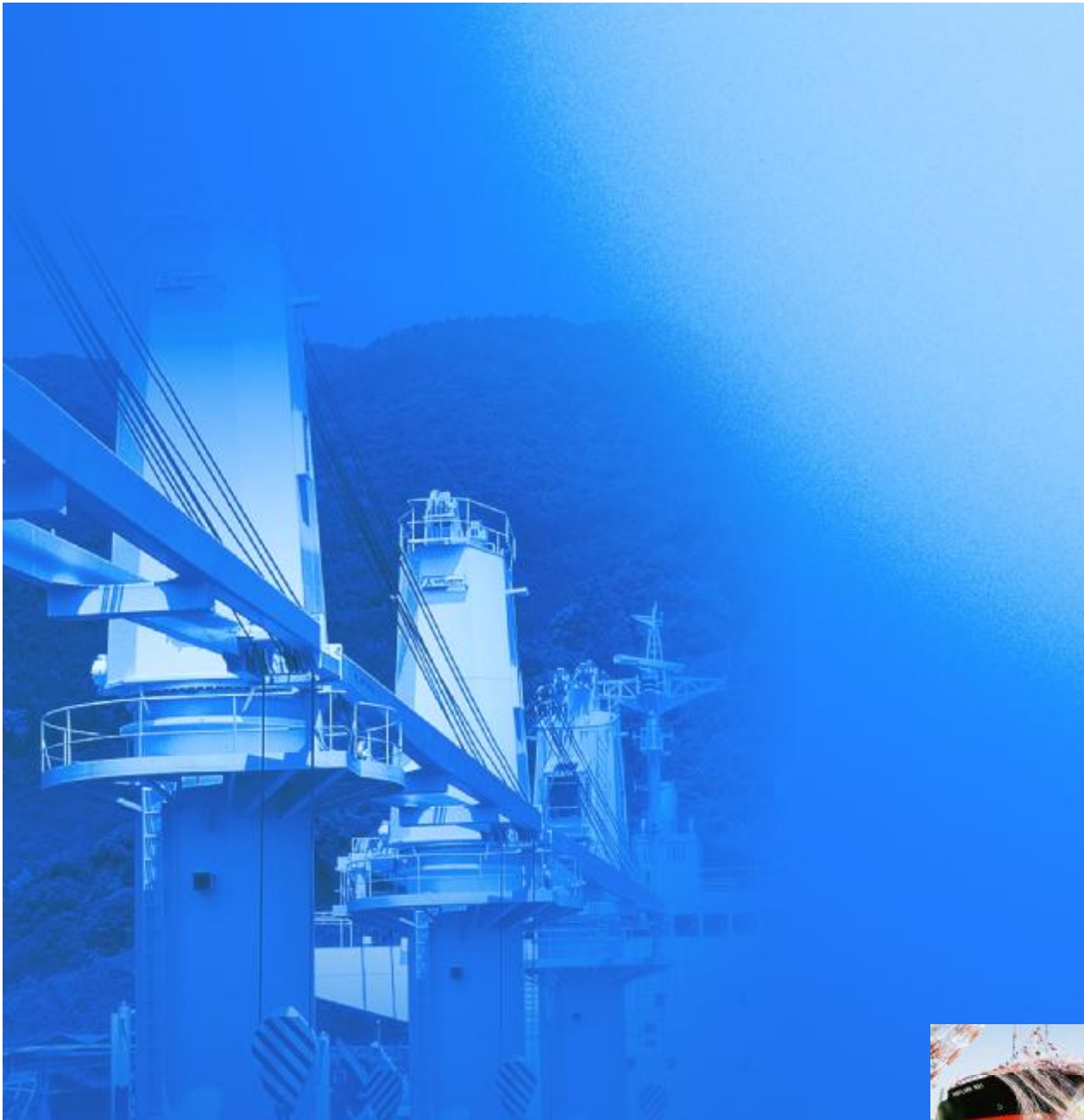
- ✓ **Average number of revenue days in 1st half 2005= 6,750**
(1st half 2004 = 3,800)
- ✓ **Average TCE rate achieved of \$18,600/day**
(1st half 2004 = \$18,000/day)
- ✓ **Revenue days and contract cover now stand at**

	Days	Cover	\$/day
2005	14,200	80%	\$17,400
2006	15,000	38%	\$13,700

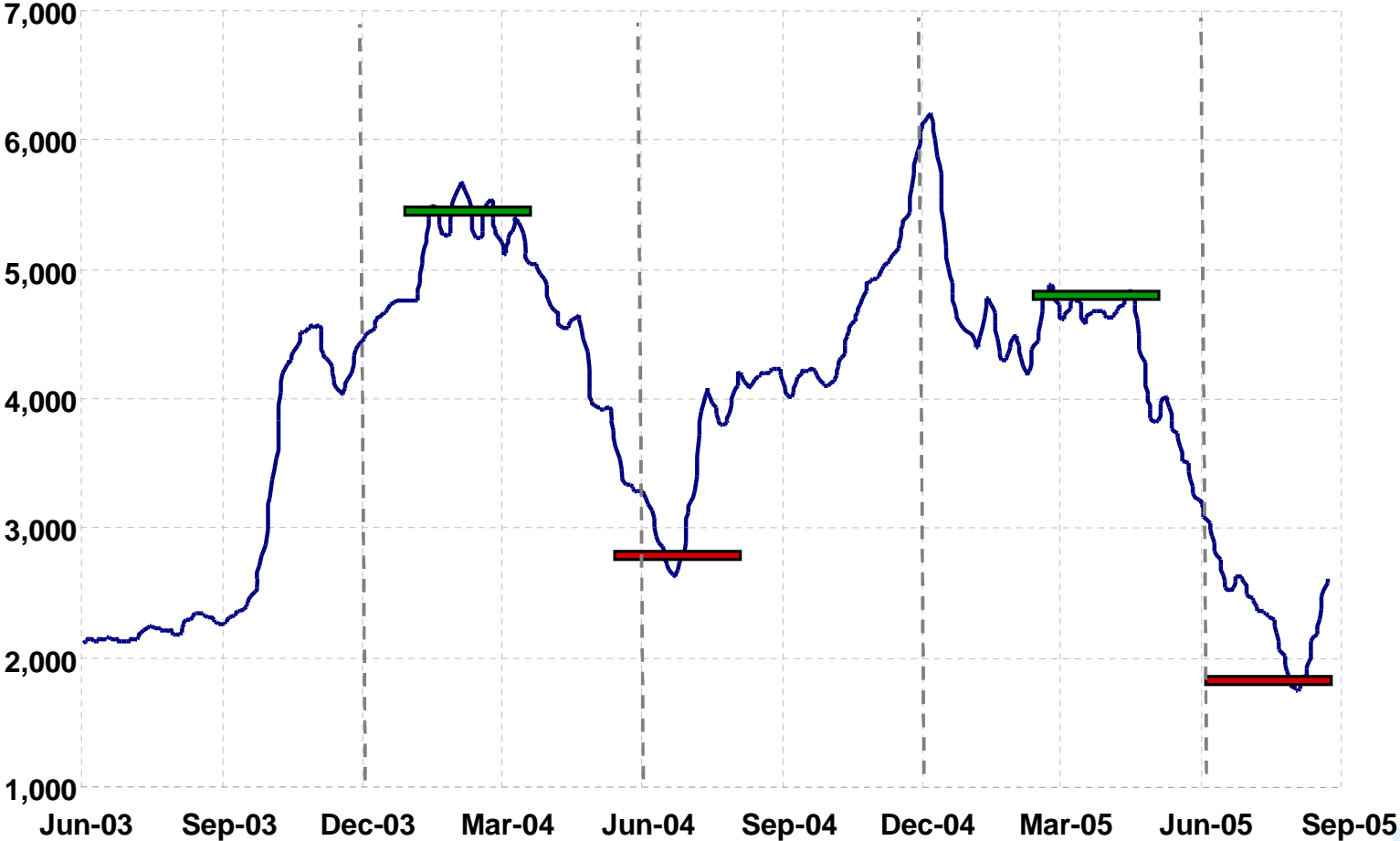
- ✓ **Balance sheet strengthened with over \$300million of spending power**



