



## DP WORLD TO DEVELOP AND OPERATE NEW CONTAINER TERMINAL IN TURKEY

### Highlights

- DP World acquires green field coastal site at Yarimca, Turkey, for \$US 105 million, and rights to construct new container terminal
- Subject to final approvals from the federal and local government, construction work will commence in 2006
- DP World plans to invest over \$US170 million in terminal infrastructure
- Terminal expected to have capacity of 1 million plus TEU and commence operation in 2008

**Dubai, London, Istanbul, 2 November 2005:** DP World, one of the world's leading port operators, is delighted to announce the acquisition of a green field coastal site at Yarimca, Turkey, which the company will develop into a new container terminal facility. The completed 48 hectare site, on the Sea of Marmara, will enable DP World to build and operate a 1 million plus TEU terminal with a planned quay length in excess of 1200m.

DP World has agreed to acquire the existing site from Turkish steel producer Erdemir for a net cash consideration of US\$105 million, and with it the rights to develop a new container terminal. Subject to all necessary final approvals, DP World expects to start work on the development of the site in 2006 and the terminal is expect to commence operations in early 2008. The terminal will be the first in Turkey to be wholly owned by an international operator.

The move into Turkey is in line with DP World's strategy of investing in growth markets such as Eastern Europe and China. The new terminal at Yarimca will facilitate the growing local industrial activity which is currently under served by container terminal capacity.

Turkey is a country of considerable economic growth and its infrastructure such as ports will play a crucial part in sustaining its development. Foreign trade with Turkey is growing at an annual rate of 30% with average annual GDP growth of 7.1% since 1999. In recent years, Turkey has undergone significant reforms of its tax and investment laws making the country more attractive for foreign investment including reduction in corporate tax, stabilisation of the currency and legal framework in line with EU standards.

**Mohammad Sharaf, CEO, DP World, said:**

"This is our first investment in Turkey and I am delighted to announce the acquisition. The new terminal at Yarimca will give us an important platform to expand our operations in Eastern Europe. The development is a strong fit with our strategy of investing in developing markets in Europe and Asia. We already have a successful operation at Constanta, on the Black Sea and we will continue to identify opportunities in the region that will enable us to grow our network profitably and serve the needs of our customers. DP World is committed to long term

investment in the local communities and countries in which we operate and this project will be no exception. We plan to invest over \$US 170 million in the infrastructure at the terminal and we fully expect the operation to be a commercial success.”

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**For further information please contact:**

**Bell Pottinger Communications**

Dubai:

Tom Mollo/Elaine Boucher

+9715 0550 4203; +9715 0422 9680

[tmollo@bell-pottinger.co.uk](mailto:tmollo@bell-pottinger.co.uk); [eboucher@bell-pottinger.co.uk](mailto:eboucher@bell-pottinger.co.uk)

London:

Robin Tozer

+44 7887 721 295

[rtozer@bell-pottinger.co.uk](mailto:rtozer@bell-pottinger.co.uk)

**Notes for the editor:**

**DP World** is the result of a merger between 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 will handle an estimated 12.5 million TEU which include ports (on six continents if you consider Dominican Republic in North America) 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 when they call at DPA and DPI operated terminals. 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 the 10<sup>th</sup> largest port operation in the world.

There are a number of significant projects in the pipeline that will strengthen the DP World network, including developments in India, Asia 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 25% interest in and management contract for this 9-berth facility, which will have a capacity of 5.5 million TEU. It is currently under construction and is expected to be operational by 2006.

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.

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.