

# BATUMI

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# Mersin Port To Expand Routes To Be Redrawn



# SHARE HOLDERS



PSA International, is the leading port operator of choice in the world's gateway hubs, with a network stretching coast to coast, operating around the world in different countries. Singapore is the second port in the World's Top 25 Container Handling Ports in 2015.

Singapore	Colombia	Turkey
Panama	China	Thailand
Belgium	India	Italy
Argentina	Saudi Arabia	Vietnam
Portugal	South Korea	Japan



Akfen Holding was established in 1976. Operations cover a wide spectrum of activities;

- Airport concessions and construction: Istanbul, Ankara & Izmir Airports
- Marine transport : IDO Istanbul Ferry & Seabusses Co.
- Energy and real estate : Ibis and Novotel
- Water distribution and waste water services

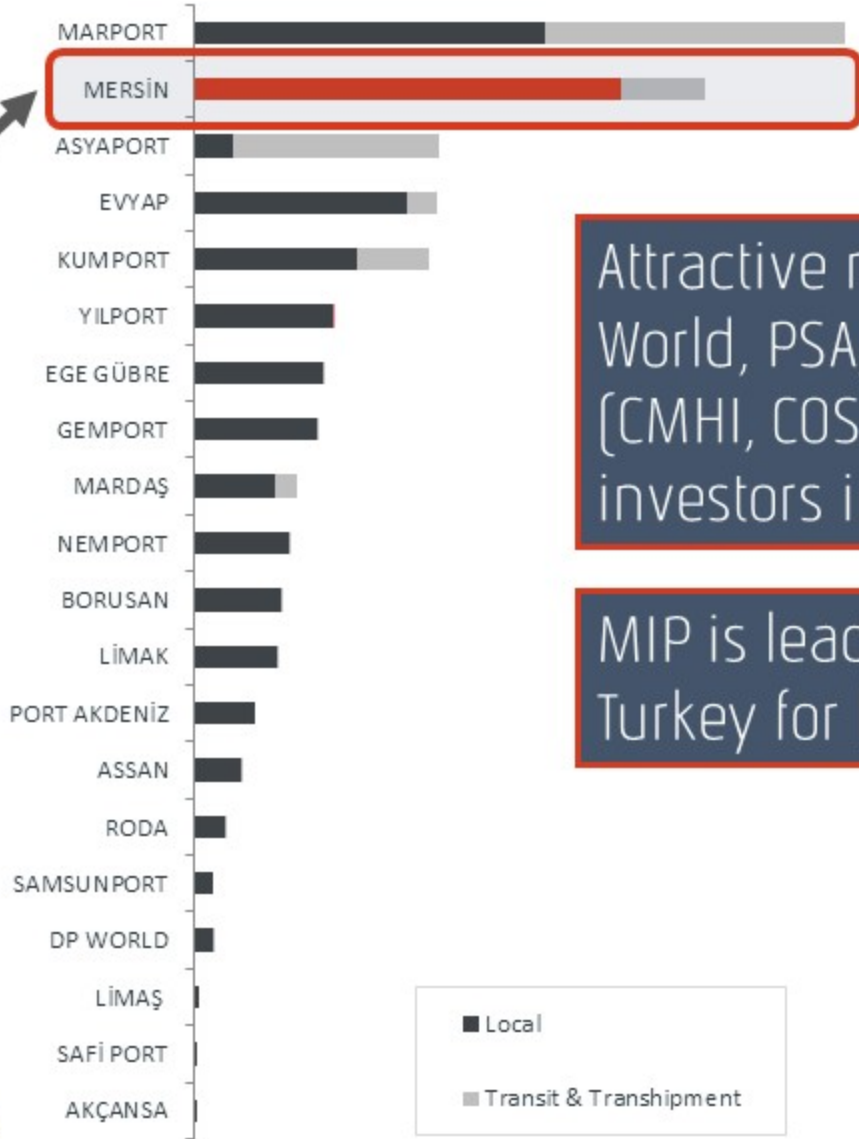
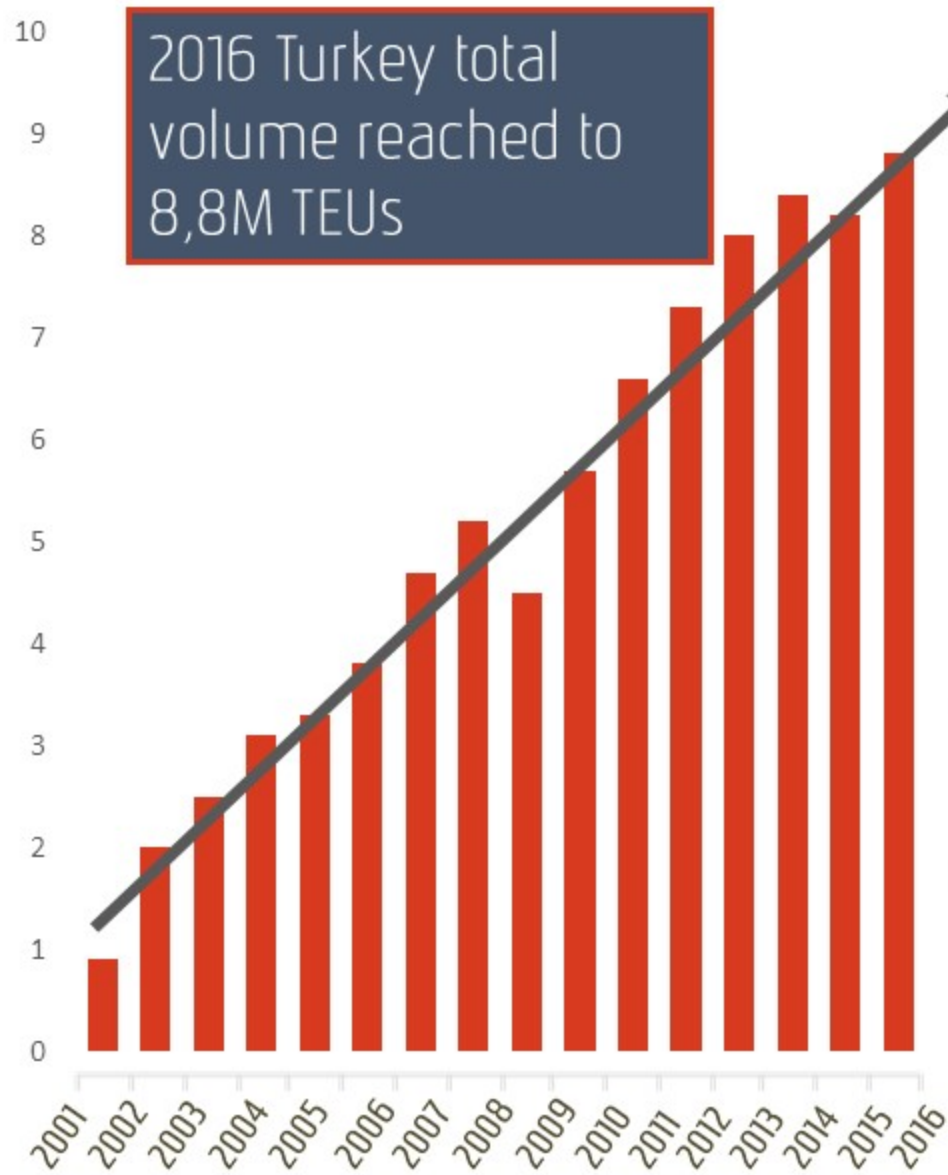