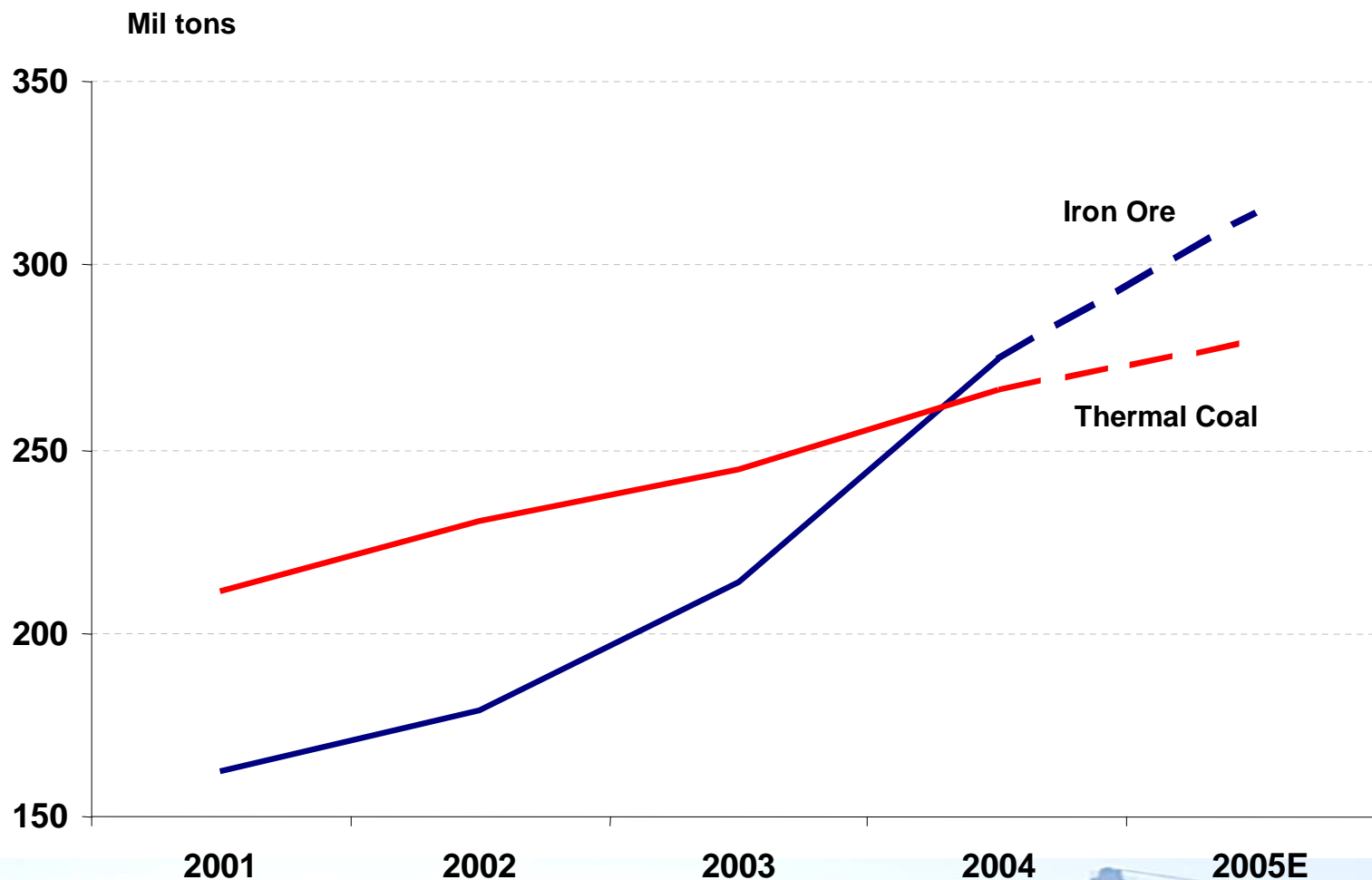
Market Review



The Baltic Dry Index



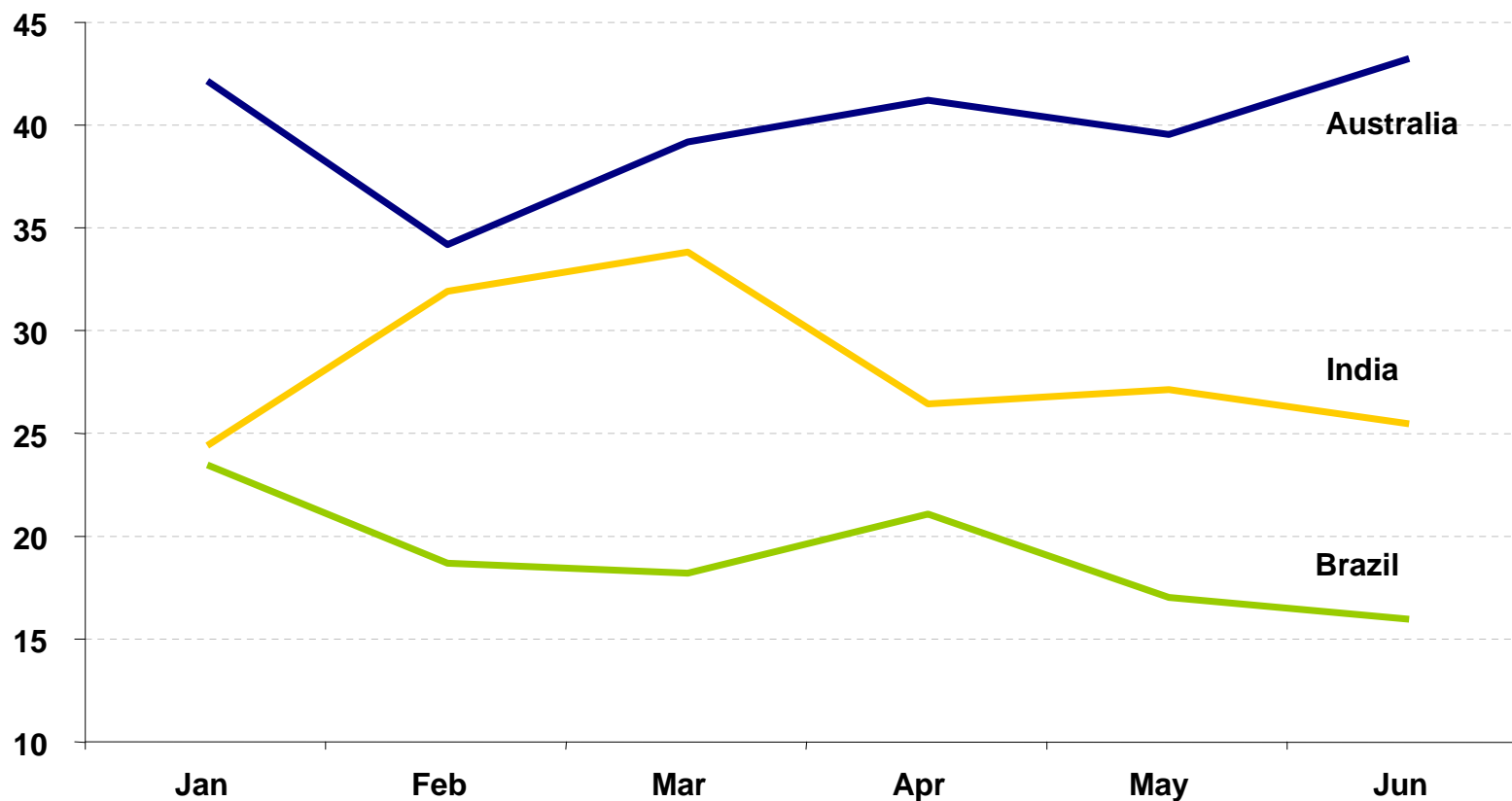
Demand – Key Imports to Asia



Demand – China's Iron Ore Imports



