



For Immediate Release

PACIFIC SHIPPING TRUST TAKES DELIVERY OF ITS LARGEST VESSEL TO DATE

- Addition of “CSAV LAJA” will increase total slot capacity of PST’s portfolio by 24% to 21,714 TEU
- Number of vessels in PST’s portfolio reaches 11; total indicative asset value of US\$435 million
- PST commences the Preferential Offering, for which subscription opens tomorrow, 16 September 2008
- PST sees asset price correction in the near term
- PST is positioned to make yield accretive acquisitions when market stabilises

SINGAPORE, 15 September 2008 – PST Management Pte. Ltd., as Trustee-Manager of PST, Singapore’s first publicly-listed business trust, takes delivery of its 11th and largest vessel to date. The 4,250 TEU vessel, CSAV LAJA, will begin its five-year time charter to Compania Sud Americana de Vapores S.A. (“CSAV”) on 16 September 2008, following completion of the acquisition today, by Pacific Shipping Trust (“PST”) of the said vessel from Tranpac Holdings Inc., Panama (“Tranpac”), a wholly-owned subsidiary of Pacific International (Private) Lines.

With the delivery of CSAV LAJA, the total slot capacity of PST’s portfolio will reach 21,714 TEU, with a total indicative asset value of US\$435 million. “Apart from the increased revenue, the entry of this newbuilding is significant because it further diversifies PST’s vessel sizes and charterers. CSAV is one of the oldest shipping companies in the world and the largest in Latin America and we look forward to increasing our portfolio of long-term charters to such reputable industry players,” said Mr Alvin Cheng, CEO of PST Management Pte. Ltd., Trustee-Manager of PST. In November 2008, PST is expected to take delivery of its 12th vessel and this will bring the total slot capacity of its portfolio to 25,964 TEU, with a total indicative asset value of US\$510 million.

Mr Cheng further added that, “We have started to see the correction of vessel prices, which we had earlier anticipated – this will provide us with possible opportunities to improve our returns by seeking out yield accretive acquisitions at the right price. This is in line with our diligently managed growth plans for PST and we aim to continue generating attractive returns to Unitholders.”

Well positioned to exploit medium-term yield accretive growth opportunities

On 27 August 2008, PST received strong support from its institutional and retail unitholders to proceed with a non-renounceable preferential offering (the “Preferential Offering”) of new units (the “New Units”) in PST to raise approximately US\$92.3 million. PST will issue approximately 252,750,000 New Units at the issue price of US\$0.365 per New Unit on the basis of three (3) New Units for every four (4) existing units of PST held as at 5.00 p.m. on 11 September 2008.

The Preferential Offering will strengthen PST’s capital structure and provide it with an increased borrowing capacity¹, thus enhancing PST’s financial flexibility to pursue medium-term yield accretive growth opportunities.

Singapore Registered Unitholders of PST will be able to subscribe for their entitlements starting tomorrow, 16 September 2008. The offer period ends on 24 September 2008. The instruction booklet and acceptance form will be despatched to Singapore Registered Unitholders of PST on or around 16 September 2008.

“We look forward to the participation from each and every Singapore Registered Unitholder of PST as the Preferential Offering will lower our debt levels and create room to raise new investment funding to react swiftly to acquisition opportunities when they arise,” added Mr Cheng.

PST has appointed UBS AG, acting through its business group, UBS Investment Bank, as the sole financial adviser and issue manager in relation to the Preferential Offering.

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¹ Assuming a steady state aggregate leverage of 60%.

About Pacific Shipping Trust

Pacific Shipping Trust is the first business trust listed on the SGX-ST. 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 on medium / long term time or bareboat charters, PST seeks to generate a steady stream of high-yielding income for its Unitholders.

The trustee-manager of PST 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, shifts in expected levels of charter income, changes in operating expenses (including employee wages, benefits and training costs) and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Trustee-Manager's view of future events.