**Mersin Port was tendered by the Privatization Administration of Turkey and its operation rights were awarded to the PSA-Akfen Joint Venture Group until 2043.**

**Mersin International Port Management Inc. was established as a joint venture of PSA International and Akfen Holding on May 11, 2007 and handover of the port was completed.**



# Turkey Total Container Throughput - 2016



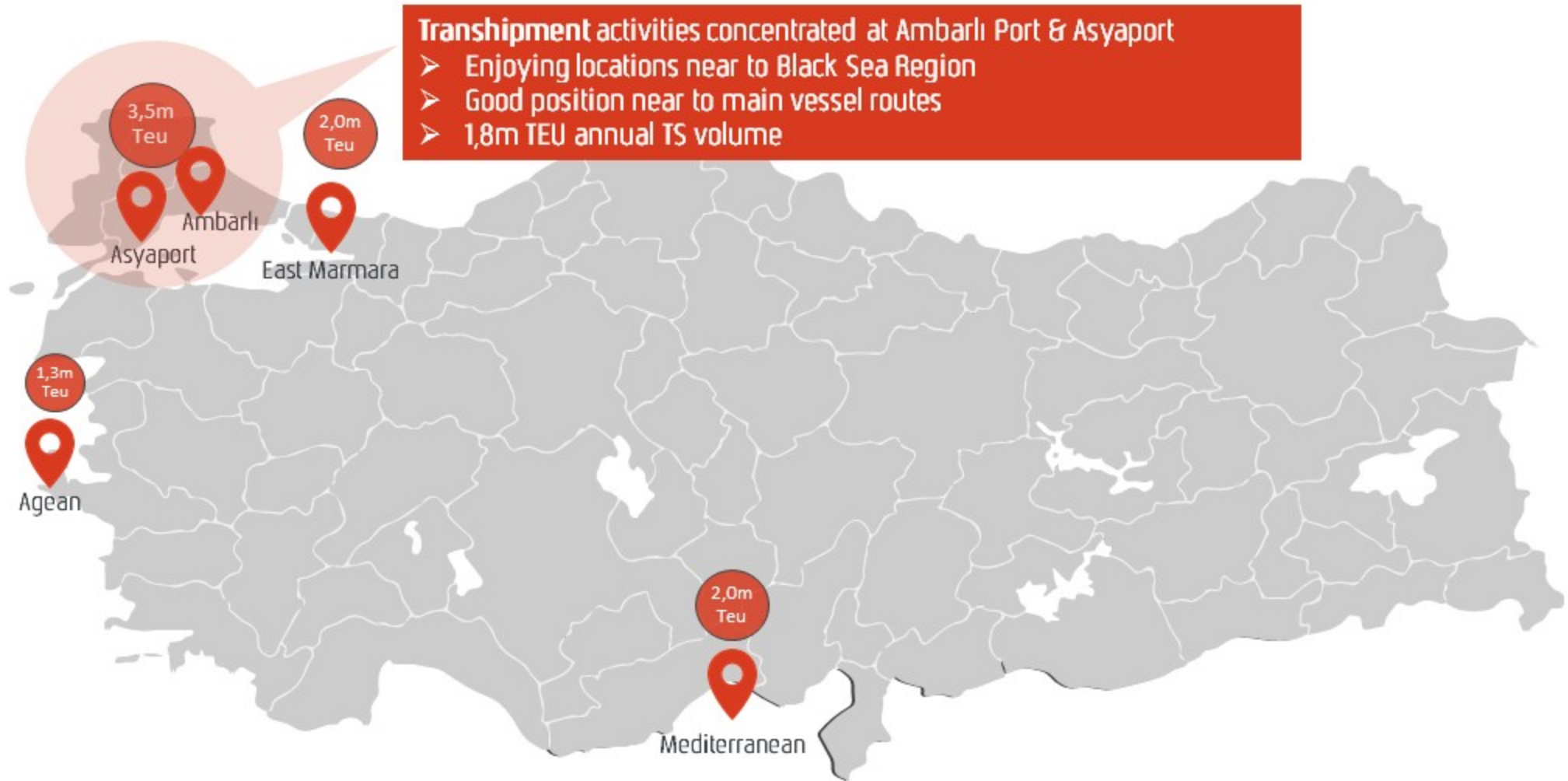
Attractive market : TIL, APMT, DP World, PSA, Chinese Consortium (CMHI, COSCO and CIC) and other investors in the game

