



(A business trust constituted on 25 April 2006 under the laws of the Republic of Singapore)
Managed by PST Management Pte. Ltd.

PACIFIC SHIPPING TRUST

Financial Statements Announcement For The Second Quarter Ended 30 June 2007

These financial information for the quarter ended 30 June 2007 have not been audited but have been reviewed by our auditors.

Pacific Shipping Trust ("PST") is a business trust constituted by the Trust Deed entered on 25 April 2006 by PST Management Pte. Ltd. as the trustee-manager of PST. PST was listed on the Singapore Exchange Securities Trading Limited ("SGX") on 26 May 2006.

As at 30 June 2007, PST owned eight container vessels which were chartered to Pacific International Lines (Private) Limited ("PIL") on bareboat basis for tenures of eight to 10 years.

As for comparisons with actual previous corresponding quarter and year-to-date figures, the comparisons may not yield meaningful results as PST's chartering operations commenced on 26 May 2006, and hence the number of days of previous corresponding period were fewer compared to current period.

Unless otherwise stated, all capitalized terms used in this announcement shall have the same meaning as the prospectus for the initial public offering of PST dated 19 May 2006 ("the Prospectus").

DBS Bank is the financial adviser, underwriter and bookrunner for the initial public offering of Pacific Shipping Trust

**Financial Statements Announcement
For The Quarter Ended 30 June 2007**

1(a) Income Statement for the Quarter ended 30 June 2007

	Notes	Actual Quarter 01/04/07 to 30/06/07	Actual Quarter 25/04/06 to 30/06/06 Note (a)	Increase / (Decrease)	Actual YTD 01/01/07 to 30/06/07	Actual YTD 25/04/06 to 30/06/06 Note (a)	Increase / (Decrease)
		US\$'000	US\$'000	%	US\$'000	US\$'000	
Gross revenue	(b)	8,609	3,311	NM	17,123	3,311	NM
Depreciation		(3,219)	(1,281)	NM	(6,438)	(1,281)	NM
Management fees		(344)	(132)	NM	(685)	(132)	NM
Trustee fees		(13)	(5)	NM	(27)	(5)	NM
Other expenses		(123)	(26)	NM	(249)	(26)	NM
Finance income	1(a)(i)	2,439	2,226	NM	2,235	2,226	NM
Finance expense	1(a)(i)	(1,811)	(730)	NM	(3,706)	(730)	NM
Net profit before tax		5,538	3,363	NM	8,253	3,363	NM
Income tax expense	(c)	(15)	(5)	NM	(30)	(5)	NM
Net profit after tax		5,523	3,358	NM	8,223	3,358	NM

1(a)(i) Finance income and expense

	Notes	Actual Quarter 01/04/07 to 30/06/07	Actual Quarter 25/04/06 to 30/06/06 Note (a)	Increase / (Decrease)	Actual YTD 01/01/07 to 30/06/07	Actual YTD 25/04/06 to 30/06/06 Note (a)	Increase / (Decrease)
		US\$'000	US\$'000	%	US\$'000	US\$'000	
Interest income:							
- Bank deposits		107	23	NM	218	23	NM
- Interest rate swaps	(d)	49	-	NM	102	-	NM
Fair value gains on interest rate swaps	(f)	2,283	2,203	NM	1,915	2,203	NM
		2,439	2,226	NM	2,235	2,226	NM
Interest expense:							
- Bank loans	(e)	(1,811)	(730)	NM	(3,706)	(730)	NM

Explanatory notes:

- (a) Comparative income statement has been presented based on the actual results for the period from 25 April 2006 to 30 June 2006 as PST was formed on 25 April 2006 (date of constitution) and chartering operations commenced on 26 May 2006. As the number of operating days in the previous corresponding quarter (35 days) were fewer compared to current quarter (91 days), the variances are not meaningful. This reason applies to the variances on year-to-date figures as well.
- Comparisons between the actual results for the quarter ended 30 June 2007 and the Projection as disclosed in the Prospectus are set out in paragraph 9. The Projection is derived by prorating the figures disclosed in the Prospectus for the financial year ending 31 December 2007.
- (b) Consists of bareboat charter income from the existing eight container vessels.
- (c) This relates to tax payable on the taxable interest income on bank deposits.
- (d) This relates to the net interest income arising from the interest rate swaps.
- (e) This relates to interest expense on bank loans.
- (f) This relates to the net change in fair value on the interest rate swaps for the period and does not impact the income to be distributed.

