



International
Container Terminal
Services, Inc.

EXCELLENCE UNCONTAINED

May 9, 2018

1Q 2018 INVESTOR BRIEFING PRESENTATION



AGENDA

1 Recent Financial Performance

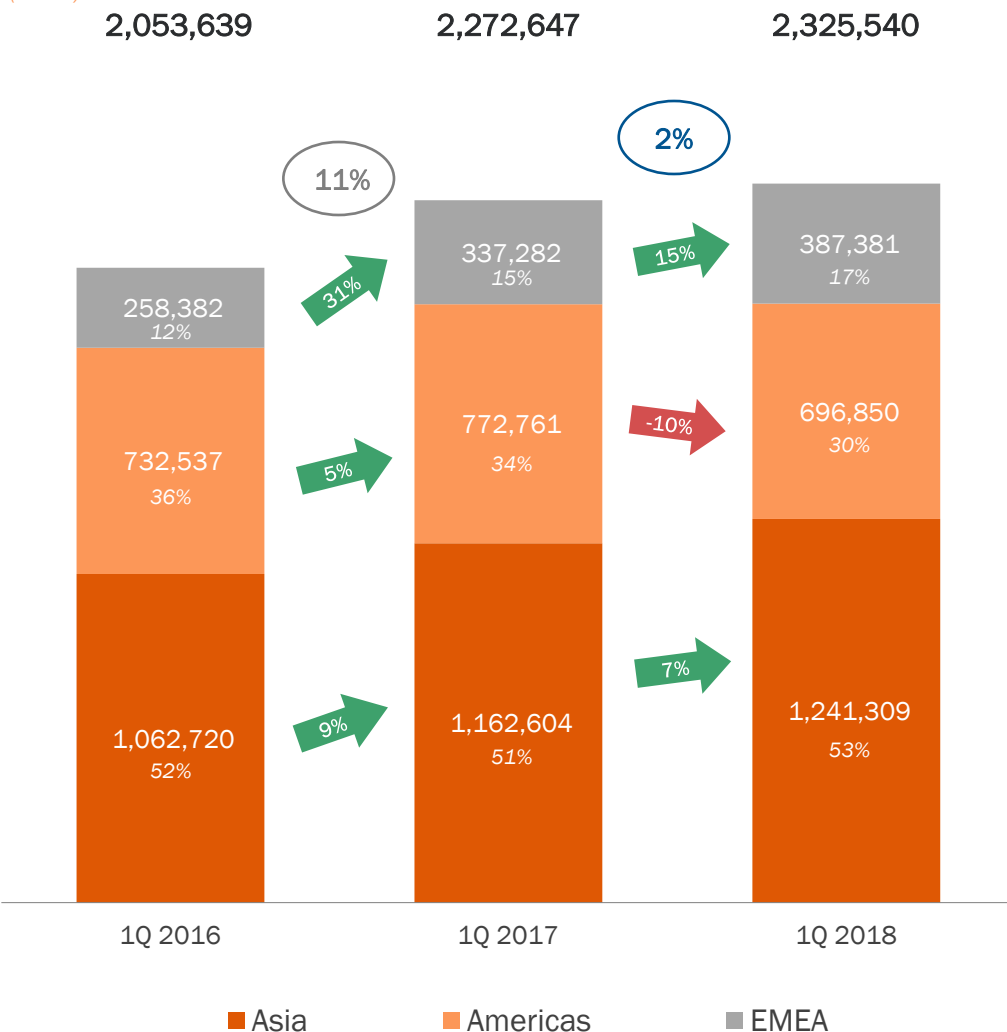
2 Liquidity and Capital Resources

3 Other Matters

4 Questions and Answers

First Quarter

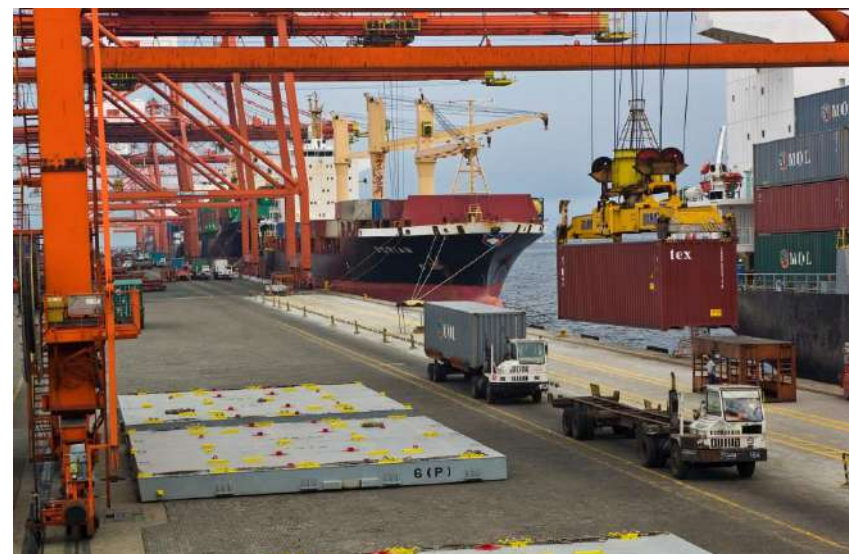
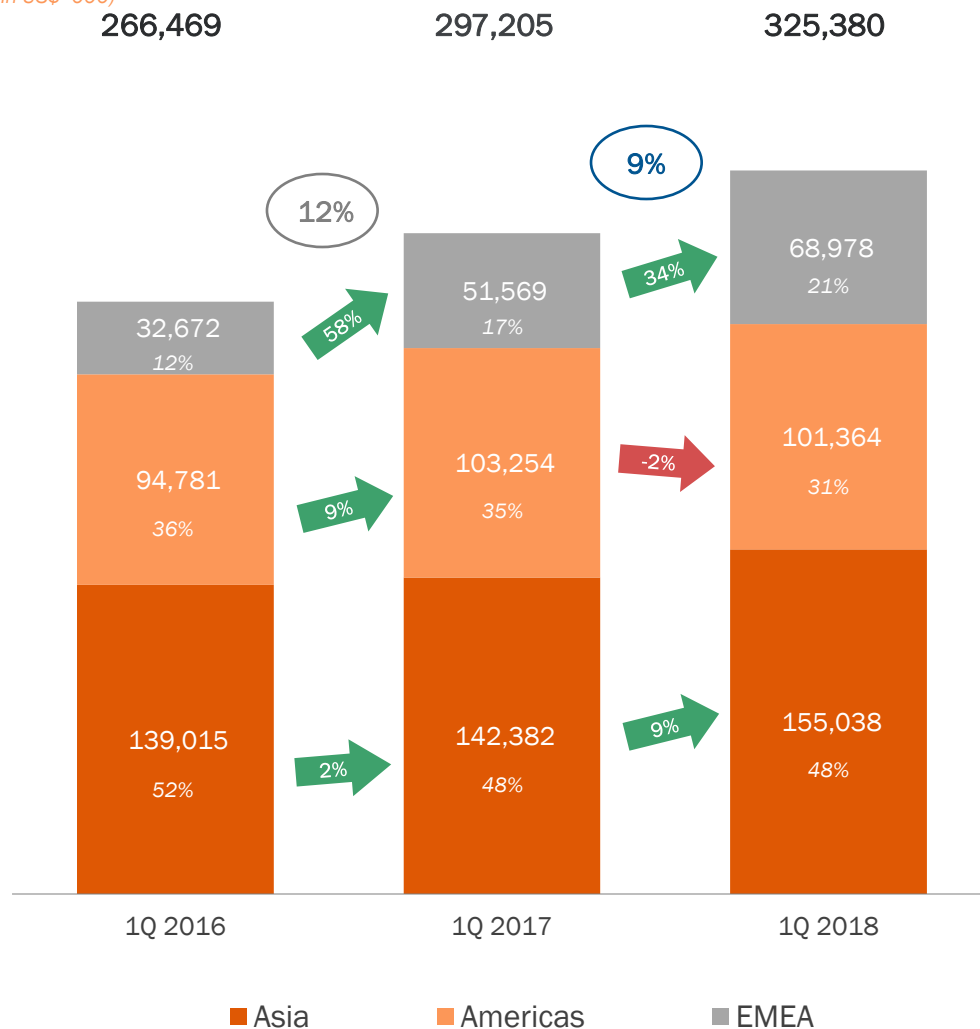
(in TEU)



- 1Q 2018 vs 1Q 2017 consolidated volume up 2%; Organic volume growth flat
- Volume growth was due to improving global trade activities particularly in the emerging markets; continuing ramp-up at ICTSI Iraq and IDRC and the contribution of new terminals - VICT and SPICTL, tapered by the volume decline in CGSA and PICT

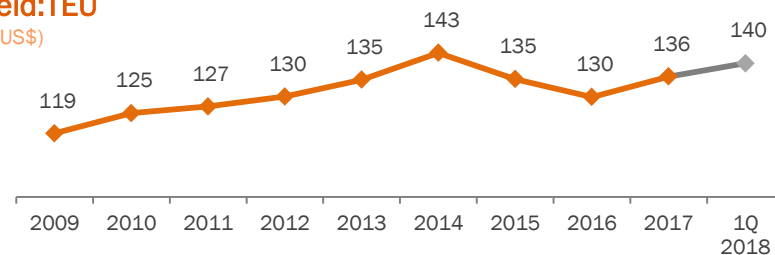
First Quarter

(in US\$ '000)



Yield:TEU

(in US\$)



