**DP WORLD LIMITED**
**UNAUDITED RESULTS FOR THE 6 MONTHS TO 30 JUNE 2009**

Dubai, United Arab Emirates, 27 August, 2009: - Global container port operator DP World today announces financial results from its portfolio of 49 marine terminals that were operational in the six months to 30 June 2009.

**Summary**[1]

- Consolidated throughput of 12.3 million TEU[2] (13.6 million)
- Revenue of $1,384 million ($1,598 million)
- EBITDA[3] of $535 million ($652 million)
- EBITDA margins of 38.7% (40.8%)
- Adjusted net profit after tax from continuing operations of $188 million ($287 million)

The first six months of 2009 have continued to present a very challenging operating environment across the portfolio. Despite the 10% decline in container volumes, EBITDA margins have remained strong at 38.7%, which is primarily as a result of solid results from emerging market terminals, improving terminal efficiencies and a strong focus on managing costs across our portfolio.

During the period we were awarded new concession agreements in Algeria, for ports in Algiers and Djen-Djen, which we began operating in the second quarter. We renewed two concessions in Australia in Adelaide and Sydney, for a further 30 years and 15 years respectively, and we began operations at new development Doraleh, Djibouti.

Our terminals in the UAE delivered a solid performance, working with our customers to handle larger container vessels and deliver a cost efficient platform from which customers are able to deliver cargo around the Gulf and Middle East and further afield into India and Africa.

**Chief Executive Officer Mohammed Sharaf commented;**

*"Our business has responded well to the very challenging macroeconomic environment in the first half of this year which resulted in a 10% decline in container volumes.*

*"These results show that our business model has the flexibility to adapt to changing market environments. All our terminals around the world have worked very hard to improve efficiencies for customers and remove costs from the terminals to ensure we continue to operate efficient and profitable terminals. The quick action of management has resulted in a more positive outcome than might otherwise have been.*

*"Our portfolio has benefitted from our focus on emerging markets and in particular the UAE has continued to deliver a solid performance as the gateway for trade to the Gulf and Middle East.*

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*1 All financial results are reported before separately disclosed items unless otherwise stated. Numbers in brackets are reported results for the six months to 30 June 2008.*

*2 Twenty foot equivalent container units*

*3 Further information on Adjusted EBITDA and Adjusted EBITDA margins can be found in Notes to Accounts, Note 4*

*"Looking ahead, the unpredictable trends in global trade we have seen in the first half of the year continue into the second half of the year. Our terminals remain focused on improving efficiencies for our customers and cutting costs to minimise the impact of declining volumes on profitability. As we move through the second half, the incremental benefit of cost savings is expected to be offset by a weaker outlook for non container revenues.*

*"We are also ensuring that our portfolio emerges in a highly competitive position to benefit from the recovery in global trade. Reiterating what we said in July, at this stage we expect to deliver full year results in line with expectations."*

The Board continues to explore options to improve the market valuation of our Company. The Board will use the next few months to review all options available.

**- END –**


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**Analyst/Investor Conference Call**

There will be a conference call for analysts and investors at **11.30am** Dubai time (8.30am London) on Thursday 27 August. A playback of this will be available shortly after the end of the call. For the dial in details and playback details please contact investor.relations@dpworld.com.

**Review of Operational and Financial Results**

Our financial performance for the six months to 30 June 2009 reflects the 10% decline in consolidated volumes we have seen across our portfolio of 49 terminals and a substantial decline in non-container revenue. In addition, our portfolio of joint ventures and associates has contributed a significantly smaller profit so far this year.

As a global business, we are exposed to currency translation on our reported results. For this period, the strengthening US dollar has resulted in a net unfavourable currency movement of 3% on EBITDA.

Our portfolio and business model has responded with more resilience to declining volumes and with more flexibility to changes in our cost structure than we anticipated. Container revenue per TEU has held up and we have been able to remove more costs from our business at the same time as improving terminal efficiencies. This has resulted in strong EBITDA margins of 38.7%.

| Highlights of results from DP World Limited and its subsidiaries – *full details on page 7* | ***2009H1*** *before separately disclosable items* | ***2008H1*** *before separately disclosable items* |
|---|---:|---:|
| Consolidated Throughput (TEU) | 12.3 million | **13.6 million** |
| Revenue | $1,384 million | **$1,598 million** |
| Share of JVs and Associates | $33.4 million | **$54.6 million** |
| EBITDA (including JVs and Associates) | $535 million | **$652 million** |
| EBITDA Margin (including JVs and Associates) | 38.7% | **40.8%** |
| Pre-tax profit from continuing businesses | $216 million | **$342 million** |
| Adjusted net profit after tax from continuing operations | $188 million | **$287 million** |
| Earnings per share (cent) *(after separately disclosable items)* | 1.06 (cent) | **1.59 (cent)** |

Revenue for our consolidated portfolio[4] in the first half of 2009 was $1,384 million against our 2008 revenue for the same period of $1,598 million, a decline of 13% as a result of the 10% decline in container volumes and a decline in non-container revenue of 23%. Containerised revenue accounted for 80% of our total revenue in the period and reported a decline of 10% in line with the decline in volumes.

Excluding the contribution from those terminals which were not included in the prior period, underlying revenue declined by 20% against a volume decline of 13%. The strengthening of the US dollar has also impacted our reported revenue over the last few months.

Expenses[5] for the period were $882 million, 12% lower than the same period last year despite the addition of new terminals into our portfolio. We have successfully reduced our fixed costs by 15%, with variable costs declining in line with revenue. Looking forward, we will continue to be as focused on reducing costs as in the first half of the year.

Our share of net profit from joint ventures and associates was $33.4 million, a decrease of 40% over the same period last year reflecting a significant volume decline in the first six months of the year in the Europe, Middle East and Africa region.

[4] *27 of our 49 terminals are consolidated under IFRS*
[5] *Expenses are net of other income and excluding depreciation and amortisation*

EBITDA declined 18% to $535 million with EBITDA margins of 38.7% against 40.8% for the same period last year. EBITDA and the EBITDA margin both include the contribution of profit from joint ventures and associates which has significantly declined in the current period.

Net profit after tax from continuing operations was $188 million against $287 million for the same period last year.

With the decline in container volumes this year, we postponed approximately half of our capacity expansion plans focusing on expansion of those new developments which are nearing completion or those that are replacing existing terminals. We have continued to invest in appropriate equipment to ensure those terminals that joined the portfolio in the last 12 months develop into cost efficient terminals and to enable our customers to benefit from improved efficiencies.

In total, our capital expenditure in the first half was $516 million, of which over 90% was invested in new developments and 8% was spent on maintenance capital expenditure.