MIP is leading container handler in Turkey for local boxes



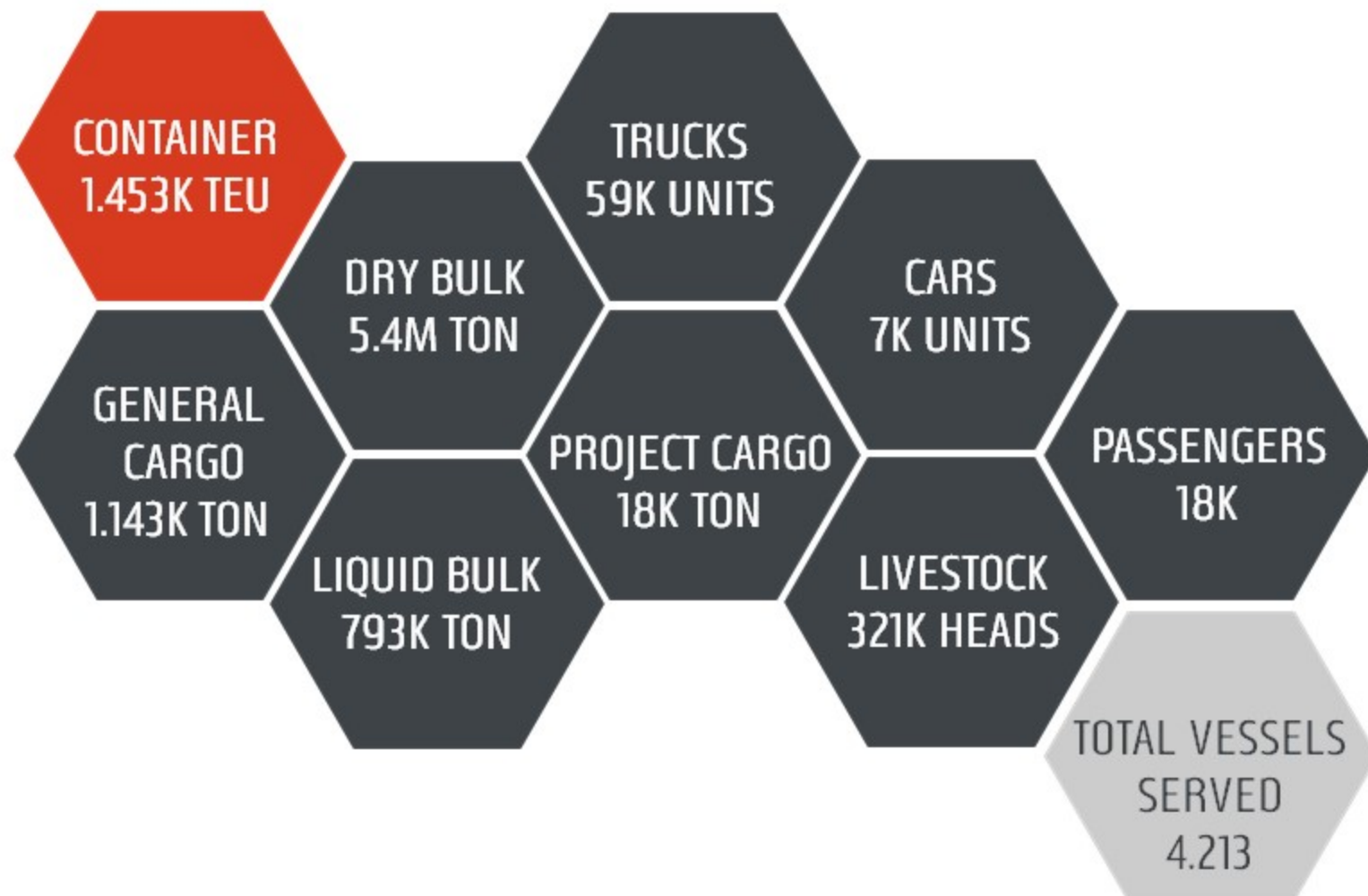
## Regional Volume Distribution

Majority of container volume handled around Istanbul  
Marmara Region Ports handled 1,8m TEU transshipment, mainly destined to Black Sea



# MIP : Leading Multipurpose terminal in Turkey 2016

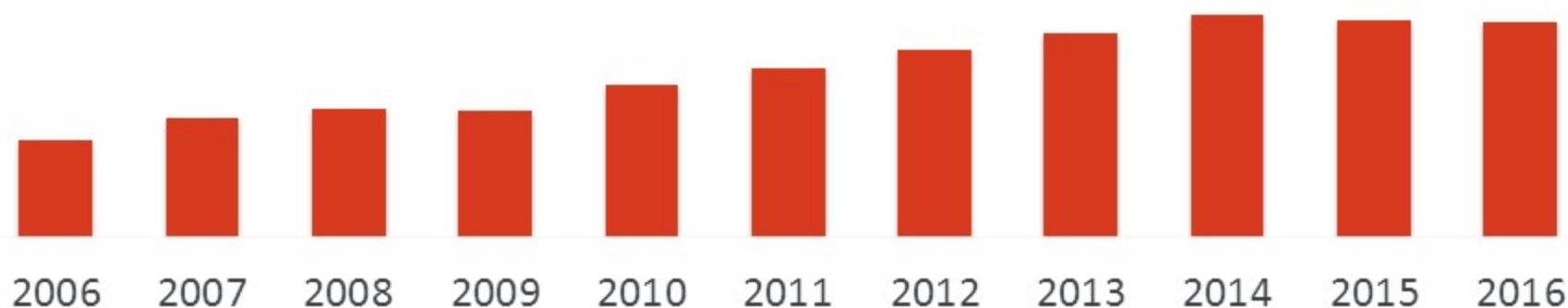
Multipurpose Facilities Suited For a Wide Range of Customer Needs



# MIP : Volume Evaluation and Operational Excellence

Good track of operational KPIs for continuous operational enhancement for operational excellence

