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Sustaining Efficiency in Manila South Harbor and Batangas Port

by Andrew R. Hoad
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9th Philippine Ports & Shipping Conference
Peninsula Hotel, Makati City
23 February 2017

- 1) How was ATI able to achieve a record year in 2016?
- 2) What is ATI doing to help alleviate Metro Manila's road traffic condition?
- 3) How is ATI helping government decentralize Metro Manila traffic?
- 4) What are ATI's plans to help sustain a healthy Philippine Supply Chain?

ATI offers comprehensive and competitive port services for containerized, non-containerized and break bulk cargoes as well as passengers.



Batangas Container Terminal



South Cotabato Integrated Port



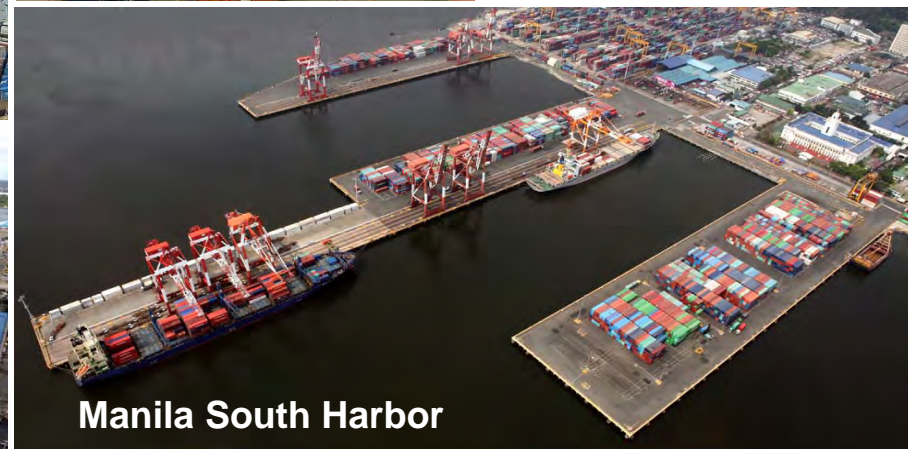
Batangas Passenger and RoRo Port



Inland Clearance Depot Laguna



Sta. Mesa Container Yard



Manila South Harbor



THE PHILIPPINE STOCK EXCHANGE INC.

Philippine Stock Exchange-listed since 1996



Affiliated with global trade enabler DP World -- among the largest terminal operators worldwide

Three decades of experience and expertise



Adding Value. Thinking Ahead. Building a Legacy.



Diverse workforce of +1,500 staff with local and global experience

IMS Certified for Health & Safety, Environment and Quality Standards





ATI's MSH hits 1M teus, delivers record yr 2016



Listed Asian Terminals Inc. (ATI) is capping 2016 on a very high note bannered by record-breaking volume, highest terminal productivity and fastest service delivery as it continues to keep commodities flowing in support of the Philippine economy.

On December 15, Manila South Harbor set a new record as it broke through the one-million teu (twenty-foot equivalent unit) mark for the first time in a single year, driven by robust volume growth and world-class terminal production.

Manila South Harbor



Manila South Harbor berth occupancy below 60%



ATI: South Harbor holiday cargo 'flowing smoothly'



South Harbor handles record 100,000 TEUs in Sept.



ATI sees 2016 as 'best' operational year for Manila South Harbor

BusinessMirror

A broader look at today's business
December 12, 2016

Asian Terminals enjoys best December yet in Manila South Harbor

2016: A Banner Year for ATI



INTERNATIONAL CONTAINER TERMINAL
Annual Capacity = 1.25m - 1.5m TEUs

GENERAL STEVEDORING TERMINAL
Annual Capacity = 1m MT

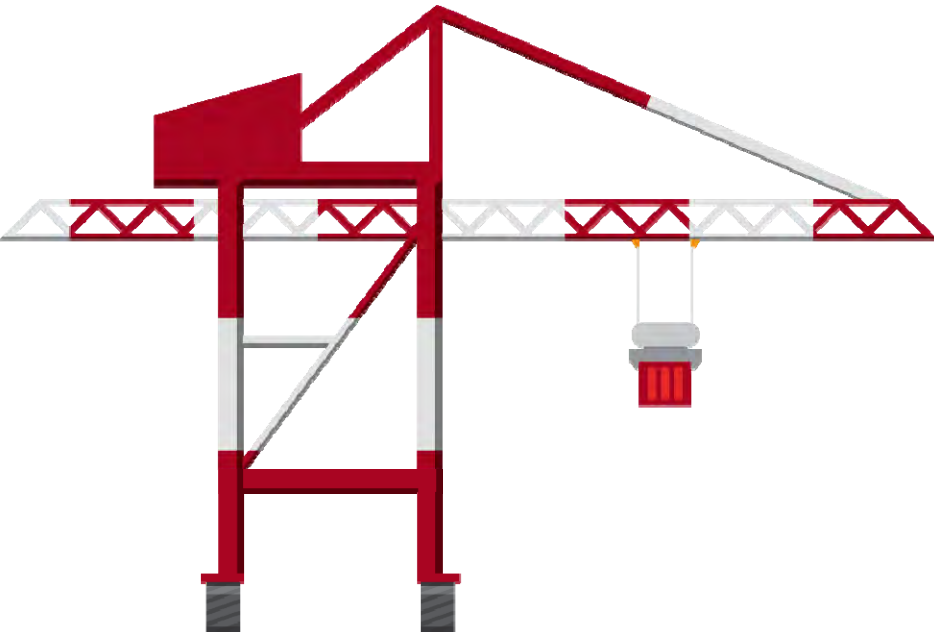


MSH: One of Two International Gateways into Manila



Q1: How was ATI able to achieve a record year in 2016?