**Review of Regional Trading for continuing operations**

**Europe, Middle East and Africa**

| | ***2009H1*** *before separately disclosable items* | ***2008H1*** *before separately disclosable items* |
|---|---:|---:|
| Consolidated Throughput (TEU) | 7.9 million | 8.7 million |
| Revenue | $867 million | $943 million |
| Profit from JV and Associates | $0.8 million | $19.9 million |
| EBITDA inc JV and Associates | $391 million | $441 million |
| Adjusted net profit after tax from continuing operations | $284 million | $352 million |

The Europe, Middle East and Africa region benefitted from new terminals joining the portfolio in the first half. A solid performance in the UAE was despite the decline in non-container revenues, as volumes and revenue held up better than in other markets. This solid performance was offset by the very challenging operating environment across Europe where margins came under pressure.

As of 30 June 2009, we had 25 terminals in the region, of which 13 were consolidated for financial reporting purposes. On average, terminals that contributed to revenue for the region experienced a decrease in volume of 9% over the same period the previous year. The region benefitted from a full six months of volumes from Dakar (Senegal), Sokhna (Egypt) and Tarragona (Spain) as well as a contribution from Doraleh (Djibouti).

Revenue from our consolidated terminals declined 8% in line with the 9% decline in volumes across this region. Excluding those terminals that joined the portfolio during the year, underlying revenue declined 20%, primarily as a result of the large decline in non-container revenues and the challenging operating environment in Europe.

Our share of profit from joint ventures and associates was severely impacted by this region's exposure to joint venture terminals in Europe with only $0.8 million of profit generated in the first half.

EBITDA fell 11% to $391 million with margins of 45%, largely unchanged on the same period last year reflecting the greater contribution of EBITDA from those terminals with higher margins.

The UAE region reported a decline in volumes of 7% to 5.4 million TEU with the container operations showing resilience to the macro economic downturn leading to only a small decline in margins mostly driven by a 25% decline in revenue from general, breakbulk and bulk cargo. Container revenue has only declined slightly more than volumes as a result of a change in cargo mix and ancillary container revenues.

During the fist six months of the year, $334 million of our capital expenditure was spent in the region with over 90% of capital expenditure on expansion of new capacity for our new terminal in Doraleh (Djibouti) which commenced operations in January this year, for Jebel Ali, which completed the second phase of its expansion in the first quarter of this year, and continued investment in those terminals that joined the portfolio to ensure they are able to operate in line with DP World standards of efficiency.

**Asia Pacific, Indian Subcontinent**

| | ***2009H1*** *before separately disclosable items* | ***2008H1*** *before separately disclosable items* |
|---|---:|---:|
| Consolidated Throughput (TEU) | 2.7 million | 3.0 million |
| Revenue | $249 million | $268 million |
| Profit from JV and Associates | $19.9 million | $22.2 million |
| EBITDA inc JV and Associates | $127 million | $136 million |
| Adjusted net profit after tax from continuing operations | $90 million | $92 million |

The Asia Pacific and Indian Subcontinent region showed the least impact of the downturn across financial results as the 10% decline in volumes only led to a 7% decline in revenue and a 6% decline in EBITDA.

As of 30 June 2009, we had 15 operating terminals in the region, of which 7 were consolidated for financial reporting purposes. On average, terminals that contributed to revenue for the region experienced a decrease in volume for the period of 10% compared with the same period in the previous year and utilisation rates remaining in the region of 90%.

Revenue from our consolidated terminals declined by less than the decline in volumes – only 7% on the back of a 9% decline in volumes as containerised revenue per TEU increased slightly driven by strong performance in Karachi (Pakistan).

Our share of profit from joint ventures and associates declined 10% as terminals predominantly in Asia reported a considerable decline in volumes.

EBITDA fell 6% to $127 million with margins maintained at 51%, despite the volume decline. This is as a result of our ability for those terminals in this region to implement cost reductions which in total have amounted to 8% over the prior period.

$90 million of our capital expenditure was spent in the region focused on our new developments at Ho Chi Minh City (Vietnam), Vallapadam (India) and Karachi (Pakistan).

**Americas and Australia**

| | ***2009H1*** *before separately disclosable items* | ***2008H1*** *before separately disclosable items* |
|---|---:|---:|

| | | |
|---|---|---|
| Consolidated Throughput (TEU) | 1.6 million | 1.9 million |
| Revenue | $268 million | $387 million |
| Profit from JV and Associates | $12.7 million | $12.5 million |
| EBITDA inc JV and Associates | $59 million | $120 million |
| Adjusted net profit after tax from continuing operations | $16 million | $71 million |

The Americas and Australia region is predominantly made up of terminals in developed countries which have been harder hit by the downturn in global trade. Our volumes declined by 16% and we reported a greater decline in revenue and EBITDA as unfavourable movements in currency disguised the substantial cost savings made in the region since the second half of last year.

As of 30 June 2009, we had 9 terminals in the region, of which 7 were consolidated for financial reporting purposes. In addition, P&O Maritime Services is accounted for in this region. On average, terminals that contributed to revenue experienced a decrease in volume of 16% against the same period last year.

Revenue declined by over 31% in line with both the volume decline and unfavourable currency movements. At constant currency, revenue per TEU was flat against the same period last year.

Our share of profit from joint ventures and associates was similar to the same period last year at $12.7 million as the majority of our joint ventures in this region delivered a small increase in profit over the prior period.

EBITDA fell to $59 million resulting in lower margins of 22%, against 31% for the prior period as a result of the decline in volumes and the unfavourable movement in currency – costs were reduced by 21% during the first six months of the year.

$91 million of our capital expenditure was spent in the region, predominantly in our new development in Peru, Callao and in Brisbane following the successful renewal of the concession agreement at the end of last year.

**Capital Expenditure**

Capital expenditure for the first six months of the year was $516 million, focused on the completion of the expansion of Jebel Ali (UAE), our new terminal at Doraleh (Djibouti), both of which are fully operational, and our new terminal developments at Ho Chi Minh City (Vietnam) and Callao (Peru), both of which should be operational in the next six months.

In addition, we have invested in those ports that joined our portfolio over the last 12 months and they are benefitting from appropriate improved equipment to develop them into cost efficient, higher margin terminals.

We remain fully committed to meeting the long-term market demand for capacity expansion, however, due to the continued decline in global trade and lower utilisation rates continue, and therefore we continue to take a cautious approach to investing in new capacity with capital expenditure in new capacity expected to be as previously guided, in the region of $800 - $1,000 million for the full year.

**Net Debt**

Net debt at the 30 June 2009 was $4,792 million compared with $4,215 million at the end of 2008. This increase in net debt is as a result of continued investment in our portfolio.

Net finance costs are largely unchanged against the prior period at $131 million.

**Earnings per Share**

Earnings per share have declined by 33% to 1.06 cent per share.

