



For Immediate Release

PACIFIC SHIPPING TRUST RECEIVES RESOUNDING APPROVAL FROM UNITHOLDERS FOR EQUITY FUND RAISING

- 98.7% of votes received were in favour of Pacific Shipping Trust (“**PST**”) proceeding with non-renounceable preferential offering (the “**Preferential Offering**”) of new units (the “**New Units**”)
- Preferential Offering will be fully supported by Pacific International Lines (Private) Limited (“**PIL**”), which will accept its provisional allocation of New Units and subscribe for any Unsubscribed New Units
- Funds raised will further strengthen balance sheet and enhance financial flexibility to exploit medium-term, yield accretive growth opportunities

SINGAPORE, 27 August 2008 – PST Management Pte. Ltd., as Trustee-Manager of PST, Singapore’s first publicly-listed business trust, will proceed with its proposed Preferential Offering, following resounding approval from unitholders of PST (the “**Unitholders**”) at an extraordinary general meeting (the “**EGM**”) held today. PST received strong Unitholder support where 98.7% of votes cast, representing 73,540,250 units in PST, were in favour of the Preferential Offering. PIL, with a current direct interest of approximately 34.64% in PST did not participate in the voting process.

The approval from Unitholders comes after PST’s announcement earlier this month that it was seeking to raise funds amounting to approximately US\$92.3 million, intended to mainly finance and refinance part of the total purchase consideration for its new vessels, namely KOTA NABIL, KOTA NAGA, CSAV LAJA and CSAV LAUCA (collectively, the “**New Vessels**”). The acquisitions of the New Vessels by PST from Tranpac Holdings Inc., Panama (“**Tranpac**”), a wholly-owned subsidiary of PIL, had been approved by the Unitholders at a general meeting on 22 February 2008.

Unitholders have also waived their right to receive a mandatory general offer from PIL and Tranpac pursuant to PIL’s subscription for its provisional allocation of the New Units as well as the New Units under the Preferential Offering that remain unsubscribed (the “**Unsubscribed**”

New Units)¹. The Securities Industry Council of Singapore (the “**SIC**”) had on 4 August 2008 granted a waiver of the obligations of PIL² to make a mandatory general offer for the Units.

“The overwhelming support shown by Unitholders today is a strong endorsement of our prudent capital and risk management strategies and of our plans for future growth. This is also testimony of the faith and confidence that both institutional and retail Unitholders have in our long term vision for PST,” said Mr Alvin Cheng, CEO of PST Management Pte. Ltd., as Trustee-Manager of PST.

“We look forward to the continuing support from each and every Unitholder, as we endeavour to deliver stable and growing returns,” added Mr Cheng.

Under the Preferential Offering, PST expects to 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.

The books closure date for the Preferential Offering is at 5.00 p.m. on Thursday, 11 September 2008. Further details of the Preferential Offering timetable will be announced shortly.

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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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.

¹ The balance of the New Units under the Preferential Offering after the satisfaction of the acceptances (if any) by Unitholders of their provisional allocation, and excluding the New Units provisionally allocated due to the Rounding Mechanism.

² Including Tranpac, assuming any New Units are allotted and issued to Tranpac.

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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.