PROSPECTUS DATED 4 NOVEMBER 2010

DP World Limited

(a company limited by shares incorporated in the Dubai International Financial Centre)

US$5,000,000,000

Global Medium Term Note Programme

Under the Global Medium Term Note Programme (the "**Programme**") described in this prospectus (the "**Prospectus**"), DP World Limited (the "**Company**" or the "**Issuer**"), a company limited by shares incorporated in the Dubai International Financial Centre (the "**DIFC**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Global Medium Term Notes (the "**Notes**"). The aggregate nominal amount of Notes outstanding will not at any time exceed US$5,000,000,000 (or its equivalent in other currencies).

The Issuer has made an application to (i) the Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000 (the "**UK Listing Authority**") for Notes issued under the Programme for a period of 12 months from the date of this Prospectus to be admitted to the official list of the UK Listing Authority (the "**Official List**") and (ii) the London Stock Exchange plc (the "**London Stock Exchange**") for such Notes to be admitted to trading on the London Stock Exchange's Regulated Market (the "**Market**"). References in this Prospectus to Notes being "listed" on the London Stock Exchange (and all related references) mean that such Notes have been admitted to the Official List and have been admitted to trading on the Market. The Market is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC. Notes may also be issued under the Programme that are admitted to trading or listed on any other stock exchange or that are unlisted. The relevant Final Terms (as defined in "*Overview—Overview of the Programme—Method of Issue*") in respect of the issue of any Notes will specify whether or not such Notes will be (i) listed on the London Stock Exchange and/or any other stock exchange or (ii) unlisted.

The Programme has been rated "Ba1" (positive) by Moody's Investors Service, Inc. ("**Moody's**") and "BB" by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies Inc. ("**Standard & Poor's**"). Tranches of Notes (as defined in "*Overview—Overview of the Programme—Method of Issue*") to be issued under the Programme may or may not be rated. Where a Tranche of Notes is to be rated, the relevant rating(s) may not be the same as the ratings assigned to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Notes of each Series (as defined in "*Overview—Overview of the Programme—Method of Issue*") may be issued as Bearer Notes, Exchangeable Bearer Notes or Registered Notes (each as defined in "*Overview—Overview of the Programme—Form of Notes*"). Bearer Notes and Exchangeable Bearer Notes will be sold outside the United States in "offshore transactions" to non-US persons within the meaning of Regulation S ("**Regulation S**") under the US Securities Act of 1933, as amended (the "**Securities Act**"). In general, Bearer Notes and Exchangeable Bearer Notes will be represented on issue by a temporary global note in bearer form, without interest coupons (each, a "**Temporary Global Bearer Note**"), and interests in Temporary Global Bearer Notes will be exchangeable for interests in permanent global notes in bearer form (each, a "**Permanent Global Bearer Note**" and, together with the Temporary Global Bearer Notes, the "**Global Bearer Notes**") or, if so stated in the relevant Final Terms, definitive bearer Notes ("**Definitive Bearer Notes**"), after the date falling 40 days after the completion of the distribution of such Tranche upon certification as to non-US beneficial ownership. Interests in Permanent Global Bearer Notes will be exchangeable for Definitive Bearer Notes in whole but not in part as described under "*Summary of Provisions Relating to the Notes while in Global Form*". On the relevant issue date, Global Bearer Notes will be deposited (i) with a common depositary (the "**Common Depositary**") for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"), or (ii) as agreed between the Issuer and the relevant Dealer(s), as specified in the relevant Final Terms.

Registered Notes may be sold (i) outside the United States in "offshore transactions" to non-US persons within the meaning of Regulation S ("**Unrestricted Registered Notes**") and/or (ii) in the United States to "qualified institutional buyers" (each, a "**QIB**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act ("**Restricted Registered Notes**"). Registered Notes will be represented by registered certificates (each, a "**Certificate**") and, in general, (i) Unrestricted Registered Notes will be represented on issue by one or more permanent global registered certificates, without interest coupons (each, an "**Unrestricted Global Certificate**"), and (ii) Restricted Registered Notes will be represented on issue by a permanent global registered certificate, without interest coupons (each, a "**Restricted Global Certificate**" and, together with the Unrestricted Global Certificates, the "**Global Certificates**"). The provisions governing the exchange of interests in the Global Certificates for individual Certificates in certain limited circumstances are described in "*Summary of Provisions Relating to the Notes while in Global Form*". On the relevant issue date, Global Certificates of each Series may (i) be registered in the name of, and deposited with, the Common Depositary for Euroclear and Clearstream, Luxembourg, (ii) be registered in the name of Cede & Co. as nominee for, and deposited with a custodian (the "**Custodian**") for, The Depository Trust Company ("**DTC**") and/or (iii) be registered and deposited as agreed between the Issuer and the relevant Dealer(s), as specified in the relevant Final Terms.

This Prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority. This Prospectus is intended for distribution only to Persons of a type specified in those rules. It must not be delivered to, or relied on by, any other Person. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The Dubai Financial Services Authority has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it. The Notes may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Notes offered should conduct their own due diligence on the Notes. If you do not understand the contents of this Prospectus you should consult an authorised financial adviser.

Investing in the Notes involves risks. See "*Risk Factors*" beginning on page 11.

Arrangers and Dealers

Citi **Deutsche Bank** **HSBC** **Standard Chartered Bank**


Argentina
Buenos Aires
Russia
Vostochny
Canada
Vancouver
Saudi Arabia
Jeddah
Indonesia
Surabaya
Thailand
Laem Chabang
Dominican Rep.
Caucedo
South Korea
Pusan
Romania
Constanta
Germany
Germersheim
Djibouti
Djibouti
Doraleh
China
Qingdao (2)
Tianjin
Yantai
Hong Kong (2)
Belgium
Delwaide Dock
Deurganckdock
United Kingdom
Tilbury
Southampton
London Gateway
India
Visakhapatnam
Cochin
Chennai
Mundra
Nhava Sheva
Vallarpadam
Kulpi
United Arab Emirates
Jebel Ali
Port Rashid
Fujairah
Khalifa Port
France
Le Havre (2)
Marseille
Fos (2)
Australia
Adelaide
Brisbane
Sydney
Melbourne
Fremantle
Philippines
Manila
Algeria
Algiers
Djen-Djen
Pakistan
Bin Qasim (2)
Mozambique
Maputo
Netherlands
Rotterdam
Senegal
Dakar (2)
Peru
Callao
Vietnam
Ho Chi Minh City
Turkey
Yarimca
Future Portfolio
as of 14 October 2010
Terminals
New Developments and Major Expansions
Spain
Tarragona
Yemen
Aden
Brazil
Santos
Egypt
Sokhna (2)

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NOTICE TO INVESTORS

In this Prospectus, (i) the "Company" refers to DP World Limited, a company limited by shares incorporated in the DIFC with Registration Number 0226 issued on 9 August 2006, (ii) "P&O" refers to The Peninsular and Oriental Steam Navigation Company, a company incorporated in the United Kingdom by Royal Charter with limited liability with company number Z73, (iii) the "Issuer" refers to the Company, and (iv) unless the context otherwise requires, "we", "our", "us" and the "Group" refer to the Company together with its subsidiaries, joint ventures and associates, as well as their respective predecessor companies or entities, as applicable.

This Prospectus comprises a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**") and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the Group and the Notes during the period of twelve months after the date hereof which, according to the particular nature of the Group and the Notes, is necessary to enable investors to make an informed assessment of our assets and liabilities, financial position, profit and losses and prospects.

No offer of the Notes may be made to any person in the DIFC unless such offer is (a) deemed to be an "Exempt Offer" in accordance with the Offered Securities Rules (the "**Rules**") of the Dubai Financial Services Authority (the "**DFSA**") and (b) made to "Professional Clients" as defined in the Rules. Persons into whose possession this Prospectus or any Notes may come must inform themselves about the nature of the Notes as Restricted Securities, and observe, any applicable restrictions in any relevant jurisdiction on the distribution of this Prospectus and the offering, purchase and sale or delivery of the Notes. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this document or taken steps to verify the information set out in it and has no responsibility for it.

The Company accepts responsibility for the information contained in this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

This Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. None of the Issuer, any Arranger or any Dealer has authorized, and they do not authorize, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer, any Arranger or any Dealer to publish a prospectus for such offer.

No person has been authorized to give any information or to make any representation not contained in or not consistent with this Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer, or any of the Dealers, the Arrangers or the Trustee (each as defined in "*Overview—Overview of the Programme*"). Neither the delivery of this Prospectus nor any Final Terms nor the offering, sale or delivery of any Notes made in connection herewith shall, under any circumstances, create any implication that the information contained in this Prospectus is true subsequent to the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Each Tranche of Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" as amended and/or supplemented by the relevant Final Terms. This Prospectus must be read and construed together with any amendments or supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes, must be read and construed together with the relevant Final Terms.

The distribution of this Prospectus and any Final Terms and the offering, sale or delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus or any Final Terms comes are required by the Issuer, the Dealers and the Arrangers to inform themselves about and to observe any such restrictions. In particular, the Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and may include Bearer Notes, which are subject to US tax law requirements. The Notes may not be offered or sold or, in the case of Bearer Notes, delivered within the United States or to, or for the account or benefit of, US persons (as defined in Regulation S), except in certain transactions exempt from the registration requirements of the Securities Act.

The Notes are being offered and sold outside the United States to non-US persons in reliance on Regulation S ("**Unrestricted Notes**") and, in the case of Registered Notes only, within the United States to QIBs in reliance on Rule 144A ("**Restricted Notes**"). Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of Notes and distribution of this Prospectus see "*Subscription and Sale*" and "*Transfer Restrictions*".

NEITHER THE PROGRAMME NOR THE NOTES HAVE BEEN APPROVED OR DISAPPROVED BY THE US SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER US REGULATORY AUTHORITY, AND NONE OF THE FOREGOING AUTHORITIES HAVE PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF NOTES OR THE ACCURACY OR THE ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

Neither this Prospectus nor any Final Terms constitutes an offer of, or an invitation by or on behalf of the Issuer or any of the Dealers or the Arrangers to subscribe for, or purchase, any of the Notes in any jurisdiction.

To the fullest extent permitted by law, none of the Dealers, the Arrangers or the Trustee accept any responsibility for the contents of this Prospectus or for any other statement made or purported to be made by any Arranger or Dealer or the Trustee or on its behalf in connection with the Issuer or the issue and offering of the Notes. Each of the Arrangers, the Dealers and the Trustee accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement. Neither this Prospectus nor any Final Terms should be considered as a recommendation by any of the Issuer, the Dealers, the Arrangers or the Trustee that any recipient of this Prospectus, any Final Terms, or any financial statements incorporated by reference herein, should purchase the Notes. By accepting this Prospectus, an investor is deemed to acknowledge that they have not relied, and will not rely, on the Dealers and Arrangers in connection with their investigation of the accuracy of any such information or their decision whether to invest in the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arrangers undertakes to review our financial condition or affairs during the life of the arrangements contemplated by this Prospectus or to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arrangers.

STABILIZATION

In connection with the issue of any Tranche (as defined in "*Overview—Overview of the Programme—Method of Issue*") of Notes, the Dealer or Dealers (if any) named as the stabilizing manager(s) (the "**Stabilizing Manager(s)**") (or persons acting on behalf of any Stabilizing Manager(s)) in the relevant Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager(s) (or persons acting on behalf of a Stabilizing Manager) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilization action or over-allotment must be conducted by the relevant Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager(s)) in accordance with all applicable laws and rules.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT NOR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED, 1955 ("**RSA 421-B**"), WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF THE STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE OF NEW HAMPSHIRE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

KINGDOM OF SAUDI ARABIA NOTICE

This Prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations (the "**Saudi Regulations**") issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the "**Capital Market Authority**").

The Capital Market Authority does not make any representations as to the accuracy or completeness of this Prospectus, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Prospectus. Prospective purchasers of Notes issued under the Programme should conduct their own due diligence on the accuracy of the information relating to the Notes. If a prospective purchaser does not understand the contents of this Prospectus he or she should consult an authorised financial adviser. The Notes must not be advertised, offered or sold and no memorandum, information circular, brochure or any similar document has or will be distributed, directly or indirectly, to any person in the Kingdom of Saudi Arabia other than to Sophisticated Investors within the meaning of Art. 10 of the Saudi Regulations.

The offer of Notes in the Kingdom of Saudi Arabia shall not therefore constitute a "public offer" pursuant to the Saudi Regulations. Prospective investors are informed that Article 17 of the Saudi Regulations places restrictions on secondary market activity with respect to the Notes. Any resale or other transfer, or attempted resale or other transfer, made other than in compliance with the above stated restrictions shall not be recognised by us.

ENFORCEMENT OF FOREIGN JUDGMENTS

The Company is incorporated in and under the laws issued by the DIFC. Our headquarters are located in the Emirate of Dubai ("**Dubai**") and a substantial portion of our assets are located in the United Arab Emirates (the "**UAE**") and a number of other jurisdictions outside the United Kingdom and the United States. As a result, prospective investors may have difficulties effecting service of process in the United Kingdom or the United States upon us in connection with any lawsuits related to the Notes, including actions arising under the laws of the United Kingdom or the federal securities laws of the United States.

Further, no claim may be brought in the DIFC courts against us in the first instance for violation of US federal securities laws because these laws have no extraterritorial application under DIFC law and do not have force of law in the DIFC. Similarly, investors should not expect to have recourse to the courts of the Emirate of Dubai (other than the courts of the DIFC) or to the federal courts of the UAE.

We have been advised by our counsel that it is currently unclear as to whether the courts of the DIFC would enforce judgments of US or UK courts obtained in actions against us predicated upon the civil liability provisions of the US federal securities laws, or original actions brought in the DIFC against us predicated solely upon US federal securities laws, UK laws, as the case may be. Further, we have been advised by our counsel that there is no treaty in effect between any of the United States, the United Kingdom and the UAE providing for the enforcement of judgments of US or UK courts in civil and commercial matters, and the grounds upon which DIFC courts may decline to enforce the judgments of US or UK courts, as the case may be, are unclear as they remain untested. Some remedies available under UK laws, the laws of US jurisdictions, including some remedies available under the US federal securities laws, may not be allowed in DIFC courts as contrary to public policy in the DIFC. Because judgments of US and UK courts, are not automatically enforceable in the DIFC, it may be difficult for investors to recover against us based upon such judgments. In addition, notwithstanding that the UAE has acceded to the United Nations Convention on the Recognition and Enforcement of Arbitral Awards (New York 1958) in 2006 regarding the recognition and enforcement of foreign arbitral awards, investors may also have difficulties in enforcing judgments of DIFC courts and arbitration awards ratified by DIFC courts against us in jurisdictions outside the DIFC because the mechanism for enforcement of judgments and awards issued by the DIFC courts is as yet untested.

In addition, Law No. 10 of 2005 grants to the Government of Dubai and its affiliates immunity in respect of its assets in the following terms: "*No debt or obligation owing from the Ruler or the Government may be recovered by laying hold, attachment, sale in auction or taking possession in any legal action of the Ruler's or the Government's properties and assets whether or not a final judgment is issued in respect of such debt or obligation.*" As we are indirectly majority-owned by the Government of Dubai, we may be able to claim sovereign immunity. Although we have irrevocably waived this right, there is a risk that any judgments obtained in actions against us may not be enforceable in the DIFC if the DIFC courts decide that such waiver is not legal or binding.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. The words "anticipate", "believe", "expect", "plan", "intend", "target", "aim", "estimate", "project", "will", "would", "may", "could", "continue" and similar expressions are intended to identify forward-looking statements. All statements other than statements of historical fact included in this Prospectus are forward-looking statements, including, without limitation, those regarding our financial position, business strategy, management plans and objectives for future operations.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements, or industry results, to be materially different from those expressed or implied by these forward-looking statements. In addition, forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environments in which we expect to operate in the future. Important factors that could cause our actual results, performance or achievements to differ materially from those in the forward-looking statements include, among other factors referenced in this Prospectus:

- our ability to achieve and manage growth, whether through organic growth or by winning new concessions or through bolt-on acquisitions;
- our exposure to certain risks in respect of the expansion of terminals and port facilities and the development of new terminals and port facilities;
- our indebtedness adversely affecting our ability to raise additional capital to fund our operations;
- changes in political, social and economic stability associated with countries and regions in which we operate;
- significant competition in the container terminal industry for concessions and throughput;
- our ability to maintain and renew concession agreements at our existing facilities;
- failure to comply with a wide variety of regulations applicable to our business;
- fluctuations in the currency exchange rates in the markets in which we operate;
- any future impairment of our goodwill relating to subsidiaries, joint ventures and associates which may represent a reduction in our future cashflows; and
- the ability of our ultimate shareholder, Dubai World, and the Government of Dubai, to exert significant influence over us and their interests conflicting with our interests and/or the holders of our debt, including Noteholders.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "*Risk Factors*". Should one or more of these risks or uncertainties materialize, or should any underlying assumptions prove to be incorrect, our actual financial condition or results of operations could differ materially from that described herein as anticipated, believed, estimated or expected. Forward-looking statements speak only as of the date of this Prospectus and we expressly disclaim any obligation or undertaking to publicly update or revise any forward-looking statements in this Prospectus to reflect any change in our expectations or any change in events, conditions or circumstances on which these forward-looking statements are based. Given the uncertainties of forward-looking statements, we cannot assure you that projected results or events will be achieved and we caution you not to place undue reliance on these statements. You should carefully consider the foregoing factors and other uncertainties and events when making an investment decision based on any forward-looking statement.

PRESENTATION OF CERTAIN FINANCIAL AND OTHER INFORMATION

Consolidated Financial Statements

The Company's audited consolidated financial statements, as of and for the year ended 31 December 2009 (the "**2009 Audited Financial Statements**") and its audited consolidated financial statements, as of and for the year ended 31 December 2008 (the "**2008 Audited Financial Statements**" and, together with the 2009 Audited Financial Statements, the "**Audited Consolidated Financial Statements**") as well as the Company's unaudited interim consolidated financial statements as of and for the six months ended 30 June 2010 (the "**Interim Financial Statements**" and, together with the Audited Consolidated Financial Statements, the "**Financial Statements**") are set forth elsewhere in this Prospectus. The Audited Financial Statements have been audited by KPMG LLP, independent auditors, and the Interim Financial Statements have been reviewed by KPMG LLP, independent auditors. The Financial Statements have been prepared and presented in accordance with International Financial Reporting Standards ("**IFRS**"), as issued by the International Accounting Standards Board (the "**IASB**") and are presented in US dollars. The Company changed auditors from Ernst & Young to KPMG LLP effective as of 1 January 2007.

Separately Disclosed Items

Our Financial Statements include separately disclosed items ("**SDI's**"), which represent those material items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, we believe merit separate presentation in order to more effectively present our financial performance for a period, compare our financial performance with prior periods and assess trends in our financial performance. For further information regarding separately disclosed items, see Note 10 "*Separately disclosed items*" of the Notes to the 2009 Audited Financial Statements, Note 11 "*Separately disclosed items*" of the Notes to the 2008 Audited Financial Statements, Note 5 "*Separately disclosed items*" of the Notes to the Interim Financial Statements and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*".