% of total import to China



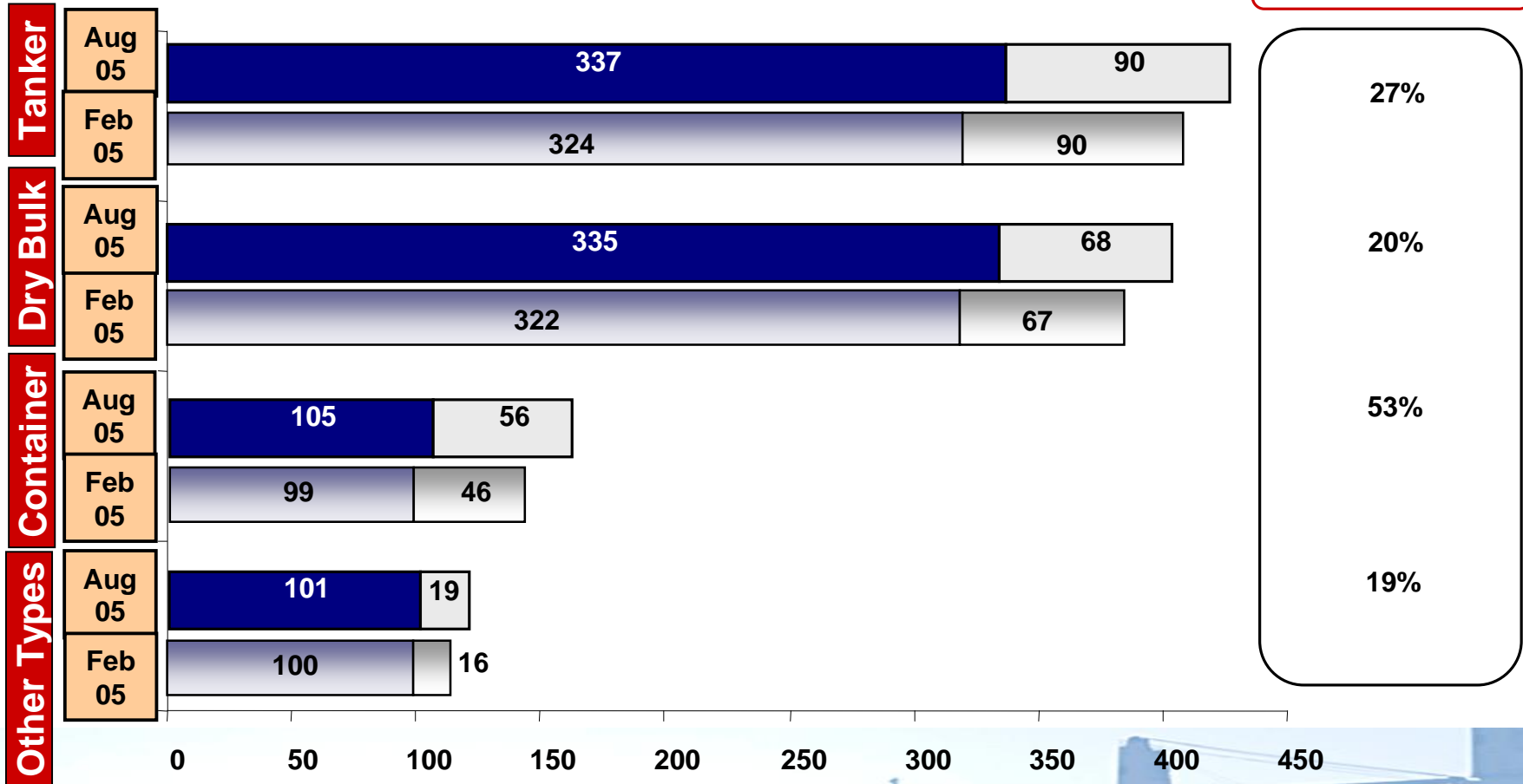
World Fleet & Orderbook



Mil dwt



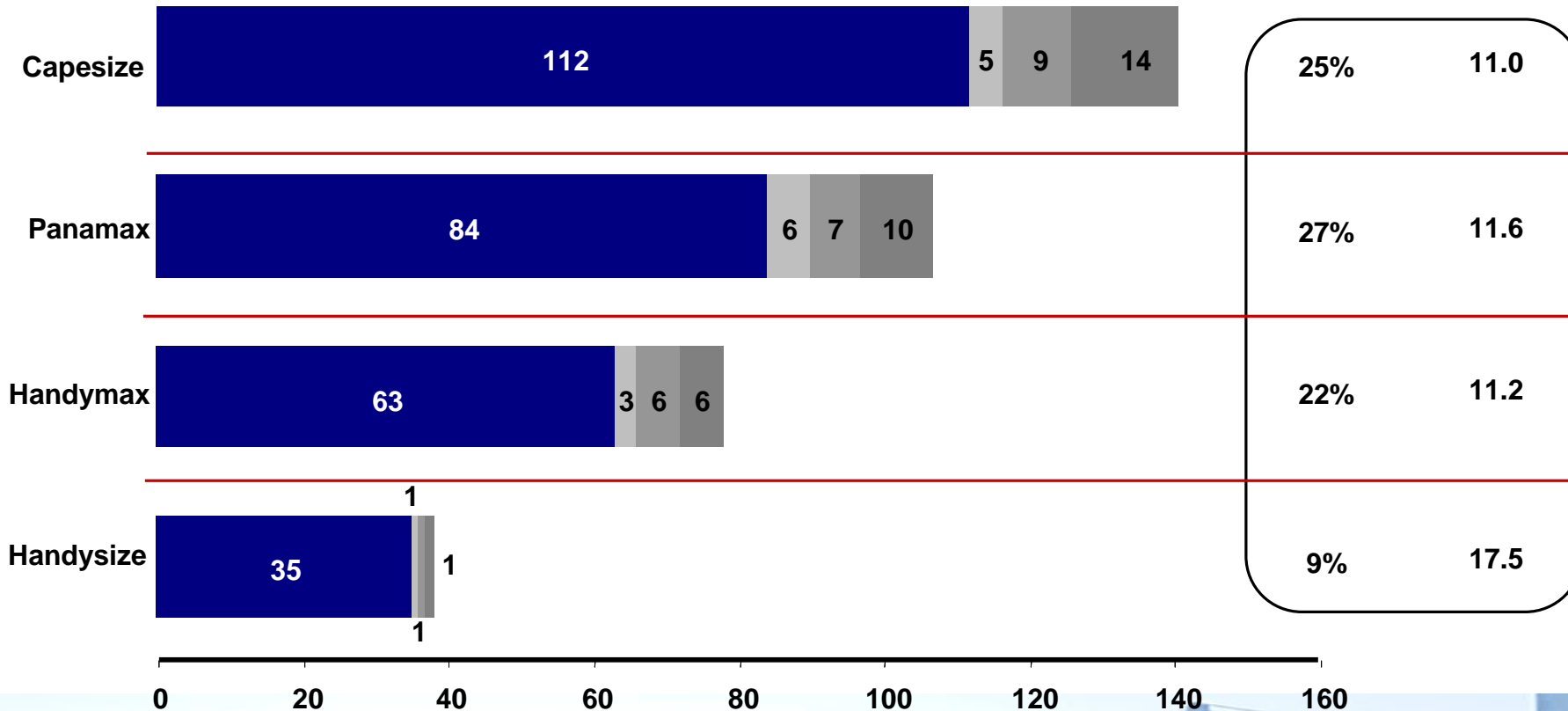
% of Existing Fleet



