

ICTSI net income surges 58% to over \$142 million

LISTED port operator International Container Terminal Services, Inc. (ICTSI) on Thursday reported a 58% growth in first-quarter attributable net income to \$142.3 million from \$90.1 million in the same period a year earlier.

The increase was "primarily due to higher operating income; increase in equity share in net profit of joint ventures; and strong contribution of new terminals; partially tapered by increase in depreciation and amortization, and interest on loans, concession rights payables and lease liabilities," the company said in a statement.

Its revenue rose by 21% to \$528.3 million, while its EBITDA — or earnings before interest, taxes, depreciation, and amortization — increased by 28% to \$337.9 million.

and amortization — increased by 28% to \$357.9 million.

The company said it saw "strong performances" from its new terminals and joint ventures.

"These results demonstrate the strength of our business and its ability to deliver growth through our diversified portfolio and longstanding, positive relationships with local communities all over the world," ICTSI Chairman and President Enrique K. Razon, Jr. said.

"We continue to see improvement in trade activities, and coupled with new contracts with shipping lines at certain terminals, we saw a 5% increase in throughput," he also said.

The company handled consolidated volume of 2.8 million twenty-foot equivalent units (TEUs) in the first quarter, up 5% from 2.7 million TEUs in the same period a year earlier.

The increase was "primarily due to general improvement in trade activities as economies continue to recover from the impact of the pandemic; new contracts with shipping lines and services at certain terminals; and the contribution of new terminal International Container Terminal Services Nigeria Ltd. in Port of Onne, Rivers State, Nigeria," the company said.

"Excluding the contribution of the company's new terminal in Nigeria, consolidated volume would have increased by 4%," it added.

ICTSI shares closed 1.86% lower at P211 apiece on Thursday. — **Arjay L. Balinbin**

Q1 PROFIT UP 58%

ICTSI'S EARNINGS BOOSTED BY IMPROVED TRADING

By Tyrone Jasper C. Piad @TyronePiad

Better port operations lifted the net earnings of International Container Terminal Services Inc. (ICTSI) in the first quarter as trading activities improved during the pandemic.

The Razon-led port operator, in a statement last week, reported that its net income attributable to equity holders rose by 58 percent to \$142.3 million as of end-March from \$90.1 million last year in the same three-month period.

Revenues from port opera-

tions grew by 21 percent yearon-year to \$528.3 million in the first three months.

This was as consolidated volume climbed by 5 percent to 2.83 million twenty-foot equivalent units (TEUs) from 2.71 million TEUs in the same period.

Apart from recovering trade activities, ICTSI said new contracts with shipping lines and services and the contribution of its new terminal in Nigeria boosted its handled volume in the first quarter.

"These results demonstrate the strength of our business and its ability to deliver growth through our diversified portfolio and longstanding, positive relationships with local communities all over the world," ICTSI chair and president Enrique Razon Jr. said.

Earnings before interest, taxes, depreciation and amortization jumped by 28 percent to \$337.9 million while equity share in net profit of joint ventures skyrocketed to \$2.1 million from \$42,000 in the first quarter.

For its capital expenditures, the listed company spent \$52.4 million for ongoing expansion projects at Manila International Container Terminal and other ports. It programmed \$330 million for its capital outlay this year.

Razon reiterated that ICTSI was bracing for the impact of the Russia-Ukraine war, which was disrupting cross-border trading.

"We are cognizant of challenges ahead as the tragic conflict in Ukraine impacts the global economy and continue to monitor the situation carefully," he said. "However, ICTSI is a resilient business and I am confident that together with our talented team of people, we will continue to deliver value to our stakeholders." INQ



BY GENIVI VERDEJO

INTERNATIONAL Container Terminal Services Inc. (ICTSI) posted \$142.3 million in net income in the first quarter (Q1), higher by 58 percent than the \$90.1 million earned in Q1 last year, boosted by the performance of new terminals and higher operating income.

ICTSI chairman and President Enrique Razon Jr., said, "The year has started very well with continued momentum from 2021 resulting in strong growth across the business. We continue to see improvement in trade activities, and coupled with new contracts with shipping lines at certain terminals, we saw a 5-percent increase in throughput."

Revenue grew by 21 percent to \$528.3 million, 21 percent higher compared to the \$435.6 million reported last year, while earnings before interest, taxes, depreciation, and amortization (ebitda) rose by 28 percent to \$337.9 million as a result of the strong performances from new terminals and joint ventures.

"These results demonstrate the strength of our business and its ability to deliver growth through our diversified portfolio and longstanding, positive relationships with local communities all over the world. We are cognisant of challenges ahead as the tragic conflict in Ukraine impacts the global economy and continue to monitor the situation carefully," he added.

ICTSI handled a consolidated volume of 2.833 million twenty-foot equivalent units (TEUs) in the first quarter of 2022, up 5 percent boosted by the improvement in trade activities, as economies continue to recover from the impact of the pandemic. The new contracts with shipping lines and new services at certain terminals,

a new terminal, International Container Terminal Services Nigeria Ltd. (ICTSNL) in Port of Onne, Rivers State, Nigeria, likewise contributed to the volume growth.

Gross revenues from port operations grew by 21 percent to \$528.3 million mainly due to volume growth at most terminals, favorable container mix, raiff adjustments at certain terminals, new contracts with shipping lines and services, and higher revenues from ancillary services. The new terminals ICISNI. in Nigeria, Manila Harbor Center Port Services Inc. (MHCPSI) in the Philippines and IRB Logistica in Brazil also contributed to the revenue growth.

Capital expenditures, excluding capitalized borrowing costs, amounted to \$52.4 million for the first quarter of 2022, which were mainly for ongoing expansion projects at Manila International Container Terminal (MICT), VICT in Melbourne, Australia, Contecon Manzanillo SA. de C.V. (CMSA) in Manzanillo, Mexico and ICTSI DR Congo S.A. (IDRC) in Matadi, Democratic Republic of Congo.

ICTSI Group's capital expenditure budget for 2022 is approximately \$330.0 million, to be utilized mainly for the payment of the concession extension upfront fees at Madagascar International Container Terminal Services Ltd. (MICTSL); ongoing expansion at the terminals in the Democratic Republic of Congo, Australia, Mexico, and the Philippines. ICTSI will also allocate a budget for equipment acquisitions and upgrades as well as various maintenance requirements.

"ICTSI is a resilient business and I am confident that together with our talented team of people, we will continue to deliver value to all our stakeholders," Razon said.