



WESTPORTS

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Westports Holdings Berhad
3rd Quarter Financial Report

13th November 2015



Contents

- Key Highlights
- 3Q2015 & 9M2015
 - Operational Highlights
 - Financial Performance
- Updates On CT8 Expansion
- Container Tariff Revision
- Outlook



CSCL Globe at Container Terminal 7

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Key Highlights

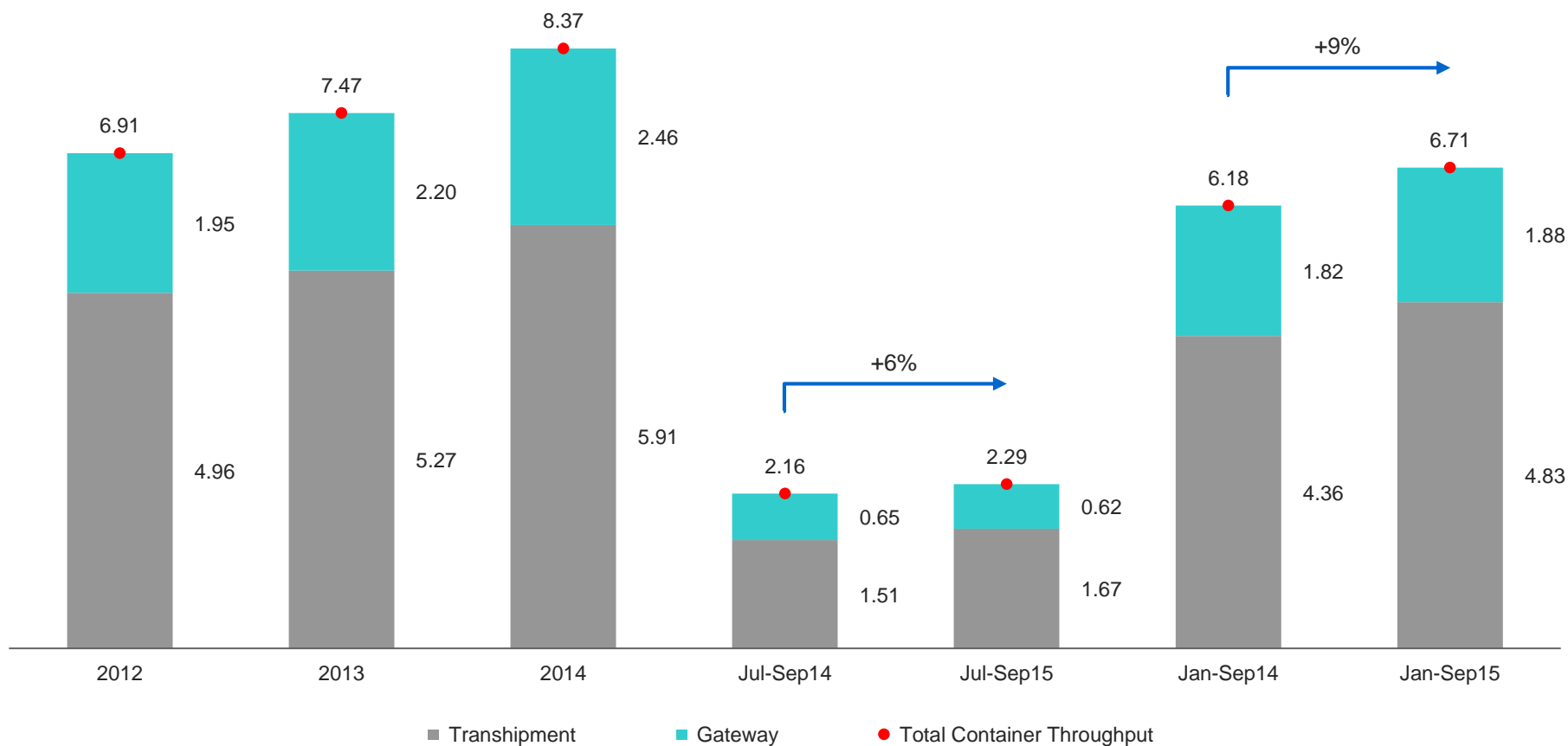
	3-Month Jul-Sep 2015		9-Month Jan-Sep 2015	
Operational Performance	Container Throughput +6%		Container Throughput +9%	
	Conventional Throughput -6%		Conventional Throughput -1%	
Financial Performance	Total Revenue -1%	Operational Revenue 0%	Total Revenue +2%	Operational Revenue +4%
	EBITDA +3%		EBITDA +9%	
	PBT +4%		PBT +11%	
	PAT -8%		PAT 0%	

Container – Transshipment & Gateway Throughput

5

- **3Q2015 container throughput +6%**. Transshipment+11% while gateway -5%
- **YTD +9% to 6.71m TEUs**. Transshipment constituted 72% of total TEUs

Total Container Throughput (million TEUs)



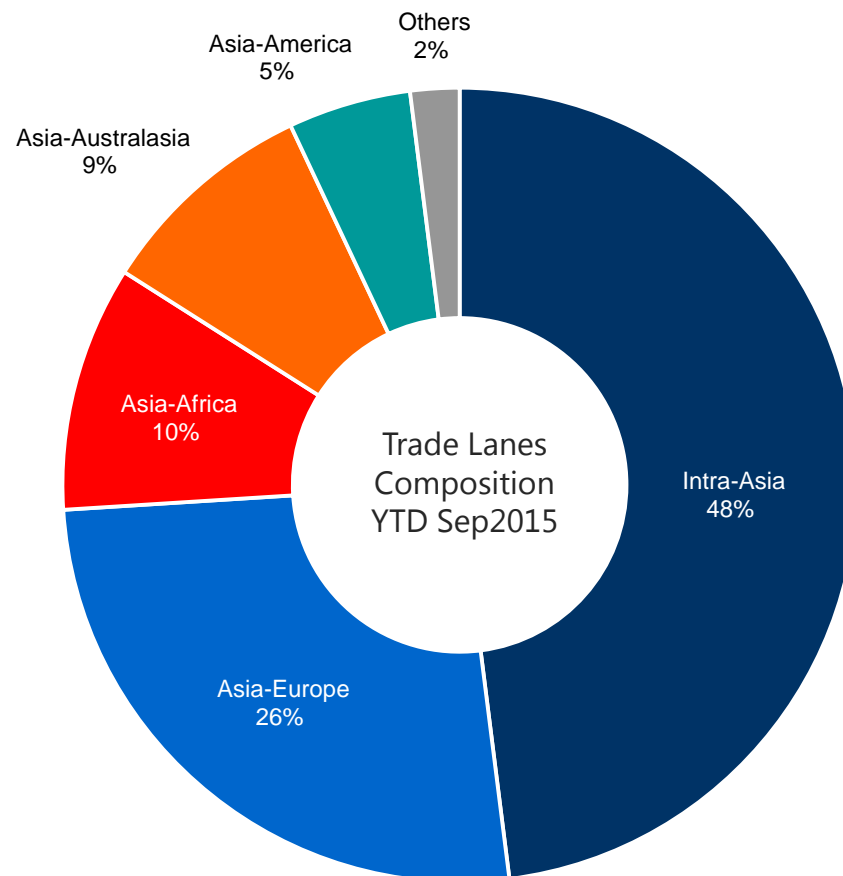
Container – Throughput By Trade Lane

6

Container Throughput By Trade Lanes

Trade Lane	Throughput % Change YoY	
	Jul-Sep15	Jan-Sep15
Intra-Asia	-5%	+3%
Asia-Europe	+18%	+20%
Asia-Africa	-3%	-14%
Asia-Australasia	+16%	+15%
Asia-America	+150%	+109%
Others	-11%	-2%
Total	+6%	+9%