Most aggressive investment program in three decades



9 QCs

Quayside Cranes

*2 QCs in 2018



23 RTGs

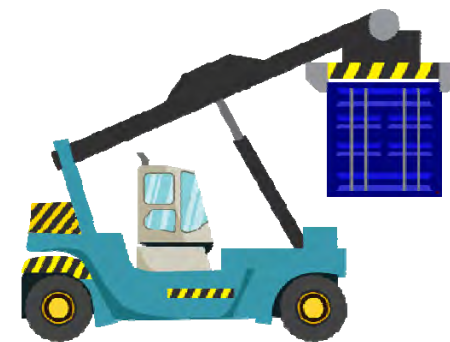
Rubber-Tired Gantry Cranes

50% increase in fleet size from 2013



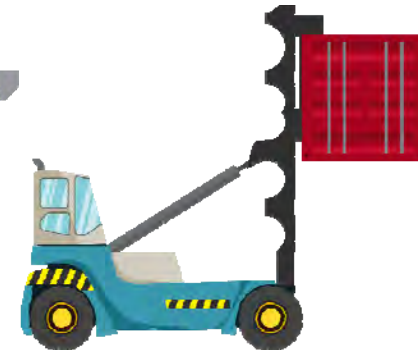
5 RSs

Reach Stackers



68 ITVs

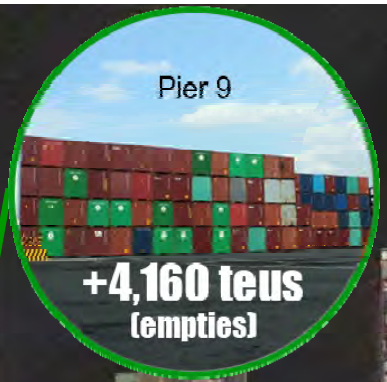
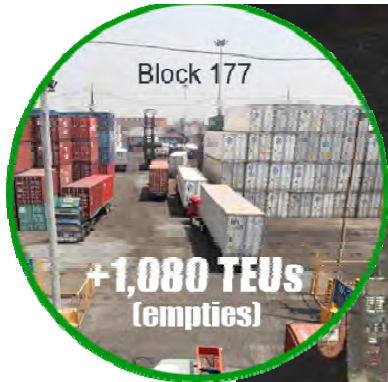
Internal Transfer Vehicles



19 SLs

Empty Side Loaders

50% increase in fleet size from 2013



Impact of Completed Projects:

- Increase of 30% for Empty Boxes
- Increase of 17% for Laden Boxes
- 250 truck slots in THA



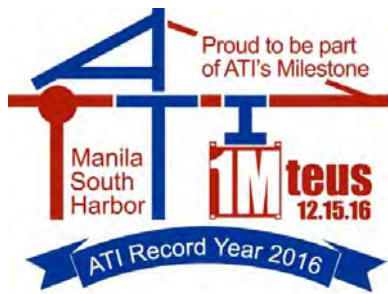
Comprehensive Expansion Projects

- Substantial container space added since 2013
- More landside development projects underway ahead of growth
- All investment aligned with commitment with Philippine Ports Authority



Current Development Projects

Team of professionals working efficiently and safely



- DP World Asia Pac 2016 Best Terminal
- SH lifts record 1.0m teus for 1st time, 19% up on 2015.
- Record production ave. 26 gmph; 30 gmph several mos.
- 22 ops innovations implemented
- Most Improved Safety Risk Profile Score in Asia Pac: +21 points Manila



Technology for Efficiency and Transparency

Traffic Light System for Empty Returns

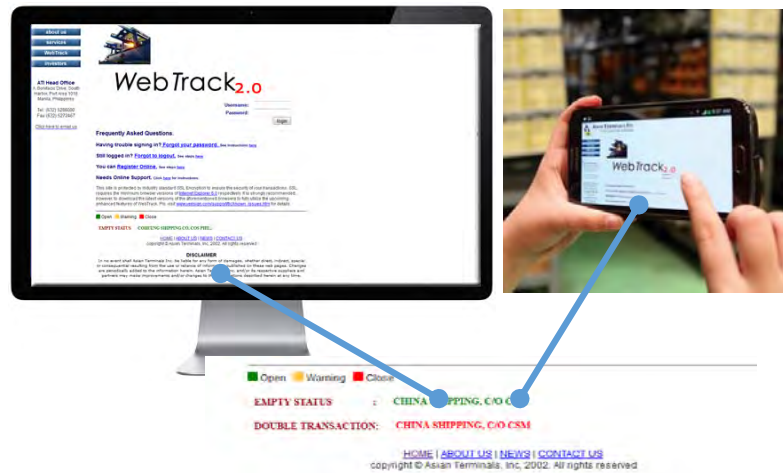


OPEN Shipping line's empty allocation is still open; ready to accommodate empties

WARNING Nearly 10 slots remaining in a shipping line's empty allocation

CLOSE Shipping line's empty allocation is full. Empty containers will no longer be accepted.

Webtrack and MPort App



ePayment Options



Pioneering IT solutions developed by ATI

Efficient & Safe Operations: Achieving 30 gmp/h

- Flow of boxes under the hook
- Skill of the quay crane operators
- Vessel stowage



Factors Affecting Productivity

Efficient & Safe Operations: Achieving 30 gmph

- Hot seat shuttle concept
- 4 vans drive gangs to crane
- Vans stay parked under cranes during shift change.
- Outgoing shift takes vans back.
- Supervisor shifts 1 hour earlier than crane teams to manage takeover.
- Quicker and Safer



Efficient & Safe Operations: Achieving 30 gmp/h

- Segregate customer empties into Multiple Points of Work (POW)
- Dedicate two Empty Container Handlers to every POW. 1 cannot cope
- Set up multiple refueling locations for Empty Container Handlers near POW; 45 minute gain per machine per shift.
- Coordinate empty lashing for typhoons between Operations & Safety departments: lash outer stacks on piers, prior to storms sequencing of outer stacks.
- Reduced stoppage time.



Efficient & Safe Operations: Achieving 30 gmp/h

- Staggered break time system for Terminal vehicle drivers: prevent more than one ITV per gang going for break simultaneously.
- Identify ships with heavy lashing requirement/manual twist locks and proactively plan peak manning.
- Manage ships crew to prevent delays: Crew “toolbox talks”.



Labor Management

Efficient & Safe Operations: Achieving 30 gmph

- Distribute export laden boxes over 8 yard locations closest to the piers. End or rows.
- Import location irrelevant as trucks have to turn at end of blocks anyway.
- Change direction of exports in yard to enable dual cycling.



