This document constitutes a prospectus for the purposes of Article 3 of European Union ("**EU**") Directive 2003/71/EC (the "**Prospectus Directive**") (the "**Prospectus**") relating to DP World Limited (the "**Company**") and its subsidiaries and has been prepared in accordance with the Prospectus Rules (the "**Prospectus Rules**") made under Section 73A of the Financial Services and Markets Act 2000 (as amended) ("**FSMA**"). The Prospectus will be made available to the public in accordance with section 3.2 of the Prospectus Rules. This Prospectus has been approved by the UK Listing Authority in accordance with section 87A of FSMA in connection with the Company's application to the UK Listing Authority for admission to the Premium Segment of the Official List of the UK Listing Authority (the "**Official List**") and to the London Stock Exchange plc (the "**London Stock Exchange**") for all of its ordinary shares (the "**Ordinary Shares**") to be admitted to trading on the London Stock Exchange's main market for listed securities.

The Directors, whose names appear in section 1 of Part XII (*Directors, Senior Management and Corporate Governance—Directors*) of this Prospectus, and the Company, accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company (who have taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and this Prospectus does not omit anything likely to affect the import of such information.

The Ordinary Shares are admitted to listing and trading on the NASDAQ Dubai Stock Exchange ("**NASDAQ Dubai**") under the symbol "DPW DU" and International Security Identification Number ("**ISIN**") AEDFXA0M6V00. Application has been made to the UK Listing Authority for all of the Ordinary Shares to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for the Ordinary Shares to be admitted to trading on the London Stock Exchange's market for listed securities ("**Admission**"). No application has been made or is currently intended to be made for the Ordinary Shares to be admitted to listing or trading on any other exchange. It is expected that Admission will become effective and that unconditional dealings in the Ordinary Shares will commence at 8.00 a.m. (London time) on 1 June 2011 (under the symbol "DPW LN" and ISIN AEDFXA0M6V00).

Prospective investors should read the whole of this document, including the discussion of certain risks and other factors that should be considered in connection with an investment in the Ordinary Shares as set out in the Risk Factors section. Prospective investors should be aware that an investment in the Company involves a degree of risk and that, if certain of the risks described in this Prospectus occur, investors may find their investment materially adversely affected. Accordingly, an investment in the Ordinary Shares is only suitable for investors who are particularly knowledgeable in investment matters and who are able to bear the loss of the whole or part of their investment.

DP WORLD

DP World Limited

(a company limited by shares incorporated in the Dubai International Financial Centre with registered number 0226)

Admission of 830,000,000 Ordinary Shares of US$2.00 each to listing on the Official List and to trading on the London Stock Exchange

Joint Sponsors

Citi — Deutsche Bank

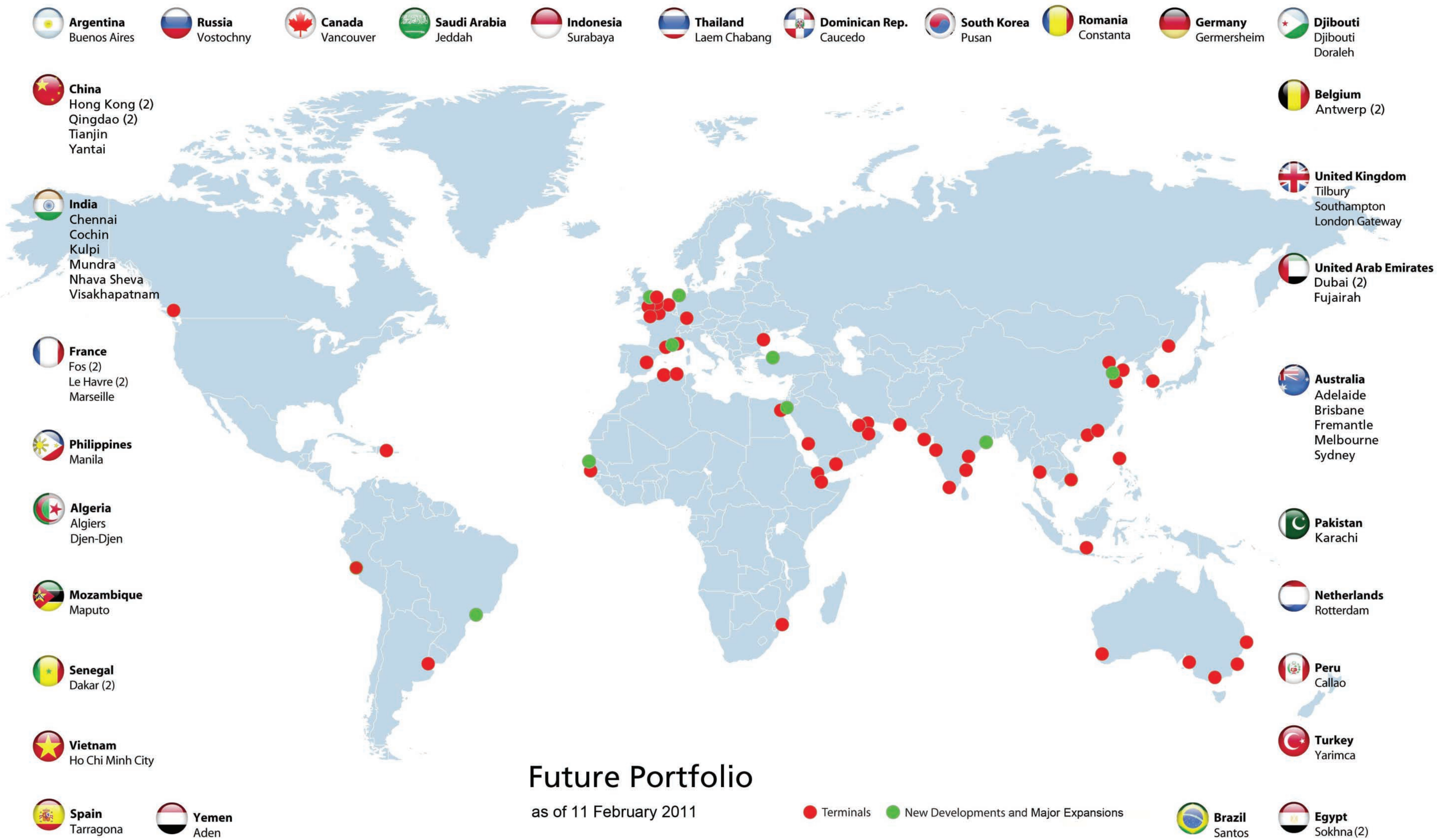
Financial Adviser

HSBC

This Prospectus does not constitute an offer of, or the solicitation of an offer to subscribe for or buy, any of the Ordinary Shares or any other security to any person in any jurisdiction.

The Company is not offering any Ordinary Shares nor any other securities in connection with Admission. This Prospectus has been prepared pursuant to and in compliance with Section 73A of FSMA and the listing rules made by the UK Listing Authority under Part VI of FSMA (the "**Listing Rules**") solely for the purpose of Admission.

The distribution of this Prospectus may be restricted by law. No action has been or will be taken by the Company to permit the possession or distribution of this Prospectus in any jurisdiction where action for that purpose may be required. Accordingly, neither this Prospectus nor any advertisement or any other material relating to it may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities law of any such jurisdictions.



Future Portfolio

as of 11 February 2011

The contents of this Prospectus are not to be construed as legal, financial, business or tax advice. Each prospective investor should consult his, her or its own legal adviser, financial adviser or tax adviser for legal, financial or tax advice.

The Dubai Financial Services Authority has not reviewed or approved this Prospectus nor taken steps to verify the information set out in it and has no responsibility for it.

The Ordinary Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or under the applicable securities laws of any state of the U.S.

THE ORDINARY SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), ANY OTHER FEDERAL OR STATE SECURITIES COMMISSION IN THE U.S. OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY SUCH AUTHORITIES PASSED UPON CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE U.S.

RELIANCE ON THIS PROSPECTUS

Prospective investors should rely only on the information contained in this Prospectus. No person has been authorised to give any information or make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been so authorised by the Company, the Directors or the Joint Sponsors. Any delivery of this Prospectus shall not, under any circumstances create any implication that there has been no change in the affairs of the Company or its subsidiaries since, or that the information contained herein is correct at any time subsequent to, the date of this Prospectus. In particular, the content of the Company and its subsidiaries' (the "**Group**") website (www.dpworld.com) does not form part of this Prospectus and prospective investors should not rely on it.

Without prejudice to any legal or regulatory obligation on the Company to publish a supplementary prospectus pursuant to Section 87G of FSMA and rule 3.4 of the Prospectus Rules, the delivery of this Prospectus shall not under any circumstances create any implication that there has been no change in the affairs of the Company or the Group taken as a whole since the date of this Prospectus or that the information contained herein is correct as of any time after the date of this Prospectus.

No representation or warranty, express or implied, is made by the Joint Sponsors as to the accuracy or completeness of information contained in this Prospectus, and nothing in this Prospectus is, or shall be relied upon as, a promise or representation by the Joint Sponsors.

Each of the Joint Sponsors and the Financial Adviser is authorised and regulated in the United Kingdom by the UK Financial Services Authority (the "**FSA**"), and is acting exclusively for the Company and no one else in connection with Admission and none of them will regard any other person (whether or not a recipient of this Prospectus) as a client in relation to Admission. Apart from the responsibilities and liabilities, if any, imposed on the Joint Sponsors and the Financial Adviser by FSMA or the regulatory regime established thereunder, each of the Joint Sponsors and the Financial Adviser accepts no responsibility or liability whatsoever for the contents of this Prospectus or for any other statement made or purported to be made in connection with the Company, its Ordinary Shares or this Prospectus. Each of the Joint Sponsors and the Financial Adviser accordingly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement.

The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult their own legal adviser, financial adviser or tax adviser for legal, financial or tax advice.

Information in this Prospectus will be updated in accordance with the Listing Rules, the Prospectus Rules and the UK Disclosure Rules and Transparency Rules as appropriate.

CONTENTS

PART I

SUMMARY

This summary should be read as an introduction to this Prospectus only. Any decision as to whether to invest in Ordinary Shares should be based on consideration of this Prospectus as a whole and not just this summary. Where a claim relating to the information contained in this Prospectus is brought before a court, investors might, under the national legislation of the European Economic Area member states, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches to the Directors and the Company, who are responsible for this summary, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus.

1. **Information about the Group**

   The Group is one of the largest container terminal operators in the world by capacity and throughput. The Group is also one of the most geographically diversified container terminal operators in the world, reporting across three geographical segments, comprising: Middle East, Europe and Africa; Asia Pacific and Indian Subcontinent; and Australia and Americas. It currently operates 49 terminals, which span 28 countries. The Group's portfolio had a gross capacity of 67.1 million TEUs and generated gross throughput of 49.6 million TEUs and 43.4 million TEUs for the years ended 31 December 2010 and 2009.

2. **Strategy**

   As part of the Group's strategy, it seeks to:

   - optimise existing asset base and current capacity;
   - maximise customer satisfaction with innovative and tailored solutions that add value;
   - enhance relationships with sector participants;
   - deploy capital for sustained growth, profitability and market leadership; and
   - create an environment of opportunity and professional enhancement for employees.

3. Summary financial information

3.1 Selected consolidated income statement data

	Year ended 31 December								
	2008			2009			2010		
	Before separately disclosed items	Separately disclosed items[1]	Total	Before separately disclosed items	Separately disclosed items[1]	Total	Before separately disclosed items	Separately disclosed items[1]	Total
	(Audited) (US dollars in thousands)								
Income Statement Data:									
Revenue from operations	3,283,120	—	3,283,120	2,821,017	108,212	2,929,229	3,078,076	110,865	3,188,941
Cost of sales	(2,143,326)	—	(2,143,326)	(1,956,008)	(108,212)	(2,064,220)	(2,126,965)	(110,865)	(2,237,830)
Gross profit	1,139,794	—	1,139,794	865,009	—	865,009	951,111	—	951,111
General and administrative expenses	(306,081)	(129,900)	(435,981)	(284,551)	(20,755)	(305,306)	(329,576)	(3,700)	(333,276)
Other income	18,291	—	18,291	19,117	3,000	22,117	20,324	8,905	29,229
Finance income	76,146	—	76,146	72,950	12,542	85,492	89,395	—	89,395
Finance costs	(343,245)	(7,653)	(350,898)	(356,728)	—	(356,728)	(368,223)	(17,583)	(385,806)
Share of profit/(loss) of equity accounted associates and joint ventures	116,194	(2,000)	114,194	71,307	(1,970)	69,337	140,203	244	140,447
Profit on sale and termination of business (net of tax)	—	15,790	15,790	—	44,276	44,276	—	13,200	13,200
Profit/(loss) before tax	701,099	(123,763)	577,336	387,104	37,093	424,197	503,234	1,066	504,300
Income tax	(80,332)	33,700	(46,632)	(54,441)	313	(54,128)	(53,174)	—	(53,174)
Profit/(loss) for the year	620,767	(90,063)	530,704	332,663	37,406	370,069	450,060	1,066	451,126
Attributable to:									
Owners of the Company	572,277	(90,063)	482,214	295,456	37,406	332,862	373,741	1,066	374,807
Non-controlling interest	48,490	—	48,490	37,207	—	37,207	76,319	—	76,319

(1) Separately disclosed items represent those material items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, the Company believes merit separate presentation in order to more effectively present our financial performance for a period, compare our financial performance with prior periods and assess trends in our financial performance.

	Year ended 31 December					
	2008		2009		2010	
	Revenue	Profit after tax	Revenue	Profit after tax	Revenues	Profit after tax
	(Audited) (US dollars in thousands)					
Income Statement Data by Segment (including separately disclosed items):						
Middle East, Europe and Africa	2,009,347	727,666	1,748,155	523,166	1,741,727	556,919
Australia and Americas	756,810	183,208	596,299	74,636	875,474	169,154
Asia-Pacific and Indian Subcontinent	516,963	59,399	584,775	188,018	571,740	157,913
Subtotal	3,283,120	970,273	2,929,229	785,820	3,188,941	883,986
Head office	—	(439,569)	—	(415,751)	—	(432,860)
Total	3,283,120	530,704	2,929,229	370,069	3,188,941	451,126

3.2 **Selected consolidated cash flow statement data**

	Year ended 31 December		
	2008	2009	2010
	(Audited) (US dollars in thousands)		
Consolidated Cash Flows Data:			
Net cash from operating activities	1,068,708	572,340	1,274,942
Net cash from/(used in) investing activities	(2,007,467)	(915,487)	(870,614)
Net cash from/(used in) financing activities	(685,799)	1,963,373	(727,012)
Net increase/(decrease) in cash and cash equivalents	(1,624,558)	1,620,226	(322,684)
Effect of exchange rate fluctuation on cashflow	(97,294)	124,195	(8,366)
Cash and cash equivalents at 1 January	2,875,997	1,154,145	2,898,566
Cash and cash equivalents at 31 December	1,154,145	2,898,566	2,567,516

3.3 **Selected consolidated balance sheet data**

	As at 31 December		
	2008	2009	2010
	(Audited) (US dollars in thousands)		
Consolidated Balance Sheet Data:			
Non-current assets	13,485,913	15,154,901	14,049,075
Current assets			
Bank balances and cash	1,204,074	2,910,066	2,519,616
Assets held for sale	10,100	28,400	2,084,840
Other current assets(1)	798,765	867,169	706,013
Total current assets	2,012,939	3,805,635	5,310,469
Total assets	15,498,852	18,960,536	19,359,544
Equity	7,173,262	8,037,445	8,495,926
Non-current liabilities			
Interest bearing loans and borrowings	5,196,894	7,474,878	7,420,299
Other non-current liabilities(2)	1,694,455	1,963,965	1,696,313
Total non-current liabilities	6,891,349	9,438,843	9,116,612
Current liabilities			
Accounts payable and accruals	1,048,437	817,602	939,562
Interest bearing loans and borrowings	172,451	483,091	349,447
Liabilities held for sale	—	—	356,193
Other current liabilities(3)	213,353	183,555	101,804
Total current liabilities	1,434,241	1,484,248	1,747,006
Total liabilities	8,325,590	10,923,091	10,863,618
Total equity and liabilities	15,498,852	18,960,536	19,359,544

(1) Other current assets includes inventories and accounts receivable and prepayments.

(2) Other non-current liabilities includes deferred tax liabilities, employees' end of service benefits, pension and post employment benefits, and other payables.

(3) Other current liabilities includes income tax liabilities, bank overdrafts, and pension and post employment benefits.

3.4 **Key performance indicators**

	2008	2009	2010
	Year ended 31 December		
	(Audited, except EBITDA and Adjusted EBITDA) (US dollars in thousands)		
Calculation of EBITDA and Adjusted EBITDA:			
Profit after tax from continuing operations	530,704	370,069	451,126
Finance costs	343,245	356,728	368,223
Finance income	(76,146)	(72,950)	(89,395)
Tax expense	80,332	54,441	53,174
Depreciation and amortisation	371,644	401,560	458,390
EBITDA[1]	1,249,779	1,109,848	1,241,518
Separately disclosed items	90,063	(37,406)	(1,066)
Adjusted EBITDA[2]	1,339,842	1,072,442	1,240,452

(1) EBITDA is a non-IFRS measure used by management to measure operating performance and is defined as profit after tax from continuing operations plus finance costs (net of finance income), income tax, depreciation and amortisation. EBITDA includes the Group's share of profit from associates and joint ventures.

(2) Adjusted EBITDA is a non-IFRS measure and is defined as EBITDA further adjusted to remove the impact of separately disclosed items. Adjusted EBITDA includes the Group's share of profit from associates and joint ventures.

	2008	2009	2010
	Year ended 31 December		
	(Unaudited, unless otherwise indicated)		
Other Financial and Operating Data:			
Revenue (before separately disclosed items, in millions of USD)			
Container/stevedoring revenue	1,613.7	1,425.2	1,606.9
Container/other revenue	873.1	855.3	905.5
Non-container revenue	796.3	540.5	565.7
Total revenue[1]	3,283.1	2,821.0	3,078.1
Net Debt to Adjusted EBITDA[2]	3.2x	4.7x	4.2x
Total Throughput (in millions of TEUs)			
Middle East, Europe and Africa	17.8	16.5	17.5
Australia and Americas	4.1	3.5	4.8
Asia-Pacific and Indian Subcontinent	6.0	5.5	5.5
Total throughput	**27.9**	**25.5**	**27.8**

(1) Total revenue for the years ended 31 December 2008, 2009 and 2010 have been audited.

(2) Net debt to Adjusted EBITDA is calculated by dividing total debt minus cash and cash equivalents by Adjusted EBITDA.

4. **Directors and senior management**

The Company currently has a board (the "**Board**") of eight Directors comprising: two executive directors, four independent non-executive directors and two non-executive directors.

The day-to-day running of the Group is conducted by the Company's executive directors and the Group's four senior managers.

5. **The Ordinary Shares**

The Ordinary Shares have a nominal value of US$2.00 each. The Ordinary Shares are admitted to listing and trading on NASDAQ Dubai under the symbol DPW DU and ISIN AEDFXA0M6V00. When admitted to trading on the London Stock Exchange, the Ordinary Shares, as represented by the Depository Interests, will be registered with ISIN AEDFXA0M6V00 and Stock Exchange Daily Official List ("**SEDOL**") number B291WY5AE under the symbol DPW LN.

6. **Dividend policy**

Subject to the considerations and limitations on dividends set out in section 6 of Part XIV (*Additional Information*), the Company's current dividend policy is to distribute not less than 20 per cent of the Company's profit for the year attributable to a holder for the time being of Ordinary Shares (a "**Shareholder**") (after separately disclosed items) as dividends.

7. **Reasons for listing on the Official List**

The Company is applying for its Ordinary Shares to be admitted to listing on the Official List and to trading on the London Stock Exchange in order to allow investors who are currently unable to invest in the Company's Ordinary Shares through NASDAQ Dubai access through an alternative stock exchange to invest in the Company's Ordinary Shares.

8. **Current trading**

The Group's portfolio of 49 operating terminals handled gross volumes of 12.6 million TEUs for the three months ended 31 March 2011, which represented an increase of 12 per cent compared to the same period in 2010. The Group's like for like gross volumes (which excludes the contributions from Callao, Peru, which became operational in 2010) increased by 10 per cent for the three months ended 31 March 2011 compared to the same period in 2010.

Volumes for the Group's consolidated terminals totalled 6.8 million TEUs for the three months ended 31 March 2011. Whilst this reflects an 8.5 per cent increase compared to the same period in 2010, had the Group's five terminals in Australia not been deconsolidated from 12 March 2011, volumes for its consolidated terminals would have increased 11 per cent compared to the same period in 2010. The Group's like-for-like volume growth for the Group's consolidated terminals (which excludes the contributions from Callao, Peru, which became operational in 2010, as well as the contributions from the five Australian terminals, which were deconsolidated from 12 March 2011) was 7.5 per cent compared to the same period in 2010. This increase was primarily driven primarily by strong growth in the UAE, which handled 3.0 TEUs for the three months ended 31 March 2011, representing an increase of 12 per cent compared to the same period in 2010.

9. **Summary of risk factors**

Prior to investing in the Ordinary Shares, prospective investors should carefully consider the following risks relating to the Group's business, which could materially and adversely affect the Group's business, financial condition, results of operations or prospects.

9.1 **Risks relating to the Group's business and the industries in which the Group operates**

- The Company's results of operations are adversely impacted by declines in global trading volumes.
- The Company's ultimate majority shareholder, Dubai World Corporation ("**Dubai World**"), and the Government of Dubai have the ability to exert significant influence over the Company and their interests may conflict with those of investors or the Company's.
- The Group's future success depends on its ability to achieve and manage growth, whether through organic growth or by winning new concessions or through bolt-on acquisitions.
- The Group faces significant competition in the container terminal industry for concessions and throughput, which could adversely affect its ability to maintain or increase its market share and profitability.
- The Group is exposed to certain risks in respect of the expansion of terminals and port facilities and the development and construction of new terminals and port facilities.
- A significant number of the Group's operations are run through joint ventures and other entities in which it holds a minority interest and, in some cases, it does not have the right or power to direct the management and policies of such companies.
- The Group's inability to maintain and renew concession agreements at its existing facilities may adversely affect its financial condition and results of operations.

- Expansion of the Group's businesses require substantial capital investment, and it may not have sufficient capital to make, or may be restricted by covenants in its financing agreements from making, future capital expenditures and other investments as it deems necessary or desirable.
- The Group's indebtedness could adversely affect its ability to raise additional capital to fund further expansion of its operations and limit its ability to react to changes in the economy or the industries in which it operates.
- If the Group fails to retain and attract qualified and experienced employees, its business may be harmed.
- The Group may not maintain sufficient insurance coverage for the risks associated with the operation of its business.
- Fluctuations in currency exchange rates could have an adverse effect on the Group's results of operations.
- Increases in interest rates may adversely affect the Group's financial condition.
- The discontinuation of any of the preferential tax treatments currently available to the Group may increase its tax liabilities and decrease its profitability.
- The Group may be adversely affected by conditions in the global financial markets and the impact that this has on its ability to secure financing.
- The Group's port operations could be adversely affected by natural disasters or other catastrophic events beyond the Group's control.
- Additional security requirements may increase the Group's operating costs and restrict its ability to conduct its ports business.
- The Group relies on security procedures carried out at other port facilities and by its shipping line customers, which are outside of its control.
- The Group is subject to a wide variety of regulations and may face substantial liability if it fails to comply with existing or future regulations applicable to its businesses.
- Industrial action or adverse labour relations could disrupt the Group's business operations and have an adverse effect on operating results.
- Failure in the Group's information and technology systems could result in delays to the Group's business operations.

9.2 **Risks relating to the regions in which the Group operates**

- The Group is subject to political and economic conditions in Dubai, as well as the UAE as a whole.
- The Group is subject to the risks of political, social and economic instability associated with countries and regions in which it operates or may seek to operate.
- Antitrust and competition laws in the countries in which the Group operates may limit its growth and subject it to antitrust and other investigations.
- Government policies relating to the container terminal industry may be changed in countries in which the Group operates, and any such changes in a country could have a material adverse effect on the Group's financial condition and results of its operations in that country.
- The Company is incorporated in the DIFC, which was established in 2004, and the legal framework applicable to it is largely untested.

9.3 **Risks relating to the Ordinary Shares**

- The market price of the Ordinary Shares may be volatile, which could cause the value of an investment to decline.
- Holders of the Ordinary Shares in certain jurisdictions, including the United States, may not be able to exercise their pre-emptive rights if the Company increases its share capital.

- Payment of dividends on the Ordinary Shares is at the discretion of the Company's Board of Directors and is subject to a number of considerations and limitations. Consequently, investors may not receive dividends on the Ordinary Shares.
- Dividends may be subject to fluctuations in currency exchange rates.
- It may be difficult for investors to enforce judgments against the Company.

PART II

RISK FACTORS

Investing in the Ordinary Shares involves a high degree of risk. In deciding whether to invest in the Ordinary Shares, prospective investors should carefully consider all of the information set forth in this Prospectus and, in particular, the specific risks set forth below. Any of the following risks as well as other risks and uncertainties discussed in this Prospectus could have a material adverse effect on the Group's business, financial condition, results of operations and prospects and cause the value of the Ordinary Shares to decline, which could cause prospective investors to lose all or part of their investment. The risks and uncertainties described below include those risks that the Directors consider to be material and are not exhaustive. Additional risks and uncertainties that the Directors are unaware of, or that the Directors currently deem immaterial, may become important factors that affect the Group's business, financial condition, results of operations and prospects, as well as the value of the Ordinary Shares.

This Prospectus also contains forward-looking statements that involve risks and uncertainties. The Group's actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors, including the risks described below and elsewhere in this Prospectus. See section 4 of Part III (Administration, Advisors and Presentation of Information—Forward-looking Statements).

Information in this Prospectus will be updated in accordance with the Listing Rules, the Prospectus Rules and the UK Disclosure and Transparency Rules as appropriate.

1. Risks relating to the Group's business and the industries in which the Group operates

The Company's results of operations are adversely impacted by declines in global trading volumes.

The Group's results of operations are affected by the volume of our business, which in turn depends on worldwide trade volumes as well as the import and export volumes of the regions in which it operates. Global trade volumes and the import and export volumes of the regions in which the Group operates are significantly affected by changes in global, regional and local economic, financial and political conditions that are outside of its control, including as a result of:

- changing economic cycles and other macroeconomic developments;
- the imposition of trade barriers, sanctions, boycotts and other measures;
- the levels of inflation and interest rates in the regions in which the Group operates;
- significant variations in the exchange rates applicable to currencies in the regions in which the Group operates;
- governmental reactions to economic conditions and developments;
- trade disputes and work stoppages, particularly in the transportation services industry; and
- acts of war, hostilities, natural disasters, epidemics or terrorism.

For example, global trading volumes declined in 2009 due to the global recession. This caused the Group's aggregate gross throughput to decline by approximately 6 per cent for the year ended 31 December 2009 as compared to the prior year. This, in turn, resulted in a decline in the Group's revenues from operations, excluding separately disclosed items, by 14.1 per cent for the year ended 31 December 2009 compared to the prior year and its adjusted EBITDA declined by 20.0 per cent for the year ended 31 December 2009 compared to the same period in the prior year.

Global trading volumes rebounded in 2010 and have continued to increase in 2011. However, if global trading volumes decline significantly in future periods, the Group's business, financial condition and results of operations, as well as its future growth could be adversely affected. See "*—Risk relating to the Group's business and the industries in which the Group operates—The Group is subject to the risks of political, social and economic instability associated with countries and regions in which it operates or may seek to operate*" below.

The Company's ultimate majority shareholder, Dubai World, and the Government of Dubai have the ability to exert significant influence over the Company and their interests may conflict with those of investors or the Company's.

Port & Free Zone World FZE ("**Port & Free Zone World**") owns approximately 80.45 per cent of the Company's issued and outstanding share capital and, therefore, has the ability to exert significant influence over it. Port & Free Zone World is wholly owned by Dubai World, a holding company owned by the Government of Dubai. In addition Port & Free Zone World has two director representatives on the board of the Company. Accordingly, Dubai World and the Government of Dubai may exert control over, amongst other things:

- election of the Company's directors and, in turn, selection of our management;
- the Company's business policies and strategies;
- budget approval;
- the issuance of new debt or equity securities and the arrangement of other sources of financing;
- mergers, acquisitions and disposals of the Company's assets or businesses;
- increases or decreases in share capital; and
- amendments to the Company's constitutional documents.

Consequently, the Company cannot assure investors that the resolution of any matter at a general meeting of the shareholders that may involve the interests of Dubai World or the Government of Dubai, as represented by Port & Free Zone World, will be resolved in what investors would consider to be in the Company's or their best interests. See section 15.3 of Part XIV (*Additional Information*).

The Group's future success depends on its ability to achieve and manage growth, whether through organic growth or by winning new concessions or through bolt-on acquisitions.

A principal component of the Group's strategy is to grow organically or by winning new concessions or through bolt-on acquisitions. Its ability to achieve and manage future growth will depend upon a number of factors, including the Group's ability to maintain, expand or develop relationships with its customers, suppliers, contractors, lenders and other third parties, reach agreements with potential joint venture partners on commercial and technical terms satisfactory to it, find and exploit suitable development, expansion or acquisition opportunities and expand its operating capacity, in line with market demand, on a timely and reasonable basis. It will also depend on the Group's ability to adjust and optimise its management and operating structure.

Growth through the winning of new concessions or bolt-on acquisitions also entails risks inherent in identifying suitable opportunities and assessing the value, strengths and weaknesses of the acquisition candidates, as well as integrating the new concessions or the acquired businesses into the Group's operations. In addition, prior to acquisition by the Group, target companies may have incurred contractual, financial, regulatory, environmental or other obligations and liabilities that may impact the Group in the future and that are not adequately reflected in the historical financial statements of such companies or otherwise known to the Group or discovered by it in its due diligence process or with respect to which the Group does not have adequate indemnities from the seller. Furthermore, the Group's ability to complete acquisitions will depend on, and may be limited by, the availability of suitable acquisition targets and restrictions contained in its debt instruments and its other existing and future financing arrangements. The Group's ability to complete acquisitions may also be limited by its ability to secure financing for such acquisitions, which continues to be challenging due to adverse conditions in the global credit markets, as well as by regulatory constraints within the countries in which it operates due to antitrust laws or political conflicts. See "*—Risks relating to the regions in which the Group operates—Antitrust and competition laws in the countries in which the Group operates may limit its growth and subject it to antitrust and other investigations*" below.

In line with declining market demand, in 2009, the Group slowed the pace of its development and expansion projects and focused on efficient operation of our existing businesses. However, with improved market demand in 2010, the Group's investment in development and expansion projects increased. Future investments in capacity will be based on the Group's expectations of market demand. However there can be no assurance that market demand or the Group's business will increase in the near future or that demand for its services will grow at rates sufficient to achieve a satisfactory return on any expenditure that it makes. The Group also cannot provide assurances to investors that any new concessions or future acquisitions will be successfully identified and completed or that, if completed, the new concessions or acquired companies will generate sufficient revenue to offset the associated costs or other harmful effects on its business. A failure on the Group's part to manage its growth efficiently and effectively could have a material adverse effect on its business, financial condition, results of operations and prospects.

The Group faces significant competition in the container terminal industry for concessions and throughput, which could adversely affect its ability to maintain or increase its market share and profitability.

The global container terminal industry is highly competitive. The Group faces significant competition from other global container terminal operators, as well as smaller regional operators situated in the same locations as the Group, for both concessions, which allow the Group to operate in a particular port, and, once it has established operations in a specific location, throughput. Whilst the Group competes with other terminal operators for both transhipment and O&D throughput on the basis of location, productivity, accessibility, connectivity, price and value added services, because transhipment throughput can be more easily routed through alternative ports and terminals, competition for transhipment throughput tends to be more price-sensitive and less captive than O&D throughput. For the year ended 31 December 2010, approximately 27 per cent of the Group's gross throughput was transhipment.

The Group competes with other terminal operators for concessions primarily on the basis of the concession rates that will be paid to the owner of the relevant port. When choosing a concessionaire, however, governments or other port owners may also consider other factors, including, amongst other things, the extent of the regional dominance exhibited by a proposed concessionaire. Consequently, the Group may face a competitive disadvantage when competing for new concessions in regions or countries in which it is the market leading terminal operator.

Following significant consolidation, both internally and within the container shipping industry, in the decade up until 2007, consolidation within the container terminal industry has stabilised in recent years. The four largest terminal operators by throughput for the year ended 31 December 2009 were Hutchinson Port Holdings ("**HPH**"), PSA International ("**PSA**"), APM Terminals ("**APMT**") and DP World, which collectively accounted for approximately 46.8 per cent of global gross throughput (Source: Annual Review of Global Container Terminal Operators 2010). Consolidation within the container terminal industry resulted in the Group having to compete with other terminal operators that may be larger than it is and have greater financial resources than it does and therefore may be able to bid at higher concession rates, invest more heavily or effectively in their facilities or withstand price competition and price volatility more successfully than the Group can. In addition, some of the Group's competitors may have broader operational experience and longer standing relationships with international shipping companies. The Group cannot assure investors that consolidation within the container terminal industry will not become more prevalent or that its competitors will not undertake additional mergers and acquisitions to increase their capacity, economies of scale and financial and market strength.

The Group may also face competition, especially with respect to O&D throughput, from terminals such as the Khalifa Port in Abu Dhabi that is being developed by the Abu Dhabi Ports Company and is expected to open in the second half of 2012. The Group cannot assure investors that the opening of new terminals in the regions in which it operates will not adversely affect the Group's operations in such regions.

If the Group is unable to compete effectively against its competitors, it may not be able to maintain or increase its market share and may be forced to increase its concession rate bids or lower its fees, which could have a material adverse effect on its financial conditions, results of operations and prospects.

The Group is exposed to certain risks in respect of the expansion of terminals and port facilities and the development and construction of new terminals and port facilities.

The Group currently has nine development projects (comprising both projects relating to the development of new terminals and major expansions of existing terminals). Its development and expansion projects are subject to receipt of various final regulatory approvals in certain jurisdictions. These projects typically require substantial capital expenditures throughout the development, construction and upgrading phases and may take months or years before they become operational and start generating revenue and cash flow for the Group, during which time the Group is subject to a number of construction, financing, operating and other risks beyond its control, including, but not limited to:

- shortages and increases in the cost of materials, equipment, labour or other necessary supplies;
- adverse weather conditions and natural disasters;
- an inability on the Group's part to obtain appropriate financing for any uncommitted project on terms favourable to it, or at all;
- risk of counterparty defaults which tend to increase during periods of recession;
- changes in demand for the Group's services;
- labour disputes and disputes with sub-contractors;

- inadequate infrastructure, including as a result of failure by third parties to fulfil their obligations relating to the provision of utilities and transportation and other links that are necessary or desirable for the successful operation of a project;
- failure to complete projects according to specification;
- accidents, civil unrest, wars and other unforeseen events;
- changes in governmental priorities or the level of governmental support that the Group receives; and
- an inability to obtain on a timely basis, if at all, and maintain project development permission or requisite governmental licences, permits or approvals.

The occurrence of one or more of these events may negatively affect the Group's ability to complete its current or future projects on schedule, if at all, or within the estimated budget and may prevent it from achieving the projected revenues, internal rates of return or capacity associated with such projects.

The Group cannot assure investors that funding from its cash balances, cash from operations, debt facilities and dividends and repayments of loans from its subsidiaries will be sufficient to cover all construction and development costs for any future, uncommitted project that the Group may choose to undertake. In addition, once complete, the Group's ability to dispose of inadequate or poorly performing businesses is sometimes subject to governmental approval, which may force it to bear the costs of any such business for a longer period of time, with an increasingly negative and prolonged impact on its financial condition and results of operations, than would otherwise be the case.

Furthermore, because most of the Group's development and expansion projects are governed by contracts that it enters into with the owner of a particular port, failure on its part to fulfil its obligations relating to such projects, including meeting its deadlines in a timely manner, may constitute a breach under the relevant contract and subject the Group to penalties, including payment of liquidated damages, or, in the case of a serious breach, termination of a project and/or civil liabilities. Although the Group attempts to allocate risk of failure to sub-contractors and suppliers to the fullest extent possible, if it is unable to seek full indemnification from third parties with respect to any such breach, its financial condition and results of operations may be adversely affected.

A significant number of the Group's operations are run through joint ventures and other entities in which it holds a minority interest and, in some cases, it does not have the right or power to direct the management and policies of such companies.

Because a significant number of the Group's container terminal and other ports-related operations are conducted through jointly controlled entities, associated companies and partnerships, it is exposed to risks relating to actions taken by its joint venture partners and controlling shareholders of entities in which it holds a minority interest.

For the years ended 31 December 2010 and 2009, the Group's share of profits of equity accounted associates and joint ventures, excluding separately disclosed items, constituted $140.2 million and $71.3 million, respectively, (or approximately 31.1 per cent and 21.4 per cent respectively) of its profit after tax for the period, before separately disclosed items. Similarly, $3,474.1 million (or approximately 17.9 per cent) of the Group's total assets as of 31 December 2010 and $3,453.8 million (or approximately 18.2 per cent) of its total assets as of 31 December 2009 comprised investments in associates and joint ventures. In the future, as a result of transfer of the Group's five Australian terminals to a joint venture, the Group's share of profits of equity accounted associates and joint ventures may comprise a larger amount of the Group's total profit and associates and joint ventures may account for a larger amount of the Group's total assets. For further information regarding the Group's Australian joint venture, see section 15.5 of Part XIV (*Additional Information—Formation of Australian Joint Venture*).

To the extent that the Group does not have a controlling equity stake in, or the right or power to direct the management and policies of, a joint venture or other company through which the Group conducts its operations, joint venture partners or controlling shareholders may take action that is not in accordance with its policies and objectives. Should a joint venture partner or controlling shareholder act contrary to the Group's interest, it could have a material adverse effect upon its business, results of operations, financial condition and prospects.

Joint venture transactions present many of the same risks involved in acquisitions, but also involve additional risks, including the possibility that the Group's joint venture partners may have economic, business or legal interests or goals that are inconsistent with the Group's, may become bankrupt, may refuse to make additional investments that the Group deems necessary or desirable or may prove otherwise unwilling or unable to fulfil their obligations under the relevant joint venture or associated agreements. There is also a risk that the Group's joint venture partners may ultimately become its competitors. In addition, joint ventures with government entities also expose the Group to risks relating to differences in focus or priorities between successive regimes.

The Group's ability to expand successfully through joint ventures will depend upon the availability of suitable and willing joint venture partners, its ability to consummate such transactions and the availability of financing on commercially acceptable terms for any such uncommitted expansion. The Group cannot give any assurance that it will be successful in completing joint ventures or that, once completed, a joint venture will be profitable for it. If a joint venture is unsuccessful, the Group may be unable to recoup its initial investment and its financial condition and results of operations may be adversely affected.

The Group's inability to maintain and renew concession agreements at its existing facilities may adversely affect its financial condition and results of operations.

Substantially all terminal operations in the container terminal industry are conducted pursuant to long-term operating concessions or leases entered into by a terminal operator and the owner of a relevant port, typically a governmental entity. Concession agreements often contain clauses that allow the owner of a port to cancel the agreement, impose penalties on the Group if it does not meet specified investment obligations, which, especially in the case of investments designed to reduce the environmental impact of a particular operation, can be substantial, or require minimum payments based on previously estimated throughput, regardless of actual throughput handled. Similarly, because many of the counterparties to concession agreements are governmental entities, terminal operators, including the Group, are subject to the risk that concession agreements may be cancelled because of political, social or economic instability. See "*—Risks relating to the regions in which the Group operates—The Group is subject to the risks of political, social and economic instability associated with countries and regions in which it operates or may seek to operate*" below. The Group cannot provide any assurance that one or more of its existing concession agreements will not be prematurely cancelled or that it will not be penalised, with or without cause, by the applicable counterparty.

In advance of the expiration of a concession agreement, the owner of a port will typically agree to renew the concession with the existing concessionaire, but often only after significant renegotiation that usually involves, amongst other things, a commitment on the part of the concessionaire to make capital expenditures with respect to the relevant operation. In 2009, the Group successfully renewed two concessions in Australia, in Adelaide, and Sydney, for a further 30 years and 15 years, respectively. The Group has also recently renewed a concession agreement in Maputo, Mozambique. The Group cannot assure investors that it will be able to renew its concession agreements upon their expiration on commercially reasonable terms, if at all, or that it would be the winning bidder in any re-tender of one or more of its existing concessions should the relevant port owner elect not to renew the relevant concession agreement with it. If the Group is unable to renew one or more of its concession agreements on commercially reasonable terms on or before their expiration dates, the capacity of its terminal portfolio will be reduced by the amount of capacity provided by the terminals associated with such concession agreements and its profitability, geographic reach and/or prospects may be adversely affected.

Expansion of the Group's businesses requires substantial capital investment, and it may not have sufficient capital to make, or may be restricted by covenants in its financing agreements from making, future capital expenditures and other investments as it deems necessary or desirable.

The Group operates in capital intensive industries that require a substantial amount of capital and other long-term expenditures, including those relating to the development and acquisition of new container terminal facilities and the expansion of existing container terminal facilities. The Group typically utilises a combination of internally generated cash and external borrowings, including banking and capital markets transactions, to meet its financing requirements. The Group may also seek, in the event that further material expansion opportunities arise in the future, to obtain additional funding from the capital markets to further enhance its funding position. However, the Group cannot assure investors that its ultimate controlling shareholder, Dubai World, would approve, or be willing or able to participate, in any such financing.

The Group's ability to arrange external financing and the cost of such financing are dependent on numerous factors, including its future financial condition, general economic and capital market conditions, interest rates, credit availability from banks or other lenders, investor confidence in the Group, applicable provisions of tax and securities laws and political and economic conditions in any relevant jurisdiction. Moreover, the decline in global credit markets and reduced liquidity may affect its ability to secure financing on commercially reasonable terms, if at all. The Group cannot provide any assurance that it will be able to arrange any such external financing on commercially reasonable terms, if at all, and it may be required to secure any such financing with a lien over its assets and those of its subsidiaries, or agree to contractual limitations on its business.

In addition, covenants contained in the Group's current or future financing agreements may restrict it from undertaking capital expenditure with respect to projects for which funding has not been committed in amounts and at times that it deems necessary or desirable or when specified by construction timelines contained in concessions for new container terminal facilities. See "*—Risks relating to the Group's business and the industries in which the Group operates—The Group's indebtedness could adversely affect its ability to raise additional capital to fund further expansion of its operations and limit its ability to react to changes in the economy or the industries in which it operates*" below. If it is unable to generate or obtain funds sufficient to make, or are otherwise restricted from making, necessary or desirable capital expenditure and other investments, the Group may be unable to grow its business, which may have a material adverse effect on its financial condition, results of operations and prospects.

The Group's indebtedness could adversely affect its ability to raise additional capital to fund further expansion of its operations and limit its ability to react to changes in the economy or the industries in which it operates.

As at 31 December 2010, the Group had approximately $7,772.7 million of outstanding indebtedness, respectively, and it may incur additional indebtedness in the future to finance the growth of its business. The Group's substantial indebtedness exposes it to a number of risks, including:

- increasing the Group's vulnerability to general economic and industry conditions;
- requiring a substantial portion of cash flow from operations to be dedicated to the payment of principal and interest on the Group's indebtedness, thereby reducing its ability to use its cash flow to fund its operations, capital expenditures and future business opportunities and to pay dividends;
- exposing the Group to the risk of increased interest rates with respect to its borrowings at variable rates of interest, unless it is able to fully hedge its interest rate exposure with respect to such borrowings;
- restricting the Group from making further acquisitions or divestitures in the event that such opportunities arise; and
- limiting the Group's ability to adjust to changing market conditions and place it at a competitive disadvantage compared to its competitors who are less highly leveraged.

In addition, the Group's debt agreements contain various covenants that limit its ability to engage in specified types of transactions and require the Group to satisfy and maintain a specified ratio of total debt to total debt plus equity and other financial condition tests. These covenants limit the Group's and its subsidiaries' ability to, amongst other things:

- incur or guarantee additional financial indebtedness or issue certain redeemable shares;
- grant security or create any security interests; and
- consolidate, merge or sell or otherwise dispose of any of its assets.

For further information regarding the Group's material indebtedness and the undertakings and covenants included therein, see section 7 of Part IX (*Operating and Financial Review—Liquidity and Capital Resources*).

If the Group fails to retain and attract qualified and experienced employees, its business may be harmed.

If the Group is unable to retain experienced, capable and reliable personnel, especially senior and middle management with appropriate professional qualifications, or fail to recruit skilled professional and technical staff in pace with its growth, its business and financial results may suffer. Experienced and capable personnel in the container terminal industry remain in high demand, and there is continual competition for their talents. In particular, the Group believes that because of the significant growth in the container terminal industry over the past 15 years, there is an industry-wide shortage of container terminal operating managers. Consequently, when talented employees leave, the Group may have difficulty, and incur additional costs, replacing them. The loss of any member of the Group's senior management team or any of its terminal managers may result in: (i) a loss of organisational focus; (ii) poor execution of operations and the Group's corporate strategy; and (iii) an inability to identify and execute potential strategic initiatives such as expansion of capacity. These adverse results could, amongst other things, reduce potential revenue, prevent the Group from diversifying its service lines and expose it to downturns in the markets in which it operates, all of which could adversely affect its business, results of operations, financial condition and prospects.

The Group may not maintain sufficient insurance coverage for the risks associated with the operation of its business.

The Group's operations may be affected by a number of risks, including terrorist acts and war-related events, for which full insurance cover is either not available or not available on commercially reasonable terms. In addition, the severity and frequency of various other events, such as accidents and other mishaps, business interruptions or potential damage to the Group's facilities, property and equipment caused by inclement weather, human error, pollution, labour disputes and acts of God, as well as risks relating to its provision of services to customers, including, with respect to its container terminal operations, damage to customers' property, delays, misrouting of cargo and documentation errors, may result in losses or expose the Group to liabilities in excess of its insurance coverage or significantly impair its reputation. The Group cannot assure investors that its insurance coverage will be sufficient to cover the loss arising from any or all such events or that the Group will be able to renew existing insurance cover on commercially reasonable terms, if at all.

Should an incident occur in relation to which the Group has no insurance cover or inadequate insurance cover, it could lose the capital invested in, and anticipated future revenues relating to, any property that is damaged or destroyed and, in certain cases, the Group may remain liable for financial obligations related to the impacted property. Similarly, in the event that any assessments are made against the Group in excess of any related insurance cover that it may maintain, its assets could be subject to attachment, confiscation or restraint under various judicial procedures. Any of these occurrences could have a material adverse effect on the Group's business, financial condition and results of operations.

Fluctuations in currency exchange rates could have an adverse effect on the Group's results of operations.

Because the Group presents its financial statements in US dollars, it is exposed to risks related to the translation of assets and liabilities denominated in foreign currencies. As of 31 December 2010 approximately 71 per cent of its net operating assets were denominated in foreign currencies (i.e. other than the functional currency of the Group, UAE Dirhams). As a result, currency fluctuations can have a material impact on its balance sheet.

In addition to these translation risks, the Group is exposed to transaction risks as a result of differences in the currency mix of its operating revenue and cost of sales. As a result, a depreciation or appreciation of a particular local currency against the US dollar could have either a positive or negative impact on both the Group's balance sheet and its profit margin and therefore its profit for the year. See section 2 of Part IX "*Operating and Financial Review—Factors Affecting Financial Condition and Results of Operations—Currency Risk*".

Although the Group currently hedges some of its transactional exchange rate exposure by entering into swap and/or other currency exchange rate hedging transactions, there can be no assurance that such transactions will fully protect it from exchange rate risk or that it will continue to be able to enter into such arrangements on commercially reasonable terms, if at all. Accordingly, the Group cannot assure investors that future exchange rate fluctuations between the US dollar and the currencies of countries in which it operates will not have a material adverse effect on its business, financial condition, results of operations and prospects.

Increases in interest rates may adversely affect the Group's financial condition.

Interest rates are highly sensitive to many factors beyond the Group's control, including the interest rate and other monetary policies of governments and central banks in the jurisdictions in which the Group operates, and the variable rate debt portion of the Group's loans and borrowings is subject to interest rate risk resulting from fluctuations in the relevant reference rates underlying such debt. Consequently, any increase in such reference rates will result in an increase in the Group's interest rate expense and may have a material adverse effect on its financial condition and results of operations. As of 31 December 2010, $2,357.4 million of its total indebtedness carried interest at floating rates before taking interest rate swaps into account. As of 31 December 2010, after taking into account the effect of interest rate swaps, approximately 70 per cent of the Group's total indebtedness carried fixed interest rates. A hypothetical 1 per cent change in interest rates on this portion of the Group's indebtedness, after taking interest rate swaps into account, would result in a change in the Group's interest expense of approximately $5.7 million per year. Furthermore, there can be no assurance that, upon the expiration of its current interest rate hedging arrangements, the Group will be able to enter into similar hedging transactions in the future on commercially reasonable terms, if at all, or that these agreements, if entered into, will protect it fully against its interest rate risk in the future. Any future unhedged interest rate risk may result in an increase in the Group's interest expense and may have a material adverse effect on its financial condition and results of operations.

The discontinuation of any of the preferential tax treatments currently available to the Group may increase its tax liabilities and decrease its profitability.

Certain of the Group's container terminal operations, for instance those located in India and China, benefit from tax "holiday" or similar awards, which exempt it from paying tax on its profits or, in the case of India, allow the Group to pay a reduced rate of tax on its profits, in each case, for a specified period of time but do not extend to the dividend distribution of such profits. In India, the Group also pays a significantly reduced rate of customs duties on its imports of capital goods as a result of the Export Promotion Capital Goods Scheme ("**EPCG Scheme**"), which reduces the customs duties on imports of capital goods on the basis that certain prescribed levels of exports are achieved. As a result of these tax awards, the Group's overall tax charge is less than it would otherwise be in the absence of such awards. The existing tax awards discussed in this paragraph expire at various times between 2010 and 2018 and, upon their expiration, the Group will be required to pay tax on its profits at the normal rate for the relevant country. In addition, if the Group fails to meet the prescribed level of exports in India under the EPCG Scheme, it will be liable to pay the full rate of customs duties on its imports of capital goods. There can be no assurance that the tax awards that the Group currently enjoys will remain unchanged and any change in respect of one or more such awards may materially adversely affect its tax liabilities and profitability.

The Group may be adversely affected by conditions in the global financial markets and the impact that this has on its ability to secure financing.

Global credit markets declined markedly in 2008 and 2009, resulting in reduced liquidity, greater volatility, widening of credit spreads and lack of price transparency in credit markets. Although global credit markets stabilised during 2010, any worsening of general global economic conditions or any change in investment markets, including, but not limited to, changes in interest rates, exchange rates and returns from equity, property and other investments, may affect the Group's ability to secure further financing on terms similar to those it has received in the past or on its ability to secure commercial financing at all upon the expiration of its current facilities for any future, uncommitted project that the Group may choose to undertake. Furthermore, a lack of liquidity in the financial markets may also impact the ability of the Group's joint venture partners and its customers to honour their commitments to it or the ability of its contractors to complete existing projects. Any of the foregoing could materially adversely affect its business, financial condition and results of operations.

The Group's port operations could be adversely affected by natural disasters or other catastrophic events beyond the Group's control.

The Group's business operations and development and construction projects could be adversely affected or disrupted by natural disasters (such as earthquakes, floods, tsunamis, hurricanes, fires or typhoons) or other catastrophic or otherwise disruptive events, including, but not limited to:

- changes to predominant natural weather, hydrologic and climatic patterns, including sea levels;
- the amount of silting that occurs in the areas around and leading to the Group's facilities;
- invasion, piracy, sabotage, rebellion, revolution, insurrection, military or usurped power, war and radioactive or other material environmental contamination;

- riots or other forms of civil disturbance;
- any recurrence of SARS or outbreak of Avian Flu or other contagious disease, which may adversely affect global or regional trade volumes or customer demand with respect to cargo transported to or from affected areas;
- major accidents, including chemical, and radioactive or other material environmental contamination;
- denial of the use of any railway, port, airport, shipping service or other means of public transport; and
- strike or lock-out or other industrial action by workers or employers.

The occurrence of any of these events at one or more of the Group's facilities or development and construction projects or in the regions in which it operates may cause delays in the arrival and departure of vessels or disruptions to its operations in part or in whole, may increase the costs associated with dredging activities, may subject the Group to liability or impact its brand and reputation and may otherwise hinder the normal operation of its container terminals, which could materially affect its financial conditions, results of operations and prospects. The effect of any of these events on the Group's financial condition and results of operations may be worsened to the extent that any such event involves risks for which the Group is uninsured or not fully insured. See "*—Risks Relating to the Group's business and the industries in which the Group operates—The Group may not maintain sufficient insurance coverage for the risks associated with the operation of its business*" above.

Additional security requirements may increase the Group's operating costs and restrict its ability to conduct its ports business.

In recent years, various international bodies and governmental agencies and authorities in the countries in which the Group operates have implemented numerous security measures that affect its container terminal operations and the costs associated with such operations. The International Ship and Port Facility Security Code ("**ISPS Code**"), which was implemented in 2004, and, to the extent that the Group's terminals handle cargo destined for the United States, the global security initiatives emanating from the US Safe Ports Act of 2006, specifically the Container Security Initiative ("**CSI**") and the Secure Freight Initiative ("**SFI**"), are recent examples of such security measures. The ISPS Code is a comprehensive set of measures designed to enhance the security of ships and port facilities and requires the Group and its staff to, amongst other things, gather and assess information related to shippers and cargos, maintain communication protocols, restrict access to the Group's facilities as appropriate, provide the means to raise alarms, establish vessel and port security plans, and ensure training and drills are conducted. The SFI and CSI programs are designed to improve US port security by requiring the advance transmission of manifest documentation and technical images of pre-screened containers before they reach US ports. Failure on the Group's part to comply with the security requirements applicable to it or obtain relevant security-related certifications may, amongst other things, prevent certain shipping line customers from using the Group's facilities and result in higher insurance premiums, which could have a material adverse effect on the Group's financial condition, results of operations and prospects.

In addition, new security measures or updated regulatory compliance requirements, which may be influenced by political or other considerations not aligned with the Group's interests, may be introduced at any time, including in connection with the new EU Customs Security Program—Authorised Economic Operator initiative, the US Customs—Trade Partnership Against Terrorism initiative and other government-to-industry initiatives, and ensuring the Group's compliance with such measures or requirements may involve considerable time and resources on the Group's part. The costs associated with existing and any additional or updated security measures will negatively affect the Group's operating income to the extent that it is unable to recover the full amount of such costs from its customers, who generally also have faced increased security-related costs, or, in certain cases, the owners of the ports in which the Group operates. Similarly, additional security measures that require the Group to increase the scope of its screening procedures may effectively reduce the capacity of, and increase congestion at, its terminals, which may negatively affect its financial condition and results of operations.

The Group relies on security procedures carried out at other port facilities and by its shipping line customers, which are outside of its control.

The Group inspects cargo that enters its terminals in accordance with the inspection procedures prescribed by, and under the authority of, the governmental body charged with oversight of the relevant port. The Group also relies on the security procedures carried out by its shipping line customers and the port facilities that such cargo has previously passed through to supplement its own inspection to varying degrees. The Group attempts to mitigate security-related risks as much as possible and believes that it maintains standards for security at its terminals, including with respect to compliance with the ISPS Code and internationally-recognised efficient security management systems, that meet or exceed those generally adopted by the container terminal industry. However, the Group cannot guarantee that none of the cargo that passes through its terminals will be impacted by breaches in security or acts of terrorism either directly against it or indirectly in other areas of the supply chain that will impact on it. A security breach or act of terrorism that occurs at one or more of the Group's facilities, or at a shipping line or other port facility that has handled cargo before the Group, could subject it to significant liability, including the risk of litigation and loss of goodwill. In addition, a major security breach or act of terrorism that occurs at one of the Group's facilities or one of the Group's competitors' facilities may result in a temporary shutdown of certain container terminals and/or the introduction of additional or more stringent security measures and other regulations affecting the container terminal industry, including the Group. See "*—Risks relating to the Group's business and the industries in which it operates—Additional security requirements may increase the Group's operating costs and restrict its ability to conduct its ports business*" above. The costs associated with any such outcome could have a material adverse effect on the Group's financial condition, results of operations and prospects.

The Group is subject to a wide variety of regulations and may face substantial liability if it fails to comply with existing or future regulations applicable to its businesses.

The Group's terminal operations are subject to extensive international, national and local laws and regulations governing, amongst other things, the fees that the Group is permitted to charge at certain ports, the loading, unloading and storage of hazardous materials, environmental protection and health and safety. The Group's ability to operate its ports business is contingent on its ability to comply with these laws and regulations and to obtain, maintain and renew as necessary related approvals, permits and licences from governmental agencies and authorities in the countries in which the Group operates. As the laws and regulations governing the Group's terminal operations, and the legal interpretations of these laws and regulations, are not uniform across the countries in which the Group operates, it is exposed to the costs and administrative difficulties involved in keeping itself informed of new and evolving legislation and regulations that span many jurisdictions. Because of the complexities involved in ensuring compliance with different and sometimes inconsistent national and international regulatory regimes, the Group cannot assure investors that it will remain in compliance with all of the regulatory and licensing requirements imposed on it by each relevant jurisdiction. The Group's failure to comply with all applicable regulations and obtain and maintain requisite certifications, approvals, permits and licences, whether intentional or unintentional, could lead to substantial penalties, including criminal or administrative penalties or other punitive measures, result in revocation of its licences and/or increased regulatory scrutiny, impair its reputation, subject it to liability for damages, or invalidate or increase the cost of the insurance that the Group maintains for its ports business. Additionally, the Group's failure to comply with regulations that affect its staff, such as health and safety regulations, could affect the Group's ability to attract and retain staff. See "*—Risks Relating to the Group—If the Group fails to retain and attract qualified and experienced employees, its business may be harmed*" above. The Group could also incur civil liabilities such as abatement and compensation for loss in amounts in excess of, or that are not covered by, its insurance. See "*—Risks Relating to the Group—The Group may not maintain sufficient insurance coverage for the risks associated with the operation of its business*" above. For the most serious violations the Group could also be forced to suspend operations until it obtains such approvals, certifications, permits or licences or otherwise brings its operations into compliance.

In addition, changes to existing regulations or tariffs or the introduction of new regulations or licensing requirements are beyond the Group's control and may be influenced by political or commercial considerations not aligned with its interests. Any such regulations, tariffs or licensing requirements could adversely affect the Group's business by reducing its revenue, increasing its operating costs or both and the Group may be unable to mitigate the impact of such changes. Further or future tariff reductions at one or more of the Group's terminals could have a negative effect on the Group's results of operations.

Finally, any expansion of the scope of the regulations governing the Group's environmental obligations, in particular, would likely involve substantial additional costs, including costs relating to maintenance and inspection, development and implementation of emergency procedures and insurance coverage or other financial assurance of the Group's ability to address environmental incidents or external threats. If the Group is unable to control the costs involved in complying with these and other laws and regulations, or recover the full amount of such costs from its customers, its business, financial condition and results of operations could be adversely affected.

Industrial action or adverse labour relations could disrupt the Group's business operations and have an adverse effect on operating results.

The Group's operations depend on employees who may be party to national or local collective bargaining arrangements or benefit from local applicable law, regulation or custom regarding employee rights and benefits. If the Group is unable to negotiate acceptable labour agreements or maintain satisfactory employee relations, the results could include work stoppages, strikes or other industrial action or labour difficulties (including higher labour costs) at one of its facilities or, in the case of the Group's operations in India and Australia, at all of its facilities in a particular country, any of which could have a material adverse effect on its business, financial condition and results of operations.

Failure in the Group's information and technology systems could result in delays to the Group's business operations.

The Group believes its information and technology systems are designed to enable it to use its infrastructure resources as efficiently as possible and monitor and control all aspects of its operations. Although each of the Group's terminals, based on the nature of its business, is configured to keep its systems operational under abnormal conditions, including with respect to business processes and procedures, any failure or breakdown in these systems could interrupt its normal business operations and result in a significant slowdown in operational and management efficiency for the duration of such failure or breakdown. Any prolonged failure or breakdown could dramatically impact the Group's ability to offer services to its customers, which could have a material adverse effect on its business and results of operations. Similarly, any significant delays or interruptions in the Group's loading or unloading of a customer's cargo could negatively impact its reputation as an efficient and reliable terminal operator.

In addition, the Group is reliant on third party vendors to supply and maintain much of its information technology. In particular, as is the case for many of the Group's competitors, a significant percentage of its core operations currently use information and technology systems provided by Navis, LLC ("**Navis**"), which the Group relies on for related support and upgrades. In the event that Navis or one or more of the other third party vendors that the Group engages to provide support and upgrades with respect to components of its information technology ceased operations or became otherwise unable or unwilling to meet the Group's needs, the Group cannot assure investors that it would be able to replace any such vendor promptly or on commercially reasonable terms, if at all. Delay or failure in finding a suitable replacement could adversely affect its financial condition, results of operations and prospects.

2. Risks relating to the regions in which the Group operates

The Group is subject to political and economic conditions in Dubai, as well as the UAE as a whole.

For the years ended 31 December 2010 and 2009, 56.6 per cent and 61.9 per cent, respectively, of the Group's revenue, excluding separately disclosed items, related to operations located in its Middle East, Europe and Africa financial reporting segments. Consequently, the Group's results of operations are and will continue to be affected in general by economic and political developments in or affecting Dubai and the UAE and, in particular, by the level of economic activity in Dubai the UAE and the broader Middle East, Indian Subcontinent and Africa regions.

Although it has one of the most diversified economies in the Gulf Cooperation Council ("**GCC**"), the UAE's wealth remains largely based on oil and gas. Despite the UAE being viewed as being less vulnerable than some of its GCC neighbours, due to the growth in the non-oil sector and the sizeable wealth of the Government of Abu Dhabi, fluctuations in energy prices have an important bearing on economic growth.

The economies of Dubai and the UAE, like those of many emerging markets, have been characterised by significant government involvement through direct ownership of enterprises and extensive regulation of market conditions, including foreign investment, foreign trade and financial services. Whilst the policies of the governments of Dubai and the UAE generally resulted in improved economic performance in previous years, there can be no assurance that these levels of performance can be sustained. In addition, certain Government related strategic entities ("**GREs**"), including the Company, have incurred indebtedness (including indebtedness in the international capital markets). However, the Government has no financial obligation in respect of the indebtedness of GREs, unless it has specifically provided a guarantee in respect of such indebtedness.

Moreover, in line with most other economies, the global recession in 2009 resulted in a decline in economic growth in Dubai and the UAE. Although global economic conditions stabilised in 2010, they have been affected by heightened volatility in 2011 resulting from regional instability in the Middle East and North Africa and the earthquake in northeastern Japan, amongst other factors. There is no assurance that economic conditions will continue to improve in the near future. To the extent that economic growth or performance in Dubai or the UAE subsequently declines or that international capital markets are affected by the indebtedness of GREs, the Group's financial condition, results of operations and prospects may be adversely affected. In addition, the implementation by the governments of Dubai or the UAE of restrictive fiscal or monetary policies or regulations, including in respect of interest rates, or new legal interpretations of existing regulations, the introduction of taxation or exchange controls could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. For a discussion of additional risks that it faces in the UAE and other countries, see "*—Risks Relating to the Regions in which the Group operates—The Group is subject to the risks of political, social and economic instability associated with countries and regions in which it operate or may seek to operate*" below.

The Group is subject to the risks of political, social and economic instability associated with countries and regions in which it operates or may seek to operate.

The Group conducts its business in a number of countries and regions with developing economies, many of which do not have firmly established legal and regulatory systems and some of which from time to time have experienced economic or political instability. Some of these countries are also in the process of transitioning to a market economy and, as a result, are experiencing changes in their economies and their government policies that can affect the Group's investments in these countries. Governments in these jurisdictions and countries, as well as in more developed jurisdictions and countries, may be influenced by political or commercial considerations outside of the Group's control, and may act arbitrarily, selectively or unlawfully, including in a manner that benefits the Group's competitors.

Specific country risks that may have a material adverse effect on the Group's business, financial condition, results of operations and prospects include:

- political instability, riots or other forms of civil disturbance or violence;
- war, terrorism, invasion, rebellion or revolution;
- government interventions, including expropriation or nationalisation of assets, increased protectionism and the introduction of tariffs or subsidies;
- changing fiscal, regulatory and tax regimes;
- arbitrary or inconsistent government action, including capricious application of tax laws and selective tax audits;
- difficulties and delays in obtaining requisite governmental licences, permits or approvals;
- cancellation, nullification or unenforceability of contractual rights; and
- underdeveloped industrial and economic infrastructure, including railway and road systems that are unable to deal with the high volumes handled at a particular terminal.

Economic or political instability in the Middle East could in particular impact the Group's operations and have a material adverse effect on its financial condition and results of operations. Economic and political instability in the Middle East may result from a number of factors, including government or military regime change, civil unrest or terrorism. In particular, countries within the Middle East have experienced heightened levels of political instability, civil unrest and violence since January 2011 that has resulted in the resignation of national leaders such as Muhammad Hosni Sayyid Mubarak (formerly the president of Egypt) and Zine al-Abidine Ben Ali (formerly the president of Tunisia); armed conflict throughout Libya; the involvement of troops from Saudi Arabia and the UAE in Bahrain after Bahrain declared a national state of emergency; and varying levels of public protests (some of which have been violent) in Bahrain, Egypt Kuwait, Iraq, Jordan, Libya, Oman, Saudi Arabia, Tunisia and Yemen. Although such instances of instability in the Middle East have not materially affected the Group's operations as of the date of this Prospectus, there can be no assurance that such instability in the Middle East will not escalate in the future, that such instability will not spread to additional countries in the Middle East, that further violent activities will not occur or that governments in the Middle East will be successful in maintaining domestic order and stability. In particular, any blockage of, or other event affecting, the Strait of Hormuz or the Suez Canal or any other political or military disruptions in the Arabian Gulf or the Red Sea could prevent the Group's shipping line customers from reaching the ports at which the Group operates in the UAE and Egypt, including through prohibitive increases in their insurance premiums. Any of the foregoing circumstances could have a material adverse effect on the political and economic stability of the Middle East and, consequently, on the Group's business, results of operations, financial condition and prospects.

In addition, to the extent that any of the Group's operations are located in a country or region that is designated a Hull, War, Strikes, Terrorism and Related Perils Listed Area by Lloyd's Joint War Committee, shipping lines must pay war risk premiums in respect of insurance that they obtain for vessels travelling in such areas. Five of the Group's container terminals are located in four countries that are currently designated Hull, War, Strikes, Terrorism and Related Perils Listed Areas, namely Djibouti, Saudi Arabia, Yemen and Pakistan. Such a designation could negatively affect the decisions of the Company's shipping line customers to continue to call at these terminals.

Changes in investment policies or shifts in the prevailing political climate in any of the countries in which the Group operates could result in the introduction of increased government regulations with respect to, amongst other things:

- price controls;
- export, import and throughput controls;
- income and other taxes;
- environmental legislation;
- customs and immigration;
- foreign ownership restrictions;
- foreign exchange and currency controls;
- labour and welfare benefit policies; and
- land and water use.

