

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)
Aug 6, 2020
2. SEC Identification Number
147212
3. BIR Tax Identification No.
000-323-228
4. Exact name of issuer as specified in its charter
INTERNATIONAL CONTAINER TERMINAL SERVICES, INC.
5. Province, country or other jurisdiction of incorporation
Metro Manila, Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
ICTSI Administration Bldg., MICT, South Access Road, Port of Manila
Postal Code
1012
8. Issuer's telephone number, including area code
632 82454101
9. Former name or former address, if changed since last report
Not Applicable
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock Outstanding	2,002,391,699

11. Indicate the item numbers reported herein
9

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



International Container Terminal Services, Inc. ICT

PSE Disclosure Form 4-31 - Press Release
References: SRC Rule 17 (SEC Form 17-C)
Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

ICTSI 1H2020 Net Income Down 12% to US\$113.4M; Diversified portfolio and cost measures cushion impact of COVID19

Throughput decreased 5% to 4.8 million TEUs

Revenues dropped 4% to US\$724.3 million

EBITDA declined 2% to US\$416.4 million

Background/Description of the Disclosure

Please see attached ICTSI Second Quarter 2020 Earnings Release.

Other Relevant Information

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Filed on behalf by:

Name	Arthur Tabuena
Designation	Treasury Director and Head of Investor Relations

COVER SHEET

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SEC Registration Number

I	N	T	E	R	N	A	T	I	O	N	A	L	C	O	N	T	A	I	N	E	R	T	E	R	M	I	N	A	L
S	E	R	V	I	C	E	S	,	I	N	C	.	A	N	D	S	U	B	S	I	D	I	A	R	I	E	S		

(Company's Full Name)

I	C	T	S	I	A	d	m	i	n	i	s	t	r	a	t	i	o	n	B	u	i	l	d	i	n	g				
M	I	C	T	S	o	u	t	h	A	c	c	e	s	s	R	o	a	d	,	M	a	n	i	l	a					

(Business Address: No. Street City/Town/Province)

Jose Joel M. Sebastian

(Contact Person)

(+632) 8245 4101

(Company Telephone Number)

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Month Day
(Fiscal Year)

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(Form Type)

0	4	Every 3rd Thursday
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Month Day
(Annual Meeting)

N/A

(Secondary License Type, If Applicable)

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Dept. Requiring this Doc.

N/A

Amended Articles Number/Section

Total Amount of Borrowings
(as of June 30, 2020)

1,363

as of June 30, 2020
Total No. of Stockholders

US\$323.3M

Domestic

US\$1,446.1M

Foreign

To be accomplished by SEC Personnel concerned

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Securities and Exchange Commission
Current Report Under Section 17 of the Securities Regulation Code ("SRC")
and SRC Rule 17.2 (c) Thereunder
SEC FORM 17-C

1. **August 6, 2020**
Date of Report
2. SEC Identification Number: **147212**
3. BIR Tax Identification No.: **000-323-228**
4. **International Container Terminal Services, Inc.**
Name of issuer as specified in the charter
5. **Philippines**
Country of Incorporation
6. (SEC Use Only)
Industry Classification Code:
7. **ICTSI Administration Building, MICT South
Access Road, Manila 1012**
Address of Principal Office
8. **+(632) 8245 4101**
Registrant's Telephone Number
9. **Not Applicable**
Former name or former address
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Titles of Each Class

Common shares

**Number of Shares Outstanding and
Amount of Debt Outstanding**

2,002,391,699

(Current Outstanding Common shares)

11. Item number reported herein: Item 9 – Other Events
-

**ICTSI 1H2020 Net Income Down 12% to US\$113.4M;
Diversified portfolio and cost measures cushion impact of COVID19**

- Throughput decreased 5% to 4.8 million TEUs
- Revenues dropped 4% to US\$724.3 million
- EBITDA declined 2% to US\$416.4 million

Enrique K. Razon Jr., ICTSI Chairman and President said:

"Our primary focus and central to our decision making since the start of the COVID-19 outbreak has been, and remains, the safety and wellbeing of our employees, customers, and our stakeholders. We took immediate action to preserve cash and reduced our capital expenditure in what has been a period of significantly reduced economic and international trade activity, brought about by protracted lockdown periods for many countries around the world. These prudent measures

taken early on, our diversified portfolio and maintaining a very high level of service to our clients has helped cushioned the impact from the pandemic and generated a resilient and better than expected performance.

COVID-19 is now the major challenge for most businesses globally and we expect the second half of the year will continue to be challenging and marked with uncertainties. However, ICTSI is well-positioned to navigate through these uncertain times, underpinned by our 32 terminals diversely located around the world, the resilience of our business model, agility and a strong capital structure.”

International Container Terminal Services, Inc. (ICTSI) today reported unaudited consolidated financial results for the first half of 2020 posting revenue from port operations of US\$724.3 million, a decrease of four percent from the US\$751.8 million reported for the same period last year; Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) of US\$416.4 million, two percent lower than the US\$424.4 million generated in the first half of 2019; and net income attributable to equity holders of US\$113.4 million, 12 percent less than the US\$128.5 million earned in the same period last year due to lower operating income, increase in interest on concession rights payable and COVID-19 related expenses; partially tapered by a reduction in net loss at its greenfield terminal in Melbourne, Australia and lower equity in net loss of joint ventures. Equity in net loss of joint ventures decreased by 22 percent to US\$9.7 million in the first half of 2020 from US\$12.4 million for the same period in 2019 mainly due to the decrease in the Company’s share in net loss at Sociedad Puerto Industrial Aguadulce S.A. (SPIA), its joint venture container terminal project with PSA International Pte Ltd. (PSA) in Buenaventura, Colombia. Diluted earnings per share was 10 percent lower at US\$0.043 from US\$0.048 in the first half of 2019.