- Almost half of volume is **Intra-Asia**
- Good momentum at **Asia-Europe**
- Steady growth at **Asia-Australasia**
- Strongest growth at **Asia-America**



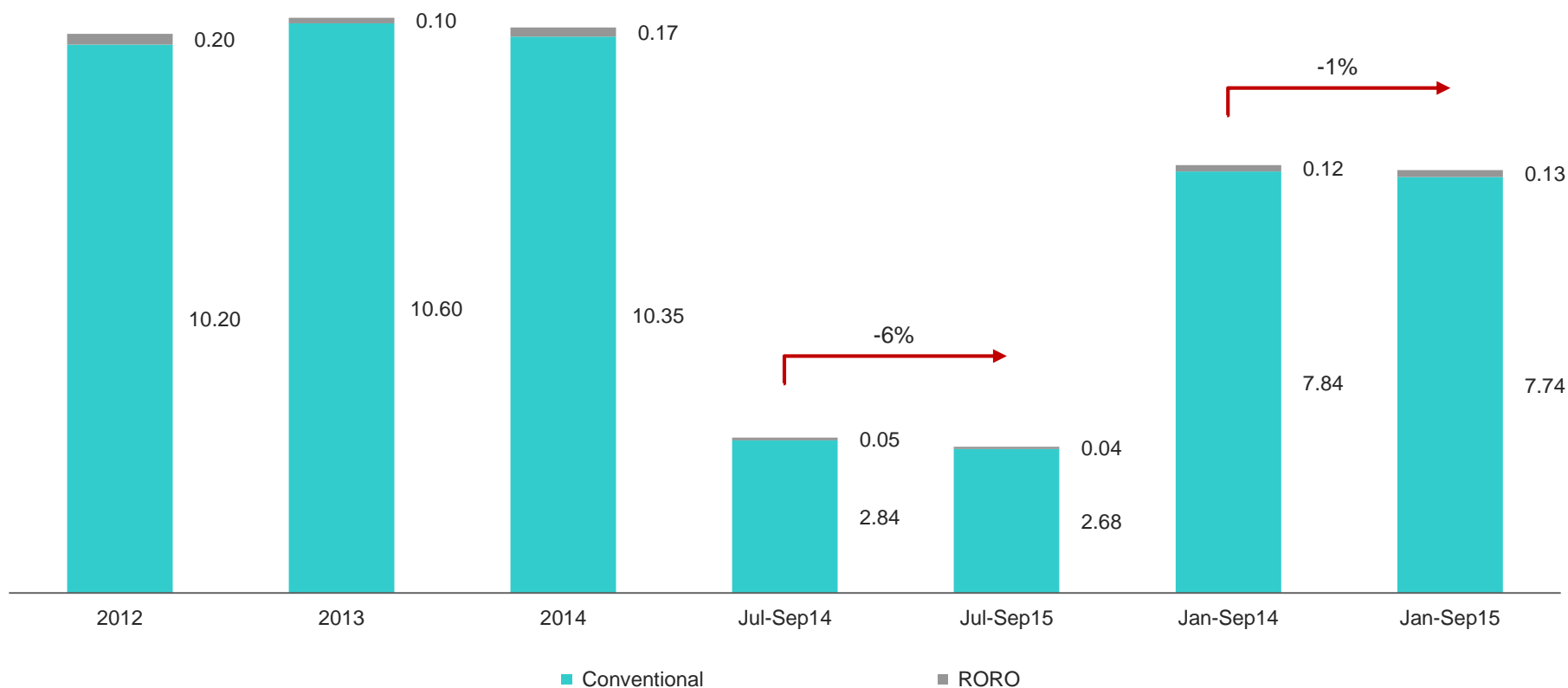
* Based on data as of 26th October 2015

Conventional – Throughput Volume

7

- **3Q2015 conventional throughput -6%** to 2.68m tonnes
- **YTD conventional -1% to 7.74m tonnes.** YTD RORO +1% to 125.3k vehicles

Total Conventional Throughput (million tonnes)



Conventional – Throughput Volume

- **3Q2015** cement posted strongest growth of +18%
- **YTD** cement +21%. Liquid bulk -6% as new operator should commence by end-2015