Restatement of 2007 Financial Information

We adopted IFRIC 12 "*Service Concession Arrangements*" effective as of 1 January 2008. Accordingly, our 2008 Audited Financial Statements have been prepared using this interpretation, which required that certain comparative financial information with respect to the year ended 31 December 2007 be restated in our 2008 Audited Financial Statements. Such restatements did not affect our consolidated income statement for the year ended 31 December 2007 or our consolidated net assets as of 31 December 2007. For further information, see Note 2 "*Basis of preparation*" to the 2008 Audited Financial Statements. Unless otherwise included in this Prospectus, all financial information as of and for the year ended 31 December 2007 has been extracted without material adjustment from the comparative information set forth in the 2008 Audited Financial Statements.

Reclassification of Cash Flow Information for the Six Months Ended 30 June 2009

In the Interim Financial Statements, comparative cash flow information for the six months ended 30 June 2009 has been reclassified to be consistent with the presentation of our cash flow information for the six months ended 30 June 2010 and as a result do not correspond to the cash flow information presented in the financial statements as of and for the six months ended 30 June 2009, which we have previously disclosed. This reclassification did not affect the net increase in our cash and cash equivalents for the period.

Operational Data

Certain volume figures in this Prospectus are expressed in "**TEUs**". A TEU is a twenty-foot equivalent unit that is based on the dimensions of a cargo container 20 feet long by 8 feet wide by 8 feet 6 inches high, with a maximum load of 24 tons.

"**Throughput**" is a measure of container handling activity. The two main categories of container throughput are origin and destination ("**O&D**"), which is also often referred to as import and export, and transhipment. Every container shipped by sea is by definition an export container at the origination terminal and an import container at the destination terminal. A container that is transferred from one ship to another at some point during the journey is said to be transhipped, which gives rise to transhipment throughput at an intermediate terminal somewhere between the load terminal and the discharge terminal. Throughput includes the handling of imports, exports, empty containers and transhipments.

"**Gross throughput**" refers to the total amount of throughput that a container terminal in our portfolio handled over a period of time, regardless of our economic interest in such terminal or whether we held such terminal for the entirety of such period.

"**Capacity**" refers to the theoretical amount of throughput that a container terminal could handle in a year and is generally based on the size of the terminal's container stacking area and the capacity of its quay, which in turn is based on the length of the quay and the capacity of the ship-to-shore cranes that are available.

"**Gross capacity**" refers to the capacity of a container terminal in our portfolio, regardless of our economic interest in such terminal.

General

In this Prospectus, references to (i) "**$**", "**US$**", "**USD**", "**US dollars**" and "**dollars**" are to the lawful currency of the United States, (ii) "**AED**", "**UAE dirham**" and "**dirham**" are to the lawful currency of the United Arab Emirates, (iii) "**€**" and "**euro**" are to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty Establishing the European Community, as amended, (iv) "**£**", "**Pounds Sterling**" and "**Sterling**" are to the lawful currency of the United Kingdom and (v) "**AS**" and "**Australian dollars**" are to the lawful currency of Australia.

NON-IFRS MEASURES

Earnings before interest, taxes, depreciation and amortization ("**EBITDA**"), a measure used by management to measure operating performance, is defined as profit after tax from continuing operations plus finance costs (net of finance income), income tax, depreciation and amortization. "Adjusted EBITDA" is defined as EBITDA further adjusted to remove the impact of separately disclosable items. See Note 10 "*Separately disclosed items*" of the Notes to the 2009 Audited Financial Statements, Note 11 "*Separately disclosed items*" to the 2008 Audited Financial Statements and Note 5 "*Separately disclosed items*" of the Notes to the Interim Financial Statements for further information regarding separately disclosed items. EBITDA and Adjusted EBITDA are not recognized terms under IFRS or US generally accepted accounting principles ("**US GAAP**") and do not purport to be alternatives to profit after tax from continuing operations as measures of operating performance or to cash flows from operating activities as measures of liquidity. Additionally, EBITDA and Adjusted EBITDA are not intended to be measures of free cash flow available for management's discretionary use, as they do not consider certain cash requirements such as interest payments, tax payments and debt service requirements. Management believes that EBITDA and Adjusted EBITDA are helpful in highlighting trends because they exclude the results of decisions that are outside the control of operating management and can differ significantly from company to company depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which companies operate and capital investments. Management uses EBITDA and Adjusted EBITDA to supplement IFRS results to provide a more complete understanding of the factors and trends affecting the business than IFRS results alone. Because not all companies use identical calculations, these presentations of EBITDA and Adjusted EBITDA may not be comparable to other similarly titled measures used by other companies.

PRESENTATION OF MARKET, MARKET SHARE AND INDUSTRY DATA

The market, market share and industry data contained in this Prospectus has been taken from industry reports. In particular, information and data relating to the international container shipping industry has been derived from reports, databases (including the IMF World Economic Outlook database, July 2010 and October 2010 and other sources made available in the public domain by, among others, Drewry Shipping Consultants Ltd ("**Drewry**"), namely, the Annual Review of Global Container Terminal Operators 2010, the Container Forecaster 2Q10 and the Container Forecaster 3Q10. We confirm that this information has been accurately reproduced and, so far as we are aware and have been able to ascertain from that published information, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, the accuracy of such information is subject to the availability and reliability of the data supporting such information and neither the published information nor the underlying data has been independently verified. In addition, the methodology of Drewry and of other industry sources for collecting information and data, and therefore the reported information, may differ from that used by us to compile our operational data and from the methodologies employed by other sources, and does not reflect all or even necessarily a comprehensive set of the actual transactions occurring in the container shipping industry. Drewry has made no representation, express or implied, and has not accepted any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus.

SUPPLEMENTARY PROSPECTUS

If at any time the Issuer is required to prepare a supplementary prospectus pursuant to section 87G of the Financial Services and Markets Act 2000 (the "**FSMA**"), the Issuer will prepare and make available an appropriate amendment or supplement to this Prospectus or a further prospectus which, in respect of any subsequent issue of Notes to be listed on the Official List and admitted to trading on the Market, shall constitute a supplementary prospectus as required by the UK Listing Authority and section 87G of the FSMA.

The Issuer has given an undertaking to the Dealers that if at any time during the duration of the Programme a significant new factor arises or a material mistake or inaccuracy is noted relating to information contained in this Prospectus that is capable of affecting the assessment of any Notes and the inclusion of which in, or removal of which from, this Prospectus, according to the particular nature of the Issuer, is necessary for the purpose of allowing an investor to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, and the rights attaching to the Notes, the Issuer shall prepare an amendment or supplement to this Prospectus or publish a replacement Prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

AVAILABLE INFORMATION

The Issuer has agreed that, for so long as any Notes are "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, the Issuer will during any period that it is neither subject to Section 13 or 15(d) of the US Securities and Exchange Act of 1934, as amended (the "**Exchange Act**"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder furnish, upon request, to any holder or beneficial owner of Notes or any prospective purchaser designated by any such holder or beneficial owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

INCORPORATION BY REFERENCE

The Terms and Conditions of the Notes set out on pages 34 to 55 of the Prospectus dated 27 June 2007 relating to the Programme (excluding, however, the rules of the London Court of International Arbitration incorporated by reference into Condition 18 of those Terms and Conditions) and filed with the UK Listing Authority (and which is published on the website of the Regulatory News Service operated by the London Stock Exchange at *www.londonstockexchange.com/exchange/prices-and-news/news/market-newsmarket-news-home.html*) shall be deemed to be incorporated in and form part of this Prospectus.

The information contained on the website of the Regulatory News Service is not incorporated by reference into, or otherwise included in, this Prospectus.

RISK FACTORS

An investment in the Notes involves a number of risks. You should carefully consider the following information about these risks, together with the other information contained in this Prospectus, before investing in the Notes. The factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but there may be additional risks not currently known to us or that we currently deem immaterial, which could have a significant or material adverse effect on our business, financial condition or results of operations and result in a corresponding decline in the market price of the Notes. You could lose all or a substantial part of your investment.

This Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors, including the risks described below and elsewhere in this Prospectus. See "Cautionary Note Regarding Forward-Looking Statements".

Risks Relating to the Group

Our results of operations are adversely impacted by declines in global trading volumes.

Our results of operations are affected by the volume of our business, which in turn depends on worldwide trade volumes as well as the import and export volumes of the regions in which we operate. Global trade volumes and the import and export volumes of the regions in which we operate are significantly affected by changes in global, regional and local economic, financial and political conditions that are outside of our control, including as a result of:

- changing economic cycles and other macroeconomic developments;
- the imposition of trade barriers, sanctions, boycotts and other measures;
- the levels of inflation and interest rates in the regions in which we operate;
- significant variations in the exchange rates applicable to currencies in the regions in which we operate;
- governmental reactions to economic conditions and developments;
- trade disputes and work stoppages, particularly in the transportation services industry; and
- acts of war, hostilities, natural disasters, epidemics or terrorism.

For example, global trading volumes declined in 2009 due to the global recession. This caused our aggregate gross throughput to decline by approximately 7.9% for the year ended 31 December 2009 as compared to the prior year. This, in turn, resulted in a decline in our revenues from operations, excluding separately disclosed items, by 14.1% for the year ended 31 December 2009 compared to the prior year and our Adjusted EBITDA declined by 20.0% for the year ended 31 December 2009 compared to the same period in the prior year.

Global trading volumes have rebounded in the first half of 2010. However, if global trading volumes decline significantly in future periods, our business, financial condition and results of operations, as well as our future growth could be adversely affected. See "*—We are subject to the risks of political, social and economic instability associated with countries and regions in which we operate or may seek to operate*" below.

Our ultimate majority shareholder, Dubai World, and the Government of Dubai have the ability to exert significant influence over us and their interests may conflict with yours or ours.

Port & Free Zone World FZE owns approximately 80.45% of our issued and outstanding share capital and, therefore, has the ability to exert significant influence over us. Port & Free Zone World FZE is wholly owned by Dubai World, a holding company owned by the Government of Dubai. Accordingly, Dubai World and the Government of Dubai may exert control over, among other things:

- election of our directors and, in turn, selection of our management;
- our business policies and strategies;
- budget approval;
- the issuance of new debt or equity securities and the arrangement of other sources of financing;

- mergers, acquisitions and disposals of our assets or businesses;
- increases or decreases in share capital; and
- amendments to our constitutional documents.

Consequently, we cannot assure you that the resolution of any matter at a general meeting of the shareholders that may involve the interests of Dubai World or the Government of Dubai, as represented by Port & Free Zone World FZE, will be resolved in what investors would consider to be in our or their best interests.

Our future success depends on our ability to achieve and manage growth, whether through organic growth or by winning new concessions or through bolt-on acquisitions.

A principal component of our strategy is to grow organically or by winning new concessions or through bolt-on acquisitions. Our ability to achieve and manage future growth will depend upon a number of factors, including our ability to maintain, expand or develop relationships with our customers, suppliers, contractors, lenders and other third parties, reach agreements with potential joint venture partners on commercial and technical terms satisfactory to us, find and exploit suitable development, expansion or acquisition opportunities and expand our operating capacity, in line with market demand, on a timely and reasonable basis. It will also depend on our ability to adjust and optimize our management and operating structure.

Growth through the winning of new concessions or bolt-on acquisitions also entails risks inherent in identifying suitable opportunities and assessing the value, strengths and weaknesses of the acquisition candidates, as well as integrating the acquired businesses into our operations. In addition, prior to acquisition by us, target companies may have incurred contractual, financial, regulatory, environmental or other obligations and liabilities that may impact us in the future and that are not adequately reflected in the historical financial statements of such companies or otherwise known to us or discovered by us in our due diligence process or with respect to which we do not have adequate indemnities from the seller. Furthermore, our ability to complete acquisitions will depend on, and may be limited by, the availability of suitable acquisition targets and restrictions contained in our debt instruments and our other existing and future financing arrangements. Our ability to complete acquisitions may also be limited by our ability to secure financing for such acquisitions, which has become more difficult due to adverse conditions in the global credit markets, as well as by regulatory constraints within the countries in which we operate due to antitrust laws or political conflicts. See "*—Antitrust and competition laws in the countries in which we operate may limit our growth and subject us to antitrust and other investigations*" below.

In line with declining market demand, in 2009, we slowed the pace of our development and expansion projects and focused on efficient operation of our existing businesses. However, with improved market demand in 2010, our investment in development and expansion projects increased. Future investments in capacity will be based on our expectations of market demand. However there can be no assurance that market demand or our business will increase in the near future or that demand for our services will grow at rates sufficient to achieve a satisfactory return on any expenditure that we make. We also cannot assure you that any future acquisitions will be successfully identified and completed or that, if acquisitions are completed, the acquired companies will generate sufficient revenue to offset the associated costs or other harmful effects on our business. A failure on our part to manage our growth efficiently and effectively could have a material adverse effect on our business, financial condition, results of operations and prospects.

We face significant competition in the container terminal industry for concessions and throughput, which could adversely affect our ability to maintain or increase our market share and profitability.

The global container terminal industry is highly competitive. We face significant competition from other global container terminal operators, as well as smaller regional operators situated in the same locations as us, for both concessions, which allow us to operate in a particular port, and, once we have established operations in a specific location, throughput. While we compete with other terminal operators for both transhipment and O&D throughput on the basis of location, productivity, accessibility, connectivity, price and value added services, because transhipment throughput can be more easily routed through alternative ports and terminals, competition for transhipment throughput tends to be more price-sensitive and less captive than O&D throughput. For the year ended 31 December 2009, approximately 24% of our gross throughput was transhipment.

We compete with other terminal operators for concessions primarily on the basis of the concession rates that will be paid to the owner of the relevant port. When choosing a concessionaire, however, governments or other port owners may also consider other factors, including, among other things, the extent of the regional dominance exhibited by a proposed concessionaire. Consequently, we may face a competitive disadvantage when competing for new concessions in regions or countries in which we are the market leading terminal operator.

Following significant consolidation, both internally and within the container shipping industry, in the decade up until 2007, consolidation within the container terminal industry has stabilised in recent years. According to Drewry, the four largest terminal operators by throughput and capacity, Hutchison Port Holdings ("**HPH**"), PSA International ("**PSA**"), APM Terminals ("**APMT**") and DP World, collectively accounted for approximately 46.1% of global gross capacity as of 31 December 2009 and 46.8% of global gross throughput for the year ended 31 December 2009. Consolidation within the container terminal industry resulted in our having to compete with other terminal operators that may be larger than we are and have greater financial resources than we do and therefore may be able to bid at higher concession rates, invest more heavily or effectively in their facilities or withstand price competition and price volatility more successfully than we can. In addition, some of our competitors may have broader operational experience and longer standing relationships with international shipping companies.

We cannot assure you that consolidation within the container terminal industry will not become more prevalent or that our competitors will not undertake additional mergers and acquisitions to increase their capacity, economies of scale and financial and market strength.

If we are unable to compete effectively against our competitors, we may not be able to maintain or increase our market share and may be forced to increase our concession rate bids or lower our fees, which could have a material adverse effect on our financial conditions, results of operations and prospects.

We are exposed to certain risks in respect of the expansion of terminals and port facilities and the development and construction of new terminals and port facilities.

We currently have 11 new development and major expansion projects. Our development and expansion projects are subject to receipt of various final regulatory approvals in certain jurisdictions. These projects typically require substantial capital expenditures throughout the development, construction and upgrading phases and may take months or years before they become operational and start generating revenue and cash flow for us, during which time we are subject to a number of construction, financing, operating and other risks beyond our control, including, but not limited to:

- shortages and increases in the cost of materials, equipment, labour or other necessary supplies;
- adverse weather conditions and natural disasters;
- an inability on our part to make any necessary financing arrangements on terms favourable to us, if at all;
- risk of counterparty defaults which tend to increase during periods of recession;
- changes in demand for our services;
- labour disputes and disputes with sub-contractors;
- inadequate infrastructure, including as a result of failure by third parties to fulfil their obligations relating to the provision of utilities and transportation and other links that are necessary or desirable for the successful operation of a project;
- failure to complete projects according to specification;
- accidents, civil unrest, wars and other unforeseen events;
- changes in governmental priorities or the level of governmental support that we receive; and
- an inability to obtain on a timely basis, if at all, and maintain project development permission or requisite governmental licenses, permits or approvals.

The occurrence of one or more of these events may negatively affect our ability to complete our current or future projects on schedule, if at all, or within the estimated budget and may prevent us from achieving the projected revenues, internal rates of return or capacity associated with such projects. We cannot assure you that the revenues that we are able to generate from our projects will be sufficient to cover the associated construction and development costs. In addition, once complete, our ability to dispose of inadequate or poorly performing businesses is sometimes subject to governmental approval, which may force us to bear the costs of any such business for a longer period of time, with an increasingly negative and prolonged impact on our financial condition and results of operations, than would otherwise be the case.

Furthermore, because most of our development and expansion projects are governed by contracts that we enter into with the owner of a particular port, failure on our part to fulfil our obligations relating to such projects, including meeting our deadlines in a timely manner, may constitute a breach under the relevant contract and subject us to penalties, including payment of liquidated damages, or, in the case of a serious breach, termination of a project and/or civil liabilities. Although we attempt to allocate risk of failure to sub-contractors and suppliers to the fullest extent possible, if we are unable to seek full indemnification from third parties with respect to any such breach, our financial condition and results of operations may be adversely affected.

A significant number of our operations are run through joint ventures and other entities in which we hold a minority interest and, in some cases, we do not have the right or power to direct the management and policies of such companies.

Because a significant number of our container terminal and other ports-related operations are conducted through jointly controlled entities, associated companies and partnerships, we are exposed to risks relating to actions taken by our joint venture partners and controlling shareholders of entities in which we hold a minority interest. For the year ended 31 December 2009 and the six months ended 30 June 2010, our share of profits of equity accounted associates and joint ventures, excluding separately disclosed items, constituted $71.3 million and $61.9 million, respectively, (or approximately 21.4% and 29.9% respectively,) of our profit after tax for the period, before separately disclosed items. Similarly, $3,453.8 million (or approximately 18.2%) of our total assets as of 31 December 2009 and $3,351.3 million (or approximately 18.1%) of our total assets as of 30 June 2010 comprised investments in associates and joint ventures. To the extent that we do not have a controlling equity stake in, or the right or power to direct the management and policies of, a joint venture or other company through which we conduct our operations, joint venture partners or controlling shareholders may take action that is not in accordance with our policies and objectives. Should a joint venture partner or controlling shareholder act contrary to our interest, it could have a material adverse effect upon our business, results of operations, financial condition and prospects.