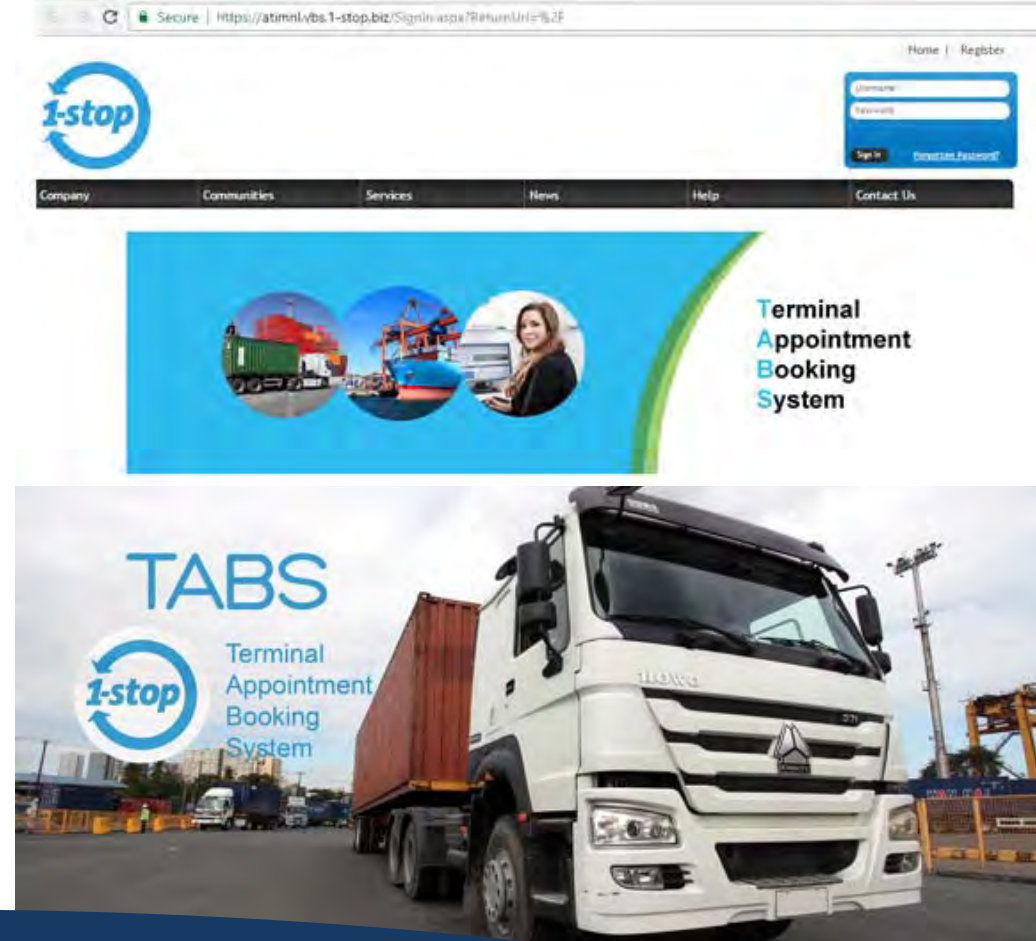
Efficient & Safe Operations: Achieving 30 gmph

- Quarterly operator assessment
- Skill specific refresher training courses
- “Premier League” relegation / promotion discussions with Union
- Hourly production tracking communicated to operators over radios
- Appropriate bonus scheme for operators



Efficient & Safe Operations: Achieving 30 gmp

- Workload more evenly spread over 24 hours with appointments. Speeds berth operation and reduces road congestion as peak equipment demands flattened.
- Workload can be planned ahead, with boxes positioned ready for trucks.
- Manageable number of trucks in yard: keeps internal roadways unblocked and reduces safety risk.



Q2: What is ATI doing to help alleviate Metro Manila's road traffic condition?

Introduced the Terminal Appointment Booking System

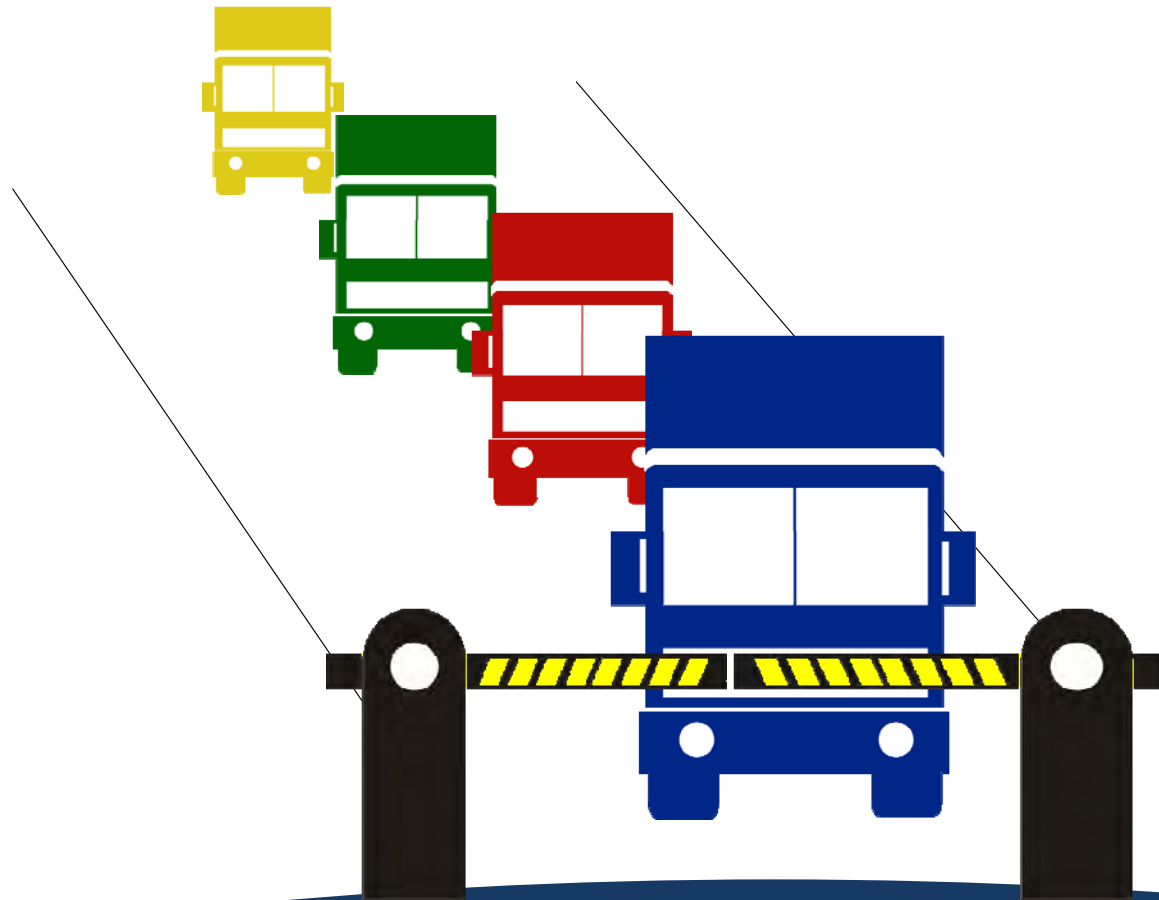


- Random arrival of trucks triggering long line at port gates and road congestion