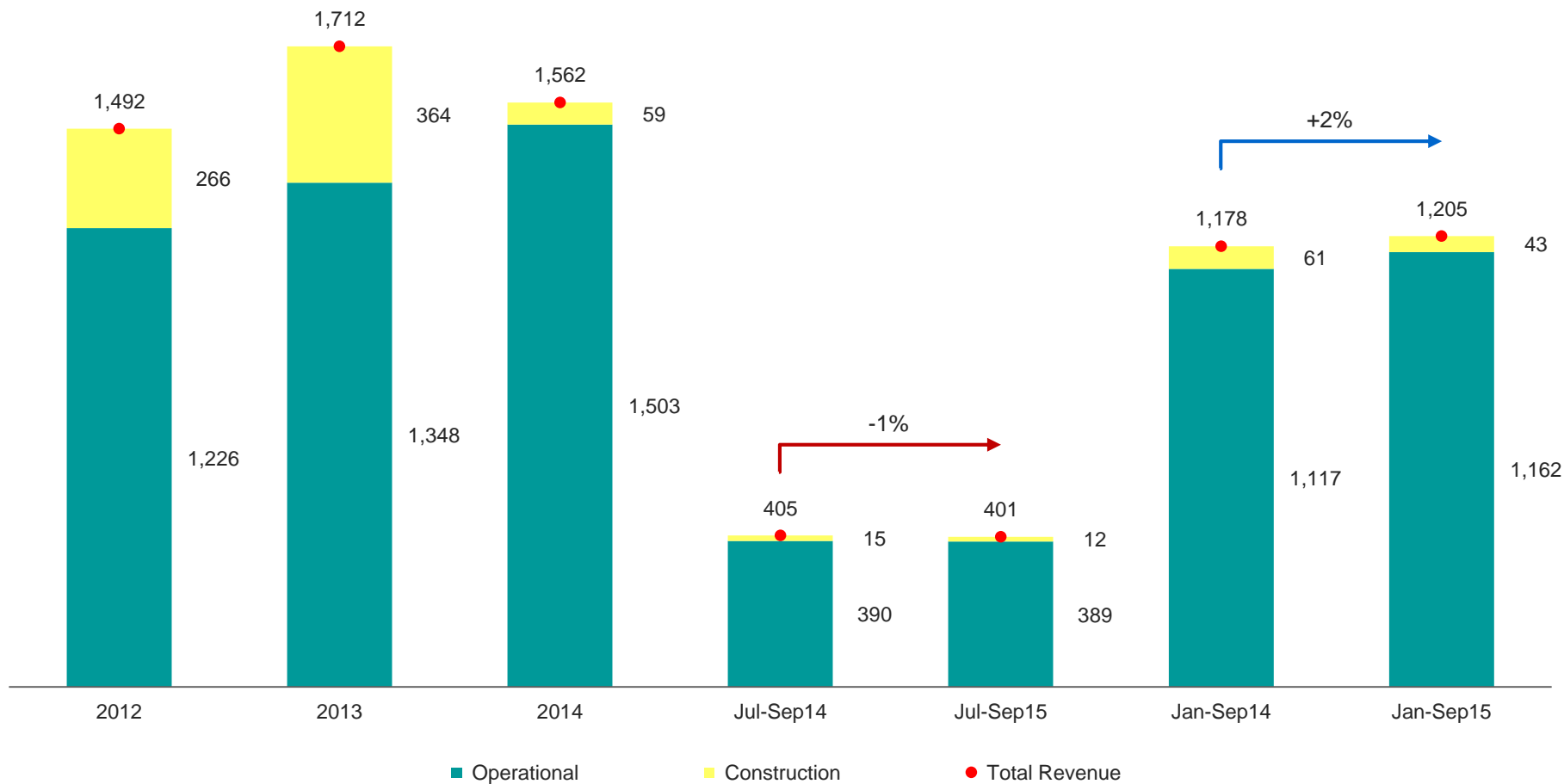
Total Conventional Throughput (million tonnes)

	Yearly			Quarter		Year To Date	
	2012	2013	2014	Jul-Sep14	Jul-Sep15	Jan-Sep14	Jan-Sep15
Dry Bulk	3.60	3.70	3.99	1.14	0.96	3.03	2.89
Liquid Bulk	4.20	4.30	3.76	1.02	1.04	2.96	2.78
Break Bulk	1.60	1.70	1.66	0.46	0.42	1.19	1.27
Cement	0.80	0.90	0.94	0.22	0.26	0.66	0.80
Total	10.20	10.60	10.35	2.84	2.68	7.84	7.74
RORO (m units)	0.20	0.10	0.17	0.05	0.04	0.12	0.13

Total Revenue

- **3Q2015** total revenue -1% and **flat operational revenue**
- **YTD** total revenue +2% to RM1,205m. **Operational revenue +4%**

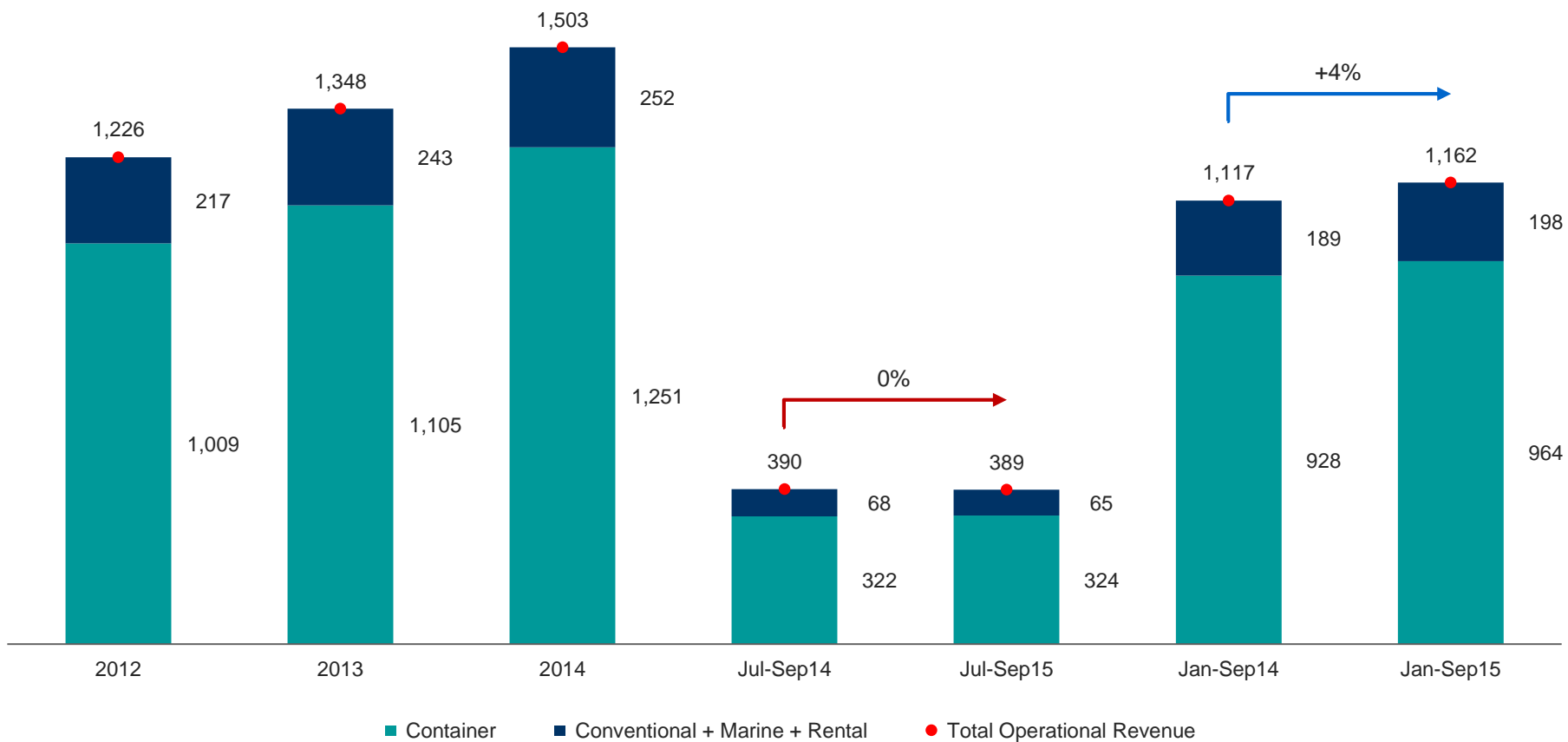
Total Revenue (RM million)