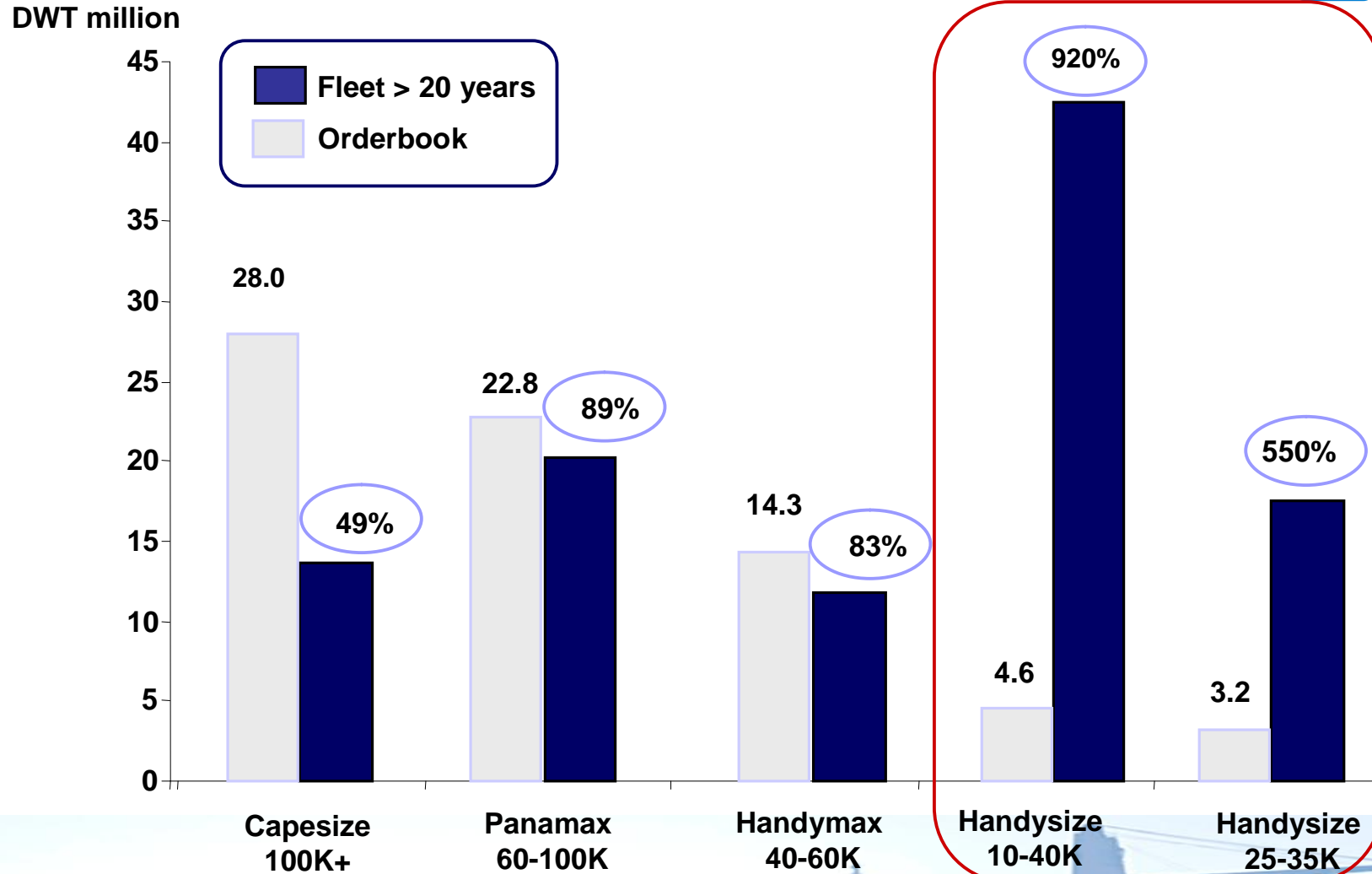
Drybulk Fleet & Orderbook



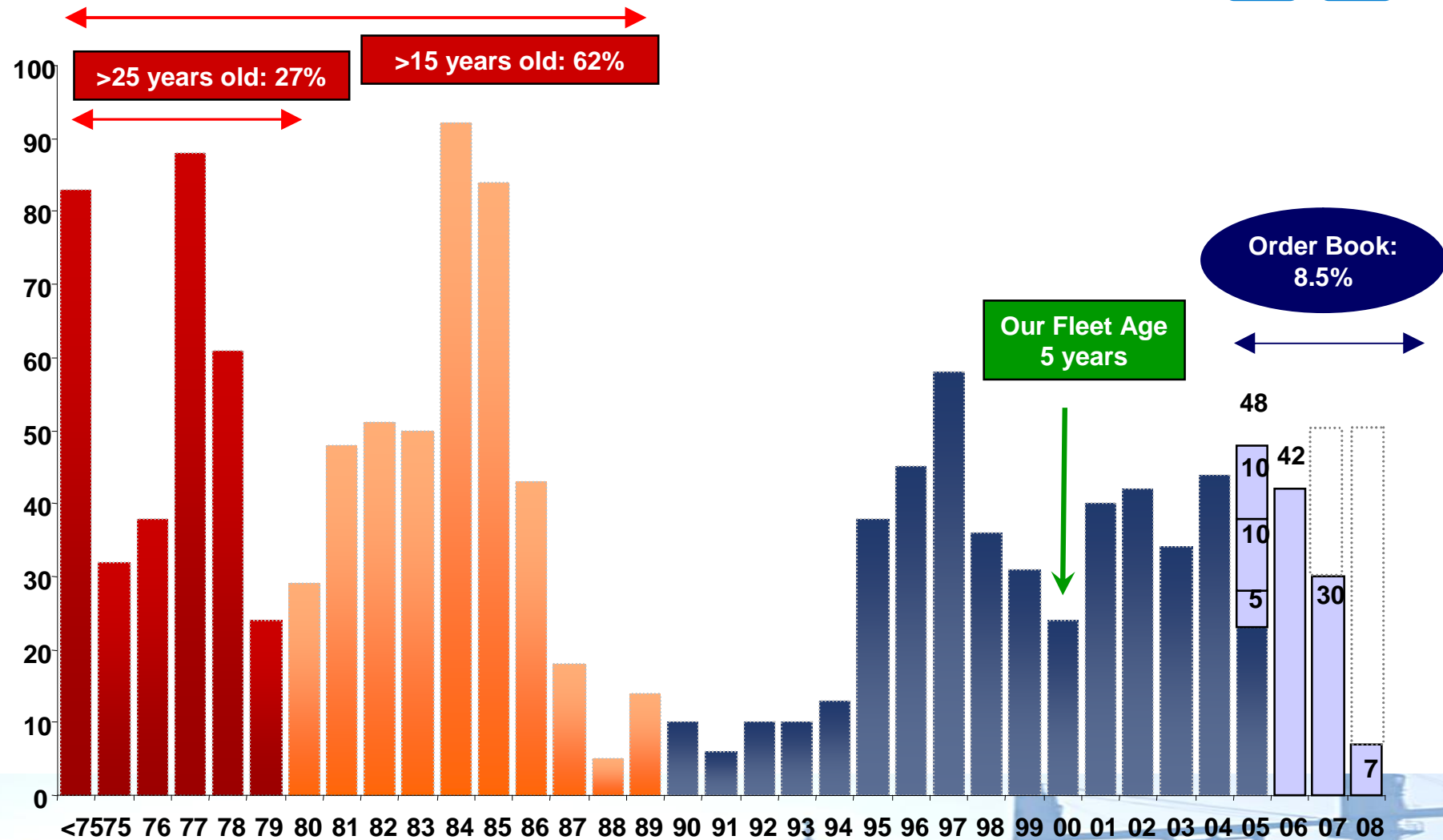
Orderbook	Average
Fleet (%)	Age



Supply – Replacement or Growth?



