



NEWS RELEASE

Premier of New South Wales

PORT BOTANY'S \$1 BILLION THIRD TERMINAL OPERATOR ANNOUNCED

18 December 2009

The State Government today announced Hutchison Port Holdings has been appointed as the operator of the new Third container terminal (T3) at Port Botany.

The announcement was made by the Premier Kristina Keneally on the back of record trade figures for Port Botany.

The NSW Government has appointed Hutchison Port Holdings – one of the world's largest port operators – the operator of the \$1 billion Port Botany Expansion project.

This is one of the most extensive and innovative port infrastructure projects undertaken in Australia in the last 30 years.

Port Botany generates more than \$1.5 billion a year in economic activity for the Australian economy.

The expansion will cement Port Botany's position as one of the most important container ports in the world. It is due to be built and operating for trade by 2012.

It is expected the new terminal will deliver 9000 new jobs and boost the state's economy by \$16 billion over the next 20 years.

Premier Kristina Keneally said: "The expansion of the Third Terminal for Port Botany is about preparing for the infrastructure needs of NSW and Australia."

"T3 will underpin future job growth as well as export and import trade for NSW and Australia," Ms Keneally said.

Hutchison operates 300 berths in 49 ports around the world, with interests in 25 countries throughout Asia, the Middle East, Africa, Europe, the Americas and Australia.

Record Growth

Despite the global economic downturn, Port Botany has posted eight consecutive years of record growth. This year, it set record monthly highs for October and November.

Port Botany sees around \$40 billion worth of trade every year, handling 1.78 million containers last year.

State Accounts data released yesterday by the Australian Bureau of Statistics reveals NSW international exports grew for the fifth year in a row in 2008-09. Growth in exports for the year was \$846 million, or an extra 1.6 per cent, while growth over the five years was \$5.1 billion, or an extra 10.3 per cent

Sydney's container trade through Port Botany hit record highs this financial year, up 0.3 per cent with a 15 per cent growth in exports, and November figures show an increase of 7.9 per cent on the same period last year.

This is the second month of new records, surpassing the October record by 2.1 per cent, with China contributing around one third of the total container trade growth.

“With the NSW Government’s record investment in port infrastructure, we are well placed to reap the rewards when market conditions improve.”

Construction on the 63 hectare third terminal began in July 2008, parallel to the procurement of an operator, and around 400 workers are on site working at Port Botany every day.

More than half the new wharf face has now been built, with 50 of the 640 tonne seven-storey concrete and steel units which make up the face of the wharf now in the water.

The terminal will have an additional 1850 metres of quay line, five new shipping berths, dedicated road and rail access, a secure estuarine environment and a new 4 lane boat launching ramp with pontoons and parking for the community.

Ports and Waterways Minister Paul McLeay said: “T3 will increase competitive tension in the sector through greater competition with the two existing stevedoring operations.”

“To be competitive in global trade we need world class facilities and international operators and that’s what we will have with this massive infrastructure investment.

“Increased competition will benefit business and the residents of NSW by reducing cargo handling charges for goods that come through the port,” Mr McLeay said.

Hutchison Port Holdings Group Managing Director John Meredith said: “Australia is a major market for HPH, and we are pleased to be part of the New South Wales government’s plan to provide world-class port facilities in the state.”

“Port Botany is New South Wales’ premier port and one of Australia’s major international container ports, handling one-third of the country’s container traffic.

“We are optimistic about the future growth of Port Botany as trade increases between Australia and Asia in line with the recovering world economy,” Mr Meredith said.

Port Botany Key Facts:

- Port Botany is the Australia's 2nd largest container terminal handling a third of all container traffic (1.78 million containers in 2008/09);
- It generates \$1.5 billion a year in economic activity;
- About \$40 billion of trade is handled by Port Botany each year;
- Over 90% of imports and exports are transported by sea;
- Long term growth rates have been consistently around the 7% mark since the 1970's;
- Import containers make up about 50 per cent of Port Botany's container trade; and
- Export containers account for 25 per cent and empty containers for approx 25 per cent.