**Dividend**

As announced at the time of our IPO, it is our current dividend policy that not less than 20% of our profit for the year attributable to shareholders of the Company (after separately disclosable items) will be distributed as dividends. Dividends in respect of the full year 2009 will be proposed with the preliminary results for the full year 2009.

**Mohammed Sharaf**
Chief Executive Officer

**Yuvraj Narayan**
Chief Financial Officer

# DP World Limited and its subsidiaries

## Condensed consolidated income statement

*for the six months ended 30 June 2009*

| | | **Period ended 30 June 2009** | | | Period ended 30 June 2008 | | |
|---|---|---|---|---|---|---|---|
| **Continuing operations** | *Note* | **Before separately disclosed items USD'000 (Unaudited)** | **Separately disclosed items (Note 3) USD'000 (Unaudited)** | **Total USD'000 (Unaudited)** | Before separately disclosed items USD'000 (Unaudited) | Separately disclosed items (Note 3) USD'000 (Unaudited) | Total USD'000 (Unaudited) |
| Revenue from operations | *4* | **1,383,932** | - | **1,383,932** | 1,597,510 | - | 1,597,510 |
| Cost of sales | | **(926,519)** | - | **(926,519)** | (1,031,048) | - | (1,031,048) |
| **Gross profit** | | **457,413** | - | **457,413** | 566,462 | - | 566,462 |
| General and administration expenses | | **(152,873)** | - | **(152,873)** | (159,653) | (3,027) | (162,680) |
| Other income | | **9,455** | - | **9,455** | 8,172 | (600) | 7,572 |
| Finance income | | **21,270** | - | **21,270** | 39,697 | - | 39,697 |
| Finance costs | | **(152,263)** | - | **(152,263)** | (167,588) | - | (167,588) |
| Share of profit / (loss) of equity accounted associates and joint ventures | *5* | **33,396** | - | **33,396** | 55,025 | (400) | 54,625 |
| Profit on sale and termination of businesses | | - | - | - | - | 2,164 | 2,164 |
| **Profit / (loss) before tax from continuing operations** | | **216,398** | - | **216,398** | 342,115 | (1,863) | 340,252 |
| Income tax | *6* | **(28,673)** | - | **(28,673)** | (55,131) | (11,600) | (66,731) |
| **Profit / (loss) after tax from continuing operations** | | **187,725** | - | **187,725** | 286,984 | (13,463) | 273,521 |
| Discontinued operations: | | | | | | | |
| Profit after tax from discontinued operations | | - | - | - | 800 | 1,000 | 1,800 |
| **Profit / (loss) for the period** | | **187,725** | - | **187,725** | 287,784 | (12,463) | 275,321 |
| **Attributable to:** | | | | | | | |
| Equity holders of the Company | | **175,324** | - | **175,324** | 277,139 | (12,463) | 264,676 |
| Non-controlling interest | | **12,401** | - | **12,401** | 10,645 | - | 10,645 |
| | | **187,725** | - | **187,725** | 287,784 | (12,463) | 275,321 |
| **Earnings per share** | | | | | | | |
| Basic earnings per share – US cents | | | | **1.06** | | | 1.59 |

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

# DP World Limited and its subsidiaries

## Condensed consolidated statement of comprehensive income

*for the six months ended 30 June 2009*

| | **30 June 2009** | 30 June 2008 |
|---|---|---|
| | **US** | USD'000 |
| | **(Unaudit** | (Unaudited) |
| **Profit for the period** | **187,725** | 275,321 |
| **Other comprehensive income** | | |
| Foreign exchange translation differences | **438,494** | 146,094 |
| Effective portion of net changes in fair value of cash flow hedges | **39,065** | 14,450 |
| Net actuarial loss on pension schemes | **(107,800)** | (115,700) |
| Net change in fair value of available for sale financial assets | **(2,820)** | - |
| On termination of cash flow hedges | **-** | 3,100 |
| Income tax on other comprehensive income | **4,000** | - |
| **Other comprehensive income for the period** | **370,939** | 47,944 |
| **Total comprehensive income for the period** | **558,664** | 323,265 |
| **Attributable to:** | | |
| Owners of the Company | **529,778** | 318,184 |
| Non-controlling interest | **28,886** | 5,081 |
| **Total comprehensive income for the period** | **558,664** | 323,265 |

A significant portion of foreign exchange translation differences arises from the translation of goodwill and purchase price adjustments which are carried in foreign currencies at the Group level. Furthermore, the translation differences arising on account of translation to presentation currency on group consolidation are also reflected here.

# DP World Limited and its subsidiaries

## Condensed consolidated statement of financial position

*at 30 June 2009*

| | *Note* | **30 June 2009 USD'000 (Unaudited)** | 31 December 2008 USD'000 (Audited) |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | *7* | **4,707,827** | 4,252,683 |
| Goodwill | | **2,368,685** | 2,154,165 |
| Other intangible assets | *8* | **4,118,692** | 3,840,527 |
| Investment in associates and joint ventures | *5* | **3,228,743** | 3,109,276 |
| Deferred tax assets | | **151,300** | 30,186 |
| Other investments | | **53,117** | 51,041 |
| Accounts receivable and prepayments | | **53,825** | 48,035 |
| **Total non-current assets** | | **14,682,189** | 13,485,913 |
| **Current assets** | | | |
| Inventories | | **62,644** | 57,476 |
| Accounts receivable and prepayments | | **803,312** | 741,289 |
| Bank balances and cash | *9* | **3,054,774** | 1,204,074 |
| Assets held for sale | | **10,400** | 10,100 |
| **Total current assets** | | **3,931,130** | 2,012,939 |
| **TOTAL ASSETS** | | **18,613,319** | 15,498,852 |

# DP World Limited and its subsidiaries

## Condensed consolidated statement of financial position (continued)

*at 30 June 2009*

| | *Note* | **30 June 2009 USD'000 (Unaudited)** | 31 December 2008 USD'000 (Audited) |
|---|---|---|---|
| **EQUITY** | | | |
| Share capital | *10* | **1,660,000** | 1,660,000 |
| Share premium | | **2,472,655** | 2,472,655 |
| Shareholders' reserve | | **2,000,000** | 2,000,000 |
| Retained earnings | | **1,427,199** | 1,366,482 |
| Hedging and other reserves | | **(74,863)** | (111,175) |
| Actuarial reserve | | **(251,300)** | (153,300) |
| Translation reserve | | **(384,112)** | (801,394) |
| **Total equity attributable to owners of the Company** | | **6,849,579** | 6,433,268 |
| **Non-controlling interest** | | **788,044** | 739,994 |
| **Total equity** | | **7,637,623** | 7,173,262 |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Employees' end of service benefits | | **44,026** | 43,114 |
| Pension and post-employment benefits | | **233,400** | 104,500 |
| Loans and borrowings | *12* | **7,648,486** | 5,196,894 |
| Deferred tax liabilities | | **1,340,872** | 1,167,884 |
| Provisions | | **1,200** | 900 |
| Accounts payable and accruals | | **367,485** | 378,057 |
| **Total non-current liabilities** | | **9,635,469** | 6,891,349 |
| **Current liabilities** | | | |
| Accounts payable and accruals | | **935,243** | 1,008,137 |
| Bank overdrafts | *9* | **60,579** | 49,929 |
| Loans and borrowings | *12* | **137,457** | 172,451 |
| Income tax liabilities | | **125,254** | 121,724 |
| Pension and post-employment benefits | | **41,700** | 41,700 |
| Provisions | | **39,994** | 40,300 |
| **Total current liabilities** | | **1,340,227** | 1,434,241 |
| **Total liabilities** | | **10,975,696** | 8,325,590 |
| **TOTAL EQUITY AND LIABILITIES** | | **18,613,319** | 15,498,852 |

The balance sheet was authorised for issue on 27 August 2009.