- Consolidated revenues 9% higher in 1Q 2018 vs 1Q 2017; Organic revenue growth at 6%
- Consolidated 1Q 2018 yield to TEU at US\$140 vs US\$136 in 2017

Consolidated P&L Highlights

(In US\$ '000, except Volume & EPS)

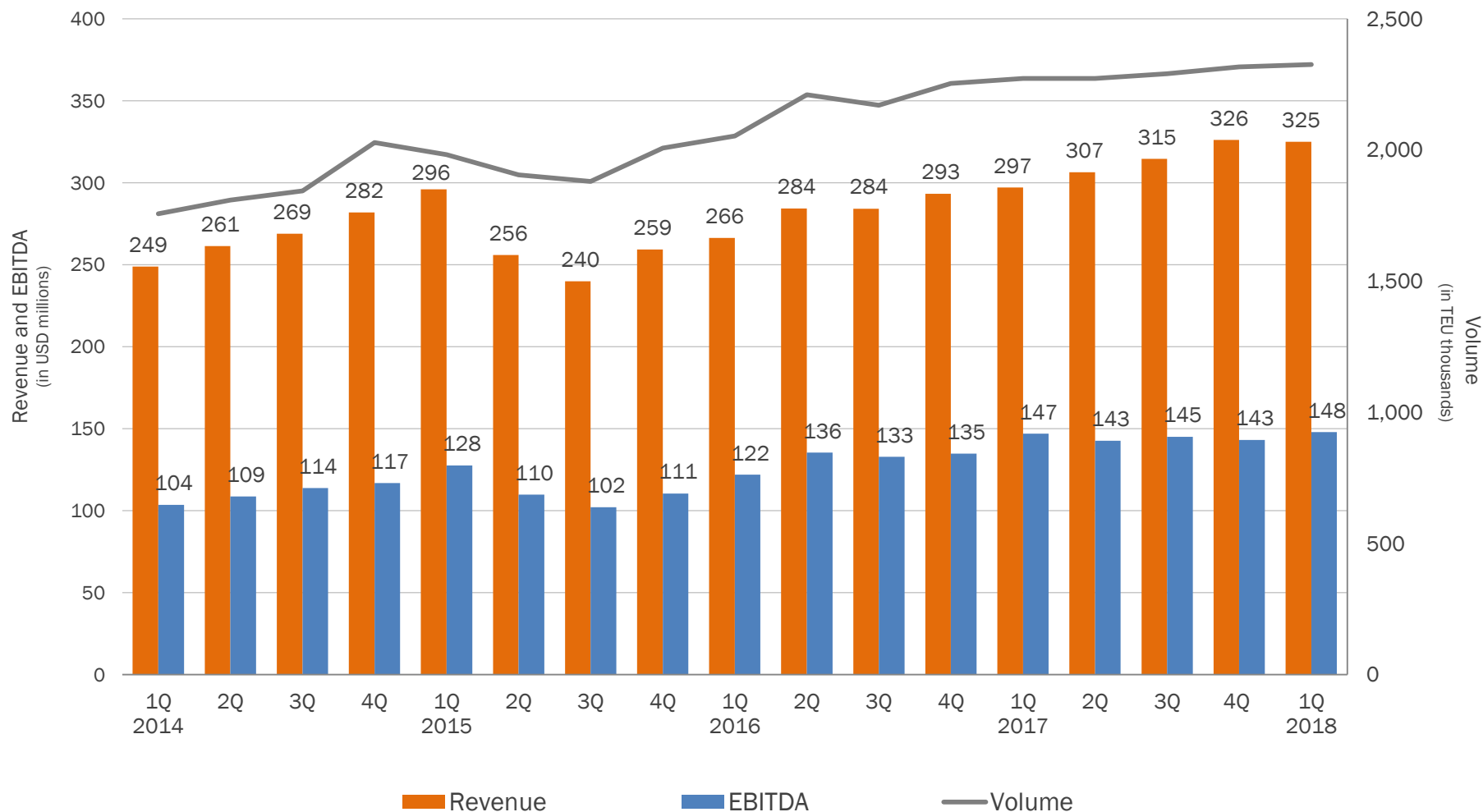
	1Q 2017	1Q 2018	% Change	
Volume (In TEU)	2,272,647	2,325,540	2%	<ul style="list-style-type: none"> Volume up 2% due to improving global trade particularly in the emerging markets; continuing ramp-up at ICTSI Iraq and IDRC and the new terminals in Melbourne, Australia and Lae, PNG; Organic volume growth flat.
Gross Revenues from Port Operations	297,205	325,380	9%	<ul style="list-style-type: none"> Revenues increased 9% mainly due to volume growth; tariff rate adjustments at certain terminals; new contracts and services with shipping lines; and contribution of the new terminals VICT and SPICTL; Organic revenue growth at 6%
Cash Operating Expenses	103,917	129,110	24%	<ul style="list-style-type: none"> Cash Opex 24% higher due to cost contribution of the new terminals, higher volume, higher fuel price and power rate at certain terminals, and unfavorable translation impact of MXN
EBITDA	146,988	147,771	1%	<ul style="list-style-type: none"> EBITDA increased 1% mainly due to strong revenues; combined with cost optimization measures implemented; and positive contribution of SPICTL, tapered by fixed port lease expense at VICT
EBIT	108,091	100,493	-7%	<ul style="list-style-type: none"> EBITDA margin decreased from 49% to 45% mainly due to the additional operating expenses from the new terminal
Financing Charges and Other Expenses	26,214	31,073	19%	<ul style="list-style-type: none"> Financing charges and other expenses up 19% primarily due lower capitalized borrowing cost on qualifying assets
Net Income	57,584	50,882	-12%	
Net Income Attributable to Equity Holders	51,740	44,069	-15%	<ul style="list-style-type: none"> Net income attributable to equity holders down 15% due to higher depreciation expenses from the new terminals and higher interest and financing charges.
Fully Diluted EPS	0.020	0.014	-30%	

