



ICTSI jacks up capex by 30% to \$250M

BY LORENZ S. MARASIGAN

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INTERNATIONAL Container Terminal Services Inc. (ICTSI) is spending \$250 million in capital expenditures this year, a third larger than its actual spend in 2020, as it completes the expansion and the construction of its various ports globally.

Based on a statement attached to a disclosure, the company has decided to increase its capital spending program for 2021 by 30 percent to \$250 million from its actual capital outlays of \$198.7 million in 2020.

The budget will be used to complete the expansion of the Manila International Container Terminal Inc. (MICT), the yard expansion of its port in Matadi, Democratic Republic of Congo, and the new expansion

project in Melbourne, Australia.

It will also be used to acquire and upgrade new equipment and for its annual maintenance requirements.

ICTSI also reported that its profits grew by a percentage point to \$101.8 million in 2020 from \$100.4 million the year prior thanks to the 2-percent increase in its gross revenues to \$1.51 billion from \$1.48 million the previous year, and the lower cash operating expenses resulting from the continuous group-wide cost reduction and optimization measures.

The port operator's volumes were flattish in 2020 at 10.19 million twenty-foot equivalent units (TEUs) due to the pandemic's effect on global trade and lockdown restrictions.

"We were swift to take action at the start

of the pandemic to initiate cost reduction, reduce capital expenditures, and later seized opportunities to lengthen our debt maturities at lower rates," said Enrique K. Razon, Jr., ICTSI chairman and president.

These, plus its health and safety measures, helped the company navigate through the weakened demand for terminal services in some of its ports around the world, he added.

"And as our volumes rebounded from their lows when lockdown restrictions began to lift in the second half, so did our margins reflect the benefits of these actions. Those gains have continued into the new financial year as ICTSI emerges from these trying times leaner, stronger and optimistic of the future as governments around the world begin the herculean task of global mass vaccination," he said.

Business News

PLDT posts P171.5-B record revenues in 2020

Lucky Met maker Monte Vista starts P22.5-billion IPO

PHILIPPINE STOCK EXCHANGE RATE INDEXES IN BALANCE

Index	2020	2019
PSX-Composite	10,123.45	10,123.45
PSX-30	10,123.45	10,123.45
PSX-Industrial	10,123.45	10,123.45
PSX-Consumer	10,123.45	10,123.45
PSX-Healthcare	10,123.45	10,123.45
PSX-Technology	10,123.45	10,123.45
PSX-Finance	10,123.45	10,123.45
PSX-Real Estate	10,123.45	10,123.45
PSX-Utilities	10,123.45	10,123.45
PSX-Telecommunications	10,123.45	10,123.45
PSX-Energy	10,123.45	10,123.45
PSX-Materials	10,123.45	10,123.45
PSX-Healthcare	10,123.45	10,123.45
PSX-Technology	10,123.45	10,123.45
PSX-Finance	10,123.45	10,123.45
PSX-Real Estate	10,123.45	10,123.45
PSX-Utilities	10,123.45	10,123.45
PSX-Telecommunications	10,123.45	10,123.45
PSX-Energy	10,123.45	10,123.45
PSX-Materials	10,123.45	10,123.45

ICTSI earnings remain steady amid pandemic

International Container Terminal Services, Inc. (ICTSI) reported a slight uptick in audited consolidated attributable net income to US\$101.8 million last year, one percent higher than the US\$100.4 million earned in 2019.

In a disclosure to the Philippine Stock Exchange, the firm said the growth in earnings is mainly because of higher revenues, lower cash operating expenses resulting from continuous group-wide cost reduction and optimization measures.

Revenue from port operations reached US\$1.51 billion in 2020, two percent higher compared to the US\$1.481 billion reported the previous year.

The firm said this is due to the positive contribution of a new terminal in Rio de Janeiro, Brazil, and lower equity in net loss of joint ventures; tapered by an increase in interest on concession rights payable recognized at the new terminal in Cameroon and the full year impact of the new terminal in Brazil; additional impairment charges; and COVID-19

related expenses.