For the quarter ended June 30, 2020, revenue from port operations decreased five percent from US\$368.0 million to US\$348.5 million; EBITDA was one percent higher at US\$204.2 million from US\$201.9 million; and net income attributable to equity holders was at US\$53.8 million, four percent less than the US\$56.1 million in the same period in 2019. Diluted earnings per share for the second quarter of 2020 was unchanged at US\$0.020 compared to the same period in 2019.

ICTSI handled consolidated volume of 4,799,765 twenty-foot equivalent units (TEUs) for the first six months of 2020, five percent less than the 5,041,916 TEUs handled in the same period in 2019. The decrease in volume was primarily due to the decline in trade activities which resulted from the impact of the COVID-19 pandemic on global trade and lockdown restrictions. Excluding the contribution of the new terminal in Rio de Janeiro, Brazil, ICTSI Rio, consolidated organic volume would have decreased six percent in the first half of 2020. For the quarter ended June 30, 2020, total consolidated throughput was 11 percent lower at 2,290,779 TEUs compared to 2,563,244 TEUs in 2019.

Gross revenues from port operations for the first six months of 2020 decreased by four percent to US\$724.3 million from the US\$751.8 million reported in the same period in 2019 as trade activities declined due to the impact of the COVID-19 pandemic and lockdown restrictions; partially tapered by the contribution of ICTSI Rio; tariff adjustments and new services at certain terminals. Excluding contribution of ICTSI Rio, consolidated organic gross revenues would have decreased by six percent in the first half of 2020. For the second quarter of 2020, gross revenues decreased five percent from US\$368.0 million to US\$348.5 million.

Consolidated cash operating expenses in the first six months ended June 30, 2020 was four percent lower at US\$222.8 million compared to US\$232.0 million in the same period in 2019. The decrease in cash operating expenses was mainly due to the continuous group-wide cost reduction and optimization measures; and favorable translation impact of Brazilian Reais (BRL)-based expenses in Suape, Brazil, Australian Dollar (AUD)-based expenses in Melbourne, Australia, Mexican Peso (MXN)-based expenses in Manzanillo, Mexico, and Pakistan Rupee (PKR)-based expenses in Karachi, Pakistan. The decreased was tapered by the cost contribution of ICTSI Rio, the Company's new terminal in Rio de Janeiro, Brazil. Excluding the cost contribution of ICTSI Rio, consolidated cash operating expenses would have decreased by nine percent in 2020.

Consolidated EBITDA decreased two percent to US\$416.4 million for the first six months of 2020 from US\$424.4 million in 2019 primarily due to lower operating revenues; tapered by lower cash operating expenses resulting from continuous cost reduction and optimization measures, and positive contribution of the new terminal, ICTSI Rio. EBITDA margin, on the other hand, increased to 57 percent in the first half of 2020 from 56 percent the previous year.

Consolidated financing charges and other expenses for the first half of 2020 increased 14 percent from US\$59.6 million in 2019 to US\$67.7 million in 2020 primarily due to COVID19-related expenses and the absence of capitalized borrowing cost related to the Phase 2 expansion project in Basra, Iraq in 2019.

Capital expenditures, excluding capitalized borrowing costs, for the six months ended June 30, 2020 amounted to US\$91.2 million. The capital expenditures for the first half of 2020 were mainly for the ongoing expansions at Manila International Container Terminal (MICT) in Manila, Philippines; Contecon Manzanillo S.A. (CMSA) in Mexico; and ICTSI DR Congo (IDRC) in Matadi, Democratic Republic of Congo. Amid the ongoing impact of the COVID-19 pandemic on global trade, the Group has reduced its capital expenditure plan for the year to approximately US\$160 million, which will be utilized mainly to complete the ongoing expansion projects.

ICTSI is a leading global developer, manager and operator of container terminals in the 50,000 to three million TEU/year range. ICTSI operates in six continents and continues to pursue container terminal opportunities around the world.

ICTSI and Subsidiaries

Financial Highlights

YoY Comparison

For the six months ended June 30

<i>(In million USD, except Earnings per share data)</i>	1H 2019		1H 2020		% Change
Gross Revenues	USD	751.8	USD	724.3	-4%
EBITDA		424.4		416.4	-2%
Net Income		146.1		131.3	-10%
Net Income Attributable to Equity Holders		128.5		113.4	-12%
Earnings per share					
Basic		0.048		0.043	-10%
Diluted		0.048		0.043	-10%

For the quarter ended June 30

<i>(In million USD, except Earnings per share data)</i>	2Q 2019		2Q 2020		% Change
Gross Revenues	USD	368.0	USD	348.5	-5%
EBITDA		201.9		204.2	1%
Net Income		64.6		62.5	-3%
Net Income Attributable to Equity Holders		56.1		53.8	-4%
Earnings per share					
Basic		0.020		0.020	0%
Diluted		0.020		0.020	0%

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereto duly authorized.

INTERNATIONAL CONTAINER TERMINAL SERVICES, INC.

By:



ARTHUR QUINTIN R. TABUENA
Director - Treasury and Investor Relations