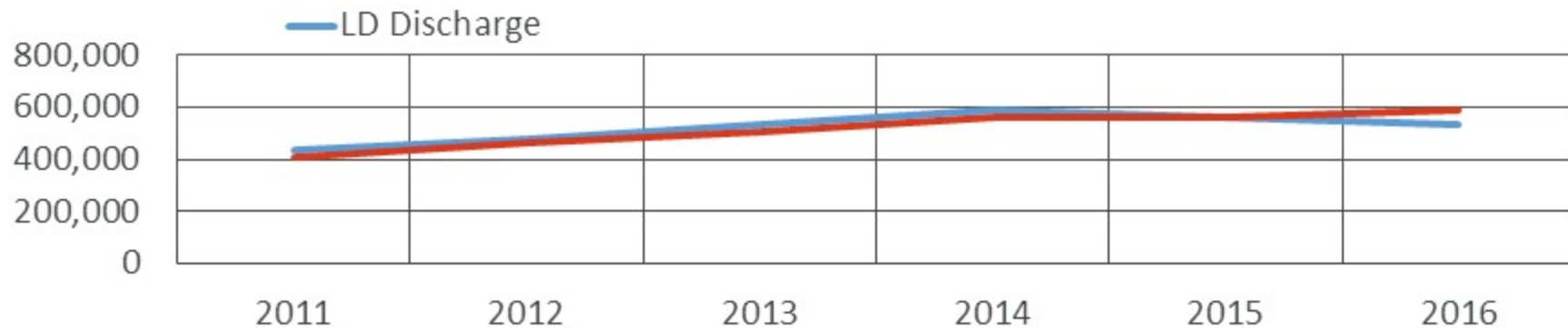
## Total Annual Container Handling Volume



8,4 % CAGR

Remarkable growth potential

## Laden Loading & Laden Discharge Ratio



- Good balance traffic between import & export
- Raw material based import
- Export of processed goods
- Rich underground sources



# Emerging Wide Hinterland

South of Turkey attracting global accounts with operational efficiency and trade opportunities

Marmara is highly saturated and not cost efficient for new investments  
MIP has unique hinterland with diversified commodity types and proven contribution to national growth



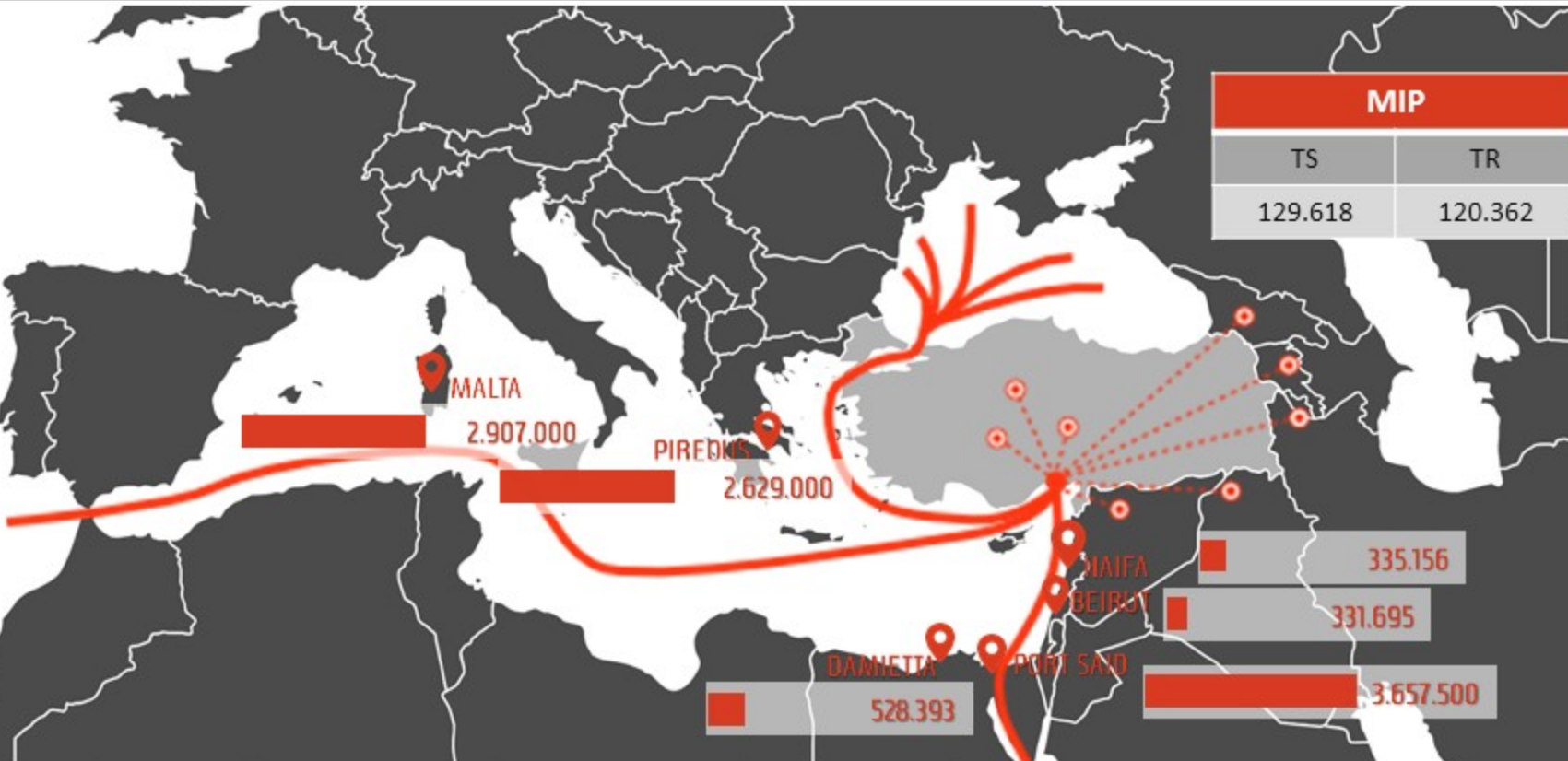
## Key developments Showing Third Party Commitment