Mohammed Sharaf
Chief Executive Officer

Yuvraj Narayan
Chief Financial Officer

# DP World Limited and its subsidiaries

## Condensed consolidated statement of changes in equity

*for the six months ended 30 June 2009*

| | Attributable to equity holders of the Company | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **Share capital USD'000 (Unaudited)** | **Share premium USD'000 (Unaudited)** | **Shareholders' reserve USD'000 (Unaudited)** | **Retained earnings USD'000 (Unaudited)** | **Hedging and other reserves USD'000 (Unaudited)** | **Actuarial reserve USD'000 (Unaudited)** | **Translation reserve USD'000 (Unaudited)** | **Total USD'000 (Unaudited)** | **Non-controlling interest USD'000 (Unaudited)** | **Total equity USD'000 (Unaudited)** |
| Balance at 1 January 2009 | **1,660,000** | **2,472,655** | **2,000,000** | **1,366,482** | **(111,175)** | **(153,300)** | **(801,394)** | **6,433,268** | **739,994** | **7,173,262** |
| **Total comprehensive income for the period:** | | | | | | | | | | |
| Profit for the period | **-** | | **-** | **175,324** | **-** | **-** | **-** | **175,324** | **12,401** | **187,725** |
| **Other comprehensive income:** | | | | | | | | | | |
| Foreign currency translation differences | **-** | | **-** | **-** | **-** | **-** | **416,209** | **416,209** | **26,285** | **442,494** |
| Effective portion of changes in fair value of cash flow hedges, net of tax | **-** | | **-** | **-** | **36,245** | **-** | **-** | **36,245** | | **36,245** |
| Defined benefit plan actuarial gains and losses, net of tax | **-** | | **-** | **-** | **-** | **(98,000)** | **-** | **(98,000)** | **(9,800)** | **(107,800)** |
| **Total other comprehensive income** | **-** | | **-** | **-** | **36,245** | **(98,000)** | **416,209** | **354,454** | **16,485** | **370,939** |
| **Total comprehensive income for the period** | **-** | | **-** | **175,324** | **36,245** | **(98,000)** | **416,209** | **529,778** | **28,886** | **558,664** |
| **Transactions with owners, recorded directly in equity** | | | | | | | | | | |
| **Contributions by and distributions to owner** | | | | | | | | | | |
| Dividends paid (refer to note 11) | **-** | | **-** | **(114,540)** | **-** | **-** | **-** | **(114,540)** | | **(114,540)** |
| Share-based payment transactions | **-** | | **-** | **-** | **-** | **-** | **1,073** | **1,073** | | **1,073** |
| Others | **-** | | **-** | **(67)** | **67** | **-** | **-** | **-** | | |
| **Total transactions with owners** | **-** | | **-** | **(114,607)** | **67** | **-** | **1,073** | **(113,467)** | | **(113,467)** |
| **Transactions with non-controlling interest, recorded directly in equity** | | | | | | | | | | |
| Dividends paid | **-** | | **-** | **-** | **-** | **-** | **-** | **-** | **(9,348)** | **(9,348)** |
| Total changes in ownership interests in subsidiaries | **-** | | **-** | **-** | **-** | **-** | **-** | **-** | **15,445** | **15,445** |
| Amounts contributed by non-controlling interest | **-** | | **-** | **-** | **-** | **-** | **-** | **-** | **13,067** | **13,067** |
| **Total transactions with non-controlling interest** | **-** | | **-** | **-** | **-** | **-** | **-** | **-** | **19,164** | **19,164** |
| **Balance at 30 June 2009** | **1,660,000** | **2,472,655** | **2,000,000** | **1,427,199** | **(74,863)** | **(251,300)** | **(384,112)** | **6,849,579** | **788,044** | **7,637,623** |

# DP World Limited and its subsidiaries

## Condensed consolidated statement of changes in equity (continued)

*for the six months ended 30 June 2008*

| | Attributable to equity holders of the Company | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Share capital USD'000 (Unaudited) | Share premium USD'000 (Unaudited) | Shareholders' reserve USD'000 (Unaudited) | Retained Earnings USD'000 (Unaudited) | Hedging and other reserves USD'000 (Unaudited) | Actuarial reserve USD'000 (Unaudited) | Translation reserve USD'000 (Unaudited) | Total USD'000 (Unaudited) | Non-controlling interest USD'000 (Unaudited) | Total equity USD'000 (Unaudited) |
| Balance at 1 January 2008 | 1,660,000 | 2,472,655 | 2,000,000 | 1,105,049 | (19,143) | (46,400) | 543,439 | 7,715,600 | 657,175 | 8,372,775 |
| Total comprehensive income for the period: | | | | | | | | | | |
| Profit for the period | - | | - | 264,676 | - | - | - | 264,676 | 10,645 | 275,321 |
| Other comprehensive income: | | | | | | | | | | |
| Foreign currency translation differences | - | | - | - | - | - | 151,658 | 151,658 | (5,564) | 146,094 |
| Effective portion of changes in fair value of cash flow hedges, net of tax | - | | - | - | 17,550 | - | - | 17,550 | - | 17,550 |
| Defined benefit plan actuarial gains and losses, net of tax | - | | - | - | - | (115,700) | - | (115,700) | - | (115,700) |
| Total other comprehensive income | - | | - | - | 17,550 | (115,700) | 151,658 | 53,508 | (5,564) | 47,944 |
| Total comprehensive income for the period | - | | - | 264,676 | 17,550 | (115,700) | 151,658 | 318,184 | 5,081 | 323,265 |
| Transactions with owners, recorded directly in equity | | | | | | | | | | |
| Contributions by and distributions to owner | | | | | | | | | | |
| Dividends paid (refer to note 11) | - | | - | (220,781) | - | - | - | (220,781) | - | (220,781) |
| Total transactions with owners | - | | - | (220,781) | - | - | - | (220,781) | | (220,781) |
| Transactions with non-controlling interest, recorded directly in equity | | | | | | | | | | |
| Dividends paid | - | | - | - | - | - | - | - | (21,226) | (21,226) |
| Total changes in ownership interests in subsidiaries | - | | - | - | - | - | - | - | (45,473) | (45,473) |
| Amounts contributed by non-controlling interest | - | | - | - | - | - | - | - | 7,218 | 7,218 |
| Non-controlling interest on acquisition of subsidiary | - | | - | - | - | - | - | - | 74,720 | 74,720 |
| Total transactions with non-controlling interest | - | | - | - | - | - | - | - | 15,239 | 15,239 |
| Balance at 30 June 2008 | 1,660,000 | 2,472,655 | 2,000,000 | 1,148,944 | (1,593) | (162,100) | 695,097 | 7,813,003 | 677,495 | 8,490,498 |