Supply : Handysize 25-35K Age Profile



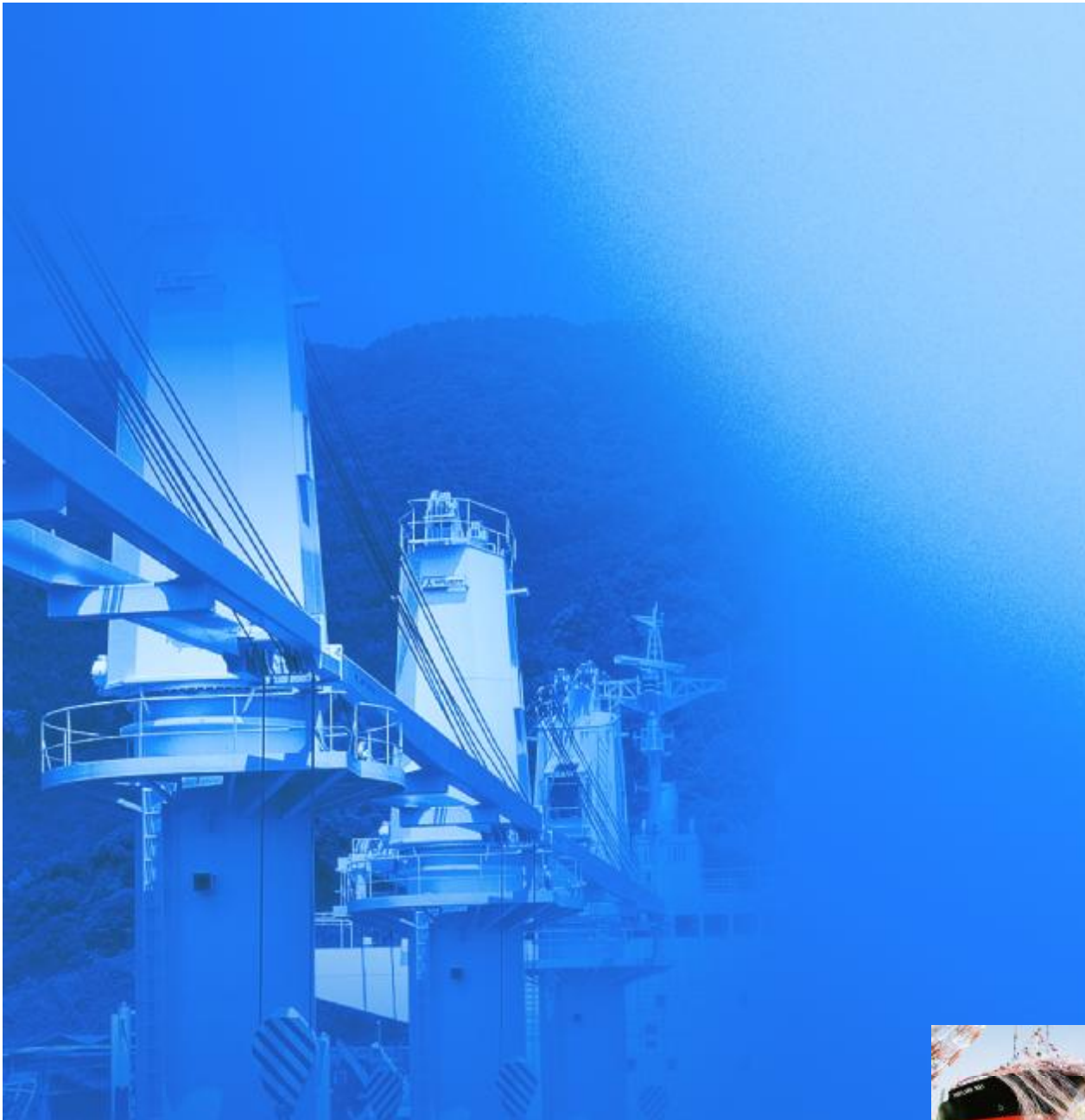
Industry Summary



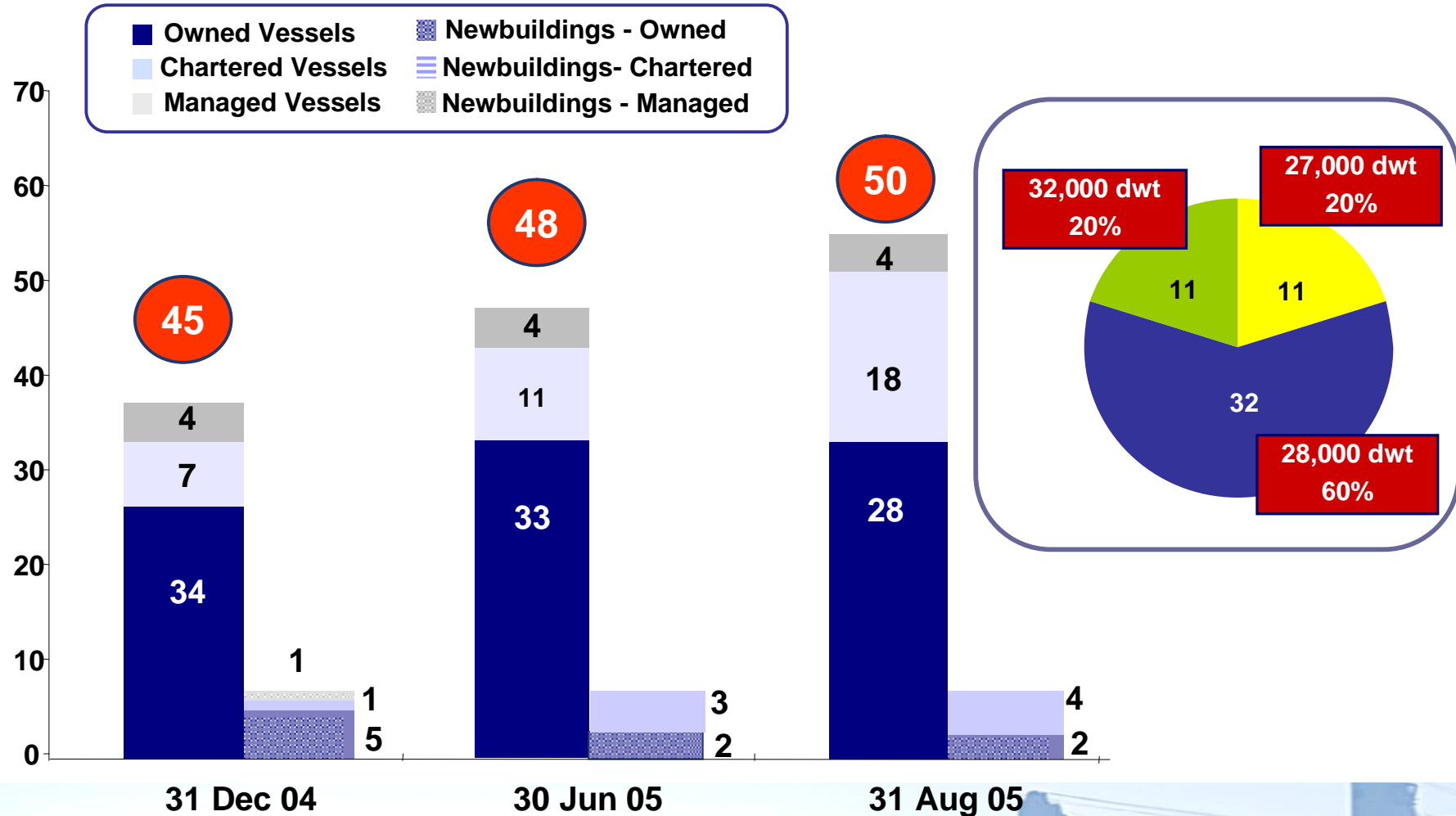
- ✓ **Market has followed similar track to 2004**
- ✓ **Expect rates to improve in 4th quarter**
- ✓ **Rates are still at historically high levels**
- ✓ **Possibility for rates to “spike”**
- ✓ **Demand remains strong and is growing**
- ✓ **More supply coming on stream but potential for increased scrapping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



