



For Immediate Release

PST's Distribution Per Unit Up 6% in Q4 2007

- DPU of 1.10 US cents offers tax-free annualised yield of 10.6% for Q4 2007

SINGAPORE, January 22, 2008 – PST Management (PSTM), trustee-manager of Pacific Shipping Trust (PST), today announced it would distribute 1.10 US cents to unitholders. This is 6% higher than the 1.04 US cents distributed in the corresponding quarter in 2006.

Based on the IPO price of US\$0.45 per unit, the distribution per unit (DPU) amounted to an annualised yield of 9.7% while on the closing price of US\$0.41 at January 21, it is 10.6%.

The rise in the DPU came on the back of higher income distribution for the fourth quarter ended December 31 2007, which amounted to US\$3.7 million, compared with US\$3.52 million in the corresponding quarter in 2006.

The Q4 2007 distribution will bring the full year income distribution to US\$14.5 million which represents 100% of the PST's Distributable Amount as prescribed in the IPO prospectus. This amount is net of repayment of loan principal.

Net profit after tax for Q4 2007 totalled US\$1.6 million compared with US\$3.4 million in Q4 2006. The decrease was due to fair value losses in interest rate swaps (entered into to fix the cost of borrowings) which have no impact on the distributable income.

DBS is the financial adviser, underwriter and bookrunner for the initial public offering of PST.
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The net profit was achieved on gross revenue of US\$8.7 million from the charter of PST's existing portfolio of vessels and interest income.

Commenting on the results, Subhangshu Dutt, CEO of PSTM, said: "For the past 6 quarters, we have consistently exceeded our IPO projections and we are reasonably confident of maintaining this performance in 2008."

"Our four new vessels coming on stream this year are expected to raise PST's total contracted revenue per annum by 79%. We hope to continue improving on our performance in the coming years with further quality acquisitions."

Last year, PST announced the acquisition of the four vessels which comprised two 4250 teu and two 1800 teu containerships. The bigger ships will be time chartered to CSAV, the largest liner shipping company in South America. The other two will be bareboat chartered to PIL. The four new ships will expand PST's current portfolio by 50% to twelve.

PST's current fleet comprises eight vessels which have been bareboat chartered to PIL for a period of six to eight years. The ships were valued at US\$287 million as at Dec 2007. The valuation, carried out by an independent ship broker, was 15% higher than the book value as at 31 December 2007 and nearly 6% above the vessels' total purchase price.

The latest distribution of 1.10 cents will be made on February 29, 2008. Unitholders do not have to pay Singapore tax on the distributable income.

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About Pacific Shipping Trust

Pacific Shipping Trust is the first business trust listed on the Singapore Exchange. It provides shipping companies with innovative financing and leasing structures that enable them to expand their fleet without straining their capital. By acquiring vessels and leasing them to reputable charterers either on long-term bareboat charters or short-term time charters, PST seeks to generate a steady stream of high-yielding income for its unitholders.

The trustee-manager is PST Management Pte. Ltd., a wholly-owned subsidiary of Pacific International Lines (Private) Limited, one of the biggest container shipping companies in the world.

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Important Notice

The value of PST units (“Units”) and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, the trustee-manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the trustee-manager to redeem their Units while the Units are listed. It is intended that unitholders of PST may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This publication is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of PST is not necessarily indicative of the future performance of PST.

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.