Financing Charges & Other Expenses

(In US\$ '000)

	1Q 2017	1Q 2018	% Change	
Financing Charges & Other Expenses	26,214	31,073	19%	
• Interest Expense on Loans/Bonds	26,737	26,468	-1%	
• Capitalized Borrowing Cost	(6,213)	(271)	-96%	• Lower capitalized borrowing cost on qualifying assets
• Amortization of Debt Issue Cost	2,069	1,754	-15%	
• Other Expenses	3,621	3,122	-14%	
Average Outstanding Debt Balance	1,459,677	1,516,765	4%	• Average Outstanding Debt Balance higher mainly due to additional drawdowns on the project finance loan facility of VICT
Average Remaining Tenor	7.2 yrs	6.3 yrs		
Average Cost of Debt <i>(post CIT)</i>	5.1% p.a.	4.9% p.a.		

Historical Volume, Revenue & EBITDA



Proactive FX Risk Management

ICTSI's revenue and cash expenses are favorably matched, which provides a natural currency hedge that mitigates against volatility attributable to FX movements.

Revenue Currency by Subsidiary

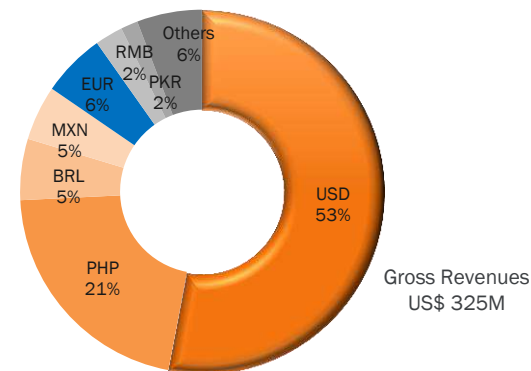
	Subsidiaries	USD	EUR	Local Currency
Asia	MICT	44%		56% PHP
	PTMTS			100% IDR
	YICT			100% RMB
	OJA	68%		32% IDR
	PICT	75%		25% PKR
	SBITC/ISI	55%		45% PHP
	SCIPSI			100% PHP
	DIPSSCOR			100% PHP
	HIPS			100% PHP
	MICTSI			100% PHP
	BIPI			100% PHP
	LGICT			100% PHP
	VICT			100% AUD
	SPICTL			100% PGK
EMEA	BCT	68%	2%	30% PLN
	MICTSL		100%	
	BICT	100%		
	AGCT		80%	20% HRK
	BGT	81%		19% IQD
Americas	IDRC	100%		
	TSSA			100% BRL
	CGSA	100%		
	OPC	100%		
	CMSA	49%		51% MXN

Cash Expense Currency by Subsidiary

	Subsidiaries	USD	EUR	Local Currency
Asia	MICT	35%		65% PHP
	PTMTS			100% IDR
	YICT			100% RMB
	OJA	13%		87% IDR
	PICT	18%		82% PKR
	SBITC/ISI	42%		58% PHP
	SCIPSI			100% PHP
	DIPSSCOR			100% PHP
	HIPS			100% PHP
	MICTSI			100% PHP
	BIPI			100% PHP
	LGICT			100% PHP
	VICT	16%		84% AUD
	SPICTL			100% PGK
EMEA	BCT	31%	1%	68% PLN
	MICTSL	2%	52%	47% MGA
	BICT			100% GEL
	AGCT		10%	90% HRK
	BGT	19%		81% IQD
Americas	IDRC	94%		6% CDF
	TSSA			100% BRL
	CGSA	100%		
	OPC	51%		49% HNL
	CMSA	6%		94% MXN
	TECPLATA	6%		94% ARS