Operational Revenue

- **3Q2015 container revenue +1%** to RM324m
- **YTD container +4%** to RM964m

Operational Segmental Revenue (RM million)



Operational Revenue – Segmental Breakdown

11

- **3Q2015** conventional revenue -8%
- **YTD** conventional revenue +7% with project cargoes

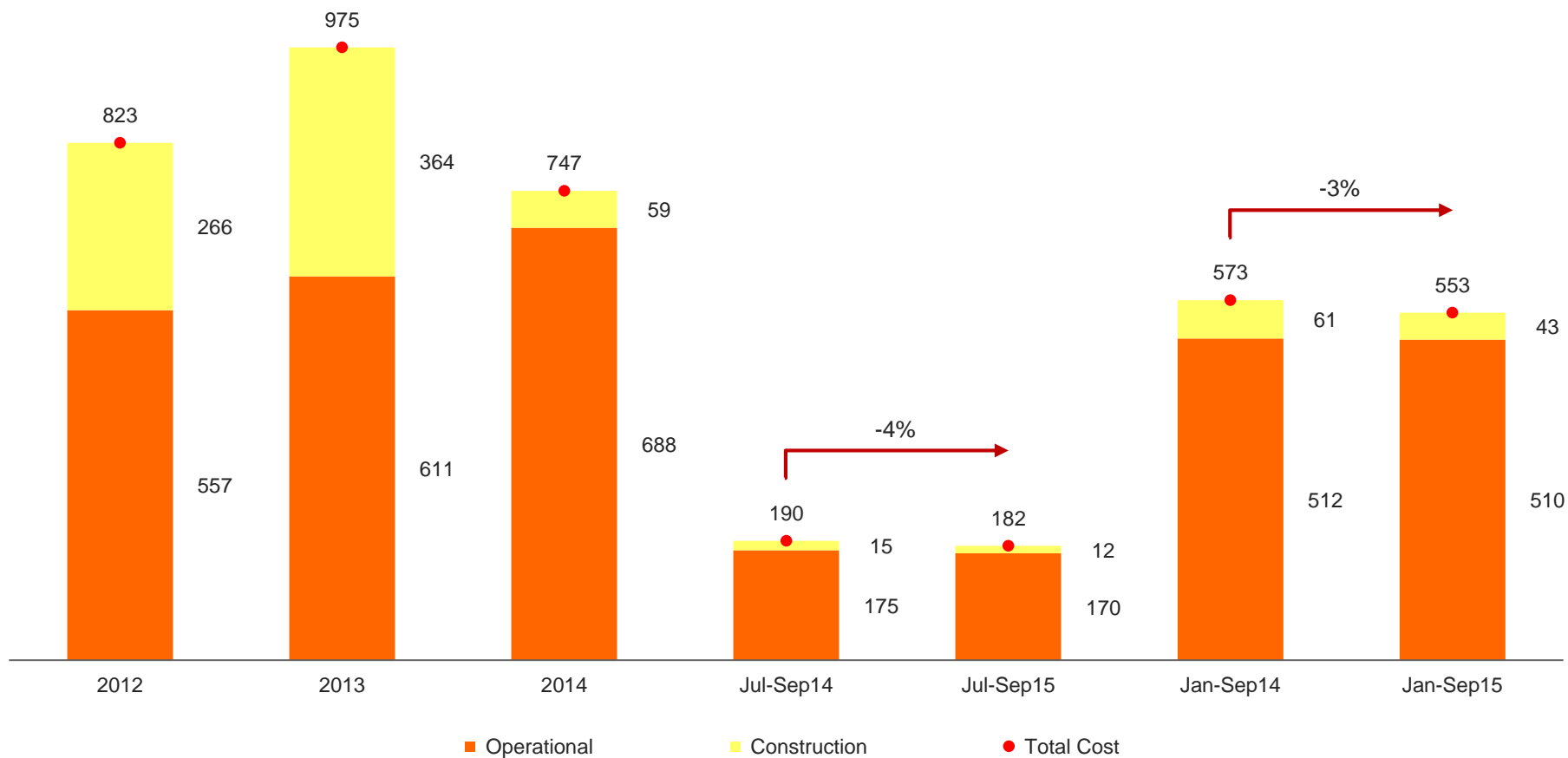
Operational Revenue (RM million)

	Yearly			Quarter		Year To Date	
	2012	2013	2014	Jul-Sep14	Jul-Sep15	Jan-Sep14	Jan-Sep15
Container	1,009	1,105	1,251	322	324	928	964
Conventional	123	137	137	39	36	103	110
Marine	64	74	77	20	20	58	61
Rental	30	32	38	9	9	28	27
Total	1,226	1,348	1,503	390	389	1,117	1,162

Total Cost

- **3Q2015** overall cost -4%. Of greater relevance is **operational cost -3%**
- **YTD** overall cost -3% with marginally lower **operational cost**

Total Cost Of Sales (RM million)



Operational Cost

- **3Q2015** fuel price -32%
- **YTD** depreciation +8% with full impact of CT7 terminal handling equipment capitalisation in 2014