# DP World Limited and its subsidiaries

## Condensed consolidated statement of cash flows
*for the six months ended 30 June 2009*

| | *Note* | **30 June 2009 USD'000 (Unaudited)** | 30 June 2008 USD'000 (Unaudited) |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Profit from continuing operations | | **187,725** | 273,521 |
| Profit from discontinued operations | | **-** | 1,800 |
| | | **187,725** | 275,321 |
| *Adjustments for:* | | | |
| Depreciation and amortisation | | **187,890** | 182,323 |
| Share of profit of associates and joint ventures | | **(33,396)** | (54,625) |
| Finance costs | | **152,263** | 167,588 |
| Income tax expenses | | **28,673** | 66,731 |
| Profit on sale of property, plant and equipment | | **(1,988)** | (1,863) |
| Gain on sale of continuing operations, net of tax | | **-** | (2,164) |
| Finance income | | **(21,270)** | (39,697) |
| | | **499,897** | 593,614 |
| Change in inventories | | **(5,168)** | (4,521) |
| Change in receivables | | **(67,813)** | 57,676 |
| Change in payables | | **(155,075)** | 44,208 |
| Changes in provisions, pensions and post-employment benefits | | **41,585** | (106,515) |
| **Cash from operations** | | **313,426** | 584,462 |
| Taxes paid | | **(53,718)** | (56,493) |
| ***Net cash from operating activities*** | | **259,708** | 527,969 |
| **Cash flows from investing activities** | | | |
| Purchase of property, plant and equipment | | **(478,079)** | (494,955) |
| Proceeds from disposal of property, plant and equipment | | **3,842** | 31,644 |
| Proceeds from disposal of continuing operations | | **-** | 10,239 |
| Acquisition of port concession rights | | **(37,869)** | (79,402) |
| Additions to other investment | | **-** | (25,359) |
| Interest received | | **15,441** | 39,697 |
| Dividends received from associates and joint ventures | | **29,440** | 41,724 |
| Additional investment in associates and joint ventures | | **(43,231)** | (78,094) |
| Acquisition of additional interest in subsidiaries | | **(10,277)** | (101,919) |
| Acquisition of subsidiary, net of cash acquired | | **-** | (658,529) |
| ***Net cash used in investing activities*** | | **(520,733)** | (1,314,954) |

# DP World Limited and its subsidiaries

## Condensed consolidated statement of cash flows (continued)

*for the six months ended 30 June 2009*

| | *Note* | **30 June 2009 USD'000 (Unaudited)** | 30 June 2008 USD'000 (Unaudited) |
|---|---|---|---|
| **Cash flows from financing activities** | | | |
| Repayment of loan | | **(35,509)** | (1,090,894) |
| Drawdown of loan | | **2,409,171** | 700,801 |
| Dividend paid to shareholders | | **(114,540)** | (220,781) |
| Interest paid | | **(141,466)** | (167,588) |
| Dividends paid to non-controlling shareholders | | **(9,348)** | (21,226) |
| Contribution by non-controlling shareholders | | **13,067** | - |
| Loan to a joint venture | | **(20,300)** | - |
| ***Net cash from / (used in) financing activities*** | | **2,101,075** | (799,688) |
| **Increase / (decrease) in cash and cash equivalents** | | **1,840,050** | (1,586,673) |
| Cash and cash equivalents at 1 January | | **1,154,145** | 2,875,997 |
| **Cash and cash equivalents at 30 June** | | **2,994,195** | 1,289,324 |

## 1 Legal status and principal activities

DP World Limited (the "Company") formerly known as Galaxy Investments Limited was incorporated on 9 August 2006 as a Company Limited by Shares with the Registrar of Companies of the Dubai International Financial Centre ("DIFC") under the Companies Law, DIFC Law No. 3 of 2006. The condensed consolidated financial statements of the Company for the period ended 30 June 2009 comprise the Company and its subsidiaries (collectively referred to as "the Group") and the Group's interest in associates and jointly controlled entities. The Group is engaged in the business of international marine terminal operations and development, logistics and related services.

Port & Free Zone World FZE ("Parent Company") which originally held 100% of the Company's issued and outstanding share capital, made an initial public offer of 19.55% of its share capital to the public and as a result the Company was listed on the Nasdaq Dubai (formerly known as the Dubai International Financial Exchange) with effect from 26 November 2007.

Port & Free Zone World FZE is a wholly owned subsidiary of Dubai World Corporation ("Parent Group"), which is the ultimate holding company of the Group.

The Company's registered office address is P.O. Box 17000, Dubai, United Arab Emirates.

## 2 Significant accounting policies

The condensed consolidated financial statements of the Group are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. The accounting policies used in the preparation of the condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2008, except as discussed below.

During the period, the Group has adopted the following standards effective for the annual periods beginning on or after 1 January 2009.

**IAS 1 Presentation of financial statements (Revised)**

The revised standard requires changes in equity arising from transactions with owners in their capacity as owners to be presented in the statement of changes in equity. All other changes in equity are required to be presented separately in a consolidated statement of comprehensive income.

**IFRS 8 Operating segments**

The new standard, which replaced IAS 14 'Segment Reporting' requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. These segments are reported in a manner that is consistent with the prior year and internal reporting provided to the chief operating decision maker.

Certain comparative information has been re-presented / re-grouped so that it is in conformity with the revised standard.

## 3 Separately disclosed items

| | **Six months ended 30 June 2009 USD '000 (Unaudited)** | Six months ended 30 June 2008 USD'000 (Unaudited) |
|---|---|---|
| Income tax | - | (11,600) |
| Restructuring costs | - | (2,827) |
| Profit on sale and termination of businesses | - | 2,164 |
| Profit from discontinued operations and sale of discontinued operations (net of tax) | - | 1,000 |
| Others | - | (1,200) |
| | --------- | --------- |
| | - | (12,463) |
| | ===== | ===== |

**For the six months ended 30 June 2008:**

***Income tax***

Following the phasing out of the Industrial Building Allowances in the UK, deferred tax of USD 11,600 thousand in relation to the net book value of the relevant assets was provided. The amount of deferred tax provision was based on the prevailing UK tax rate of 28%.

