DP World Operations in Canada

Tabare Dominguez
Commercial Director
DP World, Vancouver, Prince Rupert, Nanaimo
## Agenda

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DP World
Canada Update

01

Introduction to DP World
A World of Expertise

- 61.7 MILLION TEU handled in 2015
- 77 MARINE and INLAND TERMINALS across six continents
Our Business Model

From our home base in Dubai, our reputation has been built on knowledge and experience.

Today, the DP World name carries the expectation of service and satisfaction – an expectation we are happy to meet.
Four **KEY** locations in Canada

Prince Rupert
Vancouver
Nanaimo
Saint John
DP World Vancouver – Overview

- **Location**: ideally located on the south shore of Vancouver inner harbour

- **Capacity**: 900k TEU per annum

- **Shipside capability**:
  - 2 container berths (645mts)
  - 6 quay cranes (7th deployed Jan 2017)

- **Intermodal connectivity**:
  - Rail/Road split: 60/40
  - On-dock daily connection to Canada and US markets via two rail networks

- **Strong labour relations**

Consistently best in class shipside and landside performance
DPW Vancouver **EXPANSION** Plan

- 600k TEU additional capacity in 2019
- One additional new crane Jan 2017
- 2 new super post panamax QCs added

Berth length extended to 724mts

Rail tracks length extended and extra track added

Dedicated empty yard

Reclaimed land

Improvements to access roads
Vancouver Island

**EXCLUSIVE** service to/from Vancouver Island

**COST and ENVIRONMENTAL SAVINGS:** no trucking cost in Vancouver, containers moved directly from barge to deep-sea vessel
DPW Prince Rupert - Overview

- **Natural advantages:**
  - Closest N.American deep-sea port to Asia
  - Deepest natural harbour in N.America
  - Lower rail track elevation over Rocky Mountains compared with other West Coast ports

- **Shipside capability:**
  - Berth expansion from July 2017 will be able to accommodate the world’s largest container ships

- **Premium rail operations:**
  - Containers rapidly moved between vessels and rail
  - (2 days dwell time)
  - Minimum transit time through metropolitan area

- **Strong labour relations**

Fastest route to North American markets with capability to handle ultra large container vessels
Prince Rupert expansion on schedule to **GO LIVE JULY 2017**

Capability to handle 20k+ TEU size container ships
Prince Rupert **NEXT EXPANSION** Phase 2.4 m TEU capacity by 2022
04 Commercial Advantage
Improving **MARKET ACCESS**

Volume handled by North American West Coast ports was ~25 million TEU in 2015.

Vancouver and Prince Rupert provide an **INTERMODAL COST/TIME ADVANTAGE FOR ~10-12 MILLION TEU.** 84% with Asia.
Big ship **CAPABILITY**

<table>
<thead>
<tr>
<th>Year</th>
<th>Ship Name</th>
<th>TEU Capacity</th>
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<tbody>
<tr>
<td>1968</td>
<td>Encounter Bay</td>
<td>1,530 TEU</td>
</tr>
<tr>
<td>1972</td>
<td>Hamburg Express</td>
<td>2,550 TEU</td>
</tr>
<tr>
<td>1980</td>
<td>Neptune Garest</td>
<td>4,100 TEU</td>
</tr>
<tr>
<td>1984</td>
<td>American New York</td>
<td>4,600 TEU</td>
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<tr>
<td>1996</td>
<td>Regine Maersk</td>
<td>6,400 TEU</td>
</tr>
<tr>
<td>1997</td>
<td>Susan Maersk</td>
<td>8,000+ TEU</td>
</tr>
<tr>
<td>2002</td>
<td>Charlotte Maersk</td>
<td>8,850 TEU</td>
</tr>
<tr>
<td>2003</td>
<td>Ann Maersk</td>
<td>9,050+ TEU</td>
</tr>
<tr>
<td>2005</td>
<td>Cjernud Maersk</td>
<td>10,000+ TEU</td>
</tr>
<tr>
<td>2006</td>
<td>Emma Maersk</td>
<td>11,000+ TEU</td>
</tr>
<tr>
<td>2012</td>
<td>New Panamax</td>
<td>12,500 to 14,000 TEU</td>
</tr>
<tr>
<td>2013</td>
<td>Maersk McKinney Maller</td>
<td>18,270 TEU</td>
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<tr>
<td>2014-2015</td>
<td>CSCL Globe/MSC Oscar</td>
<td>19,000+ TEU</td>
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<tr>
<td>2018</td>
<td></td>
<td>22,000 TEU</td>
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Container-carrying capacity has increased by approximately 1,200% since 1968

Panama Canal restriction limits vessels to a maximum 14,000 TEU capacity

Source: Mercator

DPW Prince Rupert is one of the few terminals in North America that can accommodate ships with 20,000+ TEU capacity
Vancouver and Prince Rupert ports are well suited to capitalize on Asian–North American trade growth.
New Export Oriented Markets

- Eastern Canada and Mid-West US are the industrial hubs in North America that drive volume and generate additional capacity for export
- Canadian Prairies is a growing agri-products export market
- Western Canada, especially British Columbia’s forestry, aquaculture and mineral products will drive growth

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Western Canada regions’ real GDP has historically outshined that of Canada as a whole

British Columbia contributes 33% of Canada’s exports to China in 2015 as opposed to 19% in 2008

General containerization of certain commodities from dry-bulk/break-bulk to containers

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Real GDP and Real GDP growth rates of Canada and Western Canada

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<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>CAGR 2010-14</th>
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<tbody>
<tr>
<td>Canada</td>
<td>1,593,357</td>
<td>1,640,522</td>
<td>1,672,067</td>
<td>1,705,567</td>
<td>1,748,718</td>
<td>2.40%</td>
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<tr>
<td>Western Canada</td>
<td>519,548</td>
<td>543,440</td>
<td>562,716</td>
<td>580,900</td>
<td>601,350</td>
<td>3.70%</td>
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<tr>
<th></th>
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<th>2012</th>
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<th>2014</th>
<th>2010-14</th>
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<tbody>
<tr>
<td>Canada</td>
<td>3.4%</td>
<td>3.0%</td>
<td>1.9%</td>
<td>2.0%</td>
<td>2.5%</td>
<td></td>
</tr>
<tr>
<td>Western Canada</td>
<td>4.0%</td>
<td>4.6%</td>
<td>3.5%</td>
<td>3.2%</td>
<td>3.5%</td>
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Prince Rupert & DPW Vancouver strategic location and connectivity as a key gateway for new exports from Western Canada
Thank you