

Westports Holdings Berhad

FY2013 Results

13 February 2014



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Key highlights of FY2013

Financial performance on a stronger footing

Sustained operational excellence

New developments to drive growth

Total revenue +15% YoY	Operational revenue +10% YoY
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EBITDA +15% YoY	Normalised EBITDA +9% YoY
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PAT +21% YoY	Normalised PAT +12% YoY
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Container volume +8% YoY

Conventional volume +4% YoY

CT7	Phase I on track to commence operations by 2Q 2014 Capacity of 1.5 mn TEUs
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CT8	Land reclamation 99% complete
CT9	Combined capacity of 3.0 mn TEUs

CT1 - CT9	Additional capacity of 2.0 mn TEUs with further injection of quay cranes
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FY2013 results at a glance

	Q4 FY2012	Q4 FY2013	FY2012	FY2013	Q4 YoY Growth	FY Growth
Container throughput (mn TEUs)	1.8	2.0	6.9	7.5	12.0% ▲	8.3% ▲
Conventional Services (mn tonnes)	2.5	2.9	10.2	10.7	16.7% ▲	4.2% ▲
Total revenue ⁽¹⁾ (RM mn)	477	503	1,492	1,713	5.3% ▲	14.8% ▲
Total operational revenue (RM mn)	317	357	1,226	1,348	12.6% ▲	10.0% ▲
EBITDA (RM mn)	151	176	598	689	16.5% ▲	15.3% ▲
EBITDA margin ⁽²⁾ (%)	48	49	49	51	1.6pp ▲	2.4pp ▲
PBT (RM mn)	108	131	435	517	21.9% ▲	18.9% ▲
PBT margin ⁽²⁾ (%)	34	37	35	38	2.8pp ▲	2.9pp ▲
Reported PAT (RM mn)	110	131	361	435	19.2% ▲	20.6% ▲
Reported PAT margin ⁽²⁾ (%)	35	37	29	32	2.0pp ▲	2.8pp ▲
Normalised PAT (RM mn)	121	138	403	451	13.7% ▲	11.9% ▲
Normalised PAT margin ⁽²⁾ (%)	38	39	33	34	0.4pp ▲	0.6pp ▲
Net gearing (%)	n.a.	n.a.	25	35	n.a.	10.0pp ▲
Capex (RM mn)	184	251	450	607	36.9% ▲	35.0% ▲
DPS (RM sen)	n.a.	5.22 ⁽³⁾	n.a.	132.22 ⁽⁴⁾	n.a.	n.a.

Note:

(1) Computation of total revenue includes construction revenue

(2) Margins exclude construction revenue

(3) The second interim single-tier dividend per share was computed based on the post-listing issued and paid-up capital of 3,410,000,000 shares

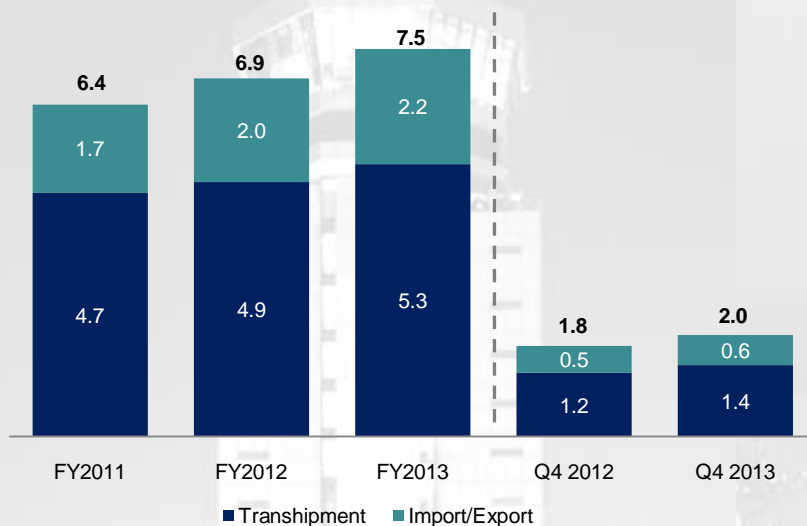
(4) Calculated based on the total of dividend per share paid out in FYE2013 excluding the special cash dividend paid pursuant to the pre-listing exercise