Joint venture transactions present many of the same risks involved in acquisitions, but also involve additional risks, including the possibility that our joint venture partners may have economic, business or legal interests or goals that are inconsistent with our own, may become bankrupt, may refuse to make additional investments that we deem necessary or desirable or may prove otherwise unwilling or unable to fulfil their obligations under the relevant joint venture or associated agreements. There is also a risk that our joint venture partners may ultimately become competitors of ours. In addition, joint ventures with government entities also expose us to risks relating to differences in focus or priorities between successive regimes.

Our ability to expand successfully through joint ventures will depend upon the availability of suitable and willing joint venture partners, our ability to consummate such transactions and the availability of financing on commercially acceptable terms. We cannot give any assurance that we will be successful in completing joint ventures or that, once completed, a joint venture will be profitable for us. If a joint venture is unsuccessful, we may be unable to recoup our initial investment and our financial condition and results of operations may be adversely affected.

Our inability to maintain and renew concession agreements at our existing facilities may adversely affect our financial condition and results of operations.

Substantially all terminal operations in the container terminal industry are conducted pursuant to long-term operating concessions or leases entered into by a terminal operator and the owner of a relevant port, typically a governmental entity. Concession agreements often contain clauses that allow the owner of a port to cancel the agreement, impose penalties on us if we do not meet specified investment obligations, which, especially in the case of investments designed to reduce the environmental impact of a particular operation, can be substantial, or require minimum payments based on previously estimated throughput, regardless of actual throughput handled. Similarly, because many of the counterparties to concession agreements are governmental entities, terminal operators, including us, are subject to the risk that concession agreements may be cancelled because of political, social or economic instability. See "*—We are* *subject to the risks of political, social and economic instability associated with countries and regions in which we operate or may seek to operate*" below. We cannot provide any assurance that one or more of our existing concession agreements will not be prematurely cancelled or that we will not be penalized, with or without cause, by the applicable counterparty.

In advance of the expiration of a concession agreement, the owner of a port will typically agree to renew the concession with the existing concessionaire, but often only after significant renegotiation that usually involves, among other things, a commitment on the part of the concessionaire to make capital expenditures with respect to the relevant operation. In 2009, we successfully renewed two concessions in Australia, in Adelaide, and Sydney, for a further 30 years and 15 years, respectively. We have also recently renewed a concession agreement in Maputo, Mozambique and we are currently negotiating the renewal of a concession agreement relating to one of our terminals in Europe which is due to expire within the next 12 months. We cannot assure you that we will be able to renew our concession agreements upon their expiration on commercially reasonable terms, if at all, or that we would be the winning bidder in any re-tender of one or more of our existing concessions should the relevant port owner elect not to renew the relevant concession agreement with us. If we are unable to renew one or more of our concession agreements on commercially reasonable terms on or before their expiration dates, the capacity of our terminal portfolio will be reduced by the amount of capacity provided by the terminals associated with such concession agreements and our profitability, geographic reach and/or prospects may be adversely affected.

Our businesses require substantial capital investment, and we may not have sufficient capital to make, or may be restricted by covenants in our financing agreements from making, future capital expenditures and other investments as we deem necessary or desirable.

We operate in capital intensive industries that require a substantial amount of capital and other long-term expenditures, including those relating to the development and acquisition of new container terminal facilities and the expansion of existing container terminal facilities. We expect to utilise a combination of internally generated cash and external borrowings, including banking and capital markets transactions, to meet our financing requirements. If necessary, we may also seek to obtain additional funding from the equity markets. However, we cannot assure you that our ultimate controlling shareholder, Dubai World, would approve, or be willing or able to participate, in any such financing.

Our ability to arrange external financing and the cost of such financing are dependent on numerous factors, including our future financial condition, general economic and capital market conditions, interest rates, credit availability from banks or other lenders, investor confidence in us, applicable provisions of tax and securities laws and political and economic conditions in any relevant jurisdiction. Moreover, the decline in global credit markets and reduced liquidity may affect our ability to secure financing on commercially reasonable terms, if at all. We cannot provide any assurance that we will be able to arrange any such external financing on commercially reasonable terms, if at all, and we may be required to secure any such financing with a lien over our assets and those of our subsidiaries, or agree to contractual limitations on our business.

In addition, covenants contained in our current or future financing agreements may restrict us from undertaking capital expenditure in amounts and at times that we deem necessary or desirable or when specified by construction timelines contained in concessions for new container terminal facilities. See *"—Our indebtedness could adversely affect our ability to raise additional capital to fund our operations and limit our ability to react to changes in the economy or the industries in which we operate" below.* If we are unable to generate or obtain funds sufficient to make, or are otherwise restricted from making, necessary or desirable capital expenditure and other investments, we may be unable to grow our business, which may have a material adverse effect on our financial condition, results of operations and prospects.

Our indebtedness could adversely affect our ability to raise additional capital to fund our operations and limit our ability to react to changes in the economy or the industries in which we operate.

As at 31 December 2009 and for the six months ended 30 June 2010, we had approximately \$7,969.5 million and \$8,043.4 million of outstanding indebtedness, respectively, and we may incur additional indebtedness in the future to finance the growth of our business. Our substantial indebtedness exposes us to a number of risks, including:

- increasing our vulnerability to general economic and industry conditions;

- requiring a substantial portion of cash flow from operations to be dedicated to the payment of principal and interest on our indebtedness, thereby reducing our ability to use our cash flow to fund our operations, capital expenditures and future business opportunities and to pay dividends;
- exposing us to the risk of increased interest rates with respect to our borrowings at variable rates of interest, unless we are able to fully hedge our interest rate exposure with respect to such borrowings;
- restricting us from making strategic acquisitions or causing us to make non-strategic divestitures;
- limiting our ability to obtain additional financing for working capital, capital expenditures, product development, debt service requirements, acquisitions and general corporate or other purposes; and
- limiting our ability to adjust to changing market conditions and place us at a competitive disadvantage compared to our competitors who are less highly leveraged.

In addition, our debt agreements contain various covenants that limit our ability to engage in specified types of transactions. These covenants limit our and our subsidiaries' ability to, among other things:

- incur or guarantee additional financial indebtedness or issue certain redeemable shares;
- grant security or create any security interests; and
- consolidate, merge or sell or otherwise dispose of any of our assets.

Furthermore, certain of our debt agreements contain, and future agreements may contain, cross-default clauses whereby a default under one of our debt agreements may constitute an event of default under other of our debt agreements.

The agreement governing our syndicated revolving credit facility, among the Company, DP World Holdings (Australia) Limited and P&O, as borrowers, the Company, as the sole guarantor, the lenders from time to time party thereto, Barclays Capital, Citibank N.A., Deutsche Bank AG, London Branch, and The Royal Bank of Scotland Plc, as mandated lead arrangers, The Royal Bank of Scotland Plc, as issuing bank, and Deutsche Bank Luxembourg S.A, as facility agent (the "**Syndicated Loan Facility**"), also requires us to satisfy and maintain a specified ratio of total debt to total debt plus equity and other financial condition tests. Our ability to meet this financial ratio and such tests can be affected by events beyond our control, and we cannot assure you that we will meet this ratio and such tests.

In addition, the outstanding listed debt securities guaranteed by the Issuer, as well as the Syndicated Loan Facility, contain "change of control" provisions which require the Government of Dubai, either directly or indirectly, to hold over 50% of our share capital. However, we have no ability to control the actions of the Government of Dubai or Port & Free Zone World FZE with respect to their holding of our share capital and can therefore make no assurance that either entity will not dispose of its holdings of our share capital in the future either voluntarily or involuntarily. A breach of any of these covenants or provisions would result in a default under our guaranteed outstanding listed debt securities or our Syndicated Loan Facility, which may allow the holders to take action to accelerate the maturity of the securities or allow the lenders to declare all amounts outstanding under the facility to be immediately due and payable and terminate all commitments to extend further credit. Accordingly, any such breach could materially and adversely affect our financial position and solvency.

For further information regarding our material indebtedness, including the Syndicated Loan Facility, and the undertakings and covenants included therein, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness—Syndicated Loan Facility*".

If we fail to retain and attract qualified and experienced employees, our business may be harmed.

If we are unable to retain experienced, capable and reliable personnel, especially senior and middle management with appropriate professional qualifications, or fail to recruit skilled professional and technical staff in pace with our growth, our business and financial results may suffer. Experienced and capable personnel in the container terminal industry remain in high demand, and there is continual competition for their talents. In particular, because of the significant growth in the container terminal industry over the past 15 years, there is an industry-wide shortage of container terminal operating managers. Consequently, when talented employees leave, we may have difficulty, and incur additional costs, replacing them. The loss of any member of our senior management team or any of our terminal managers may result in: (i) a loss of organizational focus; (ii) poor execution of operations and our corporate strategy; and (iii) an inability to identify and execute potential strategic initiatives such as expansion of capacity. These adverse results could, among other things, reduce potential revenue, prevent us from diversifying our service lines and expose us to downturns in the markets in which we operate, all of which could adversely affect our business, results of operations, financial condition and prospects.

We may not maintain sufficient insurance coverage for the risks associated with the operation of our business.

Our operations may be affected by a number of risks, including terrorist acts and war-related events, for which full insurance cover is either not available or not available on commercially reasonable terms. In addition, the severity and frequency of various other events, such as accidents and other mishaps, business interruptions or potential damage to our facilities, property and equipment caused by inclement weather, human error, pollution, labour disputes and acts of God, as well as risks relating to our provision of services to customers, including, with respect to our container terminal operations, damage to customers' property, delays, misrouting of cargo and documentation errors, may result in losses or expose us to liabilities in excess of our insurance coverage or significantly impair our reputation. We cannot assure you that our insurance coverage will be sufficient to cover the loss arising from any or all such events or that we will be able to renew existing insurance cover on commercially reasonable terms, if at all.

Should an incident occur in relation to which we have no insurance cover or inadequate insurance cover, we could lose the capital invested in, and anticipated future revenues relating to, any property that is damaged or destroyed and, in certain cases, we may remain liable for financial obligations related to the impacted property. Similarly, in the event that any assessments are made against us in excess of any related insurance cover that we may maintain, our assets could be subject to attachment, confiscation or restraint under various judicial procedures. Any of these occurrences could have a material adverse effect on our business, financial condition and results of operations.

We are exposed to credit risk with respect to our counterparties, and our business could be adversely affected if our counterparties default on their obligations to us.

A failure by one of our debtors, who may account for a substantial portion of our business, to pay its obligations to us, or inability to pay by anyone of our counterparties, is likely to have a significant impact on our reserves and profitability. As of 31 December 2009 our ten largest customers accounted for approximately 46.1% of our gross trade receivables. While we seek to limit our credit risk by setting credit limits for individual counterparties, taking financial guarantees from counterparties and monitoring outstanding receivables, our counterparties may in the future default on their obligations to us due to bankruptcy, lack of liquidity, operational failure or other reasons. The risk of default by our counterparties is even more acute in view of the global credit crisis when the risk of failure by counterparties is increased due to the lack of liquidity. Our credit risk is increased by the fact that our largest counterparties operate in the same industry and therefore may be similarly affected by changes in economic and other conditions. In addition, we are often unable to obtain reliable information regarding the financial condition of a number of our customers because they are privately-held companies and have no obligation to make such information publicly available. While we have taken steps to monitor this risk more closely and to ensure tighter control in respect of the credit risk of our counterparties, any delayed payment, non-payment or non-performance on the part of one or more of our major customers, or a number of our smaller counterparties, could have a material adverse effect on our financial condition, including cashflow.

Fluctuations in currency exchange rates could have an adverse effect on our results of operations.

Because we present our financial statements in US dollars, we are exposed to risks related to the translation of assets and liabilities denominated in foreign currencies. As of 31 December 2009 approximately 86% of our net operating assets were denominated in foreign currencies (i.e. other than the functional currency of the Company, UAE Dirhams). As a result, currency fluctuations can have a material impact on our balance sheet.

In addition to these translation risks, we are exposed to transaction risks as a result of differences in the currency mix of our operating revenue and cost of sales. As a result, a depreciation or appreciation of a particular local currency against the US dollar could have either a positive or negative impact on both our balance sheet and our profit margin and therefore our profit for the year. See "*Management's Discussion* *and Analysis of Financial Condition and Results of Operations—Factors Affecting Financial Condition and Results of Operations—Currency Risk*".

Although we currently hedge some of our exchange rate exposure by entering into swap and/or other currency exchange rate hedging transactions, there can be no assurance that such transactions will fully protect us from exchange rate risk or that we will continue to be able to enter into such arrangements on commercially reasonable terms, if at all. Accordingly, we cannot assure you that future exchange rate fluctuations between the US dollar and the currencies of countries in which we operate will not have a material adverse effect on our business, financial condition, results of operations and prospects.

Increases in interest rates may adversely affect our financial condition.

Interest rates are highly sensitive to many factors beyond our control, including the interest rate and other monetary policies of governments and central banks in the jurisdictions in which we operate, and the variable rate debt portion of our loans and borrowings is subject to interest rate risk resulting from fluctuations in the relevant reference rates underlying such debt. Consequently, any increase in such reference rates will result in an increase in our interest rate expense and may have a material adverse effect on our financial condition and results of operations. As of 31 December 2009, $4,377.5 million of our financial instruments carried interest at floating rates before taking interest rate swaps into account. A hypothetical 1% change in interest rates on this portion of our financial instruments, after taking interest rate swaps into account, would result in a change in our interest expense of approximately $5.6 million per year. Furthermore, there can be no assurance that, upon the expiration of our current interest rate hedging arrangements, we will be able to enter into similar hedging transactions in the future on commercially reasonable terms, if at all, or that these agreements, if entered into, will protect us fully against our interest rate risk in the future. Any future unhedged interest rate risk may result in an increase in our interest expense and may have a material adverse effect on our financial condition and results of operations.

The discontinuation of any of the preferential tax treatments currently available to us may increase our tax liabilities and decrease our profitability.

Certain of our container terminal operations for instance, those located in India and China benefit from tax "holiday" or similar awards, which exempt us from paying tax on our profits or, in the case of India, allow us to pay a reduced rate of tax on our profits, in each case, for a specified period of time but do not extend to the dividend distribution of such profits. In India, we also pay a significantly deducted rate of customs duties on our imports of capital goods as a result of the Export Promotion Capital Goods Scheme ("**EPCG Scheme**"), which reduces the customs duties on imports of capital goods on the basis that certain prescribed levels of exports are achieved. As a result of these tax awards, our overall tax charge is less than it would otherwise be in the absence of such awards. The existing tax awards expire at various times between 2010 and 2018 and, upon their expiration, we will be required to pay tax on our profits at the normal rate for the relevant country. In addition, if we fail to meet the prescribed level of exports in India under the EPCG Scheme, we will be liable to pay the full rate of customs duties on our imports of capital goods. There can be no assurance that the tax awards that we currently enjoy will remain unchanged and any change in respect of one or more such awards may materially adversely affect our tax liabilities and profitability.

We may be adversely affected by conditions in the global financial markets and the impact that this has on our ability to secure financing.

Since 2008, global credit markets have declined markedly, resulting in reduced liquidity, greater volatility, widening of credit spreads and lack of price transparency in credit markets. Any worsening of general global economic conditions or any change in investment markets, including, but not limited to, changes in interest rates, exchange rates and returns from equity, property and other investments, may affect our ability to secure financing on terms similar to those we have received in the past or on our ability to secure commercial financing at all. Furthermore, a lack of liquidity in the financial markets may also impact the ability of our joint venture partners and our customers to honour their commitments to us or the ability of our contractors to complete existing projects. Any of the foregoing could materially adversely affect our business, financial condition and results of operations.

Any future impairment of our goodwill may represent a reduction in our future cashflows.

As of 30 June 2010, we had total goodwill on our balance sheet of $2,275.1 million. With the approval of the audit committee, our management determines, at least on an annual basis, whether our goodwill should be impaired and if so, assesses the impairment charge which should be applied to our goodwill. In determining whether goodwill should be impaired, our management estimates the value in use of the cash-generating units to which goodwill is allocated, which in turn requires an estimate of the expected future cash flows from each cash-generating unit. Such an assessment is subjective and there is no assurance, particularly if difficult market conditions arise in the future, that our management will not, from time to time, apply an impairment charge to our goodwill which may represent a potential reduction in our expected future cash flows.

Our port operations could be adversely affected by natural disasters or other catastrophic events beyond our control.

Our business operations and development and construction projects could be adversely affected or disrupted by natural disasters (such as earthquakes, floods, tsunamis, hurricanes, fires or typhoons) or other catastrophic or otherwise disruptive events, including, but not limited to:

- changes to predominant natural weather, hydrologic and climatic patterns, including sea levels;
- the amount of silting that occurs in the areas around and leading to our facilities;
- invasion, piracy, sabotage, rebellion, revolution, insurrection, military or usurped power, war and radioactive or other material environmental contamination;
- riots or other forms of civil disturbance;
- any recurrence of SARS or outbreak of Avian Flu or other contagious disease, which may adversely affect global or regional trade volumes or customer demand with respect to cargo transported to or from affected areas;
- major accidents, including chemical, and radioactive or other material environmental contamination;
- denial of the use of any railway, port, airport, shipping service or other means of public transport; and
- strike or lock-out or other industrial action by workers or employers.

The occurrence of any of these events at one or more of our facilities or development and construction projects or in the regions in which we operate may cause delays in the arrival and departure of vessels or disruptions to our operations in part or in whole, may increase the costs associated with dredging activities, may subject us to liability or impact our brand and reputation and may otherwise hinder the normal operation of our container terminals, which could materially affect our financial conditions, results of operations and prospects. The effect of any of these events on our financial condition and results of operations may be worsened to the extent that any such event involves risks for which we are uninsured or not fully insured. See "*—Risks Relating to the Group—We may not maintain sufficient insurance coverage for the risks associated with the operation of our business*" above.

Additional security requirements may increase our operating costs and restrict our ability to conduct our ports business.

In recent years, various international bodies and governmental agencies and authorities in the countries in which we operate have implemented numerous security measures that affect our container terminal operations and the costs associated with such operations. The International Ship and Port Facility Security Code ("**ISPS Code**"), which was implemented in 2004, and, to the extent that our terminals handle cargo destined for the United States, the global security initiatives emanating from the US Safe Ports Act of 2006, specifically the Container Security Initiative ("**CSI**") and the Secure Freight Initiative ("**SFI**"), are recent examples of such security measures. The ISPS Code is a comprehensive set of measures designed to enhance the security of ships and port facilities and requires us and our staff to, among other things, gather and assess information related to shippers and cargos, maintain communication protocols, restrict access to our facilities as appropriate, provide the means to raise alarms, establish vessel and port security plans, and ensure training and drills are conducted. The SFI and CSI programs are designed to improve US port security by requiring the advance transmission of manifest documentation and technical images of pre-screened containers before they reach US ports. Failure on our part to comply with the security requirements applicable to us or obtain relevant security-related certifications may, among other things, prevent certain shipping line customers from using our facilities and result in higher insurance premiums, which could have a material adverse effect on our financial condition, results of operations and prospects.