As the political, economic and social environments in certain countries in which the Group has made, or may consider making, investments remain subject to continuing development, investments in such countries are characterised by a significant degree of uncertainty. Any unexpected changes in the political, social, economic or other conditions in such countries, or in countries that neighbour such countries, could have a material adverse effect on the investments that the Group has made or may make in the future, which in turn could have a material adverse effect on its financial condition and results of operations. For additional risks relating to political and economic conditions in Dubai, the UAE and the Middle East, see "*—Risks Relating to the Group—The Group is subject to political and economic conditions in Dubai, as well as the UAE as a whole*" above.

Antitrust and competition laws in the countries in which the Group operates may limit its growth and subject it to antitrust and other investigations.

The antitrust and competition laws and related regulatory policies in many of the countries in which the Group operates generally favour increased competition in the container terminal industry and may prohibit the Group from making further acquisitions or continuing to engage in particular practices to the extent that the Group holds a leading market share in such countries. In addition, violations of such laws and policies could potentially expose the Group to civil lawsuits or criminal prosecution, including fines and imprisonment. On 24 August 2007, the Australian Competition and Consumer Commission ("**ACCC**") instituted proceedings against a number of former Group companies in Australia, alleging that such companies engaged in anti-competitive practices. The Group reached an out of court settlement agreement with ACCC and the settlement was approved by the Federal Court of Australia on 3 July 2009. The Group cannot predict the effect that any future investigations by antitrust or competition law authorities will have on its business. If as a result of any such investigation, the relevant antitrust or competition authority imposes fines or other penalties on the Group or prohibits it from engaging in certain types of business in one or more of the regions in which the Group operates, its business, financial condition, results of operations and prospects could be adversely affected.

Government policies relating to the container terminal industry may be changed in countries in which the Group operates, and any such changes in a country could have a material adverse effect on the Group's financial condition and results of its operations in that country.

Government policies relating to the container terminal industry may be changed in countries in which the Group operates. Any such changes may require it to change aspects of the way that the Group conducts business in the relevant country, which could have a material effect on its financial condition, results of operations and prospects to the extent that current policies differ significantly from the policies ultimately promulgated by the relevant country. Any changes in government policies relating to the container terminal industry in countries that the Group is not currently operating in could prevent or restrict the Group's ability to operate in those countries in the future.

The Company is incorporated in the DIFC, which was established in 2004, and the legal framework applicable to it is largely untested.

The Company is incorporated in the Dubai International Financial Centre (the "**DIFC**"), which is a jurisdiction with its own legal and regulatory regime applicable to it and other companies domiciled in the DIFC. As such the DIFC will have jurisdiction on matters which fall within the laws of the DIFC. DIFC Law No. 12 of 2004 states that judgments, awards or orders made by the DIFC Court will be enforced by the Dubai Courts (provided the judgment, award or order is final and "appropriate" for enforcement). Financial activities in the DIFC are governed by the DIFC Regulatory Law No. 1 of 2004, which also governs the operation of the Dubai Financial Services Authority (the "**DFSA**"), a financially and administratively independent body created by Law No. (9) of 2004 issued by the Ruler of Dubai on 13 September 2004 that acts as the independent financial regulator in the DIFC. The Dubai Courts have no jurisdiction to review the merit of a DIFC judgment. For a discussion of limitations on the enforceability of judgments against the Company and the impact of Decree 57, see "*—Risk relating to the Ordinary Shares—It may be difficult for investors to enforce judgments against the Company*" below.

Because the DIFC is a relatively recently established jurisdiction, the legal and regulatory regimes applicable to the Company and other companies domiciled in the DIFC, including the relevant companies laws, are still being developed and are largely untested. Similarly, the courts of the DIFC have yet to issue any substantive decisions, which may lead to ambiguities, inconsistencies and anomalies in the interpretation and enforcement of the laws and regulations applicable to the Company, including with respect to rights of holders of Shares. These uncertainties could affect an investor's ability to enforce its rights or the Company's ability to defend itself against claims by others, including regulators, judicial authorities and third parties who may challenge the Company's compliance with applicable laws, decrees and regulations.

3. Risks relating to the Ordinary Shares

The market price of the Ordinary Shares may be volatile, which could cause the value of an investment to decline.

Securities markets worldwide experience significant price and volume fluctuations. This market volatility, and corresponding fluctuations in the prices of the Ordinary Shares, may not be correlated in a predictable way to the Group's performance or operating results. Events and factors that may cause the prices of the Ordinary Shares to fluctuate or decrease significantly include:

- general, business, political, social and economic developments;
- variations in the Group's actual or anticipated operating results;
- changes in the level of ongoing disclosure that the Group provides;
- changes in, or failure to meet, earnings estimates of securities analysts;
- failure to pay cash dividends at anticipated levels;
- regulatory actions;
- changes in stock market analyst estimates or recommendations regarding the Group or any of its assets;
- changes in market valuations of companies in related industries;
- political and economic instability or social turmoil in the Middle East;

- the determination by one or more Shari'a Supervision Boards that the Group is, or is not, in compliance with Shari'a principles;
- fluctuations in stock market prices and volumes, generally;
- additional issuances or future sales of the Ordinary Shares or other securities exchangeable for or convertible into the Ordinary Shares;
- sales or acquisitions of a substantial number of the Ordinary Shares by the Company's directors and senior management or significant shareholders, or the perception that such sales could occur;
- the addition or departure of key personnel; and
- announcements by the Group or its competitors of new contracts, acquisitions or joint ventures.

Future sales of the Ordinary Shares, or the possibility or perception of such future sales, may affect the market price of the Ordinary Shares.

In the future, the Company may issue additional Ordinary Shares in connection with acquisitions, investments or repayment of its debt or for other purposes. The number of such Ordinary Shares issued could constitute a material portion of the Company's then outstanding share capital. The Company cannot predict what effect, if any, future sales of additional Ordinary Shares, or the availability of additional Ordinary Shares for future sale, will have on the market price of the Ordinary Shares. Sales of substantial amounts of additional Ordinary Shares in the public market, or the perception that sales of this type could occur, could depress the market price of the Ordinary Shares and may make it more difficult for investors to sell the Ordinary Shares at a time and price that investors deem appropriate.

In addition, class action litigation has, in the past, been brought against companies following periods of volatility in the market price of those companies' ordinary shares. Should the price of the Ordinary Shares fluctuate or decrease, the Company may become involved in this type of litigation, which could have a material adverse effect on its business, financial condition and results of operations. As a result of any of these factors, investors may be unable to sell the Ordinary Shares.

The historical public market for the Ordinary Shares has been limited and we cannot assure investors that an active, stable or liquid market for the Ordinary Shares will develop.

Prior to the application to the Financial Services Authority for the admission to the Official List and to the London Stock Exchange for admission to trading on its main market for listed securities, the Ordinary Shares have been listed and traded on NASDAQ Dubai. Despite the Ordinary Shares' trading history on the NASDAQ Dubai, the historical public market for the Ordinary Shares has been limited and, as a result, we cannot predict whether an active trading market will develop and continue after the admission to trading on the London Stock Exchange's main market or whether the market price of the Ordinary Shares will decline below the Ordinary Shares' initial price at the time of such admission to trading on the London Stock Exchange's main market. Consequently, investors may not be able to resell their Ordinary Shares at or above the price for which they purchase them.

Holders of the Ordinary Shares in certain jurisdictions, including the United States, may not be able to exercise their pre-emptive rights if the Company increases its share capital.

Under the Company's articles of association (the "**Articles**"), holders of the Ordinary Shares generally have the right to subscribe and pay for a sufficient number of the Company's ordinary shares to maintain their relative ownership percentages prior to the issuance of any new ordinary shares in exchange for cash consideration. US holders of the Ordinary Shares may not be able to exercise their pre-emptive rights unless a registration statement under the Securities Act is effective with respect to such rights and the related ordinary shares or an exemption from the registration requirements of the Securities Act is available. Similar restrictions exist in certain other jurisdictions. The Company currently does not intend to register the Ordinary Shares under the Securities Act or the laws of any other jurisdiction, and no assurance can be given that an exemption from such registration requirements will be available to US or other holders of the Ordinary Shares. To the extent that US or other holders of the Ordinary Shares are not able to exercise their pre-emptive rights, the pre-emptive rights would lapse and the proportional interests of such US or other holders would be reduced.

Payment of dividends on the Ordinary Shares is at the discretion of the Company's Board of Directors and is subject to a number of considerations and limitations. Consequently, investors may not receive dividends on the Ordinary Shares.

Whilst the Company's current dividend policy envisions the payment of dividends on the Ordinary Shares, the amount and timing of the declaration and payment of any such dividends will be at the discretion of the Company's Board of Directors and will depend on, amongst other things, the Group's operational performance, financial results, financial situation and prospects, as well as cash and liquidity requirements (including capital expenditure and investment plans), market situation, legal restrictions, tax and such other factors as the Company's Board of Directors may deem relevant at the time. Similarly, the Company's ability to declare and pay cash dividends on the Ordinary Shares may be restricted by, amongst other things, restrictions contained in the Group's debt agreements and by provisions of DIFC law. In addition, the Company's Board of Directors could, in its discretion, depart from or change the Company's dividend policy at any time.

Dividends may be subject to fluctuations in currency exchange rates.

The Company declares and pays dividends on its Ordinary Shares in US dollars. Accordingly, holders of Ordinary Shares that receive dividend payments into non-US dollar accounts will receive such payments at the spot currency exchange rate on the day of payment. As a result, to the extent that the relevant currency of payment depreciates against the US dollar in the period from the time at which the Company declares a dividend to the time at which the Company pays a dividend, holders of interests in Ordinary Shares trading on the London Stock Exchange will receive a smaller dividend than that received by other holders of Ordinary Shares who receive their dividends in US dollars or currencies pegged to the US dollar.

It may be difficult for investors to enforce judgments against the Company.

The Company is incorporated in and under the laws issued by the DIFC. Its headquarters are located in Dubai and a substantial portion of the Company's assets are located in the UAE and a number of other jurisdictions outside the United Kingdom, the United States and Australia. As a result, prospective investors may have difficulties effecting service of process in the United Kingdom, the United States or Australia upon the Company in connection with any lawsuits related to the Ordinary Shares, including actions arising under the laws of the United Kingdom, the federal securities laws of the United States or the relevant laws of New South Wales or the Commonwealth of Australia.

Further, no claim may be brought in the DIFC courts against the Company in the first instance for violation of US federal securities laws because these laws have no extraterritorial application under DIFC law and do not have force of law in the DIFC. Similarly, investors should not expect to have recourse to the courts of the Emirate of Dubai (other than the courts of the DIFC) or to the federal courts of the UAE.

It is currently unclear as to whether the courts of the DIFC would enforce judgments of US or UK courts or the courts of New South Wales or the federal courts of Australia obtained in actions against the Company predicated upon the civil liability provisions of the US federal securities laws, or original actions brought in the DIFC against the Company predicated solely upon US federal securities laws, UK laws or the relevant laws of New South Wales or the Commonwealth of Australia, as the case may be. Further, there is currently no treaty in effect between any of the United States, the United Kingdom or Australia and the UAE providing for the enforcement of judgments of US or UK courts or the courts of New South Wales or the federal courts of Australia in civil and commercial matters, and the grounds upon which DIFC courts may decline to enforce the judgments of US or UK courts or the courts of New South Wales or the federal courts of Australia, as the case may be, are unclear as they remain untested. Some remedies available under UK laws, the laws of US jurisdictions, including some remedies available under the US federal securities laws, or the relevant laws of New South Wales or the Commonwealth of Australia, may not be allowed in DIFC courts as contrary to public policy in the DIFC. Because judgments of US and UK courts, the courts of New South Wales and the federal courts of Australia are not automatically enforceable in the DIFC, it may be difficult for investors to recover against the Company based upon such judgments.

The New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958 (the "**New York Convention**") entered into force in the UAE on 19 November 2006. Any arbitration award rendered in London should therefore be enforceable in Dubai in accordance with the terms of the New York Convention. Under the New York Convention, the UAE has an obligation to recognise and enforce foreign arbitration awards, unless the party opposing enforcement can prove one of the grounds under

Article V of the New York Convention to refuse enforcement, or the UAE courts find that the subject matter of the dispute is not capable of settlement by arbitration or enforcement would be contrary to the public policy of the UAE. In practice, however, whether the UAE courts will enforce a foreign arbitration award in accordance with the terms of the New York Convention has yet to be tested.

In addition, Law No. 10 of 2005 grants to the Government of Dubai and its affiliates immunity in respect of its assets in the following terms: "*No debt or obligation due from the Ruler or the Government shall be recovered by seizing, attaching, selling by public auction or possessing in any other legal procedure the assets or property of the Ruler or the Government, whether or not a conclusive judgment is passed for such debt or obligation*." As the Company is indirectly majority-owned by the Government of Dubai, it may be able to claim sovereign immunity.

PART III

ADMINISTRATION, ADVISERS AND PRESENTATION OF INFORMATION

1. Expected timetable of principal events

Event	Timing
Prospectus published	25 May 2011
Admission and expected commencement of unconditional dealings in Ordinary Shares on the London Stock Exchange(1)	8.00 a.m. on 1 June 2011
CREST accounts available to be credited in respect of Depository Interests(1)	8.00 a.m. on 1 June 2011

(1) Or as soon as practicable thereafter.

Each of the times and dates in the timetable set out above is subject to change without further notice. References to a time of day are to the time in London.

A supplementary prospectus will be published in accordance with Section 87G of FSMA and rule 3.4 of the Prospectus Rules in case of any significant new event, material mistake or inaccuracy relating to the information included in the Prospectus which is capable of affecting the assessment of the Ordinary Shares and which arises or is noted between the time when this Prospectus is approved and Admission.

2. Directors, Company Secretary, registered office and advisers

Directors	Sultan Ahmed Bin Sulayem (Chairman, Non-Executive Director) Jamal Majid Bin Thaniah (Joint Vice Chairman, Non-Executive Director) Mohammed Sharaf (Chief Executive Officer, Executive Director) Yuvraj Narayan (Chief Financial Officer, Executive Director) Sir John Parker (Joint Vice Chairman, Senior Independent Non-Executive Director) David Williams (Independent Non-Executive Director) Cho Ying Davy Ho (Independent Non-Executive Director) Deepak Parekh (Independent Non-Executive Director)
Company Secretary	Bernadette Allinson
Registered officer	Level 5 LOB 17 Jebel Ali Free Zone PO Box 17000 Dubai UAE
Business address of the Directors	c/o DP World Limited PO Box 17000 Dubai UAE
Joint Sponsors	Citigroup Global Markets Limited Citigroup Centre Canada Square London E14 5LB United Kingdom

	Deutsche Bank AG, London Branch Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom
Financial Adviser to the Company	HSBC Bank plc 8 Canada Square London E14 5HQ United Kingdom
Legal advisers to the Company as to English, DIFC and US law	Clifford Chance LLP 10 Upper Bank Street London E14 5JJ United Kingdom
Legal advisers to the Joint Sponsors as to English, DIFC and US law	Linklaters LLP 1 Silk Street London EC2Y 8HQ United Kingdom
Auditors to the Company	KPMG LLP ("**KPMG UAE**") PO Box 3800 Level 32 Emirates Towers Sheikh Zayed Road Dubai UAE
Reporting Accountants	KPMG LLP ("**KPMG UK**") 15 Canada Square London E14 5GL United Kingdom
Registrar	Deutsche Bank AG DUBAI (DIFC) BRANCH Gate Village Building 5 Dubai International Financial Centre PO Box 504902 Dubai UAE
Depository	Capita IRG Trustees Limited The Registry 34 Beckenham Road Kent, BR3 4TU United Kingdom

3. Presentation of financial and other information

Consolidated Financial Statements

Audited consolidated financial information with respect to the Group as of and for the years ended 31 December 2010, 2009 and 2008 (the "**Audited Consolidated Financial Statements**") is set forth in Part X (*Accountant's Report and Historical Information for the Group*) of this Prospectus. The Audited Consolidated Financial Statements have been prepared and presented in accordance with International Financial Reporting Standards ("**IFRS**"), as issued by the International Accounting Standards Board (the "**IASB**") and are presented in US dollars. The Audited Consolidated Financial Statements have been audited by KPMG UK, reporting accountants.

Separately Disclosed Items

The Audited Consolidated Financial Statements include separately disclosed items ("**SDI's**"), which represent those material items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, the Group believes merit separate presentation in order to more effectively present our financial performance for a period, compare its financial performance with prior periods and assess trends in its financial performance. For further information regarding separately disclosed items, see Note 10 "*Separately disclosed items*" of the Notes to the Audited Consolidated Financial Statements and Part IX (*Operating and Financial Review*) of this Prospectus.

Operational Data

Certain volume figures in this Prospectus are expressed in "**TEUs**". A TEU is a twenty-foot equivalent unit that is based on the dimensions of a cargo container 20 feet long by 8 feet wide by 8 feet 6 inches high, with a maximum load of 24 tons.

"**Throughput**" is a measure of container handling activity. The two main categories of container throughput are origin and destination ("**O&D**"), which is also often referred to as import and export, and transhipment. Every container shipped by sea is by definition an export container at the origination terminal and an import container at the destination terminal. O&D throughput is cargo that has to either go to, or be collected from, a particular terminal because of its proximity to the point of consumption or distribution. A container that is transferred from one ship to another at some point during the journey is said to be transhipped, which gives rise to transhipment throughput at an intermediate terminal somewhere between the load terminal and the discharge terminal. Throughput includes the handling of imports, exports, empty containers and transhipments.

"**Gross throughput**" refers to the total amount of throughput that a container terminal in the Group's portfolio handled over a period of time, regardless of the Group's economic interest in such terminal or whether it held such terminal for the entirety of such period.

"**Capacity**" refers to the theoretical amount of throughput that a container terminal could handle in a year and is generally based on the size of the terminal's container stacking area and the capacity of its quay, which in turn is based on the length of the quay and the capacity of the ship-to-shore cranes that are available.

"**Gross capacity**" refers to the capacity of a container terminal in the Group's portfolio, regardless of the Group's economic interest in such terminal.

Rounding of figures

Certain figures contained in this Prospectus, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances (i) the sum or percentage change of such numbers may not conform exactly with the total figure given; and (ii) the sum of the numbers in a column or a row in certain tables may not conform exactly with the total figure given for that column or row.

4. **Forward-Looking Statements**

This Prospectus includes forward looking statements. The words "anticipate", "believe", "expect", "plan", "intend", "target", "aim", "estimate", "project", "will", "would", "may", "could", "continue" and similar expressions are intended to identify forward looking statements. All statements other than statements of historical fact included in this Prospectus are forward looking statements, including, without limitation, those regarding the Group's financial position, business strategy, management plans and objectives for future operations.

Forward looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group's actual results, performance or achievements, or industry results, to be materially different from those expressed or implied by these forward looking statements. In addition, forward looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environments in which it expects to operate in the future. Important factors that could cause the Group's actual results, performance or achievements to differ materially from those in the forward looking statements include, among other factors referenced in this Prospectus:

- the Group's ability to achieve and manage growth, whether through organic growth or by winning new concessions or through bolt-on acquisitions;
- the Group's exposure to certain risks in respect of the uncommitted expansion of terminals and port facilities and the development of new terminals and port facilities;
- covenants within the Group's indebtedness adversely affecting its ability to raise additional capital to fund its uncommitted expansion;

- changes in political, social and economic stability associated with countries and regions in which the Group operate;
- significant competition in the container terminal industry for concessions and throughput;
- the Group's ability to maintain and renew concession agreements at its existing facilities;
- failure to comply with a wide variety of regulations applicable to the Group's business;
- fluctuations in the currency exchange rates in the markets in which the Group operates;
- any future impairment of the Group's goodwill relating to subsidiaries, joint ventures and associates which may represent a reduction in its future cashflows; and
- the ability of the Group's ultimate shareholder, Dubai World, and the Government of Dubai, to exert significant influence over the Group and their interests conflicting with its interests and/or those of its other Shareholders.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "*Risk Factors*". Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, the Group's actual financial condition or results of operations could differ materially from that described herein as anticipated, believed, estimated or expected. Forward looking statements speak only as of the date of this Prospectus and the Group expressly disclaims any obligation or undertaking to publicly update or revise any forward looking statements in this Prospectus to reflect any change in its expectations or any change in events, conditions or circumstances on which these forward looking statements are based. Given the uncertainties of forward looking statements, the Group cannot assure investors that projected results or events will be achieved and it cautions investors not to place undue reliance on these statements. Investors should carefully consider the foregoing factors and other uncertainties and events when making an investment decision based on any forward looking statement.

Information in this Prospectus will be updated in accordance with the Listing Rules, the Prospectus Rules and the UK Disclosure and Transparency Rules as appropriate.

5. Presentation of market, market share and industry data

The market, market share and industry data contained in this Prospectus has been taken from industry reports. In particular, information and data relating to the international container shipping industry has been obtained from reports, databases (including the IMF World Economic Outlook database, July 2010 and October 2010 and other sources made available in the public domain by, amongst others, Drewry Shipping Consultants Ltd. ("**Drewry**"), namely, the Annual Review of Global Container Terminal Operators 2010, the Container Forecaster 2Q10 and the Container Forecaster 3Q10). The Company confirms that this information has been accurately reproduced and, so far as it is aware and has been able to ascertain from that published information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

6. Non-IFRS measures

EBITDA is a non-IFRS measure and is used by the Group to measure operating performance. The Group defines EBITDA as profit after tax from continuing operations plus finance costs (net of finance income), income tax, depreciation and amortisation. Adjusted EBITDA is a non-IFRS measure and is defined as EBITDA further adjusted to remove the impact of separately discloseable items. See note 10 "*Separately disclosed items*" to the Audited Consolidated Financial Statements regarding separately disclosed items. EBITDA and Adjusted EBITDA are not recognised terms under IFRS or US generally accepted accounting principles ("**US GAAP**") and do not purport to be alternatives to profit after tax from continuing operations as measures of operating performance or to cash flows from operating activities as measures of liquidity. Additionally, EBITDA and Adjusted EBITDA are not intended to be measures of free cash flow available for management's discretionary use, as they do not consider certain cash requirements such as interest payments, tax payments and debt service requirements. The Company believes that EBITDA and Adjusted EBITDA are helpful in highlighting trends because they exclude the results of decisions that are outside the control of operating management and can differ significantly from company to company depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which companies operate and capital investments. The Group uses EBITDA and Adjusted EBITDA to supplement IFRS results to provide a more complete understanding of the factors and trends affecting the business than IFRS results alone. Because not all companies use identical calculations, these presentations of EBITDA and Adjusted EBITDA may not be comparable to other similarly titled measures used by other companies.

7. Currencies and exchange rate information

In this Prospectus, references to (i) "**$**", "**US$**", "**USD**", "**US dollars**" and "**dollars**" are to the lawful currency of the United States, (ii) "**AED**", "**UAE dirham**" and "**dirham**" are to the lawful currency of the United Arab Emirates, (iii) "**€**" and "**euro**" are to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty Establishing the European Community, as amended, (iv) "**£**", "**Pounds Sterling**" and "**Sterling**" are to the lawful currency of the United Kingdom and (v) "**A$**" and "**Australian dollars**" are to the lawful currency of Australia.

Since November 1997, the UAE Dirham has been pegged to the US dollar at a rate equal to AED3.6725=$1.00 or $0.272294=AED1.

The following table shows for each of the periods indicated (in each case rounded to the nearest hundredth) the high, low, average and period end noon buying rates for such period in The City of New York for cable transfers payable in Pounds Sterling as certified for customs purposes by the Federal Reserve Bank of New York and expressed in US dollars per £1.00. The rates set out below may differ from the actual rates used in the preparation of the financial statements and other financial information that appear elsewhere in this Prospectus. The inclusion of these exchange rates in this Prospectus is for illustrative purposes only and does not mean that any amounts reported herein actually represent a specific amount in another currency or that any such amounts could have been converted at any particular rate, if at all.

	US dollars per £1.00			
Years ended 31 December	**High**	**Low**	**Average(1)**	**Period end**
2007	2.1104	1.9235	2.0016	1.9843
2008	2.0311	1.4395	1.8546	1.4619
2009	1.6977	1.3658	1.5660	1.6167
2010	1.6370	1.4344	1.5455	1.5392

	US dollars per £1.00	
Month ended	**High**	**Low**
January 2011	1.6167	1.5490
February 2011	1.6247	1.5956
March 2011	1.6387	1.6028
April 2011	1.6691	1.6129
May 2011 (through 20 May 2011)	1.6690	1.6148

(1) The average of the exchange rates for each day during the year.

Fluctuations in the exchange rate between certain currencies may affect our business. See section 1 of Part II (*Risk Factors—Risks Relating to the Group's business and industries in which the Group operates—Fluctuations in currency exchange rates could have an adverse effect on the Group's results of operations*).

8. No incorporation of website information

The contents of the Group's website (www.dpworld.com) does not form part of this Prospectus.

9. Certain defined terms

Certain terms used in this Prospectus, including certain capitalised terms and certain technical and other terms, are defined in Part XV (*Definitions*).

PART IV

INDUSTRY OVERVIEW

Unless otherwise indicated, the data set forth below has been sourced to the Drewry Shipping Consultants Ltd. Annual Review of Global Terminal Operators 2010. The methodology of Drewry and of other industry sources for collecting information and data, and therefore the reported information, may differ from that used by the Group to compile its operational data and from the methodologies employed by other sources, and does not reflect all or even necessarily a comprehensive set of the actual transactions occurring in the container shipping industry.

1. Overview

Global seaborne trade consists of three main segments: general cargo, which is carried by conventional shipping vessels; liquid cargo, which is carried by specialised vessels such as tankers; and container cargo, which is carried by container vessels.

Containerisation of cargo increases the efficiency of its transportation by standardising the container used for both seaborne and overland transportation of cargo. This facilitates the integrated multi modal transportation of cargo by sea, rail and road. Containerisation also allows for the efficient storage of goods on ships or on land, provides protection against damage to goods in transit, increases the security of the cargo during transport and enables faster loading and unloading of cargo.

First introduced in the 1950s, container shipping has expanded rapidly since that time to emerge as the dominant method for the international transportation of a broad spectrum of industrial and consumer goods, including agricultural products, raw materials and semi-manufactured and finished consumer goods. The container terminal industry has grown in line with the container shipping industry, which in turn has benefited in particular from the globalisation of world trade. According to the Annual Review of Global Terminal Operators 2010 by Drewry, global throughput reached 473.0 million TEUs in 2009, up from 236.6 million TEUs in 2000, a compound annual growth rate of 9.0 per cent.

2. Industry Demand

Between 2000 and 2009 global gross domestic product ("**GDP**") grew by an average of 3.6 per cent per annum (Source: IMF World Economic Outlook, April 2011). Global container terminal throughput has historically grown at a multiple of approximately three times that of global GDP at 10 per cent per annum between 2000 and 2009 driven by the increase in world trade in goods and services and the trend towards containerisation.

World Trade in Goods and Services

World trade in goods and services grew by an average of 5.2 per cent per annum between 2000 and 2009, approximately twice the growth in global GDP (Source: IMF World Economic Outlook, April 2011). Factors that have influenced this trend include: (i) overall reductions in the costs of trade, (ii) productivity growth in the tradable goods sector and (iii) global increases in per capita income.

Costs of Trade

Over the past 20 years, frictional costs associated with global trade, including transportation, communication and search costs, tariff and non-tariff related trade barriers and foreign exchange transaction costs and risks, have decreased significantly. In particular, advances in technology have greatly improved the amount and quality of available market information, whilst decreasing the costs of transportation through the implementation of more efficient processes. Similarly, the widespread adoption of increasingly liberal trade policies, as evidenced by the execution of successive multilateral and bilateral trade agreements globally, coupled with larger and more liquid capital markets, have reduced government imposed and transaction costs relating to international trade and created the ability to hedge more effectively against foreign exchange risk.

As the costs of trade fall, specialisation becomes more profitable as labour, capital, technology and resources can be sourced on a global, and increasingly efficient, basis. This trend generally results in increases in levels of both inter-and intra-industry trade and has largely been reflected in the systemic shift in global manufacturing capacity and output from west to east, especially towards China.

Per Capita Income

Growth in global per capita income over the past two decades has resulted in greatly increased levels of consumption around the world. As income levels rise, spending patterns tend to shift towards increased consumption of tradable goods and, in particular, manufactured products, relative to non-tradable goods.

Containerisation/Global Throughput

Between 2000 and 2009, global container port throughput grew by 8.1 per cent per annum, which equates to a multiple of growth in global throughput over growth in world trade of goods and services of 1.6 times over the period. This multiple is primarily the result of the increased containerisation of tradable goods, but also reflects an increase in the incidence of transhipment over the period. The rate of growth of the containerisation of cargo has slowed over the past 30 years because almost all tradable goods that are capable of being transported along the deep-sea trade routes in containers are now transported in this way and, in recent years, the rate of containerisation has increasingly reflected the containerisation of new products, such as paper and other types of cargo that were traditionally considered break-bulk, which advances in technology have enabled. However, despite the near-completion of the process of containerisation, trade routes to and from particular countries and geographical regions, notably China, South East Asia, Latin America, the Indian Subcontinent and Africa, continue to offer scope for significant growth in container volumes. Adverse global economic trends led to container throughput at the world's ports falling for the first time ever, from 525 million TEUs in 2008 to 473 million TEUs in 2009, a drop of almost 10 per cent. Most global container terminal operators experienced reduced volumes across their networks in 2009. However, current forecasts from Drewry estimate compound annual growth between 2009 and 2015 of approximately 7.5 per cent (Source: Drewry Container Forecaster, 3Q10).

Regional Variations in Demand

There have been significant regional variations in the growth of container traffic. Eastern Europe, Africa, South Asia, South America, the Middle East and the Far East have recorded the fastest growth in recent years, resulting in a number of new ports emerging as handling the largest container volumes globally. According to Drewry Shipping Consultants Ltd., Annual Review of Global Terminal Operators 2010, between 2004 and 2009, container terminals in those regions experienced compound annual growth in throughput of 10.2 per cent, 10.8 per cent, 10.3 per cent, 4.9 per cent, 8.7 per cent and 7.7 per cent, respectively.

Following the recent global financial crisis, and the consequent reduction in world trade, container terminal operators have adopted a more conservative approach to their development plans, ensuring that additional capacity is made available based on demand.

Forecast change in total port container handling by region

According to Drewry Shipping Consultants Ltd., Annual Review of Global Terminal Operators 2010, the annual average growth rate for global throughput and global capacity between 2009 and 2015 is expected to be 7.5 per cent and 2.9 per cent, respectively. By 2015, global throughput volumes are expected to reach 718.5 million TEUs and the average global utilisation rate is expected to be 80.3 per cent.

O&D versus Transhipment

The two main categories of throughput are origin & destination (O&D), also referred to as import and export, and transhipment. Every container shipped by sea is by definition an export container at the origination terminal and an import container at the destination terminal. A container that is transferred from one ship to another at some point during the journey is said to be transhipped, which gives rise to transhipment throughput at an intermediate terminal somewhere between the load terminal and the discharge terminal.

O&D

O&D throughput is often preferred by container terminal operators for the following reasons:

- terminal operators typically earn more revenue per quay crane lift from O&D throughput than from transhipment throughput;

- terminal operators earn additional revenue by charging for delivery or reception of the container from the shipper or consignee;
- terminal operators have the opportunity to generate additional revenue from ancillary services, such as CFS and container cleaning; and
- whereas shipping lines can relatively easily transfer transhipment throughput to other ports in the same region, O&D throughput is usually most cost-effectively handled by one terminal, preferably close to the point of consumption, which makes O&D throughput less likely to be lost to competitors and less price sensitive than transhipment throughput.

Hub-and-Spoke (Gateway)

As the latest generation of container ships on order have nominal capacities in excess of 13,000 TEUs and are too wide and too deep to call at many ports in the world, shipping lines may instead seek to, or be required to, rationalise the number of port calls they make. This trend is expected to result in shipping lines favouring larger, centrally placed ports in a region leading to the creation of hub-and-spoke or gateway terminals. To compete effectively under this model, container terminal operators will need to be able to handle larger vessels, and some operators already have the necessary infrastructure in place or are constructing new facilities with this factor in mind. The hub-and-spoke model also implies an increased level of throughput carried by feeder lines between hub ports and final destinations, which places demands on smaller ports to develop the facilities necessary to handle containers at dedicated container berths.

Transhipment

Despite the advantages of O&D throughput, there are numerous large container terminals around the world for which transhipment accounts for a very high percentage of total throughput. Current examples include Singapore, Tanjuung Pelepas (Malaysia), Gioia Tauro (Italy), Salalah (Oman), Algeciras (Spain); Balboa (Panama), Freeport (Bahamas) and Marsaxlokk (Malta). Many of these terminals are operated by, or involve an equity stake holding by, a major shipping line, which benefits from the transhipment capacity and provides the terminal with a reliable level of volume.

According to Drewry Container Forecaster, 3Q10, the incidence of transhipment at container terminals worldwide (as a percentage of global throughput) increased from 17.6 per cent in 1990 to 28.6 per cent in 2009, which has provided a boost to growth in global throughput over the period as the inclusion of transhipment along an otherwise direct O&D route adds at least two port moves to each container shipment. However, the trend of an increasing incidence of transhipment has slowed in recent years and is forecast to stop in the short to medium term. Drewry estimates that the incidence of transhipment at container terminals worldwide (as a percentage of global throughput) will remain the same through 2015. Drewry's estimates reflect the fact that shipping lines often prefer not to tranship containers, where possible, as they are not always able to pass on the full costs associated with transhipment to their customers.

Leading Container Terminal Operators

The container terminal industry is characterised by a small number of large operators, the four largest of which collectively accounted for 46.8 per cent of global gross throughput as of 31 December 2009 and, adjusted for equity, 29.6 per cent of global throughput for the year ended 31 December 2009. Global terminal operators compete increasingly based on the size and diversification of their terminal portfolios, which enable them to offer global networks to their liner customers, who are themselves consolidating and becoming increasingly large. Consequently, new container terminal market participants face significant barriers to entry.

The following table provides a breakdown of terminal operators by gross throughput, equity adjusted throughput and market share for the years ended 31 December 2008 and 2009.

	Gross throughput[1]		Equity-adjusted throughput[2]		Market share of gross throughput	
	2008	2009	2008	2009	2008	2009
	(TEUs in millions)				(%)	
Hutchison Port Holdings	67.6	64.2	34.4	32.2	13.0	13.6
APM Terminals	64.4	56.9	33.8	31.1	12.3	12.0
PSA International[3]	59.7	55.3	50.4	45.0	11.4	11.7
DP World[4]	46.2	45.2	32.9	31.5	8.9	9.5
Cosco[5]	32.0	32.5	11.1	10.9	6.1	6.9
MSC	16.2	16.4	7.9	8.2	3.1	3.5
Eurogate	13.2	11.7	7.4	6.1	2.5	2.5
Evergreen	10.3	8.6	8.9	7.2	2.0	1.8
SSA Marine[6]	7.4	7.7	4.6	6.3	1.4	1.6
CMA—CGM	7.0	7.0	4.1	4.6	1.3	1.5
Ten largest global terminal operators	324.0	305.5	195.5	183.1	62.0	64.6
Remaining global terminal operators	50.1	48.5	37.6	32.5	9.6	10.2
Total	374.1	354.0	233.1	215.6	71.6	74.8

Source: Drewry Shipping Consultants Ltd., Annual Review of Global Terminal Operators 2010.

(1) Figures include throughput for all terminals in which 10 per cent or more shareholding was held as of 31 December 2008 or 2009 (as applicable).

(2) Equity adjusted throughput is determined by multiplying the gross throughput of a particular container terminal by the relevant terminal operator's economic interest in such terminal.

(3) PSA acquired 20 per cent of HPH in 2006.

(4) Figures as reported by Drewry.

(5) Includes Cosco Container Lines and Cosco Pacific.

(6) 49 per cent of SSA Marine was sold to Goldman Sachs during 2007.

Drewry divides global terminal operators into three broad categories:

- Global stevedores—these are companies whose primary business is port operations and that view terminals as profit centres;
- Global carriers—these are companies whose main business is container shipping, but which have investments in container terminals to support this core activity and that often run terminals as cost centres; and
- Global hybrids—these are companies where the main activity, or that of the parent group, is container shipping, but which have established separate terminal operating business units that handle a significant amount of third party business, as well as in-house traffic.

Of the top ten largest terminal operators by gross throughput, Drewry considers five to be global stevedores (comprised of HPH, PSA, Eurogate, SSA Marine and the Group); two to be global carriers (comprised of Evergreen and MSC); and three to be global hybrids (comprised of APMT, CMA—CGM and Cosco).

Ownership and Operating Structures

Container terminals operate under a number of different ownership and operating structures, which can vary by region. The various ownership models are summarised in the table below.

Mode of Ownership	Land area	Terminal infrastructure	Terminal superstructure (cranes/yard equipment)	Quayside operations	Landside operations	Example
100% state-owned and operated	Stated-owned	Owned and constructed by port authority	Stated owned	Port authority	Port authority	Haifa (Israel), Durban (South Africa)
"Suitcase" stevedores	Stated-owned	Owned and constructed by port authority	Stated owned	Private stevedores (common-berths)	Port authority	Shuwaikh (Kuwait)
Leased terminal	Stated-owned	Owned and constructed by port authority	Privately owned or rented from port authority	Terminal operator	Terminal operator	Oakland Container Terminal (USA), ECT (Rotterdam)
Concession agreement	Stated-owned	Owned and constructed by port authority	Privately owned	Terminal operator	Terminal operator	Port 2000, Le Havre (France), Santos Brasil (Brazil)
BOT concession	Stated-owned	Owned and constructed by port authority	Privately owned	Terminal operator	Terminal operator	Laem Chabang, Thailand, JNPT (India)
100% privately owned	Privately-owned	Privately owned	Privately owned	Terminal operator	Terminal operator	Teesport (UK), Liverpool (UK)

Source: DP World, developed from Drewry Annual Review of Global Terminal Operations 2010.

A large number of countries around the world still operate under the state-owned model, whereby the port land remains the property of the state and an operator has varying degrees of rights and obligations. In the United Kingdom, most container terminals are 100 per cent privately owned, although this is a relatively rare structure. Conversely, in the United States, container terminal operators will usually lease the terminal infrastructure and equipment from the state.

Concession agreements have traditionally been used in developed economies, but in recent years have started to be used as a privatisation vehicle for emerging economies. Typical industry concession terms include: royalty fees as a percentage of revenue and/or volume; up-front payment and/or commitment to make capital expenditure; nominal rent per hectare or per meter; and 25 to 50 year duration.

Due to the typical length of concession agreements and the recent proliferation of their use, factors influencing concession renewal are likely to become more apparent in the future. Based on its experience, the Group would expect that incumbent operators will typically be granted concession renewal, often because it can be costly, both administratively and due to initial inexperience or inefficiency of a new operator, for a port owner to switch operators.

The trend towards privatisation and BOT schemes discussed above has been driven largely by governments attempting to fund much-needed container port development projects in order to improve the trade competitiveness of their respective countries. Drewry Shipping Consultants Ltd., Annual Review of Global Terminal Operators 2010 estimates that the proportion of global throughput handled at state-run terminals, other than those controlled by global terminal operators with a state as the controlling shareholder, has declined from approximately 42 per cent in 1993 to 20.6 per cent in 2009. Privatisation and BOT initiatives are aimed specifically at expanding quay length and yard area to increase throughput capacity, increasing port efficiency by adding container handling equipment and implementing technological improvements.

PART V

BUSINESS

1. Overview

The Group is one of the largest container terminal operators in the world by capacity and throughput. It is also one of the most geographically diversified container terminal operators in the world. It currently operates 49 terminals, which span 28 countries. The Group's portfolio had a gross capacity of 67.1 million TEUs and generated gross throughput of 49.6 million TEUs and 43.4 million TEUs for the years ended 31 December 2010 and 2009. For the years ended 31 December 2010 and 2009, the Group generated revenue from operations (which does not include revenue attributable to the Company's joint ventures and associates) of $3,078.1 million and $2,821.0 million, respectively (excluding SDIs), and an Adjusted EBITDA of $1,240.5 million and $1,072.4 million, respectively.

The Group's business reports across the following three geographical segments:

Middle East, Europe and Africa

- UAE—The Group's UAE operations are at the core of its portfolio and are comprised of three terminals, including its flagship terminal at DP World Jebel Ali in Dubai, which is the ninth largest container terminal in the world.
- Middle East (excluding UAE)—The Group has three terminals in three countries, having commenced operations at Aden, Yemen in the fourth quarter of 2008 and at Sokhna, Egypt in the first quarter of 2008, and is currently expanding its operations at Sokhna, Egypt.
- Europe—The Group has twelve terminals in seven countries. In addition, it has development projects in the United Kingdom, Turkey, France and the Netherlands.
- Africa—The Group has six terminals in four African countries. The latest additions to its portfolio are the newly built Doraleh terminal in Djibouti and two terminals in Algeria, namely in Djazair and Djen-Djen. The Group is also currently developing a new terminal in Port du Futur at Dakar, Senegal. It also operates general and bulk cargo stevedoring in all five of South Africa's state-owned ports.

Asia-Pacific and Indian Subcontinent

- Asia-Pacific—The Group has an extensive network of ten container terminals in six countries throughout the Asia-Pacific region, including Saigon Premier Container Terminal in Vietnam which opened at the end of 2009 and Qingdao Qianwan Container Terminal in China which is undergoing further expansion. Additionally, it operates two logistics centres in the region, which are located in Hong Kong (ATL Logistics Centre) and Yantian (ATL Logistics Centre Yantian).
- Indian Subcontinent—The Group has five terminals in India and one in Pakistan, and has the largest presence of any container terminal operator in the Indian Subcontinent region, and currently has one project under development in the Indian Subcontinent.

Australia and Americas

- Australia—The Group operates five container terminals in Australia that represent the widest geographical spread of container facilities in the country. The Group holds an interest of approximately 25 per cent in the joint venture that wholly owns such five container terminals. For further information regarding the formation and structure of such joint venture, see section 15.5 of Part XIV (*Additional Information—Formation of Australian Joint Venture*).
- Americas—The Group has four terminals in four different countries. The latest addition to its portfolio is Callao in Peru which commenced operations in the first half of 2010 and a new greenfield development in Brazil.

The following table provides information regarding the number of terminals as at 31 December 2010 and the gross throughput and gross capacity for the Group's terminal portfolio for the year ended 31 December 2010.

Reporting segment	As at 31 December 2010	For the year ended 31 December 2010	
	Terminals	Gross throughput	Gross capacity[(2)]
	(TEUs in millions, except number of terminals)		
Middle East, Europe and Africa	25[(1)]	21.7	29.3
Asia-Pacific and Indian Subcontinent	16	22.0	31.0
Australia and Americas	9	5.8	6.8
Total	50	49.6	67.1

(1) Includes Mina Zayid (Abu Dhabi, UAE) which the Group ceased to manage after 31 December 2010 and is therefore no longer part of the Group's portfolio.

(2) Presented as of 31 December 2010. On a consolidated basis, total capacity at 31 December 2010 was 35.1 million TEUs (reflecting capacity of consolidated subsidiaries).

2. History

The Company was incorporated in the DIFC on 9 August 2006 for the purpose of becoming the holding company for the ports-related commercial activities of Dubai World. On 1 January 2007, DP World FZE and Thunder FZE, which is the holding company for P&O, were transferred to the Company from Dubai Ports Authority, an affiliate of the Company. Prior to the transfer of DP World FZE and Thunder FZE, the Company did not have any operations. As a result of the transfer, the Company, together with its operating subsidiaries, conducts all of the ports-related commercial activities of Dubai World. Dubai Ports Authority continues to conduct all of the ports-related regulatory activities of the Government of Dubai and the Group has no reason to believe that any such regulatory activities will be transferred to the Company in the future.

The creation of the Group represented an important step in the development of a global container terminal business designed to serve the needs of a global and consolidating customer base. As a result of the Group's acquisitions of CSX WT in February 2005 and P&O in March 2006, together with recent new developments and new concessions, the Group's business has been transformed from one focused principally on container terminal operations located primarily in the UAE to a truly global container terminal business.

Regional and International Growth

In 1999, the Group formed a wholly-owned subsidiary, Dubai Ports International FZE, to manage and operate container terminals and other facilities outside of Dubai. The Group's first international project was at Jeddah Islamic Port, Saudi Arabia, where the Group, in collaboration with a local partner, began container terminal operations in September 1999. In June 2000, the Group won the contract to manage the entire Port of Djibouti and Djibouti Airport in Djibouti, including its marine, bulk and container operations, logistics zone and administration. The Group expanded its international footprint with concession wins at Visakhapatnam Port, India in 2002, Constanta, Romania in 2003 and Cochin, India in 2004. As at the date of this prospectus, the Group has a combined portfolio of 49 operating container terminals in 28 countries.

Global Expansion

CSX WT

In February 2005, the Group acquired CSX World Terminals ("**CSX WT**"), the international terminal business of CSX Corporation, for $1.2 billion (the "**CSX WT Acquisition**"). CSX WT was a leading global container terminal operator with key strategic assets in some of the world's fastest growing markets, including Asia and South America. The CSX WT Acquisition represented an important step in the Group's global expansion strategy by increasing its international presence in the container terminal industry and enhancing its geographic diversification.

P&O

In March 2006, the Group acquired Peninsular & Oriental Steam Navigation Company Limited ("**P&O**") for $7.2 billion (the "**P&O Acquisition**"). P&O was a leading global container terminal operator and the P&O Acquisition represented a unique opportunity to significantly increase the Group's global network and market position by incorporating P&O's largely complementary portfolio of terminals in Asia, India, Australia, the Americas, Europe and Africa into the Group's portfolio of terminals.

Further Development and Expansion

The Group has historically grown its business through a combination of organic growth and corporate acquisitions, which have helped to establish the Group's global footprint and change the composition and dynamics of its industry. The Group's global expansion has continued at a slower pace after the decline in volumes in 2009 and its focus has been on completing projects that were some way towards completion. The Group constructed and opened new terminals in Callao, Peru in May 2010 and in Vallarpadam, India in February 2011 and expanded its operations at its exiting terminal in Karachi, Pakistan in January 2011. In addition, recently the Group was awarded new concessions for terminals at Djazair and Djen-Djen, Algeria.

Listing on NASDAQ Dubai

On 26 November 2007, the entire issued share capital of the Company was admitted to the Official List of Securities of the NASDAQ Dubai. As at the date of this Prospectus, approximately 19.55 per cent of the Company's issued and outstanding share capital is held by public shareholders and approximately 80.45 per cent is held by Port & Free Zone World, which is wholly owned by Dubai World, a holding company owned by the Government of Dubai.

Reasons for listing on the Official List

The Company is applying for its Ordinary Shares to be admitted to listing on the Official List and to trading on the London Stock Exchange in order to allow investors who are currently unable to invest in the Company's Ordinary Shares through NASDAQ Dubai access through an alternative stock exchange to invest in the Company's Ordinary Shares.

3. Competitive Strengths

The Group has built its global container terminal business through the combination of its regional and international operations, the CSX WT acquisition, the P&O acquisition and the development of new terminals and winning or acquiring new concession agreements. The Group believes its network of 49 terminals provides it with complementary strengths, which together position the Group as a market leader in the global container terminal industry. In particular, the Group believes that its business is characterised by the following key competitive strengths.

A Globally Diversified, Market-Leading and Balanced Portfolio of Terminals

With 49 terminals in 28 countries, the Group believes it had a market share of approximately 10 per cent of global container port throughput on a gross throughput basis as of 31 December 2010 and that it has the most geographically diversified portfolio of terminals in the industry. The Group's asset base includes a diverse mixture of both established and newer terminals and a number of greenfield and brownfield projects that it is in the process of developing. The Group believes that this combination of development sites and fully operating facilities is key to facilitating its future growth strategies and ensuring that it is well positioned to meet its customers' requirements.

Emerging Market Focus

As of 31 December 2010, approximately 77 per cent of gross throughput in the Group's portfolio of terminals came from countries that are considered to be Emerging or Frontier Markets, which include the Middle East and Africa, South America, South Asia and the Far East (as such terms are defined by the MSCI Frontier and Emerging Market indices). These economies are generally seen to be higher growth areas and have grown throughout the global economic slowdown, growing by approximately 7.3 per cent in 2010 (source: IMF World Economic Outlook April 2011) with forecasts suggesting future growth potential of above 6.5 per cent per annum (source: IMF World Economic Outlook April 2011).

Focus on Origin and Destination Cargo

The Group believes that its portfolio benefits from a focus on O&D throughput. O&D throughput is cargo that has to either go to, or be collected from, a particular terminal because of its proximity to the point of consumption or distribution. Because O&D throughput is usually handled most cost effectively by one port, normally closest to the point of consumption or production, O&D throughput is less likely to be lost to competitors and less price sensitive than transhipment throughput. For further information regarding O&D, see section 2 of Part IV (*Industry Overview—Industry Demand—O&D*).

Operational Excellence and Innovation

The Group seeks to improve its operational efficiency and increase the capacity of its existing facilities by investing in advanced handling equipment. The Group is one of the innovators in the container terminal industry and has been successful in developing and enhancing container terminal capacity and efficiency in the regions in which it operates based on the needs and attributes of particular terminals. In 2010, the Group's international achievements were recognised by it winning *Lloyd's Environmental Protection Award* for London Gateway, *Indian Operator of the Year Award* for DP World, India, *Shipping Port of the Year Award* for DP World Jebel Ali, *International Transport Award* for DP World Constanta and *Best Seaport in the Middle East* for DP World Jebel Ali for the 16th year in a row and, in 2009, by the Group winning *Best Global Terminal Operating Group* for DP World. The Group was awarded the *Mohammed Bin Rashid Al Maktoum Business Award* in recognition of its outstanding entrepreneurship and excellence in supply chain and logistics services in 2008 and also won various awards in 2007, including *Best Container Terminal in Asia under 4 million TEUs per annum* for CT3 (Hong Kong) at the Asian Freight & Supply Chain Awards. The Group has also been focused on longer term restructuring costs and winning market share through improved efficiencies for customers and streamlining its operational process.

Ability to grow the Group's portfolio in line with market driven volume growth

The Group has extensive experience in developing new capacity around the globe, including constructing new terminals from both greenfield and brownfield sites, as a result of winning new concessions for operational terminals and through the expansion of terminals within its own portfolio.

In addition to the Group's existing portfolio increasing incremental capacity in line with customer demand, the Group currently has nine development projects (comprising both projects relating to the development of new terminals and major expansions of existing terminals). These new development and major expansion projects give the Group the flexibility to increase its existing gross capacity to over 95 million TEUs in line with market demand by 2020. Of this, approximately 51 million TEUs will be consolidated.

Whilst the rollout of new capacity is always subject to market driven volume growth, the Group currently anticipates over half of this new capacity coming online by 2015, taking its gross capacity to 80 million TEUs of which approximately 42 million TEU will be consolidated.

Experienced and International Management Team

The Group's global business is run out of its head office in Dubai by members of its Senior Managers, who have significant industry experience. In addition, the Group's local operations are divided across three geographic areas, each managed by an experienced manager, who has significant experience in the container terminal industry and extensive local and regional knowledge. The Senior Managers (see section 2 of Part XII (*Directors, Senior Management and Corporate Governance—Senior Management*)) are supported by a highly experienced team of local container terminal managers and together comprise the Executive Committee of the Board, which is an operational committee to manage the Company's operations and to implement the Company's strategic policies.

4. **Corporate Strategy**

The Group has historically grown its business through a combination of organic growth and corporate acquisitions, which has helped to establish its global footprint and change the composition and dynamics of its industry.

Whilst recognising the need for caution in the current market environment, the Group is committed to its core container handling business and, going forward, has a pipeline of new container terminal development projects and terminal expansion projects, which will be rolled out in line with market demand and have the potential to increase its gross capacity to over 95 million TEUs by 2020.

The Group believes that operational excellence and innovation create opportunities to generate additional value out of its existing facilities. The Group seeks to improve its operational efficiency and increase the capacity of its existing facilities by investing in advanced handling equipment and streamlining its operational processes. The Group believes that this strategy is one of the most cost-effective methods for increasing capacity at its existing facilities. In addition, the Group continually communicates with its customers and essential stakeholders in the port and shipping community to maximise the connectivity, responsiveness, accuracy and speed that it is able to offer.

Providing the Group's global customers and their customers with value enhancing port and logistics solutions is the cornerstone of the Group's operating strategy. The Group seeks to sustain its consultative approach to customer relationship management to ensure it invests in facilities around the globe as and when its services are required. The Group believes that the reliability and efficiency of its operations and information flow will enhance its customers' competitive edge. As part of the Group's strategy, it seeks to:

Optimise Existing Asset Base and Current Capacity

The Group believes that operational excellence and innovation create opportunities to generate additional value out of its existing facilities. The Group seeks to improve its operational efficiency and increase the capacity of its existing facilities by investing in advanced handling equipment and streamlining its operational processes. The Group believes that this strategy is one of the most cost-effective methods for increasing capacity at its existing facilities. In addition, the Group continually communicates with its customers and essential stakeholders in the port and shipping community to maximise the connectivity, responsiveness, accuracy and speed that it is able to offer. The Group believes that the reliability and efficiency of its operations and information flow enhance its customers' competitive edge.

Maximise Customer Satisfaction with Innovative and Tailored Solutions that Add Value

Providing the Group's global customers with value enhancing port and logistics solutions is a cornerstone of its operating strategy. The Group seeks to sustain its consultative approach to customer relationship management to ensure it invests in facilities around the globe as and when its services are required. The Group employs a proactive management process that focuses on the key elements of connectivity, information sharing and security, which can provide strategic solutions in inventory and cost control in the global supply chain. Where it adds value and improves service for its customers, the Group will consider investing in complementary services outside the terminal gates. The Group believes that the reliability and efficiency of its operations and information flow will enhance its customers' competitive edge.

Enhance Relationships with Sector Participants

The Group continually evaluates its relationships with both current and potential future partners and stakeholders to ensure that it stays at the forefront of its industry, seizing the most attractive commercial opportunities by involving the relevant stakeholders from the outset. The Group believes that its credentials as one of the world's largest container terminal operators make it a partner of choice, and it seeks to enhance this perception across the globe. The Group believes that efficient infrastructure transforms the local economies of the countries in which it operates, which ultimately enhances the value proposition for its business.

Deploy Capital for Sustained Growth, Profitability and Market Leadership

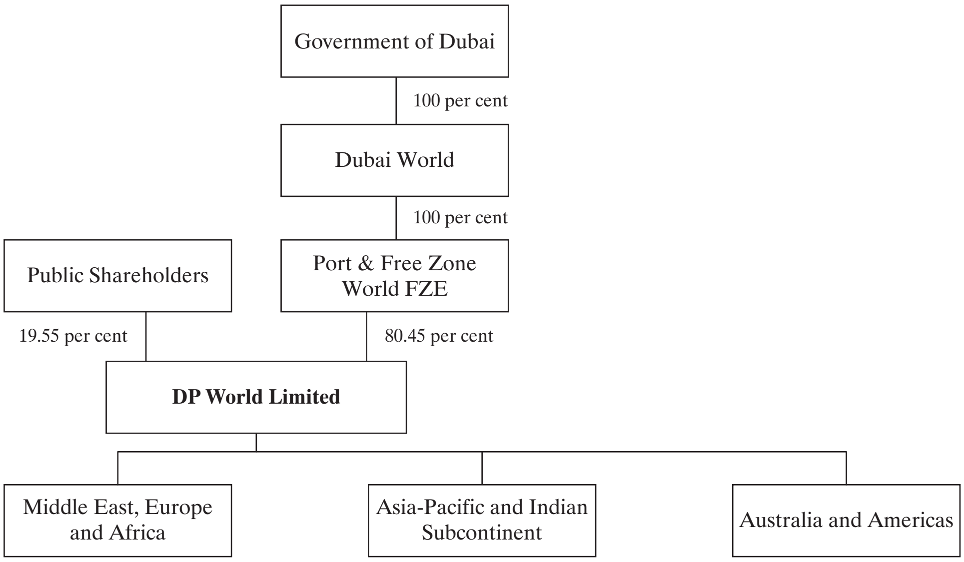
The Group intends to pursue investment opportunities based on its assessment of its potential for value creation, growth and sustained profitability. The Group continues to ensure that its assessment of potential investment opportunities is performed on a risk-adjusted basis, such that any capital deployed in more volatile markets is accompanied by a commensurate increase in the expected return. Within this framework, the Group emphasises operational control of new projects whilst ensuring that it has the most appropriate partners where required. The Group seeks to position itself to react to changes in both its and its customers' industries to ensure that it remains the port operator of choice.

Create an Environment of Opportunity and Professional Enhancement for Employees

The Group believes that its achievement of operational excellence and innovation depends on the abilities, creativity and dedication of its employees. By implementing policies that allows it to be a good employer and good corporate citizen, the Group seeks to create a culture of global excellence that will define its organisation and the container terminal industry. The Group plans to continue to invest in the personal development of its employees to ensure that it attracts and retains the most experienced, motivated and knowledgeable workforce.

5. Organisational, Reporting and Operational Structure

As at the date of this Prospectus, Dubai World, through its shareholding of the Company's majority shareholder, Port & Free Zone World, beneficially owns approximately 80.45 per cent of the Company's issued and outstanding share capital. Dubai World itself is wholly owned by the Government of Dubai. The following chart illustrates the Group's organisational structure and the three financial reporting regions for its principal business activities.



6. Our Ports Businesses

Overview

The Group believes that its portfolio represents a well-diversified business in terms of geographic spread, political risk, currency fluctuation and level of economic development, with operations divided into the following three geographical segments: (i) Middle East, Europe and Africa, (ii) Asia-Pacific and Indian Subcontinent, and (iii) Australia and Americas.

The following chart lists the Group's container terminals by geographic segments as at 31 March 2011.

Middle East, Europe and Africa Segment

UAE

UAE

- DP World Jebel Ali
- Port Rashid (Dubai)
- DP World Fujairah

Middle East (excluding UAE)

Saudi Arabia

- DP World Jeddah

Egypt

- DP World Sokhna

Yemen

- DP World Aden*

Africa

Djibouti

- Port Autonome Djibouti
- Doraleh Terminal

Mozambique

- DP World—Maputo

Europe

Belgium

- DP World Antwerp
- Antwerp Gateway*

France

- Terminal de Nord (Le Havre)*
- Terminal de France (Le Havre)*
- Fos Container Terminal (Fos sur Mer)*
- Mourepiane Container Terminal (Marseille)*

Germany

- DP World Germersheim

Romania

- DP World Constanta

Russia

- Vostochnaya Stevedore Company*

Spain

- DP World Tarragona

United Kingdom

- DP World Southampton
- Tilbury Container Services*

Senegal
- DP World Dakar

Algeria
- DP World Djazair
- DP World Djen-Djen

Asia-Pacific and Indian Subcontinent Segment

Asia-Pacific

China
- Qingdao Qianwan Container Terminal*
- Tianjin Orient Container Terminals*
- ACT (CT8) (Hong Kong)*
- CT3 (Hong Kong)
- DP World Yantai*

Indonesia
- Terminal Petikemas Surabaya*

Philippines
- Asia Terminals Incorporated*

South Korea
- Pusan Newport Company*

Thailand
- Laem Chabang International Terminal*

Vietnam
- Saigon Premier Container Terminal

Indian Subcontinental

India
- DP World Nhava Sheva
- DP World Chennai
- Mundra International Container Terminal
- DP World Cochin**
- Visakha Container Terminal*

Pakistan
- DP World Karachi

Australia and Americas Segment

Australia

Australia**
- DP World Melbourne*
- DP World Sydney*
- DP World Brisbane*
- DP World Fremantle*
- DP World Adelaide*

Americas

Peru
- DP World Callao, Peru

Argentina
- Terminales Rio de la Plata (Buenos Aires)

Canada
- DP World Vancouver

Dominican Republic
- DP World Caucedo*

Key:

* Terminal operated pursuant to a joint venture arrangement.

** Operations at DP World Cochin were moved from the Rajiv Gandhi Terminal to the newly constructed Vallarpadam International Container Transhipment Terminal in February 2011.

*** On 11 March 2011, the Group transferred its wholly owned subsidiary DP World Australia, a holding company that holds the five Australian terminals, to a joint venture. The Group owns a 25% interest in such joint venture and provides management services to such joint venture. For further information regarding the formation of this joint venture, see section 15.5 of Part XIV (*Additional Information—Formation of Australian Joint Venture*).

Core Services

The Group's core ports services are comprised of container cargo handling, which accounts for the significant majority of the Group's revenue from operations and net profit, as well as general cargo handling and Roll On-Roll Off ("**Ro-Ro**") services.

Container cargo handling

The core services for container handling consist of lifting containers on and off of vessels, storing containers in the relevant terminal and facilitating the delivery and receipt of containers. The two main categories of throughput are O&D, which is also often referred to as import and export, and transhipment. O&D throughput differs from transhipment throughput primarily because O&D throughput has to go to, or be collected from, a particular terminal because of its proximity to the point of consumption or distribution. This makes O&D throughput more stable and the Group has more control over setting the price for O&D throughput compared with transhipment where the price is driven by the customer and global competition. O&D throughput also provides the Group with opportunities to earn additional revenue by charging for delivery or receipt of the container from the shipper or consignee, as well as by providing ancillary services. For the year ended 31 December 2010, approximately 73 per cent of its gross throughput was O&D throughput.

General cargo handling and Ro-Ro services

In addition to container cargo handling services, some of the Group's ports offer general cargo handling and Ro-Ro services at some of its terminals. The Group believes that by offering superior service and handling facilities, it is able to attract general cargo vessels carrying a wide variety of non-container goods. The Group's Ro-Ro facilities are designed to accommodate vessels that carry wheeled cargo, such as automobiles. The defining feature of Ro-Ro vessels is a built-in ramp, which allows cargo to be efficiently "rolled on" and "rolled off" the vessel when in port.

P&O Maritime Services

As part of the P&O Acquisition, the Group acquired P&O Maritime Services, which is based in Melbourne, Australia. Through its ownership, operation and management of a fleet of specialised vessels, P&O Maritime Services provides government shipping, cargo, defence, offshore oil and gas support and port services and chartering to a diverse range of government and industrial customers in Australia, Argentina, Paraguay, Ireland, Papua New Guinea, Singapore, the United Kingdom and the UAE. A significant majority of the revenue of P&O Maritime Services is derived from contracts with a term of five or more years.

The defence business of P&O Maritime Services in Australia is operated through DMS Maritime Pty Ltd, a 50 per cent owned joint venture.

P&O Maritime Services has also taken over the marine operations at DP World's Jebel Ali Port and has brought a number of safety, savings and efficiency measures to that operation. From that base P&O Maritime Services also recently concluded a contract to provide tugs to DP World Sokhna.

From its regional bases in the Australasia, Middle East, South America and UK/Europe P&O Maritime is expanding its existing specialist services into harbour marine services, bulk commodity river barging, offshore wind farm support, off shore oil and gas support and Antarctic logistics.

Customers

The Group believes its customers comprise over 150 carriers and cargo interests, including all of the top ten global container shipping lines, as well as general cargo and car carriers. The Group also performs logistics activities whereby it deals directly with both transport companies and the ultimate owners of the relevant cargo, such as manufacturers, traders and importers. The Group has continued to invest in its operations to improve its service to its customers with a number of its terminals benefitting from new cranes and yard equipment.

Contracts in the container terminal industry are characterised by relatively long terms, usually in the range of one to three years, and typically, although not exclusively, require cause in operational failing to allow early termination. However, in certain regions, such as Europe, a limited number of contracts may have relatively short notice periods in respect of termination, often only of one year, and allow for termination without cause.

Business Development

The Group seeks to identify new opportunities throughout the organisation and through the many different channels yielded by the Group's extensive network, including discussions with its customers and with government representatives and authorities. The Group believes its business development strategy allows it to efficiently short-list and pursue opportunities that it believes will add the greatest potential value to its business. The Group seeks to evaluate new business opportunities based both on the initial investment it will be required to make and the potential future expected growth opportunity associated with the asset. When considering new opportunities, the Group seeks to achieve an appropriate balance between established and developing sites, a predominance of O&D cargo and locations in the faster growing emerging markets.

The Group's new project and major expansion pipeline includes a total of nine terminal development projects in Brazil, China, Egypt, France, India, the Netherlands, Senegal, Turkey and the United Kingdom, the first of which is expected to come on line by the end of 2013.

Concessions

The Group's terminal operations are substantially conducted pursuant to long-term operating concessions or leases entered into with the owner of a relevant port for terms generally between 20 and 50 years. Based on its experience, incumbent operators are typically granted renewal of operating concessions leases, often because it can be costly for a port owner to switch operators, both administratively and due to interruptions to port operations and reduced productivity associated with such transitions. The Group commonly starts negotiations regarding the renewal of concession agreements with approximately five to seven years remaining on the term and often obtains renewals of or extensions on concession agreements in advance of their expiration in return for a commitment to make certain capital expenditures in respect of the subject terminal. Over the last two years, the three concession agreements that the Group sought to renew were successfully renewed. Two of the concessions were in Australia, in Adelaide and Sydney, and were renewed for a further 30 years and 15 years, respectively, and the third concession was in Maputo, Mozambique, which was renewed for 25 years.

The Group generally seeks to structure its concession agreements to have payment terms with a fixed and a variable element. These payment terms help align the concessionaire's and its interests to maximise throughput and revenue as the variable element of the fee payable to the concessionaire is calculated on throughput through the relevant port. The concessionaire is therefore incentivised to provide a good land side service and infrastructure so that the level of throughput, and their corresponding fee, is increased.

7. **Portfolio**

Middle East, Europe and Africa Region

UAE

Overview. The UAE is an important trading hub for the Middle East, African and Indian Ocean rim countries. The Group has been operating in the UAE since 1972, initially at Port Rashid (Dubai) and subsequently at DP World Jebel Ali and DP World Fujairah (Fujairah). DP World Jebel Ali is the Group's flagship facility and was the ninth largest container terminal in the world according to Containerisation International Online in 2009. In addition, DP World Jebel Ali can accommodate the required draft of any container vessel in existence or on order and deploys the largest quayside cranes currently in operation in the world, capable of lifting two forty-foot containers or four twenty-foot containers at a time.

Competitive position. The Group believes it holds the strongest market position as a terminal operator compared with any other operator in the UAE and Middle East due to the high volumes of O&D cargo having to use DP World Jebel Ali. The Group's container operations at DP World Jebel Ali are strengthened by being adjacent to the Jebel Ali Free Zone, which is home to over 6,500 international companies and generates significant volumes of captive container traffic for the Group. The free zone and port are physically connected, creating a logistics hub potentially capable of serving over 2 billion consumers from West Asia to East Africa. The Group expects that Al Maktoum International Airport (formerly Dubai World Central International Airport), which commenced initial operations in June 2010, will increase considerably the size and scope of this logistics zone and provide additional opportunities for sea-air freight services.