Distribution Statement

	Notes	Actual Quarter 01/04/07 to 30/06/07	Actual Quarter 25/04/06 to 30/06/06 Note (a)	Increase / (Decrease)	Actual YTD 01/01/07 to 30/06/07	Actual YTD 25/04/06 to 30/06/06 Note (a)	Increase / (Decrease)
		US\$'000	US\$'000	%	US\$'000	US\$'000	%
Net profit after tax		5,523	3,358	NM	8,223	3,358	NM
Add: Non-tax deductible items	(b)	952	(913)	NM	4,549	(913)	NM
Less: Repayment of borrowings		(2,875)	(1,118)	NM	(5,750)	(1,118)	NM
Income available for distribution		3,600	1,327	NM	7,022	1,327	NM
Add: Income from previous quarters retained for working capital	(c)	-	-	NM	104	-	NM
Income to be distributed		3,600	1,327	NM	7,126	1,327	NM
(i) Tax-exempt income		3,508	1,309	NM	6,835	1,309	NM
(ii) Tax-exempt (one-tier) income	(d)	92	18	NM	291	18	NM
Income to be distributed		3,600	1,327	NM	7,126	1,327	NM

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Explanatory notes:

- (a) Comparative income statement has been presented based on the actual results for the period from 25 April 2006 to 30 June 2006 as PST was formed on 25 April 2006 (date of constitution) and chartering operations commenced on 26 May 2006. As the number of operating days in the previous corresponding quarter (35 days) were fewer compared to current quarter (91 days), the variances may not be meaningful. This reason applies to the variances on year-to-date figures as well.
- (b) Includes the adding back of non-deductible items like depreciation and trustee fee, with the offsetting of the non-taxable fair gains from interest rate swaps.
- (c) This relates to net taxable income of PST that was retained in the prior year.
- (d) This relates to total net taxable income of PST derived from interest income from bank deposits and is to be distributed for the current quarter.

1(b)(i) Balance sheet, together with a comparative statement as at the end of the immediately preceeding year

	Notes	Actual 30/06/07 US\$'000	Actual 31/12/06 US\$'000
Non-current asset			
Vessels	(a)	256,842	263,281
Current assets			
Other receivables		46	52
Financial derivatives	(c)	1,141	-
Cash and cash equivalents		8,566	8,648
		9,753	8,700
Total assets		266,595	271,981
Non-current liability			
Secured bank loans	1(b)(ii)	(103,040)	(108,790)
Current liabilities			
Charter income received in advance	(b)	(1,892)	(1,987)
Other payables		(282)	(249)
Secured bank loans -current portion	1(b)(ii)	(11,501)	(11,501)
Financial derivatives	(c)	-	(775)
Current income tax payable		(30)	(43)
		(13,705)	(14,555)
Total liabilities		(116,745)	(123,345)
Net assets attributable to unitholders		149,850	148,636
Unitholders' funds			
Units in issue		151,650	151,650
Unit issue costs		(4,983)	(4,983)
Accumulated profits		3,183	1,969
Total unitholders' funds		149,850	148,636

Explanatory notes:

- (a) The container vessels were acquired from PIL on 26 May 2006 which is the listing date on SGX.
- (b) Charter income is payable 30 days in advance according to the charterparty of the container vessels.
- (c) This relates to the fair value of interest rate swaps transacted to manage the interest rate risk on the bank loans.

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1(b)(ii) Aggregate amount of borrowings

Secured bank loans

Amount repayable within one year

Amount repayable after one year

Note	Actual 30/06/07	Actual 31/12/06
	US\$'000	US\$'000
(a)	11,501	11,501
	103,040	108,790
	114,541	120,291

Explanatory notes:

- (a) PST has drawn down US\$127.0 million of its secured term loan facilities as at 26 May 2006. Monthly repayment of the term loans are made over 10 or 12 years. The term loans bear interest at floating rates.

PST has entered into interest rate swaps to fix the floating interest rates on the term loans at a weighted average rate of 5.97% per annum commencing 30 June 2006.

The term loans and interest rate swaps in relation to each relevant vessel are secured on the following:

- a first priority mortgage;
- a first priority assignment of insurances;
- a first priority assignment of the charter income; and
- a first priority assignment of the bareboat charter agreement.

The security for an interest rate swap facility granted by a financial institution in relation to a vessel, Kota Rajin, is as follows:

- a second priority mortgage;
- a second priority assignment of insurances;
- a second priority assignment of the charter income; and
- a second assignment of the bareboat charter agreement.