OPERATIONAL HIGHLIGHTS & UPDATES

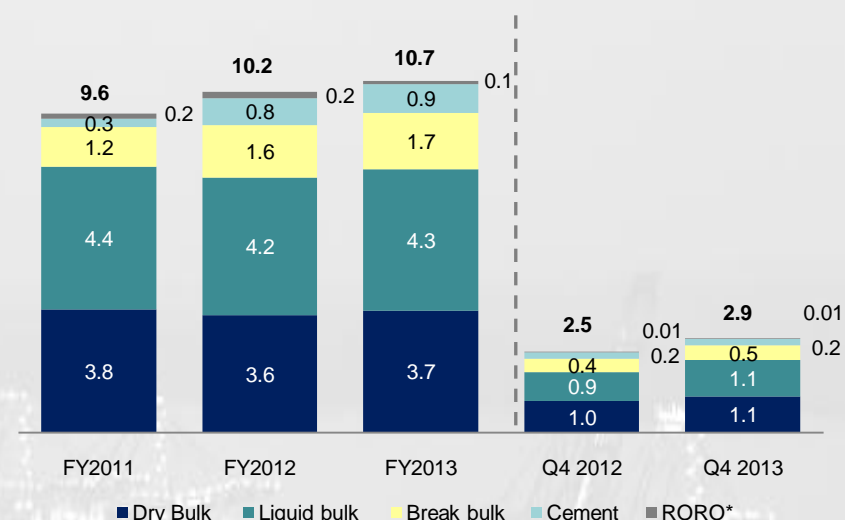
Stellar growth driven by increased volumes

Total container throughput (mn TEUs)



- Total container throughput handled for Q4 FY2013 was 2.0 mn TEUs, or an increase of 12.0% as compared to the same quarter in 2012
- We handled a total of 7.5 mn TEUs in container cargo for FY2013 which represents an increase of 0.6 mn TEUs handled from FY2012
- The increase is mainly driven by a systemic shift in global manufacturing capacity and output from West to East, especially China where the demand for containerisation is most prevalent
- Growth in transhipment was attributed to higher trading volume along the Intra-Asia (+7%), Asia – Africa (+25%) and Asia – Australasia (22%) shipping routes despite the negative growth in the Asia – Europe (-4%) trade lane
- Local import and export activities benefited from the increased market share in East Malaysia
- Moving forward, we are expecting a high single digit growth for 2014

Total conventional services throughput (mn TEUs)



*RORO expressed in mn units and excluded from total quantity

- In Q4 2013, we handled 2.9mn tonnes of conventional cargo which is an increase of 0.4 mn TEUs or 16.7% as compared to Q4 2012
- Our total conventional cargo handled for FY2013 also increased by 4.2% or 0.5mn TEUs higher as compared to conventional cargo handled in FY2012
- The steady increase in dry bulk services, liquid bulk (non-bunker), break bulk and cement services of approximately 0.1 mn TEUs each has driven our total conventional cargo handled for FY2013
- The decrease in RORO services was due to systemic changes that are currently being addressed at the conventional yards

Capacity expansion updates

Construction of Container Terminal 7 (“CT7”)

Wharf



- ✔ The first 300m berth (B19) was completed and commissioned by LPK on 11 Oct 2013 and 11 Nov 2013 respectively
- ✔ The second 300m berth (B20) is currently progressing as scheduled
- ✔ The CCC for the first 300m CT7 wharf (B19) was obtained on 13 Jan 2014

Yard



- ✔ The first yard zone (Zone T) was completed and handed over to Operations on 6 Jan 2014 and 15 Jan 2014 respectively
- ✔ The second yard zone (Zone U) is currently 86% completed and is targeted to be handed over to Operations by mid March 2014

Land Reclamation Works for Container Terminal 8 (“CT8”) & Container Terminal 9 (“CT9”)



- ✔ 99% of the land reclamation and incidental works for CT8 and CT9 has been completed and are expected to finish by end February 2014
- ✔ The timing and construction of CT8 and CT9 will depend on market conditions