Other activities. In addition to container cargo handling, certain of the Group's facilities in the region offer general and bulk cargo handling, Ro-Ro, reefers (being refrigerated shipping containers for transporting perishables) and tanker facilities and container repair, commercial trucking, sea-air cargo, logistics and/or other terminal services. The UAE region has historically contributed the majority of the total group non-container revenue. This primarily consists of general and bulk cargo in the UAE region.

Middle East (excluding UAE)

Overview. In the first quarter of 2008, through its acquisition of SPDC, the Group acquired a 90 per cent ownership interest in DP World Sokhna (formerly Sokhna Port). DP World Sokhna is the closest container port to Cairo and is located within the 90 square kilometre North West Suez Economic Zone, the first of its kind in Egypt. In October 2010, an agreement was signed between DP World Sokhna and the Red Sea

Ports Authority that will allow the Group to construct an additional terminal at Sokhna Port within the next four years, with a quay length of 1,300 metres and a capacity of 1.75 million TEUs which will more than double the size of DP World Sokhna's current capacity. The new agreement replaces the original concession agreement awarded to DP World and further extends the concession to 35 years after completion of the construction of a new terminal.

The Group entered into a joint venture with the Yemen Gulf of Aden Port Corporation in July 2008 to operate and develop the container handling facilities in the port of Aden. This port is strategically located to capture significant growing regional transhipment volumes. In addition, Aden is a key domestic cargo gateway for Yemen.

The Group has been present in Jeddah, Saudi Arabia since it won the contract to manage Jeddah Port in 1999. In the third quarter of 2007, through its acquisition of Siyanco DPA, the Group acquired a 100 per cent ownership interest in DP World Jeddah (formerly Jeddah South Container Terminal), which it had previously operated pursuant to a management contract and which is the largest facility by capacity on the Red Sea. DP World Jeddah is focused on attracting long-term O&D customers not only for the local Jeddah market, but also for the Riyadh market once the Saudi Arabian government completes the proposed rail-land bridge.

Competitive position. The Group believes it currently faces intra-port competition at Jeddah Port from the North Terminal in Jeddah and from the recently developed Red Sea Gateway Terminal, that is developed on reclaimed land within the port adjoining the North Terminal. This leads to competition and imbalances in supply and demand. The Group believes it faces inter-port competition for regional transhipment throughput from Salalah and the Mediterranean hub ports for mainline relay business.

Other activities. In addition to the Group's container terminal business, the Group's terminal at Jeddah offers reefer facilities. Sokhna offers container business, breakbulk & general cargo, passenger vessels and liquid terminal facilities.

Europe

Overview. The Group's operations in Europe are well established, with facilities in Western and Eastern Europe. With the exception of DP World Germersheim, and shares that the Group has in three inland terminals in Belgium and Germany, all the Group's terminals offer deep-water access and are strategically located to reach the major markets of the United Kingdom and Continental Europe.

The Group's operations in Europe include twelve operational terminals covering markets from North Europe to the Mediterranean, the Black Sea, up to the Far-East Russian seaboard. As well as investing in its existing facilities to improve service and increase capacity, the Group also continues to explore new opportunities in this region. The Group also has key developments projects at London Gateway on the River Thames, Rotterdam World Gateway, which will be the first container terminal on the new Maasvlakte 2 reclamation development in Rotterdam, and in Yarimca, Turkey.

Competitive position. Western Europe is a well-established market characterised by high stability of throughput with moderate growth. Competition between ports across Western Europe is well developed, and the Group's key global competitors HPH, APMT and PSA are well established there. HHLA is also one of the significant local operators there.

The Eastern European market is less developed and has been adversely affected by the global economic recession. DP World Constanta is the largest and most modern facility on the Black Sea and acts as a hub for other Black Sea ports in Ukraine, Bulgaria and Turkey. The Group believes that whilst Constanta Port is currently the only deep-sea port with direct access to the Danube inland waterway (which handles container barge traffic to the former Yugoslavia), surrounding countries are developing modern, deep-water container terminals, which may compete with DP World Constanta for transhipment traffic or reduce the need for transhipment at Constanta Port. Nevertheless, the Group expects that when Ukraine and Romania emerge from recession, DP World Constanta will be well positioned to benefit from the growth in these markets.

Other activities. In addition to container cargo handling, certain of the Group's facilities in the region offer general and bulk cargo handling, Ro-Ro services, container freight station, stuffing and unstuffing warehousing and reefer facilities and logistics, empty depot, custom documentation and/or other terminal services. The Group also operates a fleet of Rhine River barges that connects DP World Germersheim with the deep-water ports of Rotterdam and Antwerp and receives daily shuttle trains at the terminal with containers from Rotterdam.

Africa

Overview. The Group's presence in Africa began in 1995 when P&O obtained the concession to operate the container terminal in Maputo Port, Mozambique now re-branded DP World—Maputo. P&O subsequently acquired general and bulk cargo stevedoring operations at each of South Africa's major ports, namely Richards Bay, Durban, East London, Port Elizabeth and Cape Town, which the Group continues to manage under the DP World—Cargo Services brand. The Group is present in Djibouti where it commenced container operations at a new facility in Doraleh in January 2009.

In addition, in the second quarter of 2007, the Group was awarded the concession to operate the existing container terminal in the Port of Dakar, Senegal and develop a new terminal in the Port du Futur, Senegal in the future. The Group believes Africa will remain a priority and that it will continue to seek to negotiate further deals in the region. The Group's concession in Mozambique has been extended by an additional 25 years as a result of an agreement signed in July 2010.

The Group has also expanded its operations into Algeria by obtaining a concession to operate the ports of Djazair and Djen-Djen in November 2008 and February 2009, respectively, which the Group began operating in the second quarter of 2009. The port at Djazair will be developed to primarily serve Algeria's domestic needs. The port at Djen-Djen is the main terminus for the Eastern part of the country and will be developed as a transhipment hub for the Western Mediterranean.

Competitive position. As an emerging region, competitor presence is limited relative to other regions globally. The Group holds strong positions in its operating locations. Both Djibouti and Maputo have no intra-port competition and limited regional competition.

Asia-Pacific and Indian Subcontinent Region

Asia-Pacific

Overview. The Group acquired operations in the Asia-Pacific through its acquisitions of CSX WT in February 2005 and P&O in March 2006. The Group subsequently developed significant additional operations in China (including Hong Kong), as well as a greenfield project in Pusan, South Korea, which commenced operations in 2006. The Group currently has a strong presence in key manufacturing heartlands of China and also has interests in the fast growing economies of South-East Asia. The Group's Asia-Pacific operations are managed from Hong Kong. Except for CT3 (Hong Kong) and Saigon (Vietnam) which are subsidiaries, all of the Group's Asia-Pacific operations are joint ventures and associates.

Competitive position. With ten container terminals, the Group has a significant presence in the Asia-Pacific market with a strong presence in the key gateway ports in China (namely Qingdao Qianwan Container Terminal, CT3 (Hong Kong), Tianjin and DP World Yantai) and in many strategic locations across the region (including Thailand, Indonesia, the Philippines, Vietnam, Russia and South Korea). The Group also operates logistics facilities in Hong Kong and Yantian. The most significant of these logistics operations is the ATL Logistics Centre in Hong Kong, which encompasses a gross area of 865,937 square metres and is the largest industrial building in the world by area. The ATL Logistics Centre provides warehouse and office leasing, as well as a full range of cargo handling and container freight station consolidation and distribution services. The ATL Logistics Centre is a market leader in the premium warehouse leasing segment in southern China and the Group plans to continue to leverage its strong regional presence to identify new development opportunities. The Group opened the Saigon Premier Container Terminal in Vietnam in October 2009.

Other activities. In addition to container cargo handling, certain of the Group's facilities in the region offer general and bulk cargo handling, ferry, Ro-Ro, reefer and container freight station facilities and container repair and/or other terminal services.

The Group also operates a break bulk cargo terminal in the Philippines. The most significant of these logistics operations is the ATL Logistics Centre in Hong Kong, as noted above.

Indian Subcontinent

Overview. The Group has had a decade-long presence in the Indian Subcontinent, which started in 1997 with P&O obtaining the concession to operate Qasim International Container Terminal (now DP World Karachi) in Bin Qasim, Pakistan and participating in the first Indian port privatisation at Nhava Sheva International Container Terminal (now DP World Nhava Sheva) in the Jawaharlal Nehru Port Trust, Navi Mumbai. Since then, the Group has expanded its presence in the region significantly. The Group's terminals are well-positioned to service customers in the hinterlands of India and Pakistan and, with the addition of its new development in Kulpi, the Group will have a strategic gateway presence around the entire coast of the Subcontinent.

Competitive Position. The Group is a market leader in the Indian Subcontinent. The Group faces intra-port and regional competition from other global operators. Its strong position, combined with a high proportion of O&D traffic and market growth potential, makes the Indian Subcontinent an extremely important part of the Group's global portfolio.

Other activities. In addition to container cargo handling, certain of the Group's facilities in the region offer general and bulk cargo handling, container storage, internal terminal transport, reefer and container freight station facilities, lashing, stuffing and de-stuffing and/or other terminal services and container rail road logistics.

Australia and Americas Region

Australia

Overview. The Group operates container terminals in each of the five state capital cities of Australia—Brisbane, Sydney, Melbourne, Adelaide and Fremantle (serving Perth), and can trace the origins of its operations in Australia to the formation of P&O in the 19th Century. The Group holds an interest of approximately 25 per cent in the joint venture that wholly owns such five container terminals. For further information regarding the formation and structure of such joint venture, see section 15.5 of Part XIV (*Additional Information—Formation of Australian Joint Venture*).

All of the Group's terminal operations in Australia benefit from excellent rail links between the terminals and the relevant surrounding hinterland. Over the last two years, the Group has renewed its concessions in Australia by way of (i) a new 15-year operating lease extension for DP World Sydney and (ii) a new 30-year operating lease for DP World Adelaide. In 2010, P&O Maritime Services expanded into Egypt with a new contract to provide tug boat services to DP World Sokhna. The contract is for three years, with three 1 year extensions.

Competitive Position. Historically, the major Australian ports of Sydney, Melbourne, Brisbane and Fremantle have each developed dual container terminal operator structures to ensure that competition exists within each port, and the Group is one of only two companies that currently operate container terminals in Australia. The Group's main competitor is the Asciano Group's Patrick Stevedores division and is present in every port in which the Group operates, except Adelaide, where the Group operates the only container terminal. However, in April 2007, Port of Brisbane Corporate ("**POBC**") announced the introduction of a third operator with HPH being awarded the lease for Berths 11 and 12 (330 metres and 300 metres respectively) which POBC anticipates will be operational by 2012 and 2014. Furthermore, in December 2009, Port Botany in New South Wales, Australia announced that HPH will build and operate a third terminal in the port with an area of 63 hectares, 1,850 metres of quay line and five new shipping berths. HPH's terminal in Port Botany is expected to commence operations in 2012.

Other activities. As part of the P&O Acquisition, the Group acquired P&O Maritime Services, which is based in Melbourne, Australia. Through its ownership, operation and management of a fleet of specialised vessels, P&O Maritime Services provides shipping, cargo, port, charter and agency services to a diverse range of government (including the military) and industrial customers in Australia, as well as Argentina, Ireland, Papua New Guinea, Singapore, the United Kingdom and the UAE.

A significant majority of the revenue of P&O Maritime Services is derived from contracts with a term of five or more years with its major clients, including the Australian Government Antarctic Division, the Department of Defense, Australian Customs Service, CSIRO and Xstrata. Services provided to the military are operated through Defense Maritime Services Pty Ltd, a 50 per cent owned joint venture with Serco Group plc of the United Kingdom.

Americas

Overview. P&O entered the South American market in 1994 when it was awarded the concession to operate Terminals Rio de la Plata (Buenos Aires). In addition, CSX WT had developed operations at Caucedo, Dominican Republic in 2004 and P&O acquired operations in Vancouver, Canada in 2003. The Group's operations in the Americas have been strengthened by the commencement of operations in Callao, Peru, in 2010. The Group has recently added a development project in Santos, Brazil to its Americas portfolio, with the forming of a new joint venture for Embraport.

Competitive position. The Americas geographical area remains highly fragmented, with many independent companies operating single terminals in key markets and government owned entities maintaining a significant presence. Given the strategic position of the Group's facilities as regional gateway ports, the Group believes its facilities have market leading positions in their respective selected markets in Latin America where the Group has an operating presence in four of the top ten container ports in Latin America.

Other activities. In addition to container cargo handling, certain of the Group's facilities in the region offer general and bulk cargo handling, reefer, on-dock rail and cruise and ferry passenger facilities and/or other terminal services. In Vancouver, Canada, the Group's general stevedoring operation principally encompasses Ro-Ro automobiles and bulk grain. Terminales Rio de la Plata is the exclusive cruise terminal operator in Buenos Aires which is a major seasonal cruise destination.

8. **Security and Business Resilience**

The Group is committed to improving its security on an ongoing basis in order to enhance the Group's position as a leading global operator, whilst assuring quality service and continued customer satisfaction. The Group's corporate security policy is designed to protect its personnel, assets, reputation and customers' interests by employing the highest corporate, ethical and operational standards to meet its vision of excellence.

The Group has dedicated strategic security resources at the corporate level, which provide counsel to the Group's executive management and direction to its business units around the world. The Group has set itself a series of primary security objectives that are designed to implement its corporate security policy across its network of container terminals. Simultaneously, in conjunction with other internal departmental objectives, the Group is building business resilience capacity in the critical areas of asset protection, corporate governance, information assurance, business continuity, reputation management and crisis management.

The Group's security and business resilience objectives are met through the implementation of a planned set of security standards initiatives and internal programs. These are consistent with international security legislation and appropriately recognised and accredited quality management systems. Thirty-one of the Group's terminals are certified to the independently audited ISO 28000 standard and the Group aims to have all its terminals certified by the end of 2012. The Group is a member of the EU Customs Security Program-Authorised Economic Operator initiative and the US government Customs-Trade Partnership Against Terrorism. It is the first international port operator to be invited as a member, and it is an active participant in CSI, which places US Customs officers at sensitive terminals around the world.

9. **Safety and Environment**

The Group considers safety and environment ("**S&E**") to be of fundamental importance in every aspect of its global operations. The Group understands and takes very seriously the S&E responsibilities that it has to employees, customers, contractors, visitors, government agencies and communities.

The Group has dedicated S&E resources throughout the world that provide expert advice for management in exercising its corporate obligations in this critical area. Management, staff and employees are guided by the Group's corporate S&E policy, which has been authorised by the Group's Chief Executive Officer, and all business units, irrespective of the jurisdiction in which they operate, are required to implement this policy. The implementation of global standards has been crucial to the improvement in the Group's safety performance in the business units.

DP World is fully committed to robust environmental management in its terminals and development projects whilst playing a proactive role in tackling the challenges of climate change through initiatives to encourage and promote reductions in resource consumption and continual improvement in energy efficiency.

More than half of the Group's business units are certified to ISO 14001 on environmental management systems with the remaining terminals progressing towards it.

DP World aims high in its target-setting and is working towards a significant 27 per cent reduction in greenhouse gas emissions, normalised against trade throughput, over a measurement period of five years (against a base year of 2008).

DP World has invested heavily in lower-carbon plant and equipment and is embracing renewable energy technologies in the Group's terminals.

In 2010, DP World was the first international marine terminal operator to publicly disclose its carbon emissions as part of the Carbon Disclosure Project. The Group also signed up to the Copenhagen and Cancun Communiqués on climate change in 2009 and 2010 respectively, and has been a key contributing stakeholder in the World Economic Forum's Decarbonisation of the maritime Supply Chain Project.

10. **Information Technology and Operating Systems**

The Group's IT strategy is designed to enable local IT groups at the Group's terminals to meet their requirements with little dependency on a group-wide IT infrastructure, although the Group provides some centralised IT services, such as hosting and network services, to varying degrees at a regional level. Whilst its central IT department plays a vital role in strategic planning, governance and standardisation of IT across the Group's portfolio and, in the case of new terminal operations, provides guidance, consulting and reviews, it is not involved in the day-to-day IT operations of the Group's terminals. The Group believes that this strategy provides its local IT groups with the required flexibility to run their day to day operations.

Each of the Group's terminals, based on the nature of its business, is configured to keep its systems operational, including with respect to business processes and procedures, under abnormal conditions. Although IT systems are essential to the functioning of the Group's terminals, proper manual backup procedures have been devised to support the Group's operations in case of a rare unexpected system downtime. The Group has defined IT component topologies and recovery time objectives for each business process, which prescribe the appropriate level of IT infrastructure depending on the importance of the relevant business process. For example, a business process, such as container movement operations at a large terminal, that is categorised as "mission critical" would be allocated an IT infrastructure consisting of a clustered server environment with significant resilience, extensive focus on backup and IT disaster recovery plans, with the aim of providing for 99.99 per cent availability.

11. **Employees**

As of 31 December 2008, 2009 and 2010, we had approximately 31,000, 30,000 and 31,000 employees, respectively. Our employees are engaged under a variety of employment arrangements, including pursuant to individual employment contracts, collective bargaining agreements and through third-party sourcing. A significant majority of our employees in Argentina, Australia, Belgium, Canada, China, the Dominican Republic, France, India, Pakistan, Peru, South Africa, South East Asia, South Korea and the United Kingdom operate pursuant to collective bargaining agreements that typically cover employees in the relevant countries. We believe that the material terms of our collective bargaining agreements and other terms of employment are customary for the countries and industries in which we operate and that we have a good relationship with our employees.

The following table sets out the number of persons employed by the Group in our terminals as at 31 December 2008, 2009 and 2010 by main location. The Group also has employees globally in the regional offices (including the Dubai office) comprising a total of around 300 people.

	As at 31 December		
Location	**2008**	**2009**	**2010**
GCC (UAE Region only)	7,204	6,008	5,643
EMEA	9,530	10,276	10,382
Americas	2,526	2,029	2,672
Asia Pacific	7,153	7,449	7,674
Australia	2,072	1,935	2,126
Subcontinent	2,528	2,541	2,653
Total	31,013	30,238	31,150

12. **Legal Proceedings**

Apart from the legal proceedings highlighted below, there are, and have been, no other governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Group is aware) during the twelve months preceding the date of this Prospectus that may have, or have had, significant effects on the Group's financial position or profitability.

(a) The Group through its 100 per cent owned subsidiary Mundra International Container Terminal Private Limited ("**MICT**") has developed and is operating the container terminal at the Mundra port in Gujarat. In 2006, MICT received a show cause notice from Gujarat Maritime Board ("**GMB**") requiring MICT to demonstrate that the undertaking given by its parent company P&O Ports (Mundra) Private Limited, with regard to its shareholding in MICT has not been breached in view of P&O Ports being taken over by the Group (DP World). Based on the strong merits of the case, the Group believes, having considered legal advice, that the above litigation is unsubstantiated and in its view, it will have no impact on the Group's ability to continue to operate the port. No provision has been made with respect to the Group's potential liability in this litigation as such liability is neither currently quantifiable nor considered likely.

(b) The Group's 100 per cent owned subsidiary Chennai Container Terminal Ltd ("**CCTL**") has received claims from the Chennai Port Trust ("**CPT**") covering CCTL's alleged failure to fulfil its obligations in respect of non-transhipment containers for a period of four years from 1 December 2003 and additional lease charges for land leased by CCTL from CPT. CCTL has limited counterclaims against CPT. The Group believes, having considered legal advice, that both proceedings will not have an adverse impact on the Group's financial position and that the cases will be settled in the Group's favour. The aggregate US$ equivalent of the two Indian Rupee based claims as at 31 December 2010 was $29.3 million.

13. **Insurance**

The Group's operations are subject to normal hazards of operational and geographic risks, including accidents, fire and weather-related perils. Globally, the Group maintains various types of insurance policies to protect against the financial impact arising from unexpected events when the amount of the potential loss would be significant enough to prevent normal business operations. The purchase of these policies is co-ordinated by an internal insurance department, with applicable limits, coverage, scope and deductibles that the Group, with the advice of its insurance advisors, believe are reasonable and prudent after all means of controlling or preventing the risk have been considered. The Group cannot, however, assure investors that this insurance will be adequate to protect it from all expenses related to potential future claims for personal injury and property damage or that these levels of insurance will be available in the future at commercially reasonable prices.

The Group does not fully insure against certain risks to the extent that such risks may not be fully insurable or related coverage is unavailable at what the Group considers to be appropriate price levels. See section 1 of Part II (*Risk Factors—Risks Relating to the Group's business and the industries in which the Group operates—The Group may not maintain sufficient insurance coverage for the risks associated with the operation of its business*).

PART VI

CREST, DEPOSITORY INTERESTS AND THE DEED POLL

The Company will, prior to Admission, enter into depository arrangements to enable investors to settle and pay for interests in the Ordinary Shares through the computerised settlement system operated by Euroclear UK & Ireland Limited ("**Euroclear**") to facilitate the transfer of title to shares in uncertificated form ("**CREST**"). CREST is a paperless settlement system allowing securities to be transferred from one person's CREST account to another without the need to use share certificates or written instruments of transfer. Securities issued by non-UK incorporated companies, such as the Company, cannot themselves be held electronically (i.e. in uncertificated form) or transferred in the CREST system. However, depository interests, representing the securities, can be dematerialised and settled electronically. Pursuant to arrangements to be put in place by the Company, a depository will, hold through a custodian, the interests in the Ordinary Shares to be represented by depository interests and, issue dematerialised depository interests representing these Ordinary Shares (the "**Depository Interests**") which can be traded in CREST.

All shares traded on NASDAQ Dubai or settled in CREST in the form of Depository Interests are registered in the name of NASDAQ Dubai Guardian as legal owner. Although the Company's register will show NASDAQ Dubai Guardian Limited (formerly known as DIFX Guardian Limited) ("**NASDAQ Dubai Guardian**") as the legal holder of the Ordinary Shares traded on NASDAQ Dubai or settled in CREST in the form of Depository Interests, the beneficial interest in the Ordinary Shares will be held by the custodian nominated by the Depository (the "**Custodian**") on trust for the Depository Interest holder. Accordingly, a Depository Interest holder will have the benefit of all the rights attaching to an Ordinary Share as if he was a holder of such Ordinary Share through an account with the NASDAQ Dubai Central Securities Depository (the "**NASDAQ Dubai CSD**").

In order to introduce a depository interest element to the structure, the beneficial interest in the Ordinary Shares will be credited to the account held with NASDAQ Dubai's Central Securities Depository ("**NASDAQ Dubai CSD Account**") of the Custodian, who shall be a person accepted by NASDAQ Dubai to be a clearing member of NASDAQ Dubai (a "**Clearing Member**"). The Custodian will be the nominee holder of the beneficial interest in the Ordinary Shares in its NASDAQ Dubai CSD Account which will be held on trust for participating members to whom the Depository will issue the Depository Interests. The Depository Interests will be constituted under English law and may be held and transferred through the CREST system.

Each Depository Interest will be treated as one Ordinary Share for the purposes of determining the rights attaching to that Depository Interest, for example, eligibility for any dividends. The Depository Interests will have the same security code (ISIN) as the underlying Ordinary Shares and will not require a separate listing on the Official List. The Depository Interests will be capable of being traded and settlement will be within the CREST system in the same way as any other CREST security. Prospective holders of Depository Interests should note that they will have no rights against Euroclear or its subsidiaries in respect of the underlying Ordinary Shares or the Depository Interests representing them.

The Depository Interests will be created pursuant to and issued on the terms of a deed poll expected to be executed by the Depository prior to Admission in favour of the holders of the Depository Interests from time to time (the "**Deed Poll**").

Under the Deed Poll, the Depository may require any holder of Depository Interests to disclose information as to the capacity in which it owns Depository Interests and the nature of its interests. In addition, the disclosure regimes under both the UK Disclosure Rules and Transparency Rules (the "**DTRs**") and the DFSA Offered Securities Rules (the "**OSRs**") will apply to holders of Depository Interests in the same manner as if they held legal title to the Ordinary Shares represented by their Depository Interests. For an explanation of these regimes, see section 2 of Part XIII (*Summary of certain provisions of applicable DIFC law and DFSA and NASDAQ Dubai Rules—Disclosure of interests*).

With respect to shares traded on NASDAQ Dubai, such shares may be held either in accounts opened directly with the NASDAQ Dubai CSD or through custodian omnibus accounts (the custodians of which have accounts opened directly with the NASDAQ Dubai CSD) through which the custodian holds as nominee the beneficial interest in the traded shares on behalf of investors. Clearing and settlement of trades on NASDAQ Dubai by brokers or custodians may be performed only through members of NASDAQ Dubai that are Clearing Members. Each Clearing Member must hold a securities account with the NASDAQ Dubai CSD and a cash account with a designated settlement bank for settlement purposes. Similarly, a custodian needs to hold an omnibus account with the NASDAQ Dubai CSD and a cash account with a settlement bank for settlement of off-exchange trades. Settlement of securities trading on NASDAQ Dubai is governed by the NASDAQ Dubai Business Rules.

Investors wishing to convert their holdings of Ordinary Shares on NASDAQ Dubai into Depository Interests will be required to instruct their existing NASDAQ Dubai broker or custodian and Capita to facilitate the withdrawal of their share entitlements from their broker or custodian's existing NASDAQ Dubai CSD Account and effect a corresponding credit in the Custodian's NASDAQ Dubai CSD Account (and the consequent issue of Depository Interests to the Investor). Investors wishing to convert their holdings of Depository Interests into Ordinary Shares on NASDAQ Dubai will be required to instruct Capita and a NASDAQ Dubai broker or custodian to facilitate the withdrawal of the credit of Ordinary Shares from the Custodians NASDAQ Dubai Account (and cancel the corresponding Depository Interests) and effect a corresponding credit of Ordinary Shares to a NASDAQ Dubai CSD Account held by a NASDAQ Dubai custodian. Investors should contact Capita on +44 (0) 871 664 0335 between 9.00 am—5.30 pm London time, Monday—Friday and their existing NASDAQ Dubai broker or custodian for further guidance.

Application will be made for the Depository Interests to be enabled in CREST with effect from Admission.

The documents relating to the Depository Interests are described below in section 15.4 of Part XIV (*Additional Information—Depository Interest Arrangements*).

PART VII

SELECTED HISTORICAL FINANCIAL INFORMATION AND OPERATIONAL DATA

The selected consolidated financial data of the Group as at and for the years ended 31 December 2010, 2009 and 2008 set forth below have been extracted or derived from the Financial Statements appearing elsewhere in this Prospectus. The selected consolidated financial data set forth below should be read in conjunction with the information contained in *Part III (Administration, Advisers and Presentation of Information),* Part IX (*Operating and Financial Review*) and the Financial Statements. The results of operations for any period are not necessarily indicative of the results to be expected for any future period.

	Year ended 31 December								
	2008			2009			2010		
	Before separately disclosed items	Separately disclosed items[1]	Total	Before separately disclosed items	Separately disclosed items[1]	Total	Before separately disclosed items	Separately disclosed items[1]	Total
	(Audited) (US dollars in thousands)								
Income Statement Data:									
Revenue from operations	3,283,120	—	3,283,120	2,821,017	108,212	2,929,229	3,078,076	110,865	3,188,941
Cost of sales	(2,143,326)	—	(2,143,326)	(1,956,008)	(108,212)	(2,064,220)	(2,126,965)	(110,865)	(2,237,830)
Gross profit	1,139,794	—	1,139,794	865,009	—	865,009	951,111	—	951,111
General and administrative expenses	(306,081)	(129,900)	(435,981)	(284,551)	(20,755)	(305,306)	(329,576)	(3,700)	(333,276)
Other income	18,291	—	18,291	19,117	3,000	22,117	20,324	8,905	29,229
Finance income	76,146	—	76,146	72,950	12,542	85,492	89,395	—	89,395
Finance costs	(343,245)	(7,653)	(350,898)	(356,728)	—	(356,728)	(368,223)	(17,583)	(385,806)
Share of profit/(loss) of equity accounted associates and joint ventures	116,194	(2,000)	114,194	71,307	(1,970)	69,337	140,203	244	140,447
Profit on sale and termination of business (net of tax)	—	15,790	15,790	—	44,276	44,276	—	13,200	13,200
Profit/(loss) before tax	701,099	(123,763)	577,336	387,104	37,093	424,197	503,234	1,066	504,300
Income tax	(80,332)	33,700	(46,632)	(54,441)	313	(54,128)	(53,174)	—	(53,174)
Profit/(loss) for the year	620,767	(90,063)	530,704	332,663	37,406	370,069	450,060	1,066	451,126
Attributable to:									
Owners of the Company	572,277	(90,063)	482,214	295,456	37,406	332,862	373,741	1,066	374,807
Non-controlling interest	48,490	—	48,490	37,207	—	37,207	76,319	—	76,319

(1) Separately disclosed items represent those material items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, the Company believes merit separate presentation in order to more effectively present our financial performance for a period, compare our financial performance with prior periods and assess trends in our financial performance. For further information regarding separately disclosed items, see Note 10 "Separately disclosed items" of the Notes to the Audited Consolidated Financial Statements.

	Year ended 31 December					
	2008		2009		2010	
	Revenue	Profit after tax	Revenue	Profit after tax	Revenues	Profit after tax
	(Audited) (US dollars in thousands)					
Income Statement Data by Segment (including separately disclosed items):						
Middle East, Europe and Africa	2,009,347	727,666	1,748,155	523,166	1,741,727	556,919
Australia and Americas	756,810	183,208	596,299	74,636	875,474	169,154
Asia-Pacific and Indian Subcontinent	516,963	59,399	584,775	188,018	571,740	157,913
Subtotal	3,283,120	970,273	2,929,229	785,820	3,188,941	883,986
Head office	—	(439,569)	—	(415,751)	—	(432,860)
Total	3,283,120	530,704	2,929,229	370,069	3,188,941	451,126

	Year ended 31 December		
	2008	2009	2010
	(Audited) (US dollars in thousands)		
Consolidated Cash Flows Data:			
Net cash from operating activities	1,068,708	572,340	1,274,942
Net cash from/(used in) investing activities	(2,007,467)	(915,487)	(870,614)
Net cash from/(used in) financing activities	(685,799)	1,963,373	(727,012)
Net increase/(decrease) in cash and cash equivalents	(1,624,558)	1,620,226	(322,684)
Effect of exchange rate fluctuation on cashflow	(97,294)	124,195	(8,366)
Cash and cash equivalents at 1 January	2,875,997	1,154,145	2,898,566
Cash and cash equivalents at 31 December	1,154,145	2,898,566	2,567,516

	As at 31 December		
	2008	2009	2010
	(Audited) (US dollars in thousands)		
Consolidated Balance Sheet Data:			
Non-current assets	13,485,913	15,154,901	14,049,075
Current assets			
Bank balances and cash	1,204,074	2,910,066	2,519,616
Assets held for sale	10,100	28,400	2,084,840
Other current assets(1)	798,765	867,169	706,013
Total current assets	2,012,939	3,805,635	5,310,469
Total assets	15,498,852	18,960,536	19,359,544
Equity	7,173,262	8,037,445	8,495,926
Non-current liabilities			
Interest bearing loans and borrowings	5,196,894	7,474,878	7,420,299
Other non-current liabilities(2)	1,694,455	1,963,965	1,696,313
Total non-current liabilities	6,891,349	9,438,843	9,116,612
Current liabilities			
Accounts payable and accruals	1,048,437	817,602	939,562
Interest bearing loans and borrowings	172,451	483,091	349,447
Liabilities held for sale	—	—	356,193
Other current liabilities(3)	213,353	183,555	101,804
Total current liabilities	1,434,241	1,484,248	1,747,006
Total liabilities	8,325,590	10,923,091	10,863,618
Total equity and liabilities	15,498,852	18,960,536	19,359,544

(1) Other current assets includes inventories and accounts receivable and prepayments.

(2) Other non-current liabilities includes deferred tax liabilities, employees' end of service benefits, pension and post employment benefits, and other payables.

(3) Other current liabilities includes income tax liabilities, bank overdrafts, and pension and post employment benefits.

	Year ended 31 December		
	2008	2009	2010
	(Audited, except EBITDA and Adjusted EBITDA) (US dollars in thousands)		
Calculation of EBITDA and Adjusted EBITDA:			
Profit after tax from continuing operations	530,704	370,069	451,126
Finance costs	343,245	356,728	368,223
Finance income	(76,146)	(72,950)	(89,395)
Tax expense	80,332	54,441	53,174
Depreciation and amortisation	371,644	401,560	458,390
EBITDA(1)	1,249,779	1,109,848	1,241,518
Separately disclosed items(2)	90,063	(37,406)	(1,066)
Adjusted EBITDA(3)	1,339,842	1,072,442	1,240,452

(1) EBITDA is a non-IFRS measure used by management to measure operating performance and is defined as profit after tax from continuing operations plus finance costs (net of finance income), income tax, depreciation and amortisation. EBITDA includes the Group's share of profit from associates and joint ventures. See section 6 of Part III "*Administration, Advisers and Presentation of Information—Non-IFRS Measures*" above.

(2) See Note 10 "Separately disclosed items" of the Notes to the Audited Consolidated Financial Statements for further information.

(3) Adjusted EBITDA is a non-IFRS measure and is defined as EBITDA further adjusted to remove the impact of separately disclosed items. Adjusted EBITDA includes the Group's share of profit from associates and joint ventures. See section 6 of Part III "*Administration, Advisers and Presentation of Information—Non-IFRS Measures*" above.

	Year ended 31 December		
	2008	2009	2010
	(Unaudited) (US dollars in thousands)		
Adjusted EBITDA[(1)] by Segment:			
Middle East, Europe and Africa	921,664	765,148	793,240
Australia and Americas	240,687	137,870	271,403
Asia-Pacific and Indian Subcontinent	272,102	247,582	254,746
Head office	(94,611)	(78,158)	(78,937)
Total	1,339,842	1,072,442	1,240,452

(1) Adjusted EBITDA is a non-IFRS measure and is defined as EBITDA further adjusted to remove the impact of separately disclosed items. Adjusted EBITDA includes the Group's share of profit from associates and joint ventures. See section 6 of Part III "*Administration, Advisers and Presentation of Information—Non-IFRS Measures*" and "*—Calculation of EBITDA and Adjusted EBITDA*" above.

	Year ended 31 December		
	2008	2009	2010
	(Unaudited, unless otherwise indicated)		
Other Financial and Operating Data:			
Revenue (before separately disclosed items, in millions of USD)			
Container/stevedoring revenue	1,613.7	1,425.2	1,606.9
Container/other revenue	873.1	855.3	905.5
Non-container revenue	796.3	540.5	565.7
Total revenue[(1)]	3,283.1	2,821.0	3,078.1
Net Debt to Adjusted EBITDA[(2)]	3.2x	4.7x	4.2x
Total Throughput (in millions of TEUs)			
Middle East, Europe and Africa	17.8	16.5	17.5
Australia and Americas	4.1	3.5	4.8
Asia-Pacific and Indian Subcontinent	6.0	5.5	5.5
Total throughput	**27.9**	**25.5**	**27.8**

(1) Total revenue for the years ended 31 December 2008, 2009 and 2010 have been audited.

(2) Net debt to Adjusted EBITDA is calculated by dividing total debt minus cash and cash equivalents by Adjusted EBITDA.

PART VIII

CAPITALISATION AND INDEBTEDNESS

The following table shows the capitalisation of the Group as at 31 December 2010 extracted without material adjustment from the Audited Consolidated Financial Statements for the Group.

	As at 31 December 2010 (Audited) (US dollars in thousands)
Capitalisation:	
Share capital	1,660,000
Share premium	2,472,655
Shareholders' reserve	2,000,000
Total capitalisation	6,132,655

There has been no material change in the capitalisation of the Group since 31 December 2010.

The following table shows the indebtedness of the Group as at 31 March 2011.

	As at 31 March 2011 (Unaudited) (US dollars in thousands)
Current financial indebtedness:	
Current debt (secured)	81,697
Current debt (unguaranteed and unsecured)	51,721
Bank overdrafts (unguaranteed and unsecured)	1,267
Total current financial indebtedness	134,685
Non-current financial indebtedness:	
Non-current debt (secured)	703,257
Bonds issued (unguaranteed and unsecured)	3,233,960
Other non-current indebtedness (unguaranteed and unsecured)	3,817,289
Non-current financial indebtedness	7,754,506
Total financial indebtedness	7,889,191
Liquidity:	
Bank balances and cash	4,136,795
Net financial indebtedness	3,752,396

As at 31 March 2011 the Group had also guaranteed US$3.44 million of debt held by its equity accounted joint ventures and associates.

PART IX

OPERATING AND FINANCIAL REVIEW

The following discussion of the Group's financial condition and results of operations should be read in conjunction with the information in Part VII (*Selected Historical Financial Information*) and the Financial Statements, appearing in this Prospectus.

This discussion and analysis contains forward-looking statements that involve risks and uncertainties. The Group's actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed below and elsewhere in this Prospectus, particularly under Part II (Risk Factors) and section 4 of Part III (Administration, Advisors, and Presentation of Information— Forward-Looking Statements). Information in this Prospectus will be updated in accordance with the Listing Rules, the Prospectus Rules and the UK Disclosure and Transparency Rules as appropriate.

1. Overview

The Group is one of the largest container terminal operators in the world by capacity and throughput. The Group is also one of the most geographically diversified container terminal operators in the world. It currently operates 49 terminals, which span 28 countries. The Group's portfolio had a gross capacity of 67.1 million TEUs and generated gross throughput of 49.6 million TEUs and 43.4 million TEUs for the years ended 31 December 2010 and 2009, respectively. For the years ended 31 December 2010 and 2009, the Group generated revenue from operations (which does not include revenue attributable to the Group's joint ventures and associates) of $3,078.1 million and $2,821.0 million, respectively (excluding SDIs), and an Adjusted EBITDA of $1,240.5 million and $1,072.4 million, respectively.

The Group reports its results primarily by geographic segment based on the location of its assets and liabilities. For the periods under review, the Group's geographic segments comprised: (i) the Middle East, Europe and Africa; (ii) Australia and Americas; and (iii) Asia-Pacific and Indian Subcontinent.

2. Factors Affecting Financial Condition and Results of Operations

The following is a discussion of the most significant factors that have affected, or are expected to affect, the Group's financial condition and results of operations.

Impact and Response to Changing Global Economic Conditions

In 2008, the Group's terminals handled volumes of 46.8 million TEUs, had utilisation rates of 83.2 per cent and Adjusted EBITDA margins of 40.8 per cent. The global economic slowdown began to affect the Group's operations in the last quarter of 2008. As a result of such slowdown, the Group's gross container volumes decreased by 6.1 per cent and its consolidated container volumes by 8.2 per cent in 2009.

The Group responded to these adverse events by seeking to secure its core business volumes, by enacting strict cost controls in its operations and by driving efficiencies across terminals. As a result of these actions in 2009, the Group reported a reduction in fixed costs of 6.9 per cent in 2009 and 1.9 per cent in 2010, and believes its actions have permanently removed approximately 3 to 4 per cent of costs per annum from the business. These actions resulted in Adjusted EBITDA of $1,072.4 million and an Adjusted EBITDA margin of 38.0 per cent in 2009. In 2010, the Group continued to manage its cost base and drive efficiencies through its terminals, which, when combined with the return of volume growth, resulted in Adjusted EBITDA of $1,240.5 million and Adjusted EBITDA margin of 40.3 per cent for the year ended 31 December 2010.

The Group's Capacity and Ability to Handle Additional Volumes

The Group believes that it operates some of the most productive and efficient terminals in the world by using modern technology and processes. The Group believes that the maintenance and enhancement of its operations is critically important as this has a direct impact on its results. In particular, by operating more efficiently, the Group seeks to generate additional value out of its existing facilities by increasing capacity, which in turn permits increased throughput, making each crane move more profitable. Increased operating efficiency also reduces the Group's cost base as it is able to fully utilise its existing assets and does not need to invest additional capital in the deployment of new assets. At certain of its terminals, the Group is not able to expand its operations physically, and efficiency improvements are the only means for it to increase its capacity and throughput. Conversely, at terminals that could be expanded physically, the Group may use efficiency improvements to incrementally increase capacity until demand reaches a point that justifies the capital expenditure costs associated with physical expansion. Finally, efficient operations help the Group maintain good customer relations and reduce customer defection, thereby maintaining its competitive position.

Increases in operational efficiency can be achieved by, amongst other things:

- introducing new technologies to speed up processes and reduce labour costs;
- improving landside support to ensure that containers are quickly and efficiently transported to and from the Group's terminals;
- using external depot functions to increase the capacity for container storage;
- actively managing container storage times by incentivising customers to take delivery of containers that have arrived in port as quickly as possible;
- maintaining schedule integrity with respect to vessel calls;
- increasing the number of berthing windows by loading and unloading vessels more quickly; and
- implementing rationalised berth utilisation, which involves arranging the timing of the arrival and departure of different-sized ships to ensure that a maximum of berth length is used.

Capacity Management and Development

The Group's portfolio of 49 terminals and nine current development projects (comprising both projects relating to the development of new terminals and major expansions of existing terminals) has the potential to take the Group's total capacity to 95 million TEUs by 2020, which the Group believes will be in line with anticipated market demand.

In late 2008 and early 2009, the Group delayed a significant proportion of its new development and expansion projects as utilisation rates declined, choosing to progress only those projects that were near completion. The Group opened Callao (Peru) in the first half of 2010 and opened Vallarpadam (India) and Karachi (Pakistan) in the first quarter of 2011.

As utilisation rates improve the Group has the ability to roll out new capacity in the United Kingdom (London), the Netherlands (Rotterdam), France (Fos-sur-Mer), Turkey (Yarimca), Brazil (Santos), Senegal (Dakar), Egypt (Sokhna), India (Kulpi) and China (Qingdao) as well as to potentially expand existing terminals.

Origin and Destination and Transhipment Cargo Mix

For the year ended 31 December 2010, approximately 73 per cent of the Group's gross throughput was O&D. From a revenue perspective, O&D throughput differs from transhipment throughput primarily in that O&D throughput is usually handled most cost-effectively by one port, normally closest to the point of consumption or production, which makes O&D throughput less likely to be lost to competitors and less price-sensitive than transhipment throughput. O&D throughput also provides terminal operators with an opportunity to earn additional revenue by charging for delivery or reception of the container from the shipper or consignee, as well as by providing ancillary services, such as container freight stations ("**CFS**") and container cleaning. The Group will endeavour to maintain a strong O&D component in each of its terminals or, where this is not possible, obtain volume commitments from shipping lines to make its terminals less susceptible to the loss of transhipment volumes and price deterioration. However, the development of sophisticated route networks by shipping lines, together with the limited number of terminals that can efficiently service the growing number of large container ships, increases the potential for, and attractiveness of, additional transhipment volume in certain locations. See section 2 of Part IV "*Industry Overview—Transhipment*" above.

Emerging Market Focus

As of 31 December 2010, approximately 77 per cent of gross throughput in the Group's portfolio of terminals came from countries that are considered to be Emerging or Frontier Markets (as defined by the MSCI Frontier and Emerging market indices). These economies are generally seen to be higher growth areas and have grown throughout the global economic slowdown, growing by approximately 7.3 per cent in 2010 (source: IMF World Economic Outlook April 2011) with forecasts suggesting future growth potential of 6.5 per cent per annum (source: IMF World Economic Outlook, April 2011).

Ability to Win Concessions

The Group believes it has a proven history of winning new concessions due to:

- the Group's operating and technical credentials;
- the Group's focus on key government issues such as security and sustainability; and
- the Group's common user status and strong customer relationships.

Attractive concession opportunities will continue to arise globally and, as authorities granting concessions increase barriers to entry, the Group believes that its experience and qualifications will leave it well positioned to continue to win new concessions.

Currency Risk

The Group's functional currency is UAE Dirhams and its reporting currency is the US dollar. The functional and reporting currency of the Group's subsidiaries, affiliates and associates varies depending on their geographic location. Accordingly, the Group is exposed to risks related to the translation of assets and liabilities denominated in currencies other than, or not pegged to, the US dollar. In addition to these translation risks, the Group is exposed to transaction risks as a result of differences in the currency mix of its operating expenses, on the one hand, and revenue, on the other hand. As a result, a depreciation or appreciation of a particular local currency against the US dollar could have either a positive or negative impact on both the Group's balance sheet and its profit margin and therefore its profit for the year. For additional discussion of the impact of foreign currency transactions and translations on the Group's results of operations, see Note 5 "*Financial Risk Management*" of the Notes to the Group's Audited Consolidated Financial Statements and "*—Quantitative and Qualitative Disclosures about Market Risk—Currency Risk*" below.

3. **Critical Accounting Policies and Estimates**

The preparation of the Group's financial statements in conformity with IFRS requires the Group to make many estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses. Those estimates and judgments are based on historical experience, available information, future expectations and other factors and assumptions that the Group believes are reasonable under the circumstances. The Group reviews its estimates and judgments on an ongoing basis and revises them when necessary. Actual results may differ from the original or revised estimates. Summaries of the Group's significant accounting policies are contained in Note 3 "*Significant Accounting Policies*" of the Notes to its Audited Consolidated Financial Statements. A description of the Group's most critical policies, which it believes involve a significant degree of judgment or complexity or are areas where assumptions and estimates are significant to the preparation of the Group's financial statements, follows.

Accounting for Impairment of Assets

Impairment of Goodwill

Following the acquisitions of CSX and P&O, the Group had $1,670.3 million of goodwill as of 31 December 2010. The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. These estimates can be significantly affected by future changes in market conditions, the economic environment and inflation.

Impairment of Other Port Concession Rights

As of 31 December 2010, the Group had other port concession rights on its balance sheet of $3,577.8 million. The Group assesses the impairment of its port concession rights, which principally comprise its concessions, when there is an indication that an impairment loss may exist and at least annually. The impairment review compares the estimated recoverable amount to the carrying amount of the asset. The recoverable amount is the higher of the estimated fair value less cost to sell or the asset's value-in-use. To estimate these values, the Group uses the estimated market value or discounted cash flows, as relevant. An impairment loss is recognised when the recoverable amount of such asset is less than the carrying value of the asset. Estimates of future cash flows are judgments based on the Group's experience and knowledge of its operations and the industries in which it operates. The Group also estimates the useful lives of other finite lived port concession rights based on estimates of the economic benefit expected to be received from the acquired assets, which could differ from actual results. These estimates can be significantly affected by future changes in market conditions, the economic environment and inflation.

Provision for Income Taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax claims based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Useful Life of Property, Plant and Equipment

The useful life of property, plant and equipment is determined by the Group's management based on their estimate of the period over which an asset is expected to be available for use by the Group. This estimate is reviewed and adjusted if appropriate at each financial year end.

Available for Sale Financial Assets

Equity investments are impaired when objective evidence of impairment exists. A significant or prolonged decline in fair value of an investment is considered as objective evidence of impairment. The Group considers that generally a decline of 20 per cent will be considered as significant and a decline of over nine months will be generally considered as prolonged.

Impairment of Accounts Receivable

An estimate of the collectible amount of accounts receivable is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recover rates. Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the consolidated income statement.

Pension and Post Employment Benefits

The cost of defined benefit pension plans and other post employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

4. **Explanation of Key Income Statement Items**

Revenue

Revenue comprises income earned from the provision of various services such as stevedoring (which is the tariff the Group applies to moving containers over the quay wall), warehousing and storage, CFS cargo handling, non-container cargo handling, trucking, port management fees, warehouse gate receipts and miscellaneous terminal services. For further information regarding the services the Group provides, see "*Business—The Group's Ports Business*" above.

Cost of Sales

Cost of sales are comprised of costs incurred in connection with the operation, maintenance and security of the Group's facilities and other costs directly attributable to the various services provided by it, including related depreciation expense. Major components of cost of sales include the amortisation cost of port concessions, concession fees, royalties payable to port authorities, marine cost of sales, garage cost of sales, warehousing expenses, transportation expenses and yard and gate operations expenses.

General and Administrative Expenses

General and administrative expenses include staff costs, facilities rental, travel and entertainment, insurance, advertising, marketing, printing and stationery, communication costs, legal expenses, consultancy costs, IT charges, repair and maintenance costs and other sundry expenses, including related depreciation expense.

Other Income

Other income includes gain on sale of miscellaneous operating assets and other gain/loss on non-core activities.

Net Finance Costs

Net finance costs includes finance expenses less finance income.

Share of Profit (Loss) of Joint Ventures and Associates

Share of profit (loss) of joint ventures and associates reflects the Group's share of profits or losses from entities that are associates or joint ventures. The results of operations of associates and joint ventures are not consolidated and, consequently, only the earnings impact of these entities based on the Group's shareholding is incorporated into its results.

5. **Current Trading and Recent Developments**

Current Trading

The Group's portfolio of 49 operating terminals handled gross volumes of 12.6 million TEUs for the three months ended 31 March 2011, which represented an increase of 12 per cent compared to the same period in 2010. The Group's like for like gross volumes (which excludes the contributions from Callao, Peru, which became operational in 2010) increased by 10 per cent for the three months ended 31 March 2011 compared to the same period in 2010.

Volumes for the Group's consolidated terminals totalled 6.8 million TEUs for the three months ended 31 March 2011. Whilst this reflects an 8.5 per cent increase compared to the same period in 2010, had the Group's five terminals in Australia not been deconsolidated from 12 March 2011, volumes for its consolidated terminals would have increased 11 per cent compared to the same period in 2010. The Group's like-for-like volume growth for the Group's consolidated terminals (which excludes the contributions from Callao, Peru, which became operational in 2010, as well as the contributions from the five Australian terminals, which were deconsolidated from 12 March 2011) was 7.5 per cent compared to the same period in 2010. This increase was primarily driven primarily by strong growth in the UAE, which handled 3.0 TEUs for the three months ended 31 March 2011, representing an increase of 12 per cent compared to the same period in 2010.

Formation of Australian Joint Venture

The Group agreed to form a strategic, long-term joint venture in Australia (the "**Australian Joint Venture**") with Citi Infrastructure Investors ("**CII**") and the Public Sector Pension Investment Board ("**PSP**") on 22 December 2010 and completed such transaction on 11 March 2011 (the "**Australian Transaction**"). Under the terms of the Australian Transaction, the Group transferred its wholly owned subsidiary DP World Australia, a holding company that held the Group's interests in its five Australian terminals to the Australian Joint Venture. The Group, CII and PSP received ownership interests in the Australian Joint Venture of approximately 25 per cent, 50 per cent and 25 per cent.

The Group's total proceeds from the Australian Transaction amounted to A$1.483 billion, comprising:

- the sum of (i) A$354.7 million from the purchase by DP World Australia of 329,208,326 shares that P&O held in DP World Australia, (ii) A$1,077.4 million from the sale by P&O of its 953,457,683 shares of DP World Australia to the Australian Joint Venture pursuant to a share purchase agreement dated 11 March 2011 (the "**Australian Share Purchase Agreement**") and (iii) A$171.0 million from the settlement of inter-company debt;
- minus A$120.0 million provided to the Australian Joint Venture as a shareholder loan;

Under the Australian Share Purchase Agreement, CII contributed A$402.3 million in equity for 338,667,978 shares representing an ownership interest in the Australian Joint Venture of approximately 50 per cent and PSP contributed A$201.1 million in equity for 169,333,987 shares representing an ownership interest in the Australian Joint Venture of approximately 25 per cent.

The conduct of the Australian Joint Venture's shareholders is governed by the shareholders' agreement dated 11 March 2011 (the "**Australian Shareholders' Agreement**").

The Group continues to provide management services to DP World Australia, the Australian terminals' parent company, pursuant to a master services agreement dated 11 March 2011 (the "**Australian Master Services Agreement**") in exchange for a set fee based on the amount of TEUs billed by the Australian operations.

In order to fund the Australian operations' ongoing capital requirements (as well as part of the consideration paid to the Group under a syndicated loan facility agreement), the joint venture borrowed A$530.0 million from third party lenders (the "**Australian Loan**"). The Group, CII and PSP have also provided shareholder loans to the joint venture in the amount of A$120.0 million, A$240.0 million and A$120.0 million, respectively, each of which is subordinated to the Australian Loan.

As of 12 March 2011, the date on which the Australian Transaction was completed, the Group's Australian terminals will no longer be fully consolidated into the results of the Australia and Americas region. Instead, the Group's Australian terminals will be accounted for using the equity method, whereby the Group's share of profits or losses from its Australian terminals will be presented in the line item "Share of profit/(loss) of equity accounted associates and joint ventures (net of tax)".

For further information regarding the Group's formation of the Australian joint venture, see section 15.5 of Part XIV (*Additional Information—Formation of Australian Joint Venture*).

Opening of Additional Terminal at Port Qasim in Pakistan

In January 2011, the Group opened Terminal 2 at Port Qasim in Karachi, Pakistan, which increases the capacity of the Group's operations in such port from approximately 900,000 TEUs to approximately 1.2 million TEU. The terminal was built on 13 hectares of reclaimed land and features a quay length of 670 metres, three gantry cranes and six rubber tyred gantry cranes.

Opening of Inland Container Terminal in Pakistan

In February 2011, the Group opened the Inland Container Terminal in Lahore, Pakistan. The terminal was built over approximately 40 hectares and is connected by an extensive network of railway lines and roads to many of Pakistan's most densely populated regions as well as to DP World's Port Qasim terminal. The terminal represents the first public-private partnership project by the Pakistani Ministry of Railways and will be operated by a joint venture between DP World Lahore and Premier Mercantile Services, one of Pakistan's largest maritime terminal operators.

Opening of Vallarpadam International Container Transhipment Terminal in India

In February 2011, the Group opened the Vallarpadam International Container Transhipment Terminal, a dedicated transhipment and gateway terminal Vallarpadam, India. The terminal was built through a public-private partnership between the Group and the Government of India, and also included the Container Corporation of India (Concor), Transworld and Chakiat as strategic partners in the venture. The terminal will be operated by DP World Cochin, features a 600 metre quay and is expected to be expanded from its current capacity of approximately 1.0 million TEUs to approximately 4.0 million TEUs in line with market demand.

Disposal of Holdings in P&O Trans Australia

The Group has agreed to sell its remaining shareholding in P&O Trans Australia to Qube Logistics. The total amount payable will be A$106 million which includes the purchase of the Group's shares in P&O Trans Australia and related loans. The transaction closed on 21 April 2011.

6. **Historical Results of Operations**

The discussion and analysis of (i) the year ended 31 December 2010 compared to the year ended 31 December 2009 and (ii) the year ended 31 December 2009 compared to the year ended 31 December 2008 is based on the Audited Consolidated Financial Statements.

Year Ended 31 December 2010 Compared to Year Ended 31 December 2009

The following table sets forth selected consolidated income statement data for the Group for the periods indicated.

Year Ended 31 December 2010 Compared to Year Ended 31 December 2009

The following table sets forth selected consolidated income statement data for the Company for the periods indicated.

	Year ended 31 December 2009			Year ended 31 December 2010		
	Before separately disclosed items	Separately disclosed items	Total	Before separately disclosed items	Separately disclosed items	Total
			(Unaudited) (US dollars in thousands)			
Revenue	2,821,017	108,212	2,929,229	3,078,076	110,865	3,188,941
Cost of sales	(1,956,008)	(108,212)	(2,064,220)	(2,126,965)	(110,865)	(2,237,830)
Gross profit	865,009	—	865,009	951,111	—	951,111
General and administrative expenses	(284,551)	(20,755)	(305,306)	(329,576)	(3,700)	(333,276)
Other income	19,117	3,000	22,117	20,324	8,905	29,229
Net finance costs	(283,778)	12,542	(271,236)	(278,828)	(17,583)	(296,411)
Share of profit/(loss) of equity accounted associates and joint ventures (net of tax)	71,307	(1,970)	69,337	140,203	244	140,447
Profit on sale and termination of business (net of tax)	—	44,276	44,276	—	13,200	13,200
Profit before tax	387,104	37,093	424,197	503,234	1,066	504,300
Income tax	(54,441)	313	(54,128)	(53,174)	—	(53,174)
Profit for the period	**332,663**	**37,406**	**370,069**	**450,060**	**1,066**	**451,126**
Attributable to:						
Owners of the Company	**295,456**	**37,406**	**332,862**	**373,741**	**1,066**	**374,807**
Non-controlling interests	**37,207**	**—**	**37,207**	**76,319**	**—**	**76,319**

The Group's consolidated results of operations for the year ended 31 December 2010 have benefitted from the inclusion of Saigon (Vietnam) which opened in December 2009 and Callao (Peru) which opened in May 2010, partially offset by the exclusion of revenue and costs from ATI Manila, Philippines, which has been accounted for as a joint venture since October 2009. In addition two terminals in Algeria joined the joint venture portfolio in 2009. The Group's Australian terminals continued to be accounted for, as in previous years, as consolidated terminals within the Australia and Americas region for 2010. For further information regarding the Group's formation of the Australian joint venture, see section 15.5 of Part XIV (*Additional Information—Formation of Australian Joint Venture*).

Revenue

Revenue for the year ended 31 December 2010 was $3,188.9 million as compared to $2,929.2 million for the year ended 31 December 2009, an increase of $259.7 million, or 8.9 per cent. The years ended 31 December 2010 and 2009 included SDIs of $110.9 million and $108.2 million, respectively, of revenue. In accordance with IFRIC 12 *Service Concession Arrangements*, the fair value of revenue from construction services provided by the Company to develop a port in the Asia-Pacific and Indian Subcontinent segment has been included as both revenue and cost of sales in the years ended 31 December 2010 and 2009 and has, in each case, been treated as an SDI. Excluding such SDIs, revenue for the year ended 31 December 2010 was $3,078.1 million as compared to $2,821.0 million for the year ended 31 December 2009, an increase of $257.1 million, or 9.1 per cent. The increase principally reflected a 8.6 per cent increase in container volumes, an increase in container revenue per TEU and an increase in non-container revenue, partially offset by lower rate of growth in ancillary container revenue.

As of 31 December 2010, the Group had 50 terminals (including Mina Zayed (Abu Dhabi, UAE) which the Group ceased to manage after 31 December 2010 and is therefore no longer part of the Group's portfolio), of which 28 were consolidated for financial reporting purposes. Terminals that were not consolidated for financial reporting purposes did not contribute to revenue from operations, except to the extent any such terminal paid fees to the Group pursuant to a management agreement governing operations at such terminal.

Container Revenue

Container revenue (excluding SDIs) for the year ended 31 December 2010 was $2,512.4 million (representing 81.6 per cent of the Group's total revenue, excluding SDIs, for such period) as compared to $2,280.5 million for the year ended 31 December 2009 (representing 80.8 per cent of the Group's total revenue, excluding SDIs, for such period), an increase of $231.9 million, or 10.2 per cent. The increase was primarily due to an increase in container volumes and an increase in container revenue per TEU, especially in Australia and the Indian Subcontinent.

Non-Container Revenue

Non-container revenue (excluding SDIs) for the year ended 31 December 2010 was $565.7 million (representing 18.4 per cent of the Group's total revenue, excluding SDIs, for such period) as compared to $540.5 million for the year ended 31 December 2009 (representing 19.2 per cent of the Group's total revenue, excluding SDIs, for such period), an increase of 25.2 million, or 4.7 per cent. The increase was primarily due to an increase in non-container volumes, especially in the UAE during the second half of 2010, which was partially offset by lower non-container volumes in the UAE during the first half of 2010 and the transfer of ATI Manila that resulted in a change in its accounting treatment from being a consolidated terminal to a joint venture.

Revenue by Segment

The following table presents revenue information (excluding SDIs) regarding the Group's three segments for the year ended 31 December 2009 and 2010.

	Year ended 31 December 2009	Year ended 31 December 2010
	(Unaudited) (US dollars in thousands)	
Revenue (excluding SDIs)		
Middle East, Europe and Africa	1,748,155	1,741,727
Australia and Americas	596,299	875,474
Asia-Pacific and Indian Subcontinent	476,563	460,875
Total revenue (excluding SDIs)	**2,821,017**	**3,078,076**

Middle East, Europe and Africa. Revenue for the Middle East, Europe and Africa segment (excluding SDIs) for the year ended 31 December 2010 was $1,741.7 million as compared to $1,748.2 million for the year ended 31 December 2009, a decrease of $6.5 million, or 0.4 per cent. In 2009 the Middle East, Europe and Africa segment benefitted from the more resilient container performance in the UAE, but was adversely affected by the more challenging operating environment in Europe and the decrease in non-container revenue in the UAE. In 2010, whilst container volumes increased 5.9 per cent, revenue growth remained flat as ancillary container revenue (storage) and non-container revenue remained 4.6 per cent (2010: $601.3 million) and 2.6 per cent (2010: $401.5 million), respectively, below levels reached in the year ended 31 December 2009. The UAE reported an increase in container volumes of 4.0 per cent to 11.6 million TEUs for the year ended 31 December 2010, but container revenue decreased 4.5 per cent against the same period in 2009, reflecting the strong ancillary container revenue (storage) in the first half of 2009. Non-container revenue in the UAE decreased 8.6 per cent for the year ended 31 December 2010, reflecting a decrease in general, break-bulk and bulk cargo volumes as compared to the stronger results for the same period in 2009.

As of 31 December 2010, the Group had 25 terminals in the segment, of which 13 were consolidated for financial reporting purposes. On average terminals that contributed to revenue for the segment experienced an increase in container volume of 5.9 per cent over the same period the previous year.

Australia and Americas. Revenue for the Australia and Americas segment (excluding SDIs) for the year ended 31 December 2010 was $875.5 million as compared to $596.3 million for the year ended 31 December 2009, an increase of $279.2 million, or 46.8 per cent. Reported revenue in this segment benefitted substantially from the strengthening of the Australian dollar and other of the Group's operational currencies against the US dollar over 2009 and 2010. In addition, the Group's new development in Callao (Peru) opened in May 2010, contributing to the segment's results for the first time in the year ended 31 December 2010. Like for like revenue at constant currency was 29.2 per cent higher as a result of the 23.1 per cent increase in container volume in the segment and a significant increase in non-container revenues in Vancouver (Canada), partially offset by slightly lower container revenue per TEU.

As of 31 December 2010, the Group had nine terminals in the region, of which eight were consolidated for financial reporting purposes. As a result of the formation of the Australian joint venture on 11 March 2011, the five terminals located in Australia will not be consolidated for financial purposes beginning in the financial year 2011. For further information regarding the formation and structure of the Australian joint venture, see section 15.5 of Part XIV (*Additional Information—Formation of Australian Joint Venture*). In addition, P&O Maritime Services is accounted for in this segment. On average, terminals that contributed to revenue experienced an increase in container volume of 35.3 per cent against the same period in 2009, with container volumes ahead of 2008 levels.

Asia-Pacific and Indian Subcontinent. Revenue for the Asia-Pacific and Indian Subcontinent segment (excluding SDIs) for the year ended 31 December 2010 was $460.9 million as compared to $476.6 million for the year ended 31 December 2009, a decrease of $15.7 million, or 3.3 per cent. Revenue in the Asia-Pacific and Indian Subcontinent segment has been positively impacted by the full year contribution of Saigon (Vietnam) in 2010 and has been negatively impacted as a result of a loss of revenue resulting from the transfer of ATI Manila from being a consolidated terminal to the joint venture portfolio in the fourth quarter of 2009. Excluding the effects of this transfer, the segment has had a strong performance, which was primarily due to a return to container volume growth. Whilst reported revenues (excluding SDIs) decreased 3.3 per cent in the period as a result of the transfer of ATI Manila, like for like revenue, at constant currency, was 16.2 per cent higher as a result of like for like container volumes growing 9.8 per cent, an increase in revenue per TEU and additional revenue from ancillary container revenue (primarily storage) across the region and especially in Karachi (Pakistan).

As of 31 December 2010, the Group had 16 operating terminals in the segment, of which seven were consolidated for financial reporting purposes.

Cost of Sales

Cost of sales for the year ended 31 December 2010 was $2,237.8 million as compared to $2,064.2 million for the year ended 31 December 2009, an increase of $173.6 million, or 8.4 per cent. The years ended 31 December 2010 and 2009 included SDIs of $110.9 million of costs and $108.2 of costs, respectively, each of which represented the corresponding cost of sales required by IFRIC *12 Service Concession Arrangements* relating to the fair value of costs associated with construction services provided by the Company to develop a port in the Asia-Pacific and Indian Subcontinent segment. Excluding such SDIs, cost of sales for the year ended 31 December 2010 was $2,127.0 million as compared to $1,956.0 million for the year ended 31 December 2009, an increase of $171.0 million, or 8.7 per cent. The increase primarily reflected a 8.6 per cent increase in container volumes and the operations of two new terminals located in Saigon (Vietnam) and Callao (Peru), which was offset in part by the transfer of ATI Manila that resulted in a change in its accounting treatment from being a consolidated terminal to a joint venture.

General and Administrative Expenses

General and administrative expenses for the year ended 31 December 2010 were $333.3 million as compared to $305.3 million for the year ended 31 December 2009, an increase of $28.0 million, or 9.2 per cent. The year ended 31 December 2010 included an SDI of $3.7 million of general and administrative expenses for an impairment loss on a property held in the Australia and Americas segment that has been valued for a potential sale and has been classified as an asset held for sale at its fair value and the year ended 31 December 2009 included an SDI relating to the impairment of certain cranes in the Middle East, Europe and Africa segment. Excluding such SDIs, general and administrative expenses for the year ended 31 December 2010 were $329.6 million as compared to $284.6 million for the year ended 31 December 2009, an increase of $45.0 million, or 15.8 per cent. The increase primarily reflected the operations of two new terminals located in Saigon (Vietnam) and Callao (Peru), which was partially offset by the effect of the transfer of ATI Manila that resulted in a change in its accounting treatment from being a consolidated terminal to a joint venture.

Other Income

Other income for the year ended 31 December 2010 was $29.2 million as compared to $22.1 million for the year ended 31 December 2009, an increase of $7.1 million, or 32.1 per cent. The year ended 31 December 2010 included an SDI of $8.9 million consisting primarily of the release of provisions for litigation in the Australia and Americas segment that was concluded favourably and the year ended 31 December 2009 included an SDI of $3.0 million consisting primarily of one-time recoveries following the settlement of certain litigation in the Middle East, Europe and Africa segment. Excluding such SDIs, other income for the year ended 31 December 2010 was $20.3 million as compared to $19.1 million for the year ended 31 December 2009, an increase of $1.2 million.

Net Finance Costs

Net finance costs for the year ended 31 December 2010 were $296.4 million as compared to $271.2 million for the year ended 31 December 2009, an increase of $25.2 million, or 9.3 per cent. The year ended 31 December 2010 included an SDI of $17.6 million of finance costs relating to losses from foreign currency options related to the Australia and Americas region and the recycling of hedge reserves in Middle East, Europe and Africa region. The year ended 31 December 2009 included an SDI of $12.5 million of foreign exchange gain relating to foreign exchange swaps. Excluding such SDIs, net finance costs for the year ended 31 December 2010 were $278.8 million as compared to $283.8 million for the year ended 31 December 2009, an decrease of $5.0 million, 1.8 per cent. The decrease was primarily due to relatively low interest rates in 2010, a reduction in total debt from $8.0 billion as at 31 December 2009 to $7.8 billion as at 31 December 2010 and additional interest income resulting from the holding of over $2 billion of cash throughout 2010. Interest cover (calculated as adjusted EBITDA to net interest expense) improved to 4.2 times.