***Restructuring costs***

The Group recognised USD 2,827 thousand of costs relating to restructuring of certain business units.

***Profit on sale and termination of businesses***

The Group sold its investments in Shanghai Jifa.

***Profit from discontinued operations and sale of discontinued operations (net of tax)***

The Group recognised a net profit of USD 1,000 thousand in respect of pension restructuring relating to discontinued operations.

# DP World Limited and its subsidiaries

## Notes *(continued)*

### 4 Segment information

For management reporting purposes, the Group is organised into business units based on the location of the Group's assets and liabilities, and has four reportable operating segments.

The following table presents certain results, assets and liabilities information regarding the Group's operating segments as at 30 June 2009.

| | Asia Pacific and Indian Subcontinent USD'000 (Unaudited) | Australia and Americas USD'000 (Unaudited) | Middle East, Europe and Africa USD'000 (Unaudited) | Head Office USD'000 (Unaudited) | June 2009 Total USD'000 (Unaudited) |
|---|---|---|---|---|---|
| **Revenue** | **248,782** | **267,825** | **867,325** | **-** | **1,383,932** |
| **Segment results from continuing operations (before finance cost) *** | **90,039** | **15,612** | **283,807** | **(70,740)** | **318,718** |
| Net finance cost | **-** | **-** | **-** | **(130,993)** | **(130,993)** |
| **Profit / (loss) from continuing operations** | **90,039** | **15,612** | **283,807** | **(201,733)** | **187,725** |

* Segment results from operations (before finance cost) comprise profit for the period plus net finance cost.

Net finance cost and tax expense have not been allocated to various geographical locations and are instead reported in head office.

# DP World Limited and its subsidiaries

## Notes *(continued)*

### 4 Segment information (continued)

| | Asia Pacific and Indian Subcontinent USD'000 (Unaudited) | Australia and Americas USD'000 (Unaudited) | Middle East, Europe and Africa USD'000 (Unaudited) | Head Office USD'000 (Unaudited) | June 2009 Total USD'000 (Unaudited) |
|---|---|---|---|---|---|
| **Segment assets** | **5,139,390** | **2,897,566** | **8,699,139** | **1,877,224** | **18,613,319** |
| Segment liabilities | **405,082** | **227,937** | **1,226,673** | **7,649,878** | **9,509,570** |
| Tax liabilities | **-** | | **-** | **1,466,126** | **1,466,126** |
| **Total liabilities** | **405,082** | **227,937** | **1,226,673** | **9,116,004** | **10,975,696** |
| Capital expenditure | **90,002** | **90,723** | **334,071** | **1,152** | **515,948** |
| Depreciation | **11,209** | **25,798** | **79,676** | **902** | **117,585** |
| Amortisation | **25,747** | **17,116** | **27,442** | **-** | **70,305** |
| Share of profit of associates and joint ventures | **19,880** | **12,701** | **815** | **-** | **33,396** |
| Tax expense | **-** | | **-** | **28,673** | **28,673** |

Tax liabilities and tax expense have not been allocated to various geographical locations and are reported in head office.

### 4 Segment information (continued)

**Earnings before interest, tax, depreciation and amortisation ("EBITDA") - Adjusted**

| | Asia Pacific and Indian Subcontinent USD'000 (Unaudited) | Australia and Americas USD'000 (Unaudited) | Middle East, Europe and Africa USD'000 (Unaudited) | Head Office USD'000 (Unaudited) | June 2009 Total USD'000 (Unaudited) |
|---|---|---|---|---|---|
| **Profit from continuing operations** | **90,039** | **15,612** | **283,807** | **(201,733)** | **187,725** |
| Less: separately disclosed items | - | - | - | - | |
| **Adjusted net profit** | **90,039** | **15,612** | **283,807** | **(201,733)** | **187,725** |
| Finance income | - | - | - | **(21,270)** | **(21,270)** |
| Finance costs | - | - | - | **152,263** | **152,263** |
| Tax expense | - | - | - | **28,673** | **28,673** |
| Depreciation and amortisation | **36,956** | **42,914** | **107,118** | **902** | **187,890** |
| **EBITDA (Adjusted)** | **126,995** | **58,526** | **390,925** | **(41,165)** | **535,281** |

## 4 Segment information (continued)

The following table presents certain results, assets and liabilities information regarding the Group's operating segments as at 30 June 2008.

| | Asia Pacific and Indian Subcontinent USD'000 (Unaudited) | Australia and Americas USD'000 (Unaudited) | Middle East, Europe and Africa USD'000 (Unaudited) | Head Office USD'000 (Unaudited) | June 2008 Total USD'000 (Unaudited) |
|---|---|---|---|---|---|
| Revenue | 267,755 | 386,973 | 942,782 | - | 1,597,510 |
| Segment results from operations (before finance cost) * | 93,845 | 71,313 | 352,840 | (114,786) | 403,212 |
| Less: segment results from discontinued operations | - | (800) | (1,000) | - | (1,800) |
| Segment results from continuing operations (before finance cost) | 93,845 | 70,513 | 351,840 | (114,786) | 401,412 |
| Net finance cost | - | - | - | (127,891) | (127,891) |
| Profit / (loss) from continuing operations | 93,845 | 70,513 | 351,840 | (242,677) | 273,521 |

* Segment results from operations (before finance cost) comprise profit for the period plus net finance cost.

Net finance cost and tax expense have not been allocated to various geographical locations and are instead reported in head office.

# DP World Limited and its subsidiaries

## Notes *(continued)*

### 4 Segment information (continued)

| | Asia Pacific and Indian Subcontinent USD'000 | Australia and Americas USD'000 | Middle East, Europe and Africa USD'000 | Head Office USD'000 | December 2008 Total USD'000 |
|---|---|---|---|---|---|
| Segment assets | 4,972,286 | 2,567,179 | 7,855,655 | 103,732 | 15,498,852 |
| Segment liabilities | 341,519 | 192,111 | 1,245,145 | 5,257,207 | 7,035,982 |
| Tax liabilities * | - | - | - | 1,289,608 | 1,289,608 |
| Total liabilities | 341,519 | 192,111 | 1,245,145 | 6,546,815 | 8,325,590 |
| | | | | | June 2008 Total USD'000 (Unaudited) |
| Capital expenditure | 79,927 | 49,894 | 444,116 | 420 | 574,357 |
| Depreciation | 19,533 | 28,756 | 71,259 | 219 | 119,767 |
| Amortisation / impairment | 24,482 | 20,605 | 17,469 | - | 62,556 |
| Share of profit of associates and joint ventures | 22,195 | 12,530 | 19,900 | - | 54,625 |
| Tax expense | - | - | - | 66,731 | 66,731 |

* Tax liabilities have not been allocated to various geographical locations and are reported in head office.