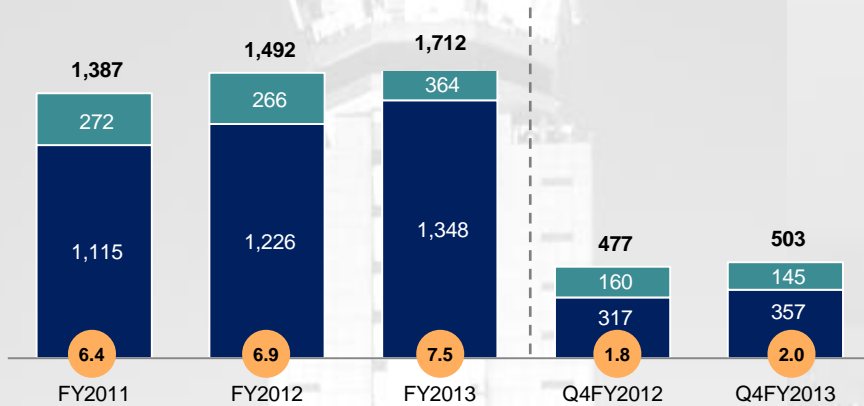
FINANCIAL RESULTS

The background of the slide is a blue-tinted aerial photograph of an industrial or refinery complex. In the lower right foreground, a large, cylindrical storage tank is visible. The rest of the image shows a dense network of pipes, roads, and various industrial buildings. A faint white grid is overlaid on the top left corner, and several bright, diagonal light rays emanate from the top right corner, creating a sense of depth and modernity.

Steady top line growth trajectory

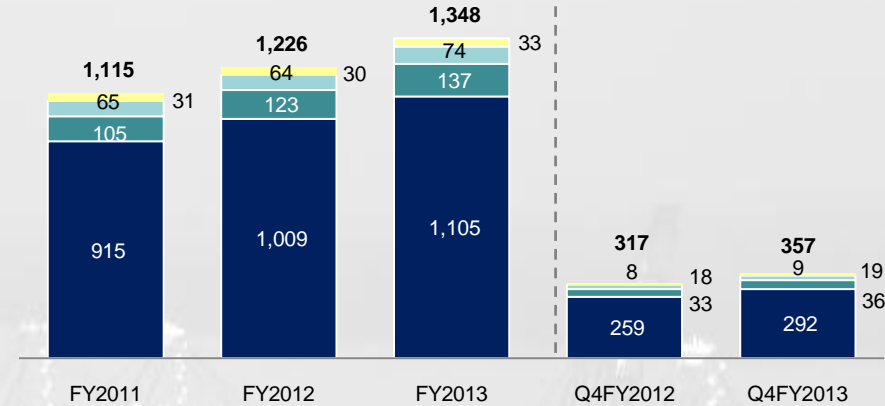
Total revenue (RM mn)

Operational Construction Throughput (mn TEUs)



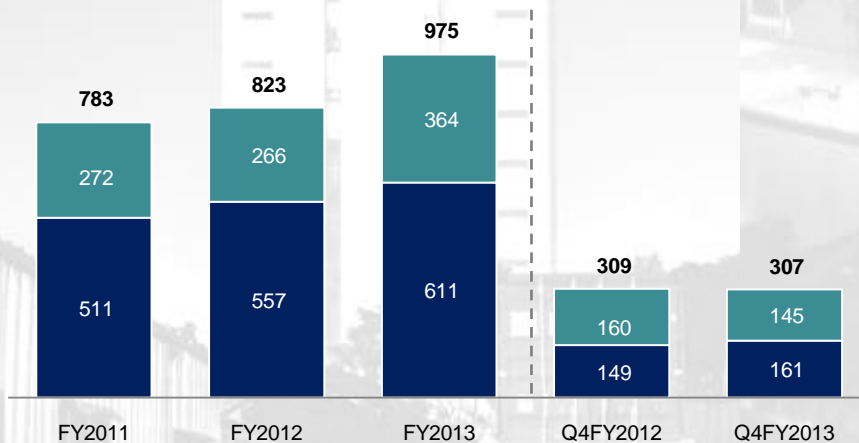
Operational revenue segmentation (RM mn)