In addition, new security measures or updated regulatory compliance requirements, which may be influenced by political or other considerations not aligned with our interests, may be introduced at any time, including in connection with the new EU Customs Security Program—Authorized Economic Operator initiative, the US Customs—Trade Partnership Against Terrorism initiative and other government-to-industry initiatives, and ensuring our compliance with such measures or requirements may involve considerable time and resources on our part. The costs associated with existing and any additional or updated security measures will negatively affect our operating income to the extent that we are unable to recover the full amount of such costs from our customers, who generally also have faced increased security-related costs, or, in certain cases, the owners of the ports in which we operate. Similarly, additional security measures that require us to increase the scope of our screening procedures may effectively reduce the capacity of, and increase congestion at, our terminals, which may negatively affect our financial condition and results of operations.

We rely on security procedures carried out at other port facilities and by our shipping line customers, which are outside of our control.

We inspect cargo that enters our terminals in accordance with the inspection procedures prescribed by, and under the authority of, the governmental body charged with oversight of the relevant port. We also rely on the security procedures carried out by our shipping line customers and the port facilities that such cargo has previously passed through to supplement our own inspection to varying degrees. We attempt to mitigate security-related risks as much as possible and believe that we maintain standards for security at our terminals, including with respect to compliance with the ISPS Code and internationally-recognized efficient security management systems, that meet or exceed those generally adopted by the container terminal industry. However, we cannot guarantee that none of the cargo that passes through our terminals will be impacted by breaches in security or acts of terrorism either directly against us or indirectly in other areas of the supply chain that will impact on us. A security breach or act of terrorism that occurs at one or more of our facilities, or at a shipping line or other port facility that has handled cargo before us, could subject us to significant liability, including the risk of litigation and loss of goodwill. In addition, a major security breach or act of terrorism that occurs at one of our facilities or one of our competitors' facilities may result in a temporary shutdown of the container terminal industry and/or the introduction of additional or more stringent security measures and other regulations affecting the container terminal industry, including us. See "*—Additional security requirements may increase our operating costs and restrict our ability to conduct our ports business*" above. The costs associated with any such outcome could have a material adverse effect on our financial condition, results of operations and prospects.

We are subject to a wide variety of regulations and may face substantial liability if we fail to comply with existing or future regulations applicable to our businesses.

Our terminal operations are subject to extensive international, national and local laws and regulations governing, among other things, the fees that we are permitted to charge at certain ports, the loading, unloading and storage of hazardous materials, environmental protection and health and safety. Our ability to operate our ports business is contingent on our ability to comply with these laws and regulations and to obtain, maintain and renew as necessary related approvals, permits and licenses from governmental agencies and authorities in the countries in which we operate. As the laws and regulations governing our terminal operations, and the legal interpretations of these laws and regulations, are not uniform across the countries in which we operate, we are exposed to the costs and administrative difficulties involved in keeping ourselves informed of new and evolving legislation and regulations that span many jurisdictions. Because of the complexities involved in ensuring compliance with different and sometimes inconsistent national and international regulatory regimes, we cannot assure you that we will remain in compliance with all of the regulatory and licensing requirements imposed on us by each relevant jurisdiction. Our failure to comply with all applicable regulations and obtain and maintain requisite certifications, approvals, permits and licenses, whether intentional or unintentional, could lead to substantial penalties, including criminal or administrative penalties or other punitive measures, result in revocation of our licenses and/or increased regulatory scrutiny, impair our reputation, subject us to liability for damages, trigger a default under one or more of our financing agreements or invalidate or increase the cost of the insurance that we maintain for our ports business. Additionally, our failure to comply with regulations that affect our staff, such as health and safety regulations, could affect our ability to attract and retain staff. See "*—Risks Relating to the Group—If we fail to retain and attract qualified and experienced employees, our business may be harmed*" above. We could also incur civil liabilities such as abatement and compensation for loss in amounts in excess of, or that are not covered by, our insurance. See "*—Risks Relating to the Group—We may not maintain sufficient insurance coverage for the risks associated with the operation of our business*" above. For the most serious violations we could also be forced to suspend operations until we obtain such approvals, certifications, permits or licenses or otherwise bring our operations into compliance.

In addition, changes to existing regulations or tariffs or the introduction of new regulations or licensing requirements are beyond our control and may be influenced by political or commercial considerations not aligned with our interests. Any such regulations, tariffs or licensing requirements could adversely affect our business by reducing our revenue, increasing our operating costs or both and we may be unable to mitigate the impact of such changes. Further or future tariff reductions at one or more of our terminals could have a negative effect on our results of operations.

Finally, any expansion of the scope of the regulations governing our environmental obligations, in particular, would likely involve substantial additional costs, including costs relating to maintenance and inspection, development and implementation of emergency procedures and insurance coverage or other financial assurance of our ability to address environmental incidents or external threats. If we are unable to control the costs involved in complying with these and other laws and regulations, or recover the full amount of such costs from our customers, our business, financial condition and results of operations could be adversely affected.

Industrial action or adverse labour relations could disrupt our business operations and have an adverse effect on operating results.

Our operations depend on employees who may be party to national or local collective bargaining arrangements or benefit from local applicable law, regulation or custom regarding employee rights and benefits. If we are unable to negotiate acceptable labour agreements or maintain satisfactory employee relations, the results could include work stoppages, strikes or other industrial action or labour difficulties (including higher labour costs) at one of our facilities or, in the case of our operations in India and Australia, at all of our facilities in a particular country, any of which could have a material adverse effect on our business, financial condition and results of operations.

Failure in our information and technology systems could result in delays to our business operations.

Our information and technology systems are designed to enable us to use our infrastructure resources as efficiently as possible and monitor and control all aspects of our operations. Although each of our terminals, based on the nature of its business, is configured to keep its systems operational under abnormal conditions, including with respect to business processes and procedures, any failure or breakdown in these systems could interrupt its normal business operations and result in a significant slowdown in operational and management efficiency for the duration of such failure or breakdown. Any prolonged failure or breakdown could dramatically impact our ability to offer services to our customers, which could have a material adverse effect on our business and results of operations. Similarly, any significant delays or interruptions in our loading or unloading of a customer's cargo could negatively impact our reputation as an efficient and reliable terminal operator.

In addition, we are reliant on third party vendors to supply and maintain much of our information technology. In particular, as is the case for many of our competitors, a significant percentage of our core operations currently use information and technology systems provided by Navis, LLC ("**Navis**"), which we rely on for related support and upgrades. In the event that Navis or one or more of the other third party vendors that we engage to provide support and upgrades with respect to components of our information technology ceased operations or became otherwise unable or unwilling to meet our needs, we cannot assure you that we would be able to replace any such vendor promptly or on commercially reasonable terms, if at all. Delay or failure in finding a suitable replacement could adversely affect our financial condition, results of operations and prospects.

Risks Relating to the Regions in Which We Operate

We are subject to political and economic conditions in Dubai, as well as the UAE as a whole.

For the year ended 31 December 2009 and the six months ended 30 June 2010, 61.9% and 58.6%, respectively, of our revenue, excluding separately disclosed items, related to operations located in our Middle East, Europe and Africa financial reporting segments, a significant portion of which related to operations in the UAE. Consequently, our results of operations are and will continue to be affected in general by economic and political developments in or affecting Dubai and the UAE and, in particular, by the level of economic activity in Dubai the UAE and the broader Middle East, Indian Subcontinent and Africa regions.

Although it has one of the most diversified economies in the Gulf Cooperation Council ("**GCC**"), the UAE's wealth remains largely based on oil and gas. Despite the UAE being viewed as being less vulnerable than some of its GCC neighbours, due to the growth in the non-oil sector and the sizeable wealth of the Government of Abu Dhabi, fluctuations in energy prices have an important bearing on economic growth.

The economies of Dubai and the UAE, like those of many emerging markets, have been characterised by significant government involvement through direct ownership of enterprises and extensive regulation of market conditions, including foreign investment, foreign trade and financial services. The Government of Dubai owns or has significant investments in certain Government related strategic entities ("**GREs**"). The Government of Dubai indirectly holds a majority stake in the Company through holding company Dubai World. Dubai World operates through four segments: transport and logistics, drydocks and maritime; urban development; and investment and financial services. While the policies of the governments of Dubai and the UAE generally resulted in improved economic performance in previous years, there can be no assurance that these levels of performance can be sustained. In addition, certain of the GREs have incurred indebtedness including indebtedness in the international capital markets. However, the Government has no financial obligation in respect of the indebtedness of GREs, unless it has specifically provided a guarantee in respect of such indebtedness.

Moreover, in line with most other economies, the global recession in 2009 resulted in a decline in economic growth in Dubai and the UAE. Since the middle of 2008, as a result of the global financial crisis and sharp falls in international oil and gas prices, there have been significant declines in real estate sales prices and rental rates in both Dubai and the UAE as a whole as well as a slowdown in construction activity in the UAE.

Although global economic conditions have stabilised in the first half of 2010, there is no assurance that economic conditions will continue to improve in the near future. To the extent that economic growth or performance in Dubai or the UAE subsequently declines or that international capital markets are affected by the indebtedness of GREs, our financial condition, results of operations and prospects may be adversely affected. In addition, the implementation by the governments of Dubai or the UAE of restrictive fiscal or monetary policies or regulations, including in respect of interest rates, or new legal interpretations of existing regulations, the introduction of taxation or exchange controls could have a material adverse effect on our business, financial condition, results of operations and prospects. For a discussion of additional risks that we face in the UAE and other countries, see "*—Risks Relating to the Regions in which we Operate—We are subject to the risks of political, social and economic instability associated with countries and regions in which we operate or may seek to operate*" below.

A deterioration of political relations in the Middle East may adversely affect our business.

The Middle East has experienced varying degrees of political instability over the past 50 years. Because our business relies heavily on our presence and operations in the UAE, future armed conflicts or political instability in the Middle East could impact our operations and have a material adverse effect on our financial condition and results of operations. Although historically, periods of war and instability have not had an adverse effect on our UAE operations due to the position of the UAE, and in particular, the port at Jebel Ali, as a safe haven for trade and shipping in the Middle East, there is no assurance that we will not be adversely affected by regional wars or political instability in the future. In particular, any blockage of, or other event affecting, the Strait of Hormuz or other political or military disruptions in the Arabian Gulf could prevent our shipping line customers from reaching the ports at which we operate in the UAE, including through prohibitive increases in their insurance premiums.

Instability in the Middle East may result from a number of factors, including government or military regime change, civil unrest or terrorism. Within the Middle East, extremists have engaged in a campaign, sometimes violent, against various governments in the region and terrorists have struck both military and civilian targets. There can be no assurance that extremists or terrorist groups will not escalate violent activities in the Middle East or that the governments of the Middle East will be successful in maintaining the prevailing levels of domestic order and stability. Any of the foregoing circumstances could have a material adverse effect on the political and economic stability of the Middle East and, consequently, on our business, results of operations, financial condition and prospects. For a discussion of additional risks that we face in these and other countries, see *"—Risks Relating to the Regions in which we Operate—We are subject to the risks of political, social and economic instability associated with countries and regions in which we operate or may seek to operate*" below.

Antitrust and competition laws in the countries in which we operate may limit our growth and subject us to antitrust and other investigations.

The antitrust and competition laws and related regulatory policies in many of the countries in which we operate generally favour increased competition in the container terminal industry and may prohibit us from making further acquisitions or continuing to engage in particular practices to the extent that we hold a leading market share in such countries. In addition, violations of such laws and policies could potentially expose us to civil lawsuits or criminal prosecution, including fines and imprisonment. On 24 August 2007, the Australian Competition and Consumer Commission ("**ACCC**") instituted proceedings against a number of former Patrick companies and a number of former P&O companies in Australia, alleging that such companies engaged in anti-competitive practices in connection with the formation and operation of a joint venture in Australia. We reached an out of court settlement agreement with ACCC and the settlement was approved by the Federal Court of Australia on 3 July 2009. In the past year, DP World Antwerp NV has been involved in an investigation by the Belgian Competition Service on the legality of yearly cost increase announcements by the Antwerp cargo handling trade association to its members. Similarly, French competition authorities fined all port operators and the port authority of Le Havre, France, for anti-competitive practices regarding the allocation of berths in Le Havre. The joint venture in which we hold an interest ("**GMP**") was fined EUR 80,000. The decision is final and binding. We cannot predict the effect that any of these investigations, or any future investigations, will have on our business. If as a result of any such investigation, the relevant antitrust or competition authority imposes fines or other penalties on us or prohibits us from engaging in certain types of business in one or more of the regions in which we operate, our financial performance and future growth could be adversely affected.

We are subject to the risks of political, social and economic instability associated with countries and regions in which we operate or may seek to operate.

We conduct our business in a number of countries and regions with developing economies, many of which do not have firmly established legal and regulatory systems and some of which from time to time have experienced economic or political instability. Some of these countries are also in the process of transitioning to a market economy and, as a result, are experiencing changes in their economies and their government policies that can affect our investments in these countries. Governments in these jurisdictions and countries, as well as in more developed jurisdictions and countries, may be influenced by political or commercial considerations outside of our control, and may act arbitrarily, selectively or unlawfully, including in a manner that benefits our competitors.

Specific country risks that may have a material adverse effect on our financial condition and results of operations include:

- political instability, riots or other forms of civil disturbance or violence;
- war, terrorism, invasion, rebellion or revolution;
- government interventions, including expropriation or nationalization of assets, increased protectionism and the introduction of tariffs or subsidies;
- changing fiscal, regulatory and tax regimes;
- arbitrary or inconsistent government action, including capricious application of tax laws and selective tax audits;
- difficulties and delays in obtaining requisite governmental licenses, permits or approvals;
- cancellation, nullification or unenforceability of contractual rights; and
- underdeveloped industrial and economic infrastructure, including railway and road systems that are unable to deal with the high volumes handled at a particular terminal.

In addition, to the extent that any of our operations is located in a country or region that is designated a Hull, War, Strikes, Terrorism and Related Perils Listed Area by Lloyd's Joint War Committee, shipping lines must pay war risk premiums in respect of insurance that they obtain for vessels travelling in such areas. Five of our container terminals are located in four countries that are currently designated Hull, War, Strikes, Terrorism and Related Perils Listed Areas, namely Djibouti, Saudi Arabia, Yemen and Pakistan. Such a designation could negatively affect the decisions of our shipping line customers to continue to call at these terminals.

Changes in investment policies or shifts in the prevailing political climate in any of the countries in which we operate could result in the introduction of increased government regulations with respect to, among other things:

- price controls;
- export, import and throughput controls;
- income and other taxes;
- environmental legislation;
- customs and immigration;
- foreign ownership restrictions;
- foreign exchange and currency controls;
- labour and welfare benefit policies; and
- land and water use.

As the political, economic and social environments in certain countries in which we have made, or may consider making, investments remain subject to continuing development, investments in such countries are characterized by a significant degree of uncertainty. Any unexpected changes in the political, social, economic or other conditions in such countries, or in countries that neighbour such countries, could have a material adverse effect on the investments that we have made or may make in the future, which in turn could have a material adverse effect on our financial condition and results of operations. For additional risks relating to political and economic conditions in Dubai, the UAE and the Middle East, see *"—Risks Relating to the Group—We are subject to political and economic conditions in Dubai, as well as the UAE as a whole*" and *"—Risks Relating to the Group—A deterioration of political relations in the Middle East may adversely affect our business*" above.

Government policies relating to the container terminal industry may be changed in countries in which we operate, and any such changes in a country could have a material adverse effect on our financial condition and results of our operations in that country.

Government policies relating to the container terminal industry may be changed in countries in which we operate. Any such changes may require us to change aspects of the way that we conduct business in the relevant country, which could have a material effect on our financial condition, results of operations and prospects to the extent that current policies differ significantly from the policies ultimately promulgated by the relevant country. Any changes in government policies relating to the container terminal industry in countries that we are not currently operating in could prevent or restrict our ability to operate in those countries in the future.

Risks Related to the Notes

The Notes may not be a suitable investment for all investors and the failure by an investor to fully understand their investment may result in such investor losing all or part of its investment in the Notes.

Each potential investor must determine the suitability of an investment in the Notes in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Prospectus;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact that such an investment will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes including where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to investors' overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact that such an investment will have on the potential investor's overall investment portfolio.

The terms of the Notes will contain provisions allowing for modification, waivers and substitution thereof and, as a result, the Terms and Conditions of the Notes may change.

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that, if in the opinion of the Trustee it is not materially prejudicial to the interests of the Noteholders, the Trustee may, without the consent of Noteholders, agree to (i) any modification (subject as provided in the Trust Deed) of, or to the waiver or authorization of any breach or proposed breach of, any of the provisions of the Notes or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such or (iii) the substitution of another company as principal debtor under any Notes in place of the Issuer or any previously substituted company, as described in Condition 11 of the Terms and Conditions of the Notes.

Certain investors may be affected by provisions under the EU Savings Directive.

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**Directive**"), Member States are required to provide to the tax authorities of another Member State details of certain payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State. However, for a transitional period, Luxembourg and Austria may instead apply an optional information reporting system whereby if a beneficial owner does not comply with one of two procedures for information reporting, the Member State will levy a withholding tax that may rise over time to 35 per cent. on payments to such beneficial owner (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries (Switzerland, Andorra, Liechtenstein, Monaco and San Marino) and certain dependent or associated territories of certain Member States (including Jersey, Guernsey, Isle of Man, Montserrat, British Virgin Islands, Netherlands Antilles and Aruba) have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a paying agent (within the meaning of the Savings Directive) within its jurisdiction to, or collected by such paying agent for, an individual resident or certain limited types of entity established in a Member State.

Belgium previously also adopted a transitional withholding system, but has now opted, by two Royal Decrees dated 27 September 2009 and published in the Belgium State Gazette on 1 October 2009, to provide details of payments of interest in accordance with the Savings Directive, as from 1 January 2010.

On 15 September 2008, the European Commission issued a report to the Council of the European Union on the operation of the Savings Directive, which included the Commission's advice on the need for changes to the Savings Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the Savings Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are made in relation to the Savings Directive, they may amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Bank nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax.

There is no assurance as to the possible impact of a judicial decision, or change of law, with respect to the Notes.

The Terms and Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of any Notes.

We cannot assure you that an active, stable or liquid market for the Notes will develop or be maintained.

The Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. The liquidity of any market for the Notes that may develop depends on a number of factors, including:

- the complexity and volatility of the index or formula applicable to the Notes;
- the method of calculating the principal and interest in respect of the Notes;
- the time remaining to the maturity of the Notes;
- the outstanding amount of the Notes;
- the redemption features of the Notes;
- the amount of other debt securities linked to the index or formula applicable to the Notes; and
- the level, direction and volatility of market interest rates generally.