Business Review



Fleet Profile



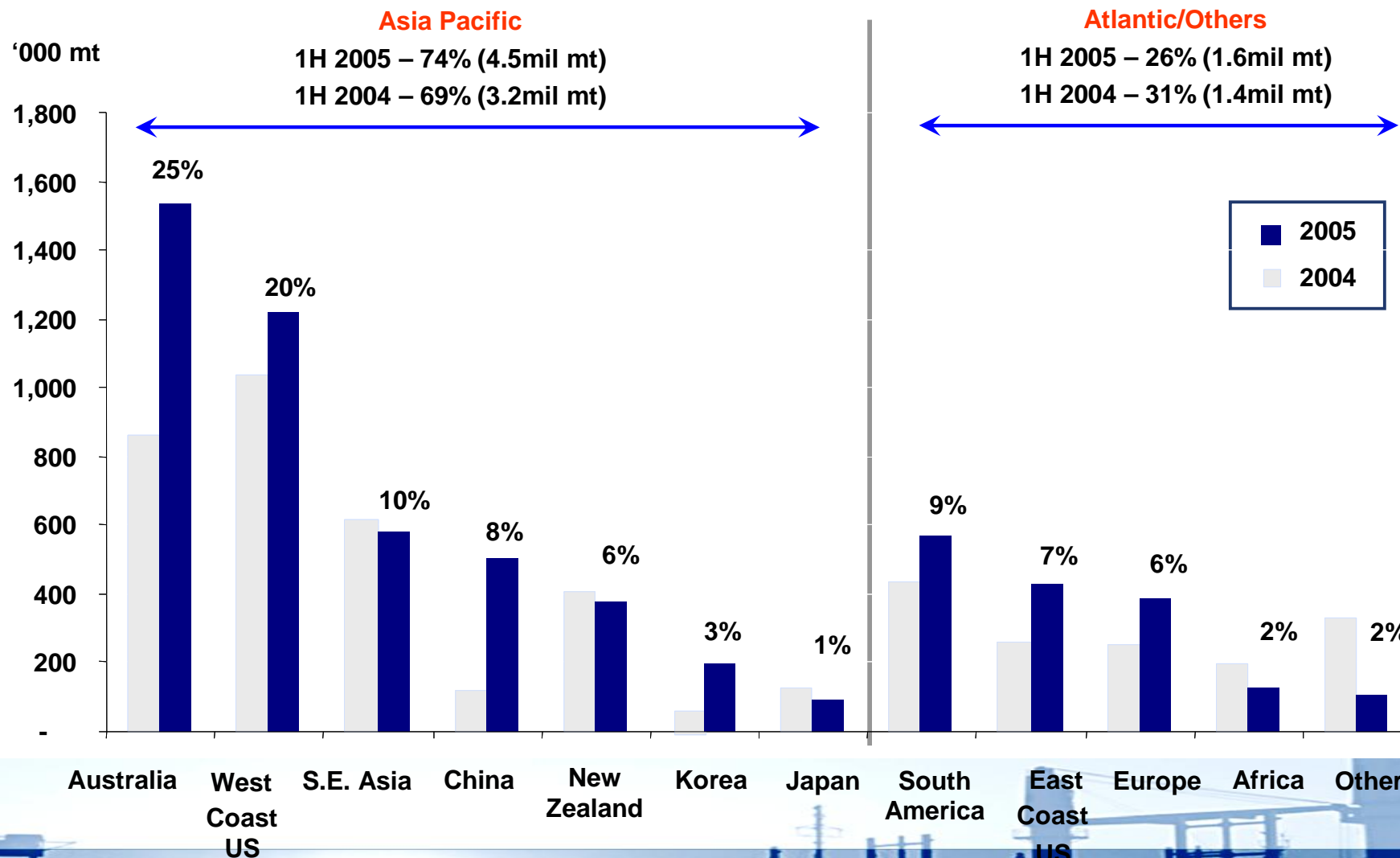
Top 10 Customers



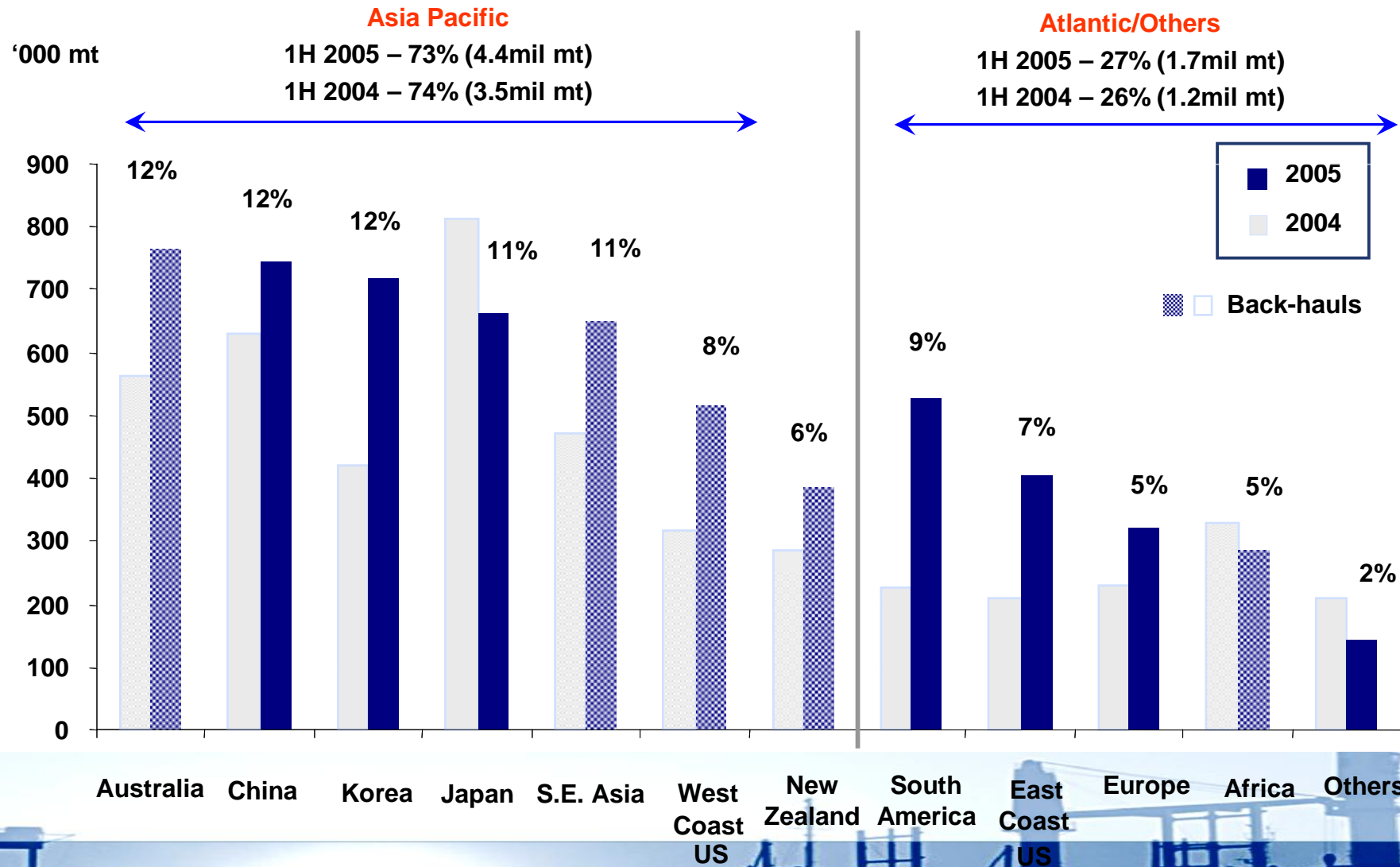
Customer	Cargoes	Main Trade
Agrium	Urea	Alaska → Asia / South & Central America
Ansac	Soda Ash	US → South East Asia
BHP Billiton	Concentrates / Alumina	Australia → Asia
Cargill	Grain/ Fertilizer	US → Europe / North Africa
Holcim	Cement/ Clinker	Asia → New Zealand / Pacific Islands
National Material	Pig Iron	Brazil → US Gulf / EC Canada
Rio Tinto	Salt / Alumina	Australia → Asia
Stratus	Logs	Australia / New Zealand → Asia / Middle East
Taiheiyo	Cement	Asia → US west Coast
Weyerhaeuser	Logs	New Zealand / US → Asia