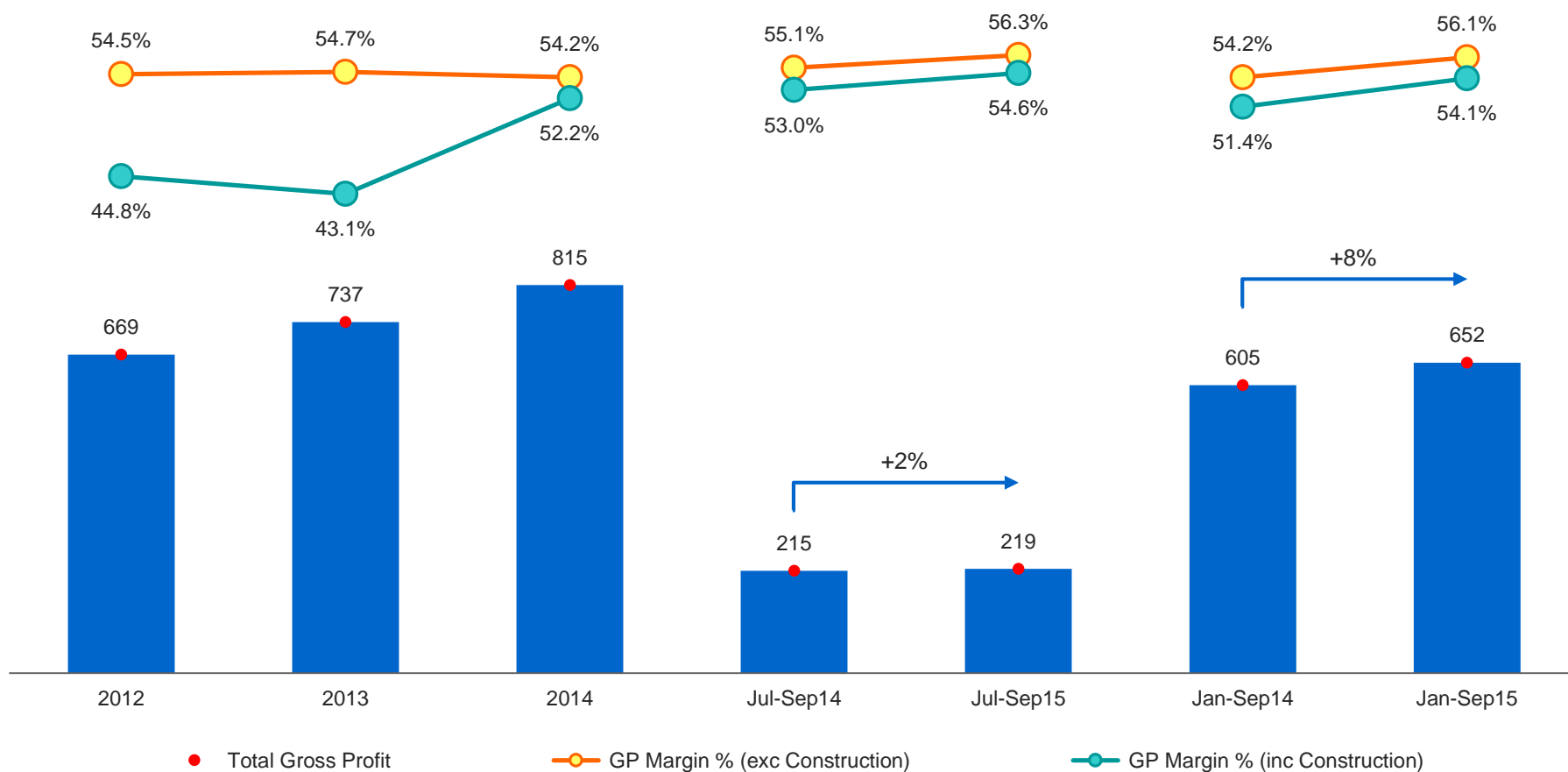
Operational Cost Breakdown (RM million)

	Yearly			Quarter		Year To Date	
	2012	2013	2014	Jul-Sep14	Jul-Sep15	Jan-Sep14	Jan-Sep15
Container	172	201	226	57	58	168	171
Conventional	16	19	22	6	6	16	18
Marine	31	31	31	8	8	23	23
Fuel	87	88	94	25	17	74	53
Electricity	19	21	27	7	7	20	22
Manpower	142	150	164	40	41	120	125
Depreciation	90	101	124	32	33	91	98
Total	557	611	688	175	170	512	510

Gross Profit

- **3Q2015 gross profit +2%** with lower operational cost
- **YTD gross profit +8%** to RM652m as GP margin improved to 56%

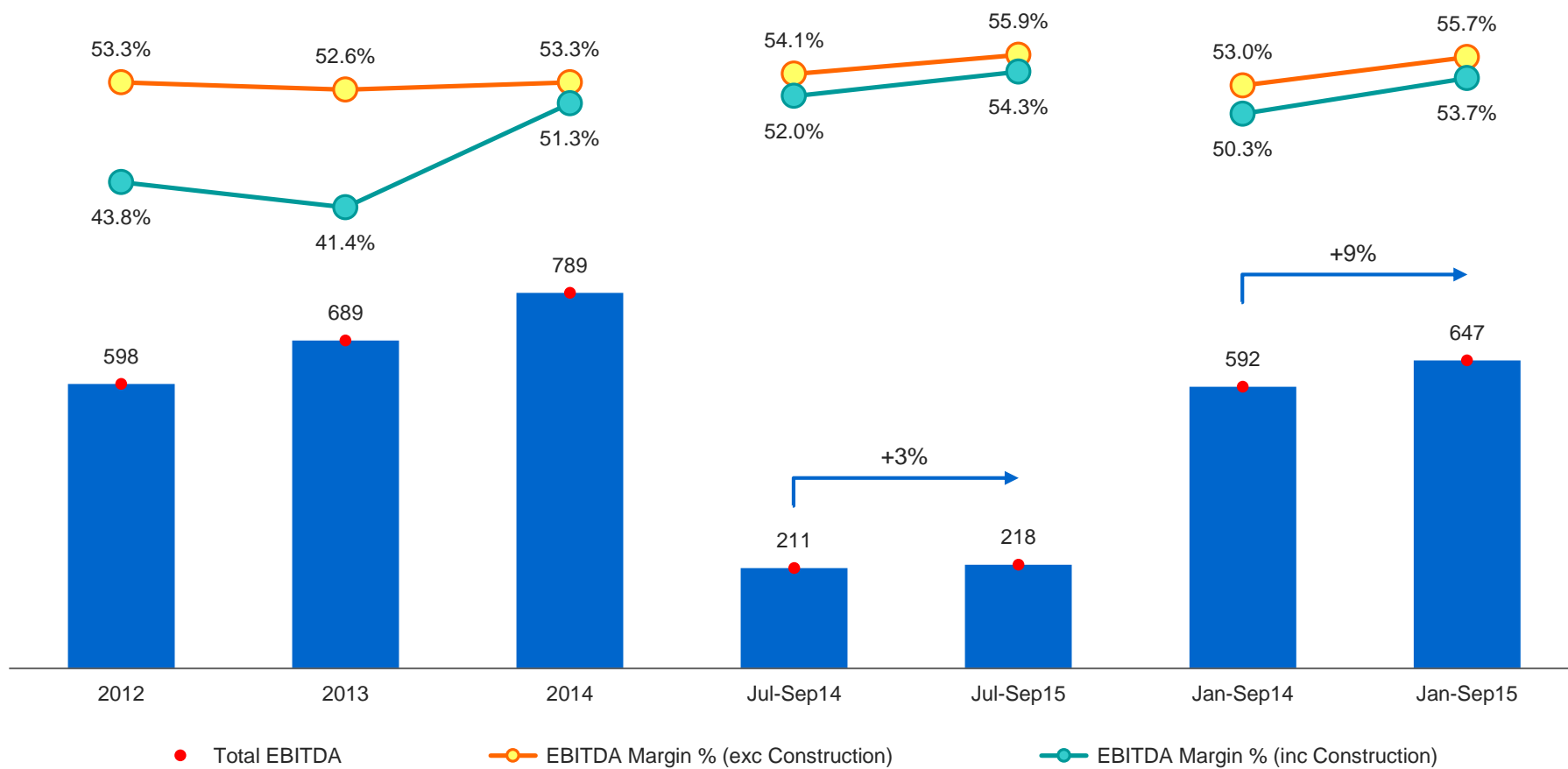
Gross Profit (RM million) And Margins (%)