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1(c) Cash flow statement

	Actual Quarter 01/04/07 to 30/06/07	Actual Quarter 25/04/06 to 30/06/06	Actual YTD 01/01/07 to 30/06/07	Actual YTD 25/04/06 to 30/06/06
	US\$'000	US\$'000	US\$'000	US\$'000
Operating activities				
Net profit before tax	5,538	3,363	8,253	3,363
Adjustments for				
Depreciation	3,219	1,281	6,438	1,281
Fair value gains on derivatives	(2,283)	(2,203)	(1,915)	(2,203)
Interest income	(156)	(23)	(320)	(23)
Interest expense	1,811	730	3,706	730
Operating profit before working capital changes	8,129	3,148	16,162	3,148
Changes in working capital				
Other receivables	2	(20)	1	(20)
Charter income received in advance	(95)	2,365	(95)	2,365
Other payables	(29)	101	33	101
Tax paid	(43)	-	(43)	-
Cash flows from operating activities	7,964	5,594	16,058	5,594
Investing activities				
Purchase of container vessels	-	(271,000)	-	(271,000)
Interest received	170	23	325	23
Cash flows from investing activities	170	(270,977)	325	(270,977)
Financing activities				
Proceeds from bank loans	-	127,000	-	127,000
Repayment of bank loans	(2,875)	(958)	(5,750)	(958)
Interest expense paid	(1,811)	(730)	(3,706)	(730)
Proceeds from issuance of units	-	151,650	-	151,650
Unit issue costs paid	-	(5,305)	-	(5,305)
Distribution paid to Unitholders	(3,505)	-	(7,009)	-
Cash flows from financing activities	(8,191)	271,657	(16,465)	271,657
Net (decrease)/increase in cash and cash equivalents	(57)	6,274	(82)	6,274
Cash and cash equivalents at beginning of the period	8,623	-	8,648	-
Cash and cash equivalents at end of the period	8,566	6,274	8,566	6,274

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1(d)(i) Statement of movements in unitholders' funds

	Actual Quarter 01/04/07 to 30/06/07	Actual Quarter 25/04/06 to 30/06/06	Actual YTD 01/01/07 to 30/06/07	Actual YTD 25/04/06 to 30/06/06
	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at beginning of the period	147,832	-	148,636	-
Units issued	-	151,650	-	151,650
Unit issue costs	-	(5,305)	-	(5,305)
Distribution paid	(3,505)	-	(7,009)	-
Net profit after tax	5,523	3,358	8,223	3,358
Balance as at end of the period	149,850	149,703	149,850	149,703

1(d)(ii) Details of any changes in the units

	Actual Quarter 01/04/07 to 30/06/07	Actual Quarter 25/04/06 to 30/06/06	Actual YTD 01/01/07 to 30/06/07	Actual YTD 25/04/06 to 30/06/06
	Units	Units	Units	Units
At the beginning of the period	337,000,000	-	337,000,000	-
Units issued during the period - Initial public offering	-	337,000,000	-	337,000,000
At end of the period	337,000,000	337,000,000	337,000,000	337,000,000

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2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited but have been reviewed by the auditors in accordance with the Singapore Standard on Review Engagement 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

3 Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Please see the attached review report.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied

Yes.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

None.

6 Earnings per unit ('EPU') and distribution per unit ('DPU') for the financial period

Notes	Actual Quarter 01/04/07 to 30/06/07	Prospectus Projection 01/04/07 to 30/06/07 Note (a)	Actual YTD 25/04/06 to 30/06/06
Weighted average number of units	337,000,000	337,000,000	337,000,000
Earnings per unit for the period based on the weighted average number of units in issue (cents) -basic and diluted	1.64	1.00	1.00
Number of units issued at end of period	337,000,000	337,000,000	337,000,000
Distribution per unit for the period (cents)			
(i) Tax-exempt income	1.04	1.06	0.39
(ii) Tax-exempt (one-tier) income	0.02	-	-
Total	1.06	1.06	0.39

Explanatory notes:

- (a) The figures shown are pro-rated from the Projection disclosed in the Prospectus.

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7 Net asset value ("NAV") per unit based on units issued at the end of the period

	Notes	Actual 30/06/2007	Actual 31/12/2006
Net asset value per unit (US\$)	(a)	0.44	0.44

Explanatory notes:

- (a) The number of units used for computation of actual NAV per unit is 337,000,000 which is the number of units in issue as at 30 June 2007.