Container Conventional Marine Rental



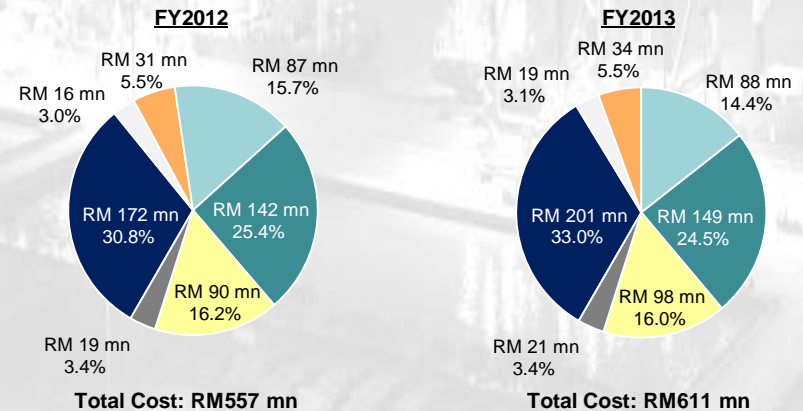
Total cost of sales (RM mn)

Operational Construction

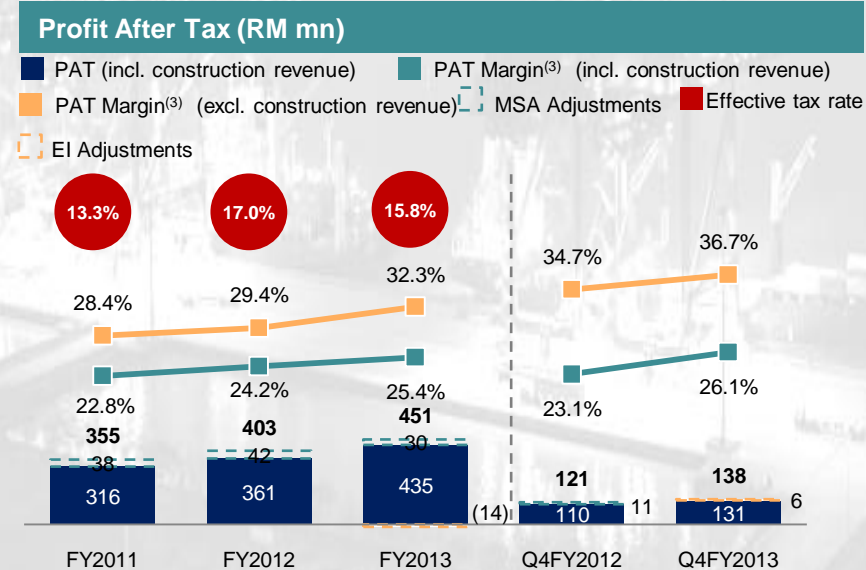
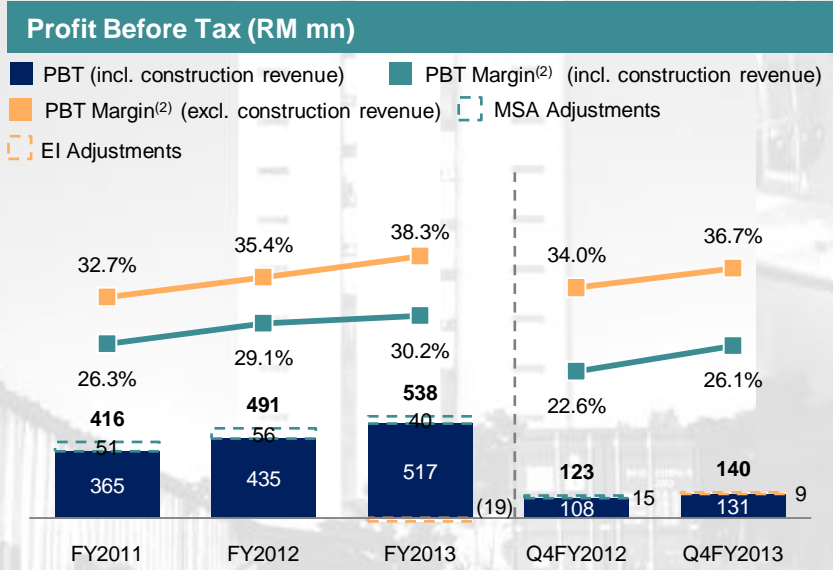
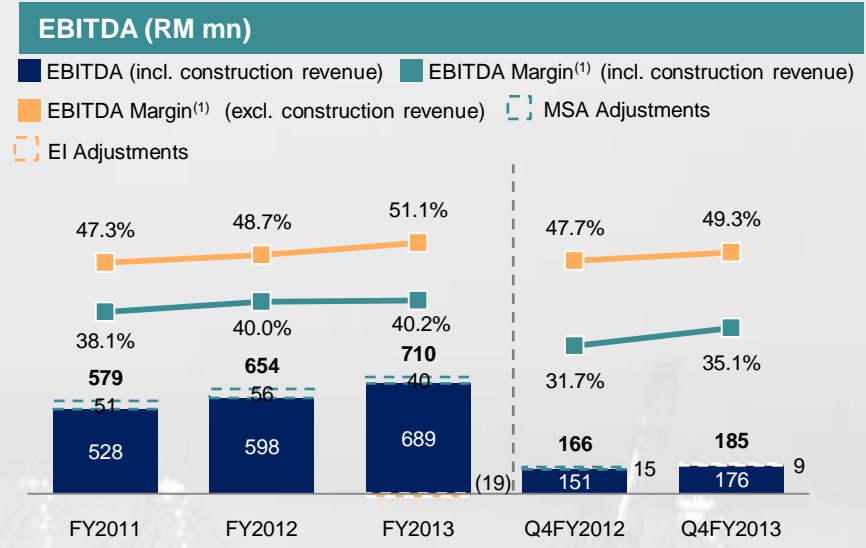
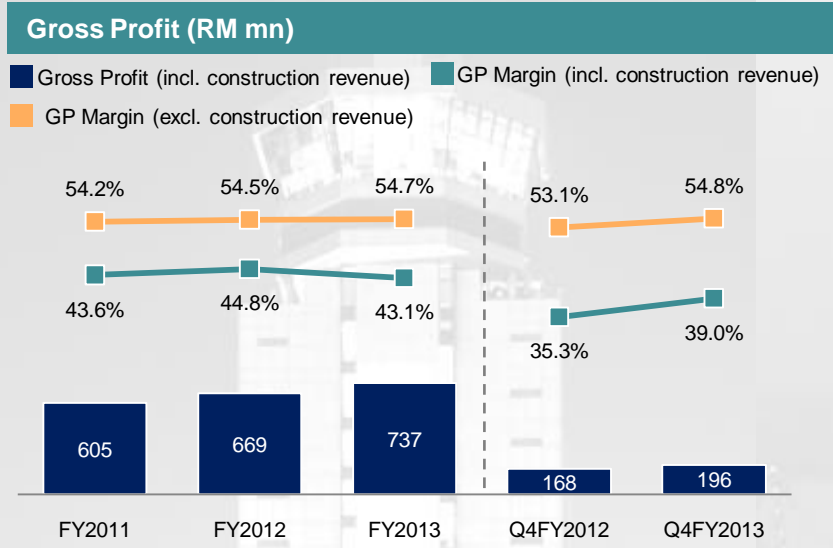