Without TABS

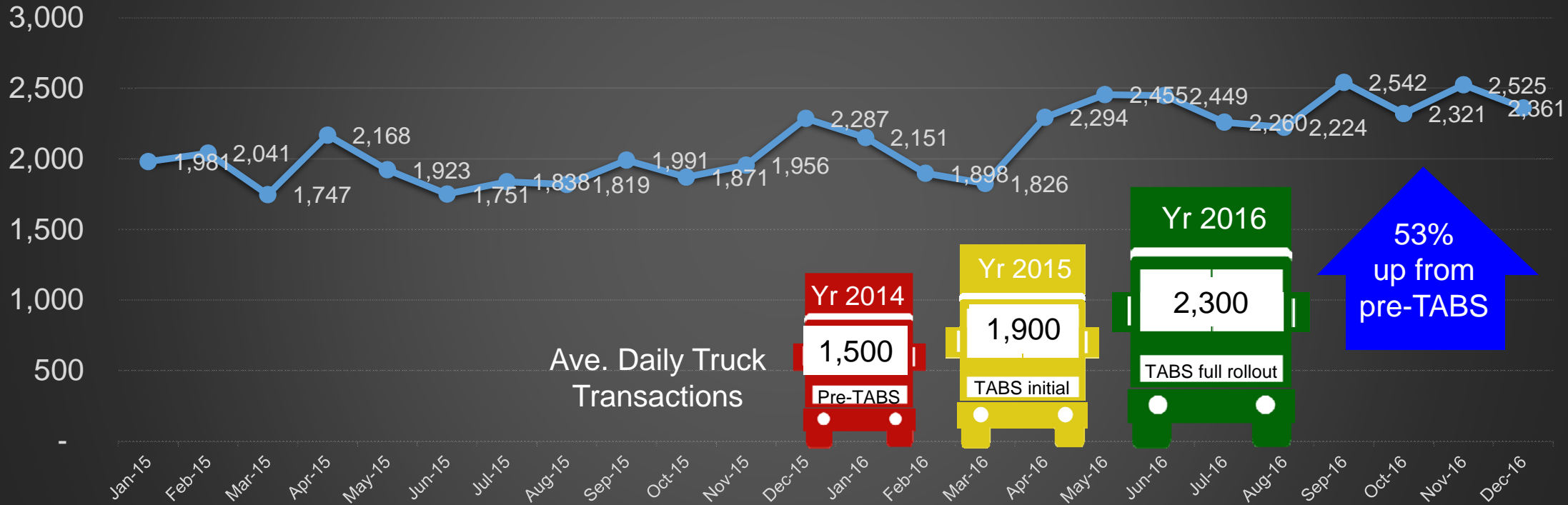
Terminal Appointment Booking System (TABS)

Drive behavior for an orderly flow of trucks



- Orderly arrival of trucks based on schedule spread across the 24-hour period
- Truck-ban exemption during truck-ban period for those with valid TABS booking
- Monitoring of cargo on a real-time basis
- Faster truck turn time; over **80% served** within an hour of gate entry

Truck Daily Ave - Manila South Harbor



Period	Ave. Daily Trucks	Inc/Dec. vs Pre-TABS
MMDA truckban (Pre-TABS)	1,500	--
Manila truckban (Feb-Aug 2014)	1,104	-26%
Lifting of Manila Truckban (Sep-Dec 2014)	1,898	27%
TABS-soft launch (Oct-Dec 2015)	2,038	36%
TABS full year implementation (2016)	2,276	53%

Without causing heavy traffic on roads

Impact of TABS at MSH

Q3: How is ATI helping government decentralize Metro Manila traffic?

Batangas Port: Competitive Gateway for South Luzon

Batangas Container Terminal (360k teus/yr)

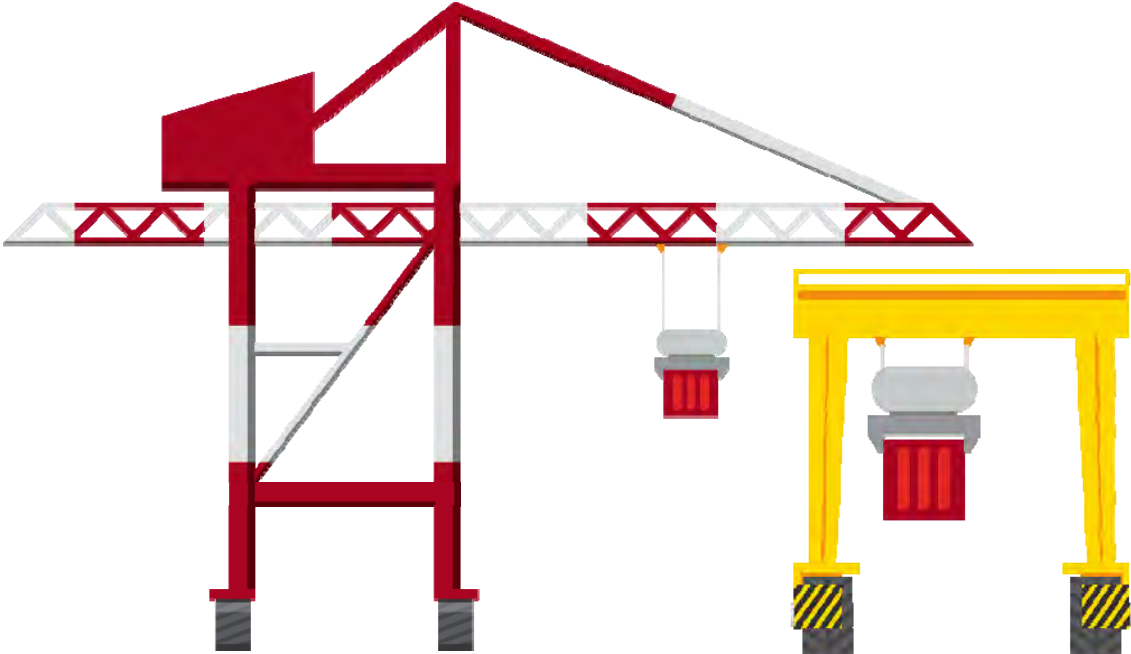
Batangas Passenger Terminal (3M pax/yr)

Batangas General Cargo Terminal (500k mt/yr)

