

NEWS RELEASE

12 March 2015

PSA INTERNATIONAL PTE LTD AND ITS SUBSIDIARIES RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014

FINANCIAL HIGHLIGHTS¹ For the year ended 31 December 2014			
(S\$ 'million)	2014	2013 (Restated)	Growth %
Revenue	3,830	3,723	2.9
Profit from Operations	1,884	1,904	-1.1
Finance Costs	(171)	(178)	-4.0
Profit Before Taxation	1,713	1,726	-0.8
Income Tax Expense	(264)	(253)	4.5
Net Profit for the year (after Tax)	1,449	1,474	-1.7
Non-controlling Interests	(47)	(48)	-2.3
Net Profit for the year	1,402	1,425	-1.7

Note 1: The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS). With the adoption of FRS 111 *Joint Arrangements* which is mandatory for the financial year beginning on 1 January 2014, the Group's interest in joint ventures are accounted for under the equity method instead of line-by-line proportionate share basis. Prior year comparatives have also been restated.

Review of Results

- PSA International (PSA) posted 65.44 million TEUs (Twenty-foot Equivalent Units) in 2014, representing an increase of 5.8% from the previous year.
- PSA's flagship Singapore Terminals contributed 33.55 million TEUs with a growth of 4.1% year-on-year, and PSA terminals outside Singapore delivered a total throughput of 31.89 million TEUs, increasing 7.8% over 2013.
- PSA Group revenue was higher by 2.9% while profit from operations declined 1.1% due to higher operating cash costs and depreciation. Overall net profit for the year was 1.7% lower at S\$1.40 billion.
- PSA's balance sheet remains strong with a gross debt equity ratio of 0.44 times at the close of 2014.

“2014 turned out to be a mixed year for the global economy. PSA’s business health depends on global trade and the shipment of goods in containers. We are therefore truly thankful that, notwithstanding the overall sluggish global economic and trade growth, PSA’s group-wide performance held its ground in terms of throughput, revenue and net profit.

Let me express my appreciation to the unions and workforce of PSA for their tireless efforts. We owe much of our success to the harmonious tripartite relationship between our management, unions and staff.

I would also like to thank all our customers and business partners who have given us the opportunity to work with them and to serve them. They have helped PSA achieve its 2014 business performance. On behalf of the PSA Board and Management, I would like to pledge to them that PSA will continue to invest in and upgrade our facilities, IT systems, and operational capabilities to ensure we are able to support their growth in business with us.

We consider it a privileged partnership to have a symbiotic relationship with our customers that continues to promote mutual success. I remain confident that by working closely together we will prevail against any headwind that blows our way.”

~ Mr Fock Siew Wah, Group Chairman, PSA International

“PSA handled a record 65.4 million TEUs in 2014 and experienced volume growth in most markets we operated. I wish to thank our customers and partners for continuing to choose PSA as their port of call.

While the throughput figures might have given the perception that 2014 was a typical year, we at our corner serving our customers, knew 2014 was business unusual!

The industry awoke to harsh new realities: mismatch of mega vessels and ports, more complex alliance arrangements, reduced shipping reliability, port congestion; it was a challenging and uncertain time for the industry.

In fact, as more mega vessels enter service and the workings of the mega alliances go into full swing in 2015, we may continue to see operational challenges this year.

But one thing is certain. PSA is always ready to work alongside our customers to tackle the challenges with them. We are continuing to put in the infrastructural investments, we have encouraged ever closer working arrangements with customers to resolve operational issues, and we are continually enhancing the skills of our people and igniting their passion to excel.”

~ Mr Tan Chong Meng, Group CEO, PSA International

PSA INTERNATIONAL PTE LTD AND ITS SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT

	2014 S\$'000	2013 S\$'000 (Restated)
Revenue	3,829,999	3,723,443
Other income	456,481	620,164
Staff and related costs	(844,466)	(772,234)
Contract services	(410,694)	(400,326)
Running, repair and maintenance costs	(395,107)	(395,799)
Other operating expenses	(290,522)	(430,104)
Property taxes	(31,526)	(31,844)
Depreciation and amortisation	(430,352)	(409,218)
Profit from operations	1,883,813	1,904,082
Finance costs	(170,692)	(177,738)
Profit before income tax	1,713,121	1,726,344
Income tax expense	(264,150)	(252,678)
Profit for the year	<u>1,448,971</u>	<u>1,473,666</u>
Profit attributable to:		
Owner of the Company	1,401,801	1,425,388
Non-controlling interests	47,170	48,278
Profit for the year	<u>1,448,971</u>	<u>1,473,666</u>

PSA INTERNATIONAL PTE LTD AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2014 S\$'000	2013 S\$'000 (Restated)
Assets		
Property, plant and equipment	4,905,030	4,743,737
Intangible assets	653,176	654,033
Associates	4,456,394	4,326,791
Joint ventures	1,847,489	1,599,961
Financial assets	1,710,628	1,489,341
Other non-current assets	16,303	15,653
Deferred tax assets	13,792	15,964
Non-current assets	13,602,812	12,845,480
Inventories	55,218	57,597
Financial assets	–	229,658
Trade and other receivables	591,333	555,603
Cash and bank balances	3,508,208	3,458,854
Current assets	4,154,759	4,301,712
Total assets	17,757,571	17,147,192
Equity attributable to owner of the Company	10,647,502	10,056,838
Non-controlling interests	273,130	309,670
Total equity	10,920,632	10,366,508
Liabilities		
Borrowings	4,325,116	4,761,713
Provisions	42,468	45,802
Other non-current obligations	102,310	103,392
Deferred tax liabilities	353,461	310,806
Non-current liabilities	4,823,355	5,221,713
Trade and other payables	1,312,713	1,218,380
Borrowings	490,425	99,189
Current tax payable	210,446	241,402
Current liabilities	2,013,584	1,558,971
Total liabilities	6,836,939	6,780,684
Total equity and liabilities	17,757,571	17,147,192

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About PSA International

PSA International is one of the leading global port groups. PSA participates in port projects across Asia, Europe and the Americas with flagship operations in PSA Singapore Terminals and PSA Antwerp. Employing the finest talents in the industry, PSA delivers reliable and best-in-class service to its customers and develops win-win relationships with its partners. As the port operator of choice in the world's gateway hubs, PSA is "The World's Port of Call". Please visit us at www.globalpsa.com.

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