

**MEDIA RELEASE**

**23 July 2014**

**FINANCIAL RESULTS ANNOUNCEMENT**

**WESTPORTS' 1H2014 NET PROFIT SOARED 16.7%**

**Key Highlights:**

- Strong operational revenue underpinned by both gateway and transshipment container throughput
- Capacity expansion of CT 7 in line with schedule; total handling capacity to increase to 11 million TEU by end of 2014
- The cessation of proposed P3 Alliance removed uncertainties of outlook on throughput
- Port concession period is officially extended for additional 30 year to 2054.
- Westports proposed first interim dividend distribution of 5.1 sen per share for the financial year ending 31 December 2014

**Kuala Lumpur, 23 July 2014** – Westports Holdings Berhad (“Westports” or the “Company”), recorded a set of stellar financial performance for the six (6) months period ended 30 June 2014 (“1H2014”). Operational revenue leaped 13.1% in 1H2014 to RM727.1 million compared to the corresponding period in the preceding year. The strong operational revenue growth was largely attributable to robust growth from the container segment. Total container throughput registered exceptionally strong growth in 1H2014 of 12.9% year-on-year to 4.02 million twenty-foot equivalent units (“TEUs”), led by transshipment which rose 13.9% year-on-year and gateway (“Origin and Destination”) expanded by 10.5% year-on-year respectively.

Subsequent to the monthly container throughput record high recorded in March 2014, Westports achieved yet another record high of 718,000 TEUs in May 2014. Meanwhile, gateway’s monthly container throughput remained consistently above the 200,000 TEUs mark since March 2014 reflecting the underlying strength of the domestic economy. This further reinforced Westports’ position as the leading port in Port Klang and gateway to the enlarged Klang Valley.

The exceptionally strong growth in container throughput was driven by positive growth from all major trade lanes. Intra-Asia, the largest contributor to Westports' total container throughput, grew at a faster than expected pace of 12.9% in 1H2014. In 1H2014, the fastest growing trade lane was Asia-Australasia (+29.3% year-on-year) followed by Asia-Africa (+16.2% year-on-year). It is interesting to note that Asia-Europe route has turnaround with a modest growth of 5.4% year-on-year in 1H2014.

Westports' profit after tax soared 16.7% year-on-year to RM231.5 million in 1H2014 on the back of strong container throughput growth, termination of management service agreement and lower effective tax rate. On a normalised basis, that is excluding the impact of termination of management service agreement, reversal of quit rent provision and IPO related expenses, profit after tax increased by 10.9% compared to the same period in the preceding year.

Based on 1H2014 performance, Westports is proposing a first interim dividend of 5.1 sen per share for the financial year ending 31 December 2014.

During the quarter, in a somewhat unexpected development, China's Ministry of Commerce had blocked the proposed formation of P3 Alliance. The members of the proposed alliance, namely, CMA CGM, Maersk and MSC have accepted the decision and called off the alliance. Whilst we had indicated earlier that the proposed P3 Alliance would have minimal implication on our throughput, the cessation of the proposed alliance removed the uncertainties of any potential negative impact on our throughput.

On 27 June 2014, Westports has received the official approval from Port Klang Authority ("PKA") pursuant to the Second Supplemental Privatisation Agreement dated 15 January 2010 for the extension of port concession period for additional thirty (30) years from 1 September 2024 to 31 August 2054.

In a separate development, Westports' has yet again set a new world record for container terminal productivity on 12 June 2014, notching an impressive 793 moves per hour. The feat was achieved over the China Shipping's container vessel, CSCL Le Harve (9,572 TEUs vessel). Westports was the previous record holder of 734 moves per hour in 2011.

Ruben Emir Gnanalingam, the CEO of Westports, commented, "We are delighted with the strong financial performance in 1H2014. The capacity expansion of CT 7 is well positioned to capitalise the rising container throughput as we expect the strong momentum to persist for the remaining of the year."



He added, "The prospects for FY2014 remains encouraging supported by continuous growth from the global economies and domestic economy."

### **About Westports Holdings Berhad**

Westports Holdings Berhad was listed on the Main Market of Bursa Malaysia Securities Berhad on 18 October 2013 and is the largest listed port operator in Malaysia.

Westports is strategically located in Port Klang along the Straits of Malacca. The Company is involved in container and conventional cargo handling as well as providing a wide range of port services, including marine services, rental services and other ancillary services.

### **Important notice**

Kindly read this media release alongside with the announcement released to Bursa Malaysia dated 23 July 2014 for a comprehensive understanding of Westports' financial results.

This document contains certain forward-looking statements with respect to Westports' financial condition, results of operations and business, and management's strategy, plans and objectives for Westports. These statements include without limitation, those that express forecasts, expectations and projections such as forecasts, expectations and projections in relation to new products and services, revenue, profit, cash flow, operational metrics etc.

These statements (and all other forward-looking statements, contained in this document) are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond Westports' control, are difficult to predict and could cause actual results to differ materially from those expressed or implied or forecast in the forward-looking statements.

All forward-looking statements in this document are based on information known to Westports on the date hereof. Westports undertakes no obligation publicly to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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