Breakdown of operational cost items

Container Manpower Fuel Depreciation & amortisation Marine Electricity Conventional



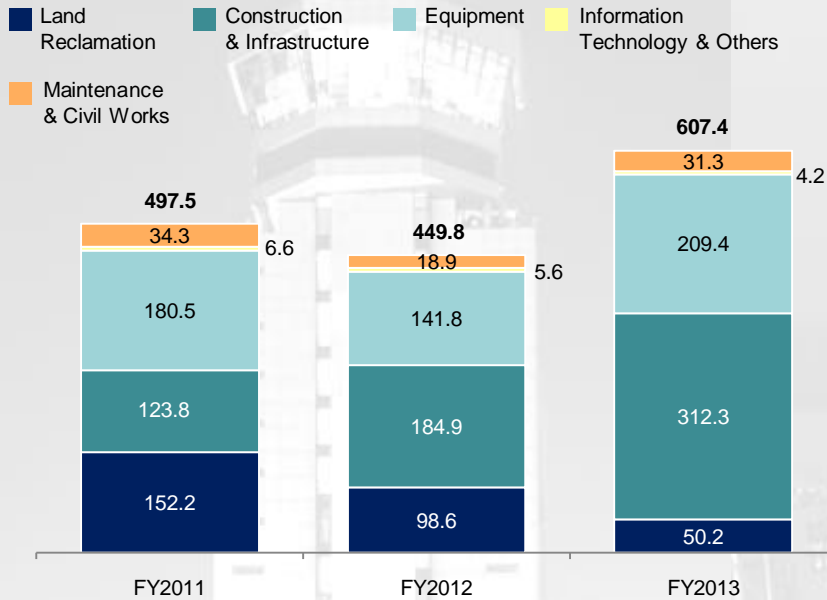
Earnings growth underpinned by operational expansion