	2004	Opening Warehouse
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	2012	Opening Warehouse
	2012	Moved Plant from Izmit (Marmara Region) to Konya (MIP's Hinterland)
	2013	Opening Warehouse
	2014	Opening Logistics & Distribution Centre
Mersin Free Trade Zone	Ongoing	More than 170 companies have applied for the new area
Government Incentives for Region	Ongoing	Expected to stimulate more investment in the Hinterland



# Transshipment Terminals at East Med

East Med terminals enjoys being positioned on major trade lines



MIP receives and delivers majority of Cargo from/to other HUB terminals though handling 1,5M TEU/Year with good intermodal connectivity to local and cross-border destinations

Liners will be enjoying volume consolidation with scale effect of additional transshipment operations

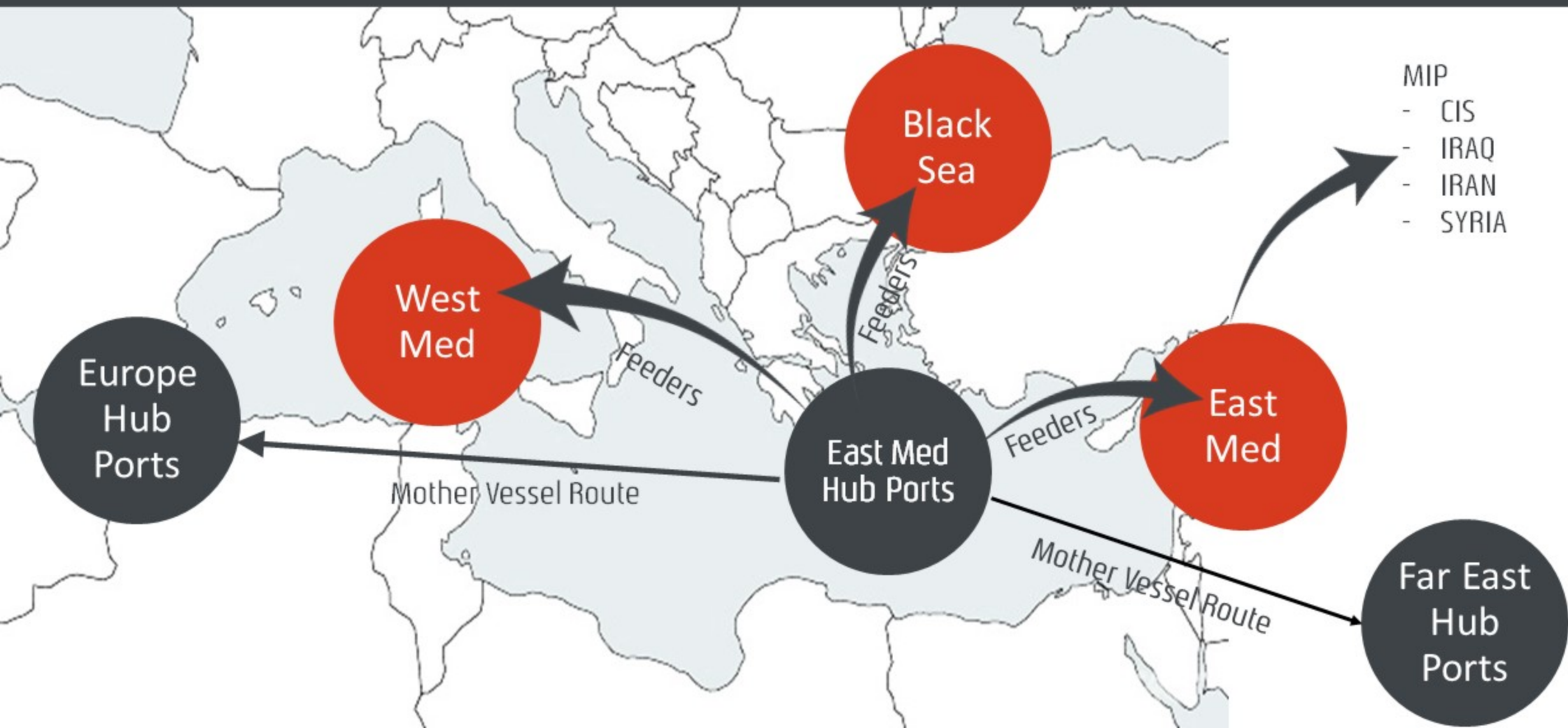
Customer will be enjoying transit times with new launched mega vessels, direct connection to destination terminals