Top 10 customers = 35%

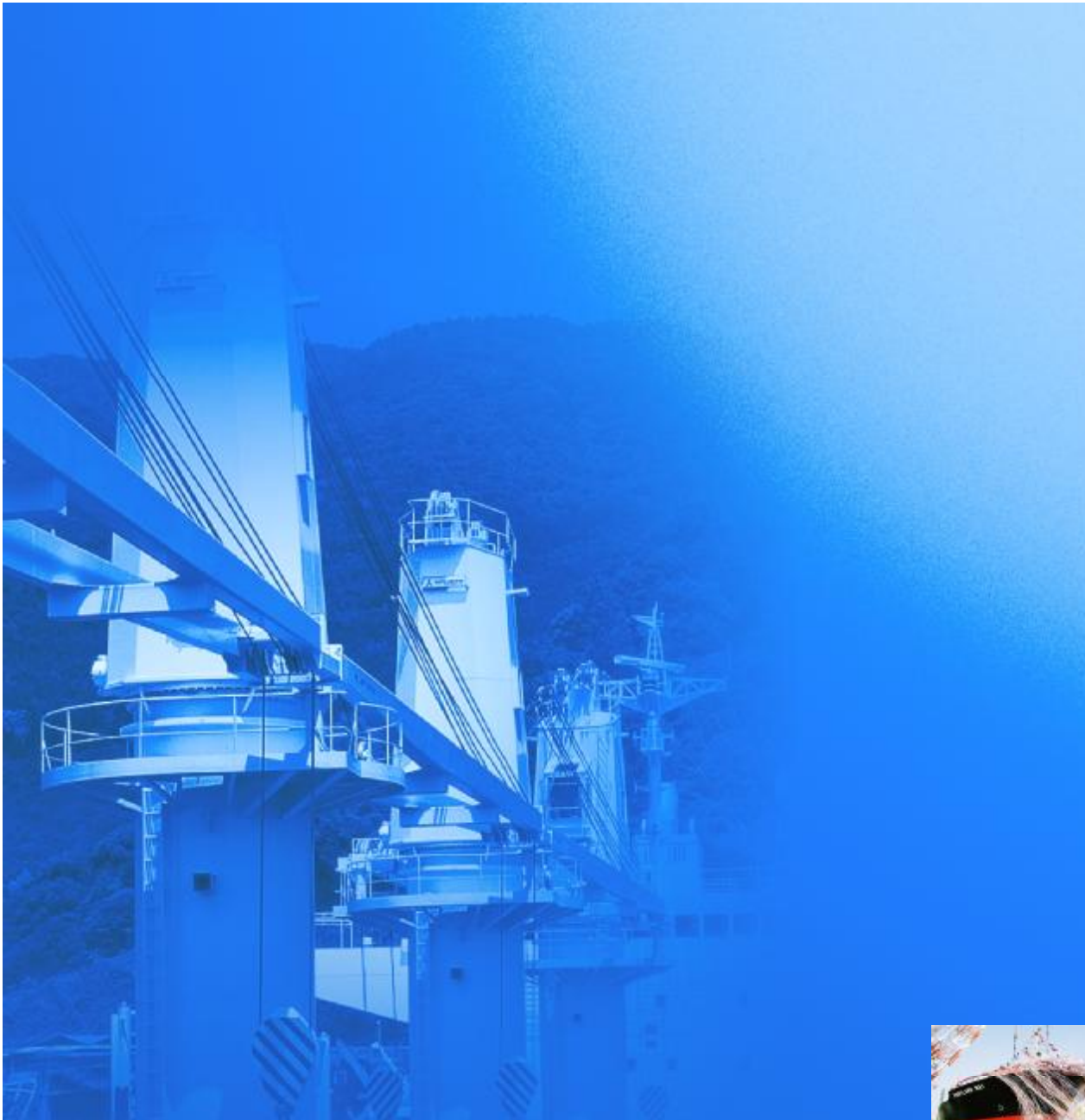
Major Load Areas



Major Discharge Areas



Financial Review



Results - Highlights



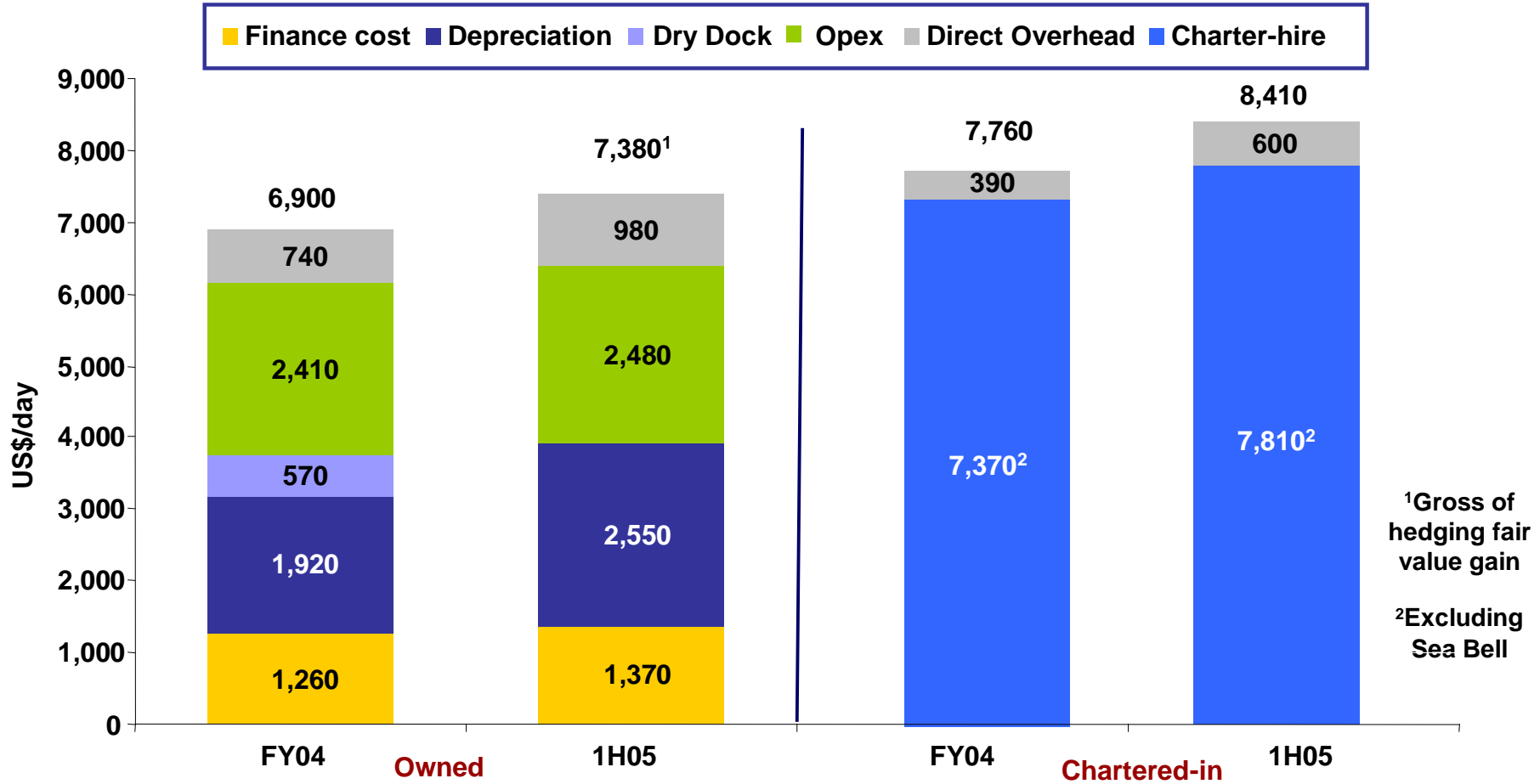
(US\$mil)	1H 2005	1H 2004
Revenue	191.1	81.7
EBITDA	104.1	53.1
Operating Profit	88.0	45.4
Net Profit	85.5	43.6
Basic Earnings (US cents per share)	6.75	4.80
Dividends (HK cents per share)	30.00	-
Payout Ratio	57%	
Handysize TCE (US\$/day)	18,600	18,000
Handysize revenue days	6,750	3,800

Results - Analysis



US\$mil	1st half 2005
Underlying Net Profit	68.6
1) Add - Profit resulting from new Accounting Standards	
HKAS 39 Financial instruments	5.8
Other	(1.1)
	4.7
2) Add - Net Gain on disposal of vessels	12.2
Reported Net Profit	85.5