"ICTSI has delivered a positive performance in very challenging circumstances and it highlights not only the significant dedication and commitment of our colleagues who have performed strongly throughout the pandemic but also the agility and strength of our business," said ICTSI Chairman and President Enrique K. Razon Jr.

He added that, "We were swift to take action at the start of the pandemic to initiate cost reduction, reduce capital expenditures, and later seized opportunities to lengthen our debt maturities at lower rates."

At the same time, ICTSI stepped up social community support and increased health and safety measures at all its ports to ensure that they all remain resilient in these extraordinary times.

"These actions have helped us to navigate a severe weakening of demand at some of our key terminals around the world. And as our volumes rebounded from their lows when lockdown restrictions began to lift in the second half, so did our margins reflect the benefits of these actions," Razon said.

He noted that, "Those gains have continued into the new financial year as ICTSI emerges from these trying times leaner, stronger and optimistic of the future as governments around the world begin the herculean task of global mass vaccination." (James A. Loyola)



ICTSI allots \$250M capex

INTERNATIONAL Container Terminal Services Inc. (ICTSI) expects to spend \$250 million in capital expenditures this year for expansion projects.

These include the completion of the expansion project at the Manila International Container Terminal, the ongoing yard expansion at ITCSI DR Congo in Matadi, Democratic Republic of Congo; the new expansion project at Victoria Container Terminal in Melbourne, Australia; equipment acquisitions and upgrades; and for various maintenance requirements.

ICTSI said the target capex for 2021 is 25.82 percent higher than the \$198.7 million spending last year which was higher than the targeted

capex budget of \$160 million mainly due to the additional capex from the new terminal in Kribi, Cameroon and the reinstatement of postponed capex in a number of terminals which demonstrated strong volume growth in the second half of 2020.

ICTSI closed 2020 with a profit of \$101.8 million, up 1 percent from the prior year's \$100.4 million.

Revenue reached \$1.505 billion, up two percent higher from \$1.481 billion the previous year.

The company said it generated earnings before interest, taxes, depreciation and amortization of \$876.8 million, up six percent from \$830.1 million in 2019. - *Ruelle Castro*



ICTSI's income rises to \$101.8m despite COVID

PORT operator International Container Terminal Services Inc. said Thursday net income rose last year despite the weak international trade amid the global pandemic.

The company said net income reached \$101.8 million in 2020, up 1 percent from \$100.4 million it earned in 2019.

"ICTSI has delivered a positive performance in very challenging circumstances and it highlights not only the significant dedication and commitment of our colleagues who have performed strongly throughout the pandemic but also the agility and strength of our business," ICTSI chairman and president Enrique K. Razon Jr. said.

Revenue from port operations increased 2 percent in 2020 to \$1.505 billion from \$1.481 billion in 2019.

ICTSI attributed the growth in 2020 revenue to the contribution of ICTSI Rio, higher revenues from ancillary services, tariff adjustments and new services at certain terminals and favorable translation impact mainly from Philippine peso-based revenues in local terminals.

The port operator handled consolidated volume of 10,193,384 twenty-foot equivalent units in 2020, higher by 0.2 percent than 10,178,018 TEUs it handled in 2019.

ICTSI Group's capital expenditure budget for 2021 is about \$250 million, higher from last year's \$197.8 million.

It said the capex would be utilized mainly for the completion of the expansion project at MICT in Manila, the ongoing yard expansion at IDRC in Matadi, Democratic Republic of Congo, the new expansion project at VICT in Melbourne, Australia, equipment acquisitions and upgrades and various maintenance requirements.

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

Darwin G. Amojelar



■ This photo released on Nov. 10, 2020 shows the Manila International Container Terminal, the International Container Terminal Services Inc.'s flagship terminal. ICTSI PHOTO

ICTSI's 2020 income climbs to over \$101M

BY ANNA LEAH E. GONZALES

RAZON-LED International Container Terminal Services Inc. (ICTSI) reported on Thursday that its net income attributable to equity holders improved to \$101.8 million last year despite the impact of the coronavirus pandemic.

In a statement, the listed port operator said the amount — or P4.94 billion — was a 1-percent increase from \$100.4 million a year earlier.