	Term	Total Volume	TS Ratio	TS Volume
Piraeus	2015	3.287.000	80%	2.629.600
Port Said	2015	3.850.000	95%	3.657.500
Damietta	2015	777.049	68%	528.393
Beirut	2015	1.130.300	29%	331.695
Haifa	2016	1.270.377	26%	335.156
Malta	2015	3.060.000	95%	2.907.000

# Nature of Mediterranean Transshipments

MIP has significant growth potential and transit connectivity

Despite biggest deviation distance to main vessel routes, balanced in/out container cargo mix put MIP forward



# Opportunities & Challenges

## Opportunities

- Strong Gateway Position/ Growing Hinterland
- Balanced IM-EX Cargo mix
- Growth potential of Turkey
- Intermodal opportunities
- Eager to Invest through Mega Vessel requirements
- Good respond to scheduled vessel enlargements

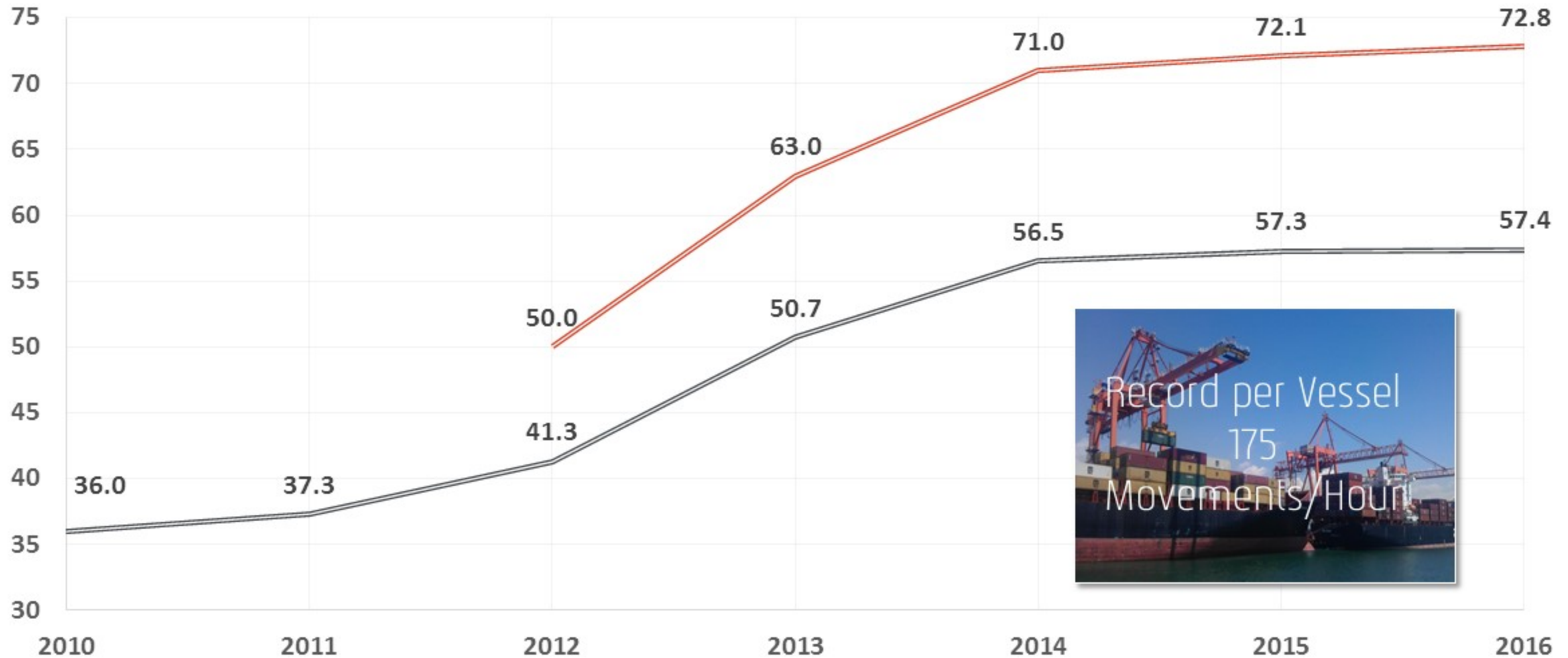
## Challenges

- Deviation from mother vessel routes
- Limited feeder ports around
- Cabotage Restrictions for local feeding



# Improvement in Vessel Operations (VR)

— Avg. Vessel Rate      — Avg. Vessel Rate (Calls w/ over 1.000 movements)



# Project : East Med Hub

	Pre-EMH	Post-EMH
Total Annual Handling Capacity	1.8 m TEU	2.6 m TEU
Total Container Yard	1.1 km <sup>2</sup>	1.2 km <sup>2</sup>
Total Ground Slots	12.500	13.460
Max. Depth at Berth	13,5 m	15.8 m
Max. Depth at Turning Basin	14 m	16.3 m
Max. Depth at Approaching Channel	15 m	17.3 m
Max. LOA Allowed	305 m	400 m
Max. SSG Outreach	18 Rows	23 Rows

## MIP is eager to become a hub port in East Med

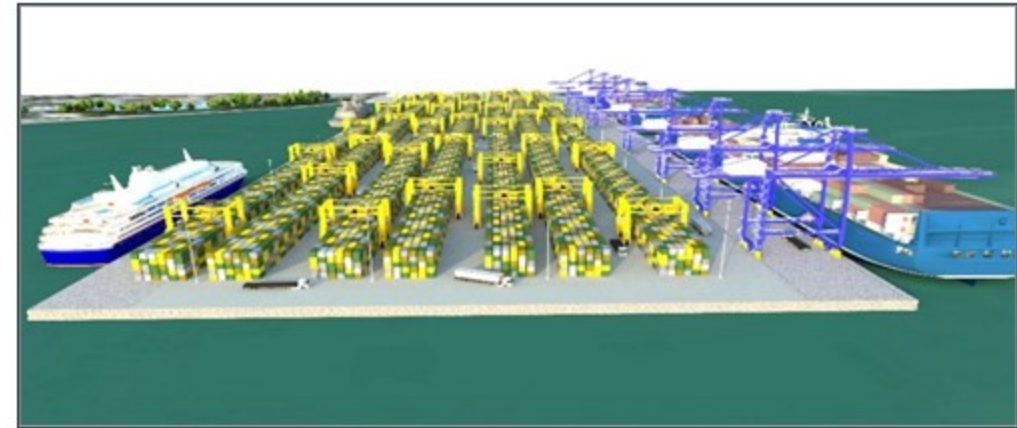