Current Geographic Footprint of Batangas Port



Equipment and Facilities consistent with world standards

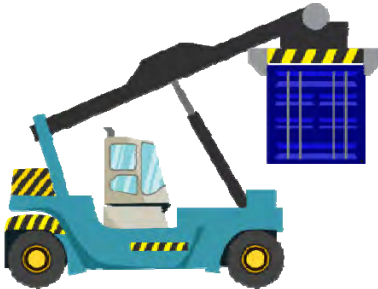


2 QCs
Quayside Cranes
+2 QCs in 2018

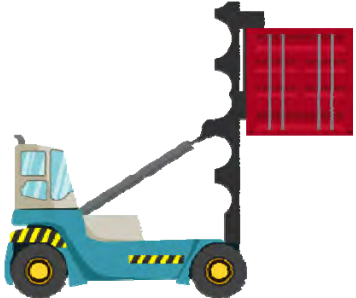
4 RTGs
Rubber-Tired Gantry Cranes
+4 RTGs in 2018



17 ITVs
Internal Transfer
Vehicles

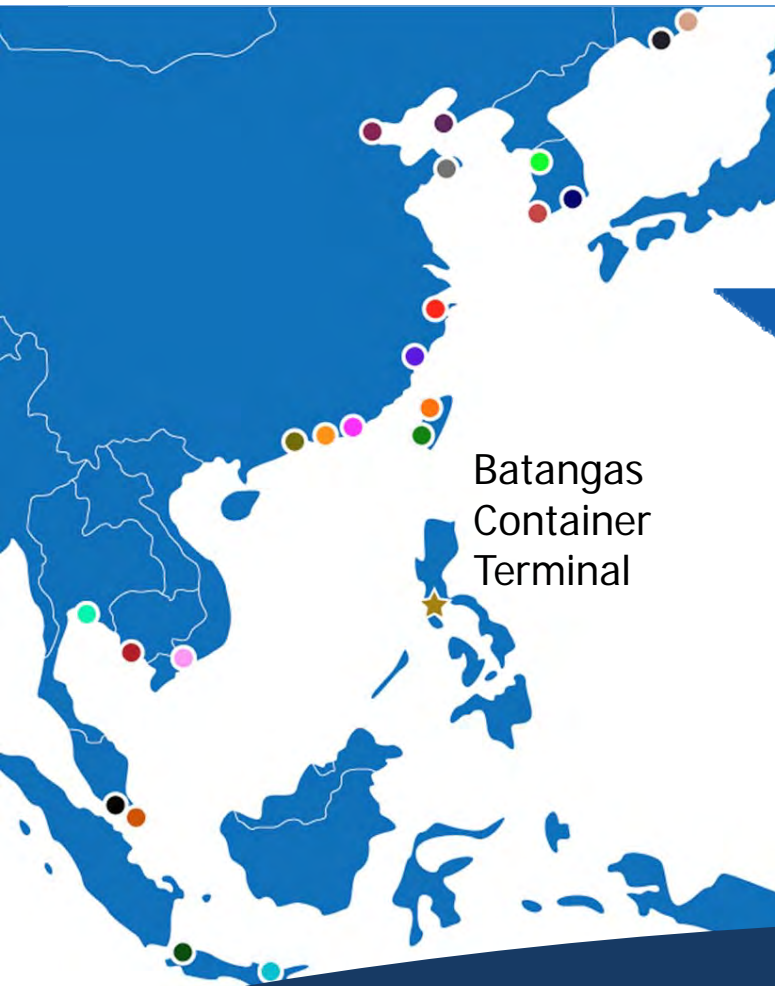


4 RSs
Reach Stackers



4 SLs
Empty Side Loaders

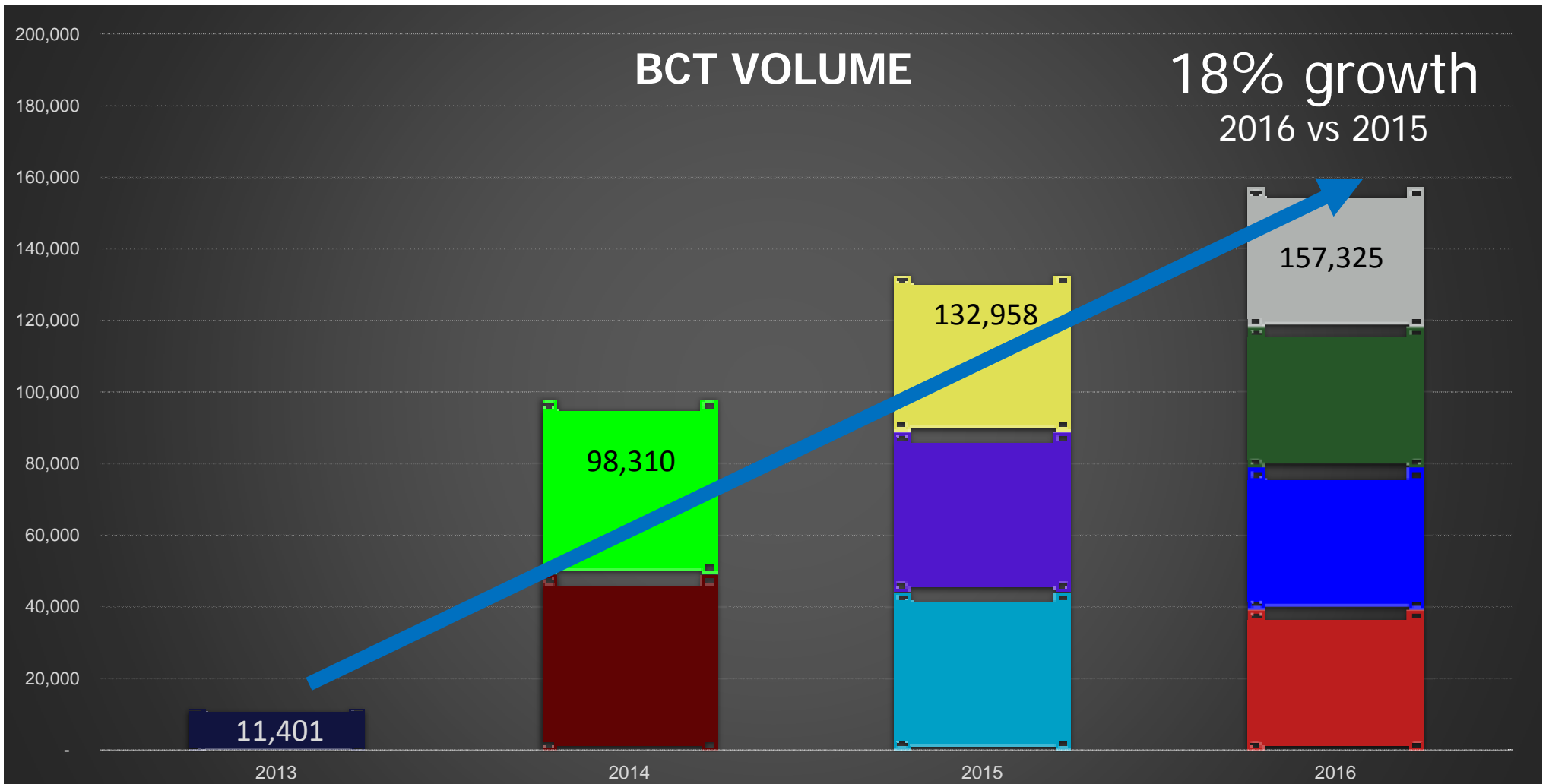
Market connectivity