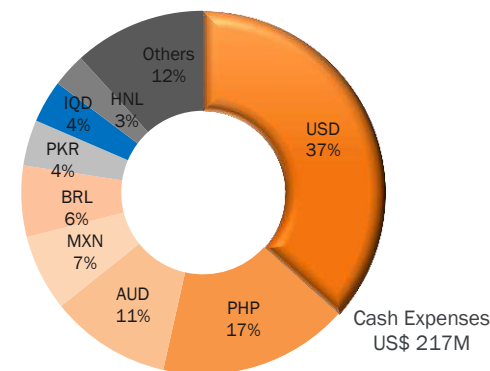
US\$ Revenues from Port Operations

(1Q 2018 Revenue Breakdown by Currency)



Expenses favorably Matching Revenues

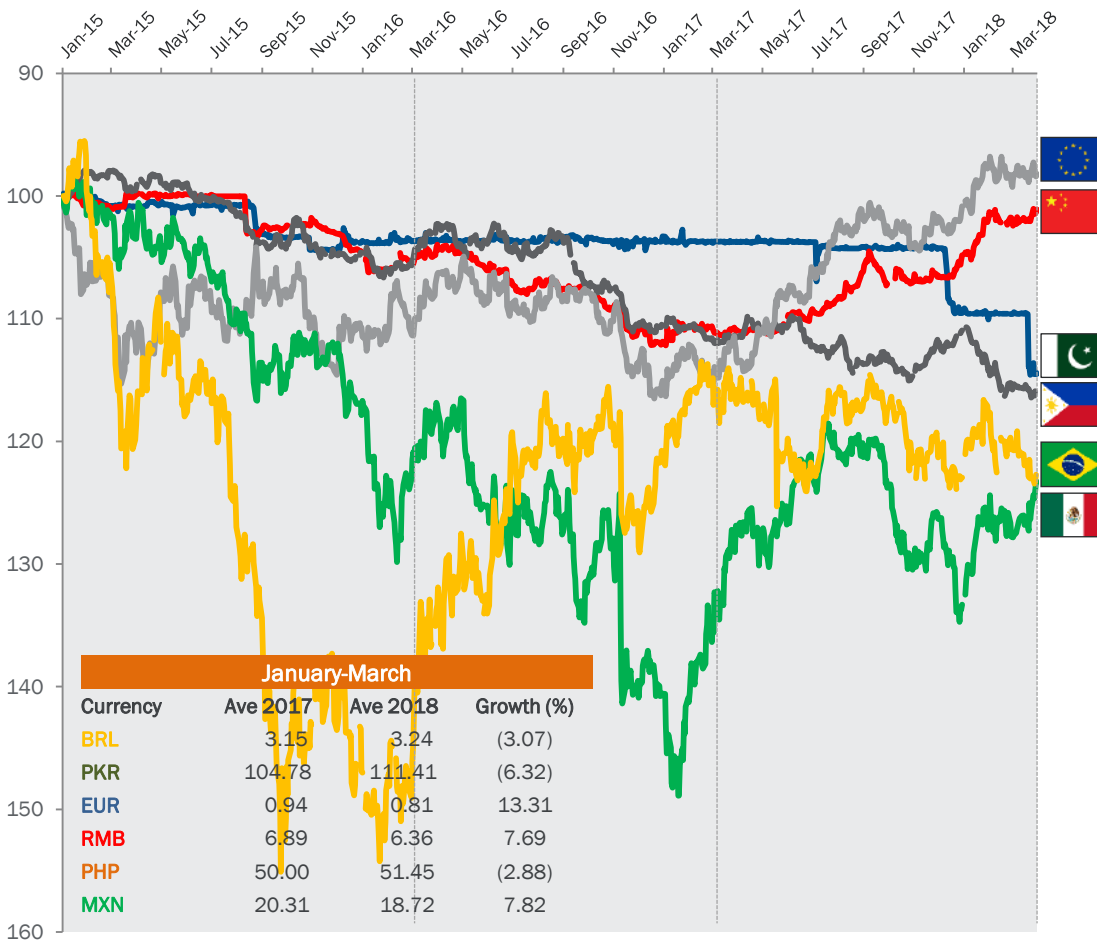
(1Q 2018 Expenses Breakdown by Currency)



Note: Total Cash Expense includes Cash Opex, Port Fees, Realized FX losses, Interest Cost, Perp Distribution, IFRIC Interest, Other "cash" expenses and Income tax paid

Yield/TEU Comparison

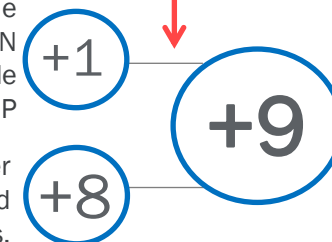
FX Movement since January 2015 and bottom line effect on ICTSI's margins.