It attributed the growth to “higher revenues; lower cash operating expenses resulting from continuous group-wide cost reduction and optimization measures; positive contribution of a new terminal in Rio de Janeiro, Brazil; and lower equity in net loss of joint ventures,” which were “tapered by an increase in interest on concession rights payable recognized at

the new terminal in Cameroon and the full-year impact of the new terminal in Brazil; additional impairment charges; and Covid-19 related expenses.”

Revenue from port operations reached \$1.505 billion, up 2 percent year-on-year from \$1.481 billion.

Earnings before interest, taxes, depreciation and amortization (Ebitda) reached \$876.8 million, 6 percent higher than 2019's \$830.1 million.

Consolidated volume handled reached 10,193,384 20-foot equiva-

lent units (TEUs), a 0.2-percent rise from 10,178,018 TEUs a year earlier. The firm partly attributed this to operations at its Rio terminal and improved trading activities in the second half following relaxed lockdowns in some parts of the world.

“ICTSI has delivered a positive performance in very challenging circumstances, and it highlights not only the significant dedication and commitment of our colleagues who have performed strongly throughout the pandemic, but also the agility and strength of our business,” ICTSI Chairman and President Enrique Razon Jr. said in the statement.

“We were swift to take action at the start of the pandemic to initiate cost reduction, reduce capital expenditures, and later seized opportunities to lengthen our debt maturities at lower rates,” he added.

“At the same time, we stepped

up our social community support and increased health and safety measures at all our ports to ensure that we all remain resilient in these extraordinary times.”

These initiatives, the magnate said, helped the company cope with weakening demand at some of its terminals overseas.

“And as our volumes rebounded from their lows when lockdown restrictions began to lift in the second half, so did our margins reflect the benefits of these actions,” he added.

“Those gains have continued into the new financial year as ICTSI emerges from these trying times leaner, stronger and optimistic of the future as governments around the world begin the herculean task of global mass vaccination.”

ICTSI shares dropped by P2 or 1.66 percent to close at P118.80 each on Thursday.

WITH GENIVI FACTAO



ICTSI posts \$101.8M net income in 2020

We were swift to take action at the start of the pandemic to initiate cost reduction, reduce capital expenditures, and later seized opportunities to lengthen our debt maturities at lower rates

The International Container Terminal Services Inc. (ICTSI) on Thursday disclosed its audited consolidated financial results for 2020, posting revenue from port operations of \$1.505 billion, which is two percent higher compared to the \$1.481 billion reported last year.

It also reported its Earnings Before Interest, Taxes, Depreciation and Amortization or EBITDA of \$876.8 million, six percent more than the \$830.1 million generated in 2019.

While its net income attributable to equity holders of \$101.8 million, which is one percent higher than the \$100.4 million earned in 2019 mainly due to higher revenues, lower cash operating expenses resulting from continuous group-wide cost reduction and optimization measures, positive contribution of a new terminal in Rio de Janeiro, Brazil, and lower equity in net loss of joint ventures.

This is tapered by an increase in interest on concession rights payable recognized at the new terminal in Cameroon and the full year impact of the new terminal in Brazil; additional impairment charges; and Covid-19 related expenses.

"ICTSI has delivered a positive performance in very challenging circumstances and it highlights not only the significant dedication and commitment of our colleagues who have performed strongly throughout the pandemic but also the agility and strength of our business," ICTSI chair and president Enrique K. Razon Jr. said in a statement to the bourse.

"We were swift to take action at the start of the pandemic to initiate cost reduction, reduce capital expenditures, and later seized opportunities to lengthen our debt maturities at lower rates," he added.

At the same time, he said that they have stepped up their social community support and increased health and safety measures at all their ports to ensure that they all remain resilient in these most trying times.

"These actions have helped us to navigate a severe weakening of demand at some of our key terminals around the world. And as our volumes rebounded from their lows when lockdown restrictions began to lift in the second half, so did our margins reflect the benefits of these actions. Those gains have continued into the new financial year as ICTSI emerges from these trying times leaner, stronger and optimistic of the future as governments around the world begin the herculean task of global mass vaccination," Razon said. JY



PHOTOGRAPH COURTESY OF ICTSI

ICTSI was able to deliver a positive performance in these most challenging times, as it highlights not only the significant dedication and commitment of its colleagues who have performed strongly throughout the global health pandemic but also the agility and strength of its business.