- Ready for 400m LOA mother vessels
- Project in progress to handle 2. mega vessel at the same time
- Handling capacity improvement from 1,8 to 2,6 M TEUs. 3,5M TEUs targeted with new coming Project
- Developing berth performance
- Investments on berth equipment continued
- 60 mph overall performance
- Over 80 mph performance for +260 LOA vessels
- Focus on Yard operations
- +1.000 reefer plugs (Total)
- Investment on yard equipment continued
- Integration developments ready to fasten customs process

# Further Phase: EMH II

MIP will continue to invest for higher capacity

Project for 2nd mega vessel capability and 900K TEUs additional annual capacity

Handling capacity will be reached to 3,5M TEUs per annum





# MIP's Business Approach

- Easy to settle feeder vessel network
  - 60% of volume via feeder network
  - Connections to Mediterranean, Black Sea and Marmara region terminals
- Know-how from global terminal operator giant
  - PSA's operational contributions and long lasting bilateral relations with other parties
- Strong port ecosystem around to support increased local and transit cargo
  - Distribution channels and warehouses around
  - Connectivity to neighborhood countries
- National projects on logistics centers
  - To enhance connectivity with CIS, Iraq, Iran and Syria
  - To consolidate local cargo for cost optimization
- New coming alliance services with new opportunities