	1Q 2017	1Q 2018	% change
Volume (TEU '000)	2,273	2,326	2%
Revenues (US\$ million)	297	325	9%
Yield/TEU (US\$)	131	140	7%
EBITDA (US\$ millions)	147	148	1%
EBITDA Margin	49%	45%	

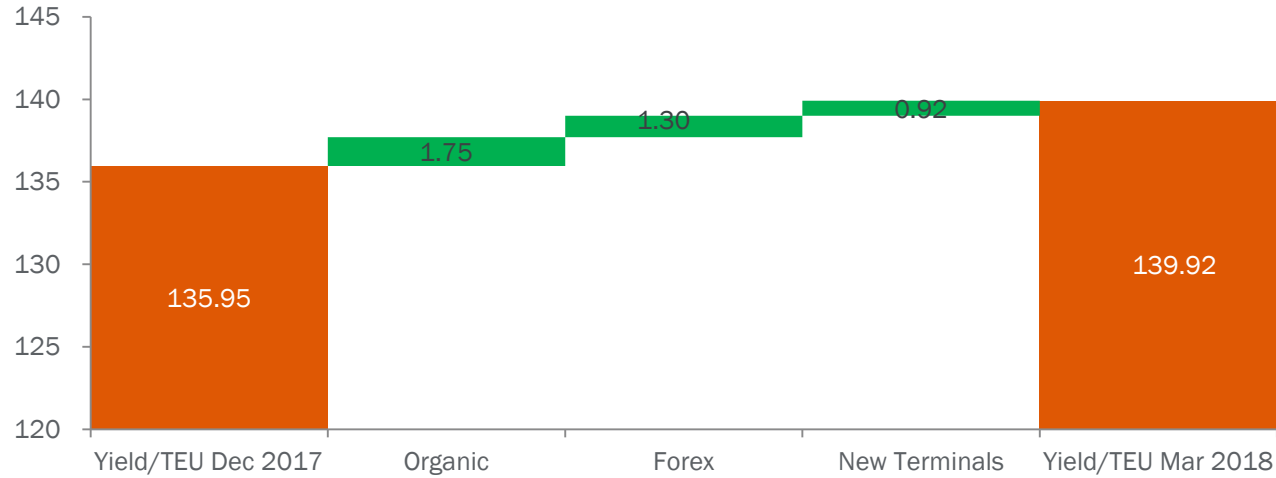
FX : Positive impact of the translation of EUR and MXN tapered by unfavorable variance of PHP

Tariff rate adjustments; higher storage & ancillary services; and contribution of new terminals, VICT and SPICTL

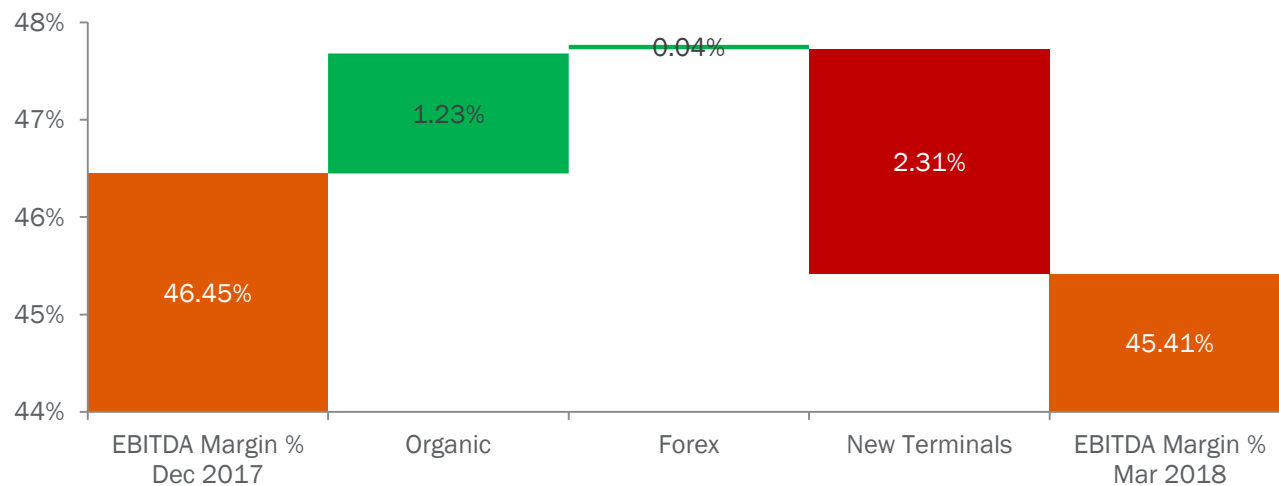


Yield/TEU and EBITDA Evolution

Yield/TEU Evolution



Evolution of EBITDA Margin





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Balance Sheet Summary

(In US\$ Million)

	2016	2017	1Q 2018
Intangible and Property and Equipment	3,102	3,203	3,222
Cash and Cash Equivalents	325	279	649
Other Current and Non-current Assets	756	888	905
Total Assets	4,183	4,371	4,776
Total Short-term and Long-term Debt	1,381	1,494	1,455
Concession Rights Payable	491	480	476
Other Current and Non-current Liabilities	545	524	528
Total Liabilities	2,417	2,498	2,459
Total Equity	1,766	1,873	2,316