In addition, certain types of Notes, including those that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors, may have a more limited trading market and experience more price volatility than conventional debt securities. As a result of these and other factors, there may be a limited number of buyers available when an investor decides to sell its Notes, which may adversely affect the price an investor receives for such Notes or the ability of an investor to sell such Notes at all. A prospective investor should not purchase Notes unless such an investor understands and knows it can bear these investment risks.

The Notes may be subject to fluctuations in currency exchange rates.

The Issuer will pay principal and interest on the Notes in the relevant Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that government and monetary authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls, which could adversely affect an applicable exchange rate. We have no control over the factors that generally affect these risks, such as economic, financial and political events and the supply and demand for applicable currencies. In recent years, exchange rates between certain currencies have been highly volatile and volatility between such currencies or with other currencies may be expected in the future. Fluctuations between currencies in the past are not necessarily indicative, however, of fluctuations that may occur in the future. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes. Moreover, if payments on the Notes are determined by reference to an index or formula, the effect of any change in the exchange rates between the Investor's Currency and the Specified Currency will be magnified. See "*—The Issuer may issue Notes whose principal and interest is determined by reference to an index, formula or changes in security prices, interest rates and other factors*" below.

It may be difficult for you to enforce judgments against the Company.

The Company is incorporated in and under the laws issued by the DIFC. Our headquarters are located in Dubai and a substantial portion of our assets are located in the UAE and a number of other jurisdictions outside the United Kingdom and the United States. As a result, prospective investors may have difficulties effecting service of process in the United Kingdom or the United States upon us in connection with any lawsuits related to the Notes, including actions arising under the laws of the United Kingdom, the federal securities laws of the United States.

Further, no claim may be brought in the DIFC courts against us in the first instance for violation of US federal securities laws because these laws have no extraterritorial application under DIFC law and do not have force of law in the DIFC. Similarly, you should not expect to have recourse to the courts of the Emirate of Dubai (other than the courts of the DIFC) or to the federal courts of the UAE.

We have been advised by our counsel that it is currently unclear as to whether the courts of the DIFC would enforce judgments of US or UK courts obtained in actions against us predicated upon the civil liability provisions of the US federal securities laws, or original actions brought in the DIFC against us predicated solely upon US federal securities laws or UK laws, as the case may be. Further, we have been advised by our counsel that there is no treaty in effect between any of the United States or the United Kingdom and the UAE providing for the enforcement of judgments of US or UK courts in civil and commercial matters, and the grounds upon which DIFC courts may decline to enforce the judgments of US or UK courts, as the case may be, are unclear as they remain untested. Some remedies available under UK laws, the laws of US jurisdictions, including some remedies available under the US federal securities laws, may not be allowed in DIFC courts as contrary to public policy in the DIFC. Because judgments of US and UK courts are not automatically enforceable in the DIFC, it may be difficult for you to recover against us based upon such judgments. In addition, notwithstanding that the UAE has acceded to the United Nations Convention on the Recognition and Enforcement of Arbitral Awards (New York 1958) in 2006 regarding the recognition and enforcement of foreign arbitral awards, you may also have difficulties in enforcing judgments of DIFC courts and arbitration awards ratified by DIFC courts against us in jurisdictions outside the DIFC because the mechanism for enforcement of judgments and awards issued by the DIFC courts is as yet untested.

In addition, Law No. 10 of 2005 grants to the Government of Dubai and its affiliates immunity in respect of its assets in the following terms: "*No debt or obligation owing from the Ruler or the Government may be recovered by laying hold, attachment, sale in auction or taking possession in any legal action of the Ruler's or the Government's properties and assets whether or not a final judgment is issued in respect of such debt or obligation.*" As we are indirectly majority-owned by the Government of Dubai, we may be able to claim sovereign immunity. Although we have irrevocably waived this right, there is a risk that any judgments obtained in actions against us may not be enforceable in the DIFC if the DIFC courts decide that such waiver is not legal or binding.

The Issuer may be able to avail itself of an automatic moratorium applicable to all creditors, secured or unsecured and without their consent, in respect of it and its assets wherever located upon notification to the Tribunal established under Decree No. 57 of 2009 passed by the Ruler of Dubai that it intends to make a proposal to its creditors for a voluntary arrangement.

On 13 December 2009, the Ruler of Dubai passed a decree establishing a Tribunal (the "**Tribunal**") to decide any disputes related to Dubai World and/or its direct and indirect subsidiaries (each a "**Dubai World Corporation**"), including the Issuer, and their respective creditors. The decree, titled Decree No. 57 of 2009 Establishing a Tribunal to decide the Disputes Related to the Settlement of the Financial Position of Dubai World and its Subsidiaries ("**Decree 57**"), established an insolvency protection framework for each Dubai World Corporation by applying the insolvency regime of the DIFC, subject to certain modifications, to each Dubai World Corporation. Decree 57 gives the Tribunal established under it the power to impose an automatic moratorium on all secured and unsecured creditors in respect of any Dubai World Corporation which submits a voluntary arrangement notification to the Tribunal or to order the liquidation of any such company to the extent that such voluntary arrangement is not sanctioned by the Tribunal. Accordingly, should Noteholders, or the Trustee acting on their behalf, assert a claim in respect of the Notes against the Issuer, the Issuer could seek to stay such claim by submitting a voluntary arrangement notification to the Tribunal. Decree 57 also provides that courts in Dubai, including the courts of the DIFC, shall not hear or decide any demand, claim or other matter which is within the jurisdiction of the Tribunal by virtue of Decree 57. In addition, the Tribunal issued a practice direction on 30 March 2010 stating that it will be the policy of the Tribunal to respect and enforce arbitration agreements made between a Dubai World Corporation, and its creditors and that where disputes have already arisen, the Tribunal expects the parties to continue with pending arbitration proceedings in accordance with their contractual obligations.

As at the date of this Prospectus, the application of Decree 57 to the Issuer is untested and it is therefore currently not known as to how Decree 57 will affect the conduct of any claims involving us and our creditors which are brought in Dubai or the DIFC, including claims which are the subject of arbitration, or as to how the Tribunal will conduct any claims brought before it.

Because the Issuer is a holding company and substantially all of its operations are conducted through its subsidiaries, unconsolidated joint ventures and associates, its ability to make payments in respect of the Notes issued by it, depends on its ability to obtain cash dividends or other cash payments or obtain loans from such entities.

The Issuer currently conducts substantially all of its operations through its subsidiaries, unconsolidated joint ventures and associates, and such entities generate substantially all of the operating income and cash flow of the Issuer. Because the Issuer has no direct operations or significant assets other than the capital stock of these entities, it relies on free cash flow of its subsidiaries, cash dividends from its joint ventures and associates, investment income, financing proceeds and other permitted payments from its subsidiaries, joint ventures and associates to make principal and interest payments on its debt (including the Notes issued by it), pay operating expenses and pay other obligations that may arise from time to time.

The ability of such subsidiaries, joint ventures and associates to make payments to the Issuer depends largely on the financial condition, ability to generate profits and ability to distribute such amounts, if any, of such entities. Because such subsidiaries, joint ventures and associates are separate and distinct legal entities, they will have no obligation to pay any dividends or to lend or advance funds to the Issuer and may be restricted from doing so by contract, including other financing arrangements, charter provisions, other shareholders or partners or the applicable laws and regulations of the various countries in which such entities operate. Similarly, because of the holding company structures of the Issuer, claims of the creditors of such subsidiaries, joint ventures and associates, including trade creditors, banks and other lenders, effectively have priority over any claims that the Issuer may have with respect to the assets of these entities. See "*—Claims in respect of the Notes will be structurally subordinated to claims of creditors of the subsidiaries of the Issuer*" below.

No assurance can be given that such subsidiaries, joint ventures or associates will generate sufficient profits and cash flows, or otherwise prove willing or able, to pay dividends or lend or advance sufficient funds to the Issuer to enable it to meet its obligations, pay interest and pay expenses. The inability of one or more of these entities to pay dividends or lend or advance funds to the Issuer could have a material adverse effect on the business, financial condition and results of operations of the Issuer or the Group as a whole.

Claims in respect of the Notes will be structurally subordinated to claims of creditors of the subsidiaries of the Issuer.

In the event of a winding-up or insolvency of one of the subsidiaries of the Issuer, claims of secured and unsecured creditors of such subsidiary, including trade creditors, banks and other lenders, will have priority with respect to the assets and revenues of such subsidiary over any claims that the Issuer or the creditors of the Issuer may have with respect to such assets and revenues. Generally, all of the obligations of a subsidiary of the Issuer would have to be satisfied before any of the assets or revenues of such subsidiary would be available, upon liquidation or otherwise, to the Issuer or the creditors of the Issuer. The Notes will therefore be structurally subordinated to the indebtedness of the subsidiaries of the Issuer, the amount of which is not subject to contractual limitations under the terms of the Notes. See "*—Risks Relating to the Group—Our indebtedness could adversely affect our ability to raise additional capital to fund our operations and limit our ability to react to changes in the economy or the industries in which we operate*" above.

Because the Global Bearer Notes and Global Certificates will be held by or on behalf of Euroclear, Clearstream, Luxembourg and/or DTC, as the case may be, investors will have to rely on their respective procedures for transfer, payment and communication with us.

The Notes may be represented by one or more Global Bearer Notes which may be deposited with the Common Depositary for Euroclear and Clearstream, Luxembourg. Alternatively, Notes may be represented by Global Certificates which may be deposited with the Common Depositary for Euroclear and Clearstream, Luxembourg, or the Custodian for DTC. Except in the limited circumstances described under "*Summary of Provisions Relating to the Notes while in Global Form*", investors will not be entitled to receive Definitive Bearer Notes or individual Certificates. Euroclear, Clearstream, Luxembourg or DTC, as applicable, will maintain records of the beneficial interests in each Global Bearer Note and Global Certificate deposited with such clearing system and, so long as such Global Bearer Note or Global Certificate is held by such clearing system (or a nominee thereof), investors will be able to trade their Book-Entry Interests in such Global Bearer Note or Global Certificate only through such clearing system.

So long as a Global Bearer Note or Global Certificate is held by Euroclear, Clearstream, Luxembourg or DTC, as applicable, such clearing system (or nominee thereof) will be considered the sole bearer or holder of such Global Bearer Note or Global Certificate (and the Notes represented by such Global Bearer Note or Global Certificate) and the Issuer will make all payments in respect of such Global Bearer Note or Global Certificate (and the Notes represented by such Global Bearer Note or Global Certificate) to such clearing system (or nominee thereof). Each holder of a Book-Entry Interest in a Global Bearer Note or Global Certificate deposited with Euroclear, Clearstream, Luxembourg or DTC, as applicable, must look solely to such clearing system (and any participant in such clearing system through which it holds such Book-Entry Interest) for its share of each payment made by the Issuer to such clearing system (or nominee thereof) in respect of the relevant Global Bearer Note or Global Certificate and in relation to all other rights arising under the Notes represented by such Global Bearer Note or Global Certificate.

In addition, holders of Book-Entry Interests in a Global Bearer Note or Global Certificate held by Euroclear, Clearstream, Luxembourg or DTC, as applicable, will not have a direct right to vote in respect of the Notes and instead will be permitted to act only to the extent that they are enabled by such clearing system to appoint appropriate proxies. We have no responsibility or liability for any aspect of the records relating, to or payments made on account of, Book-Entry Interests in any Global Bearer Note or Global Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

Although we and/or the Notes may receive credit ratings, those ratings may not reflect all risks associated with an investment in the Notes.

One or more independent credit rating agencies may assign credit ratings to us and/or the Notes. Any such ratings may not reflect the potential impact of all risks related to structure, market and other factors that may affect the value of the Notes. Nevertheless, real or anticipated changes in our credit ratings or the credit ratings of the Notes generally will affect the market value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. Furthermore, there can be no assurance that the ratings currently assigned to us and/or the Notes will not be placed on creditwatch or downgraded.

Legal investment considerations may restrict the ability of certain investors to make investments in the Notes.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent the Notes are legal investments for it, whether the Notes can be used as collateral for various types of borrowing and whether other restrictions apply to its purchase or pledge of the Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

Transfer of the Notes will be restricted, which may adversely affect the value of the Notes.

The Notes have not been and will not be registered under the Securities Act or any US state securities laws and we have not undertaken to effect any exchange offer for the Notes in the future. You may not offer the Notes in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act and applicable US state securities laws, or pursuant to an effective registration statement. The Notes and the Agency Agreement (as defined in "Terms and Conditions of the Notes") will contain provisions that will restrict the Notes from being offered, sold or otherwise transferred except pursuant to the exemptions available pursuant to Rule 144A and Regulation S, or other exceptions, under the Securities Act. Furthermore, we have not registered the Notes under any other country's securities laws. These restrictions may limit your ability to resell your Notes. Consequently, you must be able to bear the economic risk of an investment in the Notes for an indefinite period of time. It is your obligation to ensure that your offers and sales of the Notes within the United States and other countries comply with applicable securities laws. See "*Transfer Restrictions*".

Investments in emerging markets are subject to greater risk than investments in more developed markets.

Investors in emerging markets should be aware that these markets are subject to greater risks than more developed markets, including in some cases significant legal, economic and political risks. Accordingly, investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in the light of those risks, their investment is appropriate. Generally, investment in emerging markets is only suitable for sophisticated investors who fully appreciate the significance of the risk involved.

Notes are subject to optional redemption by the Issuer upon the occurrence of certain tax events and may otherwise be subject to optional redemption by the Issuer.

In the event that the Issuer would be obliged to increase the amounts payable in respect of any Tranche due to certain changes affecting taxation in the UAE or the Emirate of Dubai, any political subdivision or authority thereof having the authority to tax, the Issuer may redeem all but not some only of the outstanding Notes of such Tranche in accordance with the Terms and Conditions of the Notes.

In the case of Notes with an additional optional redemption feature, the Issuer may choose to redeem such Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time. In addition, such an optional redemption feature could limit the market value of Notes prior to or during any period when the Issuer may elect to redeem Notes as the market value of those Notes generally would not rise substantially above the price at which they can be redeemed.

The Issuer may issue Notes whose principal and interest is determined by reference to an index, formula or changes in security prices, interest rates and other factors.

The Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a "**Relevant Factor**"). The Issuer may also issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated.

Potential investors in any such type of Notes should be aware that:

- the market price of such Notes may be volatile;
- they may receive no interest;
- payment of principal or interest may occur at a different time or in a different currency than expected;
- the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;
- a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable may be magnified; or
- the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

In recent years, values of certain indices and formulas have been volatile and past experience of an index cannot be viewed as an indication of the future performance of such index. Accordingly, each potential investor should consult its own financial and legal advisors about the risk entailed in an investment in any such type of Notes and the suitability of such Notes in light of its particular circumstances.

The Issuer may issue Notes where the issue price is payable in multiple instalments.

The Issuer may issue Notes where the issue price is payable in more than one instalment ("**Partly Paid Notes**"). Failure to pay any subsequent instalment of the issue price in respect of Partly Paid Notes could permit the Issuer to forfeit such Partly Paid Notes and result in an investor losing all of its investment.

The Issuer may issue Notes with variable interest rates.

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those or other similar features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

The Issuer may elect to convert the interest rate of Notes.

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The ability of the Issuer to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Notes may be issued at a substantial discount or premium, which would affect their market value.

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Risks Relating to the DIFC

The Company is incorporated in the DIFC, which was established in 2004, and the legal framework applicable to us is largely untested.

The Company is incorporated in the DIFC, which is a jurisdiction with its own legal and regulatory regime applicable to it and other companies domiciled in the DIFC. As such the DIFC will have jurisdiction on matters which fall within the laws of the DIFC. DIFC Law No. 12 of 2004 states that judgments, awards or orders made by the DIFC Court will be enforced by the Dubai Courts (provided the judgment, award or order is final and "appropriate" for enforcement). Financial activities in the DIFC are governed by the DIFC Regulatory Law No. 1 of 2004, which also governs the operation of the Dubai Financial Services Authority, a financially and administratively independent body created by Law No. (9) of 2004 issued by the Ruler of Dubai on 13 September 2004 that acts as the independent financial regulator in the DIFC. The Dubai Courts have no jurisdiction to review the merit of a DIFC judgment. For a discussion of limitations on the enforceability of judgments against the Company and the impact of Decree 57, see "*Risk Factors—Risks Related to the Notes—It may be difficult for you to enforce judgments against the Company*".

Because the DIFC is a recently established jurisdiction, the legal and regulatory regimes applicable to us and other companies domiciled in the DIFC, including the relevant companies laws, are still being developed and are largely untested. Similarly, the courts of the DIFC have yet to issue any substantive decisions, which may lead to ambiguities, inconsistencies and anomalies in the interpretation and enforcement of the laws and regulations applicable to us, including with respect to rights of holders of the Notes. These uncertainties could affect your ability to enforce your rights or our ability to defend ourselves against claims by others, including regulators, judicial authorities and third parties who may challenge our compliance with applicable laws, decrees and regulations.

OVERVIEW

This overview should be read as an introduction to, and is qualified in its entirety by reference to, the more extensive information contained elsewhere in this Prospectus. This overview does not contain all of the information that prospective investors should consider before deciding to invest in the Notes and any such decision should be based on a consideration of this Prospectus as a whole. You should read this entire Prospectus carefully, including the financial statements and related notes and the information set forth under the headings "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements".

Overview of the Group

We are one of the largest container terminal operators in the world by capacity and throughput. We are also one of the most geographically diversified container terminal operators in the world. We currently operate 50 terminals, which span 28 countries. Our portfolio had a gross capacity of 59.7 million TEUs and generated gross throughput of 43.4 million TEUs for the year ended 31 December 2009 and 23.7 million TEUs for the six months ended 30 June 2010. For the year ended 31 December 2009 and the six months ended 30 June 2010, we generated revenue from operations (which does not include revenue attributable to our joint ventures and associates) of $2,821.0 million and $1,454.5 million, respectively (excluding SDIs), and an Adjusted EBITDA of $1,072.4 million and $580.4 million, respectively.

The creation of the Company represented an important step in the development of a global container terminal business designed to serve the needs of a global and consolidating customer base. As a result of our acquisitions of CSX WT in February 2005 and P&O in March 2006, together with recent new developments and new concessions, our business has been transformed from one focused principally on container terminal operations located primarily in the UAE to a truly global container terminal business, reporting across the following three geographical segments:

Middle East, Europe and Africa

- UAE—Our UAE operations are at the core of our portfolio and are comprised of four operating terminals, including our flagship terminal at DP World Jebel Ali in Dubai, which is the seventh largest container terminal in the world.
- Middle East (excluding UAE)—We currently have three operating terminals in three countries, having commenced operations at Aden, Yemen in the fourth quarter of 2008.
- Europe—We operate twelve terminals in seven countries. In addition, we have development projects in the United Kingdom, Turkey, France and the Netherlands.
- Africa—We currently have six operating terminals in four African countries. The latest additions to our portfolio are the newly built Doraleh terminal in Djibouti and two terminals in Algeria, namely in Djazair and Djen-Djen. We also operate general and bulk cargo stevedoring in all five of South Africa's state owned ports.