Share of Profit/(Loss) of Equity Accounted Associates and Joint Ventures (Net of Tax)

Share of profit of equity accounted associates and joint ventures for the year ended 31 December 2010 was $140.4 million as compared to $69.3 million for the year ended 31 December 2009, an increase of $71.1 million, or 102.6 per cent. The year ended 31 December 2010 included an SDI of $0.2 million of profit on the sale of an investment by a joint venture in Asia Pacific and Indian Subcontintent segment, partially offset by a non-recurring income tax expense incurred on transfer of certain assets by another associate in the same region and operating losses in the Australia and Americas segment resulting from losses at a terminal in the Americas that is no longer included in the Group's portfolio and losses related to the divestment in a joint venture in Australia. The year ended 31 December 2009 included a SDI of $2.0 million of loss relating to a restructuring provision with respect to a joint venture in the Australia and Americas segment, partially offset by profits on the sale of certain assets in the Asia-Pacific and Indian Subcontinent segment. Excluding such SDIs, share of profit of equity accounted associates and joint ventures was $140.2 million for the year ended 31 December 2010 as compared to $71.3 million for the year ended 31 December 2009, an increase of $68.9 million, or 96.6 per cent. Whilst ATI Manila joining this portfolio was a key driver of this growth, after excluding ATI Manila, the two Algerian terminals (joined the portfolio in the second quarter of 2009), and Qingdao (China), at constant currency, growth would still have been 77 per cent as volumes returned across Asia and Europe from the very low base in 2009.

In the Middle East, Europe and Africa segment, the Group's share of profit/loss from joint ventures and associates improved from a loss of $1.0 million for the year ended 31 December 2009 to a profit $9.6 million for the year ended 31 December 2010 as the segment benefited from returning volumes and the full year contribution of two terminals in Algeria which joined the Group part way through the first half of 2009.

In the Australia and Americas segment, the Group's share of profit from joint ventures and associates improved from $23.8 million for the year ended 31 December 2009 to $34.8 million for the year ended

31 December 2010 due to the improved performance of such joint ventures and associates and an increase in the Group's ownership of Caucedo (Domincan Republic) from 35 per cent to 45 per cent.

The Asia-Pacific and Indian Subcontinent segment contributes the majority of the Group's share of profit from joint ventures and associates. The segment reported $95.8 million profit for year ended 31 December 2010 as compared to $48.4 million for the year ended 31 December 2009. Excluding the contribution from ATI Manila and at constant currency, the improved performance of the terminals in this portfolio resulted in an increase of 75.6 per cent of the Group's share of profit from joint ventures and associates for the segment.

Income Tax

Income tax expense for the year ended 31 December 2010 was $53.2 million as compared to $54.1 million for the year ended 31 December 2009, a decrease of $0.9 million, or 1.7 per cent. The year ended 31 December 2009 included an SDI of $0.3 million resulting from the reversal of deferred tax credit on the impairment taken on cranes in the Middle East, Europe and Africa segment. Excluding such SDI, income tax expense for the year ended 31 December 2009 was $54.4 million as compared to $53.2 million for the year ended 31 December 2010, a decrease of $1.2 million, or 2.2 per cent.

Profit for the Periods

Profit after tax for the year ended 31 December 2010 was $451.1 million as compared to $370.1 million for the year ended 31 December 2009, an increase of $81.0 million, or 21.9 per cent. The years ended 31 December 2010 and 2009 included SDIs totalling $1.1 million and $37.4 million, respectively (which are described further below). Excluding such SDIs, profit after tax for the year ended 31 December 2010 was $450.1 million as compared to $332.7 million for the year ended 31 December 2009, an increase of $117.4 million, or 35.3 per cent.

The following table presents profit information regarding the segments for the years ended 31 December 2009 and 2010.

	Year ended 31 December 2009			Year ended 31 December 2010		
	Before separately disclosed items	Separately disclosed items	Total	Before separately disclosed items	Separately disclosed items	Total
	(Unaudited) (US dollars in thousands)					
Profit after tax						
Middle East, Europe and Africa	531,040	(7,874)	523,166	556,919	—	556,919
Australia and Americas	49,058	25,578	74,636	152,705	16,449	169,154
Asia-Pacific and Indian Subcontinent	171,944	16,074	188,018	155,713	2,200	157,913
Head office profit/(loss)	(419,379)	3,628	(415,751)	(415,277)	(17,583)	(432,860)
Total profit after tax	**332,663**	**(37,406)**	**370,069**	**450,060**	**(1,066)**	**451,126**

Middle East, Europe and Africa. Profit after tax for the Middle East, Europe and Africa segment for the year ended 31 December 2010 was $556.9 million as compared to $523.2 million for the year ended 31 December 2009, an increase of $33.7 million, or 6.4 per cent. Excluding SDIs, profit after tax for the Middle East, Europe and Africa segment was $556.9 million for the year ended 31 December 2010 as compared to $531.0 million for the year ended 31 December 2009, an increase of $26.0 million, or 4.9 per cent. The increase was primarily due to an increase in container revenue in the UAE (especially in the second half of 2010), partially offset by a decrease in non-container revenue in the UAE.

Australia and Americas. Profit after tax for the Australia and Americas segment for the year ended 31 December 2010 was $169.2 million as compared to $74.6 million for the year ended 31 December 2009, an increase of $94.6 million, or 1.3 times. Excluding SDIs, profit after tax for the Australia and Americas segment for the year ended 31 December 2010 was $152.7 million as compared to $49.1 million for the year ended 31 December 2009, an increase of $103.6 million, or 2.1 times. The increase was primarily due to container volume growth of 35.3 per cent as a result of volumes recovering in 2010.

Asia-Pacific and Indian Subcontinent. Profit after tax for the Asia-Pacific and Indian Subcontinent segment for the year ended 31 December 2010 was $157.9 million as compared to $188.0 million for the year ended 31 December 2009, a decrease of $30.1 million, or 16.0 per cent. Excluding SDIs, profit after tax for the Asia-Pacific and Indian Subcontinent segment for the year ended 31 December 2010 was $155.7 million as compared to $171.9 million for the year ended 31 December 2009, a decrease of $16.2 million, or 9.4 per cent. The decrease was primarily due to the transfer of ATI Manila from being a consolidated terminal to the joint venture portfolio in the fourth quarter of 2009, partially offset by strong revenue recorded from other joint ventures in the segment.

Head office. Head office loss after tax for the year ended 31 December 2010 was $432.9 million as compared to $415.8 million for the year ended 31 December 2009, an increase of $17.1 million or 4.1 per cent. Excluding SDIs, profit after tax for the head office segment for the year ended 31 December 2010 was $415.3 million as compared to $419.4 million for the year ended 31 December 2009, a decrease of $4.1 million, or 1.0 per cent. This decrease was primarily due to cost savings at the head office and deferred tax credits, and a decrease in net interest expense.

Non-Controlling Interests

The Group's profit for the year ended 31 December 2010 included amounts attributable to non-controlling interests of $76.3 million as compared to $37.2 million for the year ended 31 December 2009, an increase of $39.1 million, or 1.1 times. The increase in growth attributable to non-controlling interests was primarily due to the improved performance in those terminals that the Group does not wholly own, such as Doraleh (Djibouti), Southampton (UK) and Buenos Aries (Argentina). The $37.2 million reported for the year ended 31 December 2009 also included a $14.3 million tax liability in relation to the Group's terminal in Buenos Aries which reduced the reported non-controlling interest in that period.

Year Ended 31 December 2009 Compared to Year Ended 31 December 2008

The following table sets forth selected consolidated income statement data for the Group for the years indicated.

	Year ended 31 December					
	2008			2009		
	Before separately disclosed items	Separately disclosed items	Total	Before separately disclosed items	Separately disclosed items	Total
	(Audited) (US dollars in thousands)					
Revenue from operations	3,283,120	—	3,283,120	2,821,017	108,212	2,929,229
Cost of sales	(2,143,326)	—	(2,143,326)	(1,956,008)	(108,212)	(2,064,220)
Gross profit	1,139,794	—	1,139,794	865,009	—	865,009
General and administrative expenses	(306,081)	(129,900)	(435,981)	(284,551)	(20,755)	(305,306)
Other income	18,291	—	18,291	19,117	3,000	22,117
Net finance costs	(267,099)	(7,653)	(274,752)	(283,778)	12,542	(271,236)
Share of profit/(loss) of equity accounted associates and joint ventures (net of tax)	116,194	(2,000)	114,194	71,307	(1,970)	69,337
Profit on sale and termination of business (net of tax)	—	15,790	15,790	—	44,276	44,276
Profit before tax	701,099	(123,763)	577,336	387,104	37,093	424,197
Income tax	(80,332)	33,700	(46,632)	(54,441)	313	(54,128)
Profit for the year	620,767	(90,063)	530,704	332,663	37,406	370,069
Attributable to:						
Owners of the Company	572,277	(90,063)	482,214	295,456	37,406	332,862
Non-controlling interests	48,490	—	48,490	37,207	—	37,207

Revenue

Revenue for the year ended 31 December 2009 was $2,929.2 million as compared to $3,283.1 million for the year ended 31 December 2008, a decrease of $353.9 million, or 10.8 per cent. The year ended 31 December 2009 included an SDI of $108.2 million of revenue. In accordance with IFRIC 12 *Service Concession Arrangements*, the fair value of revenue from construction services provided by the Group to develop a port in the Asia-Pacific and Indian Subcontinent segment has been included as both revenue and cost of sales in the year ended 31 December 2009 and has been treated as an SDI. Excluding such SDI, revenue for the year ended 31 December 2009 was $2,821.0 million as compared to $3,283.1 million for the year ended 31 December 2008, a decrease of $462.1 million, or 14.1 per cent. The decrease reflects decreases in both container revenue and non-container revenue principally due to the adverse market conditions resulting from the global financial crisis.

As of 31 December 2009, the Group had 49 terminals, of which 27 were consolidated for financial reporting purposes. On average, terminals that contributed to the Group's revenue as of 31 December 2009 experienced a decrease in consolidated volume over the previous year of 8.2 per cent.

Container Revenue

Container revenue (excluding SDIs) for the year ended 31 December 2009 was $2,280.5 million (representing 80.8 per cent of the Group's total revenue, excluding SDIs, for such period) as compared to $2,486.8 million for the year ended 31 December 2008 (representing 75.7 per cent of the Group's total revenue, excluding SDIs, for such period), a decrease of $206.3 million, or 8.3 per cent. The decline reflected an 8.2 per cent decrease in container volumes resulting from the global economic crisis as well as a decrease in ancillary container revenue (primarily storage) in the Middle East, Europe and Africa and Australia and Americas segments.

Non-Container Revenue

Non-container revenue (excluding SDIs) for the year ended 31 December 2009 was $540.5 million (representing 19.2 per cent of the Group's total revenue, excluding SDIs, for such period) as compared to $796.3 million for the year ended 31 December 2008 (representing 24.3 per cent of the Group's total revenue, excluding SDIs, for such period), a decrease of $255.8 million, or 32.1 per cent.

Revenue by Segment

The following table presents revenue information regarding the Group's three segments (excluding SDIs) for the years ended 31 December 2008 and 2009.

	Year ended 31 December	
	2008	**2009**
	(Audited) **(US dollars in thousands)**	
Revenue (excluding SDIs)		
Middle East, Europe and Africa	2,009,347	1,748,155
Australia and Americas	756,810	596,299
Asia-Pacific and Indian Subcontinent	516,963	476,563
Total revenue (excluding SDIs)	**3,283,120**	**2,821,017**

Middle East, Europe and Africa. Revenue for the Middle East, Europe and Africa segment for the year ended 31 December 2009 was $1,748.2 million as compared to $2,009.3 million for the year ended 31 December 2008, a decrease of $261.1 million, or 13.0 per cent. The decrease reflected a decline in non-container revenue of 32.9 per cent as well as a decline in container volume of 7.0 per cent. This decline in container volume resulted in a 4.3 per cent decline in container revenue, which was partially offset by a slight increase in revenue per TEU in this segment. As of 31 December 2009, the Group had 25 terminals in the segment, of which 13 were consolidated for financial reporting purposes. On average, terminals that contributed to revenue for the segment experienced a decrease in container volume of 7.0 per cent over the same period the previous year. The segment benefitted from a full year of container volumes from Dakar (Senegal), Sokhna (Egypt) and Tarragona (Spain) as well as a contribution from the Group's newly opened terminal at Doraleh (Djibouti). Excluding the new terminals, container volumes declined 11.3 per cent and like-for-like revenue adjusted for currency movements declined 20.6 per cent, primarily as a result of the large decline in non-container revenues in the UAE and the challenging operating environment in Europe.

The UAE reported a decline in container volumes of 6.1 per cent to 11.1 million TEUs with the container operations showing resilience to the global economic downturn, whilst non-container revenue fell 35.6 per cent following a decline in general, break-bulk and bulk cargo volumes. Container revenue for the year ended 31 December 2009 declined against the same period in 2008, reflecting a decline in container volume during the period as well as the strong ancillary container revenue (primarily storage) in the second half of 2008.

Australia and Americas. Revenue for the Australia and Americas segment for the year ended 31 December 2009 was $596.3 million as compared to $756.8 million for the year ended 31 December 2008, a decrease of $160.5 million, or 21.2 per cent. The decrease in revenue primarily resulted from a decline in container volume in this segment. However, in the second half of the year the Group saw improvements in utilisation rates, especially in Australia, and this segment delivered stronger second half revenue than in the first half. As of 31 December 2009, the Group had eight terminals in the segment, of which seven were consolidated for financial reporting purposes. P&O Maritime Services is accounted for in this segment. On average, terminals that contributed to revenue experienced a decrease in container volume of 14.0 per cent for the year ended 31 December 2009 against the same period in 2008.

Asia-Pacific and Indian Subcontinent. Revenue for the Asia-Pacific and Indian Subcontinent segment (excluding SDIs) for the year ended 31 December 2009 was $476.6 million as compared to $517.0 million for the year ended 31 December 2008, a decrease of $40.4 million, or 7.8 per cent. The decline in revenue was in line with the decline in container volume, with revenues in the second half impacted by the Group's beginning to account for its interest in ATI Manila as a joint venture in the fourth quarter of 2009, whereas previously its results were consolidated. Excluding this change, like-for-like revenue increased 4.0 per cent against a decline in container volume of 4.4 per cent. reflecting revenue per TEU increases as a result of continued high capacity utilisation in the segment. The Group had 16 terminals in the segment, of which seven were consolidated for financial reporting purposes. On average, terminals that contributed to revenue for the segment experienced a decrease in container volume of 7.7 per cent for the year ended 31 December 2009 as compared to the same period in 2008, and reported a slight improvement in container volumes the second half of the year 2009.

Cost of Sales

Cost of sales for the year ended 31 December 2009 were $2,064.2 million as compared to $2,143.3 million for the year ended 31 December 2008, a decrease of $79.1 million, or 3.7 per cent. The year ended 31 December 2009 included an SDI of $108.2 million. In accordance with IFRIC 12 *Service Concession Arrangements*, the fair value of revenue from construction services provided by the Group to develop a port in the Asia-Pacific and Indian Subcontinent segment was included as both revenue and cost of sales in the year ended 31 December 2009 and has been treated as an SDI. Excluding such SDI, cost of sales for the year ended 31 December 2009 were $1,956.0 million as compared to $2,143.3 million for the year ended 31 December 2008, a decrease of $187.3 million, or 8.7 per cent. The decrease was principally due to decreases in container volume as well as the transfer of ATI Manila to a joint venture in the fourth quarter of 2009.

General and Administrative Expenses

General and administrative expenses for the year ended 31 December 2009 were $305.3 million as compared to $436.0 million for the year ended 31 December 2008, a decrease of $130.7 million, or 30.0 per cent. The year ended 31 December 2009 included an SDI of $20.8 million relating to the impairment of certain cranes in the Middle East, Europe and Africa segment. The year ended 31 December 2008 included an SDI of $129.9 million relating to the impairment of the Group's investment in a joint venture and a loss relating to the restructuring of a subsidiary, each of which are located in the Asia-Pacific and Indian Subcontinent segment. Excluding such SDIs, general and administrative expenses for the year ended 31 December 2009 were $284.6 million as compared to $306.1 million for the year ended 31 December 2008, a decrease of $21.5 million, or 7.0 per cent. The decrease was primarily due to decreases in fixed costs through cost cutting measures.

Other Income

Other income for the year ended 31 December 2009 was $22.1 million as compared to $18.3 million for the year ended 31 December 2008, an increase of $3.8 million, or 20.8 per cent. The year ended 31 December 2009 included an SDI of $3.0 million consisting primarily of one-time recoveries following the settlement of certain litigation in the Middle East, Europe and Africa segment. Excluding such SDI, other income for the year ended 31 December 2009 was $19.1 million as compared to $18.3 million for the year ended 31 December 2008, an increase of $0.8 million, or 4.4 per cent.

Net Finance Costs

Net finance costs for the year ended 31 December 2009 were $271.2 million as compared to $274.8 million for the year ended 31 December 2008, a decrease of $3.6 million, or 1.3 per cent. The year ended 31 December 2009 included an SDI of $12.5 million of foreign exchange gain relating to foreign exchange swaps and the year ended 31 December 2008 included an SDI expense of $7.7 million associated with certain interest rate swaps. Excluding such SDIs, net finance costs for the year ended 31 December 2009 were $283.8 million as compared to $267.1 million for the year ended 31 December 2008, an increase of $16.7 million, or 6.3 per cent. The increase was principally due to an increase in project finance interest costs relating to Saigon (Vietnam) and Doraleh (Djibouti).

Share of Profit (Loss) of Joint Ventures and Associates

Share of profit (loss) of joint ventures and associates for the year ended 31 December 2009 was $69.3 million as compared to $114.2 million for the year ended 31 December 2008, a decrease of $44.9 million, or 39.3 per cent. The year ended 31 December 2009 included an SDI loss of $2.0 million relating to a restructuring provision with respect to a joint venture in the Australia and Americas segment, partially offset by profits on the sale of certain assets in the Asia-Pacific and Indian Subcontinent segment. The year ended 31 December 2008 included an SDI loss of $2.0 million relating to a prior year tax adjustment of an associate in the Middle East, Europe and Africa segment. Excluding such SDIs, share of profit (loss) of joint ventures and associates for the year ended 31 December 2009 was $71.3 million as compared to $116.2 million for the year ended 31 December 2008, a decrease of $44.9 million, or 38.6 per cent. The decrease was primarily due to lower container volumes and the weak performance of joint ventures in Europe.

Income Tax

Income tax expense for the year ended 31 December 2009 was $54.1 million as compared to $46.6 million for the year ended 31 December 2008, an increase of $7.5 million, or 16.1 per cent. The year ended 31 December 2009 included an SDI of $0.3 million resulting from the reversal of deferred tax credit on the impairment taken on cranes in the Middle East, Europe and Africa segment. The year ended 31 December 2008 included an SDI of $33.7 million of net income tax credit reflecting a $40.0 million credit resulting from the reversal of the prior year's tax provisions, partially offset by $6.3 million provision for deferred tax expenses relating to an industrial building allowance in the Middle East, Europe and Africa segment. Excluding such SDIs, income tax for the year ended 31 December 2009 was $54.4 million as compared to $80.3 million for the year ended 31 December 2008, a decrease of $25.9 million, or 32.3 per cent. The decrease was principally due to the decline in profit before tax resulting from poor market conditions in 2009.

Profit for the Year

Profit after tax for the year ended 31 December 2009 was $370.1 million as compared to $530.7 million for the year ended 31 December 2008, a decrease of $160.6 million, or 30.3 per cent. The year ended 31 December 2009 included SDIs representing a profit of $37.4 million and the year ended 31 December 2008 included SDIs representing a loss of $90.1 (see above for further information regarding such SDIs). Excluding such SDIs, profit after tax for the year ended 31 December 2009 was $332.7 million as compared to $620.8 million for the year ended December 2008, a decrease of $288.1 million, or 46.4 per cent.

The following table presents profit information regarding the Group's geographical segments for the years ended 31 December 2008 and 2009.

	Year ended 31 December 2008			Year ended 31 December 2009		
	Before separately disclosed items	Separately disclosed items	Total	Before separately disclosed items	Separately disclosed items	Total
	(Audited) (US dollars in thousands)					
Profit after tax						
Middle East, Europe and Africa	730,466	(2,800)	727,666	531,040	(7,874)	523,166
Australia and Americas	146,908	36,300	183,208	49,058	25,578	74,636
Asia-Pacific and Indian Subcontinent	187,335	(127,936)	59,399	171,944	16,074	188,018
Head office profit/(loss)	(443,942)	4,373	(439,569)	(419,379)	3,628	(415,751)
Total profit after tax . . .	**620,767**	**(90,063)**	**530,704**	**332,663**	**37,406**	**370,069**

Middle East, Europe and Africa. Profit for the Middle East, Europe and Africa segment was $523.2 million for the year ended 31 December 2009 as compared to $727.7 million for the year ended 31 December 2008, a decrease of $204.5 million, or 28.1 per cent. Excluding SDIs, profit after tax for the Middle East, Europe and Africa segment was $531.0 million for the year ended 31 December 2009 as compared to $730.5 million for the year ended 31 December 2008, a decrease of $199.5 million, or 27.3 per cent. The Middle East, Europe and Africa segment benefitted from the more resilient performance of the UAE and new terminals joining the portfolio during the year, but was impacted by the more challenging operating environment in Europe and the decline in non-container revenue in the UAE. Non-container revenue continued to decline in the second half of 2009 which resulted in a weaker second half of 2009 than the first half of 2009 for this segment. However, the segment realised certain of the benefits of cost cutting programmes in 2009.

Australia and Americas. Profit for the Australia and Americas segment was $74.6 million for the year ended 31 December 2009 as compared to $183.2 million for the year ended 31 December 2008, a decrease of $108.6, or 59.3 per cent. Excluding SDIs, profit for the Australia and Americas segment was $49.1 million for the year ended 31 December 2009 as compared to $146.9 million for the year ended 31 December 2008, a decrease of $97.8 million, or 66.6 per cent. The Americas and Australia segment is predominantly made up of terminals in developed countries which were harder hit by the downturn in global trade and face heightened challenges controlling costs. However, container volumes showed signs of improvement in the second half of 2009 and cost cutting measures slowly began to yield results.

Asia-Pacific and Indian Subcontinent. Profit for the Asia-Pacific and Indian Subcontinent segment for the year ended 31 December 2009 was $188.0 million as compared to a profit of $59.3 million for the year ended 31 December 2008, an increase of $128.7 million, or 2.2 times. Excluding SDIs, profit for the Asia-Pacific and Indian Subcontinent segment for the year ended 31 December 2009 was $171.9 million as compared to a profit of $187.3 million for the year ended 31 December 2008, a decrease of $15.4 million, or 8.2 per cent. The Asia-Pacific and Indian Subcontinent segment had the strongest performance of the Group's segments with revenue declines in line with the decline in container volume. The Asia-Pacific and Indian Subcontinent segment was also affected by the transfer of ATI Manila to a joint venture in the fourth quarter of 2009.

Head Office. Loss for the Head Office segment for the year ended 31 December 2009 was $415.8 million as compared to a loss of $439.6 million for the year ended 31 December 2008, a decrease of $23.8 million, or 5.4 per cent. Excluding SDIs, loss for the Head Office segment for the year ended 31 December 2009 was $419.4 million as compared to a loss of $443.9 million for the year ended 31 December 2008, a decrease of $24.5 million, or 5.5 per cent. This decrease principally reflected cost reductions at the Group's head office.

Non-Controlling Interests

The Group's profit for the year ended 31 December 2009 included amounts attributable to non-controlling interests of $37.2 million as compared to $48.5 million for the year ended 31 December 2008, a decrease of $11.3 million. The decrease in amounts attributable to non-controlling interests reflects declines in performance at those terminals that the Group does not wholly own as well as a $14.3 million tax liability relating to the Group's terminal in Buenos Aires.

7. Liquidity and Capital Resources

Historically, the Group has funded its capital requirements through its cash balances, cash from operations, debt facilities and dividends and repayments of loans from its subsidiaries. To the extent the Group chooses to seek additional financing in the future to undertake activities beyond its current financing commitments (whether for development, acquisition opportunities as they arise or the refinancing of existing facilities when due), the Group expects that it will fund such activities through cash generated from operations and through securing further funding from debt financing from banks and the capital markets. Additionally, where available, the Group intends to finance future, uncommitted terminal development and expansion projects through non-recourse debt of the relevant terminal operating company. See section 1 of Part II (*Risk Factors—Risks relating to the Group's businesses and the industries in which the Group operates—The Group's indebtedness could adversely affect its ability to raise additional capital to fund further expansion of its operations and limit its ability to react to changes in the economy in the industries in which it operates*) and section 7 of Part II (*Risk Factors—Risks relating to the Group's businesses and the industries in which the Group operates—Expansion of the Group's businesses require substantial capital investment, and the Group may not have sufficient capital to make, or may be restricted by covenants in its financing agreements from making, future capital expenditures and other investments as it deems necessary or desirable*).

Cash Flows

The following table sets forth certain information about the consolidated cash flows of the Group for the periods indicated.

	Year ended 31 December		
	2008	2009	2010
	(Audited) (US dollars in thousands)		
Net cash from/(used in) operating activities	1,068,708	572,340	1,274,942
Net cash from/(used in) investing activities	(2,007,467)	(915,487)	(870,614)
Net cash from/(used in) financing activities	(685,799)	1,963,373	(727,012)
Net increase (decrease) in cash and cash equivalents	(1,624,558)	1,620,226	(322,684)
Net foreign exchange translation difference	(97,294)	124,195	(8,366)
Cash and cash equivalents at the beginning of the period	2,875,997	1,154,145	2,898,566
Cash and cash equivalents at the end of the period	**1,154,145**	**2,898,566**	**2,567,516**

Net cash from/(used in) operating activities. Net cash from operating activities for the year ended 31 December 2010 was $1,274.9 million as compared to net cash from operating activities of $572.3 million for the year ended 31 December 2009. The increase was primarily due to an increase in volumes and improved operating performance in the year ended 31 December 2010.

Net cash from operating activities for the year ended 31 December 2009 was $572.3 million as compared to $1,068.7 million for the year ended 31 December 2008, a decrease of $496.4 million, or 46.4 per cent. The decrease was primarily due to a reduction in the Group's profitability resulting from the general trade contraction in 2009 and adverse changes to the Group's working capital.

Net cash from/(used in) investing activities. Net cash used in investing activities for the year ended 31 December 2010 was $870.6 million as compared to $915.5 million for the year ended 31 December 2009, a decrease of $44.9 million. The decrease was principally due to a decrease in capital expenditures and a decrease in investments in joint ventures, partially offset by an investment in land associated with the Group's London Gateway project.

Net cash used in investing activities for the year ended 31 December 2009 was $915.5 million as compared to $2,007.5 million for the year ended 31 December 2008, a decrease of $1,092.0 million, or 54.4 per cent. The decrease was primarily due to a significant decrease in capital expenditure in response to the global economic downturn and the acquisition of Sokhna (Egypt) in 2008.

Net cash from/(used in) financing activities. Net cash used in financing activities for the year ended 31 December 2010 was $727.0 million. Such amount was primarily used in paying dividends and making interest payments and was partially offset by additional borrowings.

Net cash provided from financing activities for the year ended 31 December 2009 was $1,963.4 million. This amount was primarily the result of the full drawdown of the Syndicated Loan Facility in 2009.

Net cash used in financing activities for the year ended 31 December 2008 was $685.8 million. This amount was primarily used in paying dividends, making interest payments and repaying certain loans, partially offset by an increase in borrowings.

Capital Expenditures

The following discussion of the Group's capital expenditures relates to all its consolidated terminals. Capital expenditures include the Group's investing in plant and equipment relating to its business but do not include investments in real estate relating to its operations.

For the years ended 31 December 2008, 2009 and 2010, the Group had capital expenditures of $1,397.3 million, $967.5 million and $936.7 million, respectively.

Total capital expenditure for the year ended 31 December 2008 was $1,397.3 million, of which almost 50 per cent was spent on the expansion of new capacity in existing terminals, Jebel Ali being the major beneficiary. 35 per cent was spent on new developments including Doraleh (Djibouti), which opened in early 2009, Saigon (Vietnam), which opened in 2009, and Callao (Peru), which opened in May 2010.

With the decline in container volumes in 2009, the Group postponed much of its capital expenditure in the year ended 31 December 2009, investing $967.5 million in its consolidated terminals with the focus on expansion of those new developments nearing completion or those that were due to replace existing terminals.

During 2009 the Group opened two new developments at Doraleh (Djibouti) and Saigon (Vietnam) and completed the expansion of its flagship terminal in Jebel Ali, UAE. The Group was awarded new 30 year concession agreements in Algeria for ports in Algiers and Djen-Djen, which it began operating in the second quarter. The Group also renewed two more concessions in Australia, in Adelaide and Sydney, for a further 30 years and 15 years, respectively.

Alongside the investment in new terminals, following the successful concession renewals in Australia, the Group also invested in its portfolio in 2009, improving efficiencies and winning market share, and continued to invest in improving efficiencies in those terminals recently joining its portfolio such as Tarragona (Spain), Dakar (Senegal) and Sokhna (Egypt).

The Group completed its terminals at Callao (Peru) in May 2010 and Vallarpadam (India) in January 2011, and expanded its operations at its existing terminal in Karachi (Pakistan) in January 2011. The Group's $936.7 million of capital expenditure in the period also included further investment in improving terminal efficiency in many of the Group's terminals, including in Egypt, Senegal, Tarragona (Spain) and terminals across Australia. The Group also had significant expenditures in connection with the purchase of land at London Gateway (UK) in the first six months of 2010 that are not included within its capital expenditures.

The Group remains fully committed to meeting the long-term market demand for capacity expansion. The Group expects that capital expenditure is likely to be in the region of $2.5 billion for the period 2010 to 2012 inclusive of which it had invested $936.7 million at 31 December 2010.

The Group believes it will make significant capital expenditures in each of its current geographic segments during the period from 2010 to 2012 and that the majority of such expenditures will be for new developments, over a quarter will be for expansion projects and the balance will be for maintenance.

To the extent the Group chooses to undertake additional capital expenditure for uncommitted expansion projects beyond its current financing commitments, the Group intends to finance such capital expenditure primarily through cash from operations and further debt financing from banks or capital markets or issuances of equity, if required. Where available, the Group also intends to finance future, uncommitted terminal development through non-recourse debt at the relevant terminal operating company level. In addition, it may elect or be required to make additional capital expenditures related to its concessions in the future and, as a result, its future capital expenditures may be significantly higher than the amounts indicated under "*—Liquidity and Capital Resources—Contractual Obligations*" above.

Indebtedness

Indebtedness of the Group outstanding as of 31 December 2010 was $7,772.7 million, and was comprised principally of:

- $2,995.1 million in borrowings under the Syndicated Loan Facility (as defined below);
- $1,738.3 million in bonds issued under the Global Medium Term Note Programme;
- $1,487.3 million in trust certificates issued under the Sukuk;
- $828.3 million in secured obligations owed by the Company's subsidiaries;
- $720.8 million in unsecured obligations owed by the Company's subsidiaries; and
- $3.0 million in bank overdrafts.

Syndicated Loan Facility

On 22 October 2007, the Company entered into an unsecured syndicated loan facility amongst the Company, DP World Holdings (Australia) Limited and P&O, as borrowers, the Company, as the sole guarantor, the lenders from time to time party thereto, Barclays Capital, Citibank N.A., Deutsche Bank AG, London Branch, and The Royal Bank of Scotland Plc, as mandated lead arrangers, The Royal Bank of Scotland Plc, as issuing bank, and Deutsche Bank Luxembourg S.A, as facility agent (the "**Syndicated Loan Facility**").

The Syndicated Loan Facility comprises a $3.0 billion syndicated loan facility with a maturity on 22 October 2012, and has been used for general corporate purposes of the Company and its subsidiaries, as well as refinancing outstanding amounts under the Company's previous credit facility. The Syndicated Loan Facility is fully utilised. Interest on the Syndicated Loan Facility is payable based on a specified margin over the London Interbank Offer Rate ("**LIBOR**").

Ranking. The Syndicated Loan Facility is a senior unsecured obligation of the Company and ranks equally in right of payment to all of the Company's existing and future senior indebtedness and senior in right of payment to all of the Company's existing and future senior subordinated debt.

Guarantees. The obligations of the borrowers under the Syndicated Loan Facility are unconditionally and irrevocably guaranteed by the Company.

Repayment and Voluntary Prepayments. Borrowings under the Syndicated Loan Facility must be repaid at final maturity. The Syndicated Loan Facility provides for voluntary prepayments of loans and voluntary cancellations of the utilised proportion of the commitments, without penalty, subject to certain conditions pertaining to minimum notice and payment and cancellation amounts. Amounts prepaid may be reborrowed in accordance with the terms of the Syndicated Loan Facility. The Syndicated Loan Facility also contains mandatory prepayment provisions that the Company believes are usual and customary for facilities of this type.

Change of Control. The Syndicated Loan Facility is subject to a change of control covenant whereby the Government of Dubai must continue to own, directly or indirectly, over 50 per cent of the Company's issued share capital.

Undertakings and Covenants. The Syndicated Loan Facility contains affirmative and negative undertakings that the Company believes are usual and customary for facilities of this type. In addition, the Syndicated Loan Facility contains a total debt to total debt plus equity financial covenant, where equity refers to the amount of equity on the balance sheet of the Company.

Events of Default. The Syndicated Loan Facility contains certain customary events of default.

6.85 per cent Notes Due 2037

On 2 July 2007, the Company issued $1,750,000,000 aggregate principal amount of 6.85 per cent notes due 2037 (the "**2007 Senior Notes**") under its $5,000,000,000 Global Medium Term Note Programme (the "**DP World MTN Programme**"). The 2007 Senior Notes mature on 2 July 2037 and are admitted to trading on the London Stock Exchange and NASDAQ Dubai.

Ranking. The Senior Notes are senior unsecured obligations of the Company and rank equally in right of payment to all of the Company's existing and future senior indebtedness and senior in right of payment to all of the Company's existing and future senior subordinated debt.

Repayment and Redemption. Upon the occurrence of a change of control of the Company, each holder of the Senior Notes has the right to require the Company to repurchase such holder's Senior Notes at a purchase price in cash equal to 100 per cent of the principal amount thereof, plus accrued and unpaid interest, if any, to the repurchase date. Subject to certain limited exceptions, the Senior Notes may not be redeemed at the Company's option prior to maturity. Unless previously redeemed or purchased and cancelled, the Senior Notes must be redeemed at par on the maturity date.

Change of Control. The DP World MTN Programme is subject to a change of control covenant whereby the Government of Dubai must continue to own, directly or indirectly, over 50 per cent of the Company's issued share capital.

Covenants. The DP World MTN Programme contains affirmative and negative undertakings that the Company believes are usual and customary for debt securities of this type.

Events of default. The Senior Notes are subject to certain customary events of default that, if any of them occurs, would permit the principal of and accrued interest on the Senior Notes to be declared due and payable.

Trust Certificates (Sukuk Al-Mudaraba) Due 2017

On 2 July 2007, DP World Sukuk Limited, a Cayman Islands special purpose vehicle ("**DP World Sukuk**"), issued $1,500,000,000 face amount of Trust Certificates due 2017 (the "**Certificates**"). The Certificates mature on 2 July 2017 and are admitted to trading on the London Stock Exchange and NASDAQ Dubai. The Certificates evidence an undivided beneficial ownership interest in certain assets held in trust. The proceeds from the Certificates were invested in the Company's business activities in accordance with an agreed investment plan. Each holder of the Certificates is entitled to periodic distribution amounts in an amount equal to 6.25 per cent per annum on the aggregate principal amount of Certificates held by such holder. To the extent that the amount of profit generated through the investment plan is less than the amount necessary to make such periodic distribution amounts, the Company (as Mudareb under the Certificates) is required to provide Shari'a compliant liquidity financing to ensure that sufficient funds are available to pay such periodic distribution amounts. To the extent that the amount of profit generated through the investment plan is greater than the amount necessary to make such periodic distribution amounts, the Company is entitled to retain such excess amount for its own account by way of an incentive fee for acting as Mudareb.

Ranking. The Certificates are senior unsecured obligations of the Company and rank equally in right of payment to all of the Company's existing and future senior indebtedness and senior in right of payment to all of the Company's existing and future senior subordinated debt.

Redemption. Upon the occurrence of a change of control of the Company, each holder of the Certificates has the right to require DP World Sukuk to redeem any or all of such holder's Certificates at a purchase price in cash equal to 100 per cent of the aggregate principal amount thereof, plus accrued and unpaid periodic distribution amounts, if any, to the redemption date. Subject to certain limited exceptions, the Certificates may not be redeemed at DP World Sukuk's option prior to maturity. Unless previously redeemed or purchased and cancelled, the Certificates must be redeemed at par on the scheduled redemption date. Prior to any such redemption date, the Company will purchase all or, in the case of a partial redemption, part of the trust assets for an amount equal to the 100 per cent of the aggregate principal amount of the Certificates being redeemed, plus accrued and unpaid periodic distribution amounts, if any, to the redemption date.

Change of Control. The DP World Sukuk is subject to a change of control covenant whereby the Government of Dubai must continue to own, directly or indirectly, over 50 per cent of the Company's issued share capital.

Covenants. The DP World Sukuk contains affirmative and negative undertakings that the Company believes are usual and customary for debt securities of this type.

Dissolution Event. The Certificates are subject to certain customary dissolution events that, if any of them occurs, would permit the holders of at least 20 per cent in aggregate principal amount of Certificates then outstanding to require the trust to be dissolved and all Certificates redeemed for an amount equal to the 100 per cent of the aggregate principal amount thereof, plus accrued and unpaid periodic distribution amounts, if any, to the redemption date.

Contractual Obligations

The following table presents the Group's contractual obligations as of 31 December 2010.

	Payment due by period				
	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total
	(US dollars in thousands)				
Debt obligations[1]	634,643	3,132,435	418,740[2]	3,517,168	7,702,986
Financial lease obligations	13,481	11,768	24,923	16,588	66,760
Total	648,124	3,144,203	443,663	3,533,756	7,769,746
Operating leases	178,080	201,521	902,969	6,772,933	8,055,503

(1) Excludes interest payable.

(2) $3.0 billion of this amount comprises the Syndicated Loan Facility, which is due in October 2012.

In addition to the above obligations, as at 31 December 2010 the Group's contracted capital expenditure commitments totalled $462.4 million. The Group believes the terms of such contracts, however, allow a degree of flexibility with respect to the timing of such expenditures.

Off-Balance Sheet Arrangements

The Group does not have any off-balance sheet arrangements that have or are reasonably expected to have a material current or future effect on the Group's financial condition, revenues, expenses, results of operations, liquidity, capital expenditures or capital resources.

8. Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

The Group's exposure to interest rate risks is primarily through long-term debt obligations that carry a fixed/floating interest rate and bank deposits. The Group's policy is to manage interest rate risk by entering into interest rate swap agreements designed to hedge its underlying debt obligations.

As of 31 December 2010, the fixed-rate 2007 Senior Notes and the fixed-rate Certificates collectively represented $3,233.5 million of loans and borrowings. As of 31 December 2010, approximately $2,357.4 million of the Group's total indebtedness carried interest at floating rates before taking into account interest rate swaps. As of 31 December 2010, after taking into account the effect of interest rate swaps, approximately 70 per cent of the Group's total indebtedness carried fixed interest rates. As of 31 December 2010, a 1 per cent increase or decrease in the interest associated with variable interest bearing indebtedness, after taking interest rate swaps into account, would have resulted in a change in the Group's interest expense of approximately $5.7 million.

Credit Risk

The Group seeks to trade only with recognised, creditworthy third parties. It is its policy that all customers who wish to trade on credit terms are subject to credit verification procedures and may be required to submit financial guarantees based on their creditworthiness at terminal level. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

With respect to credit risk arising from the Group's other financial assets, which comprise cash and cash equivalents and certain derivative instruments, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Group seeks to assess counterparty risk on a case by case basis having regard to such matters as ratings, financial condition and other support available to the counterparty from governments, regulatory authorities or other institutions.

Liquidity Risk

The Group has cash balances and undrawn committed facilities to provide liquidity as required. As of 31 December 2010, committed undrawn facilities totalled $60.2 million. See "*—Liquidity and Capital Resources—Indebtedness—Syndicated Loan Facility*" above for a description of the Syndicated Loan Facility.

The Group's terms of business require amounts to be paid within 60 days of the provision of the service. Trade payables are normally settled within 45 days of the date of purchase.

Currency Risk

The Group's functional currency is UAE Dirhams and its reporting currency is the US dollar. The functional and reporting currency of the Group's subsidiaries, affiliates and associates varies depending on their geographic location. Accordingly, the Group is exposed to risks related to the translation of assets and liabilities denominated in currencies other than, or not pegged to, the US dollar.

As of 31 December 2010, 71 per cent of the Group's net operating assets were denominated in foreign currencies (i.e., other than the functional currency of the Group, UAE Dirhams). The Group partially mitigates the effect of such movements by borrowing in the same currencies as those in which the assets are denominated and hedges such as foreign exchange forward contracts and cross currency swaps.

In addition to these translation risks, the Group is exposed to transaction risks as a result of differences in the currency mix of its operating expenses (which are in local currencies), on the one hand, and revenue (which are generally in US dollars), on the other hand. As a result, a depreciation or appreciation of a particular local currency against the US dollar could have either a positive or negative impact on both the Group's balance sheet and its profit margin and therefore the Group's profit for the year.

The Group operates in some locations, such as the UAE, Hong Kong, Saudi Arabia and the People's Republic of China, where the local currency is fixed to the Group's reporting currency of USD further reducing the risk of currency movements.

For additional discussion of the impact of foreign currency transactions and translations on the Group's results of operations, see Note 5 "*Financial Risk Management*" of the Notes to the Group's Audited Consolidated Financial Statements.

PART X

ACCOUNTANT'S REPORT AND HISTORICAL FINANCIAL INFORMATION FOR THE GROUP

KPMG

15 Canada Square
London E14 5GL
United Kingdom

The Directors
DP World Limited
PO Box 17000
Dubai
United Arab Emirates

25 May 2011

Dear Sirs

DP World Limited (the "Company")

We report on the financial information set out in Part X which comprises a consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows and accompanying notes for the three years ended 31 December 2010. This financial information has been prepared for inclusion in the prospectus dated 25 May 2011 of DP World Limited on the basis of the accounting policies set out in note 3 to the financial information. This report is required by paragraph 20.1 of Annex I of the Prospectus Directive Regulation and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibilities

The Directors of the Company are responsible for preparing the financial information on the basis of preparation set out in note 2 to the financial information and in accordance with International Financial Reporting Standards.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 23.1 of Annex I of the Prospectus Directive Regulation, consenting to its inclusion in the prospectus.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information gives, for the purposes of the prospectus dated 25 May 2011, a true and fair view of the state of affairs of DP World Limited as at 31 December 2008, 2009 and 2010 and of its profits, cash flows and changes in equity for the years ended 31 December 2008, 2009 and 2010 in accordance with the basis of preparation set out in note 2 and in accordance with International Financial Reporting Standards as described in note 2.

Declaration

For the purposes of Prospectus Rule 5.5.3R (2)(f) we are responsible for this report as part of the prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the prospectus in compliance with paragraph 1.2 of Annex I of the Prospectus Directive Regulation.

Yours faithfully

KPMG LLP

DP World Limited and its subsidiaries

Consolidated income statement

		Year ended 31 December 2008			Year ended 31 December 2009			Year ended 31 December 2010		
	Notes	**Before separately disclosed items**	**Separately disclosed items (Note 10)**	**Total**	**Before separately disclosed items**	**Separately disclosed items (Note 10)**	**Total**	**Before separately disclosed items**	**Separately disclosed items (Note 10)**	**Total**
						USD'000				
Revenue from operations	7(a)	3,283,120	—	3,283,120	2,821,017	108,212	2,929,229	3,078,076	110,865	3,188,941
Cost of sales		(2,143,326)	—	(2,143,326)	(1,956,008)	(108,212)	(2,064,220)	(2,126,965)	(110,865)	(2,237,830)
Gross profit		1,139,794	—	1,139,794	865,009	—	865,009	951,111	—	951,111
General and administrative expenses		(306,081)	(129,900)	(435,981)	(284,551)	(20,755)	(305,306)	(329,576)	(3,700)	(333,276)
Other income		18,291	—	18,291	19,117	3,000	22,117	20,324	8,905	29,229
Finance income	8	76,146	—	76,146	72,950	12,542	85,492	89,395	—	89,395
Finance costs	8	(343,245)	(7,653)	(350,898)	(356,728)	—	(356,728)	(368,223)	(17,583)	(385,806)
Share of profit of equity accounted investees	15	116,194	(2,000)	114,194	71,307	(1,970)	69,337	140,203	244	140,447
Profit on sale/termination of business (net of tax)	10	—	15,790	15,790	—	44,276	44,276	—	13,200	13,200
Profit before income tax		701,099	(123,763)	577,336	387,104	37,093	424,197	503,234	1,066	504,300
Income tax expense	9	(80,332)	33,700	(46,632)	(54,441)	313	(54,128)	(53,174)	—	(53,174)
Profit for the year	7(b)	**620,767**	**(90,063)**	**530,704**	**332,663**	**37,406**	**370,069**	**450,060**	**1,066**	**451,126**
Profit attributable to:										
Owners of the Company		572,277	(90,063)	482,214	295,456	37,406	332,862	373,741	1,066	374,807
Noncontrolling interests		48,490	—	48,490	37,207	—	37,207	76,319	—	76,319
		620,767	**(90,063)**	**530,704**	**332,663**	**37,406**	**370,069**	**450,060**	**1,066**	**451,126**
Earnings per share	22									
Basic earnings per share—US cents				2.90			2.01			2.26

The accompanying notes 1 to 34 form an integral part of this historical financial information.

Consolidated statement of comprehensive income

	Notes	2008	2009	2010
			USD'000	
Profit for the year	7	**530,704**	**370,069**	**451,126**
Other comprehensive income				
Foreign exchange translation differences for foreign operations*	20	(1,433,577)	724,603	164,671
Foreign exchange loss recycled to consolidated income statement		—	(32,194)	500
Effective portion of net changes in fair value of cash flow hedges		(82,947)	26,652	(35,495)
Net change in cash flows hedges reclassified to consolidated income statement		—	—	8,974
Net change in fair value of available for sale financial assets		(9,085)	13,745	1,139
Defined benefit plan actuarial losses	24	(106,900)	(162,200)	55,100
Share in other comprehensive income of equity-accounted investees		—	—	500
Income tax on other comprehensive income		1,300	4,800	3,400
Other comprehensive income for the year, net of income tax		**(1,631,209)**	**575,406**	**198,789**
Total comprehensive income for the year		**(1,100,505)**	**945,475**	**649,915**
Total comprehensive income attributable to:				
Owners of the Company		(1,061,551)	905,075	588,124
Non-controlling interests		(38,954)	40,400	61,791
		(1,100,505)	**945,475**	**649,915**

* This includes a significant portion of foreign exchange translation differences arising 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 of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency on Group consolidation are also reflected here. There are no differences on translation from functional to presentation currency as the Group's functional currency is currently pegged to the presentation currency (also refer to note 2(e)).

The accompanying notes 1 to 34 form an integral part of this historical financial information.

Consolidated statement of financial position

	Notes	2008	2009	2010
			USD'000	
Assets				
Non-current assets				
Property, plant and equipment	12	4,252,683	4,859,200	5,086,217
Goodwill	13	2,154,165	2,424,689	1,670,301
Port concession rights	13	3,840,527	4,174,195	3,577,813
Investment in equity-accounted investees	15	3,109,276	3,453,833	3,474,113
Deferred tax assets	9	30,186	103,439	86,385
Other investments	16	51,041	65,289	65,868
Accounts receivable and prepayments	17	48,035	74,256	88,378
Total non-current assets		**13,485,913**	**15,154,901**	**14,049,075**
Current assets				
Inventories		57,476	59,700	52,797
Accounts receivable and prepayments	17	741,289	807,469	653,216
Bank balances and cash	18	1,204,074	2,910,066	2,519,616
Assets held for sale	28	10,100	28,400	2,084,840
Total current assets		**2,012,939**	**3,805,635**	**5,310,469**
Total assets		**15,498,852**	**18,960,536**	**19,359,544**
Equity				
Share capital	19	1,660,000	1,660,000	1,660,000
Share premium		2,472,655	2,472,655	2,472,655
Shareholders' reserve	20	2,000,000	2,000,000	2,000,000
Retained earnings		1,366,482	1,584,804	1,823,491
Hedging and other reserves	20	(111,175)	(49,864)	(64,658)
Actuarial reserve	20	(153,300)	(302,300)	(249,700)
Translation reserve	20	(801,394)	(134,347)	40,074
Total equity attributable to equity holders of the Company		**6,433,268**	**7,230,948**	**7,681,862**
Non-controlling interests		**739,994**	**806,497**	**814,064**
Total equity		**7,173,262**	**8,037,445**	**8,495,926**
Liabilities				
Non current liabilities				
Deferred tax liabilities	9	1,167,884	1,304,854	1,107,273
Employees' end of service benefits	23	43,114	42,948	45,988
Pension and post-employment benefits	24	104,500	269,400	174,900
Interest bearing loans and borrowings	25	5,196,894	7,474,878	7,420,299
Accounts payable and accruals	26	378,957	346,763	368,152
Total non-current liabilities		**6,891,349**	**9,438,843**	**9,116,612**
Current liabilities				
Income tax liabilities	9	121,724	126,655	84,304
Bank overdrafts	18	49,929	11,500	3,000
Pension and post-employment benefits	24	41,700	45,400	14,500
Interest bearing loans and borrowings	25	172,451	483,091	349,447
Accounts payable and accruals	26	1,048,437	817,602	939,562
Liabilities held for sale	28	—	—	356,193
Total current liabilities		**1,434,241**	**1,484,248**	**1,747,006**
Total liabilities		**8,325,590**	**10,923,091**	**10,863,618**
Total equity and liabilities		**15,498,852**	**18,960,536**	**19,359,544**

The accompanying notes 1 to 34 form an integral part of this historical financial information.

Consolidated statement of changes in equity

	Attributable to equity holders of the Company									
	Share capital	**Share premium**	**Shareholders' reserve**	**Retained earnings**	**Hedging and other reserves**	**Actuarial reserve**	**Translation reserve**	**Total**	**Non-controlling interests**	**Total equity**
					USD'000					
Balance as 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 year:										
Profit for the year	—	—	—	482,214	—	—	—	482,214	48,490	530,704
Other comprehensive income:										
Foreign currency translation differences	—	—	—	—	—	—	(1,344,833)	(1,344,833)	(87,444)	(1,432,277)
Foreign exchange recycled to profit or loss	—	—	—	—	—	—	—	—	—	—
Effective portion of changes in fair value of cash flow hedges, net of tax	—	—	—	—	(82,947)	—	—	(82,947)	—	(82,947)
Net change in fair value of available-for-sale financial assets	—	—	—	—	(9,085)	—	—	(9,085)	—	(9,085)
Defined benefit plan actuarial losses, net of tax	—	—	—	—	—	(106,900)	—	(106,900)	—	(106,900)
Total other comprehensive income	—	—	—	—	(92,032)	(106,900)	(1,344,833)	(1,543,765)	(87,444)	(1,631,209)
Total comprehensive income for the year	**—**	**—**	**—**	**482,214**	**(92,032)**	**(106,900)**	**(1,344,833)**	**(1,061,551)**	**(38,954)**	**(1,100,505)**
Transactions with owners, recorded directly in equity										
Dividends paid	—	—	—	(220,781)	—	—	—	(220,781)	—	(220,781)
Total transactions with owners	**—**	**—**	**—**	**(220,781)**	**—**	**—**	**—**	**(220,781)**	**—**	**(220,781)**
Transactions with non-controlling interests, recorded directly in equity										
Dividends paid	—	—	—	—	—	—	—	—	(30,730)	(30,730)
Goodwill adjustment relating to investment in joint ventures held via subsidiary	—	—	—	—	—	—	—	—	73,867	73,867
Acquisition of non-controlling interests	—	—	—	—	—	—	—	—	(35,673)	(35,673)
Minority interest on acquisition /divestment of subsidiary	—	—	—	—	—	—	—	—	92,833	92,833
Amounts contributed by non-controlling interests									21,476	21,476
Total transactions with non-controlling interests	—	—	—	—	—	—	—	—	121,773	121,773
Balance as at 31 December 2008	**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**

	Attributable to equity holders of the Company									
	Share capital	Share premium	Shareholders' reserve	Retained earnings	Hedging and other reserves	Actuarial reserve	Translation reserve	Total	Non-controlling interests	Total equity
	USD'000									
Balance as 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 year:										
Profit for the year	—	—	—	332,862	—	—	—	332,862	37,207	370,069
Other comprehensive income:										
Foreign currency translation differences	—	—	—	—	—	—	700,919	700,919	23,684	724,603
Foreign exchange recycled to profit or loss	—	—	—	—	—	—	(32,194)	(32,194)	—	(32,194)
Effective portion of changes in fair value of cash flow hedges, net of tax	—	—	—	—	38,743	—	—	38,743	(13,791)	24,952
Net change in fair value of available-for-sale financial assets	—	—	—	—	13,745	—	—	13,745	—	13,745
Defined benefit plan actuarial losses, net of tax	—	—	—	—	—	(149,000)	—	(149,000)	(6,700)	(155,700)
Total other comprehensive income	—	—	—	—	52,488	(149,000)	668,725	572,213	3,193	575,406
Total comprehensive income for the year	**—**	**—**	**—**	**332,862**	**52,488**	**(149,000)**	**668,725**	**905,075**	**40,400**	**945,475**
Transactions with owners, recorded directly in equity:										
Dividends paid	—	—	—	(114,540)	—	—	—	(114,540)	—	(114,540)
Share-based payment transactions	—	—	—	—	2,145	—	—	2,145	—	2,145
Transfer of share based payments of previous year	—	—	—	—	2,145	—	(2,145)	—	—	—
Transfer of other reserves	—	—	—	—	(467)	—	467	—	—	—
Others	—	—	—	—	5,000	—	—	5,000	—	5,000
Total transactions with owners	**—**	**—**	**—**	**(114,540)**	**8,823**	**—**	**(1,678)**	**(107,395)**	**—**	**(107,395)**
Transactions with non-controlling interests, recorded directly in equity										
Dividends paid	—	—	—	—	—	—	—	—	(17,474)	(17,474)
Amounts contributed by non-controlling interests	—	—	—	—	—	—	—	—	43,577	43,577
Total transactions with non-controlling interests	—	—	—	—	—	—	—	—	26,103	26,103
Balance as at 31 December 2009	**1,660,000**	**2,472,655**	**2,000,000**	**1,584,804**	**(49,864)**	**(302,300)**	**(134,347)**	**7,230,948**	**806,497**	**8,037,445**

	Attributable to equity holders of the Company									
	Share capital	Share premium	Shareholders' reserve	Retained earnings	Hedging and other reserves	Actuarial reserve	Translation reserve	Total	Non-controlling interests	Total equity
					USD'000					
Balance as at 1 January 2010	**1,660,000**	**2,472,655**	**2,000,000**	**1,584,804**	**(49,864)**	**(302,300)**	**(134,347)**	**7,230,948**	**806,497**	**8,037,445**
Total comprehensive income for the year:										
Profit for the year	—	—	—	374,807	—	—	—	374,807	76,319	451,126
Other comprehensive income:										
Foreign currency translation differences	—	—	—	—	—	—	173,921	173,921	(9,250)	164,671
Foreign exchange recycled to profit or loss	—	—	—	—	—	—	500	500	—	500
Effective portion of changes in fair value of cash flow hedges, net of tax	—	—	—	—	(24,317)	—	—	(24,317)	(6,678)	(30,995)
Net change in cash flow hedges recycled to consolidated income statement	—	—	—	—	8,974	—	—	8,974	—	8,974
Net change in fair value of available-for-sale financial assets	—	—	—	—	1,139	—	—	1,139	—	1,139
Defined benefit plan actuarial gains, net of tax	—	—	—	—	—	52,600	—	52,600	1,400	54,000
Share in other comprehensive income of equity-accounted investees	—	—	—	—	500	—	—	500	—	500
Total other comprehensive income	—	—	—	—	(13,704)	52,600	174,421	213,317	(14,528)	198,789
Total comprehensive income for the year	**—**	**—**	**—**	**374,807**	**(13,704)**	**52,600**	**174,421**	**588,124**	**61,791**	**649,915**
Transactions with owners, recorded directly in equity:										
Dividends paid	—	—	—	(136,120)	—	—	—	(136,120)	—	(136,120)
Share-based payment transactions	—	—	—	—	(1,090)	—	—	(1,090)	—	(1,090)
Total transactions with owners	**—**	**—**	**—**	**(136,120)**	**(1,090)**	**—**	**—**	**(137,210)**	**—**	**(137,210)**
Transactions with non-controlling interests, recorded directly in equity										
Dividends paid	—	—	—	—	—	—	—	—	(54,834)	(54,834)
Amounts contributed by non-controlling interests	—	—	—	—	—	—	—	—	610	610
Total transactions with non-controlling interests	—	—	—	—	—	—	—	—	(54,224)	(54,224)
Balance as at 31 December 2010	**1,660,000**	**2,472,655**	**2,000,000**	**1,823,491**	**(64,658)**	**(249,700)**	**40,074**	**7,681,862**	**814,064**	**8,495,926**

Consolidated statement of cash flows

	Notes	2008	2009	2010
			USD'000	
Cash flows from operating activities				
Profit for the year		530,704	370,069	451,126
Adjustments for:				
Depreciation, amortisation and impairment	7	483,644	414,217	462,090
Net share of profit of equity-accounted investees		(114,194)	(69,337)	(140,447)
Finance costs	8	350,898	356,728	385,806
Income tax expenses	9	46,632	54,128	53,174
Profit on sale of property, plant and equipment		(1,433)	(4,058)	(866)
Net gain on sale of discontinued operations, net of tax		—	—	—
Net gain on sale of investment in subsidiaries and equity-accounted investees	10	(15,790)	(44,276)	(13,200)
Finance income	8	(76,146)	(85,492)	(89,395)
Gross cash flow from operations		**1,204,315**	**991,979**	**1,108,288**
Change in inventories		(491)	(2,271)	(265)
Change in accounts receivable and prepayments		45,534	(60,580)	69,811
Change in accounts payable and accruals		122,343	(229,958)	169,132
Change in pensions and post employment benefits		(211,308)	(57,886)	10,115
		1,160,393	641,284	1,357,081
Income taxes paid		(91,685)	(68,944)	(82,139)
Net cash from operating activities		**1,068,708**	**572,340**	**1,274,942**
Cash flows from investing activities				
Additions to property, plant and equipment	12	(1,264,951)	(828,234)	(710,126)
Acquisition of land	12	—	—	(191,982)
Proceeds from disposal of property, plant and equipment and port concession rights		38,009	11,755	16,169
Proceeds from sale of investment in subsidiaries and associates		120,939	77,400	16,834
Additions to port concession rights	13	(132,395)	(139,259)	(226,606)
Additions to available-for-sale financial assets		(18,048)	—	—
Interest received		76,146	75,636	79,217
Dividends received from equity-accounted investees		95,726	147,202	137,215
Additional investment in equity-accounted investees		(107,347)	(219,134)	(16,535)
Acquisition of additional interest in subsidiaries		(145,020)	—	—
Acquisition of subsidiaries, net of cash acquired	11	(670,526)	—	—
Loan repaid by/(given to) an equity-accounted investee		—	(40,853)	25,200
Net cash used in investing activities		**(2,007,467)**	**(915,487)**	**(870,614)**
Cash flows from financing activities				
Repayment of interest bearing loans and borrowings		(1,153,930)	(168,215)	(617,517)
Drawdown of interest bearing loans and borrowings		989,126	2,600,020	439,748
Dividend paid to the owners of the Company		(220,781)	(114,540)	(136,120)
Amounts contributed by non-controlling shareholders		21,476	20,786	610
Interest paid		(290,960)	(357,204)	(358,899)
Dividends paid to non-controlling shareholders		(30,730)	(17,474)	(54,834)
Net cash (used in)/from financing activities		**(685,799)**	**1,963,373**	**(727,012)**
Net (decrease)/increase in cash and cash equivalents		(1,624,558)	1,620,226	(322,684)
Cash and cash equivalents as at 1 January		2,875,997	1,154,145	2,898,566
Effect of exchange rate fluctuations on cash held		(97,294)	124,195	(8,366)
Cash and cash equivalents as at 31 December	18	**1,154,145**	**2,898,566**	**2,567,516**
Cash and cash equivalents comprise of the following:				
Bank balances and cash		1,204,074	2,910,066	2,519,616
Cash classified as held for sale		—	—	50,900
Bank overdrafts		(49,929)	(11,500)	(3,000)
Cash and cash equivalents		**1,154,145**	**2,898,566**	**2,567,516**

The accompanying notes 1 to 34 form an integral part of this historical financial information.

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. Reporting entity

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 historical financial information of the Company for the three years ended 31 December 2010 comprise the Company and its subsidiaries (collectively referred to as "**the Group**") and the Group's interests 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 ("**the 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 Dubai International Financial Exchange) with effect from 26 November 2007.

Port & Free Zone World FZE is a wholly owned subsidiary of Dubai World Corporation ("**the 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. Basis of preparation

(a) *Statement of compliance*

This historical financial information have been prepared in accordance with International Financial Reporting Standards "**IFRSs**" as issued by the International Accounting Standards Board "IASB" and the applicable requirements of the laws of Dubai International Financial Centre.

(b) *Basis of measurement*

The historical financial information has been prepared on the historical cost basis except for derivative financial instruments and available for sale financial assets which are measured at fair value.

The methods used to measure fair values are further discussed in note 4.

(c) *Funding and liquidity*

Note 5 sets out the Group's objectives, policies and processes for managing the Group's financial risk including capital management and note 29 provides details of the Group exposure to credit risk, liquidity risk and interest rate risk from financial instruments.

At 31 December 2010, the Group had net debt of USD 5,253,130 thousand (2009: USD 5,059,403 thousand, 2008: USD 4,215,200 thousand). The Group's credit facility covenants are currently well within the covenant limits. The Group generated gross cash of USD 1,108,288 thousand (2009: USD 991,979 thousand, 2008: USD 1,204,315 thousand) from operating activities and its interest cover for the year is 4.2 times (2009: 4 times, 2008: 5 times) (calculated using adjusted EBITDA and net interest expense).

(d) *Functional and presentation currency*

The functional currency of the Company is UAE Dirhams. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

These consolidated financial statements are presented in United States Dollars ("**USD**"), which in the opinion of management is the most appropriate presentation currency in view of the global presence of the Group. All financial information presented in USD is rounded to the nearest thousand.

UAE Dirham is currently pegged to USD and there are no differences on translation from functional to presentation currency.

(e) ***Use of estimates and judgements***

The preparation of consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

(a) *Judgements*

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are as follows:

(i) *Provision for income taxes and deferred tax assets*

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax claims based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(ii) *Impairment of available for sale financial assets*

Equity investments are impaired when an objective evidence of impairment exists. A significant or prolonged decline in fair value of an investment is considered as objective evidence of impairment. The Group considers that generally a decline of 20% will be considered as significant and a decline of over 9 months will be generally considered as prolonged.

(iii) *Fair value of financial instruments*

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as market risk, credit risk and volatility.

(iv) *Contingent liabilities*

There are various factors that could result in a contingent liability being disclosed if the probability of any outflow in settlement is not remote. The assessment of the outcome and financial effect is based upon management's best knowledge and judgement of current facts as at the reporting date.

(b) *Estimates*

Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment within the next financial year are as follows:

(i) *Useful life of property, plant and equipment and port concession rights with finite life*

The useful life of property, plant and equipment and port concession rights with finite life is determined by the Group's management based on their estimate of the period over which an asset or port concession rights is expected to be available for use by the Group. This estimate is reviewed and adjusted if appropriate at each financial year end. This may result in a change in depreciable lives and therefore depreciation expense in future periods.

(ii) *Impairment testing*

The Group determines whether goodwill and port concession rights with indefinite life are impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

(iii) *Impairment of accounts receivable*

An estimate of the collectible amount of accounts receivable is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recovery rates. Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the consolidated income statement.

(iv) *Pension and post employment benefits*

The cost of defined benefit pension plans and other post employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

3. **Significant accounting policies**

The accounting policies set out below have been applied consistently in the period presented in these consolidated financial statements and have been applied consistently by the Group entities.

(a) ***Basis of consolidation***

(i) *Business combinations*

Except for transactions involving entities under common control, where the provisions of IFRS 3, 'Business Combinations' are not applicable, business combinations are accounted for using the acquisition method. This involves recognising identifiable assets (including previously unrecognised port concession rights) and liabilities (including contingent liabilities and excluding future restructuring) of the acquired business at fair value. All acquisition-related costs are expensed.

For transactions involving entities under common control, the carrying value of assets and liabilities are used to account for these transactions.

(ii) *Subsidiaries*

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the no-controlling interests even if doing so causes the non controlling interests to have a deficit balance.

(iii) *De-recognition of subsidiaries*

Gains or losses arising from de-recognition of subsidiaries are measured as the difference between the net disposal proceeds and the carrying amount of the subsidiary and are recognised in the consolidated income statement when the subsidiary is de-recognised.

(iv) *Accounting for acquisitions of non-controlling interests*

Acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

(v) *Special purpose entities*

The Group has established DP World Sukuk Limited (a limited liability company incorporated in the Cayman Islands) as a special purpose entity ("**SPE**") for the issue of Sukuk Certificates. These certificates are listed on NASDAQ Dubai. The Group does not have any direct or indirect shareholdings in this entity. An SPE is consolidated based on an evaluation of the substance of its relationship with the Group and based on the SPE's risks and rewards; the Group concludes that it controls the SPE. The SPE controlled by the Group was established under terms that impose strict limitations on the decision-making powers of the SPE's management and that result in the Group receiving the majority of the benefits related to the SPE's operations and net assets, being exposed to risks incident to the SPE's activities, and retaining the majority of the residual or ownership risks related to the SPE or its assets.

(vi) *Investments in associates and joint ventures (equity-accounted investees)*

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Investment in associates and joint ventures are accounted for using the equity method (equity-accounted investees) and are initially recorded at cost. The Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Group's share of the income and expenses of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. The transactions between the Group and associates and joint ventures are made at normal market prices.

(vii) *Loss of control*

On the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the consolidated income statement. If the Group retains any interest in the previous subsidiary, then such interest is re-measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(viii) *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from the transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) ***Foreign currency***

(i) *Foreign currency transactions*

These consolidated financial statements are presented in USD, which is the Group's presentation currency. Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured at historical cost are translated to the functional currency using the exchange rate at the date of transaction. Foreign currency differences arising on retranslation of monetary items are recognised in the consolidated income statement, except for differences arising on the retranslation of available-for-sale equity instruments, of a financial liability designated as a hedge of the net investment in a foreign operation, or qualifying cash flow hedges, which are recognised directly in other comprehensive income (refer to note 3b (iii)).

