

NEWS RELEASE

28 February 2020

**PSA INTERNATIONAL PTE LTD AND ITS SUBSIDIARIES
RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019**

FINANCIAL HIGHLIGHTS For the year ended 31 December 2019			
(S\$ 'million)	2019	2018	Growth %
Revenue	4,077	4,086	-0.2
Profit from Operations	1,725	1,698	1.6
Finance Costs	(263)	(218)	20.6
Profit Before Taxation	1,463	1,480	-1.2
Income Tax Expense	(197)	(229)	-13.9
Net Profit for the year (after Tax)	1,265	1,251	1.2
Non-Controlling Interests	(20)	(46)	-57.3
Net Profit for the year	1,246	1,205	3.4

Review of Results

- PSA International Pte Ltd (PSA) handled 85.20 million Twenty-foot Equivalent Units (TEUs) for the year ended 31 December 2019, representing an increase of 5.2% from the previous year.
- PSA Singapore contributed 36.89 million TEUs, increasing 1.6% over 2018. PSA terminals outside Singapore delivered a total throughput of 48.32 million TEUs, increasing 8.1% over 2018.
- PSA Group revenue was lower by 0.2% partly due to de-consolidation of a subsidiary. On a like-for-like basis, revenue would have increased 3.5%. Profit from operations grew by 1.6% from the previous year, while overall net profit for the year was 3.4% higher at S\$1.25 billion.
- PSA's balance sheet remains strong with a gross debt equity ratio of 0.57 times at the close of 2019.

“2019 was a challenging year characterised by trade protectionism and socio-political unrests. While the global economy has doggedly weathered a slowdown in trade, its resilience began to wane as strained relationships between major trading nations exacerbated into open tariff wars. The shipping industry also had to grapple with the high costs, strategic decisions and tactical manoeuvres necessary to comply with the International Maritime Organisation 2020 global sulphur regulations.

Against this backdrop, the tenacity of our team and the continued patronage of our customers throughout the year allowed us to pull through with overall positive growth. On behalf of the PSA board and management, I would like to thank our customers and partners for continuing to place their trust in us. My deepest appreciation goes out too to our staff and unions, whose steadfast commitment to enhance productivity and willingness to adapt to changing industry demands have enabled PSA to push the boundaries, innovate and deliver greater efficiencies for our customers.

Even as we grapple together with the impact of COVID-19 going into 2020, we remain clear on our goals: PSA will continue to support our customers’ businesses around the world with quality and excellence, by investing in the relevant assets, equipment and capabilities to improve our performance and productivity. We will also capitalise on fresh digitalisation opportunities to grow global trade and create new value through multi-stakeholder collaborations and port-adjacent services.”

~ Mr Peter Voser, Group Chairman, PSA International

“PSA’s positive business outcome in 2019 is only possible because our customers deploy their ships and hub their boxes with us. We are grateful to them for their support and partnership, and are motivated by the confidence they have placed in us. We also achieved our corporate milestones thanks to the dedication and resolve of our staff, unions and management to uphold the values of excellence that PSA is known for.

As we head into 2020, disruption, digitalisation and decarbonisation continue to feature prominently as forces for change and collaboration, but with the potential to unleash unknown repercussions. Against this volatile and unsettling backdrop, we at PSA have worked hard to seize opportunities, improve our efficiency and reliability at our core container handling operations while offering new complementary cargo services based on a fresh understanding of what supply chain stakeholders need. Indeed, we have invested in new port and port-related assets that will not only cater to shipping lines’ needs, but also offer possibilities within and beyond traditional areas of logistics, creating value for all supply chain stakeholders.

As a global terminal operator, PSA sits at key nodal points of the supply chain. Our vision is to combine our physical capabilities globally with our growing expertise in cargo solutions and connecting supply chain communities, to realise a fully operational Internet of Logistics (IoL). The term IoL takes inspiration from the Internet of Things, but extends the idea to the supply chain equivalent of the World Wide Web. The world ahead is for the connected – we invite our customers, partners and stakeholders to work alongside us in reshaping the next decade of ports and supply chain logistics.”

~ Mr Tan Chong Meng, Group CEO, PSA International

**PSA INTERNATIONAL PTE LTD AND ITS SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT**

	2019 S\$'000	2018 S\$'000
Revenue	4,077,451	4,086,213
Other income	631,712	552,390
Staff and related costs	(1,037,139)	(981,521)
Contract services	(542,612)	(531,088)
Running, repair and maintenance costs	(357,689)	(366,913)
Other operating expenses	(294,039)	(366,190)
Property taxes	(32,939)	(31,681)
Depreciation and amortisation	(719,537)	(663,688)
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Profit from operations	1,725,208	1,697,522
Finance costs	(262,664)	(217,868)
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Profit before income tax	1,462,544	1,479,654
Income tax expense	(197,096)	(228,894)
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Profit for the year	<u>1,265,448</u>	<u>1,250,760</u>
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Profit attributable to:		
Owner of the Company	1,245,802	1,204,734
Non-controlling interests	19,646	46,026
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Profit for the year	<u>1,265,448</u>	<u>1,250,760</u>

**PSA INTERNATIONAL PTE LTD AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	2019	2018
	S\$'000	S\$'000
Assets		
Property, plant and equipment	5,869,509	5,396,507
Intangible assets	2,552,864	2,140,186
Right-of-use assets	938,891	–
Associates	3,130,037	3,418,825
Joint ventures	3,413,032	2,803,883
Financial assets	1,296,117	1,187,432
Other non-current assets	238,191	229,663
Deferred tax assets	38,015	12,619
Non-current assets	17,476,656	15,189,115
Inventories	43,211	44,854
Trade and other receivables	906,606	954,047
Cash and bank balances	3,188,073	4,054,386
Current assets	4,137,890	5,053,287
Total assets	21,614,546	20,242,402
Equity attributable to owner of the Company	11,505,597	11,343,854
Non-controlling interests	713,686	701,592
Total equity	12,219,283	12,045,446
Liabilities		
Borrowings	4,133,249	4,586,819
Lease liabilities	990,360	–
Provisions	10,736	9,214
Other non-current obligations	341,253	239,175
Deferred tax liabilities	495,184	493,943
Non-current liabilities	5,970,782	5,329,151
Borrowings	1,828,056	1,254,479
Lease liabilities	54,902	–
Trade and other payables	1,294,257	1,392,992
Current tax payable	247,266	220,334
Current liabilities	3,424,481	2,867,805
Total liabilities	9,395,263	8,196,956
Total equity and liabilities	21,614,546	20,242,402

About PSA International (PSA)

PSA is a leading global port group and a trusted partner to cargo stakeholders around the world. With flagship operations in Singapore and Antwerp, PSA's portfolio comprises a network of over 50 coastal, rail and inland terminals in 19 countries. Drawing on the deep expertise and experience from a diverse global team, PSA actively collaborates with its customers and partners to deliver world-class port services alongside, develop innovative cargo solutions and co-create an Internet of Logistics. As the partner of choice in the global supply chain, PSA is "The World's Port of Call". Visit us at www.globalpsa.com.

****Note to Editors:** PSA dropped the name of "Port of Singapore Authority" in 1997 when it became a corporatised entity. The company should be referred to as "PSA International Pte Ltd" or simply "PSA".*

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ISSUED BY PSA INTERNATIONAL PTE LTD

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