



IMPORTANT NEW PORT OPENS IN SOUTH KOREA

Highlights:

- South Korea's President officially opens phase one of huge PNC development
- New facility to cater to growing regional demand and new generation vessels

Pusan, Dubai, 19 January 2006: The President of the Republic of Korea, Mr Roh Moo-Hyun, today officially opened the new state-of-the-art Pusan Newport Co. (PNC) terminal in a special ceremony at the quayside, marking the completion of the first phase of a development that will propel the South Korea port to amongst the largest in the world by capacity.

Global port operator and developer, DP World, and Samsung Corporation are the joint-lead sponsors and investors in the project together with the Republic of Korea Government. DP World has been contracted as the operations and maintenance provider to PNC.

The port is located at the boundary of the West side of Busan City and eastern tip of Kyongsangnam-do, Republic of Korea. The new terminal, 1.2 kilometres long, consisting of three berths of 350 metres each, designed to cater for the new generation mega-container vessels, is the first of three phases of the PNC development. A further three berths are scheduled for completion at the end of 2006 and the final three are due to be in operation by 2009. The overall terminal has a conservative estimated handling capacity of 5.5 million TEU and will stretch 3.2 kilometres.

The facility is forecast to become the Gateway Hub of Northeast Asia because of its strategic location between Japan and Northeast China. The surrounding area also has an extremely strong indigenous market and transportation infra-structure which makes the geographic position ideal for such a large container hub facility.

In addition, a total of 4.08 million square meters of terminal and logistics support area has been designated as a Free Trade Zone which will encompass international facilities for integrated logistics and affiliated industries.

Rob Walker, Executive Vice President, DP World and Pusan Newport Company Ltd., said:

"We are excited about the quality services we are able to offer customers at Korea's new Mega Hub container terminal, with sophisticated terminal equipment and software implemented on site. They are a direct result of the innovative approach taken by PNC partners in the development of the technological infrastructure."

Mohammed Sharaf, CEO, DP World, said:

"DP World's involvement in this project reflects our commitment to building long-term relationships with customers and with business partners, and our determination to invest in growth areas so that facilities and services are in place when our customers need them. Further, it underlines our ability to offer integrated terminal and logistics services, enhancing the efficiency of our customers' supply chains."

The advanced container handling equipment at the facility includes nine Ship-to-Shore cranes (STS) and 18 cantilever Rail Mounted Gantry Cranes (RMGC). The STS cranes will enable the terminal to handle the new, wider container vessels and the facility will host the largest container cranes built to date with a rail gauge of 42.7 metres designed for nine traffic lanes and boom outreach over 22 rows. The RMGCs constructed by Doosan Heavy Industries and Construction Co. handle nine rows with a stacking height of six containers and a lifting capacity of 65 LT. The semi-automated cranes are equipped with GPS and trailer positioning systems along with safety features for the protection of trucks.

- Ends -

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Notes for the editor:

DP World is a leading global port operator with a portfolio of operations in Asia, Australia, Europe, Latin America, and the Middle East. The company has 22 container terminals in 15 countries.

DP World is the result of the integration of Dubai Ports Authority ("DPA") and DPI Terminals ("DPI") in September 2005. This new entity continues the tremendous success of the DPA and DPI businesses, which have been at the forefront of Dubai's extraordinary transformation into one of the world's leading trade and commerce hubs.

DP World manages the commercial and operational aspects of the port network, formerly developed and managed by DPA and DPI.

In 2005, the terminals operated by DP World handled an estimated 13 million TEU which include ports on five continents from the Americas to Asia.

DP World's unique cross-sector expertise offers solutions in all aspects of port operations, ultimately driving efficiency and financial returns for port users. DP World will continue to provide the same high level of service that customers have come to expect. DP World continues to provide a superior level of service to shipping lines at its flagship domestic operations of Port Rashid and Jebel Ali which has been voted "Best Seaport in the Middle East" for 10 consecutive years. Dubai is ranked as the 10th largest port operation in the world and DP World is the 7th largest global operator.

There are a number of significant projects in the pipeline that will strengthen the DP World network, including developments in Asia, Europe, and the Middle East. In February 2005 an agreement with the Cochin Port Trust (CoPT) was signed to construct, develop and operate an international container transshipment terminal at Vallarpadam, Kochi, India. It is the largest single operator container terminal currently planned in India and the first in the country to operate in a special economic zone. The new terminal will make Kochi a key centre in the shipping world reducing India's dependence on foreign ports to handle transshipment.