Asia-Pacific and Indian Subcontinent

- Asia-Pacific—We have an extensive network of ten container terminals in six countries throughout the Asia-Pacific region including the Saigon Premier Container Terminal in Vietnam which we opened at the end of 2009. Additionally, we operate two logistics centres in the region, which are located in Hong Kong (ATL Logistics Centre) and Yantian (ATL Logistics Centre Yantian).
- Indian Subcontinent—With five terminals in India and one in Pakistan, we have the largest presence of any container terminal operator in the Indian Subcontinent region, and currently have two projects under development in the Indian Subcontinent which are expected to be operational by the end of 2010 (one of which will replace our existing operations at DP World Cochin) and one in Pakistan.

Australia and Americas

- Australia—We operate five container terminals in Australia and have the widest geographical spread of container facilities in the country.

- Americas—Our Americas portfolio is comprised of four terminals in four countries. The latest addition to our portfolio is Callao in Peru which commenced operations in the first half of 2010 and a new greenfield development in Brazil.

The following table provides information regarding the number of terminals, as well as the gross throughput for the year ended 31 December 2009 and the six months ended 30 June 2010 and gross capacity as of 31 December 2009, for our terminal portfolio.

Reporting segment	Terminals	Gross throughput 2009	Gross capacity[1] 2009
	(TEUs in millions, except number of terminals)		
Middle East, Europe and Africa	24	20.3	28.8
Asia-Pacific and Indian Subcontinent	16	18.5	24.9
Australia and Americas	9	4.6	6.0
Total	49	43.4	59.7

Reporting segment	Terminals	Gross throughput 30 June 2010
	(TEUs in millions, except number of terminals)	
Middle East, Europe and Africa	25	10.5
Asia-Pacific and Indian Subcontinent	16	10.5
Australia and Americas	9	2.6
Total	50	23.7

(1) Presented as of 31 December 2009. On a consolidated basis, total capacity at 31 December 2009 was 34.0 million TEUs (reflecting capacity of consolidated subsidiaries).

Listing of Shares

On 26 November 2007, the entire issued share capital of the Company was admitted to the Official List of Securities of the NASDAQ Dubai Stock Exchange ("**NASDAQ Dubai**"). As at the date of this Prospectus, approximately 19.55% of our issued and outstanding share capital is held by public shareholders and approximately 80.45% is held by Port and Free Zone FZE, which is wholly owned by Dubai World, a holding company owned by the Government of Dubai.

On 28 June 2010, the Board announced that it remains committed to listing the Company's shares on the London Stock Exchange. However, the Board has decided to postpone the listing process until an acceptable system that supports the dual listing is available. Given that this will take time, the next practical window of opportunity to seek admission for listing would be following the publication of our audited consolidated financial statements for the year ending 31 December 2010.

Current Trading

The Company handled 13.0 million TEU across its portfolio of 50 operating terminals in the third quarter of 2010, which represented an increase of 14% against the same period last year and a 15% increase for the first nine months of 2010 to 36.7 million against the comparable period last year. Volumes for the Company's consolidated terminals grew 8% in the third quarter of 2010 to 7.3 million TEU and 7% for the first nine months of 2010 to 20.5 million TEU. Like-for-like volume growth for the Company's consolidated terminals (which excludes contribution from Callao, Peru which became operational in 2010 and Saigon, Vietnam which became operational in the fourth quarter of 2009 and excludes the transfer of ATI Manila to the Group's joint venture portfolio in the fourth quarter of 2009) for the third quarter of 2010 was 9% and for the first nine months of 2010 was 10% against comparable periods last year.

The Company continues to handle container volumes ahead of the levels reported in 2008 which it believes reflects the resilience of its portfolio to the global declines in 2009. Volume growth in the third quarter of 2010 had been driven by strong growth in the Americas and Australia geographic segments, as well as a continuation of returning volumes across the Asia Pacific region and Europe and a stabilization of volume growth in the UAE. The Company's new developments in Vallarpadam, India and Karachi, Pakistan remained on scheduled to open later in 2010.

The UAE continued to deliver improved volume growth in the third quarter of 2010, reporting an increase of 4% to 3.0 million TEU and taking the number of containers handled in the first nine months of the year to 8.6 million TEU, or 3% ahead of the prior period. Non-container volumes in the UAE had also shown some improvement in the third quarter of 2010, but year to date had remained at lower levels than the same period in 2009.

Risk Factors

An investment in the Notes involves significant risks, including: (i) risks relating to the Group, such as risks associated with winning new concessions, the expansion of terminals and port facilities, the high level of competition that we face in the container terminal industry for concessions and throughput, and our reliance on joint ventures; (ii) risks relating to the regions in which we operate, such as risks associated with antitrust and competition laws, as well as risks relating to the political, economic and social environments of the regions and countries in which we operate; and (iii) risks relating to the Notes, such as risks associated with the enforceability of judgments against the Company, as well as risks relating to the structural subordination of the Notes.

You should review these risks carefully prior to making any decision regarding an investment in the Notes.

Our principal executive offices are located at LOB 17, Jebel Ali Free Zone, Dubai, UAE. Our registered office is PO Box 17000, Dubai, UAE. Our telephone number is +971 4 881 1110. Our website address is *www.dpworld.com*. The information contained on our website is not incorporated by reference into, or otherwise included in, this Prospectus.

Overview of the Programme

Issuer	DP World Limited.
Description	Global Medium Term Note Programme.
Size	Up to US$5,000,000,000 (or its equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
Arrangers and Dealers	Citigroup Global Markets Limited Deutsche Bank AG, London Branch HSBC Bank plc Standard Chartered Bank. The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Prospectus to "**Permanent Dealers**" are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to "**Dealers**" are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
Trustee	Deutsche Trustee Company Limited.
Issuing and Paying Agent	Deutsche Bank AG, London Branch.
Registrars	Deutsche Bank Luxembourg S.A. or any other Deutsche Bank affiliate or subsidiary as may be notified to all parties by Deutsche Bank Luxembourg S.A. (in respect of Unrestricted Registered Notes) and Deutsche Bank Trust Company Americas (in respect of Restricted Registered Notes).
Method of Issue	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in one or more series (each, a "**Series**"), each comprising one or more tranches (each, a "**Tranche**"). Each Tranche of Notes in a Series will be subject to identical terms as other Tranches in such Series, save in respect of the issue date, issue price, amount of the first payment of interest and nominal amount of such Tranche. The Notes of each Tranche in a Series will be interchangeable with all other Notes of such Series. Tranches of Notes in different Series may be issued on the same or different issue dates. The specific terms of each Tranche (which, in the case of the first Tranche of a Series, will set out the terms and conditions applicable to such Series) will be completed in the final terms (the "**Final Terms**") applicable to such Tranche.
Issue Price	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.
Form of Notes	The Notes may be issued in bearer form ("**Bearer Notes**"), in bearer form exchangeable for Registered Notes ("**Exchangeable Bearer Notes**") or in registered form ("**Registered Notes**"). Each Tranche of Bearer Notes and Exchangeable Bearer Notes will be represented on issue by a Temporary Global Bearer Note if (i) Definitive Bearer Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in "—*Selling Restrictions*" below), otherwise such Tranche will be represented by a Permanent Global Bearer Note.

Each Tranche of Registered Notes will be represented by one or more Global Certificates and/or individual Certificates. The Unrestricted Registered Notes of each Tranche will be represented by (A) an Unrestricted Global Certificate registered in the name of, and deposited with, a common depositary for Euroclear and Clearstream, Luxembourg (the "**Unrestricted Global Certificate**") and/or (B) individual Certificates ("**Unrestricted Certificates**"), which, in each case, will bear the Regulation S legend (as defined in "*Transfer Restrictions—Unrestricted Notes*").

The Restricted Registered Notes of each Tranche will be represented by one or more Restricted Global Certificates and/or individual Certificates ("**Restricted Certificates**" and, together with the Unrestricted Global Certificate, the "**Global Certificates**"), which, in each case, will bear the Rule 144A Legend (as defined in "*Transfer Restrictions—Restricted Notes*").

Clearing Systems . . . . In the case of Global Bearer Notes, (i) Euroclear and Clearstream, Luxembourg and/or (ii) as agreed between the Issuer and the relevant Dealer(s), as specified in the relevant Final Terms.

In the case of Global Certificates, (i) Euroclear and Clearstream, Luxembourg, (ii) DTC and/or (iii) as agreed between the Issuer and the relevant Dealer(s), as specified in the relevant Final Terms.

Currencies . . . . Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealer(s).

Maturities . . . . Subject to compliance with all relevant laws, regulations and directives, any maturity over one year.

Specified Denomination . . . . . . Notes will be in such denominations as may be specified in the relevant Final Terms, save that (i) in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area ("**EEA**") or offered to the public in a member state of the EEA (each, a "**Member State**") in circumstances which require the publication of a Prospectus under the Prospectus Directive, the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes); and (ii) in the case of any Notes to be sold in the United States to QIBs, the minimum specified denomination shall be US$200,000.

Fixed Rate Notes . . . . Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.

Floating Rate Notes . . . . Floating Rate Notes will bear interest determined separately for each Series as follows:

(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency (as defined in "*Terms and Conditions of the Notes—Interest and Other Calculations—Definitions*") governed by an agreement incorporating the ISDA Definitions (as defined in "*Terms and Conditions of the Notes—Interest and Other Calculations—Definitions*"); or

(ii) by reference to LIBOR, LIBID, LIMEAN or EURIBOR or such other benchmark as may be specified in the relevant Final Terms, in each case, as adjusted for any applicable margin.

Interest periods will be specified in the relevant Final Terms.

	The applicable margin (if any) relating to such Floating Rate Notes will be agreed between the Issuer and the relevant Dealer(s) for each Series of Floating Rate Notes.
Zero Coupon Notes	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
Dual Currency Notes	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange as may be specified in the relevant Final Terms.
Index Linked Notes	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes (together with Index Linked Redemption Notes, "**Index Linked Notes**") will be calculated by reference to such index and/or formula as may be specified in the relevant Final Terms.
Interest Periods and Interest Rates	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.
Redemption	The relevant Final Terms will specify the basis for calculating the redemption amounts payable.
Redemption by Instalments	The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.
Other Notes	Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, reverse dual currency Notes, optional dual currency Notes, Partly Paid Notes and any other type of Note that the Issuer, the Trustee and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Final Terms and a supplementary Prospectus (if applicable).
Optional Redemption	Subject as set forth under "*—Change of Control*" below, the Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the Issuer's option (either in whole or in part) and/or the option of the holders and, if so, the terms applicable to such redemption. Except as provided in the relevant Final Terms, Notes will be redeemable at the Issuer's option prior to maturity only for tax reasons. See "*Terms and Conditions of the Notes—Redemption, Purchase and Options*".
Change of Control	Unless otherwise provided in the relevant Final Terms, if at any time the Government of Dubai ceases to own, directly or indirectly, at least 50% of the Company's issued share capital or otherwise ceases to control, directly or indirectly, the Company (a "**Change of Control Event**"), the Issuer shall, at the option of each Noteholder (as defined in "*Terms and Conditions of the Notes—Form, Denomination and Title*"), upon such Noteholder giving notice to the Issuer at any time during the relevant period, redeem the Notes held by such Noteholder on the relevant date at the principal amount thereof (or such other amount as may be specified in the relevant Final Terms), together (if applicable) with interest accrued to the date fixed for redemption (as

	further described in "*Terms and Conditions of the Notes—Redemption, Purchase and Options—Redemption at the Option of Noteholders*").
Status of the Notes	Subject as described in "*Terms and Conditions of the Notes—Negative Pledge*", the Notes constitute the direct, unconditional and unsecured obligations of the Issuer and rank *pari passu*, without any preference, among themselves and, subject as aforesaid, and save for such exceptions as may be provided by applicable legislation, the payment obligations of the Issuer shall rank at least equally with all other outstanding present and future unsecured and unsubordinated obligations of the Issuer.
Negative Pledge	The Notes will have the benefit of a negative pledge as described in "*Terms and Conditions of the Notes—Negative Pledge*".
Cross Acceleration	The Notes will have the benefit of a cross acceleration provision as described in "*Terms and Conditions of the Notes—Events of Default*".
Ratings	The Programme has been rated "Ba1" (positive) by Moody's and "BB" by Standard & Poor's. Tranches of Notes to be issued under the Programme may or may not be rated. Where a Tranche of Notes is to be rated, the relevant rating(s) may not be the same as the ratings assigned to the Programme. Rating(s) (if any) in respect of a particular Tranche will be specified in the relevant Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Withholding Tax	All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of (i) the United Kingdom, or (ii) the UAE, the Emirate of Dubai or the Dubai International Financial Centre, in the case of Notes issued by the Company or any political subdivision or authority thereof having the authority to tax unless the withholding or deduction is required by law. In that event, the Issuer shall, subject to certain exceptions, pay such additional amounts as shall result in receipt by the Noteholders of the amount that would have been received had no withholding been required. See "*Terms and Conditions of Notes—Taxation*".
ERISA Considerations	Unless otherwise provided in the applicable Final Terms, and subject to certain conditions, the Notes may be purchased by an "employee benefit plan" as defined in and subject to Title I of the US Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), a "plan" as defined in and subject to Section 4975 of the US Internal Revenue Code of 1986, as amended (the "**Code**"), or any entity whose underlying assets are deemed for purposes of ERISA or the Code to include "plan assets" by reason of such employee benefit plan's or plan's investment in the entity. See "*Certain ERISA Considerations*."
Governing Law	English.
Listing and Admission to Trading	The Issuer has made an application for the Notes issued under the Programme for a period of 12 months from the date of this Prospectus to be admitted to the Official List and to trading on the Market. References in this Prospectus to Notes being "listed" on the London Stock Exchange (and all related references) mean that such Notes have been admitted to the Official List and to trading on the Market.

	As specified in the relevant Final Terms, a Series of Notes may be (i) listed on the London Stock Exchange and/or any other stock exchange or (ii) unlisted.
Redenomination, Renominalisation and/or Consolidation	Notes denominated in a currency of a country that subsequently participates in the third stage of European Economic and Monetary Union may be subject to redenomination, renominalisation and/or consolidation with other Notes then denominated in euro. The provisions applicable to any such redenomination, renominalisation and/or consolidation will be as specified in the relevant Final Terms.
Selling Restrictions	The United States, the United Kingdom, the EEA (in respect of Notes having a minimum specified denomination of less than €100,000 (or its equivalent in any other currency as of the date of issue of the Notes)), the Republic of Italy, the UAE, the DIFC, Saudi Arabia, Malaysia, and Japan. See "*Subscription and Sale*". Category 2 selling restrictions will apply to Notes sold outside the United States in "offshore transactions" within the meaning of Regulation S. Bearer Notes will be issued in compliance with United States Treasury Regulations §1.163-5(c)(2)(i)(D) (the "**D Rules**") unless (i) the relevant Final Terms state that Notes are issued in compliance with United States Treasury Regulations §1.163-5(c)(2)(i)(C) (the "**C Rules**") or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.
Transfer Restrictions	There are restrictions on the transfer of (i) Unrestricted Notes prior to the expiration of the relevant distribution compliance period and (ii) Restricted Notes. See "*Transfer Restrictions*" and see also "*Certain ERISA Considerations*".

SUMMARY CONSOLIDATED FINANCIAL AND OPERATING DATA

The summary consolidated financial data of the Company: (i) as of and for the year ended 31 December 2009 have been derived from the 2009 Audited Financial Statements; (ii) as of and for the years ended 31 December 2008 and 2007 have been derived from the 2008 Audited Financial Statements; and (iii) as of and for the six months ended 30 June 2010 and 30 June 2009 have been derived from the Interim Financial Statements, in each case, appearing elsewhere in this Prospectus. See "*Presentation of Certain Financial Data and Other Information*".

	Year ended 31 December 2007			Year ended 31 December 2008			Year ended 31 December 2009		
	Before separately disclosed items	Separately disclosed items(1)	Total	Before separately disclosed items	Separately disclosed items(1)	Total	Before separately disclosed items	Separately disclosed items(1)	Total
	(Audited) (US dollars in thousands)								
Income Statement Data:									
Revenue from operations	2,731,440	—	2,731,440	3,283,120	—	3,283,120	2,821,017	108,212	2,929,229
Cost of sales	(1,838,006)	(45,267)	(1,883,273)	(2,143,326)	—	(2,143,326)	(1,956,008)	(108,212)	(2,064,220)
Gross profit	893,434	(45,267)	848,167	1,139,794	—	1,139,794	865,009	—	865,009
General and administrative expenses	(251,419)	(43,456)	(294,875)	(306,081)	(129,900)	(435,981)	(284,551)	(20,755)	(305,306)
Other income	23,896	3,000	26,896	18,291	—	18,291	19,117	3,000	22,117
Finance income	259,127	98,125	357,252	76,146	—	76,146	72,950	12,542	85,492
Finance costs	(524,315)	(35,201)	(559,516)	(343,245)	(7,653)	(350,898)	(356,728)	—	(356,728)
Share of profit/(loss) of equity accounted associates and joint ventures	107,821	(3,000)	104,821	116,194	(2,000)	114,194	71,307	(1,970)	69,337
Profit on sale and termination of business (net of tax)	—	136,640	136,640	—	15,790	15,790	—	44,276	44,276
Profit/(loss) before tax from continuing operations	508,544	110,841	619,385	701,099	(123,763)	577,336	387,104	37,093	424,197
Income tax	(88,853)	8,000	(80,853)	(80,332)	33,700	(46,632)	(54,441)	313	(54,128)
Profit/(loss) after tax from continuing operations	419,691	118,841	538,532	620,767	(90,063)	530,704	332,663	37,406	370,069
Profit after tax from discontinued operations	65,000	546,378	611,378	—	—	—	—	—	—
Profit/(loss) for the year	$ 484,691	$ 665,219	$1,149,910	$ 620,767	$ (90,063)	$ 530,704	$ 332,663	$ 37,406	$ 370,069
Attributable to:									
Owners of the Company	$ 439,830	$ 665,219	$1,105,049	$ 572,277	$ (90,063)	$ 482,214	$ 295,456	$ 37,406	$ 332,862
Non-controlling interest	**44,861**	**—**	**44,861**	**48,490**	**—**	**48,490**	**37,207**	**—**	**37,207**

	Six Months ended 30 June 2009			Six Months ended 30 June 2010		
	Before separately disclosed items	Separately disclosed items[(1)]	Total	Before separately disclosed items	Separately disclosed items[(1)]	Total
	(Unaudited) (US dollars in thousands)					
Income Statement Data:						
Revenue from operations	$ 1,383,932	—	$ 1,383,932	$ 1,454,531	$ 69,791	$ 1,524,322
Cost of sales	(926,519)	—	(926,519)	(1,009,597)	(69,791)	(1,079,388)
Gross profit	457,413	—	457,413	444,934	—	444,934
General and administrative expenses	(152,873)	—	(152,873)	(155,077)	(3,500)	(158,577)
Other income	9,455	—	9,455	11,218	5,591	16,809
Finance income	21,270	—	21,270	46,504	—	46,504
Finance costs	(152,263)	—	(152,263)	(190,915)	—	(190,915)
Share of profit/(loss) of equity accounted associates and joint ventures	33,396	—	33,396	61,912	(2,900)	59,012
Profit on sale and termination of business	—	—	—	—	13,542	13,542
Profit before tax from continuing operations	216,398	—	216,398	218,576	12,733	231,309
Income tax	(28,673)	—	(28,673)	(12,088)	—	(12,088)
Profit for the period	$ 187,725	—	$ 187,725	$ 206,488	$ 12,733	$ 219,221
Attributable to:						
Owners of the Company.	$ 175,324	—	$ 175,324	$ 163,876	$ 12,733	$ 176,609
Non-controlling interest	**12,401**	**—**	**12,401**	**42,612**	**—**	**42,612**

(1) Separately disclosed items represent those material items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, we believe merit separate presentation in order to more effectively present our financial performance for a period, compare our financial performance with prior periods and assess trends in our financial performance. For further information regarding separately disclosed items, see Note 10 "Separately disclosed items" of the Notes to the 2009 Audited Financial Statements, Note 11 "Separately disclosed items" of the Notes to the 2008 Audited Financial Statements and Note 5 'Separately disclosed items' of the Notes to the Interim Financial Statements.

