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2010 Interim Results
Wednesday 18 August 2010

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Financial Results for the six months to 30 June 2010

- Introduction – Mohammed Sharaf, CEO
- Financial Review – Yuvraj Narayan, CEO
- Outlook – Mohammed Sharaf, CEO

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Introduction

Progress in first six months of 2010

- Volumes back at close to 2008 levels with high utilization
- Container revenue per TEU back at 2008 levels
- Removed 5% from costs in 2010, of which 3% are permanent
- Group EBITDA margin improvement to 39.9%
- Gross cash generation increased 5% to $525 million
- Successful opening of new terminals and continued investment in existing terminals and new developments

All financial results are reported before separately disclosed items

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Financial Review – Yuvraj Narayan

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Financial Results to 30 June 2010

	2010 H1	2009 H1	
Consolidated Throughput (TEU)	**13.2 million**	12.3 million	7%
Revenue	**$1,455 million**	$1,384 million	5%
Share of profit from JVs and Associates	**$61.9 million**	$33.4 million	85%

- Container revenue per TEU increased to $90 per TEU

- Share of profit from joint ventures and associates benefitted from new terminal contribution – excluding new terminals growth was 58% driven by volumes returning in Asia

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H1 Container v Non-Container revenue

	2007 H1	2008 H1	2009 H1	2010 H1
Container 'Stevedoring'	621	808	668	754
Container 'Other'	294	403	430	426
Non-Container	294	387	286	275

Y-axis: $0, $200, $400, $600, $800, $1,000, $1,200, $1,400, $1,600, $1,800

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EBITDA and EBITDA Margins

	2010 H1	2009 H1	
Adjusted EBITDA (including JVs and Associates)	**$580 million**	$535 million	8%
Adjusted EBITDA Margin (including JVs and Associates)	**39.9%**	38.7%	

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Continued Successful Cost Reductions

- Like for like at constant currency expenses only increased 4% despite the comparable volume increase of 10%
- $42 million or 5% cost savings in first six months of 2010 at constant currency
- Cost per TEU is lower due to a combination of improved efficiencies/ cost reduction measures and volume increases
- Eliminated 3% total costs permanently – in line with annualized target of 3-4%
- Small shift towards variable costs at 62% of total costs against fixed costs now at 38%

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Key Expenses Movements in 2010 H1

Reported expenses increase as volume growth returned; total reported expenses increased more slowly at 6% than the volume increase of 7%

2010 H1 Top 5 Expenses	Changes v 2009 H1
Payroll (Terminal) (43% total cost base)	↑ 5%
Terminal rent and concession (20% total cost base)	↑ 8%
Corporate and regional office overhead (6 % total cost base)	↓ 5%
Gas & Electricity (6% of total cost base)	↑ 2%

All expenses as reported and include additional costs associated with new terminals as well as unfavorable currency impact

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Below EBITDA

	2010 H1	2009 H1	
Adjusted EBITDA (including JVs and Associates)	**$580 million**	$535 million	8%
Depreciation & Amortization	**$217 million**	$188 million	+$29 m
Net Finance Costs	**$144 million**	$131 million	+$13 m
Pre-tax profit from continuing businesses	**$219 million**	$216 million	1%

•Depreciation has increased $23 million as operations have begun in Saigon (Vietnam) and Callao (Peru)

• Net finance costs have increased $13 million as a result of debt relating to those new terminals

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Debt Position

(US$'000)	As at 30 June 2010	As at 31 December 2009
Total debt	**8,044**	**7,969**
Cash balance	**2,679**	**2,910**
Net debt	**5,365**	**5,059**

- Balance sheet remains strong with no major refinancing until Q4 2012 and $2.7 bn cash on balance sheet
- Gross cash generation from operations of $525 million ($500 million)
- Interest cover remains at 4 times [1]

(1) Interest cover is calculated using adjusted EBITDA and net interest expense

Debt Maturity Profile

3500
3000
2500
2000
1500
1000
500
0

2010 2011 2012 2017 2037

H1
H2

- 2010 H2 bullet repayment is cash backed
- $3 billion is due in October 2012

Profit After Tax & Net Income

	2010 H1	2009 H1	
Pre-tax profit from continuing businesses	**$219 million**	$216 million	1%
Tax Expense	**$12 million**	$29 million	($17 m)
Adjusted net profit after tax from continuing operations	**$206 million**	$188 million	10%
Profitable attributable to non-controlling interests	**$43 million**	$12 million	$31 m
Profitable attributable to owners of the company (Net Income after minorities)	**$164 million**	$175 million	-7%

