

# SECURITIES AND EXCHANGE COMMISSION

## SEC FORM 17-Q

### QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended  
Sep 30, 2021
2. SEC Identification Number  
147212
3. BIR Tax Identification No.  
323228
4. Exact name of issuer as specified in its charter  
INTERNATIONAL CONTAINER TERMINAL SERVICES, INC.
5. Province, country or other jurisdiction of incorporation or organization  
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office  
ICTSI Administration Building, Manila International Container Terminal, South Access  
Road, Manila  
Postal Code  
1012
8. Issuer's telephone number, including area code  
(632) 8245-4101
9. Former name or former address, and former fiscal year, 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	2,038,609,782

11. Are any or all of registrant's securities listed on a Stock Exchange?

☒ Yes ☐ No

If yes, state the name of such stock exchange and the classes of securities listed therein:

Philippine Stock Exchange - Common Shares

12. Indicate by check mark whether the registrant:



International  
Container Terminal  
Services, Inc.

# 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 9M2021 Net Income up 73% to US\$316.4M;  
Volume, Revenues & EBITDA across all three regions outperform

Throughput grew 11% to 8.3 million TEUs  
Revenues increased 24% to US\$1.4 billion  
EBITDA 29% higher to US\$829.4 million

### Background/Description of the Disclosure

Please see attached ICTSI 3Q2021 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

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(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	A	
N	I	L	A			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
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(Business Address: No. Street City/Town/Province)

<b>Sandy A. Alipio</b>
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(Contact Person)

<b>(+632) 8247 8225</b>
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(Company Telephone Number)

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Month Day  
(Fiscal Year)

S	E	C	17	C
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(Form Type)

0	4	Every 3 <sup>rd</sup> Thursday
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Month Day  
(Annual Meeting)

<b>N/A</b>
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(Secondary License Type, If Applicable)

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Dept. Requiring this Doc.

<b>N/A</b>
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Amended Articles Number/Section

<b>1,363</b>
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as of September 30, 2021  
Total No. of Stockholders

Total Amount of Borrowings	
<b>US\$417.4M</b>	<b>US\$1,443.1M</b>
Domestic	Foreign

To be accomplished by SEC Personnel concerned

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File Number

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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. **November 4, 2021**  
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, Manila International Container Terminal,  
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**

2,038,609,782

(Current Outstanding Common shares)

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

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**ICTSI 9M2021 Net Income up 73% to US\$316.4M;  
Volume, Revenues & EBITDA across all three regions outperform**

- Throughput grew 11% to 8.3 million TEUs
- Revenues increased 24% to US\$1.4 billion
- EBITDA 29% higher to US\$829.4 million

*Enrique K. Razon, Jr., ICTSI Chairman and President said: "We have seen a considerable improvement in trade activities and outperformance in Asia, the Americas and EMEA as economies continue to recover from the impact of the COVID-19 pandemic and lockdown restrictions ease. This has led to strong performance this quarter for ICTSI. Net income has grown 73 percent, driven by growth in revenue and increased volume from port operations across all three regions. Revenue, Volumes and EBITDA are up 24 percent, 11 percent, and 29 percent, respectively. This is extremely encouraging, and the Company's robust financial position provides a foundation to fund capital*

*expenditures entirely through our strong cash flows and continue to grow ICTSI sustainably for the long term benefit of all our stakeholders.”*

*“We remain mindful that the pandemic continues to create challenges throughout our industry. We have good momentum to deliver further disciplined growth and we look to the future with confidence.”*

International Container Terminal Services, Inc. (ICTSI) today reported unaudited consolidated financial results for the nine months of 2021, posting revenue from port operations of US\$1.365 billion, an increase of 24 percent from the US\$1.104 billion reported for the nine months of 2020; Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) of US\$829.4 million, 29 percent higher than the US\$643.2 million generated the same period last year; and net income attributable to equity holders of US\$316.4 million, 73 percent more than the US\$182.6 million earned in the nine months of 2020 primarily due to higher operating income and lower equity in net loss of joint ventures, partially tapered by increase in interest expense on loans, concession rights payable, and lease liability; and higher depreciation and amortization expenses associated with the new terminals. Diluted earnings per share for the nine months of 2021 was 91 percent higher at US\$0.132 compared to US\$0.069 in the same period in 2020.

For the quarter ended September 30, 2021, revenue from port operations increased 27 percent from US\$379.3 million to US\$482.4 million; EBITDA was 31 percent higher at US\$296.9 million from US\$226.8 million; and net income attributable to equity holders was at US\$119.7 million, 73 percent more than the US\$69.2 million in the same period in 2020. Diluted earnings per share for the third quarter of 2021 was 95 percent higher at US\$0.052 compared to US\$0.027 the same period in 2020.

