

**General Announcement**Reference No **MB-050719-65908**

Company Name : **MALAYSIAN BULK CARRIERS BERHAD**  
 Stock Name : **MAYBULK**  
 Date Announced : **19/07/2005**

Type : **Announcement**  
 Subject : **SALE OF "M.V. ALAM SELAMAT" AND TIME CHARTER ARRANGEMENT SUBSEQUENT THERETO**

Contents :

Malaysian Bulk Carriers Berhad ("**MBC**") hereby announces that its wholly-owned subsidiary, Aturanseni Sdn. Bhd. ("**Aturanseni**"), had on 15 July 2005 entered into a memorandum of agreement ("**MOA**") for the sale of Aturanseni's 39,110 DWT large handy bulk carrier, namely "M.V. Alam Selamat" ("**Vessel**") for cash consideration of JP¥2.15 billion (approximately US\$19.85 million at prevailing exchange rate) ("**Disposal Arrangement**"). This disposal will result in a capital gain of approximately RM48.5 million to the MBC Group.

In accordance with the terms and conditions of the MOA, the Vessel is to be delivered to the buyer sometime in October 2005.

Following the delivery of the Vessel to the buyer, there will be a seven (7) years time charter arrangement to be performed by MBC's wholly-owned subsidiary, Everspeed Enterprises Ltd ("**EEL**"), a company incorporated in British Virgin Islands, in accordance with the terms and conditions of the time charter agreement dated 15 July 2005 ("**Time Charter Agreement**") between EEL and the buyer ("**Time Charter Arrangement**").

Under the Time Charter Arrangement, EEL has the option at anytime after the end of the 3rd year to purchase the Vessel from the buyer at various agreed prices, with an obligation to purchase at the end of the 7th year for a purchase consideration of JP¥560 million (approximately US\$5.17 million at prevailing exchange rate), in accordance with the terms and conditions of the Time Charter Agreement.

The above Disposal and Time Charter Arrangements are similar to that entered into for the sale of "M.V. Alam Sentosa" as announced by the Company to Bursa Securities on 28 March 2005 ("**Alam Sentosa Arrangements**"). The Alam Sentosa Arrangements also involved the chartering of "M.V. Alam Sentosa" to EEL for a period of seven (7) years from the time of delivery, with an option for EEL to purchase "M.V. Alam Sentosa" at anytime after the end of the 3rd year at various agreed prices, with an obligation to purchase at the end of the 7th year for a purchase consideration of JP¥445 million (approximately US\$4.11 million at prevailing exchange rate), in accordance with the terms and conditions of the time charter agreement dated 28 March 2005.

As far as the Board is aware, none of the Directors, major shareholders and/or person connected with them has any interests, direct or indirect in the above mentioned transactions.