# DP World Limited and its subsidiaries

## Notes *(continued)*

### 4 Segment information (continued)

Earnings before interest, tax, depreciation and amortisation ("EBITDA") - Adjusted

| | Asia Pacific and Indian Subcontinent USD'000 (Unaudited) | Australia and Americas USD'000 (Unaudited) | Middle East, Europe and Africa USD'000 (Unaudited) | Head Office USD'000 (Unaudited) | June 2008 Total USD'000 (Unaudited) |
|---|---|---|---|---|---|
| Profit from continuing operations | 93,845 | 70,513 | 351,840 | (242,677) | 273,521 |
| Less: separately disclosed items | (2,164) | - | - | 15,627 | 13,463 |
| Adjusted net profit | 91,681 | 70,513 | 351,840 | (227,050) | 286,984 |
| Finance income | - | - | - | (39,697) | (39,697) |
| Finance costs | - | - | - | 167,588 | 167,588 |
| Tax expense | - | - | - | 55,131 | 55,131 |
| Depreciation and amortisation | 44,015 | 49,361 | 88,728 | 219 | 182,323 |
| EBITDA (Adjusted) | 135,696 | 119,874 | 440,568 | (43,809) | 652,329 |

## 5 Investment in associates and joint ventures

Summary financial information for equity accounted investees, not adjusted for the percentage ownership held by the Group:

| | Asia Pacific and Indian Subcontinent USD'000 (Unaudited) | Australia and Americas USD'000 (Unaudited) | Middle East, Europe and Africa USD'000 (Unaudited) | June 2009 Total USD'000 (Unaudited) |
|---|---|---|---|---|
| Current assets | **277,497** | **200,137** | **242,005** | **719,639** |
| Non-current assets | **6,935,084** | **616,935** | **2,886,648** | **10,438,667** |
| **Total assets** | **7,212,581** | **817,072** | **3,128,653** | **11,158,306** |
| Current liabilities | **657,521** | **118,239** | **125,971** | **901,731** |
| Non-current liabilities | **1,858,277** | **286,268** | **923,648** | **3,068,193** |
| **Total liabilities** | **2,515,798** | **404,507** | **1,049,619** | **3,969,924** |
| Revenues | **332,208** | **258,664** | **252,875** | **843,747** |
| Expenses | **(286,214)** | **(227,648)** | **(247,450)** | **(761,312)** |
| **Net profit** | **45,994** | **31,016** | **5,425** | **82,435** |

| | |
|---|---|
| The Group's share of profit of equity accounted associates and joint ventures for the six months period ending 30 June 2009 | **33,396** |
| The Group's share of net assets of equity accounted associates and joint ventures as at 30 June 2009 | **3,228,743** |

## 5 Investment in associates and joint ventures (continued)

| | Asia Pacific and Indian Subcontinent USD'000 | Australia and Americas USD'000 | Middle East, Europe and Africa USD'000 | December 2008 Total USD'000 |
|---|---|---|---|---|
| Current assets | 164,866 | 179,489 | 285,997 | 630,352 |
| Non-current assets | 6,594,028 | 595,157 | 2,438,979 | 9,628,164 |
| Total assets | 6,758,894 | 774,646 | 2,724,976 | 10,258,516 |
| Current liabilities | 312,681 | 113,121 | 134,556 | 560,358 |
| Non-current liabilities | 1,900,500 | 296,856 | 834,827 | 3,032,183 |
| Total liabilities | 2,213,181 | 409,977 | 969,383 | 3,592,541 |
| | | | | June 2008 Total USD'000 (Unaudited) |
| Revenues | 383,957 | 281,134 | 357,885 | 1,022,976 |
| Expenses | (309,650) | (244,143) | (307,294) | (861,087) |
| Net profit | 74,307 | 36,991 | 50,591 | 161,889 |
| The Group's share of profit of equity accounted associates and joint ventures for the six months period ending 30 June 2008 | | | | 54,625 |
| The Group's share of net assets of equity accounted associates and joint ventures as at 31 December 2008 | | | | 3,109,276 |

## 6 Income tax

The Group's consolidated effective tax rate in respect of continuing operations is as below:

| | **Six months ended 30 June 2009 (Unaudited)** | Six months ended 30 June 2008 (Unaudited) |
|---|---|---|
| Before separately disclosed items | **15.5%** | 20.0% |
| Including separately disclosed items | **15.5%** | 23.5% |
| | **=====** | ===== |

The effective tax rate is derived from profits of continuing operations after excluding profit on sale and termination of businesses.

## 7 Property, plant and equipment

During the six months period ended 30 June 2009, the Group acquired assets amounting to USD 478,079 thousand (30 June 2008: USD 618,538 thousand of which, USD 123,583 thousand assets were acquired through business combination).

The depreciation on property, plant and equipment during the six months period ended 30 June 2009 amounted to USD 117,585 thousand (30 June 2008: USD 119,767 thousand).

Assets with a net carrying amount of USD 1,854 thousand were disposed of by the Group during the six months ended 30 June 2009 (30 June 2008: USD 29,781 thousand), resulting in a profit on disposal of USD 1,988 thousand (30 June 2008: profit of USD 1,863 thousand).

## 8 Other intangible assets

During the six month period ended 30 June 2009, the Group acquired other intangible assets amounting to USD 37,869 thousand (30 June 2008: USD 768,228 thousand of which, USD 688,826 thousand assets were acquired through business combination). Furthermore, the Group has also recorded additions to intangible assets of USD 111,413 thousand.

The amortization of other intangible assets during the six months period ended 30 June 2009 amounted to USD 70,305 thousand (30 June 2008: USD 62,556 thousand).

## 9 Bank balances and cash

| | **30 June 2009 USD'000 (Unaudited)** | 31 December 2008 USD'000 (Audited) |
|---|---|---|
| Cash at banks and in hand | **2,179,849** | 500,861 |
| Short-term deposits | **497,567** | 259,280 |
| Deposits under lien | **377,358** | 443,933 |
| Bank balances and cash | **3,054,774** | 1,204,074 |
| Bank overdrafts | **(60,579)** | (49,929) |
| Cash and cash equivalents | **2,994,195** | 1,154,145 |

Short-term deposits are maintained for varying periods between one day and three months depending on the cash requirements of the Group and earn interest at the respective short–term deposit market rates.

Out of the deposits under lien, USD 351,217 thousand (2008: 409,887 thousand) is placed to collaterise some of the regional borrowings. The balance of USD 26,141thousand (2008: USD 34,046 thousand) is under lien in respect of certain loan notes issued to the erstwhile shareholders of Peninsular & Oriental Steam Navigation Company ("P&O").

