



P&O PORTS AND P&O NEDLLOYD SIGN LEASE FOR PORT NEWARK CONTAINER TERMINAL

1st November 2000

P&O Ports and P&O Nedlloyd are today joining forces to become the newest terminal operator in the Port of New York and New Jersey. The new joint venture company - Port Newark Container Terminal LLC (PNCT) - is signing a 30-year lease with the Port Authority of New York and New Jersey today to operate a 158-acre container terminal in Port Newark, New Jersey.

The first phase of redevelopment, which will cost \$150 million, will include strengthening and deepening berths to accommodate super post-panamax vessels, deployment of state-of-the-art cranes and straddle carriers, and the installation of advanced terminal management systems. The redevelopment programme will commence in December 2000 and be substantially complete by the end of 2001. When fully developed, PNCT will have the capacity to handle one million containers (measured in 20-foot equivalent units) with 4,400 feet of wharf and nearly 158 acres of associated yard space.

"We welcome PNCT as the newest member of this harbour's stevedoring community," said Lewis M Eisenberg, Chairman of the Port Authority's Board of Commissioners. "We have no doubt that they will be a contributor to the port's growth in cargo activity and production over the next several decades."

Alistair Baillie, Director of P&O Ports, said, "We are delighted to be signing a lease with the Port Authority of New York and New Jersey to redevelop the Port Newark terminal to provide efficient services to the Port's rapidly expanding container trade. This development continues our strong growth in North America where we are now one of the leading port service providers."

Mike Seymour, President and CEO of P&O Nedlloyd, North America, said, "P&O Nedlloyd is extremely pleased that it now has a major interest in a terminal in the Port of New York and New Jersey. This facility will allow it to ensure a high quality service to its customers in years to come and underscores its commitment to the North American market and to the provision of comprehensive logistics packages."

Robert E Boyle, Executive Director of the Port Authority, said, "Our port has many advantages that we can offer PNCT, including unparalleled access to the largest most affluent market in North America and excellent ship to rail connections. We are pleased to have a company with the stature of PNCT as our newest partner in our redevelopment efforts."

Port Commerce Director Richard M Larrabee said, "PNCT's commitment to make significant investments in the Port of New York and New Jersey is yet another example of how attractive this port has become as a place to do business. We look forward to a long and mutually beneficial partnership with PNCT and fully expect that they will add to the growing success of our port."

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Note to Editors

1. In 1999, the Port of New York/New Jersey was the largest port on the North American East Coast handling 2.8 million TEUs (20-foot equivalent units) with an annual container growth rate in 1999 of 14.7%. It is the 3rd largest US port and the 13th largest in the world.
2. Maersk, Inc. and Universal Maritime Service Corp. formerly occupied the Port Newark container terminal before Maersk-Sealand consolidated its operations into the Sealand terminal at the Elizabeth-Port Authority Marine Terminal.
3. P&O Nedlloyd was formed in December 1996, as a 50:50 joint venture of P&O and Royal Nedlloyd, representing the liner shipping interests of the two companies. It is one of the three largest container carriers world-wide, with routes connecting all parts of the globe.
4. P&O Ports, one of the world's leading container terminal operators and developers, is a wholly owned subsidiary of the P&O Group. It operates over 25 container terminals in 16 countries with other cargo handling interests in a further 50 ports

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