Financial Ratios

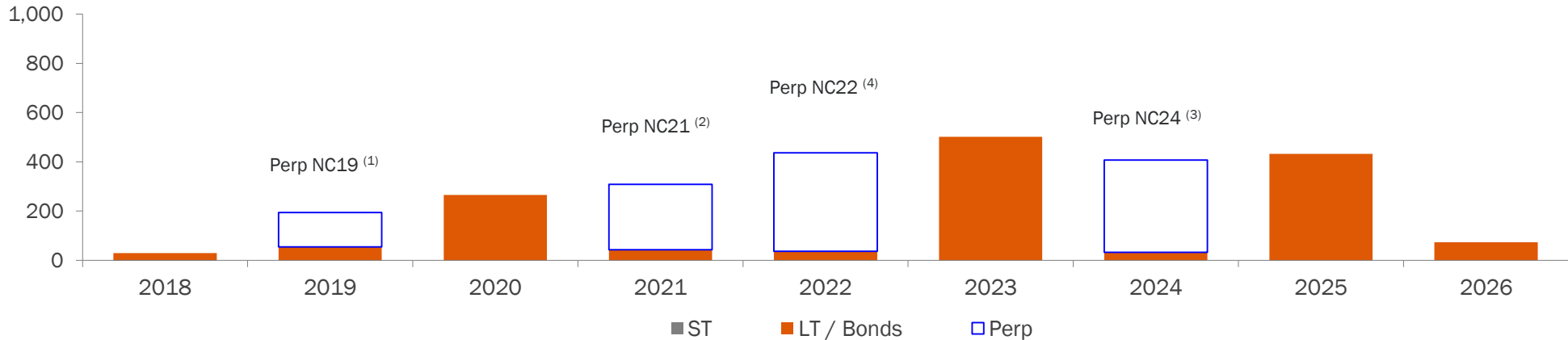
Gearing: Debt/SHE	0.78	0.80	0.63
Debt Cover Ratio: Debt/EBITDA (<i>per covenant</i>)	2.31	2.21	2.11
Current Ratio: Current Assets/Current Liabilities	1.18	1.25	2.53
DSCR: EBITDA/(Interest + Scheduled Principal Payments)	1.83	3.11	2.30

Note: (1) Current Ratio is calculated as Current Assets/ Current Liabilities (2) DSCR is calculated as EBITDA/ (Interest + Scheduled Principal Payments)

Principal Redemption Profile

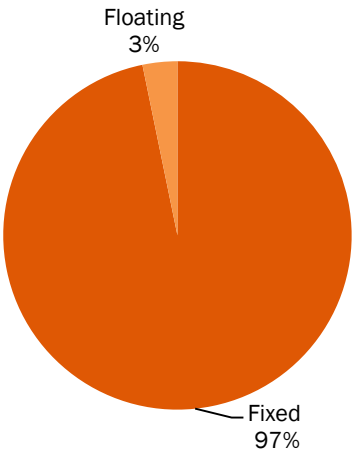
Principal Redemption Profile as of March 31, 2018

(US\$m)



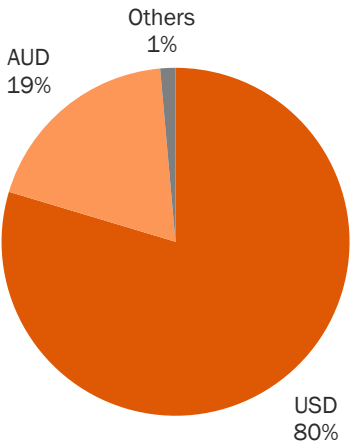
Debt Breakdown by Rate

(As of March 31, 2018)



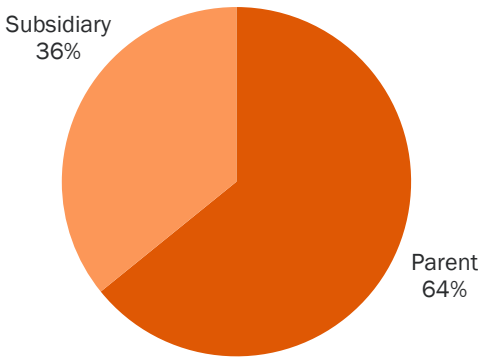
Debt Breakdown by Currency

(As of March 31, 2018)