EBITDA

- **3Q2015 EBITDA +3%** to RM218m
- **YTD EBITDA +9%** with margin improving to 56%

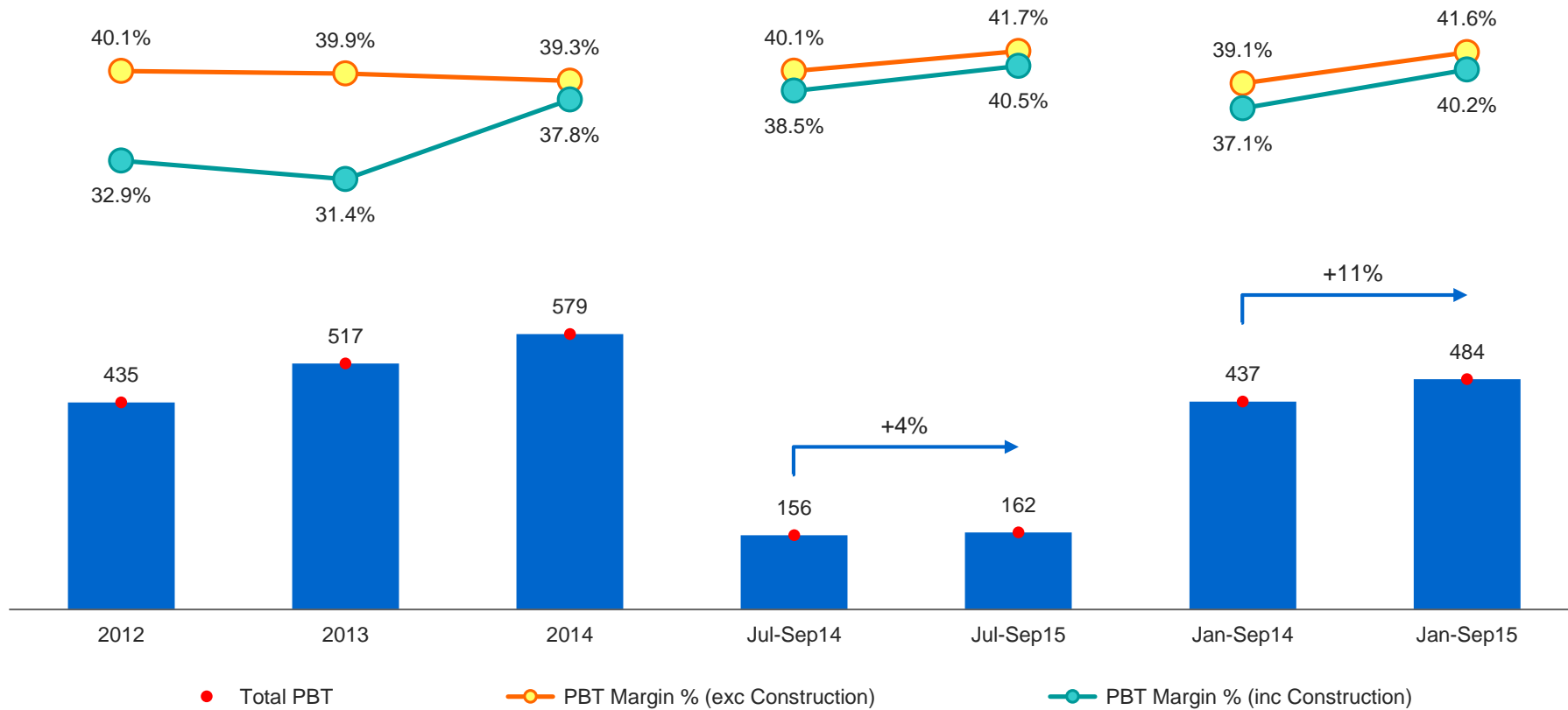
EBITDA (RM million) And Margins (%)



Profit Before Tax

- **3Q2015 profit before tax +4%** with improved gross profit and lower administrative expenses
- **YTD profit before tax +11%** to RM484m with margin improving to 42%

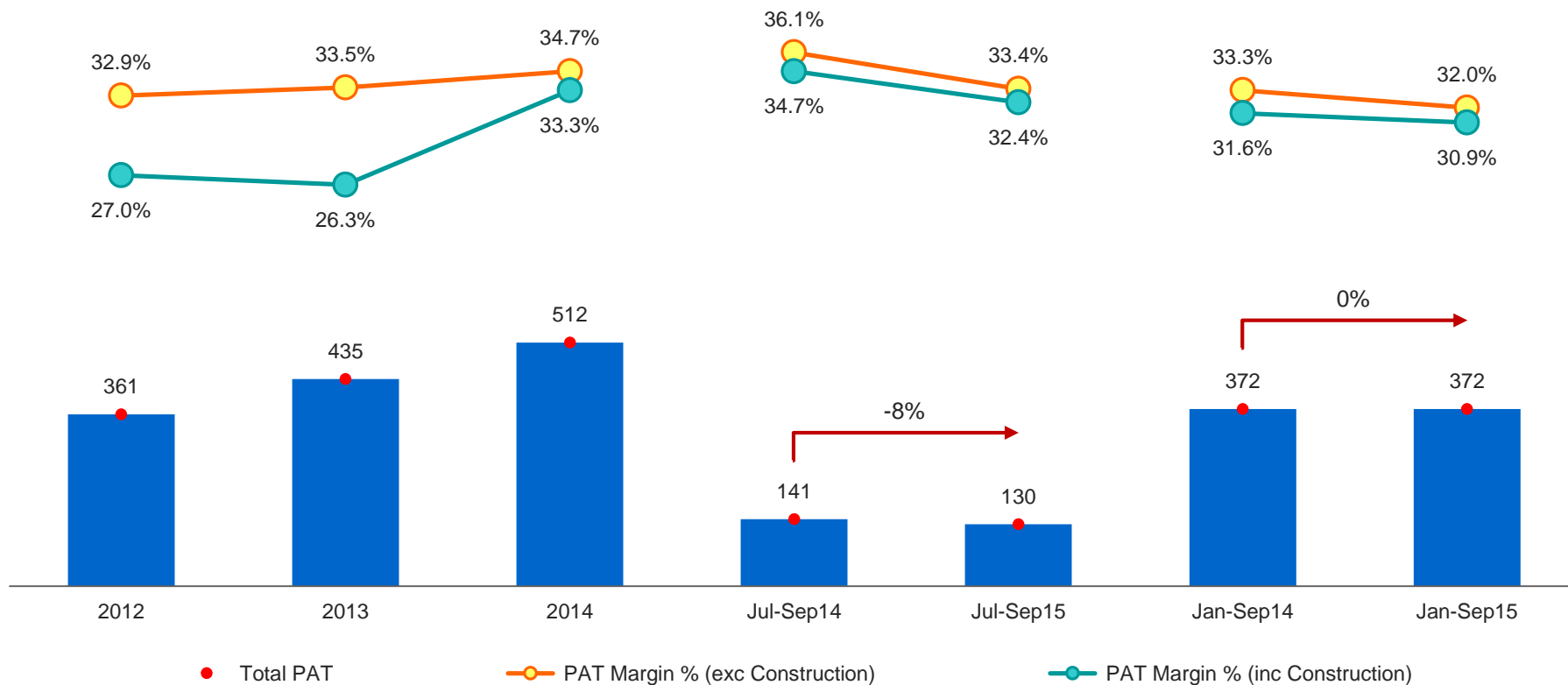
Profit Before Tax (RM million) And Margins (%)