Bank overdrafts are repayable on demand.

## 10 Share capital

The share capital of the Company is as follows:

| | **30 June 2009 USD'000 (Unaudited)** | 31 December 2008 USD'000 (Audited) |
|---|---|---|
| *Authorised* | | |
| 25,000,000,000 ordinary shares of USD 0.10 each | **2,500,000** | 2,500,000 |
| *Issued and fully paid* | | |
| 16,600,000,000 ordinary shares of USD 0.10 each | **1,660,000** | 1,660,000 |

No new shares were issued during the period. Also refer to note 1.

## 11 Dividend paid

Dividend relating to 2008 amounting to USD 114,540 thousand was paid during the period ended 30 June 2009 (30 June 2008: USD 220,781).

## 12 Loans and borrowings

The Group's loans and borrowings are as follows:

| | **30 June 2009 USD'000 (Unaudited)** | 31 December 2008 USD'000 (Audited) |
|---|---|---|
| **Non-current liabilities** | | |
| Secured bank loans | **470,677** | 427,810 |
| Unsecured bank loans | **3,880,724** | 1,513,150 |
| Unsecured bond issues | **3,231,101** | 3,230,244 |
| Unsecured loan stock | **5,377** | 4,777 |
| Mortgage debenture stocks | **2,345** | 2,083 |
| Finance lease liabilities | **58,262** | 18,830 |
| | **7,648,486** | 5,196,894 |
| **Current liabilities** | | |
| Secured bank loans | **60,736** | 56,499 |
| Unsecured bank loans | **70,677** | 109,233 |
| Finance lease liabilities | **6,044** | 6,719 |
| | **137,457** | 172,451 |
| | **7,785,943** | 5,369,345 |

## 13 Related party transactions

Transactions with related parties included in the condensed consolidated financial statements are as follows:

| | **30 June 2009 USD'000 (Unaudited)** | 30 June 2008 USD'000 (Unaudited) |
|---|---|---|
| Expenses charged by a related party | **18,026** | 19,297 |
| Concession fee charged by a related party | **24,082** | 24,500 |
| Management fee charged to associates and joint ventures | **1,975** | 3,507 |

Notes *(continued)*

## 13 Related party transactions (continued)

Balances with related parties included in the balance sheet are as follows:

| **Due from related parties** | **30 June 2009 USD'000 (Unaudited)** | 31 December 2008 USD'000 (Audited) |
|---|---|---|
| Associates and joint ventures | **155,935** | 39,688 |
| Other related parties | **87,427** | 113,284 |
| | **243,362** | 152,972 |
| **Due to related parties** | | |
| Associates and joint ventures | **68,334** | 68,347 |
| Other related parties | **22,797** | 213,263 |
| | **91,131** | 281,610 |

## 14 Operating leases

**Operating lease commitments – Group as lessee**

Future minimum rentals payable under non-cancellable operating leases are as follows:

| | **30 June 2009 USD'000 (Unaudited)** | 31 December 2008 USD'000 (Audited) |
|---|---|---|
| Within one year | **170,261** | 226,609 |
| Between one and five years | **735,564** | 682,133 |
| Between five to ten years | **1,402,751** | 1,333,085 |
| Between ten to twenty years | **1,782,919** | 1,765,711 |
| Between twenty to thirty years | **794,673** | 903,900 |
| Between thirty to fifty years | **1,124,592** | 1,179,331 |
| Between fifty to seventy years | **914,908** | 920,908 |
| More than seventy years | **1,189,381** | 1,218,553 |
| | **8,115,049** | 8,230,230 |

## 14 Operating leases (continued)

**Operating lease commitments – Group as lessor**

Future minimum rentals receivable under non-cancellable operating leases are as follows:

| | **30 June 2009 USD'000 (Unaudited)** | 31 December 2008 USD'000 (Audited) |
|---|---|---|
| Within one year | **14,416** | 17,393 |
| Between one to five years | **36,613** | 45,601 |
| More than five years | **34,950** | 39,136 |
| | --------- | --------- |
| | **85,979** | 102,130 |
| | ===== | ===== |

## 15 Capital commitments

| | **30 June 2009 USD'000 (Unaudited)** | 31 December 2008 USD'000 (Audited) |
|---|---|---|
| Estimated capital expenditure contracted for at the balance sheet date | **1,208,122** | 1,407,725 |
| | ======= | ======= |

## 16 Contingent liabilities

(a) The Group has the following contingent liabilities in respect of guarantees issued:

| **Type of guarantee** | **30 June 2009 USD'000 (Unaudited)** | 31 December 2008 USD'000 (Audited) |
|---|---|---|
| Payment guarantees | **266,003** | 253,475 |
| Performance guarantees | **52,160** | 71,117 |
| Letters of credit | **1,793** | 1,793 |
| | ====== | ====== |

## 16 Contingent liabilities (continued)

(b) The Group through its 100% owned subsidiary Mundra International Container Terminal Private Limited ("MICT") has developed and is operating the container terminal at the Mundra port in Gujarat.

In 2007 MICT received the termination notice issued by Mundra Port and Special Economic Zone Limited, ("MPSEZ") at the behest of Gujarat Maritime Board, ("GMB") on the grounds that the acquisition of interest in MICT by the Company constitutes a breach of the fundamental premise on which these permissions were granted. MPSEZ has also filed a suit for eviction and an application for appointment of an interim receiver in 2008. Currently the company's appeal in the High Court of Gujarat seeking stay on the termination of the Sub-Concession Agreement is pending. The suit for eviction and an application for appointment of an interim receiver have been adjourned by the Court pending the outcome of the company's Appeal in the High Court.

Based on the advice of its legal counsel, management believes it has a strong defence and the above litigation should have no adverse impact on the company's financial position as of the balance sheet date.

(c) Chennai Port Trust ("CPT") has raised a demand for an amount of USD 19,110 thousand (2008: USD 18,810 thousand) from Chennai Container Terminal Limited ("CCTL"), a subsidiary of the company, on the basis that CCTL has failed to fulfill its obligations in respect of non-transshipment containers for a period of four consecutive years from 1 December 2003. CCTL has subsequently paid USD 13,350 thousand (2008: USD 13,150 thousand) under dispute. CCTL has commenced legal proceedings at the Chennai High Court against CPT. Based on advice from the legal counsel, management believes that the legal proceedings will have no adverse impact on the Group's financial position; the amount paid is highly likely to be recovered eventually and will not result in termination of the license agreement to operate the port.

CPT has raised a demand for an amount of USD 13,256 thousand (2008: USD 15,230 thousand) from CCTL, towards additional lease charges for the land leased out to CCTL. Legal proceedings have been initiated for this matter and the company strongly believes that this case will be settled in the company's favour.