

# 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 14, 2023
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  
Manila, 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  
+63 2 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 (Current)	2,031,895,788
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 Second Quarter 2023 Earnings Release

### Background/Description of the Disclosure

ICTSI 1H2023 Net Income Up 7% to US\$313.80M  
- Throughput grew 9% to 6.28 million TEUs; Organic volume grew by 1%  
- Revenues increased 10% to US\$1.16 billion  
- EBITDA 8% higher to US\$728.88 million  
- Diluted EPS increased 9% to US\$0.147

### Other Relevant Information

Please see attached ICTSI 2Q2023 Earnings Release

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

<b>Arlyn L. McDonald</b>
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(Contact Person)

<b>8245-4101</b>
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(Company Telephone Number)

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Month Day  
(Fiscal Year)

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(Form Type)

0	4	<b>Every 3<sup>rd</sup> Thursday</b>
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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

Total Amount of Borrowings

<b>1,347</b>
<b>as at June 30, 2023</b>

Total No. of Stockholders

<b>US\$783.4M</b>
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Domestic

<b>US\$1,527.2M</b>
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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. **August 14, 2023**  
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**

**Number of Shares Outstanding**

Common shares

2,031,895,788

*(Current Outstanding Common shares)*

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

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**ICTSI 1H2023 Net Income Up 7% to US\$313.80M**

- Throughput grew 9% to 6.28 million TEUs; Organic volume grew by 1%
- Revenues increased 10% to US\$1.16 billion
- EBITDA 8% higher to US\$728.88 million
- Diluted EPS increased 9% to US\$0.147

Enrique K. Razon, ICTSI Chairman and President said: "ICTSI's diversified portfolio, operational discipline and the determined focus from our fantastic team around the world has enabled us to deliver another strong financial performance."

"We have a robust balance sheet and a highly cash generative business which looking ahead, will enable us to continue our strong track record of investing in our terminals to support future

growth for the benefit of all our stakeholders. Our estimated capital expenditure is US\$400 million for the year which will be used to expand and improve productivity and efficiency at terminals including Australia, Mexico, Philippines, Democratic Republic of Congo and Nigeria. These investments are examples of our ongoing commitment to make our ports more efficient, accessible and globally competitive.”

“The macroeconomic and geopolitical climate continues to be uncertain but these results give us continued confidence in our financial and operational resilience. The opportunities for future growth are considerable and we will work closely with our stakeholders to achieve positive change for the communities in which we operate and deliver long-term sustainable growth.”

International Container Terminal Services, Inc. (ICTSI) today reported unaudited consolidated financial results for the first half of 2023 posting revenue from port operations of US\$1.16 billion, an increase of 10 percent from the US\$1.06 billion reported for the first six months of 2022; Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) of US\$728.88 million, eight percent higher than the US\$672.14 million generated the same period last year; and net income attributable to equity holders of US\$313.80 million, seven percent more than the US\$294.48 million earned in the first half of 2022 primarily due to higher operating income and interest income, and lower COVID-19-related expenses; partially tapered by nonrecurring impairment of goodwill attributed to Pakistan International Container Terminal (PICT) and increases in depreciation and amortization, interest on loans, lease liabilities and concession rights payable. Excluding the impairment of goodwill attributed to PICT, net income attributable to equity holders would have grown 10 percent to US\$324.41 million. Diluted earnings per share increased nine percent to US\$0.147 in 2023 from US\$0.135 in 2022.

For the quarter ended June 30, 2023, revenue from port operations increased 11 percent from US\$534.64 million to US\$592.73 million; EBITDA was 12 percent higher at US\$374.68 million from US\$334.29 million; and net income attributable to equity holders was at US\$159.19 million, five percent more than the US\$152.20 million in the same period in 2022. Excluding the impairment of goodwill attributed to PICT, net income attributable to equity holders would have grown 12 percent to US\$169.80 million. Diluted earnings per share for the second quarter of 2022 and 2023 was at US\$0.070 and US\$0.075, respectively.

ICTSI handled consolidated volume of 6,275,837 twenty-foot equivalent units (TEUs) in the six months ended June 30, 2023, nine percent more compared to the 5,752,582 TEUs handled in the same period in 2022. The increase in consolidated volume was mainly due to the contribution of MNHPI in Manila, Philippines that was consolidated starting September 2022, improvement in trade activities, and new services at certain terminals; tapered mainly by the impact of the expiration of concession contract at PICT in Karachi, Pakistan; cessation of cargo handling operations at Makassar Terminal Services (MTS) in Makassar, Indonesia and Davao Integrated Port and Stevedoring Services Corporation (DIPSSCOR) in Davao, Philippines; and slowdown in trade activities at certain

terminals. Excluding the contribution of MNHPI, PICT, DIPSSCOR and MTS, consolidated volume would have increased by one percent for the six months ended June 30, 2023. For the quarter ended June 30, 2023, total consolidated throughput was nine percent higher at 3,173,732 TEUs compared to 2,919,581 TEUs in 2022.