Notes:
 (1) Margins are based on reported EBITDA
 (2) Margins are based on reported PBT
 (3) Margins are based on reported PAT

Disciplined capital expenditure to support future growth

Capital expenditure by components (RM mn)



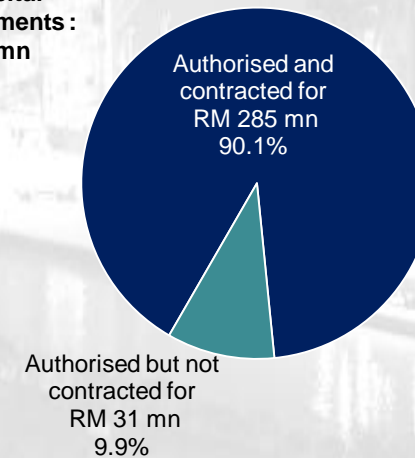
- A government grant provided through the Public Private Partnership Unit of the Prime Minister's Department to finance most of the land reclamation works for CT6, CT7, CT8 and CT9 (save for the disbursement amount capped at RM318.0 mn) which cost approximately RM324 mn.
- To date, the amount of grant yet to be released is RM12.6mn
- Capital expenditures in 2014 will be approximately RM472 mn, primarily relating to the construction of CT7, the purchase of quay cranes and other terminal operating equipment, land reclamation and maintenance works

Net Gearing Ratio



Capital commitments as at 31 December 2013

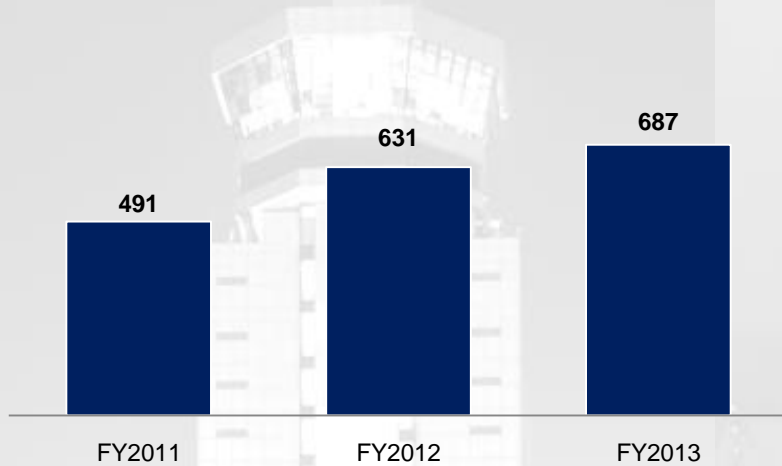
Total Capital Commitments : RM317 mn



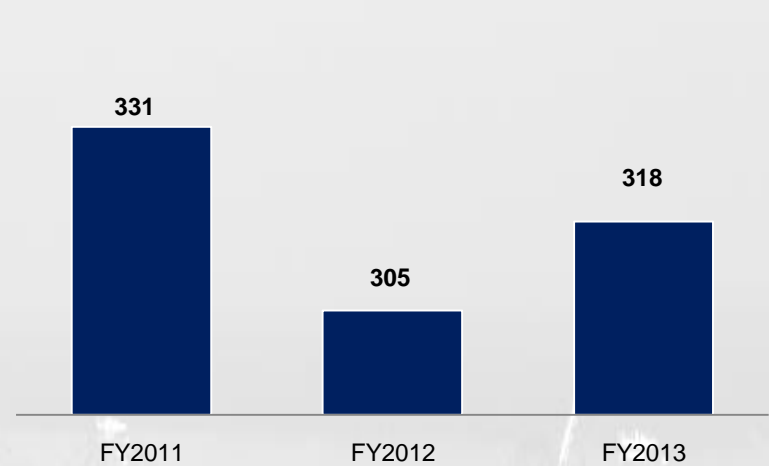
- Mainly relate to property, plant and equipment and concession assets

Key cash flow and balance sheet items

Net Cash Generated from Operations (RM mn)