ICTSI handled consolidated volume of 8,266,621 twenty-foot equivalent units (TEUs) in the first nine months of 2021, 11 percent more than the 7,426,307 TEUs handled in the same period in 2020. The increase in volume was primarily due to volume growth and improvement in trade activities as economies continue to recover from the impact of the COVID-19 pandemic and lockdown restrictions, and new shipping lines and services at certain terminals. For the quarter ended September 30, 2021, total consolidated throughput was seven percent higher at 2,807,098 TEUs compared to 2,626,542 TEUs in 2020.

Gross revenues from port operations for the first nine months of 2021 was 24 percent higher at US\$1.365 billion compared to the US\$1.104 billion reported in the same period in 2020 mainly due to higher volume; favorable container mix; tariff adjustments at certain terminals; new contracts with shipping lines and services; higher revenues from ancillary services; contribution of new terminals; and net favorable impact of foreign exchange at certain terminals. The increase was partially tapered by decline in trade activities at certain terminals primarily due to the impact of COVID-19 pandemic. Excluding contribution of new terminals, consolidated gross revenues would have increased by 21

percent in the first nine months of 2020. For the third quarter of 2021, gross revenues increased 27 percent from US\$379.3 million to US\$482.4 million.

Consolidated cash operating expenses in the first nine months of 2021 was 16 percent higher at US\$383.2 million compared to US\$331.6 million in the same period in 2020. The increase in cash operating expenses was mainly due to the increase in equipment & facilities-related expenses and contracted services resulting from higher volume; additional cost associated with the new terminals; and unfavorable foreign exchange effect of Australian Dollar (AUD)-based expenses, Mexican Peso (MXN)-based expenses and Chinese Renminbi (RMB)-based expenses at the Company's container terminal operations in Melbourne, Manzanillo and Yantai, respectively. The increase was partially tapered by continuous cost optimization measures; and favorable foreign exchange effect of Iraqi Dinar (IQD)-based expenses at ICTSI Iraq and Brazilian Reais (BRL)-based expenses at ICTSI Rio and Tecon Suape S.A. (TSSA), in Rio de Janeiro and Suape, Brazil, respectively. Excluding the cost associated with the new terminals, consolidated cash operating expenses would have increased by 12 percent.

Consolidated EBITDA increased 29 percent to US\$829.4 million for the first three quarters of 2021 from US\$643.2 million in 2020 mainly due to higher revenues, partially tapered by the increase in cash operating expenses. Excluding the contribution of new terminals, EBITDA would have increased by 27 percent. EBITDA margin, on the other hand, increased to 61 percent in the first nine months of 2021 from 58 percent the previous year.

Consolidated financing charges and other expenses for the first nine months of 2021 marginally increased by 0.1 percent from US\$105.47 million in 2020 to US\$105.53 million in 2021 primarily due to higher interest expense resulting from the issuance of US\$400M 10-year senior notes in June 2020, tapered by lower COVID-19 related expenses.

Capital expenditures, excluding capitalized borrowing costs, for the nine months ended September 30, 2021 amounted to US\$104.0 million. These were mainly for the ongoing expansion at Manila International Container Terminal (MICT) in the Philippines and ICTSI DR Congo (IDRC) in Democratic Republic of Congo; and acquisition of port facilities and equipment at International Container Terminal Services Nigeria Ltd. (ICTSNL) in the Port of Onne in Nigeria. The Group's capital expenditure budget for 2021 is approximately US\$250.0 million. The estimated capital expenditure budget will be utilized mainly for the completion of the expansion project at MICT, the ongoing yard expansion at IDRC, the new expansion project at Victoria International Container Terminal (VICT) in Melbourne, Australia, equipment acquisitions and upgrades, and for various maintenance requirements.

ICTSI is a leading global developer, manager and operator of container terminals in the 50.0 thousand to 3.35 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 nine months ended September 30**

<i>(In million USD, except Earnings per share data)</i>		<b>9M 2020</b>		<b>9M 2021</b>	<b>% Change</b>
Gross Revenues	USD	1,103.6	USD	1,365.0	24%
EBITDA		643.2		829.4	29%
Net Income		210.4		352.7	68%
Net Income Attributable to Equity Holders		182.6		316.4	73%
Earnings per share					
Basic		0.069		0.132	91%
Diluted		0.069		0.132	91%

**For the quarter ended September 30**

<i>(In million USD, except Earnings per share data)</i>		<b>3Q 2020</b>		<b>3Q 2021</b>	<b>% Change</b>
Gross Revenues	USD	379.3	USD	482.4	27%
EBITDA		226.8		296.9	31%
Net Income		79.1		132.2	67%
Net Income Attributable to Equity Holders		69.2		119.7	73%
Earnings per share					
Basic		0.027		0.052	95%
Diluted		0.027		0.052	95%

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