	Year ended 31 December 2007		Year ended 31 December 2008		Year ended 31 December 2009	
	Revenue from continuing operations	Profit after tax from continuing operations	Revenue	Profit after tax	Revenue	Profit after tax
	(Audited) (US dollars in thousands)					
Income Statement Data by Segment (before separately disclosed items):						
Middle East, Europe and Africa	$ 1,473,451	$ 504,674	$ 2,009,347	$ 727,666	$ 1,748,155	$ 523,166
Australia and Americas	796,996	183,822	756,810	183,208	596,299	74,636
Asia-Pacific and Indian Subcontinent	460,993	225,316	516,963	59,399	476,563	188,018
	2,731,440	913,812	3,283,120	970,273	2,821,017	785,820
Head office	—	(375,280)	—	(439,569)	—	(415,751)
Total	$ 2,731,440	$ 538,532	$ 3,283,120	$ 530,704	$ 2,821,017	$ 370,069

	Six Months ended 30 June 2009		Six Months ended 30 June 2010	
	Revenue	Profit after tax	Revenue	Profit after tax
	(Unaudited) (US dollars in thousands)			
Income Statement Data by Segment (before separately disclosed items):				
Middle East, Europe and Africa	$ 867,325	$ 283,807	$ 853,467	$ 287,523
Australia and Americas	267,825	15,612	388,872	69,809
Asia-Pacific and Indian Subcontinent	248,782	90,039	281,983	57,906
	1,383,932	389,458	1,524,322	415,238
Head office	—	(201,733)	—	(196,017)
Total	$ 1,383,932	$ 187,725	$ 1,524,322	$ 219,221

	Year ended 31 December 2007	Year ended 31 December 2008	Year ended 31 December 2009
	(Audited) (US dollars in thousands)		
Consolidated Cash Flows Data:			
Net cash from operating activities	$ 955,092	$ 1,068,708	$ 572,340
Net cash from/(used in) investing activities	4,353,820	(2,007,467)	(915,487)
Net cash from/(used in) financing activities	(2,432,915)	(685,799)	1,963,373
Net increase/(decrease) in cash and cash equivalents	2,875,997	(1,624,558)	1,620,226
Effect of exchange rate fluctuation on cashflow	—	(97,294)	124,195
Cash and cash equivalents at 1 January	—	2,875,997	1,154,145
Cash and cash equivalents at 31 December	$ 2,875,997	$ 1,154,145	$ 2,898,566

	Six Months ended 30 June 2009[(1)]	Six Months ended 30 June 2010
	(Unaudited) (US dollars in thousands)	
Consolidated Cash Flows Data:		
Net cash from operating activities	$ 240,219	$ 486,708
Net cash used in investing activities	(541,033)	(489,731)
Net cash from/(used in) financing activities	2,121,375	(190,316)
Net increase/(decrease) in cash and cash equivalents	1,820,561	(193,339)
Effect of exchange rate fluctuation on cashflow	19,489	(29,245)
Cash and cash equivalents at 1 January	1,154,145	2,898,566
Cash and cash equivalents at 30 June	$ 2,994,195	$ 2,675,982

(1) Comparative cash flow information for the six months ended 30 June 2009 has been reclassified in our financial statements as of and for the six months ended 30 June 2010 and, as a result, do not correspond to the cash flow information presented in our financial statements as of and for the six months ended 30 June 2009. Such reclassification did not affect our net increase in cash and cash equivalents for the period.

	Year ended 31 December 2007	Year ended 31 December 2008	Year ended 31 December 2009
	(Audited, except EBITDA and Adjusted EBITDA) (US dollars in thousands)		
Calculation of EBITDA and Adjusted EBITDA:			
Profit after tax from continuing operations	$ 538,532	$ 530,704	$ 370,069
Finance costs	524,315	343,245	356,728
Finance income	(259,127)	(76,146)	(72,950)
Tax expense	88,853	80,332	54,441
Depreciation and amortisation	326,101	371,644	401,560
EBITDA[1]	1,218,674	1,249,779	1,109,848
Separately disclosed items[2]	(118,841)	90,063	(37,406)
Adjusted EBITDA[3]	$ 1,099,833	$ 1,339,842	$ 1,072,442

	Six months ended 30 June 2009	Six months ended 30 June 2010
	(Unaudited) (US dollars in thousands)	
Calculation of EBITDA and Adjusted EBITDA:		
Profit from continuing operations	$ 187,725	$ 219,221
Finance costs	152,263	190,915
Finance income	(21,270)	(46,504)
Tax expense	28,673	12,088
Depreciation and amortisation	187,890	217,427
EBITDA[1]	535,281	593,147
Separately disclosed items[2]	—	(12,733)
Adjusted EBITDA[3]	535,281	580,414

(1) EBITDA, a measure used by management to measure operating performance, is defined as profit after tax from continuing operations plus finance costs (net of finance income), income tax, depreciation and amortization. EBITDA includes our share of profit from associates and joint ventures. See "*Non-IFRS Measures*".

(2) See Note 10 "*Separately disclosed items*" of the Notes to the 2009 Audited Financial Statements, Note 11 "*Separately disclosed items*" of the Notes to the 2008 Audited Financial Statements and Note 5 "*Separately disclosed items*" of the Notes to the Interim Financial Statements for further information.

(3) Adjusted EBITDA is defined as EBITDA further adjusted to remove the impact of separately disclosed items. Adjusted EBITDA includes our share of profit from associates and joint ventures. See "*Non-IFRS Measures*".

	Year ended 31 December 2007	Year ended 31 December 2008	Year ended 31 December 2009	Six Months ended 30 June 2009	Six Months ended 30 June 2010
	(Audited) (US dollars in thousands)			(Unaudited)	
Adjusted EBITDA[1] by Segment:					
Middle East, Europe and Africa	$ 671,988	$ 921,664	$ 765,148	$ 390,925	$ 399,621
Australia and Americas	182,850	240,687	137,870	58,526	107,292
Asia-Pacific and Indian Subcontinent	291,828	272,102	247,582	126,995	110,574
Head office	(46,833)	(94,611)	(78,158)	(41,165)	(37,073)
Total	$ 1,099,833	$ 1,339,842	$ 1,072,442	$ 535,281	$ 580,414

(1) Adjusted EBITDA is defined as EBITDA further adjusted to remove the impact of separately disclosed items. Adjusted EBITDA includes our share of profit from associates and joint ventures. See "*Non-IFRS Measures*" and "*—Calculation of EBITDA and Adjusted EBITDA*" above.

	As at 31 December			As at 30 June
	2007 Restated[(1)]	2008	2009	2010
		(Audited) (US dollars in thousands)		(Unaudited)
Consolidated Balance Sheet Data:				
Non-current assets	$ 13,352,816	$ 13,485,913	$ 15,154,901	$ 15,010,343
Current assets				
Bank balances and cash	3,058,863	1,204,074	2,910,066	2,678,799
Other current assets[(2)]	778,528	808,865	895,569	812,832
Total current assets	3,837,391	2,012,939	3,805,635	3,491,631
Total assets	$ 17,190,207	$ 15,498,852	$ 18,960,536	$ 18,501,974
Equity	8,372,775	7,173,262	8,037,445	7,537,315
Non-current liabilities				
Interest bearing loans and borrowings	5,607,776	5,196,894	7,474,878	7,371,536
Other non-current liabilities[(3)]	1,442,974	1,694,455	1,963,965	1,884,977
Total non-current liabilities	7,050,750	6,891,349	9,438,843	9,256,513
Current liabilities				
Accounts payable and accruals	919,355	1,008,137	817,602	901,223
Interest bearing loans and borrowings	111,313	172,451	483,091	669,068
Other current liabilities[(4)]	736,014	253,653	183,555	137,855
Total current liabilities	1,766,682	1,434,241	1,484,248	1,708,146
Total liabilities	8,817,432	8,325,590	10,923,091	10,964,659
Total equity and liabilities	$ 17,190,207	$ 15,498,852	$ 18,960,536	$ 18,501,974

(1) See "*Presentation of Certain Financial and Other Information—Restatement of 2007 Financial Information*" and Note 2 "*Basis of preparation*" to the 2008 Audited Financial Statements for further information regarding the restatement of certain financial information with respect to the year ended 31 December 2007 in our 2008 Audited Financial Statements.

(2) Other current assets includes inventories, accounts receivable and prepayments, and assets held for sale.

(3) Other non-current liabilities includes deferred tax liabilities, employees' end of service benefits, pension and post employment benefits, and other payables.

(4) Other current liabilities includes income tax liabilities, bank overdrafts, and pension and post employment benefits.

	Year ended 31 December			Six months ended 30 June	
	2007	2008	2009	2009	2010
	(Unaudited, unless otherwise indicated)			(Unaudited)	
Other Financial and Operating Data:					
Revenue (before separately disclosed items, in millions of USD)					
Container/stevedoring revenue	1,450.4	1,613.7	1,425.4	668.1	753.6
Container/other revenue	600.9	873.1	855.3	430.1	426.4
Non-container revenue	680.1	796.3	540.3	285.7	274.5
Total revenue[(1)]	**2,731.4**	**3,283.1**	**2,821.0**	**1,383.9**	**1,454.5**
Net Debt to Adjusted EBITDA[(2)]	**2.6x**	**3.2x**	**4.7x**	**3.9x**	**4.8x**
Total Throughput (in millions of TEUs)[(3)]					
Middle East, Europe and Africa	14.7	17.8	16.5	7.9	8.4
Australia and Americas	3.8	4.1	3.5	2.7	2.7
Asia-Pacific and Indian Subcontinent	5.5	6.0	5.5	2.1	1.6
Total throughput	**24.0**	**27.8**	**25.6**	**12.3**	**13.2**

(1) Total revenue for the years ended 31 December 2007, 2008 and 2009 have been audited whereas total revenue for the six months ended 30 June 2009 and 2010 have not been audited.

(2) Net debt to Adjusted EBITDA is calculated by dividing total debt minus cash and cash equivalents by Adjusted EBITDA.

(3) Total throughput for the year ended 31 December 2007 has been calculated excluding the contribution from P&O Trans Australia and P&O Estates US.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

Bearer Notes

On the relevant issue date, Global Bearer Notes may be deposited (i) with the Common Depositary for Euroclear and Clearstream, Luxembourg or (ii) as agreed between the Issuer and the relevant Dealer(s), as specified in the relevant Final Terms.

Registered Notes

On the relevant issue date, Global Certificates of each Series may (i) be registered in the name of, and deposited with, the Common Depositary for Euroclear and Clearstream, Luxembourg, (ii) be registered in the name of Cede & Co. as nominee for, and deposited with the Custodian for, DTC, and/or (iii) be registered and deposited as agreed between the Issuer and the relevant Dealer(s), as specified in the relevant Final Terms.

In general, (i) Unrestricted Global Certificates of each Series will have an ISIN and a Common Code and be registered in the name of, and deposited with, the Common Depositary for Euroclear and Clearstream, Luxembourg, and (ii) Restricted Global Certificates of each Series will have an ISIN and a CUSIP number and be registered in the name of Cede & Co. as nominee for, and deposited with the Custodian for, DTC.

Book-Entry Ownership

Each holder of a beneficial interest (each, a "**Book-Entry Interest**") in a Global Bearer Note or a Global Certificate deposited with Euroclear, Clearstream, Luxembourg, or DTC as applicable may hold such Book-Entry Interest (i) if it is a participant in such clearing system, directly through its account with such clearing system or (ii) if it is not a participant in such clearing system, indirectly through its account with an organization that is participant in such clearing system.

Each holder of a Book-Entry Interest in a Global Bearer Note or a Global Certificate deposited with a clearing system (each, an "**Alternative Clearing System**") other than Euroclear, Clearstream, Luxembourg or DTC may be able to hold such Book-Entry Interest through an account with Euroclear, Clearstream, Luxembourg or DTC, or their respective participants, to the extent that Euroclear, Clearstream, Luxembourg or DTC, as the case may be, is a participant in such Alternative Clearing System.

Certain information concerning DTC, Euroclear and Clearstream, Luxembourg

DTC has advised the Issuer that it is:

- a limited purpose trust company organized under the laws of the State of New York;
- a "banking organization" under the laws of the State of New York;
- a member of the US Federal Reserve System;
- a "clearing corporation" within the meaning of the New York Uniform Commercial Code; and
- and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic computerized book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. DTC participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Indirect access to DTC is available to others, such as banks, securities brokers, dealers and trust companies, that clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly.

Like DTC, Euroclear and Clearstream, Luxembourg hold securities for participating organizations. They also facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in the accounts of such participants. Euroclear and Clearstream, Luxembourg provide various services to their participants, including the safekeeping, administration, clearance, settlement, lending and borrowing of internationally traded securities. Euroclear and Clearstream, Luxembourg interface with domestic securities markets. Euroclear and Clearstream, Luxembourg participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear and Clearstream, Luxembourg is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear and Clearstream, Luxembourg participant, either directly or indirectly.

Relationship of Holders of Book-Entry Interests with Clearing Systems

Book-Entry Interests will be shown on, and transfers thereof will be effected only through, the records of Euroclear, Clearstream, Luxembourg, DTC and/or the relevant Alternative Clearing System, as applicable, in each case, subject to and in accordance with the respective rules and procedures of such clearing system. Holders of Book-Entry Interests that hold such Book-Entry Interests indirectly through an account with a participant in the relevant clearing system must also rely on the rules and procedures of such participant. The relevant Registrar will be responsible for maintaining a record of the aggregate holdings of the Global Certificate registered in the name of the nominee of the relevant clearing system.

So long as a Global Bearer Note or a Global Certificate is held by Euroclear, Clearstream, Luxembourg, DTC or an Alternative Clearing System (or a nominee thereof), as the case may be, such clearing system (or nominee thereof) will be considered the sole bearer or holder of such Global Bearer Note or Global Certificate (and the Notes represented by such Global Bearer Note or Global Certificate) and the Issuer will make all payments in respect of such Global Bearer Note or Global Certificate (and the Notes represented by such Global Bearer Note or Global Certificate) to such clearing system (or nominee thereof). The Issuer expects that such clearing system (or nominee thereof), upon receipt of any such payment, will immediately credit its participants' accounts with payments in amounts proportionate to their respective Book-Entry Interests in the nominal amount of the relevant Global Bearer Note or Global Certificate as shown on the records of such clearing system (or nominee thereof). The Issuer also expects that payments by each participant to the beneficial owners of such Book-Entry Interests (if other than such participant) will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers in bearer form or registered in "street name".

Each holder of a Book-Entry Interest in a Global Bearer Note or a Global Certificate deposited with Euroclear, Clearstream, Luxembourg, DTC or another Alternative Clearing System, as the case may be, must look solely to such clearing system (and any participant in such clearing system through which it holds such Book-Entry Interest) for its share of each payment made by the Issuer to such clearing system (or nominee thereof) in respect of the relevant Global Bearer Note or Global Certificate and in relation to all other rights arising under the Notes represented by such Global Bearer Note or Global Certificate. In addition, holders of Book-Entry Interests in a Global Bearer Note or Global Certificate held by Euroclear, Clearstream, Luxembourg or DTC, as the case may be, will not have a direct right to vote in respect of the Notes and instead will be permitted to act only to the extent that they are enabled by such clearing system to appoint appropriate proxies. Neither the Issuer nor the Issuing and Paying Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Book-Entry Interests in any Global Bearer Note or Global Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

Each of Euroclear, Clearstream, Luxembourg and DTC have advised the Issuer that it will take any action permitted to be taken by a holder of a Global Bearer Note or a Global Certificate only at the direction of one or more participants in whose account with Euroclear, Clearstream, Luxembourg or DTC, as applicable, Book-Entry Interests in such Global Bearer Note or Global Certificate are credited and only in respect of such portion of the aggregate nominal amount of such Global Bearer Note or Global Certificate as to which such participant or participants has or have given such direction.

Transfers of Book-Entry Interests

Transfers of Book-Entry Interests in a Global Bearer Note or a Global Certificate held by Euroclear, Clearstream, Luxembourg, DTC or an Alternative Clearing System (or a nominee thereof), as the case may be, will be in accordance with the usual rules and operating procedures of such relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Global Certificate to such persons may be limited. In addition, because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having a Book-Entry Interest in a Global Certificate registered in the name of a nominee of DTC to pledge such Book-Entry Interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such Book-Entry Interest, may be affected by the lack of a physical certificate in respect of such Book-Entry Interest.

Transfers at any time by a holder of a Book-Entry Interest in a Restricted Global Certificate to a transferee who takes delivery of such Book-Entry Interest through an Unrestricted Global Certificate for the same Series of Notes will only be made upon delivery to any Transfer Agent of a certificate setting forth compliance with the provisions of Regulation S. Prior to the expiration of the distribution compliance period (as used in "*Subscription and Sale*"), ownership of Book-Entry Interests in an Unrestricted Global Certificate will be limited to persons that have accounts with Euroclear, Clearstream, Luxembourg or DTC or persons who hold such Book-Entry Interests through Euroclear, Clearstream, Luxembourg or DTC, and any sale or transfer of such Book-Entry Interest to a US person (within the meaning of Regulation S) shall not be permitted during such period unless such resale or transfer is made in reliance on Rule 144A. Transfers at any time by a holder of a Book-Entry Interest in an Unrestricted Global Certificate to a transferee who takes delivery of such Book-Entry Interest through a Restricted Global Certificate for the same Series of Notes will only be made upon receipt by any Transfer Agent of a written certificate from the transferor of such Book-Entry Interest to the effect that such transfer is being made to a person whom such transferor, and any person acting on its behalf, reasonably believes is a QIB within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under "*Transfer Restrictions*" and in accordance with any applicable securities laws of any state of the United States.