8 Review of the performance

Please refer to section 9(b) on the review of actual results against the prorated Projection disclosed in the Prospectus for the period ended 30 June 2007.

9(a) Income and Distribution Statements

Income Statement

	Notes	Actual Quarter 01/04/07 to 30/06/07	Prospectus Projection 01/04/07 to 30/06/07 Note (a)	Increase/ Decrease	Actual YTD 01/01/07 to 30/06/07	Prospectus Projection 01/01/07 to 30/06/07 Note (a)	Increase/ Decrease
		US\$'000	US\$'000	%	US\$'000	US\$'000	%
Gross revenue	(b)	8,609	8,609	0%	17,123	17,123	0%
Depreciation		(3,219)	(3,072)	5%	(6,438)	(6,111)	5%
Management fees		(344)	(344)	0%	(685)	(685)	0%
Trustee fees		(13)	(13)	0%	(27)	(26)	4%
Other expenses		(123)	(126)	-2%	(249)	(249)	0%
Finance income	9(a)(i)	2,439	-	NM	2,235	-	NM
Finance expense	9(a)(i)	(1,811)	(1,685)	7%	(3,706)	(3,351)	11%
Net profit before tax		5,538	3,369	64%	8,253	6,701	23%
Income tax expense	(c)	(15)	-	NM	(30)	-	NM
Net profit after tax		5,523	3,369	64%	8,223	6,701	23%

9(a)(i) Finance income and expense

	Notes	Actual Quarter 01/04/07 to 30/06/07	Prospectus Projection 01/04/07 to 30/06/07 Note (a)	Increase/ Decrease	Actual YTD 01/01/07 to 30/06/07	Prospectus Projection 01/01/07 to 30/06/07 Note (a)	Increase/ Decrease
		US\$'000	US\$'000	%	US\$'000	US\$'000	%
Interest income:							
- Bank deposits		107	-	NM	218	-	NM
- Interest rate swaps	(d)	49	-	NM	102	-	NM
Fair value gains on interest rate swaps	(f)	2,283	-	NM	1,915	-	NM
		2,439	-	NM	2,235	-	NM
Interest expense:							
- Bank loans	(e)	(1,811)	(1,685)	7%	(3,706)	(3,351)	11%

Distribution Statement

	Notes	Actual Quarter 01/04/07 to 30/06/07	Prospectus Projection 01/04/07 to 30/06/07 Note (a)	Increase/ Decrease	Actual YTD 01/01/07 to 30/06/07	Prospectus Projection 01/01/07 to 30/06/07 Note (a)	Increase/ Decrease
		US\$'000	US\$'000	%	US\$'000	US\$'000	%
Net profit after tax		5,523	3,369	64%	8,223	6,701	23%
Add: Non-tax deductible items	(g)	952	3,085	-69%	4,549	6,136	-26%
Less: Repayment of borrowings		(2,875)	(2,875)	0%	(5,750)	(5,750)	0%
Income available for distribution		3,600	3,579	1%	7,022	7,087	-1%
Add: Income from previous quarters retained for working capital	(h)	-	-	NM	104	-	NM
Income to be distributed		3,600	3,579	1%	7,126	-	NM
(i) Tax-exempt income		3,508	3,579	-2%	6,835	7,087	-4%
(ii) Tax-exempt (one-tier) income	(i)	92	-	NM	291	-	NM
Income to be distributed		3,600	3,579	1%	7,126	7,087	1%

**Financial Statements Announcement
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Explanatory notes:

NM- Not meaningful

- (a) The projection figures are derived by prorating the Projection disclosed in the Prospectus for the financial year ending 31 December 2007.
- (b) Consists of bareboat charter income from the existing eight container vessels.
- (c) This relates to tax payable on the taxable interest income on bank deposits.
- (d) This relates to the net interest income arising from the interest rate swaps.
- (e) This relates to interest expense on bank loans.
- (f) This relates to the net change in fair value on the interest rate swaps for the period and does not impact the income to be distributed.
- (g) Includes the adding back of non-deductible items like depreciation and trustee fee, with the offsetting of the non-taxable fair value gains from interest rate swaps.
- (h) This relates to net taxable income of PST that was retained in the previous period.
- (i) This relates to the net change in fair value on the interest rate swaps for the period and does not impact the income to be distributed.

9(b) Review of performance for the quarter ended 30 June 2007 (the "Q2")

The Q2 2007 gross revenue at US\$8.6 million was consistent with the Projection. This was derived from the bareboat charter income of the existing eight container vessels, which have been contracted up to an average of about 9 years.