(ii) *Foreign operations*

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to USD at exchange rates at the reporting date. The income and expenses of foreign operations are translated to USD at rates approximating to the foreign exchange rates ruling at the date of the transactions. Foreign exchange differences arising on translation are recognised in other comprehensive income and presented in the translation reserve in equity.

When a foreign operation is disposed such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to consolidated income statement as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to consolidated income statement.

Foreign exchange gains and losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in equity.

(iii) *Hedge of net investment in foreign operation*

Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in foreign operation are recognised in other comprehensive income, to the extent that the hedge is effective. To the extent that the hedge is ineffective, such differences are recognised in the consolidated statement of comprehensive income. When the hedged part of a net investment is disposed off, the associated cumulative amount in other comprehensive income is transferred to the consolidated income statement on disposal.

(c) ***Financial instruments***

(i) *Non-derivative financial assets*

Initial recognition and measurement:

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held to maturity financial assets, loans and receivables and available-for-sale financial assets. The Group determines the classification of its financial assets at initial recognition.

All non-derivative financial assets are recognised initially at fair value, plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs.

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group's non-derivative financial assets comprise investments in an unquoted infrastructure fund, debt securities, bank balances and cash, trade and other receivables, due from related parties and cash and cash equivalents.

Subsequent measurement:

The subsequent measurement of non derivative financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Group's documented risk management or investment strategy. Attributable transaction costs are recognised in the consolidated income statement as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in consolidated income statement.

Held to maturity financial assets

If the Group has a positive intent and ability to hold debt securities to maturity, then these are classified as held-to-maturity. Subsequent to initial recognition held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance cost in the consolidated income statement. Gains and losses are also recognised in the consolidated income statement when these financial assets are derecognised.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest rate method, less any impairment losses. Loans and receivables comprise bank balances and cash and trade and other receivables.

Bank balances and cash

Bank balances and cash in the statement of financial position comprise cash in hand, bank balances and short-term deposits under lien with an original maturity of three months or less.

For the purpose of consolidated statement of cash flows, cash and cash equivalents consist of bank balances and cash as defined above and cash classified as held for sale, net of bank overdrafts. Bank overdrafts forms an integral part of the Group's cash management and is included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

Available-for-sale investments

Available-for-sale financial assets comprise equity securities. Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets. Subsequent to initial recognition these are measured at fair value and changes therein are recognised in other comprehensive income and presented in the other reserves in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to the consolidated income statement.

De-recognition of non derivative financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

(ii) *Non-derivative financial liabilities*

Initial recognition and measurement:

The Group classifies non-derivative financial liabilities into the following categories: financial liabilities at fair value through profit or loss and other financial liabilities. Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables. The Group determines the classification of its financial liabilities at initial recognition.

All non-derivative financial liabilities are recognised initially at fair value and in the case of other financial liabilities, plus, directly attributable transaction costs.

The Group initially recognises debt securities issued and subordinated liabilities on the date they originate. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

Subsequent measurement:

The subsequent measurement of non derivative financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

A financial liability is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IAS 39. Financial liabilities at fair value through profit or loss are measured at fair value, and changes therein are recognised in consolidated income statement.

Other financial liabilities

Subsequent to initial recognition, these financial liabilities are measured at amortised cost using effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the consolidated income statement.

Fees paid on the establishment of loan facilities are recognised as transaction costs to the extent there is evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Derecognition of non derivative financial liabilities

The Group derecognise a financial liability when its contractual obligation are discharged or cancelled or expires.

(iii) *Derivative financial instruments*

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. On initial designation of the derivatives as the hedging instrument, the Group formally documents the relationship between the hedging instrument and hedged item, including the risk management objective and strategy in undertaking the hedge transaction and hedged risk together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be "highly effective" in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk, and whether the actual results of each hedge are within the acceptable range.

Derivatives are recognised initially at fair value and attributable transaction costs are recognised in the income statement when incurred. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivative instruments that are not designated as hedging instruments in hedge relationships as defined by IAS 39 are classified as financial liabilities or assets at fair value through profit or loss.

Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below:

Cash flow hedges

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss then such hedges are classified as cash flow hedges.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised directly in the other comprehensive income to the extent that the hedge is effective and presented in the hedging reserve in the equity.

When the hedged item is a non-financial asset, the amount recognised in other comprehensive income is transferred to the carrying amount of the asset when it is recognised. In other cases the amount recognised in other comprehensive income is transferred to consolidated income statement in the same period that the hedged item affects the income statement. Any ineffective portion of changes in fair value of the derivative is recognised immediately in the consolidated income statement. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in other comprehensive income remains there until the forecast transaction occurs.

(iv) *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to on a net basis, or to realise the assets and settle the liability simultaneously.

(d) ***Property, plant and equipment***

(i) *Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses (refer to the accounting policy on impairment).

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed asset includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the cost of dismantling and removing the items and restoring the site on which they are located. Borrowing costs that are directly attributable to acquisition, construction or production of an asset are included in the cost of that asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and recognised within 'other income' in the consolidated income statement.

Capital work-in-progress

Capital work-in-progress is measured at cost less impairment losses and not depreciated until such time the assets are ready for intended use and transferred to the respective category under property, plant and equipment.

Dredging

Dredging expenditure is categorised into capital dredging and major maintenance dredging. Capital dredging is expenditure which includes creation of a new harbour, deepening or extension of the channel berths or waterways in order to allow access to larger ships which will result in future economic benefits for the Group. This expenditure is capitalised and amortised over the expected period of the relevant concession agreement. The expenditure is also capitalised under port concession rights due to application of IFRIC 12 '*Service Concession Arrangements*'.

Major maintenance dredging is expenditure incurred to restore the channel to its previous condition and depth. On an average, the Group incurs such expenditure every 10 years. At the completion of maintenance dredging, the channel has an average service potential of 10 years. Any unamortised expense is written-off on commencing of any new dredging activities. Maintenance dredging is regarded as a separate component of the asset and is capitalised and amortised evenly over 10 years.

(ii) *Subsequent costs*

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amounts of the replaced parts are derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the consolidated income statement as incurred.

(iii) *Depreciation*

Depreciation is recognised in the consolidated income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment is based on cost less residual value.

Dredging costs are depreciated on a straight line basis based on the lives of various components of dredging.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. No depreciation is provided on freehold land.

The estimated useful lives are as follows:

Assets	**Useful life (years)**
Buildings	5–50
Plant and equipment	3–25
Ships	10–35
Dredging	10–99

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if required.

(e) ***Goodwill***

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures. Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative (negative goodwill), it is recognised immediately in the consolidated income statement.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses (refer to accounting policy on impairment).

In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and is not tested for impairment separately.

(f) ***Port concession rights***

The Group considers port concession rights as intangible assets. Substantially all of the Group's terminal operations are conducted pursuant to long-term operating concessions or leases entered into with the owner of a relevant port for terms generally between 25 and 50 years. The Group commonly starts negotiations regarding renewal of concession agreements with approximately 5–10 years remaining on the term and often obtains renewals or extensions on the concession agreements in advance of their expiration in return for a commitment to make certain capital expenditures in respect of the subject terminal. In addition, such negotiations may result in the re-basing of rental charges to reflect prevailing market rates.. However, based on the Group's experience, incumbent operators are typically granted renewal often because it can be costly for a port owner to switch operators, both administratively and due to interruptions to port operations and reduced productivity associated with such transactions. Port concession rights comprises of:

(i) *Port concession rights arising on business combinations*

The cost of port concession rights acquired in a business combination is the fair value as at the date of acquisition. Other port concession rights acquired separately are measured on initial recognition at cost.

Following initial recognition, port concession rights are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated port concession rights, excluding capitalised development costs, are recognised in the consolidated income statement as incurred. The useful lives of port concession rights are assessed to be either finite or indefinite.

Port concession rights with finite lives are amortised on a straight line basis over the useful economic life and assessed for impairment whenever there is an indication that the port concession rights may be impaired. Port concession rights with indefinite lives are not amortised and tested for impairment at least on an annual basis.

The amortisation period and amortisation method for port concession rights with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on port concession rights with finite useful lives is recognised in the consolidated statement of income on a straight line basis in the expense category consistent with the function of port concession rights.

(ii) *Port concession rights arising from Service Concession Arrangements (IFRIC 12)*

The Group recognises port concession rights arising from a service concession arrangement, in which the public sector (the grantor) controls or regulates the services provided and the prices charged, and also controls any significant residual interest in the infrastructure such as property, plant and equipment, if the infrastructure is existing infrastructure of the grantor or the infrastructure is constructed or purchased by the Group as part of the service concession arrangement.

Port concession rights with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such port concession rights are not amortised. The useful life of port concession rights with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of a port concession rights are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement when the asset is de-recognised.

The estimated useful lives for port concession rights range within a period of 5–78 years (including the concession rights relating to associates and joint ventures).

Port concession rights also include certain property, plant and equipment which are reclassified as intangible assets in accordance with IFRIC 12 'Service Concession Arrangements'. These assets are amortised based on the lower of their useful lives or concession period.

(g) ***Inventories***

Inventories mainly consist of spare parts and consumables. Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on weighted average method and includes expenditure incurred in acquiring inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(h) ***Leases***

(i) *Group as a lessee*

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are recognised in the consolidated income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance lease. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Contingent payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(ii) *Group as a lessor*

Leases where the Group retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as income in the period in which they are earned.

(iii) *Leasing and sub-leasing transactions*

A series of leasing and sub-leasing transactions between the Group and third parties, which are closely interrelated, negotiated as a single transaction, and which take place concurrently or in a continuous sequence are considered linked and accounted for as one transaction when the overall economic effect cannot be understood without reference to the series of transactions as a whole.

These leasing and sub-leasing transactions are designed to achieve certain benefits for the third parties in overseas locations in return for a cash benefit to the Group. Such cash benefit is accounted in the consolidated income statement based on its economic substance. Under these leasing and sub-leasing transactions, current and non-current liabilities have been decreased by the loan receivable and the placement of deposits. Those liabilities, receivables and deposits (and income and charges arising therefrom) are netted off in the consolidated financial statements, in order to reflect the overall commercial effect of the arrangement.

(iv) *Leases of land in concession arrangements*

A land lease with a lease term of several decades or longer may be classified as a finance lease, even if at the end of the lease term title will not pass to the lessee, because in such arrangements substantially all risks and rewards are transferred to the lessee and the present value of the residual value of the leased asset is considered negligible. The lessee in leases of this type will typically be in a position economically similar to that of the buyer.

(i) ***Impairment***

(i) *Financial assets*

(a) *Loans and receivables and held to maturity investments*

The Group considers evidence of impairment for loans and receivables and held to maturity investment securities at both a specific asset level and collective level. All individually significant receivables and held to maturity investment securities are assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are recognised in consolidated income statement and reflected in an allowance account against loans and receivables or held to maturity investments. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through consolidated income statement.

(b) *Available for sale financial assets*

For available-for-sale financial investments, the Group assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired. A significant or prolonged decline in fair value of an equity investment is considered as an objective evidence of impairment. The Group considers that generally a decline of 20% will be considered as significant and a decline of over 9 months will be generally considered as prolonged.

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the other reserve in equity to consolidated income statement. The cumulative loss that is reclassified from equity to the consolidated income statement is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in the consolidated income statement. Any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

(ii) *Non-financial assets*

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets are reviewed for impairment whenever there is an indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

For goodwill and port concession rights that have indefinite lives or that are not yet available for use, recoverable amount is estimated annually and when circumstances indicate that carrying value may be impaired. Goodwill acquired in business combination is allocated to groups of cash generating unit that are expected to benefit from the synergies of the combination. An impairment loss in respect of goodwill is not reversed.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount, which would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) ***Assets held for sale***

Assets (or disposal groups comprising assets and liabilities) which are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets (or components of a disposal group) are re-measured in accordance with the Group's accounting policies. Thereafter, generally the assets (or disposal group) are measured at the lower of their carrying amount or fair value less costs to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and employee benefit assets which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on re-measurement are recognised in the consolidated income statement. Gains are not recognised in excess of any cumulative impairment loss.

Port concession rights and property, plant and equipment once classified as held for sale or distribution are not amortised or depreciated. In addition, equity accounting of equity-accounted investees ceases once classified as held for sale.

(k) ***Share capital***

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Any excess payment received over par value is treated as share premium.

(l) ***Employee benefits***

(i) *Employee benefits in UAE*

The Group provides end of service benefits to its expatriate employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

With respect to its UAE national employees, the Group makes a provision for contributions to be made to the UAE Pensions Authority calculated as a percentage of the employees' salaries. The Group's obligations are limited to these contributions, which are expensed when due.

(ii) *Pension and post-employment benefits outside UAE*

The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine the present value, and the fair value of any plan assets is deducted. The calculation is performed by a qualified actuary using the projected unit credit method. The discount rate is the yield at the reporting date on AA credit rated bonds that have maturity dates approximating to the terms of the Group's obligations.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the consolidated income statement on a straight line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the consolidated income statement.

Actuarial gains and losses that arise in calculating the Group's obligation in respect of a plan are recognised in the period in which they arise directly in other comprehensive income. The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligation) and is based on actuarial advice.

Contributions, including lump sum payments, in respect of defined contribution pension schemes and multi employer defined benefit schemes where it is not possible to identify the Group's share of the scheme, are charged to the consolidated income statement as they fall due.

(iii) *Long-term service benefits outside UAE*

The Group's net obligation in respect of long-term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on AA credit rated bonds that have maturity dates approximating to the terms of the Group's obligations.

(iv) *Share-based payment transactions*

The grant date fair value of equity settled share-based payment awards granted to employees is recognised by the Group as an expense with a corresponding increase in equity over the period that the employees become unconditionally entitled to payment, on a straight line basis.

(m) ***Provisions***

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost in the consolidated income statement.

A provision for an onerous contract is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

(n) ***Revenue***

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Revenue mainly comprises of containerised stevedoring and other containerised revenue. Non containerised revenue mainly includes logistic and storage services. The following specific recognition criteria must also be met before revenue is recognised:

Rendering of services

Revenue from the rendering of containerised stevedoring and other containerised services is recognised on the delivery of those services, once the relevant throughput has taken place (completion of the shipping or transport operation).

For logistics storage, revenue is recognised over the period during which storage is provided and for its handling and transport operations on completion of service.

Service concession arrangements

Revenues relating to construction contracts which are entered into with local authorities for the construction of the infrastructure necessary for the provision of services are measured at the fair value of the consideration received or receivable.

(o) ***Finance income and expense***

Finance income comprises interest income on funds invested and gains on hedging instruments that are recognised in the consolidated income statement. Interest income is recognised as it accrues, using the effective interest method.

Finance costs comprises interest expense on borrowings, unwinding of the discount on provisions, impairment losses recognised on financial assets and losses on hedging instruments that are recognised in the consolidated income statement.

Finance income and expense also include realised exchange gains and losses.

(p) ***Income tax***

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the consolidated income statement except to the extent that it relates to a business combination, or items recognised directly in other comprehensive income. Income tax expense also includes any interest, fines and penalties payable to tax authorities.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income. It also includes any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- the temporary differences arising on the initial recognition of goodwill and the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- the temporary differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and deferred tax liabilities are offset, if there is a legally enforceable right to offset current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority or different taxable entities where there is an intention to settle the balance on a net basis.

(q) ***Discontinued operations***

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed or is held for sale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative consolidated income statement and consolidated statement of comprehensive income is restated as if the operation had been discontinued from the start of the comparative period.

In the consolidated income statement of the reporting period, and of the comparable period of the previous year, income and expenses from discontinued operations are reported separately from income and expenses from continuing operations, down to the level of profit after taxes, even when the Group retains a non-controlling interest in the subsidiary after the sale. The resulting profit or loss (after taxes) is reported separately in the consolidated income statement and disclosed in the notes to the consolidated financial statements.

(r) ***Earnings per share***

The Group presents basic earnings per share ("**EPS**") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(s) ***Segment reporting***

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Board of Directors to assess performance.

Segment results that are reported to the Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily Company's head office), head office expenses and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and port concession rights other than goodwill.

(t) ***Separately disclosed items***

The Group presents, as separately disclosed items on the face of the consolidated income statement, those items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, merit separate presentation to allow users to understand better the elements of financial performance in the period, so as to facilitate a comparison with prior periods and a better assessment of trends in financial performance.

(u) ***New standards and interpretations not yet effective***

A number of new standards, amendments to standards and interpretations are not yet effective for annual periods presented, and have not been applied in preparing these consolidated financial statements. Comments on significant new standard and amendment are as follows:

- IFRS 9—Financial Instruments (2009 and 2010)—The standard is effective for annual periods beginning on or after 1 January 2013 and will change the classification and measurement of financial assets.

Management anticipate that the above standard and interpretation will be adopted by the Group to the extent applicable to them from their effective dates. The extent of the impact on adoption of these standards, amendments and interpretations has not been determined.

(v) ***New standards and interpretations early adopted***

The Group has opted to early adopt the revised IAS 24 Related Parties (2008) in so far as it pertains to government related entities. The revised IAS 24 provides some relief from the disclosure requirements of IAS 24 in relation to government entities. The impact of the early adoption does not impact the current disclosure provided by the entity.

4. **Determination of fair values**

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) ***Property, plant and equipment***

The fair value of property, plant and equipment recognised as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The market value of items of plant, equipment, fixtures and fittings is based on the quoted market prices for similar items.

(ii) ***Port concession rights***

Port concession rights acquired in a business combination are accounted at their fair values. The fair value is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

(iii) ***Investments in debt securities and available-for-sale financial assets***

The fair values of equity and debt securities are determined by reference to their quoted closing bid price at the reporting date. The fair value of the unquoted infrastructure investment fund classified as available-for-sale is based on the independent valuation of the fund. The fair value of investments in unquoted bonds is determined based on the discounted cash flows at a market related discount rate. The fair value of debt securities held to maturity is determined for disclosure purpose only.

(iv) ***Trade and other receivables/payables***

The fair value of trade and other receivables and trade and other payables approximates to book value due to the short term maturity of these instruments.

(v) ***Derivatives***

The fair value of forward exchange contracts and interest rate swaps is based on the bank quotes at the reporting dates.

(vi) ***Non-derivative financial liabilities***

Fair value for quoted bonds is based on their clean market price as at the reporting date. Other loans include term loans and finance leases. These are largely at variable interest rates and therefore, the book value normally equates to the fair value.

The fair value of bank balances and cash and bank overdrafts approximates to the book value due to the short term maturity of these instruments.

5. **Financial risk management**

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout this historical financial information.

Risk management framework

The Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

(a) ***Credit risk***

Credit risk is the risk of financial loss to the Group if a customer fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, due from related parties and investment securities.

Trade and other receivables

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures and are required to submit financial guarantees based on their creditworthiness. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets after taking into account the impact of the current global financial crisis on the Group's major customers.

Other financial assets

Credit risk arising from other financial assets of the Group comprises cash and cash equivalents and certain derivative instruments. The Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Group manages its credit risks with regard to bank deposits, throughout the Group, through a number of controls, which include assessing the credit rating of the bank either from public credit ratings, or internal analysis where public data is not available and consideration of the support for financial institutions from their central banks or other regulatory authorities.

Financial guarantees

The Group's policy is to consider the provision of a financial guarantee to wholly-owned subsidiaries, where there is a commercial rationale to do so. Guarantees may also be provided to associates and joint ventures in very limited circumstances and always only for the Group's share of the obligation. The provision of guarantees always requires the approval of senior management.

(b) ***Liquidity risk***

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank facilities and by ensuring adequate internally generated funds. The Group's terms of business require amounts to be paid within 60 days of the date of provision of the service. Trade payables are normally settled within 45 days of the date of purchase.

(c) ***Market risk***

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parametres, while optimising the return.

The Group buys and sells derivatives and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the Board of Directors in the Group Treasury policy. Generally, the Group seeks to apply hedge accounting in order to manage the volatility in the consolidated income statement.

(i) *Currency risk*

The proportion of the Group's net operating assets denominated in foreign currencies (i.e. other than the functional currency of the Company, UAE Dirhams) is approximately 71% (2009: 86%, 2008: 84%) with the result that the Group's USD consolidated statement of financial position, and in particular owner's equity, can be affected by currency movements when it is retranslated at each period end rate. The Group partially mitigates the effect of such movements by borrowing in the same currencies as those in which the assets are denominated and using cross currency swaps. The impact of currency movements on operating profit is partially mitigated by interest costs being incurred in foreign currencies. The Group operates in some locations where the local currency is fixed to the Group's reporting currency of USD further reducing the risk of currency movements.

Interest on borrowings is denominated in the currency of the borrowings. Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying foreign operations of the Group. This provides an economic hedge without derivatives being entered into and therefore hedge accounting is not applied in these circumstances.

A portion of the Group's activities generate part of their revenue and incur some costs outside their main functional currency. Due to the diverse number of locations in which the Group operates there is some natural hedging that occurs within the Group. When it is considered that currency volatility could have a material impact on the results of an operation, hedging using forward foreign currency contracts, is undertaken to reduce the short-term effect of currency movements.

When the Group's businesses enter into capital expenditure or lease commitments in currencies other than their main functional currency, these commitments are hedged in most instances using forward contracts and currency swaps in order to fix the cost when converted to the functional currency. The Group classifies its forward exchange contracts hedging forecast transactions as cash flow hedges and states them at fair value.

(ii) *Interest rate risk*

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with a fixed/ floating interest rate and bank deposits. The Group issued two fixed rate bonds, a 10 year Sukuk with a profit rate of 6.25% and a 30 year Medium Term Note with a coupon of 6.85% which collectively represents USD 3,250,000 thousand of the Group's year end outstanding debt.

Approximately USD 4,172,700 thousand (2009: USD 4,315,094 thousand, 2008: USD 1,133,514 thousand) of the Group's interest bearing loans and borrowings comprising US Dollar, Great British Pound, Indian Rupee, Australian and Canadian Dollar borrowings carried interest at floating rates. The Group's policy is to manage its interest cost by entering into interest rate swap agreements, in which the Group agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. These swaps are designated to hedge underlying debt obligations.

At 31 December 2010, after taking into account the effect of interest rate swaps, approximately 70% (2009: 70%, 2008: 78%) of the Group's borrowings are at a fixed rate of interest.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as net operating profit attributable to the equity shareholders divided by total shareholders' equity.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

6. **Segment information**

Based on the internal management reports that are reviewed by the Board of Directors based on the location of the Group's assets and liabilities, the Group has identified the following geographic areas as its basis of segmentation.

- Asia Pacific and Indian subcontinent
- Australia and Americas
- Middle East, Europe and Africa

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's Board of Directors.

The following table presents certain results, assets and liabilities information regarding the Group's geographical segments as at the reporting date.

	Asia Pacific and Indian subcontinent			Australia and Americas			Middle East, Europe and Africa			Head office			Inter-segment			Total		
	2008	**2009**	**2010**	**2008**	**2009**	**2010**	**2008**	**2009**	**2010**	**2008**	**2009**	**2010**	**2008**	**2009**	**2010**	**2008**	**2009**	**2010**
									USD'000									
Revenue from operations	516,963	584,775	571,740	756,810	596,299	875,474	2,009,347	1,748,155	1,741,727	—	—	—	—	—	—	3,283,120	2,929,229	3,188,941
Segment results from operations*	59,399	188,018	157,913	183,208	74,636	169,154	727,666	523,166	556,919	(164,817)	(144,515)	(136,449)	—	—	—	805,456	641,305	747,537
Finance income	—	—	—	—	—	—	—	—	—	76,146	85,492	89,395	—	—	—	76,146	85,492	89,395
Finance costs (net)	—	—	—	—	—	—	—	—	—	(350,898)	(356,728)	(385,806)	—	—	—	(350,898)	(356,728)	(385,806)
Profit/(loss) for the year	**59,399**	**188,018**	**157,913**	**183,208**	**74,636**	**169,154**	**727,666**	**523,166**	**556,919**	**(439,569)**	**(415,751)**	**(432,860)**	**—**	**—**	**—**	**530,704**	**370,069**	**451,126**

* Segment results from operations comprise profit for the year before net finance cost.

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

	Asia Pacific and Indian subcontinent			Australia and Americas			Middle East, Europe and Africa			Head office			Inter-segment			Total		
	2008	**2009**	**2010**	**2008**	**2009**	**2010**	**2008**	**2009**	**2010**	**2008**	**2009**	**2010**	**2008**	**2009**	**2010**	**2008**	**2009**	**2010**
									USD'000									
Segment assets	5,102,918	5,224,976	5,344,059	2,549,813	3,155,830	3,755,601	7,593,957	8,518,785	8,443,788	7,176,059	9,548,960	9,517,703	(6,923,895)	(7,488,015)	(7,701,607)	15,498,852	18,960,536	19,359,544
Segment liabilities	306,689	341,912	417,988	189,873	235,082	513,349	1,003,621	1,064,811	1,302,420	5,993,780	8,592,321	8,388,042	(457,973)	(742,544)	(949,758)	7,035,990	9,491,582	9,672,041
Tax liabilities*	—	—	—	—	—	—	—	—	—	1,289,608	1,431,509	1,191,577	—	—	—	1,289,608	1,431,509	1,191,577
Total liabilities	306,689	341,912	417,988	189,873	235,082	513,349	1,003,621	1,064,811	1,302,420	7,283,388	10,023,830	9,579,619	(457,973)	(742,544)	(949,758)	8,325,598	10,923,091	10,863,618
Capital expenditure	171,297	214,753	241,020	240,719	178,525	244,187	982,330	516,710	448,403	3,000	57,505	3,122	—	—	—	1,397,346	967,493	936,732
Acquisition of land	—	—	—	—	—	—	—	—	191,982	—	—	—	—	—	—	—	—	191,982
Depreciation	19,749	25,451	36,465	55,611	55,630	77,087	143,477	182,672	181,170	1,900	3,002	4,338	—	—	—	220,737	266,755	299,060
Amortisation/impairment	65,018	51,970	62,568	38,168	33,182	45,311	47,721	62,310	55,151	—	—	—	—	—	—	150,907	147,462	163,030
Share of profit/(loss) of equity accounted investees before separately disclosed items	57,134	48,393	95,763	28,494	23,831	34,800	30,566	(917)	9,640	—	—	—	—	—	—	116,194	71,307	140,203
Tax expense	—	—	—	—	—	—	—	—	—	46,632	55,128	53,174	—	—	—	46,632	55,128	53,174

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

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

	Asia Pacific and Indian subcontinent			Australia and Americas			Middle East, Europe and Africa			Head office			Inter-segment			Total		
	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010
	USD'000																	
Revenue before separately disclosed items	516,963	476,563	460,875	756,810	596,299	875,474	2,009,347	1,748,155	1,741,727	—	—	—	—	—	—	3,283,120	2,821,017	3,078,076
Profit/(loss) for the year	59,399	188,018	157,913	183,208	74,636	169,154	727,666	523,166	556,919	(439,569)	(415,751)	(432,860)	—	—	—	530,704	370,069	451,126
Adjusted for separately disclosed items	127,936	(16,074)	(2,200)	(36,300)	(25,578)	(16,449)	2,800	7,874	—	(4,373)	(3,628)	17,583	—	—	—	90,063	(37,406)	(1,066)
Adjusted net profit/(loss) for the year	187,335	171,944	155,713	146,908	49,058	152,705	730,466	531,040	556,919	(443,942)	(419,379)	(415,277)	—	—	—	620,767	332,663	450,060
Finance income	—	—	—	—	—	—	—	—	—	(76,146)	(72,950)	(89,395)	—	—	—	(76,146)	(72,950)	(89,395)
Finance costs (net)	—	—	—	—	—	—	—	—	—	343,245	356,728	368,223	—	—	—	343,245	356,728	368,223
Tax expense	—	—	—	—	—	—	—	—	—	80,332	54,441	53,174	—	—	—	80,332	54,441	53,174
Depreciation and amortisation	84,767	75,638	99,033	93,779	88,812	118,698	191,198	234,108	236,321	1,900	3,002	4,338	—	—	—	371,644	401,560	458,390
EBITDA (Adjusted)	272,102	247,582	254,746	240,687	137,870	271,403	921,664	765,148	793,240	(94,611)	(78,158)	(78,937)	—	—	—	1,339,842	1,072,442	1,240,452

7. (a) **Revenue from operations**

	2008	2009	2010
		USD'000	
Revenue from operations comprise of:			
Containerised stevedoring	1,613,688	1,425,255	1,606,914
Containerised other revenue	873,142	855,281	905,503
Non-containerised revenue	796,290	540,481	565,659
Service concession revenue	—	108,212	110,865
	3,283,120	2,929,229	3,188,941

The Group does not have revenue from transactions with any customers exceeding 10 per cent of the Group's revenue.

(b) **Profit for the year**

	2008	2009	2010
		USD'000	
Profit for the year is stated after charging the following costs:			
Staff costs	630,410	654,043	674,577
Depreciation, amortization and impairment	483,644	414,217	462,090
Operating leases	302,090	287,610	296,618

8. **Finance income and expenses**

	2008	2009	2010
		USD'000	
Financial income			
Interest income	57,068	71,392	82,405
Exchange gains	13,878	14,100	6,590
Other net financing income in respect of pension plans	5,200	—	400
	76,146	85,492	89,395
Financial expenses			
Interest payable	(348,786)	(353,628)	(368,547)
Exchange losses	(2,112)	—	(13,059)
Other net financing expense in respect of pension plans	—	(3,100)	(4,200)
	(350,898)	(356,728)	(385,806)
Net finance costs	**(274,752)**	**(271,236)**	**(296,411)**

9. **Income tax**

The major components of income tax expense for each year:

	Before separately disclosed item 2008	Total 2008	Before separately disclosed item 2009	Total 2009	Before separately disclosed item 2010	Total 2010
			USD'000			
Current income tax expense						
Current year	114,517	74,517	57,149	57,149	47,125	47,125
Adjustment for prior periods	37,055	37,055	28,270	28,270	2,791	2,791
	151,572	111,572	85,419	85,419	49,916	49,916
Deferred tax expense	(71,240)	(64,940)	(30,978)	(31,291)	3,258	3,258
Total income tax expense (excluding capital gain tax on sale/termination of business)	80,332	46,632	54,441	54,128	53,174	53,174
Share of income tax of equity accounted investees	28,243	28,243	12,509	12,509	37,111	37,111
Total tax charges during the year (excluding capital gain tax)	108,575	74,875	66,950	66,637	90,285	90,285

All tax items included within separately disclosed items are detailed in note 10.

The Group is not subject to income tax on its UAE operations. The tax expense relates to the tax payable on the profit earned by the overseas subsidiaries, associates and joint ventures as adjusted in accordance with the taxation laws and regulations of the countries in which they operate. The applicable tax rates in the regions in which the Group operates are set out below:

	Applicable corporate tax rate		
Geographical segments	**2008**	**2009**	**2010**
Asia Pacific and Indian subcontinent	17.50% to 35.00%	17.50% to 35.00%	16.5% to 35.0%
Australia and Americas	20.50% to 35.00%	20.50% to 35.00%	25.0% to 35.0%
Middle East, Europe and Africa	0% to 35%	0% to 35%	0% to 34.0%

The relationship between the tax expense and the accounting profit can be explained as follows:

	Before separately disclosed item 2008	Total 2008	Before separately disclosed item 2009	Total 2009	Before separately disclosed item 2010	Total 2010
			USD'000			
Profit for the year	620,767	530,704	332,663	370,069	450,069	451,126
Less: profit on sale/termination of business	—	(15,790)	—	(44,276)	—	(13,200)
Add: income tax charge	80,332	46,632	54,441	54,128	53,174	53,174
Add: share of income tax of equity accounted investees	28,243	28,243	12,509	12,509	37,111	37,111
Accounting profit before income tax	729,342	589,789	399,613	392,430	540,345	528,211
At the UAE applicable tax rate of 0%	—	—	—	—		
Effect of higher tax rates in other jurisdictions	108,575	74,875	66,950	66,637		
Effective tax rate based on accounting profit	14.9%	12.7%	16.8%	17.0%		

(Total income tax expense/profit before income tax charge)

The effective tax rate takes into account tax on equity accounted investees in the current and prior year.

Deferred income tax

Deferred income tax relates to the following:

	Statement of financial position 2008	Income statement 2008	Statement of financial position 2009	Income statement 2009	Statement of financial position 2010	Income statement 2010
			USD'000			
Deferred tax liability						
Depreciation for property, plant and equipment	46,387	(125)	116,912	4,618	139,737	18,628
Investment in equity accounted investees	41,468	600	14,275	7,631	17,232	3,350
Fair value adjustment on acquisitions	719,811	(45,519)	777,271	(27,407)	521,171	(44,120)
Financial instruments	—	—	1,735	—	2,219	—
Others	360,218	11,000	394,661	184	426,914	2,690
Total	1,167,884		1,304,854		1,107,273	
Deferred tax assets						
Depreciation for property, plant and equipment	257	—	9,946	9,689	4,597	(5,281)
Employee's end of service benefits	21,114	(393)	26,484	(14,713)	12,190	902
Deferred financing charges	—	—	29,327	13,272	1,213	(24,228)
Provisions	—	2,265	3,696	(1,180)	2,952	(6,957)
Tax value of losses carried forward	1,065	(39,335)	27,597	9,078	48,061	8,379
Others	7,750	6,567	6,389	171	17,372	4,475
Total	30,186		103,439		86,385	
Current income tax liabilities	**121,724**		**126,655**		**84,304**	

Movement in temporary differences during the year:

	Amount as at 1 January 2008	Recognised in income statement	Included in discontinued operations and assets held for sale	Translation and other movements	Amount as at 31 December 2008
			USD'000		
Deferred tax liability					
Accelerated depreciation for tax purposes	104,523	(125)	(40,664)	(17,347)	46,387
Investment in equity accounted investees	42,143	600	1,538	(2,813)	41,468
Unrepatriated foreign earnings of subsidiaries . .	15,593	—	—	—	15,593
Fair value adjustment on acquisitions	879,429	(45,519)	—	(114,099)	719,811
Others	(3,413)	11,000	394,175	—	401,762
Tax liabilities netted off against tax assets	(46,985)	—	—	(10,152)	(57,137)
Total	**991,290**	**(34,044)**	**355,049**	**(144,411)**	**(1,167,884)**
Deferred tax assets					
Decelerated depreciated for tax purposes	257	—	—	—	257
Prepaid inventories	246	(15)	—	2	233
Employees' end of service benefits	30,041	393	—	(9,320)	21,114
Provisions.	16,499	(2,265)	(880)	(750)	12,604
Tax value of losses carried forward recognised	13,696	39,335	—	(7,666)	45,365
Others	9,735	(6,552)	3,455	1,112	7,750
Tax liabilities netted off against tax assets	(46,985)	—	—	(10,152)	(57,137)
Total	**23,489**	**30,896**	**2,575**	**26,774**	**30,186**

Movement in temporary differences during the year:

	Amount as at 1 January 2009	Reclassifications*	Recognised in income statement	Translation and other movements	Amount as at 31 December 2009
			USD'000		
Deferred tax liability					
Depreciation for property, plant and equipment	46,387	63,496	4,618	2,411	116,912
Investment in equity-accounted investees	41,468	(35,428)	7,631	604	14,275
Fair value adjustment on acquisitions	719,811	2,689	(27,407)	82,178	777,271
Financial instruments	—	—	—	1,735	1,735
Others	360,218	34,078	184	181	394,661
Total	**1,167,884**	**64,835**	**(14,974)**	**87,109**	**1,304,854**
Deferred tax assets					
Depreciation for property, plant and equipment	257	—	9,689	—	9,946
Employees' end of service benefits	21,114	10,515	(14,713)	9,568	26,484
Deferred financing charges	—	23,710	13,272	(7,655)	29,327
Provisions	—	2,977	(1,180)	1,899	3,696
Tax value of losses carried forward recognised	1,065	21,257	9,078	(3,803)	27,597
Others	7,750	6,376	171	(7,908)	6,389
Total	**30,186**	**64,835**	**16,317**	**(7,899)**	**103,439**

* The reclassifications during the year represent the regrouping of the debit and credit balances in deferred tax liability and deferred tax assets.

Movement in temporary differences during the year:

	Amount as at 1 January 2010	Recognised in income statement	Translation and other movements	Amount as at 31 December 2010
		USD'000		
Deferred tax liability				
Depreciation for property, plant and equipment	116,912	18,628	4,196	139,736
Investment in equity-accounted investees	14,275	3,350	(393)	17,232
Fair value adjustment on acquisitions	777,271	(44,120)	(211,979)	521,172
Financial instruments	1,735	—	484	2,219
Others	394,661	2,690	29,563	426,914
Total	**1,304,854**	**(19,452)**	**(178,129)**	**1,107,273**
Deferred tax assets				
Depreciation for property, plant and equipment	9,946	(5,281)	(68)	4,597
Employees' end of service benefits	26,484	902	(15,196)	12,190
Deferred financing charges	29,327	(24,228)	(3,886)	1,213
Provisions	3,696	(6,957)	6,213	2,952
Tax value of losses carried forward recognised	27,597	8,379	12,085	48,061
Others	6,389	4,475	6,510	17,372
Total	**103,439**	**(22,710)**	**5,656**	**86,385**

10. **Separately disclosed items**

	2008	2009	2010
		USD'000	
Construction contract revenue relating to service concessions	—	108,212	110,865
Construction contract costs relating to service concessions	—	(108,212)	(110,865)
Profit on sale/termination of business	15,790	44,276	13,200
Impairment, project development and restructuring costs	(129,900)	(20,755)	(3,700)
Foreign exchange gain	—	12,500	—
Other income	—	3,000	8,905
Share of loss of equity-accounted investees	(2,000)	(1,970)	244
Deferred tax expense	(6,300)	313	—
(Loss)/Gain on interest rate swaps	(7,653)	42	(17,583)
Reversal of prior year tax charge	40,000	—	—
	(90,063)	**37,406**	**1,066**

Construction contract revenue and costs

In 2010, in accordance with IFRIC 12 'Service Concession Arrangements', the Group has recorded revenue of USD 110,865 thousand (2009: USD 108,212 thousand, 2008: USD nil) on construction of a port. The construction revenue represents the fair value of the construction services provided in developing the port. No margin has been recognised, as in management's opinion the fair value of the construction services provided approximates to the construction cost.

Profit on sale/ termination of business mainly includes profit on sale of investments divested in the 'Australia and Americas' region, (2009: mainly includes profit on sale of investments divested in the 'Australia and Americas' region, 2008: mainly includes profit on sales of investment divested during the year including profit on sales of 25% investments in Constanta South Container Terminal to Port and Free Zone World FZE).

Impairment, project development and restructuring costs 2010 includes impairment loss on a property held in the 'Australia and Americas' region (2009: include impairment of certain cranes in 'Middle East, Europe and Africa' region and project development and restructuring costs incurred during the year, 2008:

includes impairment on the Group's investment in a joint-venture in Asia Pacific, Middle East and Indian subcontinent amounting to USD 112,000 thousand due to the impairment testing carried out by the Group during the year as stated in note 16 and loss on restructuring relating to a subsidiary of USD 17,900 thousand).

Foreign exchange gain 2010 nil (2009: mainly relates to recycling of foreign exchange from translation reserve to the income statement as the loan no longer meets the criteria of a net investment hedge at subsidiary in 'Australia and Americas' region, 2008: nil).

Other income 2010 mainly relates to certain insurance claim settlements of a non-recurring nature in the 'Australia and Americas' region (2009: includes one-off recoveries from a legal claim, 2008: nil).

Share of loss of equity-accounted investees 2010 mainly relates to profit on sale of an investment by a Joint Venture in 'Asia Pacific and Indian Subcontintent' region which is partially offset by non-recurring income tax expense incurred on transfer of certain assets by another associate in the same region, and operating loss of an associate in the 'Australia and Americas' region (2009: represents share of profit on sale of certain assets of USD 13,530 thousand and provision of USD 15,500 thousand, 2008: represents prior year tax adjustment relating to an associate in 'Middle East, Europe and Africa' region).

Deferred tax expense 2010 nil (2009: represents reversal of deferred tax credit on impairment of cranes in 'Middle East, Europe and Africa' region, 2008: represents provision of deferred tax on the net book value of assets following the phasing out of Industrial Building Allowances in the UK. The amount of deferred tax provision is based on the current UK tax rate of 28%).

(Loss)/Gain on interest rate swaps 2010 represents USD 6,200 thousand recycling of hedge reserve to consolidated income statement in 'Middle East, Europe and Africa' region and USD 11,383 thousand loss on foreign currency options related to 'Australia and Americas' region. (2009: not applicable, 2008: represents the ineffective portion of interest rate swaps).

Reversal of prior year tax charge 2010: nil (2009: nil, 2008: represents reversal of a prior year tax provision which were no long required).

11. **Business combinations**

2008

(a) ***Egyptian Container Terminal Handling Company ("ECHCO")—S.A.E at Sokhna Port, Egypt***

On 19 February 2008, the Group acquired a 90% ownership interest in ECHCO through its 100% owned subsidiary, DP World FZE.

The fair values of the identifiable assets and liabilities acquired by the Group are as follows:

	Recognised on acquisition	Carrying value
	USD'000	
Property, plant and equipment	123,583	123,583
Other long-term investment	778	778
Accounts receivable and prepayments	67,948	80,357
Inventories	2,845	2,845
Bank balances and cash	13,954	13,954
Port concession rights	688,826	—
	897,934	**221,517**
Accounts payables and accruals	(11,340)	(11,340)
Dividend payable	(111)	(111)
Bank overdraft	(48,758)	(48,758)
Loans and borrowings	(83,256)	(83,256)
Shareholders' current account	(1,218)	(1,218)
Finance lease liability	(6,048)	—
	(150,731)	**(144,683)**
Fair value of net assets acquired	747,203	
Less: Attributable to minority shareholders	(74,720)	
Total acquisition cost	672,483	
Less: Cash acquired with the subsidiary	(13,954)	
Net cash outflow on acquisition	**658,529**	

From the date of acquisition to 31 December 2008, ECHCO has incurred a loss of USD 16,563 thousand. If the acquisition had taken place at the beginning of 2008, the loss would have been USD 16,706 thousand.

(b) ***DP World Tarragona S.A. ("Tarragona"), Spain (formerly Contarsa Sociedad Estiba S.A.)***

On 1 July 2008, the Group acquired 60% ownership interest in Tarragona through its 100% owned subsidiary, DP World ENAF BV at a total acquisition cost net of cash of USD 11,997 thousand. Goodwill arising out of this acquisition is USD 3,445 thousand. From the date of acquisition to 31 December 2008, DP World Tarragona SA has incurred a loss of USD 1,303 thousand. If the acquisition had taken place at the beginning of 2008, the loss for the year would have been USD 3,164 thousand.

2009

There were no business combinations during 2009.

2010

There were no business combinations during 2010.

12. **Property, plant and equipment**

	Land and buildings	Plant and equipment	Ships	Capital work-in-progress	2008 Total
			USD'000		
Cost:					
At 1 January 2008	1,642,577	2,067,182	103,616	565,520	4,378,895
Additions during the year	123,418	178,138	927	962,468	1,264,951
Acquired in business combinations during the year	28,522	43,575	—	58,371	130,468
Translation adjustment	(125,578)	(250,856)	(16,085)	(96,021)	(488,540)
Disposals	365,380	150,288	—	(602,323)	(86,655)
At 31 December 2008	**2,034,319**	**2,188,327**	**88,458**	**888,015**	**5,199,119**
Depreciation:					
At 1 January 2008	182,563	695,951	60,344	—	938,858
Depreciation charge for the year	65,797	153,087	1,853	—	220,737
Translation adjustment	(40,380)	(116,470)	(6,200)	—	(163,050)
Disposals	(3,137)	(46,972)	—	—	(50,109)
At 31 December 2008	204,843	685,596	55,997	—	946,436
Net book value:					
At 31 December 2008	**1,829,476**	**1,502,731**	**32,461**	**888,015**	**4,252,683**

	Land and buildings	Plant and equipment	Ships	Capital work-in-progress	2009 Total
			USD'000		
Cost:					
At 1 January 2009	2,034,319	2,188,327	88,458	888,015	5,199,119
Additions during the year	243,193	48,031	553	536,457	828,234
Transfer to assets held for sale	(15,973)	—	—	—	(15,973)
Transfer (to)/from port concession rights (refer to note 13)	(104,765)	112,595	—	(51,264)	(43,434)
Reclassification	477,597	300,056	—	(777,653)	—
Translation adjustment	44,920	149,260	8,992	35,690	238,862
Disposals	(1,377)	(118,224)	(51,365)	(4,240)	(175,206)
At 31 December 2009	**2,677,914**	**2,680,045**	**46,638**	**627,005**	**6,031,602**
Depreciation:					
At 1 January 2009	204,843	685,596	55,997	—	946,436
Charge for the year	83,328	181,043	2,384	—	266,755
Transfer from port concession rights	8,770	—	—	—	8,770
Translation adjustment	12,034	73,407	3,538	—	88,979
Disposals	(980)	(86,348)	(51,210)	—	(138,538)
At 31 December 2009	307,995	853,698	10,709	—	1,172,402
Net book value:					
At 31 December 2009	**2,369,919**	**1,826,347**	**35,929**	**627,005**	**4,859,200**

	Land and buildings	Plant and equipment	Ships	Capital work-in-progress	2010 Total
			USD'000		
Cost:					
At 1 January 2010	2,677,914	2,680,045	46,638	627,005	6,031,602
Additions during the year	41,212	83,959	81,097	695,840	902,108
Transfer to assets held for sale	(195,319)	(523,841)	—	(31,119)	(750,279)
Transfers from capital work-in-progress	453,054	231,320	—	(684,374)	—
Translation adjustment	25,307	62,309	4,272	(3,081)	88,807
Disposals	(1,237)	(42,706)	(927)	—	(44,870)
At 31 December 2010	**3,000,931**	**2,491,086**	**131,080**	**604,271**	**6,227,368**
Depreciation:					
At 1 January 2010	307,995	853,698	10,709	—	1,172,402
Charge for the year	98,457	191,485	9,118	—	299,060
Transfer to assets held for sale	(53,757)	(301,285)	—	—	(355,042)
Translation adjustment	12,922	40,445	1,235	—	54,602
On disposals	(927)	(28,017)	(927)	—	(29,871)
At 31 December 2010	364,690	756,326	20,135	—	1,141,151
Net book value:					
At 31 December 2010	**2,636,241**	**1,734,760**	**110,945**	**604,271**	**5,086,217**

In the prior years, the Group had entered into agreements with third parties pursuant to which the Group participated in a series of linked transactions including leasing and sub-leasing of certain cranes of the Group ("**the Crane French Lease Arrangements**"). At 31 December 2010, cranes with aggregate net book value amounting to USD 320,188 thousand (2009: USD 335,926 thousand, 2008: USD 214,039 thousand) were covered by these Crane French Lease Arrangements. These cranes are accounted for as property, plant and equipment as the Group retains all the risks and rewards incidental to the ownership of the underlying assets.

At 31 December 2010, property, plant and equipment with a carrying amount of USD 596,856 thousand (2009: USD 1,238,888 thousand, 2008: USD 781,632 thousand) are pledged to secure bank loans, refer to note 25. The carrying value of the leased plant and equipment and other assets was USD 839,008 thousand (2009: USD 447,990 thousand, 2008: USD 25,596 thousand).

Borrowing costs capitalised to property, plant and equipment amounted to USD 39,781 thousand (2009: USD 10,191 thousand, 2008: USD 7,392 thousand), with a capitalisation rate in the range of 7% to 8% per annum (2009: 6.75%% to 8% per annum, 2008: 6.25% to 7.75% per annum).

The net carrying value of Property, plant and equipment transferred to assets held for sale comprises USD 392,198 thousand for Australia Region (refer to note 28 (a)) and balance USD 3,039 thousand for other regions (refer to note 28 (b)) (2009: USD 15,973 thousand, 2008: nil).

13. **Goodwill and port concession rights**

	Goodwill	Port concession rights	2008 Total
		USD'000	
Cost:			
At 1 January 2008	2,510,397	4,327,403	6,845,267
Acquisition of business during the year	3,445	712,047	715,492
Additions	—	132,395	132,395
Goodwill on purchase of minority interest	83,427	—	83,427
Disposals	(2,800)	(1,100)	(3,900)
Reclassification	137,982	(40,600)	97,382
Translation adjustment	(578,286)	(870,281)	(1,448,567)
At 31 December	**2,154,165**	**4,259,864**	**6,421,496**
Amortisation:			
At 1 January 2008	—	344,783	352,250
Amortisation charge for the year	—	150,907	150,907
Amortisation on disposals	—	(927)	(927)
Translation adjustment	—	(75,426)	(75,426)
At 31 December	—	419,337	426,804
Net book value:			
At 31 December	**2,154,165**	**3,840,527**	**5,994,692**

	Goodwill	Port concession rights	2009 Total
		USD'000	
Cost:			
At 1 January 2009	2,154,165	4,259,864	6,414,029
Additions	3,512	139,259	142,771
Disposals	(34,777)	(188,959)	(223,736)
Transfer from property, plant and equipment (refer to note 12)	—	43,434	43,434
Other capitalisations	—	122,511	122,511
Translation adjustment	301,789	338,552	640,341
At 31 December	**2,424,689**	**4,714,661**	**7,139,350**
Amortisation:			
At 1 January 2009	—	419,337	419,337
Charge for the year	—	147,462	147,462
Amortisation on disposals	—	(62,300)	(62,300)
Transfer to property, plant and equipment	—	(8,770)	(8,770)
Other capitalisations	—	4,552	4,552
Translation adjustment	—	40,185	40,185
At 31 December 2009	—	540,466	540,466
Net book value:			
At 31 December 2009	**2,424,689**	**4,174,195**	**6,598,884**

	Goodwill	Port concession rights	2010 Total
		USD'000	
Cost:			
At 1 January 2010	2,424,689	4,714,661	7,139,350
Additions	—	226,606	226,606
Disposals	—	(2,628)	(2,628)
Transfer to assets held for sale (refer to note 28(a))	(846,748)	(871,583)	(1,718,331)
Translation adjustment	92,360	51,086	143,446
At 31 December	**1,670,301**	**4,118,142**	**5,788,443**
Amortisation:			
At 1 January 2010	—	540,466	540,466
Charge for the year	—	159,330	159,330
Amortisation on disposals	—	(2,324)	(2,324)
Transfer to assets held for sale (refer to note 28(a))	—	(190,961)	(190,961)
Translation adjustment	—	33,818	33,818
At 31 December	—	540,329	540,329
Net book value:			
At 31 December	**1,670,301**	**3,577,813**	**5,248,114**

Port concession rights include concession agreements which are mainly accounted for as business combinations and acquisitions. These concessions were determined to have finite and indefinite useful lives based on the terms of the respective concession agreements and the income approach model was used for the purpose of determining their fair values.

14. **Impairment testing**

Goodwill acquired through business combinations has been allocated to various cash-generating units ("**CGU**"), which are reportable business units, for the purposes of impairment testing.

Impairment testing is done at an operating port level that represents individual CGUs. Details of the geographical segments are shown below:

Cash-generating units aggregated by geographical segment	Carrying amount of goodwill			Discount rate applied to cash flow projections			Perpetuity growth rate		
	2008	2009	2010	2008	2009	2010	2008	2009	2010
		USD'000			%			%	
Asia Pacific and Indian subcontinent	297,520	267,857	275,820	8–17	7.5–18	8.50%–15.50%		0–2.50	2.50%–5.00%
Australia and Americas	767,473	949,343	332,486	6–15	6.5–16.5	8.00%–14.50%		0–2.50	2.5%
Middle East, Europe and Africa	1,089,172	1,207,489	1,061,995	6–17	6–19			0–2.50	2.50%–4.00%
Total	**2,154,165**	**2,424,689**	**1,670,301**						

The recoverable amount of the CGU has been determined based on their value in use calculated using cash flow projections based on the financial budgets approved by management covering a three year period and a further outlook for five years, which is considered appropriate in view of the outlook for the industry and the long-term nature of the concession agreements held i.e. generally for a period of 25–50 years.

Key assumptions used in value in use calculations

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill.

Budgeted margins—The basis used to determine the value assigned to the budgeted margin is the average gross margin achieved in the year immediately before the budgeted year, adjusted for expected efficiency improvements, price fluctuations and manpower costs.

Discount rates—These represent the cost of capital for the Group adjusted for the respective location risk factors. The Group uses the post tax Weighted Average Cost of Capital which reflects the country specific risk adjusted discounted rate.

Cost inflation—The forecast general price index is used to determine the cost inflation during the budget year for the relevant countries where the Group is operating.

Perpetuity growth rate—In management's view, the perpetuity growth rate is the minimum growth rate expected to be achieved beyond the eight year period. These are based on the overall regional economic growth and Group's internal capacity changes for a given region. The Group also takes into account competition and regional capacity growth to provide a comprehensive growth assumption for the entire portfolio.

The values assigned to key assumptions are consistent with the past experience of management.

Sensitivity to changes in assumptions

The calculation of value in use for the CGU is sensitive to future earnings and therefore a sensitivity analysis was performed. The analysis demonstrated that a 10 per cent decrease in earnings for a future period of three years from the reporting date would not result in any impairment.

15. **Investment in equity-accounted investees**

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

	Asia Pacific and Indian subcontinent			Australia and Americas			Middle East, Europe and Africa			Total		
	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010
	USD'000											
Current assets	164,866	457,850	397,686	179,489	390,757	402,539	285,997	271,766	321,606	630,352	1,120,373	1,121,831
Non-current assets	6,594,028	6,905,258	7,381,166	595,157	812,555	833,592	2,834,150	2,996,665	2,877,660	10,023,335	10,714,478	11,092,418
Total assets	**6,758,894**	**7,363,108**	**7,778,852**	**774,646**	**1,203,312**	**1,236,131**	**3,120,147**	**3,268,431**	**3,199,266**	**10,653,687**	**11,834,851**	**12,214,249**
Current liabilities	312,681	747,942	929,830	113,121	96,707	136,751	134,556	149,970	169,780	560,358	994,619	1,236,361
Non-current liabilities	1,900,500	1,562,853	1,255,237	296,856	358,240	237,751	924,197	932,454	939,289	3,121,553	2,853,547	2,432,277
Total liabilities	**2,213,181**	**2,310,795**	**2,185,067**	**409,977**	**454,947**	**374,502**	**1,058,753**	**1,082,424**	**1,109,069**	**3,681,911**	**3,848,166**	**3,668,638**
Revenue	773,693	752,863	1,036,384	634,580	535,774	493,733	821,339	538,538	637,421	2,229,612	1,827,175	2,167,538
Expenses	(625,819)	(671,968)	(823,137)	(561,984)	(473,644)	(429,811)	(690,469)	(534,868)	(586,595)	(1,878,272)	(1,680,480)	(1,839,543)
Net profit	**147,874**	**80,895**	**213,247**	**72,596**	**62,130**	**63,922**	**130,870**	**3,670**	**50,826**	**351,340**	**146,695**	**327,995**
The Group's share of profit of equity-accounted investees (before separately disclosed items)										**116,194**	**71,307**	**140,203**
The Group's investment in equity-accounted investees										**3,109,276**	**3,453,833**	**3,474,113**

For ownership percentages in equity accounted investees, refer to note 33.

On 30 August 2009, the Group finalised a joint venture agreement with Odebrecht Investimentos Em Infra-Estrutura Ltda to acquire 26.91 per cent effective interest in Embraport project ("**the Project**") in Brazil. The fair value of the identifiable assets and liabilities of the Project were recorded on a provisional basis which was subject to change on finalisation. In addition, the Project has been in development phase and as a result, no revenue and profit have been recorded as at the reporting date.

16. **Other investments**

	2008	2009	2010
		USD'000	
Non-current investments			
Debt securities held to maturity	14,226	14,729	14,429
Available-for-sale financial assets	36,815	50,560	51,439
	51,041	**65,289**	**65,868**

Debt securities held to maturity carry an effective interest rate of 5.35 per cent (2009: 5.35 per cent., 2008: 5.35 per cent. per annum).

Available-for-sale financial assets consist of unquoted investment in an Infrastructure Fund. The movement schedule for these investments is as follows:

	2008	2009	2010
		USD'000	
As at 1 January	28,400	36,815	50,560
Additional investment during the year	25,000	—	—
Return of capital during the year	(7,500)	—	(260)
Change in fair value recognised in other comprehensive income	(9,085)	13,745	1,139
As at 31 December	**36,815**	**50,560**	**51,439**

17. **Accounts receivable and prepayments**

		2008	
	Non-current	Current	Total
		USD'000	
Trade receivables (net)	—	246,119	246,119
Advances paid to suppliers	—	35,335	35,335
Other receivables and prepayments	18,400	333,998	352,398
Fair value of derivative financial instruments	600	1,200	1,800
Employee benefit assets (refer to note 24)	700	—	700
Due from related parties (refer to note 27)	28,335	124,637	152,972
	48,035	**741,289**	**789,324**

		2009	
	Non-current	Current	Total
		USD'000	
Trade receivables (net)	—	289,870	289,870
Advances paid to suppliers	—	14,846	14,846
Other receivables and prepayments	43,612	410,774	454,386
Fair value of derivative financial instruments	500	600	1,100
Employee benefit assets (refer to note 24)	1,300	—	1,300
Due from related parties (refer to note 27)	28,844	91,379	120,223
	74,256	**807,469**	**881,725**

	2010		
	Non-current	Current	Total
		USD'000	
Trade receivables (net)	1,586	227,156	228,742
Advances paid to suppliers	—	13,653	13,653
Other receivables and prepayments	51,580	304,214	355,794
Fair value of derivative financial instruments	200	10,770	10,970
Employee benefit assets (refer to note 24)	500	—	500
Due from related parties (refer to note 27)	34,512	97,423	131,935
	88,378	653,216	741,594

The Group's exposure to credit and currency risks related to trade and other receivables, and due from related parties are disclosed in note 29.

18. **Bank balances and cash**

	2008	2009	2010
		USD'000	
Cash at banks and in hand	500,861	518,255	443,542
Short-term deposits	259,280	2,023,460	2,076,074
Deposits under lien	443,933	368,351	—
Bank balances and cash	1,204,074	2,910,066	2,519,616
Bank overdrafts	(49,929)	(11,500)	(3,000)
	1,154,145	2,898,566	2,517,616
Cash classified as held for sale (refer to note 28(a))	—	—	50,900
Cash and cash equivalents	**1,154,145**	**2,898,566**	**2,567,516**

Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit market rates. Bank overdrafts are repayable on demand.

There are no deposits under lien as at 31 December 2010 (2009: USD 348,669 thousand, 2008: USD 409,887 thousand is placed to collateralise some of the regional borrowings). In 2009 and 2008 the balance of USD 19,682 thousand and USD 34,046 thousand respectively were under lien in respect of certain loan notes issued to the erstwhile shareholders of Peninsular & Oriental Steam Navigation Company Limited ("**P&O**").

19. **Share capital**

The share capital of the Company as at 31 December was as follows:

	2008	2009	2010
		USD'000	
Authorised			
25,000,000,000 ordinary shares of USD 0.10 each	2,500,000	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	1,660,000

20. **Reserves**

Share premium

Share premium represents surplus received over and above the nominal cost of the shares issued to the shareholders and forms part of the shareholder equity. The reserve is not available for distribution except in circumstances as stipulated by the law.

Shareholders' reserve

Shareholders' reserve forms part of the distributable reserves of the Group.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of the cash flow hedging instruments related to hedge transactions that have not yet occurred.

Other reserves

The other reserves mainly include statutory reserves of subsidiaries as required by applicable local legislations and share based payment transactions. This reserve also includes the unrealised fair value changes on available-for-sale investments.

Actuarial reserve

The actuarial reserve comprises the cumulative actuarial losses recognised in other comprehensive income.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It also includes foreign exchange translation differences arising from translation of goodwill and purchase price adjustments which are denominated in foreign currencies at the Group level.

21. **Proposed dividends**

The following dividends were proposed for the respective year by the directors of the Company. The dividends have not been provided for until payable and there are no income tax consequences for the Company.

31 December 2010:

0.86 of a US cent per share on 16,600,000,000 shares which amounts to USD 142,760 thousand.

31 December 2009:

0.82 of a US cent per share on 16,600,000,000 shares which amounts to USD 136,120 thousand.

31 December 2008:

0.69 of a US cent per share on 16,600,000,000 shares which amounts to USD 114,540 thousand.

22. **Earnings per share**

Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding.

	2008	2009	2010
		USD'000	
Profit attributable to ordinary shareholders	482,214	332,862	374,807

	2008	2009	2010
		Number of shares	
Number of ordinary shares outstanding at 31 December	16,600,000,000	16,600,000,000	16,600,000,000

	2008	2009	2010
		USD	
Basic earnings per share—(US cents)	2.90	2.01	2.26

The Company has no significant share options outstanding at the year end and therefore in management's opinion, the basic and diluted earnings per share are not significantly different.

23. **Employees' end of service benefits**

Movements in the provision recognised in the consolidated statement of financial position are as follows:

	2008	2009	2010
		USD'000	
At 1 January	36,912	43,114	42,948
Provision made during the year*	17,432	16,282	13,793
Amounts paid during the year	(11,230)	(16,448)	(10,753)
At 31 December	**43,114**	**42,948**	**45,988**

* The provision for expatriate staff gratuities, included in Employees' end of service benefits, is calculated in accordance with the implementing regulations of the Jebel Ali Free Zone Authority. This is based on the liability that would arise if employment of all staff were terminated at the reporting date.

The UAE government had introduced Federal Labour Law No.7 of 1999 for pension and social security. Under this Law, employers are required to contribute 15 per cent. of the 'contribution calculation salary' of those employees who are UAE nationals. These employees are also required to contribute 5 per cent. of the 'contribution calculation salary' to the scheme. The Company's contribution is recognised as an expense in the consolidated income statement as incurred.

24. **Pension and post-employment benefits**

Non UAE region

Reconciliation of assets and liabilities recognised in the consolidated statement of financial position

	2008	2009	2010
		USD'000	
Non-current			
Defined benefit schemes net liabilities	101,900	257,900	173,900
Liabilities from defined contribution schemes	1,600	2,400	—
Liability in respect of long service leave	300	5,200	500
Liability for other non-current deferred compensation	—	2,600	—
	103,800	268,100	174,400
Current			
Liability for current deferred compensation	41,700	45,400	14,500
Net liabilities	**145,500**	**313,500**	**188,900**
Net liabilities			
Reflected in the consolidated statement of financial position as follows:			
Employee benefits assets (included within non-current receivables (refer to note 17))	(700)	(1,300)	(500)
Employee benefits liabilities: Non-current	104,500	269,400	174,900
Employee benefits liabilities: Current	41,700	45,400	14,500
	145,500	**313,500**	**188,900**

The defined benefit pension schemes net liabilities of USD 173,900 thousand (2009: USD 257,900 thousand, 2008: USD 101,900 thousand) is in respect of the total P&O schemes shown below. The USD 5,200 thousand (2009: USD 6,500 thousand, 2008: USD 2,200 thousand) net liabilities in respect of the P&O's share of equity-accounted investees are included within investments in equity-accounted investees in the consolidated statement of financial position.

An expense of USD 37,300 thousand (2009: USD 28,700 thousand, 2008: USD 31,500 thousand) has been recognised in the consolidated income statement in respect of employee benefits excluding pensions, USD 27,800 thousand (2009: USD 23,500 thousand, 2008: USD 31,100 thousand) in general and administration expenses and USD 9,500 thousand (2009: USD 5,200 thousand, 2008: USD 400 thousand) in cost of sales.

The current portion of employee benefits liabilities includes a liability of USD 10,100 thousand (2009: USD 25,200 thousand, 2008: USD 21,400 thousand) in respect of annual leave, USD 1,400 thousand (2009: USD 11,400 thousand, 2008: USD 13,900 thousand) in respect of long service leave, and USD 3,000 thousand (2009: USD 8,800 thousand, 2008: USD 6,400 thousand) in respect of sick leave and other miscellaneous employee benefit items.

Pensions

P&O participates in a number of pension schemes throughout the world. The principal scheme is located in the UK ("**the P&O UK Scheme**"). The P&O UK Scheme is a funded defined benefit scheme and was closed to routine new members on 1 January 2002. The assets of the scheme are managed on behalf of the trustee by independent fund managers.

P&O also operates a number of smaller defined benefit and defined contribution schemes. In addition, P&O participates in various industry schemes, the most significant of which is the Merchant Navy Officers' Pension Fund ("**the MNOPF Scheme**"). These generally have assets held in separate trustee administered funds.

Defined Benefit Pension Schemes

Expense recognised in the consolidated income statement for the year ended 31 December 2008:

	P&O UK scheme	MNOPF scheme	Other schemes	Total group schemes	Share of equity-accounted investees	2008 P&O UK schemes
			USD'000			
Employer's current service cost	700	—	7,400	8,100	200	8,300
Gain due to settlements/curtailments	(2,400)	—	—	(2,400)	—	(2,400)
Total	**(1,700)**	**—**	**7,400**	**5,700**	**200**	**5,900**
Expected return on scheme assets	(125,400)	(10,400)	(10,700)	(146,500)	(1,100)	(147,600)
Interest cost	120,300	9,600	11,700	141,600	1,300	142,900
Total	**(5,100)**	**(800)**	**1,000**	**(4,900)**	**200**	**(4,700)**
Total defined benefit (income)/ expenses	(6,800)	(800)	8,400	800	400	1,200
Total defined contribution expense	—	—	—	22,600	3,900	26,500
Total	**(6,800)**	**(800)**	**8,400**	**23,400**	**4,300**	**27,700**

Expense recognised in the consolidated income statement for the year ended 31 December 2009:

	P&O UK scheme	MNOPF scheme	Other schemes	Total group schemes	Share of equity-accounted investees	2009 P&O UK schemes
			USD'000			
Employer's current service cost	300	—	4,700	5,000	200	5,200
Total	**300**	**—**	**4,700**	**5,000**	**200**	**5,200**
Expected return on scheme assets	(95,700)	(6,900)	(8,100)	(110,700)	(800)	(111,500)
Interest cost	96,800	8,100	8,900	113,800	900	114,700
Total	**1,100**	**1,200**	**800**	**3,100**	**100**	**3,200**
Total defined benefit expenses	1,400	1,200	5,500	8,100	300	8,400
Total defined contribution expense	—	—	—	23,200	4,100	27,300
Total	**1,400**	**1,200**	**5,500**	**31,300**	**4,400**	**35,700**

Expense recognised in the income statement for the year ended 31 December 2010:

	P&O UK scheme	MNOPF scheme	Other schemes	Total group schemes	Share of equity-accounted investees	2010 P&O UK schemes
			USD'000			
Employer's current service cost	600	—	5,300	5,900	500	6,400
Total	**600**	**—**	**5,300**	**5,900**	**500**	**6,400**
Expected return on scheme assets	(101,500)	(7,900)	(9,000)	(118,400)	(1,100)	(119,500)
Interest cost	103,700	8,500	9,900	122,100	1,400	123,500
Total	**2,200**	**600**	**900**	**3,700**	**300**	**4,000**
Total defined benefit (income)/ expenses	2,800	600	6,200	9,600	800	10,400
Total defined contribution expense	—	—	—	26,100	4,400	30,500
Total	**2,800**	**600**	**6,200**	**35,700**	**5,200**	**40,900**

The expenses for defined benefit and defined contribution schemes are recognised in the following line items in the income statement for the year end 31 December 2008:

	Defined benefit pension schemes						
2008	P&O UK scheme	MNOPF scheme	Other schemes	Defined contribution pension schemes	Total group schemes	Share of equity-accounted investees	Total
				USD'000			
Operating expenses	—	—	4,600	3,700	8,300	—	8,300
General and administration expenses	(1,700)	—	2,800	18,900	20,000	—	20,000
Share of results of equity-accounted investees	—	—	—	—	—	4,300	4,300
	(1,700)	—	7,400	22,600	28,300	4,300	32,600
Financial income	(5,100)	(800)	1,000	—	(4,900)	—	(4,900)
Total	**(6,800)**	**(800)**	**8,400**	**22,600**	**23,400**	**4,300**	**27,700**

The expenses for defined benefit and defined contribution schemes are recognised in the following line items in the income statement for the year ended 31 December 2009:

	Defined benefit pension schemes						
2009	P&O UK scheme	MNOPF scheme	Other schemes	Defined contribution pension schemes	Total group schemes	Share of equity-accounted investees	Total
				USD'000			
Operating expenses	—	—	3,000	15,400	18,400	—	18,400
General and administration expenses	300	—	1,700	7,800	9,800	—	9,800
Share of results of equity-accounted investees	—	—	—	—	—	4,300	4,300
	300	—	4,700	23,200	28,200	4,300	32,500
Financial expenses	1,100	1,200	800	—	3,100	100	3,200
Total	**1,400**	**1,200**	**5,500**	**23,200**	**31,300**	**4,400**	**35,700**

The expenses for defined benefit and defined contribution schemes are recognised in the following line items in the income statement for the year ended 31 December 2010:

2010	Defined benefit pension schemes P&O UK scheme	MNOPF scheme	Other schemes	Defined contribution pension schemes	Total group schemes	Share of equity-accounted investees	Total
				USD'000			
Operating expenses	—	—	5,300	23,300	28,600	—	28,600
General and administration expenses	600	—	—	2,800	3,400	—	3,400
Share of results of equity-accounted investees	—	—	—	—	—	5,200	5,200
	600	—	5,300	26,100	32,000	5,200	37,200
Financial expenses	2,200	600	900	—	3,700	—	3,700
Total	**2,800**	**600**	**6,200**	**26,100**	**35,700**	**5,200**	**40,900**

Total amount of actuarial losses recognised in the other comprehensive income.