Gross revenues from port operations for the first half of 2023 increased by 10 percent to US\$1,164.97 million compared to the US\$1,062.91 million reported in the same period in 2022 mainly due to the contribution of MNHPI and new businesses at IRB Logistica in Brazil; volume growth, tariff adjustments and higher revenues from ancillary services and general cargo business at certain terminals; and favorable translation impact mainly of the appreciation of Mexican Peso (MXN)- and Iraqi Dinar (IQD)- based revenues at Contecon Manzanillo S.A. (CMSA) and Basra Gateway Terminal (BGT), in Mexico and Iraq respectively; partially tapered by slowdown in trade activities at Victoria International Container Terminal (VICT) and PICT, including the impact of the expiration of the concession at PICT; and unfavorable translation impact mainly of the depreciation of Philippine Peso (PHP)-, Australian Dollar (AUD)-, Pakistani Rupee (PKR)-, Nigerian Naira (NGN)- and Chinese Renminbi (RMB)- based revenues at Philippine terminals, VICT, PICT, International Container Terminal Services Nigeria Ltd. (ICTSNL) and Yantai International Container Terminal (YICT) in Australia, Pakistan, Nigeria and China, respectively. Excluding the contribution of MNHPI, and impact of new and discontinued businesses, consolidated gross revenues would have increased by six percent for the six months ended June 30, 2023. For the second quarter of 2023, gross revenues increased 11 percent from US\$534.64 million to US\$592.73 million.

Consolidated cash operating expenses in the first six months of 2023 was 15 percent higher at US\$325.85 million compared to US\$283.86 million in 2022. The increase in cash operating expenses was mainly due to the costs contribution of MNHPI and of new businesses at IRB Logistica; government-mandated and contracted salary rate adjustments, increases in-business development expenses and equipment repairs; unfavorable foreign exchange effect of MXN-based expenses at CMSA; partially tapered by decrease in power costs; continuous cost optimization measures implemented; favorable foreign exchange effect mainly of PKR-, PHP- and AUD- based expenses at PICT, Philippine terminals and VICT, respectively; and the expiration of concession contract at PICT and termination of cargo handling operations at DIPSSCOR and MTS. Excluding the contribution of MNHPI, and costs associated with new and discontinued businesses, consolidated cash operating expenses would have increased by 12 percent.

Consolidated EBITDA for the first six months of 2023 increased eight percent to US\$728.88 million from US\$672.14 million in 2022 mainly due to higher revenues partially tapered by the increase in cash operating expenses. EBITDA margin, on the other hand, remained flat at 63 percent in the first half of 2023.

Consolidated financing charges and other expenses increased three percent to US\$91.70 million for the first six months ended June 30, 2023 from US\$88.93 million in 2022 mainly due to

higher interest and financing charges on short-term loan availments in the second and third quarters of 2022 and in the first quarter of 2023, as well as long term-loan availed in first quarter of 2023; and a nonrecurring impairment of goodwill attributed to PICT. This was partially offset by lower Covid 19-related expenses.

Capital expenditures, excluding capitalized borrowing costs, amounted to US\$152.23 million for the first six months of 2023. These were mainly for ongoing expansions and acquisition of equipment at CMSA in Manzanillo, Mexico, VICT in Melbourne, Australia, Manila International Container Terminal (MICT) in the Philippines and ICTSI DR Congo S.A. (IDRC) in Matadi, Democratic Republic of Congo. The Group's estimated capital expenditure for 2023 is approximately US\$400 million. The estimated capital expenditure will be utilized mainly for the ongoing expansion at the Company's terminals in Mexico, Australia, Philippines and Democratic Republic of Congo; second tranche of concession extension related expenditures in Madagascar; yard expansion at ICTSNL in Nigeria; quay expansion at ICTSI Rio in Brazil; development of a recently acquired terminal in East Java in Indonesia; equipment acquisitions and upgrades; and for capital maintenance requirements.

ICTSI is a leading global developer, manager and operator of container terminals in the 50.0 thousand to 3.5 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 2022		1H 2023	% Change
Gross Revenues	USD	1,062.91	USD	1,164.97	10%
EBITDA		672.14		728.88	8%
Net Income		319.84		348.10	9%
Net Income Attributable to Equity Holders		294.48		313.80	7%
Earnings per share					
Basic		0.135		0.147	9%
Diluted		0.135		0.147	9%

#### For the quarter ended June 30

<i>(In million USD, except Earnings per share data)</i>		2Q 2022		2Q 2023	% Change
Gross Revenues	USD	534.64	USD	592.73	11%
EBITDA		334.29		374.68	12%
Net Income		164.99		175.53	6%
Net Income Attributable to Equity Holders		152.20		159.19	5%
Earnings per share					
Basic		0.071		0.075	6%
Diluted		0.070		0.075	6%

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