Daily Vessel Costs



¹Gross of hedging fair value gain

²Excluding Sea Bell

Revenue days

5,720

1,385

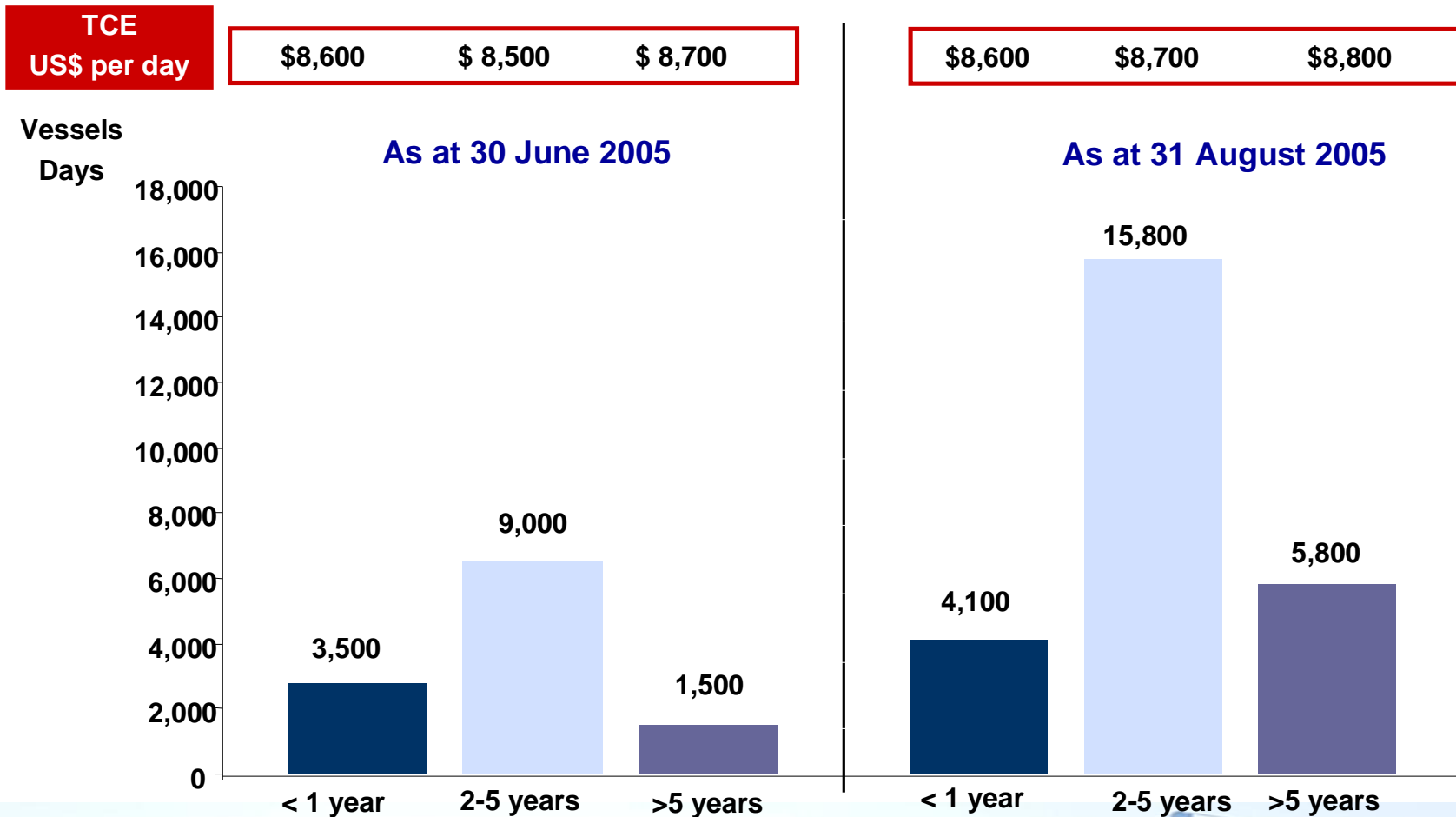
Balance Sheet - Highlights



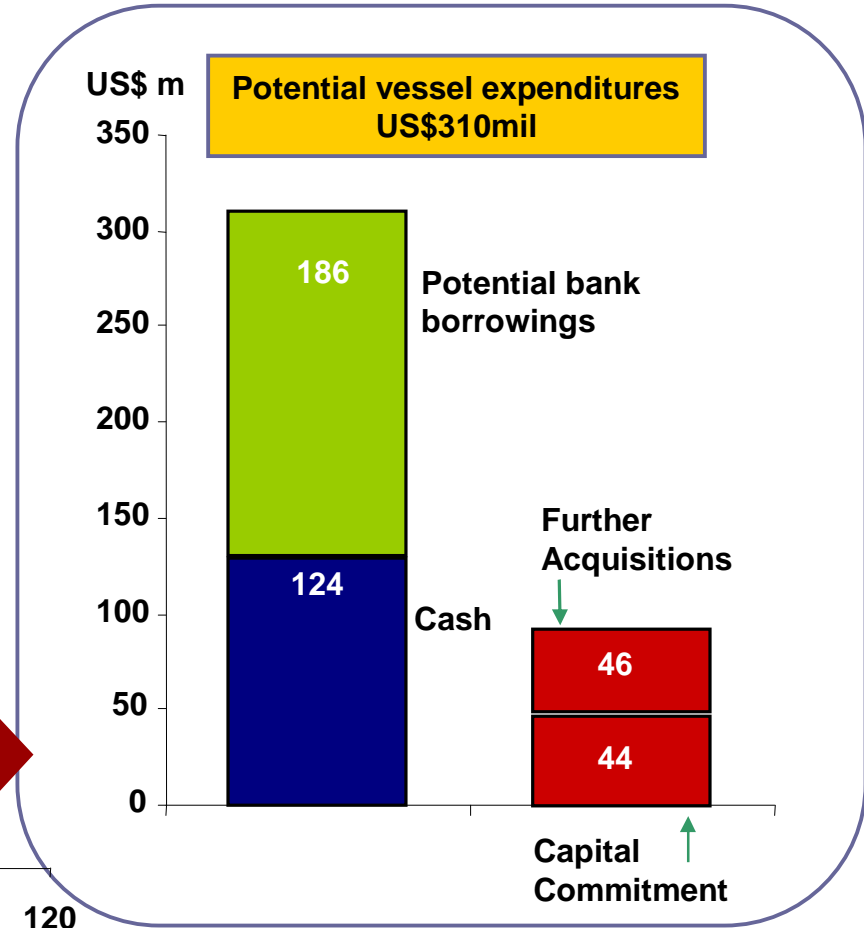
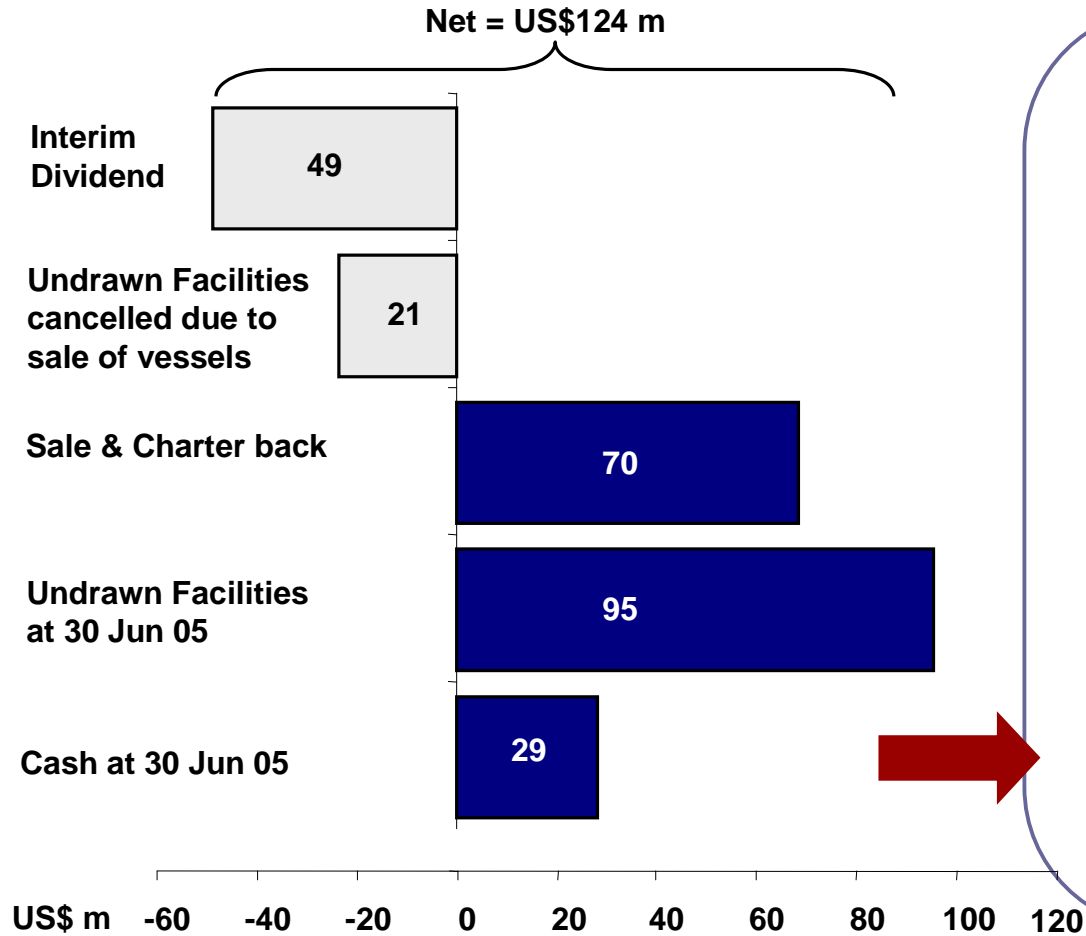
(US\$mil)

	1H 2005	2004
Net book value of Fixed Assets *	518.2	545.1
Total Debt	293.3	370.1
Net Debt	259.3	322.4
Shareholder's Equity	292.0	233.5
*Insured Value of Delivered Vessels (Aug05) US\$828mil		
Net Debt / Fixed Assets	50%	59%
Net Debt / Shareholder's Equity	89%	138%

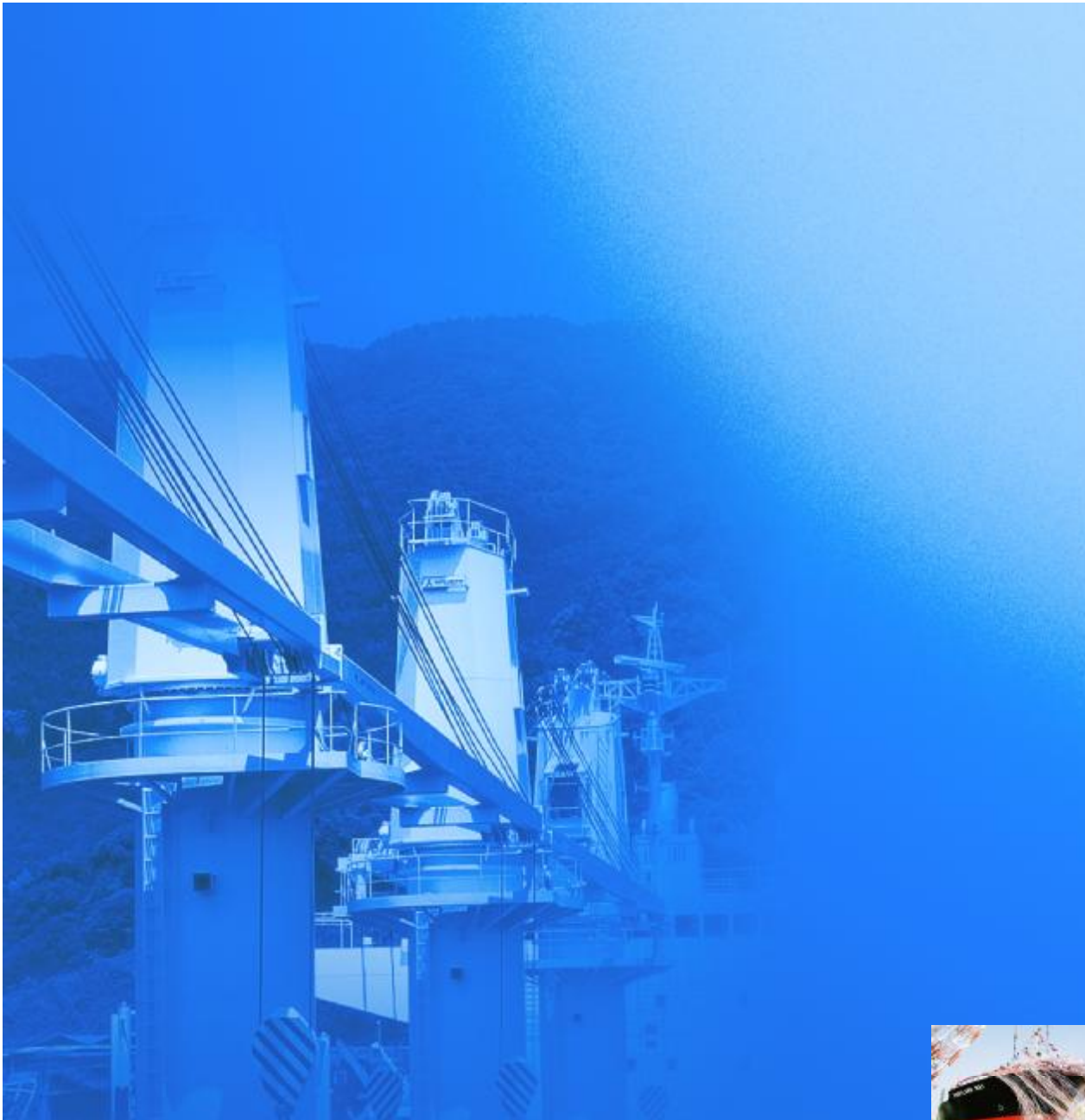
Chartered-in vessel commitments



Investment Capacity



Outlook & Prospects



Earnings Momentum



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