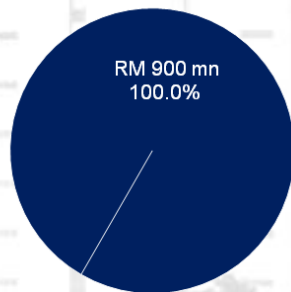


Ending Cash and Cash Equivalents (RM mn)



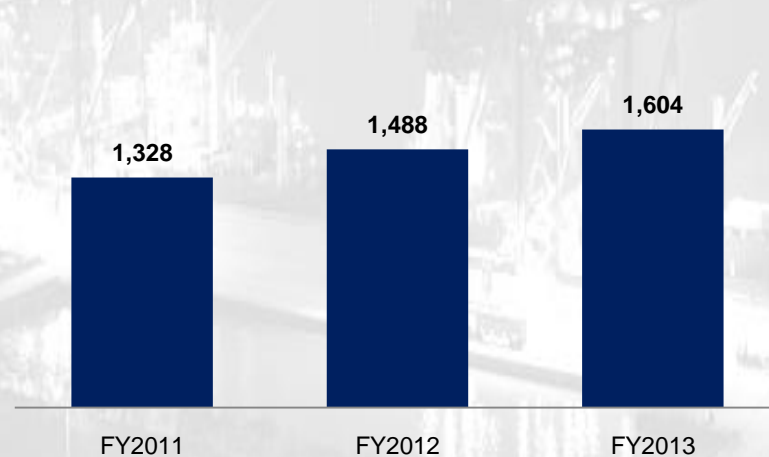
Borrowings by Maturity as at 31 December 2013

■ Up to 1 year
 ■ 1 year to 2 years
 ■ 2 years to 5 years
 ■ > 5 years



Total Borrowings: RM900 mn

Net Assets (RM mn)



Dividend announcement

Dividend announcement

- The Board is pleased to declare a second interim single-tier dividend of RM178,002,000, bringing the total dividend payout in respect of FY2013 to RM326,592,000⁽¹⁾, in line with our target payout ratio of 75%
- Entitlement and payment dates for quarterly dividend: 28 February 2014 and 11 March 2014

Dividend payout

	Period paid: 26 Aug 2013	Period paid: 29 Aug 2013	Period announced: 12 Feb 2014	Total Dividend for FYE2013 ⁽¹⁾
Dividend per share	127.00 sen ⁽²⁾	25.00 sen ⁽³⁾	5.22 sen ⁽⁴⁾	132.22 sen
Type	<ul style="list-style-type: none"> ▪ First single-tier interim ▪ In respect of FYE2013 	<ul style="list-style-type: none"> ▪ Special cash dividend ▪ Pursuant to pre-listing exercise 	<ul style="list-style-type: none"> ▪ Second single-tier interim ▪ In respect of FYE2013 	
<i>Illustrative dividend per share⁽⁵⁾</i>	<i>4.35 sen</i>	<i>21.64 sen</i>	<i>5.22 sen</i>	<i>9.57 sen</i>
<i>Illustrative dividend yield⁽⁶⁾</i>	<i>1.8%</i>	<i>9.9%</i>	<i>2.1%</i>	<i>3.8%</i>

Notes:

- (1) Calculated based on the total of dividend per share paid out in FYE2013 excluding the special cash dividend paid pursuant to the pre-listing exercise
- (2) Calculated based on a total payout of RM148,590,000 divided over 117,000,000 issued and paid up share capital pre-bonus issuance shares and sub-divided WHB shares
- (3) Calculated based on a total payout of RM 738,000,000 divided over 3,000,000,000 issued and paid up share capital post-bonus issue and sub-divided WHB shares
- (4) Calculated based on a total payout of RM178,002,000 divided over 3,410,000,000 existing issued and paid up share capital (post-listing) as at 31 December 2013
- (5) Calculated based on total payout in respective periods divided over 3,410,000,000 existing issued and paid up share capital (post-listing)
- (6) Dividend yield computed using the average WHB share price of RM2.53 from listing day to 31 December 2013

THANK YOU

The image features a teal-to-blue gradient overlay over an aerial photograph of a city. The city's layout, including roads and buildings, is visible through the semi-transparent overlay. On the right side, there is a faint, semi-transparent image of a person in a dark suit and white shirt, appearing to be in motion or gesturing. The overall aesthetic is professional and modern.