Faster connectivity to key markets via BCT

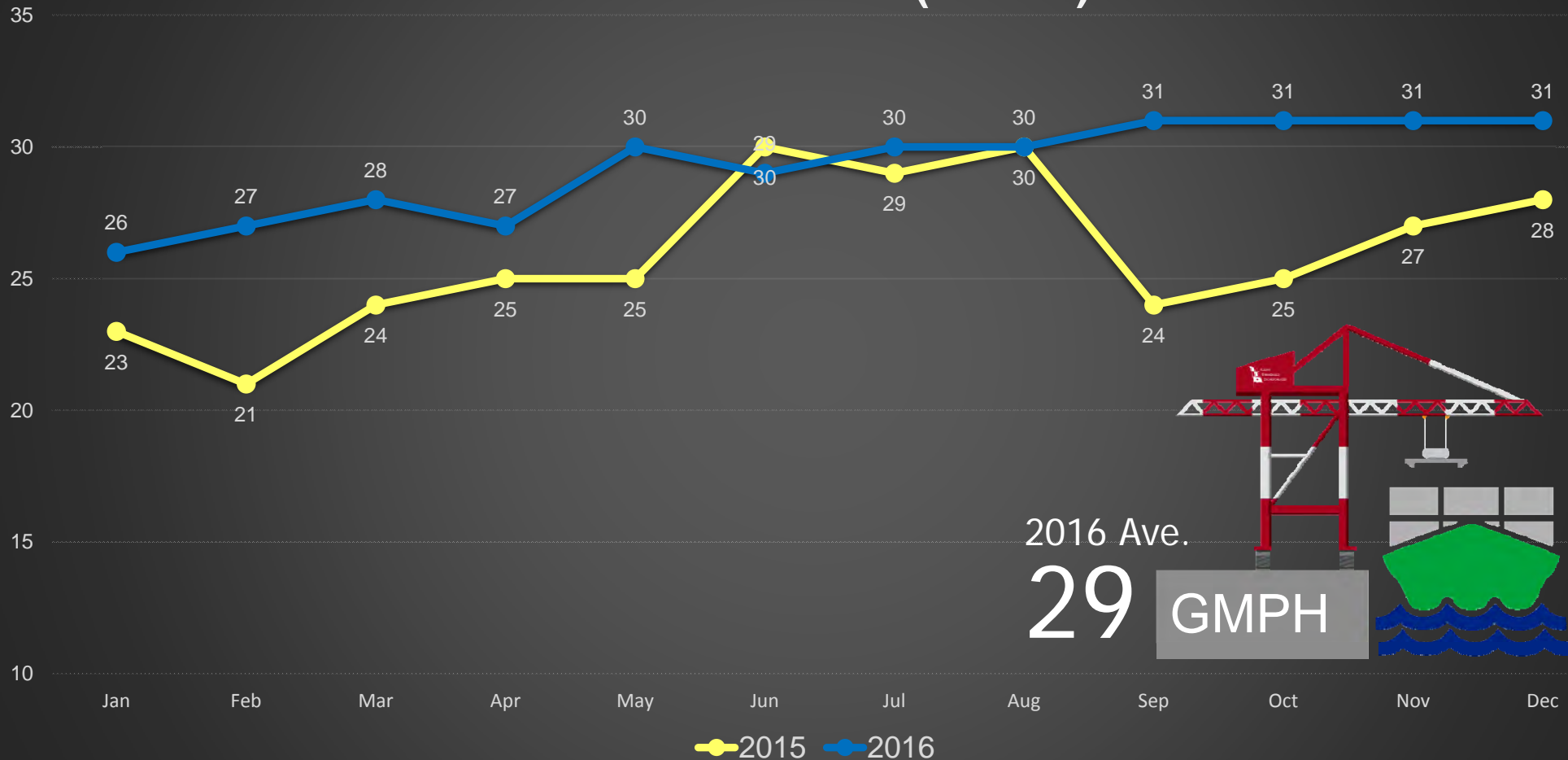


Growing list of customers



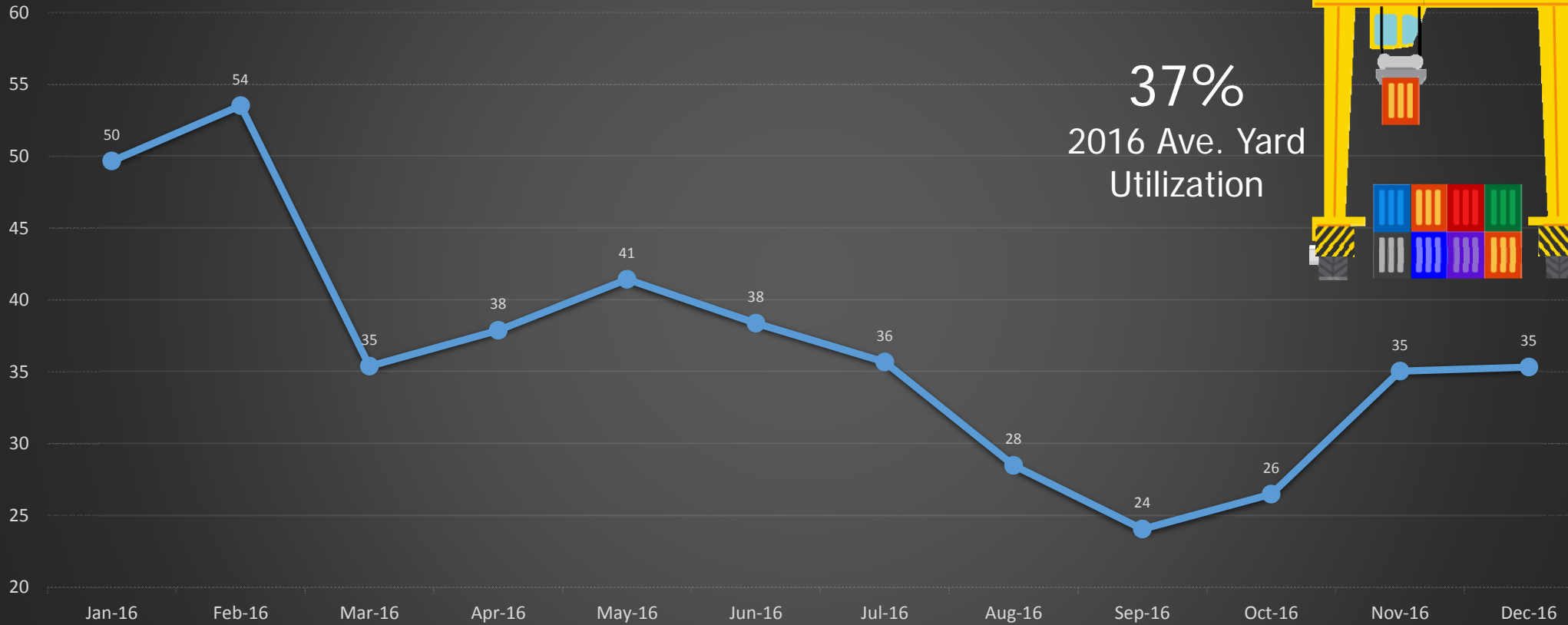
Strong volume growth at BCT

World Class Production (GMPH) at BCT

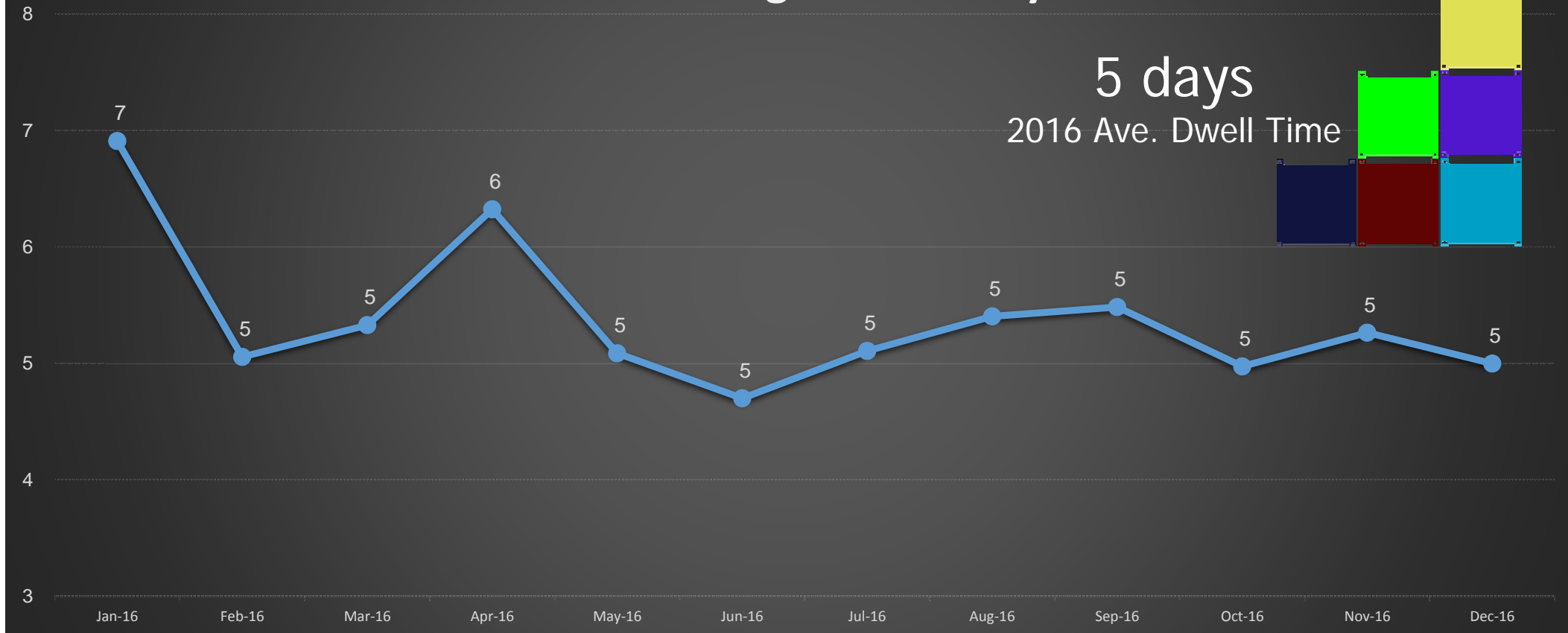


Efficient Production at BCT

BCT Yard Utilization



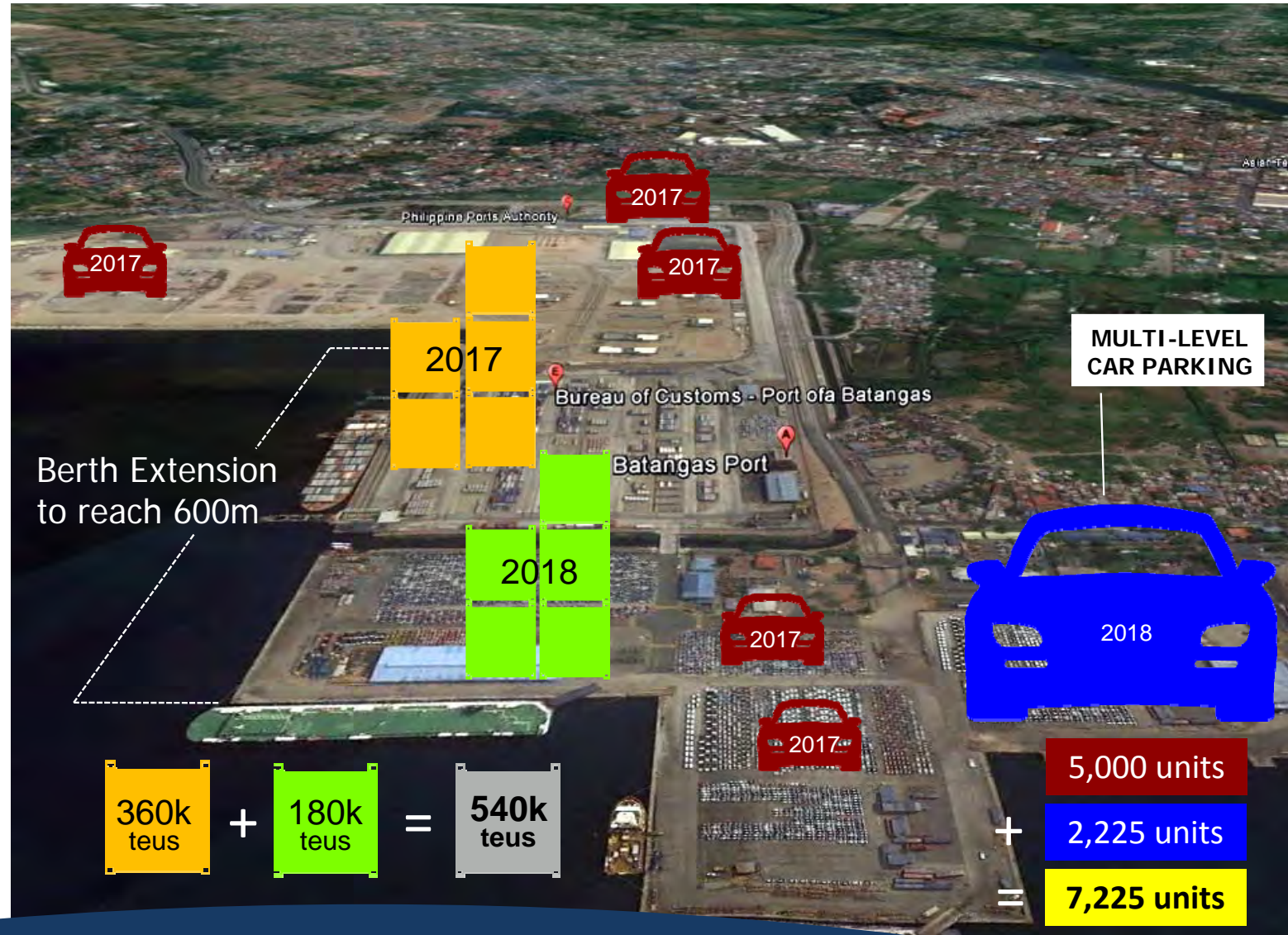
BCT Average Dwell Days



Fast pullout of cargoes by consignees