	2008	2009	2010
		USD'000	
Total actuarial loss/(gain) recognised in the year	106,900	162,200	(68,400)
Movement in minimum funding liability	—	—	13,300
	106,900	**162,200**	**(55,100)**

Actuarial valuations and assumptions

The latest valuations of the defined benefit schemes have been by qualified independent actuaries. The principal assumptions are included in the table below.

The assumptions used by the actuaries are the best estimates chosen from a range of possible actuarial assumptions, which due to the timescale covered, may not necessarily be borne out in practice.

	P&O UK scheme 2008	MNOPF scheme 2008	Other schemes 2008	Share of equity-accounted investees 2008
Discount rates	6.20%	6.20%	4.60%	6.40%
Expected rates of salary increases	4.25%	4.25%	2.30%	3.40%
Pension increases: deferment	2.75%	2.75%	—	—
payment	2.60%	2.60%	2.60%	2.50%
Inflation	2.75%	2.75%	2.80%	2.90%
Expected rate of return on scheme assets	6.36%	6.19%	6.50%	6.00%

	P&O UK scheme 2009	MNOPF scheme 2009	Other schemes 2009	Share of equity-accounted investees 2009
Discount rates	5.60%	5.60%	4.50%	6.20%
Expected rates of salary increases	4.70%	5.20%	3.00%	4.10%
Pension increases: deferment	3.70%	3.70%	—	—
payment	3.25%	3.50%	3.20%	2.10%
Inflation	3.70%	3.70%	3.30%	2.90%
Expected rate of return on scheme assets	6.02%	6.53%	6.80%	7.00%

	P&O UK scheme 2010	MNOPF scheme 2010	Other schemes 2010	Share of equity-accounted investees 2010
Discount rates	5.40%	5.40%	5.72%	6.00%
Expected rates of salary increases	4.60%	—	4.03%	4.50%
Pension increases: deferment	3.00%	2.90%	3.31%	2.10%
payment	3.00%	3.40%	3.31%	2.10%
Inflation	3.60%	3.60%	3.41%	2.90%
Expected rate of return on scheme assets	5.94%	6.68%	6.51%	6.30%

In addition to the assumption for expected rates of salary increases set out in the table above, a further allowance for pay increases of up to 3% per annum (2009: 3 per cent., 2008: 3 per cent.) is applied to members of the P&O UK Scheme under 50 years of age, the allowance being greater at younger ages.

The assumptions for pensioner longevity under both the P&O UK Scheme and the MNOPF Scheme are based on analyses of pensioner death trends under the respective schemes over many years. For the P&O UK Scheme the PA92C07mc tables were used (with a +1 year age rating applied for females and a +3 year age rating applied for males with current pensions below USD 16 thousand). In addition an allowance has been made for future longevity improvements from 2010 in line with the CMI Long cohort projections for the 92 Series tables from 2007 onwards, subject to a minimum annual improvement of 1 per cent. For the MNOPF scheme the PA80C2006 tables were used (with a −1 year age rating applied for both males and females), together with a reduction of 0.25 per cent. in the discount rate.

For illustration, the life expectancies for the two schemes at age 65 now and in the future are detailed in the table below.

	Male		Female	
	Age 65 now	Age 65 in 20 years' time	Age 65 now	Age 65 in 20 years' time
2008				
P&O UK Scheme	22.4	24.4	25.9	27.8
MNOPF Scheme	18.2	19.6	22.2	23.9
2009				
P&O UK Scheme	22.6	24.5	26.0	28.0
MNOPF Scheme	18.2	19.6	22.3	24.0
2010				
P&O UK Scheme	23.5	26.5	25.2	28.4
MNOPF Scheme	21.7	24.3	25.6	28.0

The expected long-term rates of return for each of the main asset classes are subjective judgements based on market indicators, economic background, historical analysis of returns and industry forecasts. They take into account the schemes' strategic asset allocations across the sectors of the main asset classes.

	P&O UK scheme		MNOPF scheme		Other schemes				
	Expected long-term rate of return % p.a.	**Fair value**	**Expected long-term rate of return % p.a.**	**Fair value**	**Expected long-term rate of return % p.a.**	**Fair value**	**Group schemes fair value**	**Share of equity-accounted investees schemes fair value**	**Total fair value**
		USD'000		**USD'000**		**USD'000**		**USD'000**	
2008									
Equities	7.80	244,300	7.80	43,900	8.30	48,000	336,200	4,000	340,200
Bonds	5.30	97,100	4.95	54,600	5.20	45,500	197,200	7,600	204,800
Other	3.60	25,100	5.80	7,400	4.80	25,000	57,500	400	57,900
Value of insured pensioner liability	6.20	1,083,900	—	—	—	—	1,083,900	—	1,083,900
	6.36	**1,450,400**	**6.19**	**105,900**	**6.37**	**118,500**	**1,674,800**	**12,000**	**1,686,800**
2009									
Equities	8.30	299,500	8.30	55,600	8.00	68,200	423,300	7,000	430,300
Bonds	5.45	135,300	5.00	63,600	5.20	36,400	235,300	9,200	244,500
Other	4.50	24,300	6.35	7,900	5.70	38,300	70,500	1,300	71,800
Value of insured pensioner liability	5.60	1,352,900	—	—	—	—	1,352,900	—	1,352,900
	6.02	**1,812,000**	**6.53**	**127,100**	**6.67**	**142,900**	**2,082,000**	**17,500**	**2,099,500**
2010									
Equities	8.05	326,300	8.05	59,800	7.60	64,000	450,100	7,600	457,700
Bonds	6.20	149,900	5.65	55,800	4.90	42,400	248,100	10,500	258,600
Other	4.10	16,500	5.70	25,400	6.30	8,700	50,600	1,100	51,700
Value of insured pensioner liability	5.35	1,196,200	—	—	—	—	1,196,200	—	1,196,200
	5.94	**1,688,900**	**6.68**	**141,000**	**6.51**	**115,100**	**1,945,000**	**19,200**	**1,964,200**

Reconciliation of the opening and closing present value defined benefit obligations:

2008	P&O UK scheme	MNOPF scheme	Other schemes	Total group schemes	Share of equity-accounted investees schemes	Total
			USD'000			
Present value of obligation at 1 January 2008	(2,237,900)	(181,000)	(212,000)	(2,630,900)	(22,900)	(2,653,800)
Employer's interest cost	(120,300)	(9,600)	(11,700)	(141,600)	(1,300)	(142,900)
Employer's current service cost	(700)	—	(7,400)	(8,100)	(200)	(8,300)
Contributions by scheme participants	(200)	—	(2,200)	(2,400)	(200)	(2,600)
Foreign currency exchange	550,800	45,500	47,600	643,900	5,000	648,900
Benefits paid	124,000	8,000	10,000	142,000	1,100	143,100
Sale of business	(28,500)	—	—	(28,500)	—	(28,500)
Curtailments	2,400	—	—	2,400	—	2,400
Amounts reclassified as defined contribution scheme	—	—	3,200	3,200	—	3,200
Actuarial gain on obligation	202,000	11,100	30,200	243,300	4,300	247,600
Present value of obligation at 31 December 2008	**(1,508,400)**	**(126,000)**	**(142,300)**	**(1,776,700)**	**(14,200)**	**(1,790,900)**

Reconciliation of the opening and closing present value defined benefit obligations:

2009	P&O UK scheme	MNOPF scheme	Other schemes	Total group schemes	Share of equity-accounted investees schemes	Total
			USD'000			
Present value of obligation at 1 January 2009	(1,508,400)	(126,000)	(142,300)	(1,776,700)	(14,200)	(1,790,900)
Employer's interest cost	(96,800)	(8,100)	(8,900)	(113,800)	(900)	(114,700)
Employer's current service cost	(300)	—	(4,700)	(5,000)	(200)	(5,200)
Contributions by scheme participants	(200)	—	(2,500)	(2,700)	(200)	(2,900)
Foreign currency exchange	(168,900)	(14,000)	(21,200)	(204,100)	(1,600)	(205,700)
Benefits paid	109,200	7,200	14,600	131,000	800	131,800
Sale/(purchase) of business	—	—	6,300	6,300	(3,300)	3,000
Amounts reclassified as defined contribution scheme	—	—	2,700	2,700	—	2,700
Actuarial loss on obligation	(326,400)	(22,700)	(28,500)	(377,600)	(4,400)	(382,000)
Present value of obligation at 31 December 2009	**(1,991,800)**	**(163,600)**	**(184,500)**	**(2,339,900)**	**(24,000)**	**(2,363,900)**

Reconciliation of the opening and closing present value defined benefit obligations:

2010	P&O UK scheme	MNOPF scheme	Other schemes	Total group schemes	Share of equity-accounted investees schemes	Total
			USD'000			
Present value of obligation at 1 January 2010	(1,991,800)	(163,600)	(184,500)	(2,339,900)	(24,000)	(2,363,900)
Employer's interest cost	(103,700)	(8,500)	(9,900)	(122,100)	(1,400)	(123,500)
Employer's current service cost	(600)	—	(5,300)	(5,900)	(500)	(6,400)
Contributions by scheme participants	(200)	—	(2,200)	(2,400)	(200)	(2,600)
Foreign currency exchange	71,700	5,600	3,800	81,100	900	82,000
Benefits paid	103,500	8,200	15,900	127,600	1,400	129,000
Actuarial gain/(loss) on obligation	141,500	(16,100)	(800)	124,600	(600)	124,000
Transfer to assets/ liabilities classified as held for sale	—	—	31,400	31,400	—	31,400
Present value of obligation at 31 December 2010	**(1,779,600)**	**(174,400)**	**(151,600)**	**(2,105,600)**	**(24,400)**	**(2,130,000)**

Reconciliation of the opening and closing fair value of scheme assets:

2008	P&O UK scheme	MNOPF scheme	Other schemes	Total group schemes	Share of equity-accounted investees schemes	Total
			USD'000			
Fair value of scheme assets at 1 January 2008	2,173,600	171,500	186,000	2,531,100	19,100	2,550,200
Expected return on scheme assets	125,400	10,400	10,700	146,500	1,100	147,600
Contributions by employer	56,300	5,200	9,800	71,300	1,100	72,400
Contributions by scheme participants	200	—	2,200	2,400	200	2,600
Foreign currency exchange	(531,100)	(39,700)	(38,600)	(609,400)	(4,500)	(613,900)
Benefits paid	(124,000)	(8,000)	(10,000)	(142,000)	(1,100)	(143,100)
Sales of businesses	28,500	—	—	28,500	—	28,500
Amounts reclassified as defined contribution scheme	—	—	(3,000)	(3,000)	—	(3,000)
Actuarial loss on assets	(278,500)	(33,500)	(38,600)	(350,600)	(3,900)	(354,500)
Fair value of scheme assets at 31 December 2008	1,450,400	105,900	118,500	1,674,800	12,000	1,686,800
Defined benefit schemes net liabilities	(58,000)	(20,100)	(23,800)	(101,900)	(2,200)	(104,100)
Actual loss on scheme assets	**(153,100)**	**(23,100)**	**(27,900)**	**(204,100)**	**(2,800)**	**(206,900)**

2009	P&O UK scheme	MNOPF scheme	Other schemes	Total group schemes	Share of equity-accounted investees schemes	Total
			USD'000			
Fair value of scheme assets at 1 January 2009	1,450,400	105,900	118,500	1,674,800	12,000	1,686,800
Expected return on scheme assets	95,700	6,900	8,100	110,700	800	111,500
Contributions by employer	13,500	4,400	6,700	24,600	900	25,500
Contributions by scheme participants	200	—	2,500	2,700	200	2,900
Foreign currency exchange	159,200	11,500	17,800	188,500	1,400	189,900
Benefits paid	(109,200)	(7,200)	(14,600)	(131,000)	(800)	(131,800)
(Sale)/purchase of businesses	—	—	(7,700)	(7,700)	2,700	(5,000)
Actuarial gain on assets	202,200	5,600	11,600	219,400	300	219,700
Fair value of scheme assets at 31 December 2009	1,812,000	127,100	142,900	2,082,000	17,500	2,099,500
Defined benefit schemes net liabilities	(179,800)	(36,500)	(41,600)	(257,900)	(6,500)	(264,400)
Actual gain on scheme assets	**297,900**	**12,500**	**19,700**	**330,100**	**1,100**	**331,200**

2010	P&O UK scheme	MNOPF scheme	Other schemes	Total group schemes	Share of equity-accounted investees schemes	Total
			USD'000			
Fair value of scheme assets at 1 January 2010	1,812,000	127,100	142,900	2,082,000	17,500	2,099,500
Expected return on scheme assets	101,500	7,900	9,000	118,400	1,100	119,500
Contributions by employer	13,400	6,600	7,000	27,000	900	27,900
Contributions by scheme participants	200	—	2,200	2,400	200	2,600
Foreign currency exchange	(64,400)	(4,300)	(2,200)	(70,900)	300	(70,600)
Benefits paid	(103,500)	(8,200)	(15,900)	(127,600)	(1,400)	(129,000)
Actuarial (loss)/gain on assets	(70,300)	11,900	2,200	(56,200)	600	(55,600)
Transfer to assets/liabilities classified as held for sale	—	—	(30,100)	(30,100)	—	(30,100)
Fair value of scheme assets at 31 December 2010	1,688,900	141,000	115,100	1,945,000	19,200	1,964,200
Defined benefit schemes net liabilities	(90,700)	(33,400)	(36,500)	(160,600)	(5,200)	(165,800)
Minimum funding liability	—	(13,300)	—	(13,300)	—	(13,300)
Net liability recognised in the statement of financial position at 31 December 2010	(90,700)	(46,700)	(36,500)	(173,900)	(5,200)	(179,100)
Actual gain on scheme assets	**31,200**	**19,800**	**11,200**	**62,200**	**1,700**	**63,900**

Originally anticipated Group contributions to the pension schemes in 2009:

	P&O UK scheme	MNOPF scheme	Other schemes	Total group schemes	Share of equity-accounted investees schemes	2009 Total
			USD'000			
Pension scheme contributions	17,300	5,600	10,700	33,600	1,200	34,800
Present value of defined benefit obligation						
31 December 2008						
Present value of defined benefit obligation	(1,508,400)	(126,000)	(142,300)	(1,776,700)	(14,200)	(1,790,900)
Fair value of scheme assets	1,450,400	105,900	118,500	1,674,800	12,000	1,686,800
Surplus or deficit in the scheme	(58,000)	(20,100)	(23,800)	(101,900)	(2,200)	(104,100)
Experience gains on scheme assets	(278,500)	(33,500)	(38,600)	(350,600)	(3,900)	(354,500)
Experience gains on scheme liabilities	202,000	11,100	30,200	243,300	4,300	247,600
31 December 2007						
Present value of defined benefit obligation	(2,237,900)	(181,000)	(212,000)	(2,630,900)	(22,900)	(2,653,800)
Fair value of scheme assets	2,173,600	171,500	186,000	2,531,100	19,100	2,550,200
Surplus or deficit in the scheme	(64,300)	(9,500)	(26,000)	(99,800)	(3,800)	(103,600)
Experience gains on scheme assets	(44,400)	29,800	(1,000)	(15,600)	(500)	(16,100)
Experience gains on scheme liabilities	(62,200)	26,600	5,400	(30,200)	(100)	(30,300)

Originally anticipated Group contributions to the pension schemes in 2010:

	P&O UK scheme	MNOPF scheme	Other schemes	Total group schemes	Share of equity-accounted investees schemes	2010 Total
			USD'000			
Pension scheme contributions	12,700	4,100	5,700	22,500	900	23,400
Present value of defined benefit obligation						
31 December 2009						
Present value of defined benefit obligation	(1,991,800)	(163,600)	(184,500)	(2,339,900)	(24,000)	(2,363,900)
Fair value of scheme assets	1,812,000	127,100	142,900	2,082,000	17,500	2,099,500
Surplus or deficit in the scheme	(179,800)	(36,500)	(41,600)	(257,900)	(6,500)	(264,400)
Experience losses on scheme assets	202,200	5,600	11,600	219,400	300	219,700
Experience gains on scheme liabilities	(326,400)	(22,700)	(28,700)	(377,600)	(4,400)	(382,000)
31 December 2008						
Present value of defined benefit obligation	(1,508,400)	(126,000)	(142,300)	(1,776,700)	(14,200)	(1,790,900)
Fair value of scheme assets	1,450,400	105,900	118,500	1,674,800	12,000	1,686,800
Surplus or deficit in the scheme	(58,000)	(20,100)	(23,800)	(101,900)	(2,200)	(104,100)
Experience gains on scheme assets	(278,500)	(33,500)	(38,600)	(250,700)	(3,900)	(354,500)
Experience gains on scheme liabilities	202,000	11,100	30,200	243,400	4,300	247,700

It is anticipated that the Group will make the following contributions to the pension schemes in 2011:

2010	P&O UK scheme	MNOPF scheme	Other schemes	Total group schemes	Share of equity-accounted investees schemes	Total
			USD'000			
Pension scheme contributions	14,100	7,000	8,100	29,200	1,000	30,200
Present value of defined benefit obligation						
31 December 2010						
Present value of defined benefit obligation	(1,779,600)	(174,400)	(151,600)	(2,105,600)	(24,400)	(2,130,000)
Fair value of scheme assets	1,688,900	141,000	115,100	1,945,000	19,200	1,964,200
Surplus or deficit in the scheme	(90,700)	(46,700)	(36,500)	(173,900)	(5,200)	(179,100)
Experience losses on scheme assets	(70,300)	11,900	2,200	(56,200)	600	(55,600)
Experience gains on scheme liabilities	101,600	(7,400)	5,200	99,400	(600)	98,800
31 December 2009						
Present value of defined benefit obligation	(1,991,800)	(163,600)	(184,500)	(2,339,900)	(24,000)	(2,363,900)
Fair value of scheme assets	1,812,000	127,100	142,900	2,082,000	17,500	2,099,500
Surplus or deficit in the scheme	(179,800)	(36,500)	(41,600)	(257,900)	(6,500)	(264,400)
Experience gains on scheme assets	202,200	5,600	11,600	219,400	300	219,700
Experience gains on scheme liabilities	(326,400)	(22,700)	(28,500)	(377,600)	(4,400)	(382,000)

P&O UK Scheme

Formal actuarial valuations of the P&O UK Scheme are normally carried out triennially by qualified independent actuaries, the latest completed regular valuation report for the scheme being at 31 March 2007, using the projected unit credit method.

At this date, the market value of the P&O UK Scheme's assets were USD 2,373,000 thousand and the value of accrued benefits to members allowing for future increases in earnings was USD 2,504,000 thousand giving a deficit of USD 131,000 thousand and a funding ratio of 94.8 per cent.

Excluding the deficit reduction payments, the average contribution rate for the P&O UK Scheme was 28.3 per cent. for the year to 31 December 2008 and 29.1 per cent. from 1 January 2009.

The principal long-term assumptions in the P&O UK Scheme's 2007 valuation are:

	Nominal % per annum
Price inflation	3.00
Investment return on pre-employment portfolio	5.94
Investment return on post-employment portfolio	5.11
Earnings escalation	4.50
Increase in accrued pensions on excess over Guaranteed Minimum Pensions	2.75

As a result of this valuation P&O committed to regular monthly deficit payments from April 2008 totalling USD 46,300 thousand over the following three years. These monthly payments are supported by bank guarantees.

In December 2007, as part of a process developed with P&O to de-risk the pension scheme, the Trustee transferred USD 1,600,000 thousand of P&O UK Scheme assets to Paternoster (UK) Ltd, in exchange for a bulk annuity insurance policy to ensure that the assets (in the Company's statement of financial position and in the Scheme) will always be equal to the current value of the liability of the pensions in payment at 30 June 2007, thus removing the funding risks for these liabilities.

Merchant Navy Officers' Pension Fund ("MNOPF"):

The MNOPF Scheme is a defined benefit multi-employer scheme in which officers employed by companies within the Group have participated.

The scheme is divided into two sections, the Old Section and the New Section, both of which are closed to new members and the latest valuation was carried out at 31 March 2009.

The Old Section has been closed to benefit accrual since 1978. The scheme's independent actuary advised that at 31 March 2006 the market value of the scheme's assets for the Old Section was USD 2,924,000 thousand, representing approximately 107 per cent. of the value of the benefits accrued to members. The scheme's independent actuary advised that at 31 March 2009 the market value of the scheme's assets for the Old Section was USD 1,595,000, representing approximately 89% of the value of the benefits accrued to members. The Trustee has determined the asset growth of the fund, in excess of that assumed in calculating the technical provisions, between the formal date of the valuation and 18 November 2009 has been sufficient to eliminate the shortfall. Therefore no contributions are required to meet the shortfall. The assets of the Old Section were substantially invested in bonds.

As at 31 March 2006, the date of the most recent but one formal actuarial valuation, the New Section had assets with a market value of USD 3,833,000 thousand, representing approximately 93 per cent. of the benefits accrued to members. The valuation assumptions were as follows:

	Nominal % per annum
Investment return on pre-employment portfolio	7.00
Investment return on post-employment portfolio	4.75
Rate of national average earnings increase	4.50
Rate of pension increases (where increases apply)	3.00

At the date of the valuation, approximately 57 per cent. of the New Section's assets were invested in equities, 15 per cent. in bonds and 28 per cent. in property and cash.

Following a court decision in 2005, the trustee advised P&O that its share of the net deficit of the New Section was 3.355% and issued a schedule of regular deficit payments from P&O companies totalling USD 2,100 thousand per annum commencing on 30 September 2005 and payable annually on 31 March thereafter until 31 March 2014. In addition, part of the deficit payments being made by Carnival plc are attributable to P&O under the terms of the demerger agreement relating to the demerger of P&O Princess Cruises in 2000, these payments equate to a further 1.096% of the net deficit.

The proportion of deficit attributable to P&O changed with effect from 20 February 2007 to 3.963% as not all employers met their deficit payments. The payments to P&O Princess Cruises have also changed and these payments now equate to a further 1.295%.

As a result of the 31 March 2006 valuation report for the scheme the trustee issued a further schedule of regular deficit payments from P&O companies totalling USD 2,200 thousand commencing on 30 September 2007 and payable annually on 30 September thereafter until 30 September 2014.

As at 31 March 2009, the date of the most recent formal actuarial valuation, the New Section had assets with a market value of USD 2,217,000 thousand, representing approximately 68% of the benefits accrued to members. The valuation assumptions were as follows:

	Nominal % per annum
Investment return on pre-employment portfolio	7.25
Investment return on post-employment portfolio	4.75
Rate of national average earnings increase	4.50
Rate of pension increases (where increases apply)	3.00

At the date of the valuation, approximately 48% of the New Section's assets were invested in pooled investment vehicles, 35% in equities, 9% in bonds and 8% in cash and other assets.

Following the valuation the Trustee and Employers have agreed contributions in addition to those arising from the 31 March 2003 and 31 March 2006 valuations will be paid to the section by participating employers over the period to 30 September 2022. These additional payments have a present value of USD 632,000 thousand as at 30 September 2010.

The Trustee will decide the payment terms for each participating employer in accordance with the Trustee's Contribution Collection Policy. The Group's share is USD 29,500 thousand.

P&O's share of the net deficit of the New Section at 31 December 2010 is estimated at 4.807 per cent (2009: 4.69 per cent; 2008: 4.69 per cent).

Merchant Navy Ratings' Pension Fund ("MNRPF"):

The Merchant Navy Ratings' Pension Fund (the "**MNRPF Scheme**") is an industry wide multi-employer defined benefit pension scheme in which sea staff employed by companies within P&O have participated. The scheme has a significant funding deficit and has been closed to further benefit accrual.

As at 31 March 2005, the date of the full triennial actuarial valuation carried out by an independent actuary, the scheme had assets with a market value of USD 1,117,000 thousand, representing 86 per cent. of the benefits accrued to members allowing for future increases. Approximately 63 per cent. of the scheme's assets were invested in bonds, 27 per cent. in equities and 10 per cent. in property and cash. The valuation assumptions were as follows:

	Nominal % per annum
Investment return on pre-employment portfolio	6.50
Investment return on post-employment portfolio	5.00
Rate of national average earnings increase	4.20
Rate of pension increases (where increases apply)	2.70

As at 31 March 2008, the date of the most recent full triennial actuarial valuation carried out by an independent actuary, the scheme had assets with a market value of USD 1,239,000 thousand, representing 78% of the benefits accrued to members allowing for future increases. Approximately 66% of the scheme's assets were invested in bonds, 23% in equities and 11% in property and cash. The valuation assumptions were as follows:

	Nominal % per annum
Investment return on pre-employment portfolio	6.20
Investment return on post-employment portfolio	5.20
Rate of national average earnings increase	5.20
Rate of pension increases (where increases apply)	3.60

Following the transfer of the Ferries division companies the Group's share of the deficit at 31 December 2010 is immaterial and as it has, been unable to identify its share of the underlying assets and liabilities of the MNRPF Scheme on a consistent and reasonable basis it therefore accounts for contributions and payments to the MNRPF Scheme under IAS 19 as if it were a defined contribution scheme.

Certain Group companies which are no longer current employers in the MNRPF and which had settled their statutory debt obligation were not considered to have any legal obligation with respect to the on-going deficit in the fund. This position has, however, been challenged by Stena Line Limited in the High Court. Judgement was handed down in this case on 27 July 2010, with the judgement going against the Group. Leave to appeal was granted and a hearing occurred in March 2011. Judgment for the appeal was handed down on 12 May 2011. The appeal was rejected. Leave to appeal to the House of Lords was requested. No decision has yet been made as to whether an appeal will be pursued.

Other schemes:

Other defined benefit schemes include schemes in Australia, Canada, Indonesia, Pakistan, Hong Kong and the Philippines.

Other industry schemes are mainly overseas multi-employer schemes, in which the Group is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis. The Group is therefore accounting for contributions to these schemes as if they were defined contribution schemes for IAS 19 purposes.

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "**MPF Scheme**") in Hong Kong, under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' relevant income and are charged to the consolidated income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The Group also operates a defined contribution retirement benefits scheme (the "**ORSO Scheme**") in Hong Kong for those employees who are eligible to participate in this scheme. The ORSO Scheme operates in a similar way to the MPF Scheme, except that when an employee leaves the ORSO Scheme before the employer contributions vest fully, the ongoing employer contributions payable by the Group are reduced by the relevant amount of the forfeited employer contributions.

In respect of Australia, a number of DP World's Australian companies participate in the Mercer Superannuation Trust, an Australian multi-employer corporate fund in which DP World Australia operates a sub-fund called DP World Australia Superannuation Plan. The defined benefit section of the sub-fund is closed to new members. At 31 December 2010 the sub-fund had a small deficit of USD 1,560 thousand (2009: surplus of USD 945 thousand; 2008: deficit of USD 606 thousand).

The Australian group of companies also participate in the superannuation plan associated with the maritime industry called "Maritime Super" (MS). MS is a multi-employer superannuation fund. Its defined benefit section is closed to new members. As a multi-employer fund there is no reliable basis for allocating benefits, assets and costs between employers and therefore the Group has adopted multi-employer provisions when reporting under IFRS. Those provisions allow the employers to report as if the fund was a defined contribution fund. In any event as at 31 December 2010 the total number of members remaining in the defined benefit section of MS were 199 (2009: 205; 2008: 221) of which DP World's share was 78 (2009: 82; 2008: 89). The last actuarial statement dated June 2008 showed the ratio of assets to benefits at 102%.

25. Interest bearing loans and borrowings

This note provides information about the terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. Information about the Group's exposure to interest rate, foreign currency and liquidity risk are described in note 29.

	2008	2009	2010
		USD'000	
Non-current liabilities			
Secured bank loans	721,983	536,341	682,968
Mortgage debenture stock	2,083	2,303	2,221
Unsecured loan stock	4,777	5,280	5,093
Unsecured bank loans	1,218,977	3,645,649	3,442,000
Unsecured bond issues	3,230,244	3,231,829	3,233,518
Finance lease liabilities	18,830	53,476	54,499
	5,196,894	7,474,878	7,420,299
Current liabilities			
Secured bank loans	97,677	419,605	76,333
Unsecured bank loans	68,055	51,715	258,420
Unsecured loans	—	2,548	2,433
Finance lease liabilities	6,719	9,223	12,261
	172,451	483,091	349,447
Total	**5,369,345**	**7,957,969**	**7,769,746**

Terms and debt repayment schedule

Terms and conditions of outstanding loans were as follows:

Currency	Notes	Nominal interest rate	Year of maturity	Face value	Carrying amount
				USD'000	
2008					
Secured loans					
EGP		14%	2013	7,122	7,122
Various		Variable	2015-2019	5,980	5,980
GBP		Variable	2010	34,046	34,046
INR		9.86%	2014	7,994	7,994
PKR		Variable	2010	39,639	39,639
USD		Variable	2009-2023	305,347	305,347
USD		3.58%-6.88%	2009-2017	84,181	84,181
Unsecured loans					
AUD		Variable	2010	70,935	70,935
CAD		Variable	2011	159,628	159,628
GBP		Variable	2010	124,355	124,355
INR		Variable	2009	82,473	82,473
INR		7.20%-14.25%	2009-2010	67,152	67,152
PHP		Variable	2009-2014	49,155	49,155
SAR		Variable	2010-2017	35,505	35,505
USD		Variable	2009-2011	253,336	253,336
USD	(a)	Variable	2012	790,000	779,845
Mortgage debenture stock GBP		3.50%	undated	2,083	2,083
Unsecured loan stock GBP		7.5%	undated	4,777	4,777
Unsecured sukuk bonds USD	(b)	*	2017	1,500,000	1,484,317
Unsecured MTNs USD	(b)	6.85%	2037	1,750,000	1,738,004
Unsecured bond issue USD		7.88%	2027	8,000	7,923
Finance lease liabilities Various		Variable	2009-2014	25,548	25,548
				5,407,256	**5,369,345**

* The profit rate on this Islamic Bond is 6.25 per cent.

Terms and conditions of outstanding loans were as follows:

Currency	Notes	Nominal interest rate	Year of maturity	Face value	Carrying amount
				USD'000	
2009					
Secured loans					
AUD		Variable	2010	103,105	103,105
EGP		14%	2013	6,610	6,610
EUR		Variable	2016-2024	19,174	19,174
GBP		Variable	2010	157,136	157,136
HKD		2.90%	2015	1,951	1,951
INR		Variable	2014	6,899	6,899
PKR		Variable	2010-2013	45,616	45,616
USD		1.45%-4.75%	2010-2017	75,458	75,458
USD		Variable	2010-2019	538,645	538,645
ZAR		Variable	2016	1,352	1,352
Unsecured loans					
AUD		Variable	2010	16,209	16,209
CAD		Variable	2011	184,429	184,429
INR		Variable	2011-2014	97,395	97,395
INR		7.30%-14.25%	2010-2015	93,165	93,165
SAR		Variable	2010-2017	31,378	31,378
USD		Variable	2011-2024	252,791	252,791
USD		Variable	2010-2011	29,512	29,512
USD	(a)	Variable	2012	3,000,000	2,992,485
EUR		Variable	2010	2,548	2,548
Mortgage debenture stock GBP		3.50%	undated	2,303	2,303
Unsecured loan stock GBP		7.50%	undated	5,280	5,280
Unsecured Bond USD		7.88%	2027	8,000	7,925
Unsecured sukuk bonds USD	(b)	*	2017	1,500,000	1,485,756
Unsecured MTNs USD	(b)	6.85%	2037	1,750,000	1,738,148
Finance lease liabilities Various		Variable	2010-2023	62,699	62,699
				7,991,655	**7,957,969**

* The profit rate on this Islamic Bond is 6.25 per cent.

Terms and conditions of outstanding loans were as follows:

Currency	Notes	Nominal interest rate	Year of maturity	Face value	Carrying amount
				USD'000	
2010					
Secured loans					
EGP		14%	2013	4,684	4,684
EUR		Variable	2019-2023	7,644	7,644
EUR		7%	2024	16,497	16,497
HKD		2.9%	2015	1,576	1,576
INR		11.62%	2015	11,183	11,183
INR		Variable	2015-2017	94,762	94,762
PKR		Variable	2018-2019	80,155	80,155
USD		2.76%-4.75%	2013-2014	36,230	36,230
USD		Variable	2011-2019	505,135	505,135
ZAR		Variable	2016	1,435	1,435
Unsecured loans					
CAD		Variable	2011	194,374	194,374
INR		Variable	2011-2014	62,886	62,886
INR		7.9%-8.13%	2011-2012	72,451	72,451
SAR		Variable	2017	27,259	27,259
USD		4.14%	2024	32,876	32,876
USD	(a)	Variable	2012	3,000,000	2,995,143
USD		Variable	2011	315,431	315,431
EUR		Variable	2011	2,433	2,433
Mortgage debenture stock GBP		3.5%	undated	2,221	2,221
Unsecured loan stock GBP		7.50%	undated	5,093	5,093
Unsecured Bond USD		7.88%	2027	8,000	7,929
Unsecured sukuk bonds USD	(b)	*	2017	1,500,000	1,487,289
Unsecured MTNs USD	(b)	6.85%	2037	1,750,000	1,738,300
Finance lease liabilities in various currencies		4.14%-14%	2010-2054	66,760	66,760
				7,799,085	**7,769,746**

* The profit rate on this Islamic Bond is 6.25 per cent.

(a) The unsecured bank loans include USD 3,000,000 thousand (2009: USD 3,000,000 thousand, 2008: USD 790,000 thousand) drawn under a USD 3,000,000 thousand revolving credit facility. This is a committed facility with a final maturity on 22 October 2012.

(b) The Group has a listed conventional bond of USD 1,750,000 thousand Medium Term Note and a Sukuk (Islamic Bond) of USD 1,500,000 thousand listed under DP World Sukuk Limited on NASDAQ Dubai and the London Stock Exchange (LSE).

(c) The bank loans are secured over property, plant and equipment with a carrying amount of USD 596,856 thousand (2009: USD 1,238,888 thousand, 2008: USD 781,632 thousand). There is no cash under lien as at 31 December 2010 (2009: USD 368,351 thousand, 2008: USD 443,993 thousand) (refer to note 18).

At 31 December 2010, the Group had available USD 60,213 thousand (2009: 179,744 thousand, 2008: 2,770,083 thousand) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met.

Finance lease liabilities

The Group classifies certain property, plant and equipment as finance leases where it retains all risks and rewards incidental to the ownership. The net carrying values of assets taken under finance leases are disclosed in note 12.

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	Future minimum lease payments	Interest	Present value of minimum lease
		USD'000	
2008			
Less than one year	5,362	(885)	4,477
Between one and five years	16,705	(3,264)	13,441
More than five years	16,437	(8,806)	7,631
At 31 December 2008	**38,504**	**(12,955)**	**25,549**
2009			
Less than one year	14,853	(2,978)	11,875
Between one and five years	47,794	(6,170)	41,624
More than five years	18,900	(9,700)	9,200
At 31 December 2009	**81,547**	**(18,848)**	**62,699**
2010			
Less than one year	15,391	(2,898)	12,493
Between one and five years	41,009	(10,962)	30,047
More than five years	34,296	(10,076)	24,220
At 31 December 2010	**90,696**	**(23,936)**	**66,760**

The finance leases do not contain any escalation clauses and do not provide for contingent rents.

26. **Accounts payable and accruals**

	Non-current	Current	Total
		USD'000	
2008			
Trade payables	—	174,275	174,275
Amounts owed to equity-accounted investees (refer to note 27)	3,700	64,647	68,347
Other payables and accruals	214,086	623,969	838,055
Provisions*	900	40,300	41,200
Fair value of derivative financial instruments	38,300	53,954	92,254
Amounts due to related parties (refer to note 27)	121,971	91,292	213,263
At 31 December 2008	**378,957**	**1,048,437**	**1,427,394**
2009			
Trade payables	—	160,462	160,462
Amounts owed to equity-accounted investees (refer to note 27)	810	142	952
Other payables and accruals	319,280	564,947	884,227
Provisions*	1,600	29,100	30,700
Fair value of derivative financial instruments	22,200	44,800	67,000
Amounts due to related parties (refer to note 27)	2,873	18,151	21,024
At 31 December 2009	**346,763**	**817,602**	**1,164,365**
2010			
Trade payables	—	201,546	201,546
Amounts owed to equity-accounted investees (refer to note 27)	1,600	—	1,600
Other payables and accruals	338,952	607,361	946,313
Provisions*	800	43,900	44,700
Fair value of derivative financial instruments	26,800	69,579	96,379
Amounts due to related parties (refer to note 27)	—	17,176	17,176
At 31 December 2010	**368,152**	**939,562**	**1,307,714**

* During the year an amount of USD 32,000 thousand was provided (2009: USD 19,600 thousand, 2008: USD 8,900 thousand) and an amount of USD 18,000 thousand was utilised (2009: USD 30,100 thousand, 2008: USD 45,200 thousand).

27. **Related party transactions**

For the purpose of these consolidated financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over it in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or significant influence i.e. part of the same Parent Group.

Related parties represent associated companies, shareholders, directors and key management personnel of the Group, the Parent Company, ultimate Parent Company (Dubai World Corporation) and entities jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management. The terms and conditions of the related party transaction were made on an arm's length basis.

The Parent Group operates a Shared Services Unit ("**SSU**") which recharges the proportionate costs of services provided to the Group. SSU also processes the payroll for the Group and recharges the respective payroll costs.

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

2008	Property acquisition	Expenses charged	Management fee income	Shared service cost	Concession fee
			USD'000		
Ultimate Parent Company	—	—	—	—	—
Parent Company	—	—	—	—	—
Associates	—	—	—	—	—
Joint ventures	—	—	—	—	—
Other related parties	—	39,049	—	—	48,172
	—	**39,049**	**—**	**—**	**48,172**

2009	Property acquisition	Expenses charged	Management fee income	Shared service cost	Concession fee
			USD'000		
Ultimate Parent Company	—	11,807	—	—	—
Parent Company	—	—	—	—	—
Equity accounted investees	—	—	6,024	—	—
Other related parties	82,785	12,591	—	12,034	48,169
	82,785	**24,398**	**6,024**	**12,034**	**48,169**

2010	Property acquisition	Expenses charged	Management fee income	Shared service cost	Concession fee
			USD'000		
Parent Company	—	—	—	—	—
Equity accounted investees	—	—	13,020	—	—
Other related parties	—	13,770	—	10,055	48,169
	—	**13,770**	**13,020**	**10,055**	**48,169**

Balances with related parties included in the statement of financial position are as follows:

	Due from related parties			Due to related parties		
	2008	2009	2010	2008	2009	2010
			USD'000			
Equity accounted investees	39,688	43,003	43,400	68,347	952	1,600
Other related parties	113,284	77,220	88,535	213,263	21,024	17,176
	152,972	**120,223**	**131,935**	**281,610**	**21,976**	**18,776**

The balances outstanding at the year-end arise in the normal course of business. For the years ended 31 December 2010, 2009 and 2008, the Group has not recorded any impairment on the amounts owed by related parties.

Loan and lease guarantees issued on behalf of equity-accounted investees amount to USD 5,785 thousand (2009: USD 13,090 thousand, 2008: USD 10,995 thousand).

Compensation of key management personnel

The remuneration of directors and other key members of the management during the year were as follows:

	2008	2009	2010
		USD'000	
Short-term benefits and bonus	6,474	7,648	6,699
Post retirement benefits	565	428	512
	7,039	**8,076**	**7,211**

28. **Assets and liabilities held for sale**

	2008	2009	2010
		USD'000	
Asset held for sale			
Australia and Americas region (refer to note a)	—	—	2,071,000
Other regions (refer to note b)	10,100	28,400	13,840
	10,100	28,400	2,084,840
Liabilities held for sale			
Australia region (note a)	—	—	356,193

(a) On 22 December 2010, the Group and Citi Infrastruture Investors ("CII"), together with one of CII's major investors, announced their intention to form a strategic partnership in relation to the Group's five marine terminals in Australia (also refer to note 34).

The major class of assets and liabilities as at 31 December 2010 were as follows:

	2008	2009	2010
		USD'000	
Non-current assets			
Property, plant and equipment (refer to note 12)	—	—	392,198
Port concession rights (refer to note 13)	—	—	680,622
Goodwill (refer to note 13)	—	—	846,748
Investment in equity-accounted investees	—	—	1,000
Deferred tax assets	—	—	27,400
	—	—	1,947,968

	2008	2009	2010
		USD'000	
Current assets			
Inventories	—	—	6,000
Accounts receivable and prepayments	—	—	66,132
Bank balances and cash	—	—	50,900
	—	—	123,032
Asset classified as held for sale	—	—	2,071,000

	2008	2009	2010
		USD'000	
Non current liabilities			
Deferred tax liabilities (note 9)	—	—	213,293
Pension and post-employment benefits	—	—	6,900
Interest bearing loans and borrowings	—	—	21,900
	—	—	242,093
Current liabilities			
Income tax liabilities	—	—	5,800
Pension and post-employment benefits	—	—	49,100
Interest bearing loans and borrowings	—	—	3,500
Accounts payable and accruals	—	—	55,700
	—	—	114,100
Liabilities classified as held for sale	**—**	**—**	**356,193**

(b) Assets held for sale in other regions represents property, plant and equipment of USD 3,039 thousand (2009: USD 15,973 thousand, 2008: Nil), which have been restated at their fair value resulting in an impairment loss of USD 3,700 thousand (2009: Nil, 2008: Nil) (also refer to notes 10 and 12).

29. **Financial instruments**

(a) **Credit risk**

(i) *Exposure to credit risk*

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Carrying amount		
	2008	2009	2010
		USD'000	
Available-for-sale financial assets	39,041	50,560	51,439
Debts securities held to maturity	12,000	14,729	14,429
Derivative assets	1,800	1,100	10,970
Loans and receivables	593,195	536,534	607,760
Bank balances and cash	1,204,074	2,910,066	2,519,616
	1,850,110	**3,512,989**	**3,204,214**

The maximum exposure to credit risk for trade receivables (net) at the reporting date by operating regions is as follows:

	Carrying amount		
	2008	2009	2010
		USD'000	
Asia Pacific and Indian subcontinent	27,732	28,128	23,927
Australia and Americas	62,902	73,902	32,400
Middle East, Europe and Africa	155,485	187,840	172,415
	246,119	**289,870**	**228,742**
The ageing of trade receivables (net) at the reporting date was:			
Neither past due nor impaired on the reporting date	155,538	127,840	169,262
Past due on the reporting date			
Past due 0–30 days	58,006	89,253	22,422
Past due 31–60 days	17,246	19,828	12,228
Past due 61–90 days	5,548	12,305	10,767
Past due > 90 days	9,781	40,644	14,063
	246,119	**289,870**	**228,742**

The Group believes that the unimpaired amounts that are past due by more than 90 days are still collectible, based on historic payment behaviour.

Movement in the allowance for impairment in respect of trade receivables during the year was:

	2008	2009	2010
		USD'000	
At 1 January	7,797	59,774	46,367
Provision written back/recognised during the year	51,977	(13,407)	(10,470)
Transfer to assets held for sale	—	—	(4,068)
At 31 December	**59,774**	**46,367**	**31,829**

Based on historic default rates, the Group believes that, apart from above, no impairment allowance is necessary in respect of trade receivables not past due or past due.

Trade receivables with the top ten customers represent 38% (2009: 46%, 2008: 50%) of the trade receivables.

(b) **Market risk**

2008

The following are the contractual maturities of financial liabilities, including estimated interest payments and excludes the impact of netting agreements.

	Carrying amount	Contractual cash flows	Less than 1 year	1–2 years	2–5 years	More than 5 years
			USD'000			
Non derivative financial liabilities						
Secured bank loans	819,661	(928,739)	(111,763)	(377,510)	(280,767)	(158,699)
Unsecured bond issues	3,230,244	(7,483,283)	(214,255)	(214,255)	(642,765)	(6,412,008)
Mortgage debenture stocks	2,083	(2,521)	(73)	(73)	(219)	(2,156)
Unsecured loan stock	4,777	(6,926)	(358)	(358)	(1,075)	(5,135)
Finance lease liabilities	25,549	(38,504)	(5,362)	(5,898)	(10,807)	(16,437)
Unsecured syndicate bank loans	779,845	(863,865)	(20,145)	(20,145)	(823,575)	—
Unsecured other bank loans	507,187	(397,202)	(94,197)	(135,948)	(160,328)	(6,729)
Trade and other payables	1,293,940	(1,293,940)	(954,183)	(339,757)	—	—
Bank overdraft	49,929	(49,929)	(49,929)	—	—	—
Financial guarantees*	—	(10,995)	(10,995)	—	—	—
Derivative financial liabilities						
Interest rate swaps used for hedging	87,341	(92,967)	(20,305)	(20,633)	(35,320)	(16,709)
Forward exchange contracts used for hedging						
Net outflow	3,313	(4,133)	(2,029)	(2,104)	—	—
Other derivatives						
Net outflow	1,600	(1,832)	(356)	(397)	(1,079)	—
Total	**6,805,469**	**(11,174,836)**	**(1,483,950)**	**(1,117,078)**	**(1,955,935)**	**(6,617,873)**

The following table indicates the periods in which the cash flows associated with derivatives that are cash flow hedges are expected to occur. The timing of these cash flows is not materially different from the impact on the consolidated income statement.

	Carrying amount	Expected cash flows	Less than 1 year	1–2 years	2–5 years	More than 5 years
			USD'000			
Interest rate swaps						
Assets	37	51	51	—	—	—
Liabilities	(87,341)	(92,967)	(20,305)	(20,633)	(35,320)	(16,709)
Forward exchange contracts used for hedging						
Net liabilities	(3,313)	(4,133)	(2,029)	(2,104)	—	—
Cross currency swaps						
Assets	1,763	1,874	46	1,247	581	—
Other derivatives						
Net liabilities	(1,600)	(1,832)	(356)	(397)	(1,079)	—
Total	**(90,454)**	**(97,007)**	**(22,593)**	**(21,887)**	**(35,818)**	**(16,709)**

2009

The following are the contractual maturities of financial liabilities, including estimated interest payments and excludes the impact of netting agreements.

	Carrying amount	Contractual cash flows	Less than 1 year	1–2 years	2–5 years	More than 5 years
			USD'000			
Non derivative financial liabilities						
Secured bank loans	955,946	(1,166,241)	(477,139)	(111,944)	(324,414)	(252,744)
Unsecured bond issues	3,231,829	(7,269,906)	(214,255)	(214,255)	(642,765)	(6,198,631)
Mortgage debenture stocks	2,303	(4,641)	(81)	(81)	(242)	(4,237)
Unsecured loan stock	5,280	(16,763)	(396)	(396)	(1,188)	(14,783)
Finance lease liabilities	62,699	(81,547)	(14,853)	(11,948)	(35,846)	(18,900)
Unsecured syndicate bank loans	2,992,494	(3,056,965)	(27,019)	(27,019)	(3,002,927)	—
Unsecured other bank loans	707,418	(914,092)	(168,591)	(505,640)	(170,287)	(69,574)
Trade and other payables	1,066,661	(1,066,661)	(743,698)	(322,963)	—	—
Bank overdraft	11,500	(11,500)	(11,500)	—	—	—
Financial guarantees*	—	(13,090)	(13,090)	—	—	—
Derivative financial liabilities						
Interest rate swaps used for hedging	64,185	(83,776)	(50,898)	(23,261)	(7,844)	(1,773)
Forward exchange contracts used for hedging						
Net outflow	2,815	(5,753)	(5,753)	—	—	—
Total	**9,103,130**	**(13,690,935)**	**(1,727,273)**	**(1,217,507)**	**(4,185,513)**	**(6,560,642)**

The following table indicates the periods in which the cash flows associated with derivatives that are cash flow hedges are expected to occur. The timing of these cash flows is not materially different from the impact on the consolidated income statement.

	Carrying amount	Expected cash flows	Less than 1 year	1–2 years	2–5 years	More than 5 years
			USD'000			
Interest rate swaps						
Assets	500	631	—	—	631	—
Liabilities	(64,185)	(83,776)	(50,898)	(23,261)	(7,844)	(1,773)
Forward exchange contracts used for hedging						
Net liabilities	(2,715)	(5,466)	(5,466)	—	—	—
Cross currency swaps						
Assets	500	757	577	180	—	—
Other derivatives						
Net liabilities	—	—	—	—	—	—
Total	**(65,900)**	**(87,854)**	**(55,787)**	**(23,081)**	**(7,213)**	**(1,773)**

2010

The following are the contractual maturities of financial liabilities, including estimated interest payments and excludes the impact of netting agreements.

	Carrying amount	Contractual cash flows	Less than 1 year	1–2 years	2–5 years	More than 5 years
			USD'000			
Non derivative financial liabilities						
Secured bank loans	759,301	(972,914)	(143,361)	(148,664)	(445,498)	(235,391)
Unsecured bond issues	3,233,518	(7,055,651)	(214,255)	(214,255)	(642,765)	(5,984,376)
Mortgage debenture stocks	2,221	(4,399)	(78)	(78)	(233)	(4,010)
Unsecured loan stock	5,093	(15,792)	(382)	(382)	(1,146)	(13,882)
Finance lease liabilities	66,760	(90,696)	(15,391)	(14,116)	(26,892)	(34,297)
Unsecured syndicate bank loans	2,995,143	(3,031,681)	(28,584)	(3,003,097)	—	—
Unsecured other bank loans	707,710	(789,772)	(589,537)	(71,038)	(76,212)	(52,985)
Trade and other payables	644,929	(644,929)	(521,675)	(93,749)	(9,380)	(20,125)
Bank overdraft	3,000	(3,000)	(3,000)	—	—	—
Financial guarantees*	—	(5,785)	(5,785)	—	—	—
Derivative financial liabilities						
Interest rate swaps	96,079	(123,125)	(47,561)	(35,814)	(34,847)	(4,903)
Cross currency swaps	300	(208)	(208)	—	—	—
Total	**8,514,054**	**(12,737,952)**	**(1,569,817)**	**(3,581,193)**	**(1,236,973)**	**(6,349,969)**

* These are financial guarantees provided to equity-accounted investees (also refer to note 27).

The following table indicates the periods in which the cash flows associated with derivatives that are cash flow hedges are expected to occur. The timing of these cash flows is not materially different from the impact on the consolidated income statement.

	Carrying amount	Expected cash flows	Less than 1 year	1–2 years	2–5 years	More than 5 years
			USD'000			
Interest rate swaps						
Assets	161	161	—	161	—	—
Liabilities	(96,079)	(123,125)	(47,561)	(35,814)	(34,847)	(4,903)
Forward exchange contracts used for hedging						
Assets	39	218	218	—	—	—
Cross currency swaps						
Net liabilities	(300)	(208)	(208)	—	—	—
Total	**(96,179)**	**(122,954)**	**(47,551)**	**(35,653)**	**(34,847)**	**(4,903)**

(i) *Currency risk*

Exposure to currency risk

The Group's exposure to foreign currency risk was as follows:

2008	USD	GBP	EUR	AUD	INR	CAD	Others	2008 Total
				USD'000				
Cash and cash equivalents	871,856	56,371	67,960	88,917	(450)	7,861	111,559	1,204,074
Trade receivables	87,481	15,857	33,867	41,845	12,773	15,047	39,249	246,119
Secured bank loans and debenture stock	(488,415)	(160,484)	—	(70,935)	(49,172)	—	(52,740)	(821,746)
Unsecured bank loans and debenture stock	(939,076)	—	—	—	(108,447)	(159,628)	(84,659)	(1,291,810)
Bank overdraft	(12,411)	—	—	(11,984)	(25,516)	—	(18)	(49,929)
Trade payables	(55,953)	(11,610)	(47,496)	(4,194)	(24,988)	(2,926)	(27,108)	(174,275)
Net statement of financial position exposures	**(536,517)**	**(99,866)**	**54,331**	**43,649**	**(195,800)**	**(139,646)**	**(13,717)**	**(887,566)**

2009	USD	GBP	EUR	AUD	INR	CAD	Others	2009 Total
				USD'000				
Cash and cash equivalents	2,372,768	236,149	60,544	168,174	68	9,240	63,123	2,910,066
Trade receivables	118,648	24,743	32,820	59,300	18,789	11,138	24,432	289,870
Secured bank loans and debenture stock	(616,076)	(159,437)	(19,175)	(103,084)	(6,899)	—	(53,578)	(958,249)
Unsecured bank loans and loan stock	(3,305,999)	(5,280)	(2,548)	(16,209)	(190,745)	(184,411)	—	(3,705,192)
Bank overdraft	—	—	—	(6,468)	(3,426)	—	(1,606)	(11,500)
Trade payables	(50,327)	(14,048)	(39,197)	(7,198)	(33,489)	(3,056)	(13,147)	(160,462)
Net statement of financial position exposures	**(1,480,986)**	**82,127**	**32,444**	**94,515**	**(215,702)**	**(167,089)**	**19,224**	**(1,635,467)**

2010	USD	GBP	EUR	AUD	INR	CAD	Others	2010 Total
				USD'000				
Cash and cash equivalents	2,216,089	109,613	48,221	37,596	7,900	17,780	82,417	2,519,616
Trade receivables	108,703	17,436	44,273	6,084	9,185	12,636	30,425	228,742
Secured bank loans and debenture stock	(539,831)	(2,222)	(24,141)	—	(105,954)	—	(89,374)	(761,522)
Unsecured bank loans and loan stock	(3,345,989)	(5,093)	—	—	(135,196)	(194,408)	(27,260)	(3,707,946)
Bank overdraft	—	—	—	—	(1,124)	—	(1,876)	(3,000)
Trade payables	(59,074)	(13,557)	(45,984)	(4,212)	(59,605)	(1,872)	(17,242)	(201,546)
Net statement of financial position exposures	**(1,620,102)**	**106,177**	**22,369**	**39,468**	**(284,794)**	**(165,864)**	**(22,910)**	**(1,925,656)**

The following significant exchange rates applied during the year:

	Average rate during			Reporting date spot rate		
	2008	2009	2010	2008	2009	2010
GBP	0.545	0.641	0.647	0.684	0.618	0.641
EUR	0.684	0.719	0.755	0.714	0.698	0.747
AUD	1.195	1.281	1.090	1.411	1.115	0.977
INR	43.441	48.297	45.668	48.577	46.410	44.713
CAD	1.068	1.141	1.031	1.216	1.052	0.998

(ii) *Sensitivity analysis*

A 10 percent strengthening of the USD against the following currencies at 31 December would have increased/(decreased) other comprehensive income and consolidated income statement by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. Further, as each entity in the Group determines its own functional currency, the effect of translating financial assets and liabilities of the respective entity would mainly impact other comprehensive income.

	Other comprehensive income			Consolidated income statement		
	2008	2009	2010	2008	2009	2010
			USD'000			
GBP	(9,987)	8,213	11,797	357	1,617	1,664
EUR	5,433	3,244	2,485	78	771	1,441
AUD	4,365	9,452	4,385	172	589	—
INR	(19,580)	(21,570)	(31,644)	1,393	4,285	7,869
CAD	(13,965)	(16,709)	(18,429)	486	1,203	720

A 10 percent weakening of the USD against the above currencies at 31 December would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

(c) **Interest rate risk**

(i) *Profile*

At the reporting date the interest rate profile of the Group's interest bearing financial instruments was:

	Carrying amount		
	2008	2009	2010
		USD'000	
Fixed rate instruments			
Financial assets	14,189	14,729	14,429
Financial liabilities	(3,476,589)	(3,591,983)	(3,483,089)
Interest rate swaps	(699,211)	(2,016,007)	(1,932,288)
	(4,161,611)	(5,593,261)	(5,400,948)
Variable rate instruments			
Financial assets	259,280	2,023,460	2,076,074
Financial liabilities	(1,942,685)	(4,377,486)	(4,289,657)
Interest rate swaps	699,211	2,016,007	1,932,288
	(984,194)	(338,019)	(281,295)

(ii) *Cash flow sensitivity analysis for variable rate instruments*

A change of 100 basis points ("**bp**") in interest rates at the reporting date would have increased/(decreased) other comprehensive income and consolidated income statement by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Consolidated income statement		Other comprehensive income	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	USD'000			
2008				
Variable rate instruments	(9,842)	9,842	—	—
Interest rate swap	(880)	880	(6,112)	6,112
Cash flow sensitivity (net)	**(10,722)**	**10,722**	**(6,112)**	**6,112**
2009				
Variable rate instruments	(3,380)	3,380	—	—
Interest rate swap	(2,210)	2,210	(17,950)	17,950
Cash flow sensitivity (net)	**(5,590)**	**5,590**	**(17,950)**	**17,950**
2010				
Variable rate instruments	(2,813)	2,813	—	—
Interest rate swap	(2,930)	2,930	(16,393)	16,393
Cash flow sensitivity (net)	**(5,743)**	**5,743**	**(16,393)**	**16,393**

Fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position are as follows:

	2008		2009		2010	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	USD'000					
Assets carried at fair values						
Available-for-sale financial assets	36,815	36,815	50,560	50,560	51,439	51,439
Derivative financial assets	1,800	1,800	1,100	1,100	10,970	10,970
	38,615	**38,615**	**51,660**	**51,660**	**62,409**	**62,409**
Assets carried at amortised cost						
Debt securities held-to-maturity	12,000	12,000	14,729	14,729	14,429	14,266
Loans and receivables	593,195	593,195	536,534	536,534	607,760	607,760
Cash and cash equivalents	1,204,074	1,204,074	2,910,066	2,910,066	2,519,616	2,519,616
	1,809,269	**1,809,269**	**3,461,329**	**3,461,329**	**3,141,805**	**3,141,642**
Liabilities carried at fair values						
Interest rate swaps used for hedging	87,341	87,341	(64,185)	(64,185)	(96,079)	(96,079)
Forward foreign currency contracts	3,313	3,313	(2,815)	(2,815)	(300)	(300)
Other derivatives	1,600	1,600	—	—	—	—
	92,254	**92,254**	**(67,000)**	**(67,000)**	**(96,379)**	**(96,379)**
Liabilities carried at amortised cost						
Secured bank loans	(819,661)	(819,661)	(955,946)	(955,946)	(759,301)	(759,301)
Mortgage debenture stocks	(2,083)	(2,083)	(2,303)	(2,303)	(2,221)	(2,141)
Unsecured bond issues	(3,230,244)	(1,780,660)	(3,231,829)	(2,629,126)	(3,233,518)	(3,117,997)
Unsecured loan stock	(4,777)	(4,777)	(5,280)	(5,280)	(5,093)	(5,093)
Finance lease liabilities	(25,549)	(25,549)	(62,699)	(62,699)	(66,760)	(66,760)
Unsecured bank and other loans	(1,287,032)	(1,287,032)	(3,699,912)	(3,699,912)	(3,702,853)	(3,702,853)
Trade and other payables	(1,293,940)	(1,293,940)	(1,066,661)	(1,066,661)	(644,929)	(644,929)
Bank overdraft	(49,929)	(49,929)	(11,500)	(11,500)	(3,000)	(3,000)
	6,713,215	**5,263,631**	**(9,036,130)**	**(8,433,427)**	**(8,417,675)**	**(8,302,074)**

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

	Level 1	Level 2	Level 3
		USD'000	
2008			
Available-for-sale financial assets	—	36,815	—
Derivative financial assets	—	1,800	—
	—	**38,615**	**—**
Derivative financial liabilities	—	(92,254)	—
	—	**(53,639)**	**—**
2009			
Available-for-sale financial assets	—	50,560	—
Derivative financial assets	—	1,100	—
	—	**51,660**	**—**
Derivative financial liabilities	—	(67,000)	—
	—	**(15,340)**	**—**
2010			
Available-for-sale financial assets	—	51,439	—
Derivative financial assets	—	10,970	—
	—	**62,409**	**—**
Derivative financial liabilities	—	(96,379)	—
	—	**(33,970)**	**—**

30. **Operating leases**

Operating lease commitments—Group as lessee

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

	2008	2009	2010
		USD'000	
Within one year	226,609	148,835	178,080
Between one to five years	682,133	791,194	1,104,490
Between five to ten years	1,333,085	1,408,553	1,354,819
Between ten to twenty years	1,765,711	1,733,066	1,642,390
Between twenty to thirty years	903,900	777,726	708,095
Between thirty to fifty years	1,179,331	1,073,954	1,031,959
Between fifty to seventy years	920,908	922,508	914,908
More than seventy years	1,218,553	1,174,608	1,120,762
	8,230,230	**8,030,444**	**8,055,503**

The above operating leases (Group as lessee) mainly consist of terminal operating leases arising out of concession arrangements which are long term in nature. In addition, there are also leases of plant, equipment and vehicles. In respect of terminal operating leases, contingent rent is payable based on revenues/profits earned in future period. Majority of leases contain renewable options for additional lease periods at rental rates based on negotiations or prevailing market rate.

Operating lease commitments—Group as lessor

Future minimum rentals receivable under non-cancellable operating leases as at 31 December are as follows:

	2008	2009	2010
		USD'000	
Within one year	17,393	22,772	22,163
Between one to five years	45,601	56,131	61,483
More than five years	39,136	51,875	38,075
	102,130	**130,778**	**121,721**

The above operating leases (Group as lessor) mainly consist of rental of Property, Plant and Equipment leased out by the Group. The leases contain renewal options for additional lease periods and at rental rates based on negotiations or prevailing market rate.

31. **Capital commitments**

	2008	2009	2010
		USD'000	
Estimated capital expenditure contracted for as at 31 December	1,407,725	1,040,069	462,425

32. **Contingencies**

(a) The Group has contingent liabilities amounting to USD 143,827 thousand (2009: USD 170,114 thousand, 2008: USD 253,475 thousand) in respect of payment guarantees, USD 114,446 thousand (2009: USD 76,624 thousand, 2008: USD 71,117 thousand) in respect of performance guarantees and USD 2,266 thousand (2009: nil, 2008: USD 1,793 thousand) in respect of letters of credit issued by the Group's bankers. The bank guarantees and letters of credit are arising in the ordinary course of business from which it is anticipated that no material liabilities will arise.

(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 2006, MICT received a show cause notice from Gujarat Maritime Board ("**GMB**") requiring MICT to demonstrate that the undertaking given by its parent company, P&O Ports (Mundra) Private Limited, with regard to its shareholding in MICT has not been breached in view of P&O Ports being taken over by the Group (DP World).

Based on the strong merits of the case the Directors believe, having considered legal advice, that the above litigation is unsubstantiated, and in their view, it will have no impact on the Group's ability to continue to operate the port. No provision has been made with respect to the Group's potential liability in this litigation as such liability is neither currently quantifiable nor considered likely.

(c) Chennai Port Trust ("**CPT**") has raised a demand for an amount of USD 26,733 thousand (2009: 19,690 thousand, 2008: USD 18,810 thousand) from Chennai Container Terminal Limited ("**CCTL**"), a subsidiary of the Group, on the basis that CCTL has failed to fulfil its obligations in respect of non-transhipment containers for a period of four consecutive years from 1 December 2003. CCTL has subsequently paid USD 14,282 thousand (2009: USD 13,780 thousand, 2008: USD 15,823 thousand) under dispute. CCTL has commenced legal proceedings at the Chennai High Court against CPT. The Group believes, having considered legal advice, 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 licence agreement to operate the port.

(d) CPT has raised a demand for an amount of USD 16,841 thousand (2009: USD 15,950 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 Group strongly believes that this case will be settled in the Group's favour.

