

NEWS RELEASE

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PSA PANAMA BEGINS EXPANSION WORKS TO CREATE A 2.0 MILLION TEU FACILITY

PSA Panama International Terminal (PSA Panama) has started on the expansion of its container terminal located on the west bank of the Panama Canal Pacific entrance since February 2015, after being granted approval by the National Assembly, the Panama Canal Authority ACP, the Panama Maritime Authority and the Panamanian State. The expansion is targeted to be ready for operations before the end of 2016, in conjunction with the commercial opening of the expanded Panama Canal.

Alessandro Cassinelli, General Manager of PSA Panama, said, “The approvals by the National Assembly and the Panama Canal Authority are important milestones for us. In the past two years we have worked closely with the authorities representing the Panamanian State on the design and development of the expansion of our container terminal with the purpose of having state-of-the-art infrastructure ready to serve container vessels with a capacity of up to 18,000 Twenty-foot Equivalent Units (TEUs). This project increases the ability of the country to handle additional containers in line with the vision of promoting Panama as the logistics hub of the Americas. In addition, the project opens up new logistics and maritime opportunities for the west bank of the Panama Canal Pacific, making this an important part of the future of Panama and its national logistics sector.”

Enno Koll, PSA’s Head of Latin America added, “Panama has a unique location. When the enlarged Panama Canal opens, vessels of up to 12,500 TEUs will ply the Asia-US East Coast routes and be able to use Panama’s Pacific coast as a transshipment hub for the West Coast of South and Central America. Vessels of 4,000 TEUs can then serve Ecuador, Peru and Chile, Guatemala and Costa Rica on a weekly schedule via Panama. This allows shipping lines to benefit from economies of scale in operating across the Pacific and along the South American Coast. PSA Panama will provide sufficient capacity to allow lines to build a hub strategy.”

PSA Panama will invest over USD 400 million in the terminal expansion, and will create 1,000 direct and indirect jobs during the construction phase and over 500 direct and indirect jobs during operations. PSA Panama will make significant annual contributions to the Panamanian Treasury. PSA Panama is also committed to training its staff to meet the most stringent industry standards and to contributing to the development of a highly skilled local workforce. The

capacity of the terminal will increase from 450,000 containers (TEU) today to 2.0 million containers (TEU) per year. The new terminal will have 11 quay cranes with a maximum outreach of 24 rows and over 1.1 km of berth.

The investment into civil works amounts to USD 285 million, while the value of equipment will be over USD 125 million. In addition to the 8 Quay Cranes, the terminal will feature 12 Rail-Mounted Gantry Cranes (RMGs), 9 Rubber-Tyred Gantry Cranes (RTGs), 52 Prime Movers and 3 Empty Container Handlers.

Finally, PSA Panama will also be supporting social responsibility projects identified by the Panamanian Government and proposed by AMP in the surrounding areas of the terminal with the aim of giving back to the local communities as a responsible corporate citizen.

ABOUT PSA PANAMA

PSA Panama International Terminal (PSA Panama), a subsidiary of PSA International, started operations in December 2010. As one of the most productive terminals in Latin America, PSA Panama is located at the entrance of the Panama Canal, on the Pacific side at the former US Rodman Naval Base. The terminal is well-positioned to participate in the growth of this strategic hub and provides an important port of call for shipping lines handling containers as well as Ro-Ro cargo. In 2014, the terminal handled about 250,000 containers (TEUs).

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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