Q4: What are ATI's plans to help sustain a healthy Philippine Supply Chain?

- US\$135m investment program
- Container Terminal Expansion
 - Quay length and crane rail extension to reach 600 m
 - Deployment of 2 more QCs
 - Deployment of 4 more RTGs
 - Yard expansion
 - All completed by 4Q 2018
- Multilevel CBU Storage Facility
 - Increase CBU capacity by 50%, to handle over 7,000 units in a single time
 - Completed by 2Q 2018



Aggressive Expansion Plans for BCT



Current View of Batangas Port



Additional Berth

QC2

QC1

RTG1

RTG2

RTG3

RTG4

RTG5

RTG6

RTG7

RTG8

QC4

QC3



Expanded Container Terminal – 4Q 2018



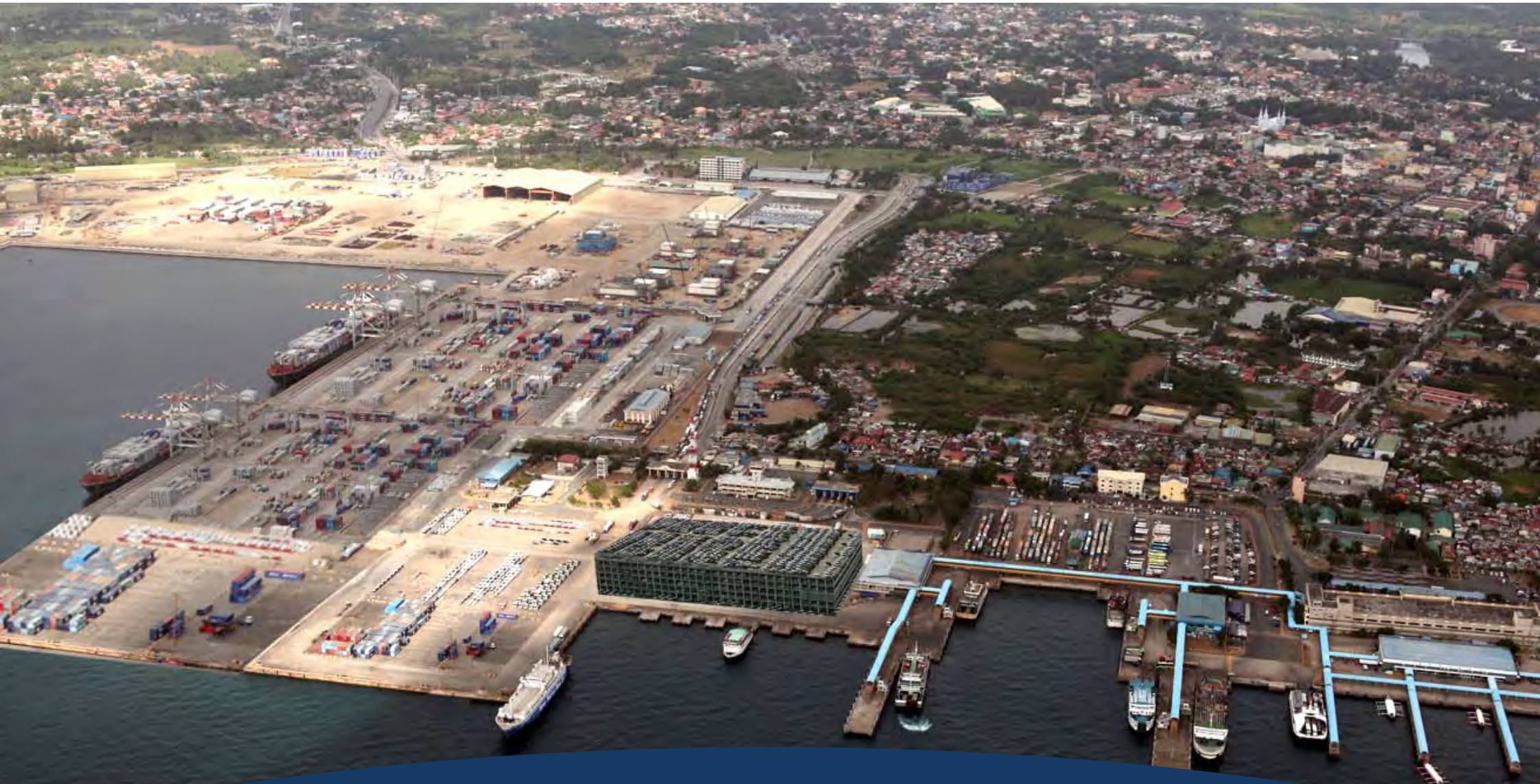
Batangas Port Multilevel CBU Storage Facility

Multilevel CBU Storage Facility - 3Q 2018



Further expansion of BCT
responsive to market demand

Further Expansion of BCT – 2019 onwards



Full View of Batangas Port (Vision:2020)

Thank you.



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