- Lower tax expense of $12 million due to an adjustment in deferred tax liability in India
- 2009 H1 reported minority interests lower due to the inclusion of a tax liability in Argentina

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Tax Charge

- Lower tax charge for first six months of 2010 at $12.1 million as a result of adjustment for deferred tax liability in India
- 2010 full year tax charge expected to be lower than expected at between $40 - $45 million
- 2011 onwards effective tax rate expected to return to 16-19%

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Profit attributable to non-controlling interests (minority interests)

•Increased to $42.6 million against $12.4 million for same period last year

• 2009 H1 reported minority interests lower due to the inclusion of a tax liability in Argentina

•Minority interests increased to 21% of profit after tax

•Expected to be in the range of 20-25% of profit after tax going forward

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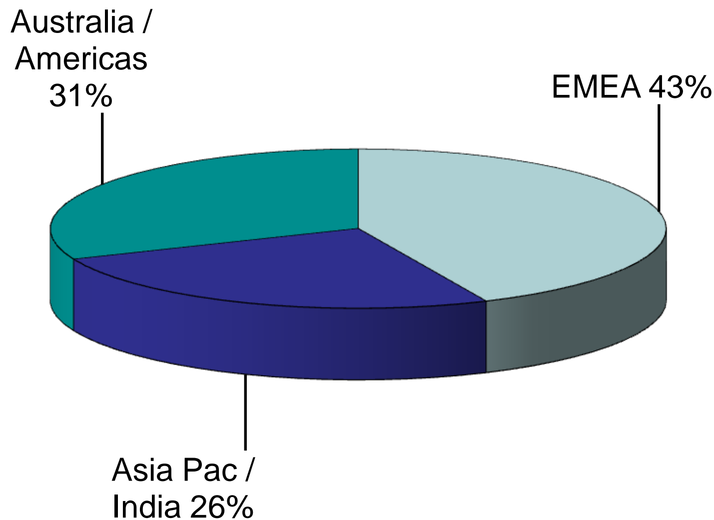
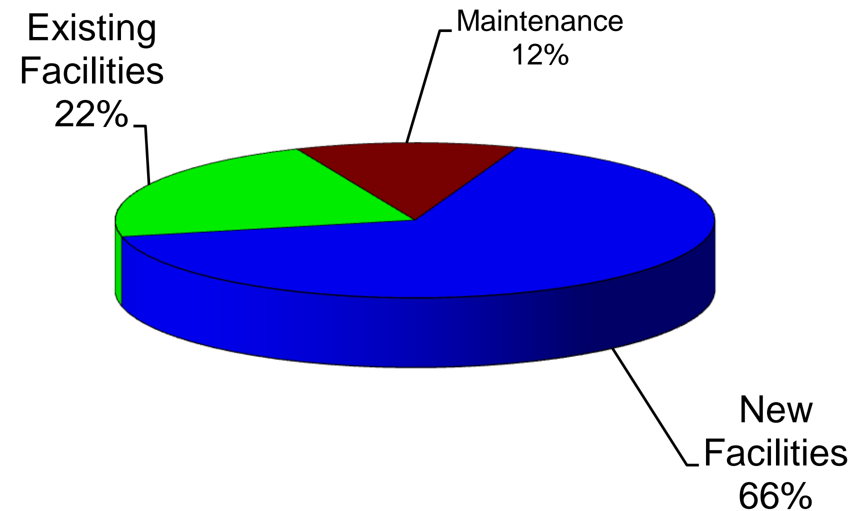
Capital Expenditure





- Significant proportion of our capex invested in new facilities opening in 2010

- $2.5 bn capital expenditure forecast 2010 – 2012 inclusive

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Outlook

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Outlook

- Uncertainty remains over the sustainability of global trade volumes.

- We expect the second half to deliver stronger results
  - seasonal trade flows
  - contribution from new terminals in Peru, India and Pakistan
  - ongoing improvement in non-container revenues

- We are on track to meet full year results in line with our expectations

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Questions