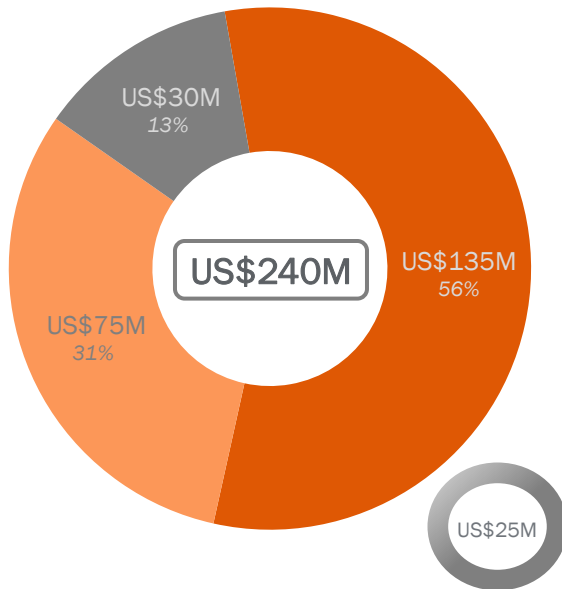
Debt Breakdown in Parent & Subsidiary

(As of March 31, 2018)



Capital Expenditures

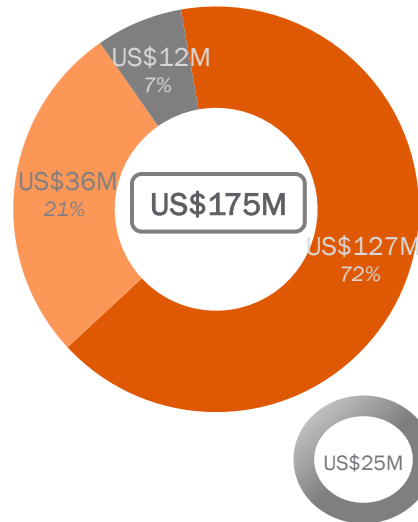
2017B



■ Greenfield ■ Expansionary ■ Maintenance

2017 CAPEX mainly for:
 GREENFIELD: Australia, Iraq, DR Congo, Honduras & Cavite
 EXPANSIONARY: Manila, Ecuador, China & Mexico

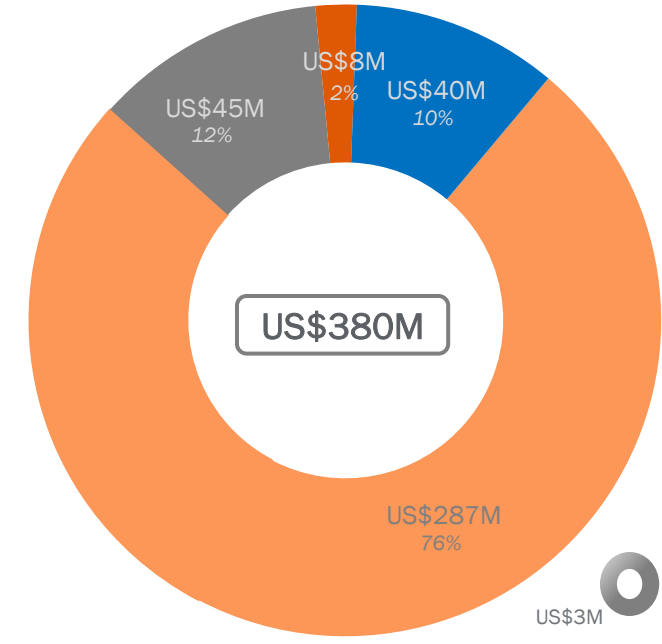
2017A



■ New Projects ● Investment (SPIA)

2018 CAPEX mainly for:
 GREENFIELD: Australia
 EXPANSIONARY: Manila, Honduras, Mexico & Iraq
 NEW: Papua New Guinea & Cavite

2018B



The background of the slide is a photograph of a port. In the foreground, there are several large orange gantry cranes. Behind them, there are stacks of colorful shipping containers in various colors like blue, red, and yellow. In the background, there are green hills or mountains under a clear blue sky.

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2018	Feb	South Pacific International Container Terminal Limited (“SPICTL”) commenced commercial operations
	Jan	Issued US\$400M Senior Fixed-for-Life Perpetual Securities
2017	Nov	PT ICTSI Jasa Prima Tbk (IJP) signed a conditional share purchase agreement with PT Samudera Terminal Indonesia (STI) for the purchase of IJP’s interest in PT Perusahaan Bongkar Muat Olah Jasa Anda (OJA), subject to certain conditions.
	Oct	ICTSI has signed expansion agreement for the second development phase of the Basra Gateway Terminal (BGT) in the North Port, Umm Qasr, Iraq
	Sep	Motukea International Terminal Limited (“MITL”) and South Pacific International Container Terminal Limited (“SPICTL”) signed 25-year Terminal Operating Agreements with PNG Ports Corporation Limited (“PNGPCL”) for the Operation, Management and Development of the international ports in Motukea and Lae, in Papua New Guinea
		ICTSI acquired 34.83% of Manila North Harbour Port, Inc (“MNHPI”) from Petron Corporation



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