Profit After Tax

- **3Q2015 profit after tax** of RM130m
- **YTD profit after tax** of RM372m as margin eased to 32% with statutory tax rate

Profit After Tax (RM million) And Margins (%)

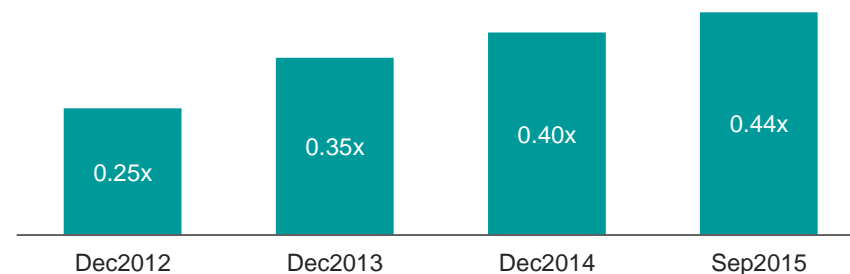


Debt-To-Equity Ratio

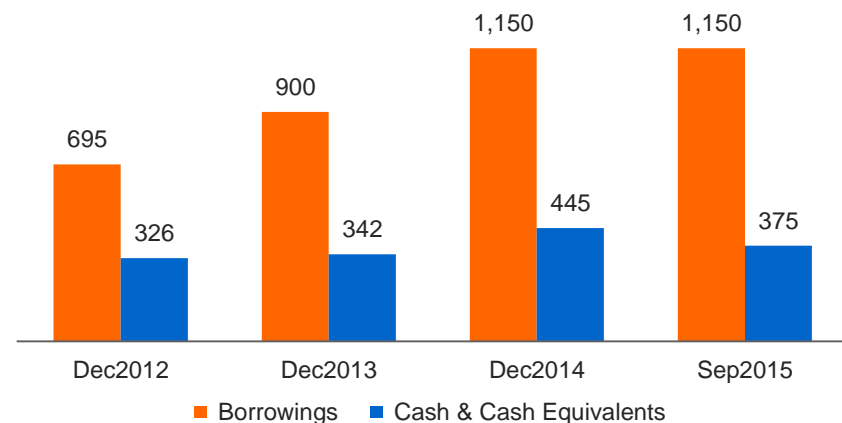
- **Net debt-to-equity ratio of 0.44x**
- **Cash balance of RM375m** after dividend payment of RM181m in August 2015

Sukuk Musharakah Medium Term Note (SMTN)	
Tenure	<ul style="list-style-type: none"> • 20 year Sukuk Musharakah Medium Term Note program obtained on 20 April 2011 • Valid unless it has been redeemed, cancelled or repurchased by WMSB
Nominal Value	RM2,000 million available for issuance
Drawdown	<ul style="list-style-type: none"> • 03 May 2011 of RM450 million • 01 April 2013 of RM250 million • 23 Oct 2013 of RM200 million • 03 April 2014 of RM250 million • Total drawdown RM1,150 million
Utilisation of Proceeds	<ul style="list-style-type: none"> • Refinance previous SUKUK programme • Capital expenditure • Assets acquisition • Working capital
Repayment	<ul style="list-style-type: none"> • RM450 million – 6 tranches, 2021-2026 • RM250 million – 4 tranches, 2025-2028 • RM200 million – 5 tranches, 2024-2028 • RM250 million – 4 tranches, 2021-2024

Net Debt-To-Equity Ratio



Total Borrowings And Cash & Equivalents (RM million)



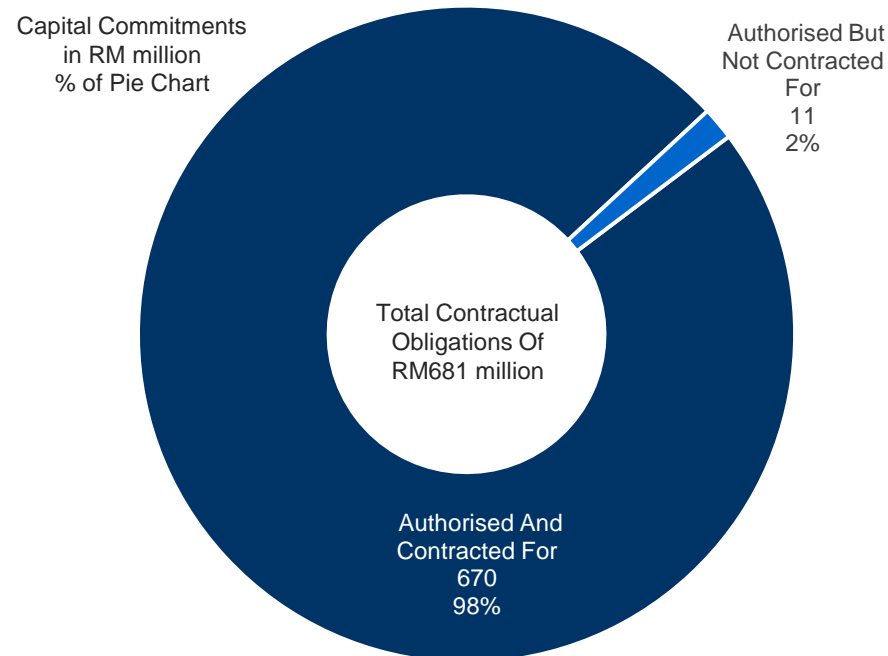
Capital Expenditure

Capital Expenditure By Components (RM million)

Year-To-Date	2012	2013	2014	9M15
Land Reclamation	99	50	33	0
Construction, Infrastructure	185	312	27	44
Equipment	142	210	235	117
Maintenance & Civil Works	19	31	24	18
Information Tech & Others	5	4	2	2
Total	450	607	321	181