One cornerstone project, which underlines DP World's position as a major player in Asia, is the development of Pusan Newport, South Korea. DP World has a 39.55% interest in and management contract for this 9-berth facility, which has a capacity of 5.5 million TEU.

In March 2005, DP World was awarded a 30 year concession to develop and operate the container terminal at the Port of Fujairah, in the UAE. This was followed in July 2005 by the awarding of a management contract for Mina Zayed Port, Abu Dhabi. These concessions will enable DP World to streamline operations at the major container facilities of the UAE, and further increase the choices available to its customers. In June 2005 DP World was short listed as preferred bidder to operate the container terminal at the Port of Aden.

In November 2005 DP World also announced agreements to develop new container terminals at Yarimca, Turkey and Qingdao, China.

On 29 November 2005, DP World announced the terms of a recommended cash offer to acquire all of the issued and to be issued Deferred Stock of the P&O Group. When completed, this deal will make DP World a top three global port operator.

DP World also has interests in logistics businesses in Hong Kong and China, notably ATL, the market leading logistics operator based at Kwai Chung, Hong Kong.

FACT FILE

Items		2006	2007	2009	Whole Scale
Berth	Length	1,200M (3)	800M (3)	1,200M (3)	3,200M (9)
	Depth	-16 M	-16 M	-17 M	-16M/-17M
	Total Space ()	443,072	284,363	437,896	1,165,331
Container	Storage Yard ()	191,735	111,750	186,739	490,224
Yard	Ground Slot (TEU)	10,446	7,620	10,932	28,998
	Max. Storage cap. (TEU)	46,570	35,858	50,094	132,522
Gate	Lane	12 (East)		8 (West)	20 (E/W)
Rail	Number of Tracks	5		5	10
	RMGC	2		2	4
Equipment	STS Crane	9	9	8	26
	Yard Crane (RMGC)	18	29	34	81
	Yard Tractor	60	55	50	165
	Reach Stacker	2	-	2	4
	Empty Handler	3	-	2	5

BACKGROUND

Pusan Newport Co., Ltd., a joint-venture established by Korea's largest conglomerates, was successful in winning a competitive bid in January 1997 to design, construct and operate a state-of-the-art privatized container terminal to the west side of Busan, South Korea. This Project is one of the three National Policy Projects (Inchon International Airport and Seoul-Busan High Speed Railway are the others) designated in March 1994.

In June 1997, PNC entered into a 50-year Concession Agreement with MOMAF to build, operate and transfer the proposed container terminal. PNC will have the right to operate the terminal rent-free for fifty years from the first year of operation for Phase 1, and generate revenues through tariffs collected from the users of the terminal. The CA, therefore, runs for fifty years of operation, after which the management and operation right to the terminal will revert to the GOK.

On May 29, 2003 Pusan Newport and CSX World Terminals (now DP World) entered into a management agreement. The agreement is in force (30) years from the start of commercial operations with two (10) year extension options on terms mutually agreeable to the parties.

The project is divided into three phases:

- Phase 1 & 2: 6 berths with a 16m depth, designed to handle 3.375 million TEUs per year, on a 2000m quay wall, supported by terminal acreage of 120 hectares;
- Phase 3: additional three berths with a 17m depth, designed to handle 2 million TEUs per year, on a 1200m quay wall, supported by terminal acreage of 72 hectares and related terminal expansion.

Construction of Phase 1 commenced in November 2001. The completion of the first three berths was at the end of December 2005. The next three berths will be completed by the end of 2006.

There are nine shore side gantry cranes and 18 Rail Mounted Gantry Cranes in the yard for operations on the first three berths. Phase 1 is expected to reach its full capacity of 3.3 million TEUs in 2009.

Construction for Phase 2 commenced January 4th, 2005 with a target completion date of May 2009. The Government of the Republic of Korea is responsible for developing relevant support infrastructure which includes the harbour breakwater (completed), navigational channel, sea walls, water/sewage/electricity/telecommunication utilities and transportation infrastructure connecting the container terminal to hinterland markets for the entire Phase 1.