Depreciation was higher than Projection by 5% because the Projection was based on remaining useful lives rounded to years.

Other trust expenses for Q2 2007 at US\$0.12 million was lower than the Projection by 2% and comprised mainly of professional fees, regulatory fees, printing and administrative expenses.

Finance income included a gain totalling US\$2.3 million which resulted from the net change in fair value of the interest rate swaps during the quarter. Interest income of US\$0.16 million was derived from interest income from deposits placed with banks for efficient cashflow management as well as interest income arising from the interest rate swaps settlements.

Interest expense of US\$1.8 million for Q2 2007 would effectively be at a fixed rate of 5.97% p.a. after a net off of interest income arising from the interest rate swap settlements of US\$49,000.

Net profit after tax of US\$5.5 million for Q2 2007 was higher than the Projection by 64% mainly due to the fair value gains of US\$2.3 million which resulted from the net change in fair value of the interest rate swaps during the quarter. The Projection had assumed no change in the fair value of the derivatives. These fair value gains will not impact the income to be distributed.

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10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The global container ship fleet continued to operate close to full utilisation. At the end of the 2nd quarter 2007, there were a total of 3,018 fully cellular container vessels over 1000 teu in size, operating globally. Amongst these only 6 ships were not employed due to various reasons, ie. breakdown, repairs or awaiting employment. This is equivalent to 99.8% of the fleet (exceeding 1000 teu size) being fully employed.¹

The rally in the container charter market which started at the beginning of the year was sustained throughout the 2nd quarter and spread across all sizes demonstrating the strength of the market.

The container ship charter index (BOXI) rose by 9 points or 6.8% in the 2nd quarter.

The bulk carrier and tanker market remained firm, particularly the Dry Bulk market where ships prices and charter rates touched new peaks.

Sources:

1. Axsmarine website "www.axsmarine.com"
2. Braemar Container Shipping & Chartering - 2nd Quarter report for 2007

Nevertheless, the above factors will not have any impact on PST's income and distributions due to the long term charters it has in place for the next quarter and also the next 12 months.

Outlook for the financial year ending 31 December 2007

Barring any unforeseen circumstances the Trustee-Manager of PST is optimistic of delivering at least the projected distribution per unit for the FY2007 as stated in the Prospectus based on existing charter agreements signed.

11 Distributions

(a) Current financial period

Any distributions declared for the current financial period:	Yes
Name of distribution:	Distribution for 1 April 2007 to 30 June 2007
Distribution type:	Tax-Exempt Income
Distribution rate:	1.04 cents per unit
Par value of units:	Not applicable
Tax rate:	These distributions are made out of PST's Net Tax-Exempt Income. All unitholders are exempt from Singapore income tax on the distributions made by PST out of its Net Tax-Exempt Income regardless of whether they are corporate unitholders or individuals.

(ii) Distribution type:	Tax-Exempt (One-Tier) Income
Distribution rate:	0.02 cents per unit
Par value of units:	Not applicable
Tax rate:	These distributions are made out of PST's Net Taxable Income. All unitholders are exempt from Singapore income tax on the distributions made by PST out of its Net Taxable Income regardless of whether they are corporate unitholders or individuals. The unitholders may not claim a corresponding tax credit/refund for the tax paid at PST's level on PST's Taxable Income less allowable expenses.

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(b) Corresponding period of the immediately preceding financial period

Any distributions declared for the previous corresponding financial period: Not applicable

(c) Date payable: 29 August 2007

(d) Books Closure Date: The Transfer Books and Register of Unitholders of Pacific Shipping Trust ("PST") will be closed from 5.00 p.m. on 1 August 2007 for the purposes of determining unitholder's entitlement to the distribution of profits.

Unitholders whose Securities Accounts with The Central Depository (Pte) Limited ("CDP") are credited with shares at 5.00 p.m. on 1 August 2007 will be entitled to the Distribution to be paid on 29 August 2007.

12 If no distribution has been declared/(recommended), a statement to that effect

Not applicable

13 The board of directors of PST Management Pte. Ltd. do hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the financial results for the quarter ended 30 June 2007 to be false or misleading.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, changes in operating expenses, trust expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.

BY ORDER OF THE BOARD OF PST MANAGEMENT PTE. LTD.
AS TRUSTEE-MANAGER OF PACIFIC SHIPPING TRUST

Eunice Ng Puay Li
Company Secretary
24 July 2007