33. **Significant group entities**

The extent of the Group's ownership in its various subsidiaries and associates and their principal activities are as follows:

(a) **Significant holding companies**

Legal Name	Ownership interest	Country of incorporation	Principal activities
DP World FZE	100%	United Arab Emirates	Management and operation of seaports and airports and leasing of port equipment
Thunder FZE	100%	United Arab Emirates	Holding company
Peninsular and Oriental Steam Navigation Company Limited	100%	United Kingdom	Management and operations of seaports
DP World Ports Co-op U.A	100%	Netherlands	Holding Company
DP World Maritime Cooperative U.A	100%	Netherlands	Holding Company
DPI Terminals Holdings C.V.	100%	Netherlands	Holding Company
DPI Terminals Asia Holding Limited	100%	Netherlands	Holding Company
DPI Terminals (BVI) Limited	100%	Netherlands	Holding Company

(b) **Significant subsidiaries—Ports**

Legal Name	Ownership interest	Country of incorporation	Principal activities
Terminales Rio de la Plata SA	55.62%	Argentina	Container terminal operations
DP World Adelaide Pty Ltd***	60%	Australia	Container terminal operations
DP World Australia Ltd***	100%	Australia	Container terminal operations
DP World Brisbane Pty Ltd***	100%	Australia	Container terminal operations
DP World Sydney Pty Ltd***	90.37%	Australia	Container terminal operations
DP World (Fremantle) Ltd***	100%	Australia	Container terminal operations
DP World Antwerp NV	100%	Belgium	Container terminal and other operations
DP World (Canada) Inc.	100%	Canada	Container terminals and Stevedoring
Egyptian Container Handling Company (ECHCO)—S.A.E	90%	Egypt	Container terminal operations
DP World Germersheim, GmbH and Co. KG	100%	Germany	Container terminal operator and Barge management operator
CSX World Terminals Hong Kong Limited	66.66%	Hong Kong	Container terminal operations
India Gateway Terminal Pvt. Ltd	81.63%	India	Container terminal operations
Mundra International Container Terminal Private Limited	100%	India	Container terminal operations
Nhava Sheva International Container Terminal Private Limited	100%	India	Container terminal operations
Chennai Container Terminal Private Limited	100%	India	Container terminal operations
DP World Middle East Limited	100%	Kingdom of Saudi Arabia	Container terminal operations

Legal Name	Ownership interest	Country of incorporation	Principal activities
Maputo International Port Services	60%	Mozambique	Container terminal operations
Qasim International Container Terminal Pakistan Ltd	75%	Pakistan	Container terminal operations
DP World Callao SA	100%	Peru	Container terminal operations
Doraleh Container Terminal SARL	33.33%*	Republic of Djibouti	Container terminal operations
Constanta South Container Terminal SRL	75%	Romania	Container terminal operations
DP World Dakar S.A.	90%	Senegal	Container terminal operations
DP World Tarragona SA	60%	Spain	Container terminal operations
DP World UAE Region FZE	100%	United Arab Emirates	Container terminal operations
DP World Fujairah FZE	100%	United Arab Emirates	Container terminal operations
Southampton Container Terminals Limited	51%	United Kingdom	Container Terminal operations
Saigon Premier Container Terminal	80%	Vietnam	Container terminal operations

(c) **Associates and joint ventures—Ports**

Legal Name	Ownership interest	Country of incorporation	Principal activities
Djazair Port World Spa	50%	Algeria	Container terminal operations
DP World Djen Djen Spa	50%	Algeria	Container terminal operations
Antwerp Gateway N.V	42.50%	Belgium	Container terminal operations
Caucedo Investment Inc.	45%	British Virgin Islands	Container terminal operations
Manutention Generale Mediterranenne SA (Marseille)	25.50%	France	Container terminal operations
Manutention Terminal Nord Development SA (Le Havre)	50%	France	Container terminal operations
Port Synergy SAS	50%	France	Container terminal operations
Asia Container Terminals Limited	55.16%**	Hong Kong	Container terminal operations
Vishaka Container Terminals Private Limited	26%	India	Container terminal operations
PT Terminal Petikemas Surabaya	49%	Indonesia	Container terminal operations
Pusan Newport Co. Ltd	42.09%	Korea	Container terminal operations
Qingdao Qianwan Container Terminal Co. Ltd	29%	People's Republic of China	Container terminal operations
Tianjin Orient Container Terminal Co Ltd	24.50%	People's Republic of China	Container terminal operations
DP World Yantai Company Limited	32.50%	People's Republic of China	Container terminal operations
Asian Terminals Inc	50.54%**	Philippines	Container terminal operations
Vostochny Stevedoring Company	25%	Russia	Container terminal operations
Laem Chabang International Terminal Co. Ltd.	34.50%	Thailand	Container terminal operations
Tilbury Container Services Ltd.	34%	United Kingdom	Container terminal operations
Dubai & Aden Port Development Company	33.34%	Yemen	Container terminal operations

Legal Name	Ownership interest	Country of incorporation	Principal activities
Empresa Brasileria de Terminais Portuarious S.A.	26.91%	Brazil	Container terminal operations

(d) **Other non port business**

Legal Name	Ownership interest	Country of incorporation	Principal activities
P&O Maritime Services Pty Ltd	100%	Australia	Maritime services
Defence Maritime Services Pty Ltd	50%	Australia	Maritime services
ATL Logistics Centre Hong Kong Limited	34%	Hong Kong	Warehouse owner/Operator
ATL Logistics Centre Yantian Limited	48.83%	Hong Kong	Warehousing and logistics
DP World Crane Services (Shanghai)	100%	People's Republic of China	Technical support, services, consulting to crane manufacturers and leasing of port equipment
ATL Logistics Centre Yantian (Shenzen) Limited	48.83%	People's Republic of China	Warehousing and logistics
Port Secure Djibouti	40%	Republic of Djibouti	Port Security Services
Dubai International Djibouti FZE	100%	United Arab Emirates	Port Management and Operation
P&O Maritime FZE	100%	United Arab Emirates	Mngmt of Marine Assets service & port support Operations
DP World Cargo Services (Pty) Limited	70%	South Africa	Cargo Services

(e) **Ports under development**

Legal Name	Ownership interest	Country of incorporation	Principal activities
Rotterdam World Gateway B.V.	30%	Netherlands	Container terminal operations
Yarimca Porselen Sanayi Ve Ticaret A.S	100%	Turkey	Container terminal operations
London Gateway Port Ltd	100%	United Kingdom	Container terminal operations

* Although the Group has only a 33.33% effective ownership interest in Doraleh Container Terminal SARL, this entity is treated as a subsidiary, as the Group is able to govern the financial and operating policies of the company by virtue of an agreement with the other investor.

** Although the Group has more than 50% effective ownership interest in these entities, they are not treated as subsidiaries, but instead treated as joint ventures. The underlying joint venture agreement with the other shareholders does not provide significant control to the Group.

*** See note 34 immediately below for information regarding the Group's contribution at its Australian terminals to a newly formed joint venture, in which it holds a shareholding of 25%.

34. Subsequent event

On 22 December 2010, the Group, and Citi Infrastructure Investors (CII), together with one of CII's major investors announced their intention to form a strategic partnership in relation to the Group's five marine terminals in Australia. The Group, which formed a new joint venture company on completion of the transaction in March 2011, monetised 75% of the Group's share, whilst retaining a 25% shareholding. In addition, the Group has a long term agreement to provide management services to the Australian operation.

The total proceeds of the transaction amounts to USD 1,475,000 thousand (Australian Dollar 1,483,000 thousand). The net financial impact would be computed and disclosed in the financial statements for the six months ended 30 June 2011, after taking into account the impact of recycling of foreign currency translation reserve, tax charges and other costs related to the transaction.

On 21 April 2011, DP World Limited sold its remaining shareholding in P&O Trans Australia for a total consideration of USD 113,193 thousand (Australian Dollars 106,000 thousand) which includes the purchase of DP World Limited's shares and related loans.

PART XI

TAXATION

The statements set out below apply only as a general and non-exhaustive guide to current United Arab Emirates and United Kingdom tax law and practice as at the date of this Prospectus. The summary does not purport to be a complete analysis or listing of all the potential tax consequences of acquiring, holding or disposing of the Ordinary Shares or Depository Interests and does not constitute legal or tax advice. Prospective purchasers of the Ordinary Shares or Depository Interests are advised to consult their own professional tax advisers concerning the consequences under United Arab Emirates and United Kingdom law of the acquisition, ownership and disposition of the Ordinary Shares or Depository Interests.

1. United Arab Emirates

The UAE is a federation of seven Emirates. There is no corporate tax legislation at the federal UAE level. However, corporate tax legislation has been enacted in some of the Emirates through their own decrees.

Whilst tax decrees have been issued by some of the Emirates, they are currently only enforced on foreign oil companies and branches of foreign banks. However, there is no guarantee that tax will not be enforced on other corporate entities at some time in the future as there is no specific legislation that grants exemption to non-oil or local banking entities from tax.

In addition, a company domiciled in DIFC is subject to a zero rate of corporate income tax for 50 years beginning from 13 September 2004.

In view of the above, no UAE (including the DIFC) taxes currently apply to holders of the Ordinary Shares or the Depository Interests. In particular, there are no UAE (or DIFC) taxes on: (i) interest and dividend payments by way of withholding, deduction or otherwise; (ii) capital gains in respect of any disposal of the Ordinary Shares or the Depository Interests; or (iii) stamp duty or other transfer taxes on the issue or transfer of the Ordinary Shares or the Depository Interests.

Shareholders resident in jurisdictions outside the UAE as well as shareholders resident in the UAE but also taxable in jurisdictions outside the UAE (both corporate and individual) should consult their own tax advisors as to the tax implications of the income on Ordinary Shares or the Depository Interests.

2. United Kingdom Taxation

2.1 *General*

This summary is based upon current United Kingdom law and HM Revenue & Customs ("**HMRC**") published practice as at the date of this document, each of which may be subject to change, possibly with retroactive effect.

Unless specified otherwise, the statements apply only to holders who are resident (and, in the case of individuals only, ordinarily resident and domiciled) solely in the United Kingdom for tax purposes (and who are not resident for tax purposes in any other jurisdiction), who hold the Ordinary Shares or Depository Interests as an investment and not as trading stock and who are the absolute beneficial owners of the Ordinary Shares or Depository Interests and any dividends paid in respect of them.

The statements are not addressed to: (i) holders who own (or are deemed to own) 10 per cent or more of the voting power of the Company; (ii) special classes of holders such as, for example, dealers in securities, broker-dealers, collective investment schemes and insurance companies; (iii) holders who hold the Ordinary Shares or Depository Interests as part of hedging or conversion transactions; (iv) investors who have (or are deemed to have) acquired their Ordinary Shares or Depository Interests by virtue of an office or employment; or (v) holders who hold the Ordinary Shares or Depository Interests in connection with a trade, profession or vocation carried on in the United Kingdom (whether through a branch or agency or, in the case of a corporate holder, through a permanent establishment or otherwise). References to a dividend do not include dividends of a capital nature. The statements which follow do not describe the inheritance tax consequences of holding or disposing of Ordinary Shares or Depository Interests.

This summary assumes that: (i) there will be (and will continue to be) no register in the United Kingdom in respect of the Ordinary Shares; (ii) the Ordinary Shares will not be paired with shares issued by a body corporate incorporated in the United Kingdom; (iii) the central management and control of the Company is not and will not be exercised in the United Kingdom; and (iv) the

Depository Interest constitute "depository interest" within the meaning of Regulation 2 of the Stamp Duty Reserve Tax (UK Depository Interests in Foreign Securities) Regulation 1999.

If you are in any doubt as to your tax position or if you are subject to tax in a jurisdiction other than the United Kingdom, you should consult your own professional advisers.

2.2 ***Withholding tax***

Dividend payments in respect of the Ordinary Shares or Depository Interests will not be subject to United Kingdom withholding tax.

2.3 ***Dividends***

A United Kingdom resident holder of Ordinary Shares or Depository Interests who receives a dividend as a holder of Ordinary Shares or Depository Interests may be subject to United Kingdom income tax or corporation tax, as the case may be, on that dividend.

Individual holders

Individual holders of Ordinary Shares or Depository Interests who are resident and domiciled in the United Kingdom for United Kingdom tax purposes, or otherwise carrying on a trade, profession or vocation in the United Kingdom through a branch or agency in connection with which the Ordinary Shares or Depository Interests are used, held or acquired (other than as trading stock), will generally be subject to United Kingdom income tax on the gross amount of any dividend on the Ordinary Shares or Depository Interests. Such holders should generally be entitled to a non-payable tax credit which may be set off against the holder's total income tax liability. The tax credit will be equal to 10 per cent of the aggregate of the dividend declared and the tax credit (the "**gross dividend**"), or one-ninth of the amount of the dividend declared. For such holders eligible for this tax credit, this will have the effect of reducing the effective rate of United Kingdom income tax on the amount of the dividend declared (after application of the tax credit) to zero (for individuals taxable at the dividend ordinary rate), 25 per cent (for individuals taxable at the dividend upper rate) and approximately 36.1 per cent (for individuals taxable at the dividend additional rate).

A United Kingdom resident individual holder of Ordinary Shares or Depository Interests who is not liable to income tax in respect of the gross dividend and other United Kingdom resident taxpayers who are not liable to United Kingdom income tax on dividends, including pension funds and charities, will not be entitled to claim repayment of the tax credit attaching to dividends paid by the Company.

Corporate holders

Holders of Ordinary Shares or Depository Interests who are within the charge to United Kingdom corporation tax in respect of such Ordinary Shares or Depository Interests will prima facie be subject to United Kingdom corporation tax generally at a rate of 26 per cent on any dividends on the Ordinary Shares or Depository Interests unless (subject to special rules for such holders that are small companies) certain conditions for exemption are satisfied. The exemption is of wide application and holders of Ordinary Shares or Depository Interests who are within the charge to United Kingdom corporation tax, but who are not small companies, should generally not be subject to United Kingdom corporation tax on such dividends. It should be noted that the United Kingdom Government proposes to reduce the main rate of corporation tax to 25 per cent from 1 April 2012, 24 per cent from 1 April 2013 and 23 per cent from 1 April 2014.

2.4 ***Chargeable Gains***

A disposal or deemed disposal of the Ordinary Shares or Depository Interests by a holder who is resident or, in the case of an individual, ordinarily resident in the United Kingdom for United Kingdom tax purposes, or a holder who is neither resident nor ordinarily resident in the United Kingdom for United Kingdom tax purposes but who carries on a trade, profession or vocation in the United Kingdom through a permanent establishment (where the holder is a company) or through a branch or agency (where the holder is not a company) and has used, held or acquired (other than as trading stock) the Ordinary Shares or Depository Interests for the purposes of such trade, profession or vocation or such permanent establishment, branch or agency (as appropriate), may, depending on the holder's particular circumstances and subject to any available exemption or relief, give rise to a chargeable gain or an allowable loss for the purposes of United Kingdom taxation on chargeable gains.

An individual holder who for a period of less than five years either has ceased to be resident and ordinarily resident for United Kingdom tax purposes in the United Kingdom or has become resident in a territory outside the United Kingdom for the purposes of double taxation relief arrangements and who disposes of the Ordinary Shares or Depository Interests during that period, may be liable on his or her return to the United Kingdom to United Kingdom capital gains tax on any chargeable gain realised on such disposal. Nothing in any double taxation relief arrangements shall prevent such an individual from being subject to United Kingdom capital gains tax in those circumstances; however, credit for any non-UK tax paid by the individual as the disposal may be given on the making of a relevant claim.

Special rules apply to individual holders of Ordinary Shares or Depository Interests who are resident but not domiciled in the United Kingdom for United Kingdom tax purposes.

2.5 ***Stamp Duty and Stamp Duty Reserve Tax***

The following comments are intended as a guide to the general stamp duty and stamp duty reserve tax position and do not relate to persons such as market makers, brokers, dealers, intermediaries, charities, persons connected with depository receipt arrangements or clearance services or persons who enter into sale and repurchase transactions in respect of the Ordinary Shares or the Depository Interests, to whom special rules apply.

Deposit of Ordinary Shares with the Depository

Provided no consideration is given, no United Kingdom stamp duty should apply on the deposit of Ordinary Shares with the Depository in order that the Depository Interests are issued.

Issue of Ordinary Shares and Depository Interests

On the basis of the assumptions above, the issue of Ordinary Shares or Depository Interests should not give rise to a liability to United Kingdom stamp duty or stamp duty reserve tax.

Transfer on sale of Ordinary Shares

The transfer on sale of Ordinary Shares could give rise to a liability to United Kingdom stamp duty (where the consideration exceeds £1,000) at the rate of 0.5 per cent (rounded up if necessary to the nearest multiple of £5) of the amount or value of the consideration given for the sale. However, assuming that any document effecting a transfer of one or more of the Ordinary Shares is neither (i) executed in the United Kingdom nor (ii) relates to any property situate, or to any matter or thing done or to be done, in the United Kingdom (the term "matter or thing" is very wide and may include involvement of United Kingdom bank accounts in payment mechanics), then no United Kingdom ad valorem stamp duty should be payable on such a document.

Assuming that the Ordinary Shares are not registered in a register kept in the United Kingdom and are not paired with shares issued by a body corporate incorporated in the United Kingdom, no United Kingdom stamp duty reserve tax should be payable in respect of any agreement to transfer the Ordinary Shares.

Transfers of Depository Interests

Assuming that transfers of Depository Interests are effected without any written instrument of transfer, no United Kingdom stamp duty will be payable on the transfer of such Depository Interests.

The charge to United Kingdom stamp duty reserve tax, generally at the rate of 0.5 per cent of the consideration, should not arise on any agreement to transfer Depository Interests on the basis that an exemption will apply, given that the Ordinary Shares will be listed on the Official List and admitted to trading on the London Stock Exchange and on the basis of the assumptions made above, namely that (i) no register of shares is kept in the United Kingdom by or on behalf of the Company and (ii) the central management and control of the Company is not exercised in the United Kingdom, apply. It is not intended that any such register will be kept in the United Kingdom nor that the central management and control of the Company will be exercised in the United Kingdom.

Prospective purchasers of the Ordinary Shares or Depository Interests should consult their own tax advisors with respect to the tax consequences to them of acquiring, holding and disposing of the Ordinary Shares or Depository Interests.

PART XII

DIRECTORS, SENIOR MANAGEMENT AND CORPORATE GOVERNANCE

1. Directors

As at the date of this Prospectus, the Board is comprised of the eight members (each, a "**Director**") listed below.

Name	Position(s)	Date of appointment[(1)]
Sultan Ahmed Bin Sulayem	Chairman; Non-Executive Director	30 May 2007
Jamal Majid Bin Thaniah	Joint Vice Chairman; Non-Executive Director	30 May 2007
Mohammed Sharaf	Chief Executive Officer; Director	30 May 2007
Yuvraj Narayan	Chief Financial Officer; Director	9 August 2006
Sir John Parker	Joint Vice Chairman; Senior Independent Non-Executive Director	30 May 2007
David Williams	Independent Non-Executive Director	30 May 2007
Cho Ying Davy Ho	Independent Non-Executive Director	30 May 2007
Deepak Parekh	Independent Non-Executive Director	11 May 2011

(1) All directors, other than Deepak Parekh, have subsequently retired and been re-elected by rotation in accordance with the Company's articles of association in effect at that time.

Brief biographies of each of the members of the Board of Directors are set out below:

Sultan Ahmed Bin Sulayem has served as Chairman of the Board of the Company since 30 May 2007. He was previously Chairman of Dubai World and in this role oversaw businesses in industries as diverse as real estate development, hospitality, retail, e-commerce and various commodities exchanges, as well as those associated with transportation and logistics. He has more than 25 years' experience in the marine terminal industry, is Chairman of Port & Free Zone World and is a leading Dubai and international businessman. Sultan Ahmed Bin Sulayem is one of the two representatives of Port & Free Zone World on the Board (see section 15.3 of Part XIV (*Additional Information—Material Contracts—Relationship Agreement*)).

Jamal Majid Bin Thaniah has served as a Director and Vice Chairman of the Company since 30 May 2007 and became a Non-Executive Director on 27 October 2009. He joined Dubai Ports in 1981 and, from 2001, led Dubai Ports Authority. He is the Group Chief Executive Officer of Port & Free Zone World and, in this role he oversees P&O Ferries and Economic Zones World, which includes Jebel Ali Free Zone. He also serves as Vice Chairman of Istithmar World Holdings LLC and Istithmar World PJSC and as a Non-Executive Director of Etihad Rail (Abu Dhabi). Jamal Majid Bin Thaniah is one of the two representatives of Port & Free Zone World on the Board (see section 15.3 of Part XIV (*Additional Information—Material Contracts—Relationship Agreement*)).

Mohammed Sharaf has served as Chief Executive Officer of the Group since 2005 and as a Director of the Company since 30 May 2007. He joined Dubai Ports Authority in 1992, oversaw the Group's growth into an international business and performed central roles in developing its first international operations at the terminals of Jeddah (Saudi Arabia), Constanta (Romania) and Vizag (India) and in developing its national operations at Jebel Ali and Port Rashid terminals. He began his shipping career at Holland Hook terminal in The Port of New York/New Jersey and has more than 20 years' experience in the transport and logistics business. He is also Chairman of Tejari World FZ LLC.

Yuvraj Narayan has served as Chief Financial Officer of the Group since 2005 and as a Director of the Company since 9 August 2006. He joined DP World FZE in 2004. He serves as Non-Executive Director of Istithmar World PJSC and Non-Executive Director of IDFC Securities Limited. He previously served as ANZ Group's Head of Corporate and Project Finance for South Asia before becoming Chief Financial Officer of Salalah Port Services in Oman. He is a qualified Chartered Accountant and has a wealth of experience in the ports and international banking sectors.

Sir John Parker has served as an independent Non-Executive Director and Vice Chairman of the Company since 30 May 2007. He also acts as Senior Independent Director and is Chairman of the Company's Nominations and Governance Committee and Chairman of the Company's Remuneration Committee. He serves as Chairman of National Grid plc and Chairman of Anglo American plc. He is also Non-Executive Director of Carnival plc, Carnival Corporation and EADS Airbus. He has previously served as Chair of the

Court of the Bank of England, Non-Executive Chairman of BVT, Joint Chairman of Mondi plc, Non-Executive Director and Deputy Chairman and, subsequently, Chairman of P&O and as Vice Chairman of Port & Free Zone World. He was a Member of the Prime Minister's Business Council for Britain.

David Williams has served as an independent Non-Executive Director of the Company since 30 May 2007. He is also Chairman of the Company's audit committee (the "**Audit Committee**"). He is currently Joint Chairman of Mondi plc, a Non-Executive Director of Tullow Oil plc and Senior Independent Non-Executive Director of Meggitt plc. He previously served as a Non-Executive Director of P&O and Senior Independent Non-Executive Director of both Taylor Wimpey plc and George Wimpey plc. He has also served as a Non-Executive Director of Dewhirst Group plc and Medeva plc and as Finance Director of Bunzl plc. He is a qualified Chartered Accountant.

Cho Ying Davy Ho has served as an independent Non-Executive Director of the Company since 30 May 2007. Having retired from many of his Swire Group positions, he continues to serve as director of several Swire Group entities relating to properties and cold storage. He previously served as director of Cathay Pacific Airways Limited, Modern Terminals Ltd. and Shekou Container Terminals Ltd. and as Chairman of the Shipping Committee of the Hong Kong General Chamber of Commerce.

Deepak Parekh has served as an independent Non-Executive Director of the Company since 11 May 2011. He is currently the non-executive chairman of HDFC Ltd, India's premier Housing Finance Institution and he is also a non-executive director of the Infrastructure Development Finance Company and on the board of several other leading corporations including GlaxoSmithkline Pharmaceuticals Ltd, Siemens Ltd, Lafarge India and Wireless Network Services Limited. Deepak Parekh is a qualified chartered accountant and has been a member of various Indian Government appointed committees and advisory panels on matters including infrastructure reform, capital markets and financial services.

The business address for each of our Directors is c/o DP World Limited, PO Box 17000, Dubai, UAE.

None of the Directors:

- has or has had any interest in any transaction which is or was unusual in its nature or conditions or significant to the business which was effected by any member of the Group during the current or immediately preceding financial year, or which was effected during an earlier financial year and remains in any respect outstanding or unperformed; and
- has or had a beneficial interest in any contract to which any member of the Group was a party during the current or immediately preceding financial year.

There are no outstanding loans or guarantees granted or provided by any member of the Group for the benefit of any of the Directors.

Save as set out below, there are no potential conflicts between the duties owed by the Directors to the Company and their private interests or other duties.

Sultan Ahmed Bin Sulayem and Jamal Majid Bin Thaniah are representatives of Port & Free Zone World. Their letters of appointment with the Company reflect certain provisions, relating to the provision of information and confidentiality, set out in the relationship agreement entered into by the Company, Port & Free Zone World and Dubai World, on the date of this Prospectus, to regulate the relationship between them following Admission (the "**Relationship Agreement**"). For more information on the Relationship Agreement see section 15.3 of Part XIV (*Additional Information—Material Contracts—Relationship Agreement*).

2. Senior Management

In addition to the executive management appointed to the Board, the day-to-day management of the Group's business is led by the following senior managers (the "**Senior Managers**") who, together with the executive management appointed to the Board, comprise the Company's Executive Committee (see

"—*Corporate Governance*" below) and, together with other experienced managers, have the appropriate expertise and experience to conduct the day-to-day management of the business:

Name	Position(s)
Anil Wats	Executive Vice President and Chief Operating Officer
Mohammed Al Muallem	Senior Vice President and Managing Director—UAE
Peter Wong	Senior Vice President and Managing Director—Asia-Pacific
Anwar Wajdi	Senior Vice President—Commercial and Corporate Strategy

Brief biographies of each of the Senior Managers are set out below:

Anil Wats has served the Group as Executive Vice President and Chief Operating Officer since 2005. He joined DP World FZE in 2003 as Global Commercial Director. He began his career with Sea-Land Service Inc. and served in various positions including Vice President heading the Mediterranean and, later, Chief Executive Officer responsible for group activities covering the Middle East and the Subcontinent. Following the acquisition of Sea-Land by the A.P. Moller Maersk Group, he was appointed Chief Executive Officer for the A.P. Moller Maersk Group activities for Indonesia and, later, the UAE, Oman and Qatar and was on multiple global boards and committees. He has more than 25 years' experience in the international shipping and logistics industry having worked across the globe.

Mohammed Al Muallem serves as Senior Vice President and Managing Director—UAE. He began his career with DP World at Port Rashid more than 20 years ago and has led the integration of Dubai Ports Authority, Dubai Customs and the Free Zone Organisation.

Peter Wong serves as Senior Vice President and Managing Director—Asia-Pacific and joined DP World FZE as part of the acquisition of CSX WT in 2005. He has extensive experience in the shipping industry, having worked in North America, Europe and the Far East.

Anwar Wajdi serves as Senior Vice President—Commercial and Corporate Strategy. He joined DP World FZE in 1992 as a trainee and previously served as Deputy Managing Director for the UAE Region. He has played a role in securing projects for the Company and has led the development of the DP World UAE commercial systems, procedures and policies

Each of the Senior Managers can be contacted at the Company's registered office, c/o DP World Limited, PO Box 17000, Dubai, UAE.

There are no potential conflicts of interest between the duties owed by the Senior Managers to the Company and their private interests or other duties.

3. Directors' service agreements and letters of appointment, remuneration, emoluments, interests, and other matters

3.1 *Executive Directors' service agreements, remuneration and emoluments*

Each of the Executive Directors is employed pursuant to a service agreement with the Group. The terms of these service agreements are set out below:

Director	Unexpired term	Notice periods by employer	Notice periods by Director	Age
Mohammed Sharaf	Indefinite term	6 months	6 months	49
Yuvraj Narayan	Indefinite term	6 months	6 months	54

For the year ended 31 December 2010, the remuneration (including salary and other benefits and any contingent or deferred compensation) payable by the Company to the Executive Directors are set out below.

Director	2010 Total Remuneration
Mohammed Sharaf	$988,427
Yuvraj Narayan	$770,764

Description of Executive Directors' Service Contracts

Mohammed Sharaf

Mohammed Sharaf's service agreement is with DP World FZE (a subsidiary of the Company). It can be terminated on six months' notice by either party. In addition, DP World FZE can terminate the agreement, without notice, on payment of six months base salary.

Mohammed Sharaf is entitled to receive a base salary and certain other benefits under his service agreement. His total remuneration for the financial year ended 2010 (which includes his base salary and these other benefits) is set out in the table above.

DP World FZE may terminate Mohammed Sharaf's service agreement with immediate effect for "cause" if he:

- commits any serious or persistent breach or non-observance of any of the terms, conditions or stipulations contained in his service agreement or the rules of any applicable regulatory authority;
- is guilty of any gross misconduct or serious negligence in connection with or affecting the business or affairs of DP World FZE or any associated company of DP World FZE for which he is required to perform duties;
- is guilty of conduct which brings or is likely to bring himself or DP World FZE or any associated company of DP World FZE into disrepute;
- is convicted of an arrestable criminal offence (other than an offence under road traffic legislation for which a non-custodial penalty is imposed);
- is adjudged bankrupt or makes any arrangement or composition with his creditors or has an interim order made against him;
- is or becomes prohibited by law or the articles of association or constitution of DP World FZE or any regulatory body applicable to DP World FZE from being a director;
- voluntarily resigns as a director of DP World FZE; or
- causes any agreement entered into by DP World FZE relating to the provision of his services to be terminated without notice by any other party to such agreement.

His service agreement contains restrictive covenants covering non-compete, non-solicitation of employees, non-solicitation and non-deal of customers, clients and suppliers which apply for up to six months following its termination. The duration of the restrictive covenants will be reduced by any period of time that Mohammed Sharaf is on garden leave during his notice period.

Yuvraj Narayan

Yuvraj Narayan's service agreement is with DP World FZE. It can be terminated on six months' notice by either party. In addition, DP World FZE can terminate the agreement, without notice, on payment of six months base salary.

Yuvraj Narayan is entitled to receive a base salary and certain other benefits under his service agreement. His total remuneration for the financial year ended 2010 (which includes his base salary and these other benefits) is set out in the table above.

DP World FZE may terminate Yuvraj Narayan's service agreement with immediate effect for "cause" if he:

- commits any serious or persistent breach or non-observance of any of the terms, conditions or stipulations contained in his service agreement or the rules of any applicable regulatory authority;
- is guilty of any gross misconduct or serious negligence in connection with or affecting the business or affairs of DP World FZE or any associated company of DP World FZE for which he is required to perform duties;
- is guilty of conduct which brings or is likely to bring himself or DP World FZE or any associated company of DP World FZE into disrepute;
- is convicted of an arrestable criminal offence (other than an offence under road traffic legislation for which a non-custodial penalty is imposed);

- is adjudged bankrupt or makes any arrangement or composition with his creditors or has an interim order made against him;
- is or becomes prohibited by law or the articles of association or constitution of the DP World FZE or any regulatory body applicable to DP World FZE from being a director;
- voluntarily resigns as a director of DP World FZE; or
- causes any agreement entered into by DP World FZE relating to the provision of his services to be terminated without notice by any other party to such agreement.

His service agreement contains restrictive covenants covering non-compete, non-solicitation of employees, non-solicitation and non-deal of customers, clients and suppliers which apply for up to six months following its termination. The duration of the restrictive covenants will be reduced by any period of time that he is on garden leave during Yuvraj Narayan's notice period.

3.2 ***Non-Executive Directors' letters of appointment and fees***

The Non-Executive Directors do not have service contracts. Their terms of appointment are governed by letters of appointment. The Company has no contractual obligation to provide any benefits to any of the Non-Executive Directors upon termination of their directorship.

Each Non-Executive Directors' letter of appointment is with the Company and for a fixed term of three years. It can be terminated on six months' notice by either party. Each Director is subject to annual re-election by the Shareholders at each annual general meeting pursuant to the Articles.

The effective date of each Non-Executive Directors' current letter of appointment is set out below:

Name	Date
Sultan Ahmed Bin Sulayem	22 March 2011
Jamal Majid Bin Thaniah	22 March 2011
Sir John Parker	1 January 2010
David Williams	1 January 2010
Cho Ying Davy Ho	1 May 2010
Deepak Parekh	22 March 2011*

* Deepak Parekh's appointment was effective on approval of his appointment at the Company's annual general meeting on 11 May 2011.

Sultan Ahmed Bin Sulayem's and Jamal Majid Bin Thaniah's letters of appointment include additional terms to reflect their roles as representatives of Port & Free Zone World on the Board as required by the Relationship Agreement (see section 15.3 of Part XIV (*Additional Information—Material Contracts—Relationship Agreement*)).

For the year ended 31 December 2010, the fees and other remuneration payable by the Company to each of the Non-Executive Directors, which includes remuneration for their services in being a member of, or chairing, a Board Committee (see "*—Corporate Governance*" below), are set out below:

Name	Non-Executive Director Fee
Sultan Ahmed Bin Sulayem	nil*
Jamal Majid Bin Thaniah	nil*
Sir John Parker	$463,394
David Williams	$123,572
Cho Ying Davy Ho	$100,370
Deepak Parekh	nil**

* Sultan Ahmed Bin Sulayem and Jamal Majid Bin Thaniah are not remunerated by the Company.

** Deepak Parekh was not a director during this period.

3.3 ***Senior Managers' service contracts, remuneration and emoluments***

The dates on which each Senior Manager joined the Group is set out below:

Senior Manager	Date of appointment
Anil Wats	1 December 2003
Mohammed Al Muallem	12 November 1983
Peter Wong	1 August 2005
Anwar Wajdi	16 August 1992

Each Senior Manager has entered into a service contract for the provision of services to the Group. Peter Wong's service contract is with DP World Asia Limited, each of the other Senior Managers' service contracts are with DP World FZE. These are standard form contracts which can be terminated on six months' notice by either party. In addition, the employer can terminate the agreement without notice on payment of six months base salary or for 'cause'.

'Cause' exists if a Senior Manager:

- commits any serious or persistent breach or non-observance of any of the terms, conditions or stipulations contained in his service agreement or the rules of any applicable regulatory authority;
- is guilty of any gross misconduct or serious negligence in connection with or affecting the business or affairs of his employer or any of its associates for which he is required to perform duties;
- is guilty of conduct which brings or is likely to bring himself or his employer or any of its associates into disrepute;
- is convicted of an arrestable criminal offence (other than an offence under road traffic legislation for which a non-custodial penalty is imposed);
- is adjudged bankrupt or makes any arrangement or composition with his creditors or has an interim order made against him;
- is or becomes prohibited by law or the articles of association or constitution of his employer or any regulatory body applicable to his employer from performing his duties; or
- causes any agreement entered into by his employer relating to the provision of his services to be terminated without notice by any other party to such agreement.

Each Senior Manager is entitled to receive a base salary and certain other benefits under his service agreement. For the year ended 31 December 2010, the aggregate total remuneration (including salary, cash allowances, other benefits and any contingent or deferred compensation) paid by the Company to the Senior Managers was $2,625,486.

Each service agreement also contains restrictive covenants covering non-compete, non-solicitation of employees, non-solicitation and non-deal of customers, clients and suppliers which apply for up to six months following its termination. The duration of the restrictive covenants will be reduced by any period of time that the Senior Manager is on garden leave during his notice period.

The total amount set aside or accrued by the Group to provide pension, retirement or other benefits to the Directors and Senior Managers in the year ended 31 December 2010 is $365,632.

3.4 ***Directors' and Senior Managers' Interests***

As at 31 December 2010, the Directors' and Senior Managers' shareholdings were as follows:

Name	Position	Shareholding
Mohammed Sharaf	Chief Executive Officer, Director	564,431
Yuvraj Narayan	Chief Financial Officer, Director	293,364
Sir John Parker	Joint Vice Chairman; Senior Independent Non-Executive Director	145,240
Anil Wats	Executive Vice President and Chief Operating Officer	199,864*
Mohammed Al Muallem	Senior Vice President and Managing Director—UAE	94,242

* Anil Wats sold his entire shareholding in the Company on 9 January 2011.

In addition to any directorships held in the Company and any of its subsidiaries, the Directors and Senior Managers hold or have held the following directorships, and are, or were, members of the following partnerships, within the past five years.

Name	Current directorships/partnerships	Past directorships/partnerships	Date of Resignation
Sultan Ahmed Bin Sulayem	Asteco Contracting Co LLC	Dubai World	12 December 2010
	Asteco Development Management LLC	Nakheel World LLC	12 December 2010
	Asteco LLC	Infinity World Holding Limited	9 October 2007
	Asteco Property Management LLC	Infinity World (Cayman) Holding	4 October 2007
	Berger Paints Ltd		
	Bin Sulayem Investments LLC		
	CJB LLC		
	Dodsal LLC		
	Dry Docks & Maritime World LLC		
	Dubai 3 D LLC		
	Dubai Corporate Services FZE		
	Dubai Natural Resources World Holdings 1 Limited		
	Dubai Ocean Star International LLC		
	Dubai World Africa Holdings Limited		
	Dubai World Aviation Limited		
	Dubai World Capital Limited		
	Dubai World Holdings Limited		
	Istithmar World Holdings LLC		
	King Star Insurance Agencies LLC		
	Limitless World LLC		
	Noor Islamic Bank		
	Port & Free Zone World FZE		
	Rocksee Investments Ltd		
	Seven Tides Limited		
	Seven Tides International LLC		
Jamal Majid Bin Thaniah	Etihad Rail (Abu Dhabi)	Dubai World	12 December 2010
	Istithmar World Holdings LLC	SL Services, Inc	1 July 2007
	Port & Free Zone World FZE		
Mohammed Sharaf	Jebel Ali Consulting FZE	Port & Free Zone World FZE	13 April 2010
	Tejari World FZ LLC		
	U.S.—U.A.E. Business Council		
Yuvraj Narayan	Dubai Ferries Holding FZE		
	IDFC Securities Limited		
	Istithmar World PJSC		
	Kerzner International Holdings Limited		
	Kerzner Istithmar Holding Company Limited		
	Kerzner Istithmar Limited		
	P&O Ferries Division Holdings Limited		
	Through Transport Mutual Insurance Association Ltd		
Sir John Parker	Anglo American plc	BVT	30 October 2009
	Carnival Corporation	Mondi plc	4 August 2009
	Carnival plc	Port & Free Zone World FZE	30 May 2007
	EADS Airbus		
	National Grid plc		
David Williams	Meggitt plc	Taylor Wimpey plc	31 March 2010
	Mondi plc	George Wimpey plc	3 July 2007
	Tullow Oil plc	Port & Free Zone World FZE	30 May 2007
Cho Ying Davy Ho	Finlay Flowers (Asia) Limited	Commercial Management Limited	1 April 2010
	Guangdong Swire Cold Chain Logistics Co. Ltd	Express Container Terminal Corporation	1 April 2010
	Swire Cold Store (China) Limited	Hong Kong Air Cargo Terminals Ltd.	1 April 2010
	Swire Properties China Holdings Ltd	Hong Kong United Dockyards Ltd.	1 April 2010
	Swire Properties Limited	Swire Pacific Limited	1 April 2010
	Swire Properties (Beijing) Ltd	Cathay Pacific Airways Limited	1 July 2007
	Swire Properties (Chengdu) Ltd	Port & Free Zone World FZE	30 May 2007
	Swire Properties (China) Investment Ltd	Shekou Container Terminals Ltd.	22 February 2007
	Swire Properties (Guangzhou) Ltd		
	Swire Properties (Shanghai) Ltd		

Name	Current directorships/partnerships	Past directorships/partnerships	Date of Resignation
Deepak Parekh	Airport Authority of India	Satyam Computer Services Limited	17 July 2009
	Castrol India Ltd	Motor Industries Company Limited	31 March 2007
	GlaxoSmithKline Pharmaceuticals Ltd		
	HDFC Asset Management Company Ltd		
	HDFC Ergo General Insurance Company Ltd		
	HDFC Ltd		
	HDFC Standard Life Insurance Company Ltd.		
	Hindustan Oil Exploration Company Ltd		
	Hindustan Unilever Ltd		
	Infrastructure Development Finance Company Ltd		
	Lafarge India PVT Ltd		
	Mahindra & Mahindra Ltd		
	Siemens Ltd		
	The Indian Hotels Company Limited		
	Wireless Network Services Limited		
Mohammed Al Muallem	Gulf Navigation Holding PJSC	Imdaad LLC	1 June 2010
	Tejari World FZ LLC		
Anil Wats	Tejari World FZ LLC		

Litigation Statement about Directors and Senior Management

Within the period of five years preceding the date of this Prospectus none of the Directors or Senior Management:

- has any convictions in relation to fraudulent offences;
- has been a director or senior manager of any company at the time of any bankruptcy, receivership or liquidation of such company; or
- has received any official public incrimination and/or sanction by any statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of a company.

4. **Corporate Governance**

The Company is in compliance with corporate governance requirements applicable to DIFC companies listed on NASDAQ Dubai, including the OSRs. Following Admission, it intends to adopt the comply or explain approach required by the UK Corporate Governance Code published in June 2010 by the Financial Reporting Council (the "**Corporate Governance Code**"). The Company implemented its governance structure on, and pursuant to, its listing on NASDAQ Dubai. The Company will report to its Shareholders on its compliance with the Corporate Governance Code in accordance with the Listing Rules. The Company is currently operating in compliance with the Corporate Governance Code other than in relation to the independence of the Chairman. The Corporate Governance Code recommends that the Chairman be independent on appointment and, as the Board has not determined the Chairman to be independent, the Company will not be able to comply with this provision of the Corporate Governance Code. However, the Company has appointed Sir John Parker as Joint Vice Chairman and senior independent non-executive director. The Chairman was chairman of Dubai World at the time that DP World was admitted to listing on NASDAQ Dubai. He has since resigned his position at Dubai World but remains a director of Port & Free Zone World. The Chairman is one of Port & Free Zone World's representatives on the Board (see section 15.3 of Part XIV (*Additional Information—Material Contracts—Relationship Agreement*)).

The Board is composed of eight members, consisting of two Executive Directors and six Non-Executive Directors, each of whom (other than the Chairman, Sultan Ahmed Bin Sulayem, and Vice Chairman, Jamal Majid Bin Thaniah) is independent. This composition is in compliance with the Corporate Governance Code which recommends that at least half the members of the board of directors (excluding the chairman) of a company with a premium listing of equity shares on the Official List should be comprised of non-executive directors determined by the board to be independent in character and judgement and free from relationships or circumstances which are likely to affect, or could appear to affect, their judgement.

The Corporate Governance Code also recommends that the Board should appoint one of the independent non-executive directors as senior independent director. The senior independent director should be available to shareholders if they have concerns which contact through the normal channels of chairman, chief executive or finance director has failed to resolve or for which contact is inappropriate. The Company has appointed Sir John Parker as senior independent director of the Company. Sir John Parker, as an independent Vice Chairman, works closely with the Chairman.

The Corporate Governance Code recommends that, in the interests of greater accountability, all directors of FTSE 350 companies should be subject to annual re-election. The Articles require each Director to retire at every annual general meeting (each Director may then offer himself for reappointment by the Shareholders at such meeting).

As envisaged by the Corporate Governance Code, the Board has Remuneration, Audit and Nominations and Governance Committees, with formally delegated duties and responsibilities with written terms of references. The Board has also established an Executive Committee which is an operational committee to manage the Company's operations and to implement the strategic policies approved by the Board. From time to time, separate committees may be set up by the Board to consider specific issues when the need arises.

4.1 ***Remuneration Committee***

The Remuneration Committee determines and agrees with the Board the framework and broad policy for the remuneration of the Chief Executive Officer and Chief Financial Officer and other members of executive management. The policy of the committee is to review remuneration on independent assessment and market practice. The remuneration of independent Non-Executive Directors is a matter for the Chairman and executive members of the Board. No executive is involved in any decisions as to their own remuneration. The Remuneration Committee:

- determines and agrees with the Board, the Company's framework for remuneration;
- recommends and monitors the level and structure of remuneration to senior management;
- keeps under review its own performance, constitution and terms of reference; and
- considers other matters as referred to it by the Board.

The Corporate Governance Code provides that the Remuneration Committee should consist of at least three members who are independent non-executive directors. In addition, the Chairman of the Company may be a member of, but not chair, the Remuneration Committee if he was considered independent on appointment as Chairman.

The membership of the Remuneration Committee is composed of three members, all of whom are independent Non-Executive Directors (namely Sir John Parker, David Williams and Cho Ying Davy Ho). The chairman of the Remuneration Committee is Sir John Parker. The Company therefore considers that it is in compliance with the Corporate Governance Code recommendations regarding the composition of the Remuneration Committee.

The Remuneration Committee meets formally at least twice a year and otherwise as required.

4.2 ***Audit Committee***

The Audit Committee assists the Board in discharging its responsibilities with regard to financial reporting, external and internal audits and controls, including reviewing the Company's annual financial statements, reviewing and monitoring the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors and reviewing the effectiveness of the Company's internal audit activities, internal controls and risk management systems. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly reports remains with the Board.

External and internal auditors are invited to attend Audit Committee meetings, along with any other director or member of staff considered necessary by the committee to complete its work. The committee meets with external auditors and internal auditors without executive directors or members of staff present, as it considers appropriate (and at least once a year).

The Audit Committee's remit includes the following:

- to review the form and content of the financial statements to be presented to shareholders of the Company at the half year and at the year end, and any other public announcement concerning the Company's financial position and, if necessary, to challenge the actions and judgements of management in relation to them;

- to keep under review the scope and results of the external audit and the independence, effectiveness, resources and objectivity of the auditors;
- to review the effectiveness of the system of risk management and at least annually to carry out a review of the effectiveness of the system of internal controls and the process of risk management;
- to review management and internal audit reports on the effectiveness of the system of internal financial control including the year-end financial reporting process and the Company's procedures for investigating concerns raised by members of staff, and to report its findings to the Board. A whistle blowing policy is in place; and
- to receive reports from the internal audit department and to monitor the quality of the department's work, ensuring that it was adequately resourced.

The Corporate Governance Code recommends that the audit committee should comprise of at least three members who should all be independent non-executive directors (other than Chairman), and that at least one member should have recent and relevant financial experience.

The membership of the Audit Committee is composed of three members, all of whom are independent Non-Executive Directors (namely Sir John Parker, David Williams and Cho Ying Davy Ho). The Audit Committee is chaired by David Williams whom the Board considers has appropriate financial expertise to fulfil this role. The Company therefore considers that it is in compliance with the Corporate Governance Code recommendation regarding the composition of the Audit Committee.

The Audit Committee meets formally at least four times a year and otherwise as required.

4.3 *Nominations and Governance Committee*

The Nominations and Governance Committee assists the Board in discharging its responsibilities relating to the size and composition of the Board. It is also responsible for periodically reviewing the Board's structure and identifying potential candidates to be appointed as Directors as the need may arise. The Nominations and Governance Committee is responsible for evaluating the balance of skills, knowledge, experience and diversity on the Board and, in particular: (i) identifying individuals qualified to become Board members, (ii) recommending individuals to be considered for election at the next annual general meeting of the Company or to fill vacancies and (iii) preparing a description of the role and capabilities required for a particular appointment.

The Corporate Governance Code provides that a majority of the members of the Nominations and Governance Committee should be independent non-executive directors.

The Nominations and Governance Committee is composed of five members, three of whom are independent Non-Executive Directors (namely Sir John Parker, David Williams and Cho Ying Davy Ho) one of whom is a non-independent Non-Executive Director (namely Jamal Majid Bin Thaniah) and one of whom is an Executive Director (namely Mohammed Sharaf). The chairman of the Nominations and Governance Committee is Sir John Parker. The Company therefore considers that it is in compliance with the Corporate Governance Code recommendations regarding the composition of the Nominations and Governance Committee.

The Nominations and Governance Committee meets formally at least twice a year and otherwise as required.

4.4 *Executive Committee*

The Executive Committee has primary responsibility for the day-to-day management of the Company's operations and strategic policy implementation (such policies being established and approved by the Board).

The Executive Committee is composed of the Executive Directors and each of the Senior Managers.

The Executive Committee meets formally at least four times a year and otherwise as required.

5. **Model Code**

The Company has adopted a code of securities dealings in relation to the Ordinary Shares which is based on, and is at least as rigorous as, the code set out of Annex 1 to Rule 9 of the Listing Rules (the "**Share Dealing Code**"). The Share Dealing Code applies to the Directors, Senior Managers and other relevant employees of the Group.

PART XIII

SUMMARY OF CERTAIN PROVISIONS OF APPLICABLE DIFC LAW AND DFSA AND NASDAQ DUBAI RULES

The following is a summary outline of certain DIFC legal provisions and DFSA and NASDAQ Dubai regulation applicable to the Company and/or its Shareholders. This does not purport to be a complete or comprehensive description of all of the legal considerations that may be relevant with respect to the Company or to any particular Shareholder, and does not purport to include legal considerations that arise from rules of general application or that are generally assumed to be known to the Shareholders. It is not intended to be, nor should it be construed to be, legal advice. This discussion is based on DIFC, DFSA and NASDAQ Dubai laws and regulations as they stand on the date of this Prospectus and is subject to any change in law or regulations or changes in interpretation or application thereof that may take effect after such date.

1. Takeover Law Provisions

Relevant legislation

Takeovers in the DIFC are principally regulated by the Takeover Rules Module of the DFSA Rulebook (the "**Takeover Rules**"). The Takeover Rules are prescribed by the DFSA under the DIFC Markets Law 2004 and set out the procedures for and obligations of persons in respect of a takeover of a DIFC reporting entity (such as the Company). In addition, the DIFC Companies Law No.2 of 2009 (the "**DIFC Companies Law**") provides a right of squeeze-out and prescribes the terms and conditions of this right. The Company is subject to the Takeover Rules and the DIFC Companies Law to the exclusion of all other takeover regimes.

Mandatory offer

Pursuant to the Takeover Rules, when:

(A) any person who, individually or together with persons acting in concert with him, holds less than 30 per cent of the voting rights of a DIFC reporting entity, acquires shares which carry 30 per cent or more of the voting rights of the reporting entity, whether by a series of transactions over a period of time or not; or

(B) any person who, individually or together with persons acting in concert with him, holds shares carrying not less than 30 per cent of the voting rights of a DIFC reporting entity acquires additional shares which results in an increase in that person's (or their collective) holding by more than 3 per cent from the lowest percentage holding of that person (individually or together with persons acting in concert with him) in the 12 month period ending on and inclusive of the date of the relevant acquisition,

that person will be required to make a "**mandatory offer**" for the remaining issued share capital of the target.

The mandatory offer must be made in cash or be accompanied by a cash alternative at no less than the highest price paid by the bidder (or any of the persons acting in concert with him) for a share during the offer period and within the preceding six months. The offer can be conditional only on the bidder having received acceptances under the mandatory offer in respect of shares which, together with shares acquired or agreed to be acquired before or during the mandatory offer, will result in the bidder and any person acting in concert with him holding shares carrying more than 50 per cent of the voting rights in the target. No acquisition of shares in the target which would give rise to a requirement to make a mandatory offer may be made if the implementation of such mandatory offer would or might depend on any other conditions, consents or arrangements.

Immediately following Admission, Port & Free Zone World will hold shares carrying 80.45 per cent of the voting rights in the Company. Accordingly, these provisions of the Takeover Rules will apply and could be triggered by any further acquisitions of shares by Port & Free Zone World or any person acting in concert with Port & Free Zone World.

Squeeze-out rules

The DIFC Companies Law provides that a right of squeeze-out may be exercised by a bidder if, within 4 months from the date that an offer is made, it has by virtue of acceptances of the offer acquired or contracted to acquire 90 per cent in value of the shares to which the offer relates.

In calculating the number of shares that the bidder has acquired or contracted to acquire by virtue of acceptances of the offer, any shares to which the offer relates which have been acquired during the offer period otherwise than by virtue of acceptances of the offer will be included, provided the price paid or contracted to be paid for such shares is the same or less than the price payable under the offer in its original or any revised form. Any shares acquired, or contracted to be acquired, otherwise than by virtue of acceptances of the offer where the price paid or contracted to be paid for such shares is greater than the price payable under the other in its original or any revised form will be excluded from those to which the offer relates.

The bidder must exercise the right of squeeze-out by written notice within 120 days of the close of the offer and within 2 months from the date on which the bidder has acquired or contracted to acquire 90 per cent in value of the shares to which the offer relates.

Sell-out rules

If a bidder has by virtue of acceptances of an offer acquired or contracted to acquire some but not all of the shares to which the offer relates and those shares, with or without any other shares in the company which the bidder has acquired or contracted to acquire, amount to not less than 90 per cent in value of the shares of the company, a holder of shares to which the offer relates that has not accepted the offer may by written notice to the bidder require the bidder to acquire those shares on the terms of the offer.

If the bidder has chosen not to exercise the right of squeeze-out, it must within a month of the end of the period within which the offer can be accepted notify each holder of shares that has not accepted the offer of its right to require the bidder to purchase its shares. The bidder must provide the shareholder with a period of not less than 3 months after the end of the period within which the offer can be accepted to exercise this right.

2. **Disclosure of Interests**

As the Company will be listed both on NASDAQ Dubai and the Official List, the transparency rules, governing disclosure of major interests in shares, will apply under both the DFSA and FSA regimes and investors will be required to comply with both.

Under the DTRs, any person holding voting rights in the Company, whether as a holder of Ordinary Shares (including in the form of Depository Interests), or as a holder or deemed holder of such rights through his direct or indirect holding of financial instruments (as defined in the DTRs), must notify the Company if his holding reaches, exceeds or falls below 5 per cent, 10 per cent, 15 per cent, 20 per cent, 25 per cent, 30 per cent, 50 per cent and 75 per cent of the votes attached to all of the Company's shares as a result of the acquisition or disposal of shares or depository interests, or as a result of events changing the breakdown of voting rights and on the basis of information disclosed by the Company in accordance with the DTRs or the OSRs.

The DTRs require that once a notification threshold is met, notification is made to the Company as soon as possible and within four trading days.

Under the OSRs, any person owning or beneficially owning Ordinary Shares (whether through NASADAQ Dubai CSD or Depository Interests) carrying more than 5 per cent of the voting rights in the Company must file a report with the Company and the DFSA when its holding first exceeds 5 per cent of such voting right and with respect to every change in its financial interest that passes through one full percentage point from the level reported by such person in its previous such report.

The OSRs require that once a notification threshold is reached, notification is made to the Company and the DFSA within five business days (being business days in the DIFC).

Accordingly, a notification will be required when the respective thresholds are reached under either/both of the DTRs (to the Company) and the OSRs (to the Company and the DFSA).

PART XIV

ADDITIONAL INFORMATION

1. Persons responsible

The Directors, whose names appear in section 1 of Part XII (*Directors, Senior Management and Corporate Governance—Directors*) of this Prospectus, and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Incorporation and registered office

The Company was incorporated on 9 August 2006 under DIFC law as a company limited by shares. The Company is the holding company of the Group. The Group is one of the largest container terminals in the world by capacity and throughput.

The Company's registered number is 0226 and its name is DP World Limited. The Company is governed in particular by the DIFC Companies Law.

The Company's principal executive offices are located at LOB 17, Jebel Ali Free Zone, Dubai, UAE. Its registered office is at PO Box 17000, Dubai, UAE and its telephone number is +971 4 881 1110.

3. Share capital

As at 1 January 2008, the issued share capital of the Company was US$1,660,000,000, comprising 16,600,000,000 ordinary shares of US$0.10 each.

At the Company's annual general meeting held on 11 May 2011, a resolution was passed to approve the consolidation of every 20 of the ordinary shares of US$0.10 each in existence at that time into one Ordinary Share of US$2.00 each (the "**Share Consolidation**"). The Share Consolidation took effect on 19 May 2011.

As at the date of this Prospectus, the issued share capital of the Company is US$1,660,000,000, comprising 830,000,000 Ordinary Shares of US$2.00 each.

3.1 *Confirmations*

At the date of this Prospectus:

(A) no share or loan capital of the Company has, since 31 December 2010, been issued or agreed to be issued, or is now proposed to be issued, fully or partly paid, either for cash or for a consideration other than cash, to any person;

(B) no commission, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital; and

(C) no share or loan capital of the Company is under option or agreed, conditionally or unconditionally, to be put under option.

4. Share trading history

The following tables set out, for the periods indicated, the high and low market close prices and average daily trading volumes of the Company's ordinary shares listed on NASDAQ Dubai according to Bloomberg. These prices relate to the ordinary shares of US$0.10 of the Company in existence before the Share Consolidation took effect.

	Price Per ordinary share in US dollars		Average Daily Trading Volume
	High	Low	
Year Ended			
31 December 2007[(1)]	1.360	1.100	53,582,058
31 December 2008	1.230	0.280	8,765,113
31 December 2009	0.585	0.180	11,009,818
31 December 2010	0.641	0.370	9,800,248

(1) From 21 November 2007, the listing date of the Company on NASDAQ Dubai.

	Price Per ordinary share in US dollars		Average Daily Trading Volume
	High	Low	
Quarter			
21 November 2007—31 December 2007	1.360	1.100	53,582,058
Q1 January—March 2008	1.230	0.730	10,661,630
Q2 April—June 2008	1.070	0.860	6,044,751
Q3 July—September 2008	0.890	0.530	6,149,022
Q4 October—December 2008	0.620	0.280	12,693,497
Q1 January—March 2009	0.410	0.180	13,674,003
Q2 April—June 2009	0.421	0.230	10,466,502
Q3 July—September 2009	0.560	0.300	8,251,463
Q4 October—December 2009	0.585	0.315	11,156,425
Q1 January—March 2010	0.555	0.370	16,456,674
Q2 April—June 2010	0.550	0.410	6,787,067
Q3 July—September 2010	0.547	0.411	6,507,115
Q4 October—December 2010	0.641	0.510	9,415,722
Q1 January—March 2011	0.675	0.505	5,221,056

	Price Per ordinary share in US dollars		Average Daily Trading Volume
	High	Low	
Month Ended			
31 October 2010	0.600	0.510	9,415,722
30 November 2010	0.609	0.590	7,772,262
31 December 2010	0.641	0.583	7,608,104
31 January 2011	0.675	0.620	3,191,595
28 February 2011	0.630	0.505	6,427,213
31 March 2011	0.608	0.535	6,165,889
30 April 2011	0.690	0.609	5,192,662

5. **Dividends**

The Company has paid the following dividends in respect of the full years 2008, 2009 and 2010:

2008	0.69 of a US cent per ordinary share of US$0.10
2009	0.82 of a US cent per ordinary share of US$0.10
2010	0.86 of a US cent per ordinary share of US$0.10

These dividends were declared in respect of the ordinary shares of US$0.10 of the Company in existence before the Share Consolidation took effect.

The Company declares and pays dividends on its Ordinary Shares in US dollars.

6. **Dividend Policy**

Pursuant to the DIFC Companies Law and the Articles, the payment of dividends is subject to the recommendation of the Directors and approval by the Shareholders. See "*—Summary of the Articles of Association of the Company – Dividends*" below.

Future dividend payments will depend upon a number of factors, including but not limited to, the Company's operational performance, financial results, financial situation and prospects, as well as cash and liquidity requirements (including capital expenditure and investment plans), market situation, legal, regulatory and contractual restrictions, tax and such other factors as the Directors may deem relevant at the time. Subject to the foregoing, the Company's current dividend policy is to distribute as dividends not less than 20 per cent of the Company's profit for the year attributable to Shareholders (after separately disclosed items).

7. Information about the Ordinary Shares

7.1 *Description of the type and class of securities*

The Ordinary Shares have a nominal value of US$2.00 each, the rights of which are set out in the Articles, a summary of which is set out in section 8 below.

The Ordinary Shares are credited as fully paid and free from all liens, equities, charges, encumbrances and other interests. No temporary documents of title have been or will be issued in respect of the Ordinary Shares. The Ordinary Shares rank *pari passu* for dividends.

7.2 *Legislation under which the Ordinary Shares are created*

The Ordinary Shares have been created under DIFC Companies Law.

7.3 *Listing and admission to trading*

The Ordinary Shares are admitted to listing and trading on NASDAQ Dubai under the symbol "DPW DU" and ISIN AEDFXA0M6V00. Application has been made to the UK Listing Authority for all of the Ordinary Shares to be admitted to the premium listing segment of the Official List. Application has also been made to the London Stock Exchange for the Ordinary Shares to be admitted to trading on its main market for listed securities. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence on the London Stock Exchange by no later than 8.00 a.m. on 1 June 2011. When admitted to trading on the London Stock Exchange, the Ordinary Shares, as represented by the Depository Interests, will be registered with ISIN AEDFXA0M6V00 and SEDOL number B291WY5AE under the symbol "DPW LN".

No application has been made or is currently intended to be made for the Ordinary Shares to be admitted to listing or trading on any other exchange. It is expected that Admission will become effective at 8.00 a.m. (London time) on 1 June 2011.

7.4 *Rights attached to the Ordinary Shares*

Each Ordinary Share ranks *pari passu* in all respects with each other Ordinary Share and has the rights (including voting and dividend rights and rights on a return of capital) and restrictions as set out in the Articles.

7.5 *Mandatory offers, squeeze-out and sell-out rules relating to the Ordinary Shares*

Please see section 1 of Part XIII (*Summary of Certain Provisions of Applicable DIFC Law and DFSA and NASDAQ Dubai Rules)* for information relating to mandatory offers, squeeze-out and sell-out rules which are relevant to holders of Ordinary Shares.

8. Summary of the Articles of Association of the Company

The following is a summary of the rights under the Articles and the DIFC Companies Law which attach to the Ordinary Shares which rank *pari passu* in all respects.

The Company will act in conformity with its Articles.

In the following description of the rights attaching to the Company's shares, a holder of shares and a shareholder is, in both cases, the person registered in the Company's register of shareholders as the holder of the relevant shares.

8.1 ***Objective***

As set out in article 4 of the Articles, the principal business activities of the Company are the acquisition, holding, management and operation of interests in undertakings operating in the port sector, including the management, operation and ownership of ports and related businesses and the maritime industry generally and, in general, to engage in any lawful act or activity for which companies may be incorporated under the DIFC Companies Law.

8.2 ***Share Capital***

All shares rank in all respects equally with other shares of the same class. If at any time the Company's share capital is divided into different classes of shares, the rights attached to any class may only be varied or aggregated either with the consent in writing of the holders of two-thirds of the shares of that class or with the sanction of an ordinary resolution passed at a separate meeting of the holders of the issued shares of that class. Pursuant to the DIFC Companies Law, any alteration of a provision in the Articles for the variation of the rights attached to a class of shares, or the insertion of any such provision into the Articles is itself to be treated as a variation of those rights.

Subject to the DIFC Companies Law and to the rights attached to any existing shares, new shares may be issued with, or have attached to them, such rights or restrictions as the Company may by ordinary resolution determine. The Company may issue, or convert existing non-redeemable shares, whether issued or not, into redeemable shares at the option of the Company or the shareholder. All shares must be fully paid when allotted and the Company may not take a lien over any of the shares.

The DIFC Companies Law provides that the Company may purchase its own shares (including any redeemable shares). The shares may only be purchased if approved in advance by an ordinary resolution of the Company (on which the shares to be purchased do not carry an entitlement to vote).

8.3 ***Share Certificates***

Subject to the DIFC Companies Law, the DIFC Dematerialised Investments Regulations and to any other applicable laws and regulations and the facilities and requirements of any relevant system concerned, the Directors have the power to implement any arrangements as they may, in their absolute discretion, think fit in relation to the evidencing of title to and transfer of uncertificated shares. Unless otherwise determined by the Directors or permitted by the DIFC Companies Law, the DIFC Dematerialised Investments Regulations or other applicable laws and regulations, no person shall be entitled to receive a certificate in respect of any share for so long as the title of the share is evidenced otherwise than by a certificate and for so long as any transfers of that share may be made otherwise than by a written instrument.

Always subject to the DIFC Companies Law, the DIFC Dematerialised Investments Regulations and to any other applicable laws and regulations and the facilities and requirements of any relevant system concerned:

- the Directors may in their absolute discretion convert certificated shares into uncertificated shares and vice versa, in such manner as they may think fit, subject (in both cases) to the approval of the majority of the holders of the relevant shares;
- the Company shall enter on the register of members how many shares are held in uncertificated form and in certificated form and holdings in certificated form and uncertificated form shall be treated as separate holdings; and
- a class of shares is not to be treated as two classes by virtue of the fact that such class comprises both certificated shares and uncertificated shares or as a result of an provision of the Articles, the DIFC Companies Law or any other applicable law or regulation which applies only in respect of certificated or uncertificated shares.

Every person whose name is entered on the register of members as a holder of certificated shares is entitled, without charge, to receive within 14 days of allotment or lodgement with the Company of a transfer to him of those shares one certificate for all the certificated shares of a class registered in his name (or several certificates each for one or more of his shares upon payment of $10 for every certificate after the first or such lesser sum as the Directors shall from time to time determine) or, in the case of certificated shares of more than one class being registered in his name, to a separate certificate for each class of shares. Where a shareholder transfers part of his shares comprised in a certificate he is entitled, without charge, to one certificate for the balance of certificated shares retained by him.

Where a certificate is worn out or defaced, the Board may require the certificate to be delivered to it and payment of any exceptional out-of-pocket expenses incurred by the Company before issuing a replacement and cancelling the original. If a certificate is lost or destroyed, the Board may cancel it and issue a replacement certificate on such terms as to provision of evidence and indemnity and to payment of any exceptional out-of-pocket expenses incurred by the Company in the investigation of that evidence and the preparation of that indemnity as the Board may decide.

8.4 ***Untraced Shareholders***

The Company may sell the share of a shareholder or of a person entitled by transmission at the best price reasonably obtainable at the time of sale, if:

- during a period of not less than 7 years before the date of publication of the advertisements referred to below (or, if published on two different dates, the first date) (the "**relevant period**") at least three cash dividends (whether interim or final) have become payable in respect of the share and no dividend during that period has been claimed;
- throughout the relevant period no cheque, warrant or money order payable on the share has been cashed and the Company has not at any time during the relevant period received any communication from the holder of, or person entitled by transmission to, the share;
- on expiry of the relevant period the Company has given notice of its intention to sell the share by advertisement in a national newspaper in the UAE and the United Kingdom and in a newspaper circulating in the area of the address of the holder of, or person entitled by transmission to, the share shown in the register; and
- the Company has not during a further period of three months after the date of such advertisements and before the exercise of the power of sale received a communication from the holder of, or person entitled by transmission to, the share.

The Company shall be indebted to the shareholder or other person entitled by transmission to the share for the net proceeds of sale and shall carry any amount received on sale to a separate account. No trust shall be created in respect of the debt and such net proceeds may be employed in the business of the Company or invested as the Board may think fit.

8.5 ***Changes in Share Capital***

The Company may by special resolution:

- increase its share capital by creating new shares;
- consolidate and divide all or any of its shares (whether allotted or not) into shares representing a larger value than its existing shares;
- sub-divide all or any of its shares into shares of a smaller amount; and
- cancel shares which, at the date of the passing of the resolution to cancel them, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Any fractions of shares resulting from a consolidation and division or sub-division of shares may be dealt with by the Board on behalf of the shareholders as it thinks fit.

The Company may, in accordance with the DIFC Companies Law, reduce its share capital in any way and on such terms as it may decide.

8.6 ***Pre-emption Rights***

The Articles contain provisions giving pre-emption rights to holders of "ordinary shares" (meaning shares other than those shares giving rights only up to a specified amount of dividend and capital in a distribution), entitling them to be offered any equity securities proposed to be issued by the Company in proportion to their existing shareholdings. For this purpose, "equity securities" means ordinary shares or rights to subscribe for or convert securities into ordinary shares.

These pre-emption provisions do not apply:

- to allotments of equity securities which are to be paid (wholly or partly) otherwise than in cash;

- to the allotment of equity securities that would, apart from any renunciation or assignment of the right to their allotment, be held under an employees' share scheme; and
- in relation to the allotment of bonus shares.

Any equity securities which the Company has offered to a holder of ordinary shares may be allotted to him, or to anyone in whose favour he has renounced his right to their allotment, without contravening these provisions. Any offer made under these provisions may be in hard copy or electronic form and must state a period of not less than 21 days during which it may be accepted and may not be withdrawn before the end of such period.

8.7 ***Disapplication of Pre-emption Rights***

The pre-emption rights summarised above may also be disapplied in whole or modified as the Directors determine in relation to a specific allotment, provided the Directors are authorised to do so by special resolution, which shall not be proposed unless recommended by the Directors and a notice is circulated to shareholders with a Directors' statement setting out reasons for making such recommendation, the amount to be paid to the Company in respect of such allotment, and the Directors' justification of such amount.