- **Capex** for Jan-Sep15 was RM181m and was primarily for CT8 expansion

Capital Commitments As At 30 September 2015



- **Authorised and contracted for**
 - Year 2015 – RM327 million
 - Year 2016-17 – RM343 million
- RM670 million
- **Capex for CT8 in 2015** is about RM400 million, to be funded by internally generated cash flow

CT8 Expansion

CT8 Expansion Plan

Facilities	<ul style="list-style-type: none"> • 600 metres of wharf and container yard • Back-of-the-Terminal facilities <ul style="list-style-type: none"> • 2nd container gate • Marshaling centre • Container freight station • 14 units of ship-to-shore quay cranes • 15 units of rubber tyred gantry cranes • Terminal tractors and trailers
Timeline	<ul style="list-style-type: none"> • Commenced in January 2015 • Phase 1 <ul style="list-style-type: none"> • By early-2016, 300 metres of wharf with port equipment and facilities are to be completed • Phase 2 <ul style="list-style-type: none"> • By mid-2017, an additional 300 metres of wharf being completed and more terminal handling equipment being delivered. To be operational by then
Capacity	<ul style="list-style-type: none"> • When all terminal handling equipment is delivered, the total handling capacity is expected to increase to 13.5 million TEUs
Capital Expenditure	<ul style="list-style-type: none"> • Estimated at RM1 billion • Funded by a combination of internally generated funds and drawdown of Sukuk • 2015 is the 1st year of the CT8 Expansion Plan. Projected capex of RM400 million

Current Construction Work At CT8



▲ Concrete wharf surfacing for first 150-metre is completed ▼ June 2015 Casting of wharf deck



Revised Container Tariff Rates

Approval obtained

- Ministry of Transport (MOT) has approved, revision gazetted on 12th June 2015 and 3rd August 2015

Revision on charges for

- Import-export and transhipment container terminal handling services
- Shifting and re-stow
- Container storage
- Heavy lift or un-containerized cargo

Implemented in phases

- Phase 1 effective from 1st November 2015
- Phase 2 effective from 1st September 2018
- Eventually, average approximate increase of 30% on key container tariff items



Container Terminal Handling Tariff (RM)

Implementation	Previous Rates		Phase 1		Phase 2	
	20'	40'	20'	40'	20'	40'
Container Length						
Import/Export (FCL)	230	345	265	400	300	450
Import/Export (Empty)	230	345	240	360	250	375
Transhipment (FCL)	140	210	161	241	182	273
Transhipment (Empty)	140	210	160	240	180	270
Re-stow	220	335	253	385	286	435

Outlook For 2015

22

■ Container volume

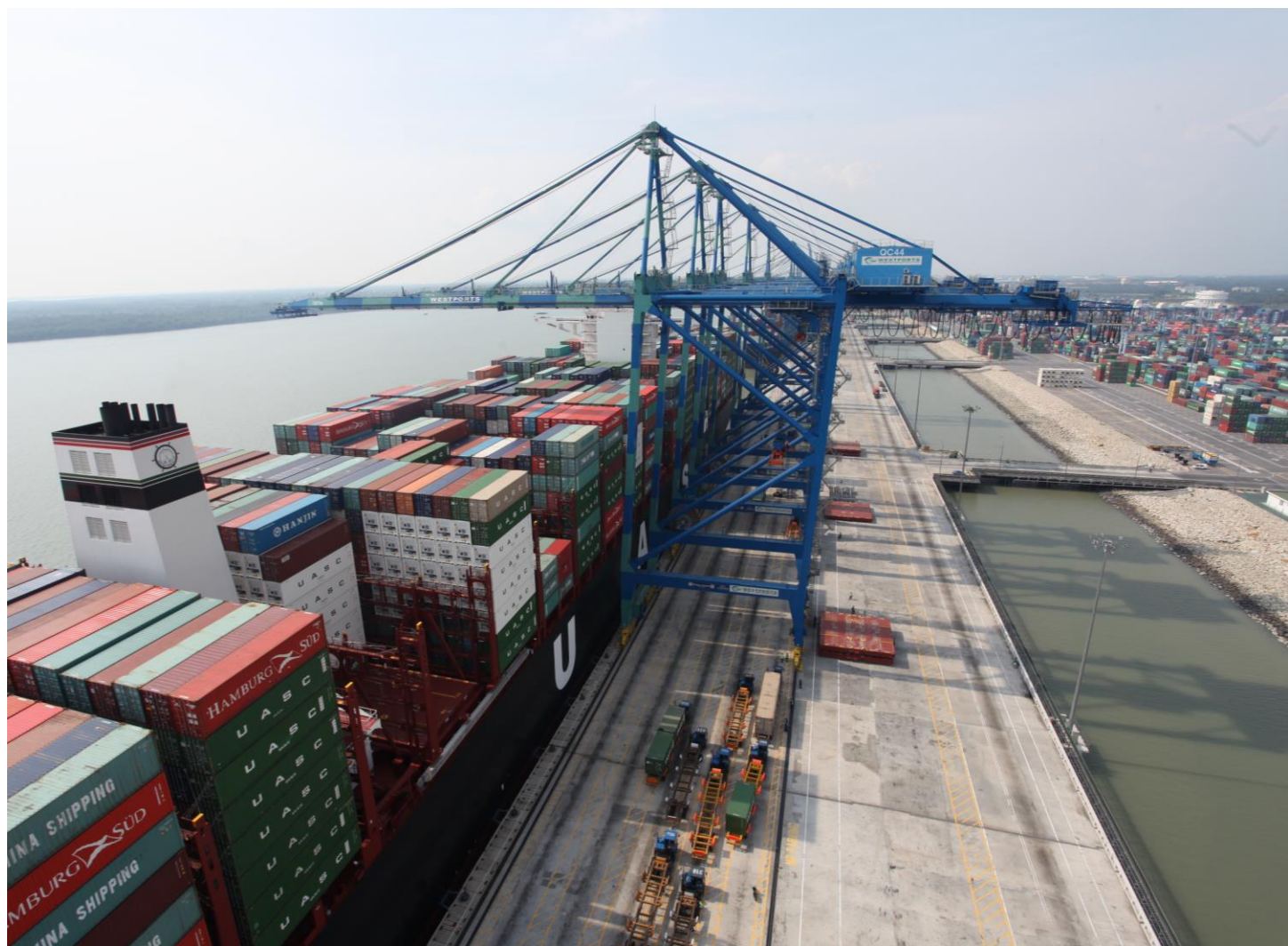
- Continued positive growth momentum with O3 alliance
- Projected growth of between 5% and 10%

■ Conventional volume

- Generally expected to be maintained as the previous year's volume

■ Tariff revision

- Higher revenue expected from Nov2015 onwards



Thank You

For further information on this presentation kit, please kindly contact:
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