ICTSI posts \$101-M income in 2020

By RICHMOND MERCURIO

International Container Terminal Services Inc. (ICTSI) ended 2020 with higher profit amid the challenges brought about by the pandemic to global trade.

ICTSI saw net income attributable to equity holders last year improved one percent to \$101.8 million from \$100.4 million in 2019 on the back of higher revenues, lower cash operating expenses, positive contribution of a new terminal in Brazil and lower equity in net loss of joint ventures.

Excluding non-recurring charges, the company's recurring net income grew by nine percent to \$282.1 million in 2020 from \$259.1 million in 2019.

Revenue from port operations stood at \$1.51 billion in 2020, two percent higher compared to the \$1.481 billion in 2019.

The increase in revenue was attributed to the contribution of ICTSI Rio, higher revenues from ancillary services, tariff adjustments, new services at certain terminals and favor-

able translation impact mainly from Philippine peso-based revenues in its terminals in the country.

ICTSI handled consolidated volume of 10.193 million twenty-foot equivalent units (TEUs) last year, a slight improvement compared to the 10.178 million TEUs handled in 2019 due to the contribution of ICTSI Rio, new terminal operations in Brazil, improvement in trade activities in the second half of 2020, and new contracts with shipping lines and services at certain terminals.

"ICTSI has delivered a positive performance in very challenging circumstances and it highlights not only the significant dedication and commitment of our colleagues who have performed strongly throughout the pandemic but also the agility and strength of our business," ICTSI chairman and president Enrique Razon said.

Razon said the company was able to take swift action at the start of the pandemic to initiate cost reduction, reduce capital expenditures and later seized opportunities to

lengthen its debt maturities at lower rates.

"At the same time, we stepped up our social community support and increased health and safety measures at all our ports to ensure that we all remain resilient in these extraordinary times," he said.

"These actions have helped us to navigate a severe weakening of demand at some of our key terminals around the world. And as our volumes rebounded from their lows when lockdown restrictions began to lift in the second half, so did our margins reflect the benefits of these actions. Those gains have continued into the new financial year as ICTSI emerges from these trying times leaner, stronger and optimistic of the future as governments around the world begin the herculean task of global mass vaccination," Razon said.

For this year, the company is setting aside a capital expenditure budget of around \$250 million as it continues with the expansion of its projects in preparation for the recovery in global trade.

ICTSI 2020 net income up 1% to \$101.8M

International Container Terminal Services, Inc. posted revenue from port operations of \$1.505 billion, two percent higher compared to the \$1.481 billion reported last year.

ICTSI chairman and president Enrique Razon said: "ICTSI has delivered a positive performance in very challenging circumstances and it highlights not only the significant dedication and commitment of our colleagues who have performed strongly throughout the pandemic but also the agility and strength of our business."

"We were swift to take action at the start of the pandemic to initiate cost reduction, reduce capital expenditures, and later seized opportunities to lengthen our debt maturities at lower rates. At the same time, we stepped up our social community support and increased health and safety measures at all our ports to ensure that we all remain resilient in these extraordinary times. These actions have helped us to navigate a severe weakening of demand at some of our key terminals around the world. And as our volumes rebounded from their lows when lockdown restrictions began to lift in the second half, so did our margins reflect the benefits of these actions. Those gains have continued into the new financial year as ICTSI emerges from these trying times leaner, stronger and optimistic of the future as governments around the world begin the herculean task of global mass vaccination," Razon said.

ICTSI handled consolidated volume of 10,193,384 twenty-foot equivalent units in 2020, marginally higher by 0.2 percent compared to the 10,178,018 TEUs handled in 2019 due to the contribution of ICTSI Rio, the company's new terminal operations in Rio de Janeiro in Brazil; improvement in trade activities in the second half of 2020 as lockdown restrictions in most parts of the world eased; and new contracts with shipping lines and services at certain terminals; tapered by decline in trade activities mainly in the first half of 2020 which resulted from the impact of Covid-19 pandemic on global trade and lockdown restrictions.