8.8 ***Variation of Rights***

In accordance with the DIFC Companies Law, the rights attached to a class of shares may be varied or abrogated (whether or not the Company is being wound up) either with the consent in writing of the holders of at least two-thirds of the nominal amount of the issued shares of that class or with the sanction of an ordinary resolution passed at a separate meeting of the holders of the issued shares of that class.

The rights attached to a class of shares are not, unless otherwise expressly provided for in the rights attaching to those shares, deemed to be varied by the creation, allotment or issue of further shares of the same class or by the purchase or redemption by the Company of its own shares.

8.9 ***Dividends***

Subject to the provisions of the DIFC Companies Law, the Company may by ordinary resolution declare dividends in accordance with the respective rights and interests of the shareholders, but no dividend shall exceed the amount recommended by the directors.

The Company may declare a dividend or resolve to make a distribution at any time if the Board has resolved, on reasonable grounds, that the Company will, immediately after the dividend is paid or the distribution is made, be able to pay its debts as they become due in the normal course of business.

The Company may pay a dividend or make a distribution at any time if:

- the dividend has been declared or the distribution has been resolved to be made as set out above;
- the dividend will be paid, or the distribution will be made, out of profits and/or surplus of the Company as shown in the accounts of the Company prepared as at the end of the last financial year or, in the case of an interim dividend or distribution, at the end of such period as is sufficient to enable the directors to form a reasonable view as to the amount of the profits and/or surplus from which the dividend will be paid or the distribution will be made; and
- the Board has resolved immediately prior to the payment of the dividend or the making of the distribution, on reasonable grounds, that the Company will, immediately after the dividend is paid or the distribution is made, be able to pay its debts as they become due in the normal course of business and at no time between the date of the resolution of the Board declaring the dividend or distribution and the date of the resolution immediately prior to the payment did the Board consider that the Company would not, after the dividend has been paid or the distribution has been made, be able to pay its debts as they become due in the normal course of business.

Subject to the provisions of the DIFC Companies Law, the Board may declare and pay such interim dividends as appears to it to be justified by the profits of the Company available for distribution. If the share capital is divided into different classes, no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.

The Board may, with the prior authority of an ordinary resolution of the Company, direct that payment of a dividend may be satisfied wholly or in part by the distribution of specific assets and, in particular, of paid up shares or the debentures of another company.

A dividend unclaimed by a shareholder for a period of 7 years from the date it was declared or became due for payment is forfeited and ceases to remain owing to by the Company.

For more information relating to dividends, see "— *Dividend Policy*" above.

8.10 ***Transfer of Shares***

Subject to the powers of the Company to refuse to register a transfer of shares held by a defaulting shareholder as set out in section 8.11 below, the shares of the Company are freely transferable. A shareholder may transfer all or any of his certificated shares by instrument of transfer in writing in any usual form or in any other form approved by the Board and the instrument shall be executed by or on behalf of the transferor. All transfers of uncertificated shares are to be made in accordance with and be subject to the provisions of the DIFC Dematerialised Securities Regulations, the facilities and requirements of any relevant system and in accordance with any arrangements made by the Directors pursuant to the Articles.

In exceptional circumstances approved by NASDAQ Dubai and the UKLA, the Board may refuse to register a transfer of certificated shares **provided that** such refusal would not disturb the market in those shares. The Board may also refuse to register any transfer of a share in certificated form unless it:

- is only in respect of only one class of shares;
- is in favour of a single transferee or not more than four joint transferees; and
- is delivered for registration to the registered office of the Company or such other place as the Board may decide, accompanied by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor or person renouncing and the due execution by him of the transfer, if the transfer is executed by some other person on his behalf, the authority of that person to do so.

Each of the Ordinary Shares is in uncertificated form.

8.11 ***Disclosure of Interests and Power of the Company to investigate interests in shares***

Any person owning or beneficially owning shares must comply with the disclosure regimes of the OSRs and the DTRs. For an explanation of these regimes, see section 2 of Part XIII *(Summary of certain provisions of applicable DIFC law and DFSA and NASDAQ Dubai Rules Disclosure of interests).*

The Company may give written notice to a person, whom it knows or has reasonable cause to believe to be, or in the previous 3 years to have been, interested in the Company's shares, requiring him to confirm or deny such interest and to give such further information as may be requested.

If it shall come to the notice of the Directors that a shareholder has not complied with his notification obligations under the disclosure regimes or if the person on whom notice is served fails within 14 days to supply to the Company the information thereby requested, unless the Board otherwise decides, the shareholder is no longer entitled in respect of the default shares to be present at general meetings or to vote on any question, or to be reckoned in a quorum. Where the default shares represent 0.25 per cent in nominal value of the issued shares of the relevant class, the Company may also suspend payment of dividends which would have been payable in respect of the shares in relation to which the default has occurred; treat any election made by the defaulting shareholder to receive shares instead of cash as ineffective; and, in certain circumstances, refuse to register a transfer of shares held by the defaulting shareholder.

8.12 ***General Meetings***

The Company must hold an annual general meeting once every year. Such meetings shall be convened by the Board at such time and place as it thinks fit **provided that** there must not be a gap of more than fifteen months between one annual general meeting and the next and not more than six months shall elapse between the end of the Company's financial year and its next annual general meeting. All general meetings of the Company other than annual general meetings are called extraordinary general meetings.

At least 21 clear days' notice must be given of a general meeting. The quorum for a general meeting is two shareholders present in person or by proxy and entitled to vote.

8.13 ***Voting Rights***

At a general meeting every shareholder present in person or by proxy has on a show of hands one vote and every shareholder present in person or by proxy has on a poll vote one vote for every share of which he is the holder.

In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote or votes of the other joint holder or holders, and seniority is determined by the order in which the names of the holders stand in the register.

An instrument appointing a proxy shall be in writing in any usual form (or in another form approved by the board) executed under the hand of the appointor or his duly constituted attorney or, if the appointor is a company, under its seal or under the hand of its duly authorised officer or attorney or other person authorised to sign.

8.14 ***Proceedings at General Meetings***

The Chairman of the Board or, in his absence, the deputy Chairman (if any) shall preside as chairman at a general meeting. If there is no Chairman or deputy Chairman, or if at a meeting neither is present and willing and able to act within five minutes after the time fixed for the start of the meeting, the Directors present shall select one of their number to be chairman. If only one Director is present and willing and able to act, he shall be chairman. In default, the members present in person and entitled to vote shall choose one of their number to be chairman.

At a general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands) a poll is properly demanded by:

- the chairman of the meeting;
- not less than five shareholders present in person or by proxy and entitled to vote; or
- a shareholder or shareholders present in person or by proxy representing in aggregate not less than 5 per cent of the total voting rights of all the shareholders having the right to vote at the meeting.

The demand for a poll may be withdrawn but only with the consent of the chairman. A demand withdrawn in this way validates the result of a show of hands declared immediately before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

In the case of an equality of votes whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to any vote to which he is entitled as a shareholder.

8.15 ***Powers and Duties of the Board***

Subject to the DIFC Companies Law and the Articles and to directions given by special resolution of the Company, the business and affairs of the Company shall be managed by the Board which may exercise all the powers of the Company whether relating to the management of the business or not.

The Board may delegate to a Director holding executive office or to a committee consisting of one or more persons (whether a member or members of the Board or not) any of its powers, authorities and discretions for such time and on such terms and conditions as it thinks fit.

8.16 ***Appointment and Retirement of Directors***

The Company may by ordinary resolution appoint a person who is willing to act to be a director, either to fill a vacancy or as an addition to the Board, subject to the total number of directors not exceeding any maximum number decided by the Company by ordinary resolution.

The Board may appoint a person who is willing to act as a director to fill a vacancy created by the death, resignation or removal of a director. A director appointed in this way may hold office only until the dissolution of the next annual general meeting after his appointment unless he is reappointed during that meeting.

At each annual general meeting each Director shall retire from office. A retiring Director shall be eligible for reappointment.

8.17 ***Directors' Interests***

A Director shall declare the nature of his interest in any contract, arrangement, transaction or proposal with the Company at the first opportunity at a meeting of the Board after he knows that he is or has become interested or by writing to the Directors as required by the DIFC Companies Law. Except in particular circumstances, a director may not vote on or be counted in the quorum in relation to a resolution of the Board or of a committee of the Board concerning a contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he has an interest which is, to his knowledge, a material interest (otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company).

A Director shall not vote or be counted in the quorum at a meeting of the Directors or committee meeting in respect of any resolution concerning his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested. Where proposals are under consideration concerning the appointment of two or more Directors to any such office or place of profit, those proposals shall be divided and considered in relation to each director separately and each of the Directors concerned (if not otherwise debarred from voting under the Articles) shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

8.18 ***Directors' Remuneration***

The salary or other remuneration of a Director appointed to hold employment or executive office in accordance with the Articles may be a fixed sum of money, or wholly or in part governed by business done or profits made, or as otherwise decided by the Board, and may be in addition to or instead of a fee payable to him for his services as director pursuant to the Articles.

Unless otherwise decided by the Company by ordinary resolution, the Company shall pay to the Directors (but not alternate directors) for their services as Directors such amount of aggregate fees as the Board decides. The aggregate fees shall be divided amongst the Directors in such proportions as the Board decides or, if no decision is made, equally. A fee payable to a Director for his services as Director is distinct from any salary, remuneration or other amount payable to him pursuant to other provisions of the Articles or otherwise and accrues from day to day.

A Director who, at the request of the Board, goes or resides abroad, makes a special journey or performs a special service on behalf of the Company may be paid such reasonable additional remuneration (whether by way of salary, percentage of profits or otherwise) and expenses as the Board may decide.

A Director is entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in the performance of his duties as director including, without limitation, expenses incurred in attending meetings of the Board or of committees of the Board or general meetings or separate meetings of the holders of a class of shares or debentures.

8.19 ***Indemnity of Officers***

Subject to certain exceptions, to the extent permitted by the DIFC Companies Law and without prejudice to any indemnity to which he may otherwise be entitled, the Company shall and shall keep indemnified out of the assets of the Company every person who is or was a director or other officer of the Company (other than any person (whether or not an officer of the Company) engaged by the Company as auditor) against all costs, charges, losses and liabilities incurred by him (whether in connection with any negligence, default, breach of duty or breach of trust by him or otherwise) in relation to the Company or its affairs.

8.20 ***Distributions on Liquidation to Shareholders***

On a voluntary winding up of the Company the liquidator may, on obtaining any sanction required by law, divide amongst the shareholders in kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of different kinds, and vest the whole or any part of the assets in trustees upon such trusts for the benefit of the shareholders as he, with the like sanction, shall determine. For this purpose the liquidator may set the value he deems fair on a class or classes of property, and may determine on the basis of that valuation and in accordance with the then existing rights of shareholders how the division is to be carried out between shareholders or classes of shareholders. The liquidator may not, however, distribute to a shareholder without his consent an asset to which there is attached a liability or potential liability for the owner.

8.21 ***Form of Notices and Communications***

Unless the Articles, laws, regulations or requirements of NASDAQ Dubai expressly require otherwise, any notice, document or information to be sent or supplied by the Company (including forms of appointment of a proxy and copies of the Company's annual accounts) may be sent or supplied in hard copy form, in electronic form (for example, by email or facsimile) or by means of a website.

9. **The Company's Subsidiaries**

Group Structure

The Group comprises the Company and its subsidiary undertakings. The following table lists the Company's subsidiaries, associates and affiliates and their countries of incorporation, as at the date of this Prospectus:

Name	Country of incorporation	Company's ownership interest	Principal activities
DP World FZE	United Arab Emirates	100%	Management and operation of seaports and airports and leasing of port equipment
Thunder FZE	United Arab Emirates	100%	Holding Company
Peninsular and Oriental Steam Navigation Company Limited	United Kingdom	100%	Management and operations of Seaports
DP World Ports Co-op U.A.	Netherlands	100%	Holding Company
DP World Maritime Cooperative U.A.	Netherlands	100%	Holding Company
DPI Terminals Holdings C.V.	Netherlands	100%	Holding Company
DPI Terminals Asia Holding Limited	Netherlands	100%	Holding Company
DPI Terminals (BVI) Limited	Netherlands	100%	Holding Company
Terminales Rio de la Plata SA	Argentina	55.62%	Container terminal operations
DP World Adelaide Pty Ltd	Australia	15%	Container terminal operations
DP World Australia Ltd	Australia	25%	Container terminal operations
DP World Brisbane Pty Ltd	Australia	25%	Container terminal operations
DP World Sydney Pty Ltd	Australia	22.59%	Container terminal operations
DP World (Fremantle) Ltd	Australia	25%	Container terminal operations
DP World Antwerp NV	Belgium	100%	Container terminal and other operations
DP World (Canada) Inc.	Canada	100%	Container terminal and Stevedoring
Egyptian Container Handling Company (ECHCO)—S.A.E.	Egypt	90%	Container terminal operations
DP World Germersheim, GmbH and Co. KG	Germany	100%	Container terminal operator and Barge management operator
CSX World Terminals Hong Kong Limited	Hong Kong	66.66%	Container terminal operations
India Gateway Terminal Pvt. ltd	India	81.31%	Container terminal operations
Mundra International Container Terminal Private Limited	India	100%	Container terminal operations
Nhava Sheva International Container Terminal Private Limited	India	100%	Container terminal operations
Chennai Container Terminal Private Limited	India	100%	Container terminal operations
DP World Middle East Limited	Kingdom of Saudi Arabia	100%	Container terminal operations
DP World Maputo S.A.	Mozambique	60%	Container terminal operations

Name	Country of incorporation	Company's ownership interest	Principal activities
Qasim International Container Terminal Pakistan Ltd.	Pakistan	75%	Container terminal operations
Constanta South Container Terminal SRL	Romania	75%	Container terminal operations
DP World Tarragona S.A.	Spain	60%	Container terminal operations
DP World Dakar S.A.	Senegal	90%	Container terminal operations
DP World UAE Region FZE	United Arab Emirates	100%	Container terminal operations
DP World Fujairah FZE	United Arab Emirates	100%	Container terminal operations
Southampton Container Terminals Limited	United Kingdom	51%	Container terminal operations
Doraleh Container Terminal SARL	Republic of Djibouti	33.33%	Container terminal operations
Saigon Premier Container Terminal	Vietnam	80%	Container terminal operations
Antwerp Gateway N.V.	Belgium	42.50%	Container terminal operations
Caucedo Investment Inc.	British Virgin Islands	45%	Container terminal operations
Manutention Generale Mediterranenne SA (Marseille)	France	25.50%	Container terminal operations
Manutention Terminal Nord Development SA (Le Havre)	France	50%	Container terminal operations
Port Synergy SAS	France	50%	Container terminal operations
Asia Container Terminals Limited	Hong Kong	55.16%	Container terminal operations
Vishaka Container Terminals Private Limited	India	26%	Container terminal operations
PT Terminal Petikemas Surabaya	Indonesia	49%	Container terminal operations
Pusan Newport Co. Ltd	Korea	42.09%	Container terminal operations
Qingdao Qianwan Container Terminal Co. Ltd	People's Republic of China	29%	Container terminal operations
Tianjin Orient Container Terminal Co Ltd	People's Republic of China	24.50%	Container terminal operations
DP World Yantai Company Limited	People's Republic of China	32.50%	Container terminal operations
Asian Terminals Inc	Philippines	50.54%	Container terminal operations
Vostochny Stevedoring Company	Russia	25%	Container terminal operations
Laem Chabang International Terminal Co. Ltd	Thailand	34.50%	Container terminal operations
Tilbury Container Services Ltd.	United Kingdom	34%	Container terminal operations
Dubai & Aden Port Development Company	Yemen	33.34%	Container terminal operations
Djazair Port World Spa	Algeria	50%	Container terminal operations
DP World Djen Djen Spa	Algeria	50%	Container terminal operations
P&O Maritime Services Pty Ltd	Australia	100%	Maritime services
Defence Maritime Services Pty Ltd	Australia	50%	Maritime services
ATL Logistics Centre Hong Kong Limited	Hong Kong	34%	Warehouse owner/Operator
ATL Logistics Centre Yantian Limited	Hong Kong	48.83%	Warehousing and logistics

Name	Country of incorporation	Company's ownership interest	Principal activities
DP World Crane Services (Shanghai)	People's Republic of China	100%	Technical support, services, consulting to crane and leasing of port equipment manufacturers
ATL Logistics Centre Yantian (Shenzen) Limited	People's Republic of China	48.83%	Warehousing and logistics
Port Secure Djibouti	Republic of Djibouti	40%	Port Security Services
Dubai International Djibouti FZE	United Arab Emirates	100%	Port Management and Operation
P&O Maritime FZE	United Arab Emirates	100%	Management of Marine Assets service & port support operations
DP World Cargo Services (Pty) Limited	South Africa	70%	Cargo Services
DP World Callao SA	Peru	100%	Container terminal operations
Rotterdam World Gateway B.V.	Netherlands	30%	Container terminal operations
Yarimca Porselen Sanayi Ve Ticaret A.S	Turkey	100%	Container terminal operations
London Gateway Port Ltd	United Kingdom	100%	Container terminal operations
Empresa Brasileria de Terminais Portuarious S.A.	Brazil	26.91%	Container terminal operations
Empresa de Dragagem de Porto de Maputo S.A	Mozambique	25.50%	Dredging services

10. **Shareholders**

As at 24 May 2011 (the latest practicable date prior to the publication of this Prospectus) and insofar as is known to the Company, the following persons are, directly or indirectly, interested in 5 per cent or more of the issued share capital of the Company, and will have the following interests immediately after Admission:

Shareholder	As at the date of this Prospectus: Number of Ordinary Shares	% of issued share capital
Port & Free Zone World FZE . . . . PO Box 17000 Dubai, United Arab Emirates	667,735,000	80.45

Each of the Ordinary Shares held by Port & Free Zone World has the same voting rights attached to it as one of the Ordinary Shares held by any other holder.

Other than Port & Free Zone World as described above, we are not aware of any shareholder that, directly or indirectly, jointly or severally, owns or could exercise control over the Company. Port & Free Zone World has entered into a relationship agreement to govern its relationship with the Company.

The Company understands that Port & Free Zone World FZE is considering refinancing its outstanding net debt facilities of approximately $850 million, secured in part against certain of its shares in the Company, in the short to medium term. Options to refinance the facilities include, *inter alia*, further bank loans, asset disposals, public market bond issues (including equity-linked bonds) or the sale of shares in the Company.

11. **Dubai World Restructuring**

On 25 November 2009, the Government of Dubai announced that it had authorised the Dubai Financial Support Fund, acting through the Supreme Fiscal Committee, to spearhead the restructuring of the Company's ultimate parent company, Dubai World, and its direct and indirect subsidiaries. At that time, and following confirmation from the Government of Dubai, the Company announced that neither it, nor its debt, were included in this restructuring of Dubai World.

On 23 March 2011, Dubai World announced that it had signed a final agreement with each of its lenders to restructure approximately $24.9 billion of its debt. This restructuring plan consists of a 5 year tranche of $4.4 billion and an 8 year tranche of $10.3 billion.

12. **Related Party Transactions**

Save as disclosed in Note 27 to the Historical Financial Information as set forth in Part X (*Accountant's Report and Historical Financial Information for the Group*), there are no other related party transactions between the Group and its related parties that were entered into during financial years ended 31 December 2008, 2009 and 2010 or during the period between 1 January 2011 and the date of this Prospectus.

13. **Incentive Plans**

The Company has adopted a short-term and a long-term incentive plan for its Executive Directors and Senior Managers.

The Company's short-term annual incentive plan, the Performance Delivery Plan, is based on performance against EBITDA and against individual objectives. The EBITDA component is worth 70 per cent of the overall bonus value. The objectives, which are worth 30 per cent of the overall bonus value, are particular to each individual role and can include financial based objectives and more qualitative ones. For 2010, the bonus was worth a maximum of 75 per cent of annual basic salary.

The Performance Delivery Plan's financial component for the year 2011 has been revised from EBITDA to a Profit After Tax measure with maximum bonus potential remaining the same as in 2010.

The Company operates a similar short-term scheme for the other members of senior management with awards varying in line with job size and geographies. This is then typically cascaded throughout the business units' organisational levels in line with local policies.

The Company's long term investment plan, the LTIP, is based on a three year performance cycle and is a cash-based plan. The 2007-2009 cycle is based on net operating profit after tax as the measure. The 2008-2010, 2009-2011 and 2010-2012 cycles are based on an earnings per share measure linked to performance against corporate EBITDA targets.

For the Executive Directors and the Chief Operating Officer, the 2007-2009 and 2008-2010 cycles are worth a maximum of 75 per cent of average annual basic salary while the 2009-2011 and 2010-2012 cycles are worth a maximum of 100 per cent of average annual basic salary. For other Senior Managers, the 2007-2009 and 2008-2010 cycles are worth a maximum of 50 per cent of average annual basic salary while the 2009-2011 and 2010-2012 cycles are worth a maximum of 75 per cent of average annual basic salary.

The 2011-2013 cycle has also been reviewed in line with the strategic direction of the Company and is based on two measures: 70 per cent linked to a Return On Capital Employed measure and 30 per cent linked to the same earnings per share measure described above. The maximum bonus potential remains the same as in the 2010-2012 cycle.

In addition to the Executive Directors and Senior Managers, employees performing the top 110 jobs (as determined by job size) are also eligible to participate in the LTIP in line with the same financial metrics as described for Executive Directors and Senior Managers above with varying levels of award in line with their job size.

14. **Pensions and other post-retirement arrangements**

The Group participates in a number of pension schemes throughout the world. The principal scheme is located in the UK (the "**P&O UK Scheme**") and is a funded defined benefits scheme which was closed to routine new members on 1 January 2002. The assets of the scheme are managed on behalf of the trustee by independent fund managers.

The Group also operates a number of smaller defined benefit schemes, including in Australia, Canada, Indonesia, Pakistan, Hong Kong and the Philippines, and defined contribution schemes, including in Hong Kong, and participates in various industry schemes. These generally have assets held in separate trustee administered funds.

The Group's net liabilities in respect of the defined benefit schemes, as recognised in the balance sheet, as at 31 December 2010 were $173.9 million (this figure excludes the Group's net liability in respect of its associates and interests in joint ventures of, together, $5.2 million and its net liability in respect of its defined benefit pension arrangements and post-employment benefits in Australia of $56.0 million which have been classified as 'held for sale'). See Note 24 of to the Audited Consolidated Financial Statements in Part X (*Accountant's Report and Historical Financial Information for the Group*). The liability recognised in the balance sheet is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets.

In respect of the P&O UK Scheme, formal actuarial valuations are carried out triennially by qualified independent actuaries, the latest completed regular valuation report for the scheme being at 31 March 2007, using the projected unit credit method. As at 31 March 2007, the market value of the P&O UK Scheme's assets were $2,373 million and the value of accrued benefits to members allowing for future increases in earnings was $2,504 million giving a deficit of $131 million and a funding ratio of 94.8 per cent.

In December 2007, as part of a process developed with the Group to de-risk the pension scheme, the pensions trustee transferred assets of the P&O UK Scheme to the value of $1,600 million to Paternoster (UK) Ltd, in exchange for a bulk annuity insurance policy to ensure that the assets (in the Company's statement of financial position and in the P&O UK Scheme) will always be equal to the current value of the liability of the pensions in payment at 30 June 2007, thus removing the funding risks for these liabilities. Members who have retired since 30 June 2007 are not included in this insurance arrangement. In addition since April 2008, the Group has made monthly deficit payments totalling $46.3 million.

Officers and employees of the Group have participated in two industry wide multi-employer defined benefit schemes, namely the Merchant Navy Officers' Pension Fund ("**MNOPF**") and the Merchant Navy Ratings' Pension Fund ("**MNRPF**").

The MNOPF is divided into two sections: the Old Section and the New Section, both of which are closed to new members.

The market value of the assets of the Old Section based on the most recent actuarial valuation dated 31 March 2009 were $1,595 million, representing approximately 89 per cent of the value of the benefits accrued to members. The pensions trustee has determined that the asset growth of the assets of the Old Section between the formal date of the valuation and 18 November 2009 has been sufficient to eliminate the shortfall. Therefore no contributions are required to meet the shortfall.

The market value of the assets of the New Section based on the most recent actuarial valuation dated 31 March 2009 were $2,217 million, representing approximately 68 per cent of the benefits accrued to members. The proportion of the deficit attributable to the Group, as at 31 December 2010, is estimated at 4.807 per cent and the Group is making regular annual deficit payments

The MNRPF is closed to further benefit accrual and, based on the most recent actuarial valuation dated 31 March 2008, the scheme has assets with a market value of $1,239 million representing 78 per cent of the benefits accrued to members allowing for future increases. The Group's share of the deficit at 31 December 2010 is immaterial.

Certain Group companies which are no longer current employers in the MNRPF and, had settled their statutory debt obligation, were not considered to have any legal obligation with respect to the on-going deficit in the MNRPF. This position has been challenged by Stena Line Limited in the High Court. Judgement was given against the Group on 27 July 2010. Leave to appeal was granted and a hearing occurred in March 2011. Judgment for the appeal was handed down on 12 May 2011. The appeal was rejected. Leave to appeal to the House of Lords was requested. No decision has yet been made as to whether an appeal will be pursued.

A provision of $46.0 million is held on IFRS balance sheet as at 31 December 2010 in respect of the UAE expatriate end of service gratuities and other leaving service benefits. These benefits are unfunded and the Group makes payments as they fall due. The Group also participates in other industry multi-employer schemes.

15. **Material contracts**

Set out below is a summary of (a) each material contract (other than a contract in the ordinary course of business) to which any member of the Group is a party which has been entered into within the two years immediately preceding the date of this Prospectus; and (b) any other contract (other than a contract in the ordinary course of business) entered into by any member of the Group which contains a provision under which any member of the Group has any obligation or entitlement which is material to the Group as at the date of this Prospectus.

15.1 ***Borrowing arrangements***

Syndicated Loan Facility

On 22 October 2007, the Company entered into the Syndicated Loan Facility, an unsecured syndicated loan facility amongst the Company, DP World Holdings (Australia) Limited and P&O, as borrowers, the Company, as the sole guarantor, the lenders from time to time party thereto, Barclays Capital, Citibank N.A., Deutsche Bank AG, London Branch, and The Royal Bank of Scotland Plc, as mandated lead arrangers, The Royal Bank of Scotland Plc, as issuing bank, and Deutsche Bank Luxembourg S.A, as facility agent.

The Syndicated Loan Facility comprises a $3.0 billion syndicated loan facility with a maturity on 22 October 2012, and has been used for general corporate purposes of the Company and its subsidiaries, as well as refinancing outstanding amounts under its previous credit facility. The Syndicated Loan Facility is fully utilised. Interest on the Syndicated Loan Facility is payable based on a specified margin over LIBOR.

Ranking. The Syndicated Loan Facility is a senior unsecured obligation of the Company and ranks equally in right of payment to all of the Company's existing and future senior indebtedness and senior in right of payment to all of the Company's existing and future senior subordinated debt.

Guarantees. The obligations of the borrowers under the Syndicated Loan Facility are unconditionally and irrevocably guaranteed by the Company.

Repayment and Voluntary Prepayments. Borrowings under the Syndicated Loan Facility must be repaid at final maturity. The Syndicated Loan Facility provides for voluntary prepayments of loans and voluntary cancellations of the unutilised proportion of the commitments, without penalty, subject to certain conditions pertaining to minimum notice and payment and cancellation amounts. Amounts prepaid may be reborrowed in accordance with the terms of the Syndicated Loan Facility. The Syndicated Loan Facility also contains mandatory prepayment provisions that the Company believes are usual and customary for facilities of this type.

Change of Control. The Syndicated Loan Facility is subject to a change of control covenant whereby the Government of Dubai must continue to own, directly or indirectly, over 50 per cent of the Company's issued share capital.

Undertakings and Covenants. The Syndicated Loan Facility contains affirmative and negative undertakings that the Company believes are usual and customary for facilities of this type. In addition, the Syndicated Loan Facility contains a total debt to total debt plus equity financial covenant, where equity refers to the amount of equity on the balance sheet of the Company.

Events of Default. The Syndicated Loan Facility contains certain customary events of default.

6.85 per cent Notes Due 2037

On 2 July 2007, the Company issued the 2007 Senior Notes under the DP World MTN Programme. The 2007 Senior Notes mature on 2 July 2037 and are admitted to trading on the London Stock Exchange and NASDAQ Dubai.

Ranking. The Senior Notes are senior unsecured obligations of the Company and rank equally in right of payment to all of the Company's existing and future senior indebtedness and senior in right of payment to all of the Company's existing and future senior subordinated debt.

Repayment and Redemption. Upon the occurrence of a change of control of the Company, each holder of the Senior Notes has the right to require the Company to repurchase such holder's Senior Notes at a purchase price in cash equal to 100 per cent of the principal amount thereof, plus accrued and unpaid interest, if any, to the repurchase date. Subject to certain limited exceptions, the Senior Notes may not be redeemed at the Company's option prior to maturity. Unless previously redeemed or purchased and cancelled, the Senior Notes must be redeemed at par on the maturity date.

Change of Control. The DP World MTN Programme is subject to a change of control covenant whereby the Government of Dubai must continue to own, directly or indirectly, over 50 per cent of the Company's issued share capital.

Covenants. The DP World MTN Programme contains affirmative and negative undertakings that the Company believes are usual and customary for debt securities of this type and which are similar to those relating to the Notes offered hereunder.

Events of default. The Senior Notes are subject to certain customary events of default that, if any of them occurs, would permit the principal of and accrued interest on the Senior Notes to be declared due and payable.

Trust Certificates (Sukuk Al-Mudaraba) Due 2017

On 2 July 2007, DP World Sukuk, issued Certificates due 2017. The Certificates mature on 2 July 2017 and are admitted to trading on the London Stock Exchange and NASDAQ Dubai. The Certificates evidence an undivided beneficial ownership interest in certain assets held in trust. The proceeds from the Certificates were invested in the Company's business activities in accordance with an agreed investment plan. Each holder of the Certificates is entitled to periodic distribution amounts in an amount equal to 6.25 per cent per annum on the aggregate principal amount of Certificates held by such holder. To the extent that the amount of profit generated through the investment plan is less than the amount necessary to make such periodic distribution amounts, the Company (as Mudareb under the Certificates) is required to provide Shari'a compliant liquidity financing to ensure that sufficient funds are available to pay such periodic distribution amounts. To the extent that the amount of profit generated through the investment plan is greater than the amount necessary to make such periodic distribution amounts, the Company is entitled to retain such excess amount for its own account by way of an incentive fee for acting as Mudareb.

Ranking. The Certificates are senior unsecured obligations of the Company and rank equally in right of payment to all of the Company's existing and future senior indebtedness and senior in right of payment to all of the Company's existing and future senior subordinated debt.

Redemption. Upon the occurrence of a change of control of the Company, each holder of the Certificates has the right to require DP World Sukuk to redeem any or all of such holder's Certificates at a purchase price in cash equal to 100 per cent of the aggregate principal amount thereof, plus accrued and unpaid periodic distribution amounts, if any, to the redemption date. Subject to certain limited exceptions, the Certificates may not be redeemed at DP World Sukuk's option prior to maturity. Unless previously redeemed or purchased and cancelled, the Certificates must be redeemed at par on the scheduled redemption date. Prior to any such redemption date, the Company will purchase all or, in the case of a partial redemption, part of the trust assets for an amount equal to the 100 per cent of the aggregate principal amount of the Certificates being redeemed, plus accrued and unpaid periodic distribution amounts, if any, to the redemption date.

Change of Control. The DP World Sukuk is subject to a change of control covenant whereby the Government of Dubai must continue to own, directly or indirectly, over 50 per cent of our issued share capital.

Covenants. The DP World Sukuk contains affirmative and negative undertakings that we believe are usual and customary for debt securities of this type and which are similar to those relating to the Notes offered hereunder.

Dissolution Event. The Certificates are subject to certain customary dissolution events that, if any of them occurs, would permit the holders of at least 20 per cent in aggregate principal amount of Certificates then outstanding to require the trust to be dissolved and all Certificates redeemed for an amount equal to the 100 per cent of the aggregate principal amount thereof, plus accrued and unpaid periodic distribution amounts, if any, to the redemption date.

15.2 ***Sponsors' Agreement***

On the date of this Prospectus, the Company and each of the Joint Sponsors have entered into a sponsors' agreement (the "**Sponsors' Agreement**"). Pursuant to the Sponsors' Agreement the Joint Sponsors have agreed to act jointly as sponsors to the Company in connection with Admission. The obligations of the Joint Sponsors are subject to certain conditions which are typical for an agreement of this nature, including the continued accuracy of certain warranties. In addition, the Joint Sponsors have the right to terminate the Sponsors' Agreement before Admission in certain specified circumstances, in which case the agreement will lapse. Under the terms of the Sponsors' Agreement, the Company has agreed to provide the Joint Sponsors with certain indemnities, undertakings and warranties. The indemnities provided by the Company indemnify the Joint Sponsors against, inter alia, claims made against them or losses incurred by them, subject to certain exceptions.

15.3 ***Relationship Agreement***

Relationship Agreement

On the date of this Prospectus, the Company, Port & Free Zone World and Dubai World entered into the Relationship Agreement to govern their relationship following Admission. The Relationship Agreement takes effect upon Admission.

Independence

The Company will have its own operational management team. Port & Free Zone World has undertaken to exercise its voting powers in relation to the Company to ensure that the Company is operating and making decisions for the benefit of the shareholders of the Company as a whole and independently of it and Dubai World and has further agreed not to exercise its voting rights in favour of any amendment to the Articles, or to approve any related party transaction in a manner which would be contrary to the principle of independence of the Company.

Board

Port & Free Zone World shall be entitled to appoint (and remove and re-appoint) such number of directors to the Board (each a "**P&FZ Director**") as permitted by law subject to its obligation to act in the best interests of the Company. It is also agreed that at least half the Board (excluding the chairman) shall comprise independent non-executive directors and the parties have agreed to take steps to ensure this remains the case and that the Company shall procure that the Board's audit, remuneration and nominations and governance committees will be constituted in a manner compliant with the Corporate Governance Code.

The Board shall manage the Company independently of Dubai World and Port & Free Zone World in accordance with the Articles, the Listing Rules and applicable law.

Provision of information and confidentiality

Port & Free Zone World shall, subject to the Company's obligations under all applicable laws (including, without limitation, the Listing Rules and the DTRs), be provided with financial, management and/or other information reasonably required by it (or any of its associates, including Dubai World) for the purposes of any internal or external reporting requirements which the relevant party is required by internal compliance, law or regulation to make. Port & Free Zone World shall be entitled to disclose any such information received to its associates provided that, Port & Free Zone World shall otherwise (and shall procure that any associate to whom any information is passed shall) keep confidential any information relating to the Group provided to it.

Subject to the above, the P&FZ Directors will be bound by confidentiality obligations preventing the disclosure of information regarding any business interest that may be of interest to the Company received in his capacity as a director of the Company to business interests that compete with the Group. Where a P&FZ Director receives information in a capacity other than as a director of the Company, which imposes on him a duty of confidentiality, he shall not be obliged to disclose that information to the Company.

A P&FZ Director shall not be entitled to disclose information to Port & Free Zone World if it relates to a transaction or proposed transaction between a member of the Group and Port & Free Zone World, Dubai World or any of their associates.

These obligations of a P&FZ Director are required to be reflected in each P&FZ Director's terms of appointment.

Non-compete and non-solicit

For a period of one year from the date of Admission, Port & Free Zone World and Dubai World have agreed not to, and have agreed to procure that none of Dubai World's subsidiaries, operate, establish or acquire a business which competes in the same main markets as the Company, subject, amongst other standard exclusions, to the exclusion of Port & Free Zone World's and Dubai World's businesses as at Admission.

Port & Free Zone World and Dubai World have agreed not to solicit for employment, and to procure that none of Dubai World's subsidiaries solicit for employment, any of the directors or senior managers of the Company (from time to time) for a period of one year from the date of Admission. This does not prevent a director or senior manager being hired who, without solicitation, responds to a general advertisement or any other non-directed search enquiry or who makes an unsolicited contact for employment.

Arm's length transactions

All transactions and relationships between any member of the Group and Port & Free Zone World, Dubai World or any of their associates shall be conducted at arm's length, on a normal commercial basis and in accordance with the related party transaction rules set out in Chapter 11 of the Listing Rules. All new transactions or material amendments to existing agreements between any member of the Group and Port & Free Zone World, Dubai World or any of their associates, to which Chapter 11 of the Listing Rules applies, must also be approved by a majority of the independent directors.

Share disposals and acquisitions

For as long as Port & Free Zone World together with any of its associates holds at least 15 per cent of the Ordinary Shares or, if sooner, until another holder together with any of its associates holds more Ordinary Shares than Port & Free Zone World together with any of its associates, the Company agrees to co-operate and provide such assistance as Port & Free Zone World may reasonably request in connection with any future sale of Ordinary Shares by Port & Free Zone World subject to certain exceptions, including that such sale of Ordinary Shares will not result in a breach of, default under, or acceleration of, any indebtedness pursuant to any of the Company's finance arrangements and compliance with all reasonable requirements of the Company with a view to maintaining an orderly market.

Port & Free Zone World and Dubai World agree, and shall procure agreement from Dubai World's subsidiaries, that they will not, without prior approval of the Company's Board, acquire or arrange to acquire, any Ordinary Shares or any interests in Ordinary Shares which would increase the proportion of Ordinary Shares held by Dubai World and its subsidiaries to more than the proportionate number held by it at the date of Admission.

Term

The Relationship Agreement shall terminate immediately upon Port & Free Zone World and Dubai World and its subsidiaries, when taken together, ceasing to hold at least 15 per cent of the Ordinary Shares. The Relationship Agreement may also be terminated by Port & Free Zone World upon the delisting of the Company or the occurrence of certain insolvency events.

Accession

If Port & Free Zone World or another subsidiary of Dubai World wishes to transfer Ordinary Shares to an associate in an off-market transaction, the result of which being that the associate will hold 15 per cent or more of the Ordinary Shares in issue, PFZW and Dubai World must procure that such associate becomes a party to the Relationship Agreement.

15.4 ***Depository Interest Arrangements***

Deed Poll

The DIs will be created pursuant to, and issued on the terms of, the Deed Poll dated 11 May 2011. Each DI will be treated by the Depository as the beneficial interest in one Ordinary Share for the purposes of determining, for example, eligibility for any distributions. The Depository has agreed to pass on to holders of DIs any stock or cash benefits received by it as beneficial owner of the Ordinary Shares on trust for such DI holder.

In summary, the Deed Poll contains, inter alia, provisions to the following effect:

- The Depository, which is regulated by the FSA, will hold (itself or through the Custodian), as bare trustee, the beneficial interest in the underlying Ordinary Shares issued by the Company and all and any rights and other securities, property and cash attributable to that interest for the time being held by the Depository or Custodian pertaining to the DIs for the benefit of the DI holders.
- The Depository will re-allocate securities or distributions allocated to the Depository or the Custodian pro rata to the interest in the Ordinary Shares held for the respective accounts of the holders of DIs but will not be required to account for fractional entitlements arising from such reallocation.
- Each DI holder warrants, inter alia, that the Ordinary Shares transferred or issued to the Depository or Custodian for the account of such DI holder are free and clear of all liens, charges, encumbrances or third party interests and that such transfers or issues are not in contravention of the Articles or any contractual obligation, or applicable law or regulations binding or affecting such holder.
- The Depository and any Custodian must pass on to DI holders all rights and entitlements received by the Depository or the Custodian in respect of its interest in the Ordinary Shares. However, there can be no assurance that all such rights and entitlements will at all times be duly and timely passed on. Rights and entitlements to cash distributions, to information, to make choices and elections and to attend and vote at meetings must, subject to the Deed Poll, be passed on in the form which they are received, together with amendments and additional documentation necessary to effect such passing-on. If arrangements are made which allow a DI holder to take up rights in Ordinary Shares requiring further payment, the DI holder must put the Depository in cleared funds before the relevant payment date or other date notified by the Depository if it wishes the Depository to exercise such rights.
- The Depository will be entitled to cancel DIs and treat the DI holder as having requested a withdrawal of the Ordinary Shares in certain circumstances, including where a DI holder is a person whose holding of or to whom a transfer of, DIs might result in exposing the Depository to any increased liability to taxation or additional regulatory requirements or where a DI holder fails to furnish to the Depository such certificates or representations as to material matters of fact, including his identity, as the Depository deems appropriate.
- The Deed Poll contains provisions excluding and limiting the Depository's liability. For example, the Depository shall not be liable to any DI holder or any other person for liabilities in connection with the performance or non-performance of obligations under the Deed Poll or otherwise except as may result from its negligence or wilful default or fraud or that of any person for whom it is vicariously liable, provided that the Depository shall not be liable for the negligence, wilful default or fraud of any Custodian or agent which is not a member of its group unless it has failed to exercise reasonable care in the appointment and continued use and supervision of such Custodian or agent. Furthermore, the Depository's liability to a DI holder will be limited to the lesser of:
  - the value of the shares and other deposited property properly attributable to the DIs to which the liability relates; and
  - that proportion of £10 million which corresponds to the proportion which the amount the Depository would otherwise be liable to pay to the DI holder bears to the aggregate of the amounts the Depository would otherwise be liable to pay to all such holders in respect of the same act, omission, or event or, if there are no such amounts, £10 million.
- The Depository is entitled to charge DI holders fees and expenses for the provision of its services under the Deed Poll.
- The DI holders are required to agree and acknowledge with the Depository that it is their responsibility to ensure that any transfer of DIs by them which is identified by the CREST system as exempt from stamp duty reserve tax is so exempt, and to notify the Depository if this is not the case, and to pay to Euroclear any interest, charges or penalties arising from non-payment of stamp duty reserve tax in respect of such transaction.
- Each DI holder is liable to indemnify the Depository and any Custodian (and their agents, officers and employees) against all liabilities arising from or incurred in connection with, or arising from any act related to, the Deed Poll so far as they relate to the DIs (and any property or rights held by the Depository or Custodian in connection with the DIs) held by that holder, other than those resulting

from the wilful default, negligence or fraud of the Depository, or the Custodian or agent if such Custodian or agent is a member of the Depository's group or if, not being a member of the same group, the Depository shall have failed to exercise reasonable care in the appointment and continued use and supervision of such Custodian or agent.

- The Depository is entitled to make deductions from any income or capital arising from the interest held in the Ordinary Shares, or to sell such interest in the Ordinary Shares and make deductions from the sale proceeds therefrom, in order to discharge the indemnification obligations of DI holders.
- The Depository may terminate the Deed Poll by giving 30 days' notice. During such notice period holders are obliged to cancel their DIs and withdraw their deposited property and, if any DIs remain outstanding after termination, the Depository may at its discretion, sell all or part of such deposited property. It shall, as soon as reasonably practicable, deliver the net proceeds of any such sale, after deducting any sums due to the Depository, together with any other cash held by it under the Deed Poll pro rata to holders of DIs in respect of their DIs.
- The Depository or the Custodian may require from any holder information as to the capacity in which DIs are or were owned and the identity of any other person with or previously having any interest in such DIs and the nature of such interest and evidence or declarations of nationality or residence of the legal or beneficial owners of DIs and such information as is required for the transfer of the relevant Ordinary Shares to the DI holders. DI holders agree to provide such information requested and consent to the disclosure of such information by the Depository or Custodian to the extent necessary or desirable to comply with their legal or regulatory obligations. Furthermore, to the extent that the Articles require disclosure to the Company of, or limitations in relation to, beneficial or other ownership relating to the Ordinary Shares, the DI holders are to comply with the Company's instructions with respect thereto.

In relation to voting, NASDAQ Dubai Guardian (being the registered holder of the Ordinary Shares entitled to attend and vote at general meetings) will not exercise the right to attend and to vote at general meetings, it will enable the beneficial owners to attend general meetings and vote in person and/or to exercise voting rights by issuing proxies upon the instruction of beneficial owners. Depository Interest holders will be entitled to give such instructions and to attend and vote at general meetings through the Depository Interest arrangements. In order to facilitate this it will be important for DI holders to give prompt instructions to the Depository.

Depository Agreement

Under the terms of the depository agreement dated 11 May 2011 between the Company and the Depository (the "**Depository Agreement**"), the Company appoints the Depository to constitute and issue from time to time, upon the terms of the Deed Poll (summarised above), Depository Interests representing the beneficial interest in Ordinary Shares and to provide certain other services in connection with such Depository Interests (including custody services).

The Depository agrees that it will provide the various services with all reasonable skill and care. The depository services to be provided by the Depository include, for example, to maintain the register of Depository Interests, to issue Depository Interests to CREST members and to effect transactions relating to the Depository Interests on behalf of CREST members and the Custodian.

The Custodian, to be appointed by the Depository, will provide custody services including the holding of the beneficial interest in Ordinary Shares in respect of which Depository Interests are issued by the Depository and the execution of instructions received from CREST members in relation to the beneficial interest in Ordinary Shares held on their behalf.

In addition, the Depository Agreement sets out the procedures to be followed where the Company is to pay or make a dividend or other distribution.

The Company agrees to provide such assistance, information and documentation to the Depository as is reasonably required by the Depository for the purposes of performing the services under the Depository Agreement.

The Depository is to indemnify the Company against any loss which it may incur as a result of any claim made against the Company which arises out of any breach of the Deed Poll or the Depository Agreement subject to certain exceptions. The Company is to indemnify the Depository against any loss it may incur as a result of any claim made against the Depository arising from the performance by the Depository of its obligations under the Deed Poll and the Depository Agreement subject to certain exceptions.

The appointment of the Depository will be for an initial period of two years and shall automatically renew for successive periods of 12 months, subject to early termination. If one party is in persistent or material breach, which (if capable of remedy) is not remedied within 30 days, or if it goes into insolvency or liquidation or ceases to have the appropriate authorisations, the other party may terminate the Depository Agreement early by notice in writing. The Depository can terminate its appointment at any time if the Takeover Rules are deemed to apply to it.

The Company is to pay to the Depository certain fees and charges. The Depository is also entitled to recover reasonable out-of-pocket fees and expenses.

15.5 ***Formation of Australian Joint Venture***

The Group agreed to form a the Australian Joint Venture with CII and PSP on 22 December 2010 and completed such Australian Transaction on 11 March 2011. Under the terms of the Australian Transaction, the Group transferred its wholly owned subsidiary DP World Australia, a holding company that held the Group's interests in its five Australian terminals to the Australian Joint Venture. The Group, CII and PSP received ownership interests in the Australian Joint Venture of approximately 25 per cent, 50 per cent and 25 per cent through the transactions described below:

The Group's total proceeds from the Australian Transaction amounted to A$1.483 billion, comprising:

- the sum of (i) A$354.7 million from the purchase by DP World Australia of 329,208,326 shares that P&O held in DP World Australia, (ii) A$1,077.4 million from the sale by P&O of its 953,457,683 shares of DP World Australia to the Australian Joint Venture pursuant to the Australian Share Purchase Agreement dated 11 March 2011 and (iii) A$171.0 million from the settlement of inter-company debt;
- minus A$120.0 million provided to the Australian Joint Venture as a shareholder loan.

Under the Australian Share Purchase Agreement, CII contributed A$402.3 million in equity for 338,667,978 shares representing an ownership interest in the Australian Joint Venture of approximately 50 per cent and PSP contributed A$201.1 million in equity for 169,333,987 shares representing an ownership interest in the Australian Joint Venture of approximately 25 per cent.

The conduct of the Australian Joint Venture's shareholders is governed by the Australian Shareholders' Agreement dated 11 March 2011.

The Group continues to provide management services to DP World Australia, the Australian terminals' parent company, pursuant to the Australian Master Services Agreement dated 11 March 2011 in exchange for a set fee based on the amount of TEUs billed by the Australian operations.

In order to fund the Australian operations' ongoing capital requirements (as well as part of the consideration paid to the Group under a syndicated loan facility agreement), the joint venture borrowed A$530.0 million from third party lenders under the Australian Loan. The Group, CII and PSP have also provided shareholder loans to the joint venture in the amount of A$120.0 million, A$240.0 million and A$120.0 million, respectively, each of which is subordinated to the Australian Loan.

As of 12 March 2011, the date on which the Australian Transaction was completed, the Group's Australian terminals will no longer be fully consolidated into the results of the Australia and Americas region. Instead, the Group's Australian terminals will be accounted for using the equity method, whereby the Group's share of profits or losses from its Australian terminals will be presented in the line item "Share of profit/(loss) of equity accounted associates and joint ventures (net of tax)".

Australian Share Purchase Agreement

P&O, DP World Americas, CII, PSP and the Australian Joint Venture entered into the Australian Share Purchase Agreement on 22 December 2010, pursuant to which DP World Americas agreed to sell 148,000,000 shares of DP World Australia to the Australian Joint Venture in exchange for 21.85 per cent of the shares of the Australian Joint Venture and P&O agreed to sell 21,333,992 shares of DP World Australia to the Australian Joint Venture in exchange for 3.15 per cent of the shares of the Australian Joint Venture and cash consideration of A$1,077.4 million and the obligation to fund a A$120.0 million shareholder loan to the Australian Joint Venture.

P&O made certain representations and gave certain warranties to the Australian Joint Venture, which are usual for a transaction of this nature, including representations and warranties regarding the ownership of DP World Australia, the ability to sell its shares of DP World Australia and the status of DP World Australia's assets, as well as financial, regulatory, tax, employee, intellectual property, environmental, insurance and legal matters, amongst others. P&O also agreed to indemnify the Australian Joint Venture for certain losses it may incur with respect to guarantees and indemnities that have been given by one of the Australian terminals, tax liabilities, the reorganisation affected to facilitate the Australian Transaction and a deed of cross guarantee, amongst others.

The Australian Joint Venture made certain representations and gave certain warranties to P&O and DP World Americas, which are usual for a transaction of this nature, including representations and warranties regarding their authority and capacity to enter into the transaction and their knowledge, amongst others. The Australian Joint Venture also agreed to indemnify P&O and DP World Americas for certain losses it may incur with respect to a deed of cross guarantee.

The maximum aggregate liability that can be imposed upon P&O and DP World Americas is limited to A$250.0 million. The Australian Share Purchase Agreement also contains certain provisions governing confidentiality, amongst other things.

Australian Master Services Agreement

DP World FZE and DP World Australia entered into the Australian Master Services Agreement dated 11 May 2011, pursuant to which DP World FZE will continue to provide management services to DP World Australia in exchange for a set fee based on the amount of TEUs billed by such operations. DP World FZE has agreed to provide services to DP World Australia under the Australian Master Services Agreement relating to, amongst others, the following functions: business development, commercial and corporate strategy, corporate communications, engineering, financial management, government relations, human resources, information technology, insurance, internal audit, legal and corporate secretariat, operational management, planning and development, procurement, safety and environmental, security, taxation and treasury.

Australian Shareholders' Agreement

P&O, DP World Americas, certain trustees on behalf of and for CII and PSP, and the Australian Joint Venture entered into the Australian Shareholders' Agreement on 22 December 2010, which includes, amongst other things, provisions regarding the conduct of the shareholders of the Australian Joint Venture following the execution of the Australian Transaction.

The Australian Shareholders' Agreement specifies that the Australian Joint Venture may have up to ten directors on its board, eight of which may be appointed by the Australian Joint Venture's shareholders (with each shareholder able to appoint one director for every 12.49 per cent of shares it owns) and the Australian Joint Venture's CEO and CFO serving as the remaining two directors. A supermajority vote of the Australian Joint Venture's board of directors is required in order to approve certain actions such as, amongst other things, any changes to its capital structure, constitutive documents or the nature of its business; the declaration or payment of dividends or other distributions; the appointment of the CEO or CFO; the incurrence of debt or the granting of security; and the sale or initial public offering of the Australian Joint Venture. As defined in the Australian Shareholders' Agreement, a supermajority can be achieved through (i) the written consent of one or more directors representing shareholders holding, in aggregate, at least 80 per cent of Australian Joint venture's shares, (ii) a written resolution signed by or on behalf of each shareholder of the Australian Joint Venture or (iii) by the passage in a general meeting by one or more shareholders holding, in aggregate, at least 80 per cent of the Australian Joint Venture's shares.

The Australian Shareholders' Agreement contains certain covenants restricting parties from, amongst other things, transferring any Australian Joint Venture shares for a period of five years from March 2011, the date of the Australian Transaction's closing (unless such transfer is to an affiliate or group company or otherwise permitted under the Australian Shareholders' Agreement), competing with the business of the Group or disclosing confidential information.

The Australian Shareholders' Agreement also regulates the conduct of the Group, including, amongst other things, the conduct of board meetings, conduct of shareholder meetings, transfers of and exits from ownership of Australian Joint Venture shares, insolvency, maintenance of insurance policies, management of the business and conduct in relation to the finance documents.

15.6 ***Concession Agreement***

On 31 December 2006, our wholly owned subsidiary DP World UAE Region FZE entered into the Concession Agreement with DPA to operate DP World Jebel Ali, Port Rashid (Dubai) and Hamriya Port in Dubai on an arm's length basis. The ownership of these ports has been retained by DPA. The Concession Agreement became effective as of 1 July 2006 for a term of 99 years and is governed by the federal law of the UAE and the laws of the Emirate of Dubai.

During the term of the Concession Agreement, DP World UAE Region FZE has exclusive rights to use the relevant land and existing infrastructure and superstructure within the concession area. DP World UAE Region FZE has paid consideration calculated on a fair market basis for such infrastructure and superstructure as if those assets were transferred outright to it. On expiration of the term, all assets developed, leased, acquired by or transferred to DP World UAE Region FZE shall be transferred to DPA on a fair market valuation basis.

DP World UAE Region FZE is not obligated to pay any annual concession fee until after 31 December 2012. After that date, calculation of the annual concession fee is based on the greater of a certain percentage of revenue and a fixed monetary amount. DPA has the right to terminate the Concession Agreement on an event of default by DP World UAE Region FZE, which include material breach of an obligation, failure to pay, abandonment and change of control.

16. **Working capital statement**

The Company is of the opinion that, taking into account the facilities available to the Group, the Group has sufficient working capital for its present requirements, that is, for at least the next twelve months from the date of the publication of this Prospectus.

17. **Significant change**

Other than the formation of the Australian Joint Venture as described in section 5 of Part IX (*Operating and Financial Review—Current Trading and Recent Developments*) there has been no significant change in the financial or trading position of the Group since 31 December 2010 being the date to which the historical financial information in Part X (*Accountant's Report and Historical Financial Information for the Group*) was prepared.

18. **Litigation**

Except for the legal proceedings highlighted below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had during the 12 months preceding the date of this Prospectus, a significant effect on the Group or its financial position or profitability.

(a) The Group through its 100 per cent owned subsidiary MICT has developed and is operating the container terminal at the Mundra port in Gujarat. In 2006, MICT received a show cause notice from GMB requiring MICT to demonstrate that the undertaking given by its parent company P&O Ports (Mundra) Private Limited, with regard to its shareholding in MICT has not been breached in view of P&O Ports being taken over by the Group (DP World). Based on the strong merits of the case and on the advice received from legal counsel, the Company believes that the above litigation is unsubstantiated and in our view, it will have no impact on the Group's ability to continue to operate the port. No provision has been made with respect to the Group's potential liability in this litigation as such liability is neither currently quantifiable nor considered likely.

(b) The Company's 100 per cent owned subsidiary CCTL has received claims from the CPT covering CCTL's alleged failure to fulfil its obligations in respect of non-transhipment containers for a period of four years from 1 December 2003 and additional lease charges for land leased by CCTL from CPT. CCTL has limited counterclaims against CPT. Based on advice from legal counsel, the Company believes that both proceedings will not have an adverse impact on the Group's financial position and that the cases will be settled in the Group's favour. The aggregate US$ equivalent of the two Indian Rupee based claims as at 31 December 2010 was $29.3 million.

19. **Consents**

KPMG UK has given and has not withdrawn its written consent to the inclusion in this Prospectus of its report on the historical financial information in Part X (*Accountant's Report and Historical Financial Information for the Group*) and the references thereto, in the form and context in which it appears and has authorised the contents of its reports for the purposes of item 23.1 of Annex I to Appendix 3 of the Prospectus Rules.

20. **Documents available for inspection**

Copies of the following documents may be inspected at the registered office of the Company and the offices of the Joint Sponsors during normal business hours on any weekday in the jurisdiction of the relevant registered office (weekends and public holidays excepted) until Admission:

- the Articles;
- the Deed Poll;
- the historical financial information relating to the Group and the report thereon by KPMG UK, as set out in Part X (*Accountant's Report and Historical Information for the Group*);
- the written consent letter of KPMG UK referred to in section 19 above;
- a copy of this Prospectus.

For the purposes of rule 3.2.4 of the Prospectus Rules, the Prospectus will be published in printed form and available free of charge until Admission at the registered office of the Company and the offices of the Joint Sponsors. In addition, the Prospectus will be published in electronic form and available on the website of the National Storage Mechanism (*www.hemscott.com/nsm.do*) and on the Group's website (*www.dpworld.com*) subject to certain access restrictions applicable to persons resident outside the UK.

Dated 25 May 2011

PART XV
DEFINITIONS

The following definitions apply throughout this Prospectus unless the context requires otherwise:

"**2007 Senior Notes**"	means the $1,750,000,000 6.85 per cent notes due 2037 issued by the Company;
"**ACCC**"	means the Australian Competition and Consumer Commission;
"**Admission**"	means the admission of the Ordinary Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities which is expected to be on 1 June 2011;
"**APMT**"	means APM Terminals;
"**Articles**"	means the articles of association of the Company approved by shareholders at the Company's annual general meeting held on 11 May 2011, to be adopted conditional on, and with effect upon, Admission;
"**Audit Committee**"	means the audit committee of the Company;
"**Audited Consolidated Financial Statements**"	means the audited consolidated financial information with respect to the group as of and for the years ended 31 December 2010, 2009 and 2008;
"**Board**"	means the board of directors of the Company from time to time;
"**Capacity**"	means the theoretical amount of throughput that a container terminal could handle in a year and is generally based on the size of the terminal's container stacking area and the capacity of its quay which in turn is based on the length of the quay and the capacity of the ship-to-shore cranes that are available;
"**CCLT**"	means Chennai Container Terminal Ltd;
"**Certificates**"	means the $1,500,000,000 Trust Certificates due 2017 issued by DP World Sukuk Limited;
"**CFS**"	means container freight stations;
"**Citi**"	means Citigroup Global Markets Limited;
"**Clearing Member**"	means a person accepted by NASDAQ Dubai to be a clearing member of NASDAQ Dubai;
"**Company**"	means DP World Limited a company limited by shares incorporated in the DIFC whose registered number is 0226;
"**Corporate Governance Code**"	means the UK Corporate Governance Code published in June 2010 by the Financial Reporting Council;
"**CPT**"	means Chennai Port Trust;
"**CREST**"	means the computerised settlement system operated by Euroclear UK & Ireland Limited to facilitate the transfer of title to shares in uncertificated form;
"**CSI**"	means the Container Security Initiative;
"**CSX WT**"	means CSX World Terminals;
"**CSX WT Acquisition**"	means the acquisition by the Group of CSX WT;
"**Custodian**"	means the custodian nominated by the Depository;
"**Deed Poll**"	means the deed poll in respect of the Depository Interests dated 11 May 2011 executed by the Depository;

“**Depository**”	means Capita IRG Trustees Limited, incorporated in England (with registration number 2729260) whose registered office is The Registry, 34 Beckenham Road, Kent BR3 4TU;
“**Depository Agreement**”	means the agreement for the provision of depository services and custody services in respect of the Depository Interests dated 11 May 2011 between the Company and the Depository;
“**Depository Interest**” or “**DI**”	means a depository interest in an Ordinary Share;
“**Deutsche Bank**” or “**Deutsche Bank AG**” or “**Deutsche Bank AG, London Branch**”	means Deutsche Bank AG, London Branch, a company incorporated in Germany with branch registration in England and Wales BR 000005;
“**DFSA**”	means the Dubai Financial Services Authority;
“**DIFC**”	means the Dubai International Financial Centre;
“**DIFC Companies Law**”	means the DIFC Companies Law No. 2 of 2009;
“**Directors**”	means the directors of the Company whose names are set out in Part XII (*Directors, Senior Management and Corporate Governance*) from time to time;
“**DP World MTN Programme**”	means the $5,000,000,000 Global Medium Term Note Programme established by the Company;
“**DP World Sukuk**”	means DP World Sukuk Limited, a Cayman Islands special purpose vehicle;
“**Drewry**”	means Drewy Shipping Consultants Ltd.;
“**DTRs**”	means the UK disclosure rules and transparency rules made by the FSA under Part VI of FSMA;
“**Dubai**”	means the Emirate of Dubai;
“**Dubai World**”	means Dubai World Corporation;
“**EPCG Scheme**”	means Export Promotion Capital Goods Scheme;
“**EU**”	means the European Union;
“**Euroclear**”	means Euroclear UK & Ireland Limited;
“**Financial Adviser**”	means HSBC Bank plc;
“**FSA**”	means the UK Financial Services Authority;
“**FSMA**”	means the Financial Services and Markets Act 2000 (as amended);
“**GCC**”	means the Gulf Cooperation Council;
“**GDP**”	means gross domestic product;
“**GMB**”	means Gujarat Maritime Board;
“**GREs**”	means Government related strategic entities;
“**Gross capacity**”	means the capacity of a container terminal in the Group’s portfolio, regardless of the Group’s economic interest in such terminal;
“**gross dividend**”	means the aggregate of the dividend declared and the tax credit;
“**Gross throughput**”	means the total amount of throughput that a container terminal in the Group’s portfolio handled over a period of time, regardless of the Group’s economic interest in such terminal or whether it had held such terminal for the entirety of such period;

"**Group**"	means the Company and its subsidiaries (being those entities listed as the Company's subsidiaries in section 9 of Part XIV (*Additional Information*);
"**HMRC**"	means Her Majesty's Revenue & Customs;
"**HPH**"	means Hutchison Port Holdings;
"**IASB**"	means International Accounting Standards Board;
"**IFRS**"	means International Financial Reporting Standards;
"**ISIN**"	means International Securities Identification Number;
"**ISPS Code**"	means the International Ship and Port Facility Security Code;
"**Joint Sponsors**"	means Citi and Deutsche Bank AG;
"**KPMG UAE**"	means KPMG LLP based in Dubai, UAE;
"**KPMG UK**"	means KPMG LLP based in London, United Kingdom;
"**LIBOR**"	means London Interbank Offered Rate;
"**Listing Rules**"	means the listing rules made by the UK Listing Authority under Part VI of FSMA;
"**London Stock Exchange**"	means the London Stock Exchange plc;
"**mandatory offer**"	means where pursuant to the Takeover Rules a person is required to make an offer for the remaining issued share capital of the target;
"**MICT**"	means Mundra International Container Terminal Private Limited;
"**MNOPF**"	means the Merchant Navy Officers' Pension Fund;
"**MNRPF**"	means the Merchant Navy Rating's Pension Fund;
"**NASDAQ Dubai**"	means the NASDAQ Dubai Stock Exchange;
"**NASDAQ Dubai CSD**"	means the NASDAQ Dubai Central Securities Depository;
"**NASDAQ Dubai CSD Account**"	means an account held with NASDAQ Dubai's Central Securities Depository;
"**NASDAQ Dubai Guardian**"	means NASDAQ Dubai Guardian Limited (formerly known as DIFX Guardian Limited);
"**Navis**"	means Navis, LLC;
"**O&D**"	means origin and destination, which is often referred to as import and export;
"**Official List**"	means the Official List of the UK Listing Authority;
"**Ordinary Shares**"	means the ordinary shares with a nominal value of US$2.00 each in the share capital of the Company;
"**OSRs**"	means the DFSA Offered Securities Rules;
"**P&FZ Director**"	means the directors appointed by Port & Free Zone World to the Board;
"**P&O**"	means Peninsular & Oriental Steam Navigation Company Limited;
"**P&O Acquisition**"	means the acquisition by the Group of P&O;
"**P&O UK Scheme**"	means the Group's funded defined benefits scheme located in the UK which was closed to routine new members on 1 January 2002;

"**POBC**"	means Port of Brisbane Corporate;
"**Port & Free Zone World**"	means Port & Free Zone World FZE, a free zone establishment formed and registered under the laws promulgated by JAFZA;
"**Prospectus**"	means this document;
"**Prospectus Directive**"	means EU Directive 2003/71/EC;
"**Prospectus Rules**"	means the UK prospectus rules made under Section 73A of FSMA;
"**PSA**"	means PSA International;
"**Relationship Agreement**"	means the relationship agreement entered into between Port & Free Zone World, Dubai World and the Company on the date of this Prospectus;
"**relevant period**"	means during a period of not less than 7 years before the date of publication of the advertisements referred to in the Articles (or, if published on two different dates, the first date);
"**Ro-Ro**"	means Roll On-Roll Off;
"**S&E**"	means safety and environment;
"**SDI's**"	means separately disclosed items;
"**SEC**"	means the US Securities and Exchange Commission;
"**Securities Act**"	means the U.S. Securities Act of 1933, as amended;
"**SEDOL**"	means Stock Exchange Daily Official List;
"**Senior Managers**"	means the senior managers of the Company whose names are set out in Part XII (*Directors, Senior Management and Corporate Governance*) from time to time;
"**SFI**"	means Secure Freight Initiative;
"**Share Consolidation**"	means the share consolidation undertaken by the Company on 19 May 2011 consolidating 20 of the Company's ordinary shares of US$2.00 existing at that time into one Ordinary Share;
"**Share Dealing Code**"	means the code of securities dealings in relation to the Ordinary Shares adopted by the Company;
"**Shareholder**"	means a holder for the time being of Ordinary Shares;
"**Sponsors' Agreement**"	means the agreement entered into between the Company and the Joint Sponsors on the date of this Prospectus, details of which are set out in section 15.2 of Part XIV (*Additional Information*);
"**Syndicated Loan Facility**"	means the syndicated revolving credit facility agreement between the Company, DP World Holdings (Australia) Limited and P&O, as borrowers, the Company, as the sole guarantor, the lenders from time to time party thereto, Barclays Capital, Citibank N.A., Deutsche Bank AG, London Branch, and The Royal Bank of Scotland Plc, as mandated lead arrangers, The Royal Bank of Scotland Plc, as issuing bank, and Deutsche Bank Luxembourg S.A, as facility agent;
"**Takeover Rules**"	means the rules set out in the Takeover Rules Module of the DFSA Rulebook;
"**TEUs**"	means a twenty-foot equivalent unit that is based on the dimensions of a cargo container 20 feet wide by 8 feet 6 inches high, with maximum load of 24 tons;

"**Throughput**"	means a measure of container handling activity;
"**UAE**"	means United Arab Emirates;
"**UK**" or "**United Kingdom**"	means the United Kingdom of Great Britain and Northern Ireland;
"**UK Listing Authority**"	means the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the FSMA and in the exercise of its functions in respect of the admission of securities to the Official List other than in accordance with Part VI of the FSMA;
"**uncertificated**" or in "**uncertificated form**"	means recorded on the relevant register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertificated Securities Regulation 2001 (SI 2001 No. 3755), as amended from time to time, may be transferred by means of CREST;
"**US**", "**USA**" or "**United States**"	means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction; and
"**US GAAP**"	means the US generally accepted accounting principles.