Subject to compliance with the transfer restrictions applicable to the Global Certificates described above and under "*Transfer Restrictions*", cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream, Luxembourg accountholders, on the other will be effected by the relevant clearing systems in accordance with their respective rules and through action taken by the Custodian (if applicable), the Registrar and the Issuing and Paying Agent.

On or after the Issue Date for any Series, (A) transfers of Book-Entry Interests in a Global Bearer Note or an Unrestricted Global Certificate of such Series between accountholders in Euroclear and/or Clearstream, Luxembourg and (B) transfers of Book-Entry Interests in Global Certificates of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Euroclear or Clearstream, Luxembourg and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Euroclear and Clearstream, Luxembourg, on the other, transfers of Book-Entry Interests in Global Certificates of the same Series will be effected through the Issuing and Paying Agent, the Custodian, the relevant Registrar and any applicable Transfer Agent receiving instructions (and where appropriate certification) from the transferor and arranging for the delivery of the Book-Entry Interest being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the Book-Entry Interest in the relevant Global Certificate resulting in such transfer and (ii) two business days after receipt by the Issuing and Paying Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free of payment basis and arrangements for payment must be made separately.

For a further description of restrictions on transfer of Book-Entry Interests in Global Certificates, see "*Transfer Restrictions*".

Although Euroclear, Clearstream, Luxembourg and DTC have agreed to the foregoing procedures in order to facilitate transfers of Book-Entry Interests in the Global Bearer Notes and Global Certificates among participants and accountholders of Euroclear, Clearstream, Luxembourg and DTC, as the case may be, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Issuer nor any Paying Agent or any Transfer Agent will have any responsibility for the performance by Euroclear, Clearstream, Luxembourg or DTC or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

Payments through DTC

Payments in US dollars of principal and interest in respect of a Global Certificate registered in the name of a nominee of DTC will be made to the order of such nominee as the registered holder of such Global Certificate. Payments of principal and interest in a currency other than US dollars in respect of Global Certificates registered in the name of a nominee of DTC will be made or procured to be made by the Paying Agent in such currency in accordance with the following provisions. The amounts in such currency payable by the Paying Agent or its agent to DTC with respect to Global Certificates held by DTC or its nominee will be received from the Issuer by the Paying Agent who will make payments in such currency by wire transfer of same day funds to the designated bank account in such currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of payments of interest, on or prior to the third business day in New York City after the Record Date for the relevant payment of interest and, in the case of payments of principal, at least 12 business days in New York City prior to the relevant payment date, to receive that payment in such currency. The Paying Agent will convert amounts in such currency into US dollars and deliver such US dollar amount in same day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such currency. The Agency Agreement sets out the manner in which such conversions are to be made.

Global Bearer Notes

Exchange

Exchange Date

"**Exchange Date**" means a day on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and, except in the case of clause (iii)(b) below, in the city in which the relevant clearing system is located and that is:

(i) in relation to a Temporary Global Bearer Note, on or after the first day following the expiry of 40 days after the issue date of such Temporary Global Bearer Note;

(ii) in relation to a Permanent Global Bearer Note being exchanged for a Global Certificate or individual Certificates, not less than five days after the date on which the notice requiring the exchange thereof is given by the holder of such Permanent Global Bearer Note to the Issuing and Paying Agent; or

(iii) otherwise in relation to a Permanent Global Bearer Note, not less than the earlier of (a) 60 days after the date on which the notice requiring the exchange thereof is given by the holder of such Permanent Global Bearer Note to the Issuing and Paying Agent and (b) if such Permanent Global Bearer Note is held on behalf of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System, the 15th consecutive day that such clearing system has been closed for business (other than by reason of holidays, statutory or otherwise).

Temporary Global Bearer Notes

Each Temporary Global Bearer Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

(i) if the relevant Final Terms indicate that such Temporary Global Bearer Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (see "*Overview—Overview of the Programme—Selling Restrictions*"), in whole but not in part, for Definitive Bearer Notes; and

(ii) otherwise, in whole or in part upon certification as to non-US beneficial ownership in the form set out in the Agency Agreement, for a Permanent Global Bearer Note or, if so provided in the relevant Final Terms, for Definitive Bearer Notes.

Permanent Global Bearer Notes

Each Permanent Global Bearer Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

(i) if such Permanent Global Bearer Note is an Exchangeable Bearer Note, in whole or in part on one or more occasions, for an Unrestricted Global Certificate or Unrestricted Certificates; *provided* that, if such Permanent Global Bearer Note is held by or on behalf of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System, the rules of such clearing system so permit; *provided*, *further*, that an Unrestricted Global Certificate will not be issued upon exchange for a Permanent Global Bearer Note unless the holder thereof so requests and certifies to the Issuing and Paying Agent that it is, or is acting as nominee for, Euroclear, Clearstream, Luxembourg and/or an Alternative Clearing System;

(ii) if such Permanent Global Bearer Note is a Partly Paid Note, in whole or in part on one or more occasions, for Definitive Bearer Notes, to the extent so provided in, and in accordance with, the Conditions (which will be set out in the relevant Final Terms) relating to such Partly Paid Note; *provided* that, if such Permanent Global Bearer Note is held by or on behalf of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System, the rules of such clearing system so permit; and

(iii) if such Permanent Global Bearer Note is held on behalf of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System and such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so, in whole but not in part, for Definitive Bearer Notes.

Delivery of Notes

On or after the relevant Exchange Date, the holder of a Global Bearer Note may, in the case of an exchange in whole, surrender such Global Bearer Note or, in the case of a partial exchange, present such Global Bearer Note for endorsement to, or to the order of, the Issuing and Paying Agent. In exchange for any Global Bearer Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a Temporary Global Bearer Note being exchanged for a Permanent Global Bearer Note, deliver, or procure the delivery of, a Permanent Global Bearer Note in an aggregate nominal amount equal to that of the whole or that part of such Temporary Global Bearer Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Bearer Note to reflect such exchange or (ii) in the case of a Global Bearer Note being exchanged for Definitive Bearer Notes or (in the case of a Permanent Global Bearer Note that is an Exchangeable Bearer Note) an Unrestricted Global Certificate or Unrestricted Certificates, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Bearer Notes, Unrestricted Certificates and/or an Unrestricted Global Certificate, as the case may be. Global Bearer Notes and Definitive Bearer Notes will be delivered outside the United States and its possessions.

Definitive Bearer Notes delivered in exchange for a Global Bearer Note will be security printed (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on such Global Bearer Note and a Talon). On exchange in full of each Permanent Global Bearer Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Bearer Notes.

Payments

No payment in respect of any Temporary Global Bearer Note falling due after its Exchange Date will be made unless exchange thereof for a Permanent Global Bearer Note or for Definitive Bearer Notes is improperly withheld or refused. Payments in respect of any Temporary Global Bearer Note issued in compliance with the D Rules will be made before its Exchange Date only against presentation of certification as to non-US beneficial ownership in the form set out in the Agency Agreement. All payments in respect of a Global Bearer Note will be made against presentation thereof for endorsement and, if no further payment falls to be made in respect of such Global Bearer Note, surrender of such Global Bearer Note to, or to the order of, the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on the relevant Global Bearer Note, which endorsement will be prima facie evidence that such payment has been made. Condition 7(e)(vi) and Condition 8(d) will apply to the Definitive Bearer Notes only.

For the purposes of any payments made in respect of a Global Bearer Note, the relevant place of presentation shall be disregarded in the definition of "business day" in Condition 7(h) (*Non-Business Days*).

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date of Payment, where Clearing System Business Day means Monday to Friday inclusive, except December 25, and January 1.

Prescription

Claims against the Issuer in respect of a Permanent Global Bearer Note will become void unless such Permanent Global Bearer Note is presented for payment within a period of 10 years (in the case of principal) or 5 years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8).

Partly Paid Notes

The provisions relating to Partly Paid Notes are not set out in this Prospectus, but will be contained in the relevant Final Terms and thereby in the relevant Global Bearer Notes. While any installments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Bearer Note representing such Partly Paid Notes may be exchanged for an interest in a Permanent Global Bearer Note or for Definitive Bearer Notes (as the case may be). If any Noteholder fails to pay any installment due on any Partly Paid Notes within the time specified, the Issuer may forfeit such Notes and shall have no further obligation to their holder in respect of them.

Global Certificates

Exchange

Global Certificates will be exchangeable for individual Certificates only:

(i) in the case of a Global Certificate registered in the name of a nominee for Euroclear, Clearstream, Luxembourg or an Alternative Clearing System, in whole but not in part, if such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so;

(ii) in the case of a Global Certificate registered in the name of a nominee for DTC, in whole but not in part, if DTC (a) notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depositary with respect to such Global Certificate or (b) ceases to be a "clearing agency" registered under the Exchange Act or is at any time no longer eligible to act as such and, in each case, the Issuer is unable to locate and appoint a qualified successor within 90 days of receiving such notice; and

(iii) in whole or in part, with the consent of the Issuer;

provided, in each case, that the relevant Noteholder has given the relevant Registrar not less than 30 days' notice at its specified office of the Noteholder's intention to effect such exchange.

In such circumstances, (i) the Issuer will cause sufficient individual Certificates to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Noteholder(s) and (ii) such Noteholder(s) must provide the Registrar with:

(a) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual Certificates; and

(b) in the case of individual Certificates being issued in respect of a Restricted Global Certificate, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Individual Certificates issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

General

Amendment to Conditions

The Temporary Global Bearer Notes, Permanent Global Bearer Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Prospectus.

Specified Denominations

In the event that a Global Bearer Note is exchanged for Definitive Bearer Notes, such Definitive Bearer Notes shall be issued in Specified Denomination(s) only. A holder of a principal amount of Notes less than the minimum Specified Denomination will not receive a Definitive Bearer Note in respect of such holding and would need to purchase an additional principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

Meetings

The holder of a Permanent Global Bearer Note or a Global Certificate shall (unless such Permanent Global Bearer Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders. At any such meeting, the holder of a Permanent Global Bearer Note or a Global Certificate shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes represented by such Permanent Global Bearer Note or Global Certificate.

Cancellation

Cancellation of any Note represented by a Global Bearer Note or a Global Certificate that is required by the Conditions to be cancelled (other than upon its redemption) will be effected (i) in the case of a Global Bearer Note, by a reduction in the nominal amount of such Global Bearer Note upon its presentation to, or to the order of, the Issuing and Paying Agent for endorsement in the relevant schedule of such Global Bearer Note or (ii) in the case of a Global Certificate, a reduction in the aggregate principal amount thereof in the relevant register of the Noteholders, whereupon, in each case, the principal amount thereof shall be reduced for all purposes by the amount so cancelled and endorsed.

Purchase

Notes represented by a Permanent Global Bearer Note or a Global Certificate may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

The Issuer's Option

Any option provided to the Issuer in the Conditions of any Notes while such Notes are represented by a Permanent Global Bearer Note or a Global Certificate shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that the Issuer's option is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg, DTC or any Alternative Clearing System (as the case may be).

Noteholders' Option

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Bearer Note or a Global Certificate may be exercised by the holder of such Permanent Global Bearer Note or Global Certificate, as the case may be, giving notice to the Issuing and Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent (except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised) and stating the nominal amount of Notes in respect of which the option is exercised and, at the same time, presenting such Permanent Global Bearer Note or Global Certificate to the Issuing and Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Paying Agent, for (i) in the case of a Permanent Global Bearer Note, notation or (ii) in the case of a Global Certificate, a reduction in the aggregate principal amount of such Global Certificate in the relevant register of the Noteholders.

Trustee's Powers

In considering the interests of Noteholders while any Global Bearer Note is held on behalf of, or any Global Certificate is registered in the name of a nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Bearer Note or Global Certificate and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Bearer Note or Global Certificate.

Notices

So long as any Notes are represented by a Global Bearer Note held on behalf of, or a Global Certificate registered in the name of a nominee for, a clearing system, notices to the holders of such Notes may be delivered to (i) such clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or (ii) the holder of such Global Bearer Note or Global Certificate.

FORM OF FINAL TERMS

The form of Final Terms that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

Final Terms dated [●]
[Name of Issuer]
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

under the US$5,000,000,000
Global Medium Term Note Programme

PART A—CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 4 November 2010 [and the supplemental prospectus dated [●]] which [together] constitute[s] a base Prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. [The Prospectus [and the supplemental prospectus] [is] [are] available for viewing at [address] [and] [website] and copies may be obtained from [address].]

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") contained in the Trust Deed dated [●] which was in force on [issue date of original Notes], a copy of which is set forth in the Prospectus dated [original date] and incorporated by reference into the Prospectus dated 4 November 2010. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**") and must be read in conjunction with the Prospectuses dated [*original date*] and [*current date*] [and the supplemental prospectuses dated [●] and [●]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive. [The Prospectuses [and the supplemental prospectuses] are available for viewing at [address] [and] [website] and copies may be obtained from [address].]

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.]

[When completing final terms or adding any other final terms or information consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.]

1	Issuer:	DP World Limited
2	[(i)] Series:	[●]
	[(ii)] Tranche:	[●]
	(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).]	
3	Specified Currency or Currencies:	[●]
4	Aggregate Nominal Amount of Notes [admitted to trading]:	[●]
	[(i)] Series Number:	[●]
	[(ii)] Tranche Number:	[●]]

5	Issue Price:		[●]% of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)
6	(i)	Specified Denominations:	[●]
	(ii)	Calculation Amount:	[*If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor.*] [*Note: There must be a common factor in the case of two or more Specified Denominations*]
7	[(i)]	Issue Date:	[●]
	[(ii)]	Interest Commencement Date:	[●]
8	Maturity Date:		[*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]
9	Interest Basis:		[[●]% Fixed Rate] [[*specify reference rate*] +/− [●]% Floating Rate] [Zero Coupon] [Index Linked Interest] [Other (*specify*)] (further particulars specified below)
10	Redemption/Payment Basis:		[Redemption at par] [Index Linked Redemption] [Dual Currency] [Partly Paid] [Instalment] [Other (*specify*)] [(*NB If the Final Redemption Amount is other than 100% of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No 809/2004 will apply and the Issuer will prepare and publish a supplement to the Prospectus*)]
11	Change of Interest or Redemption/Payment Basis:		[*Specify details of any provision for convertibility of Notes into another interest or redemption / payment basis*]
12	Put/Call Options:		[Investor Put] [Issuer Call] [(further particulars specified below)]
13	[(i)]	Status of the Notes:	Senior
	[(ii)]	[Date approval for issuance of Notes obtained:	[●] [and [●], respectively] [*(N.B. Only relevant where authorisation is required for the particular tranche of Notes)*]
14	Method of distribution:		[Syndicated/Non-Syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15	**Fixed Rate Note Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Rate[(s)] of Interest:	[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
	(ii)	Interest Payment Date(s):	[●] in each year
	(iii)	Fixed Coupon Amount[(s)]:	[●] per Calculation Amount

(iv)	Broken Amount(s):	[[●] per Calculation Amount payable on the Interest Payment date falling [in/on] [●]] [*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount*[*(s)*]]
(v)	Day Count Fraction:	[30/360/Actual/Actual (ICMA/ISDA)/other]
(vi)	Determination Dates:	[●] in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)*)
(vii)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/*give details*]

16	**Floating Rate Note Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph)*
(i)	Interest Period(s):	[●]
(ii)	Specified Interest Payment Dates:	[●]
(iii)	Interest Period Date:	[●] (*Not applicable unless different from Interest Payment Date*)
(iv)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]
(v)	Business Centre(s):	[●]
(vi)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/Bank Bill Rate Determination/other *(give details)*]
(vii)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Agent]):	[●]
(viii)	Screen Rate Determination:	
	— Reference Rate:	[●]
	— Interest Determination Date(s):	[●]
	— Relevant Screen Page:	[●]
(ix)	ISDA Determination Date:	
	— Floating Rate Option:	[●]
	— Designated Maturity:	[●]
	— Reset Date:	[●]
	— ISDA Definitions:	2006
(x)	Margin(s):	[+/−] [●]% per annum
(xi)	Minimum Rate of Interest:	[●]% per annum
(xii)	Maximum Rate of Interest:	[●]% per annum

	(xiii) Day Count Fraction:	[●]
	(xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●]
17	**Zero Coupon Note Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Amortisation Yield:	[●]% per annum
	(ii) Any other formula/basis of determining amount payable:	[●]
18	**Index Linked Interest Note/other variable-linked interest Note Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Index/Formula/other variable:	(*give or annex details*)
	(ii) Calculation Agent responsible for calculating the interest due:	[●]
	(iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable:	[●]
	(iv) Interest Determination Date(s):	[●]
	(v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	[●]
	(vi) Interest Period(s):	[●]
	(vii) Specified Interest Payment Dates:	[●]
	(viii) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
	(ix) Business Centre(s):	[●]
	(x) Minimum Rate of Interest:	[●]% per annum
	(xi) Maximum Rate of Interest:	[●]% per annum
	(xii) Day Count Fraction:	[●]
19	**Dual Currency Note Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Rate of Exchange/method of calculating Rate of Exchange:	[*give details*]

	(ii)	Calculation Agent, if any, responsible for calculating the principal and/or interest due:	[●]
	(iii)	Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:	[●]
	(iv)	Person at whose option Specified Currency(ies) is/are payable:	[●]

PROVISIONS RELATING TO REDEMPTION

20	**Call Option**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] per Note of [●] specified denomination
	(iii)	If redeemable in part:	[●]
		(a) Minimum Redemption Amount:	[●]
		(b) Maximum Redemption Amount:	[●]
	(iv)	Notice period:	[●]
21	**Put Option**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] per Note of [●] specified denomination
	(iii)	Notice period:	[●]
22	**Final Redemption Amount of each Note**		[[●] per Note of [●] specified denomination/other/see Appendix]
	In cases where the Final Redemption Amount is Index Linked or other variable-linked:		[*If the Final Redemption Amount is linked to an underlying reference or security, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply and the Issuer will prepare and publish a supplement to the Prospectus which shall constitute a supplementary Prospectus pursuant to Prospectus Rule 3-4 and Section 87G of the FSMA.*]
	(i)	Index/Formula/variable:	[*give or annex details*]
	(ii)	Calculation Agent responsible for calculating the Final Redemption Amount:	[●]
	(iii)	Provisions for determining Final Redemption Amount where calculated by reference to Index:	[●]

	(iv) Determination Date(s):	[●]
	(v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	[●]
	(vi) Payment Date:	[●]
	(vii) Minimum Final Redemption Amount:	[●]
	(viii) Maximum Final Redemption Amount:	[●]
23	**Early Redemption Amount**	
	Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	[●]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24	Form of Notes:	Bearer Notes: [Temporary Global Bearer Note exchangeable for a Permanent Global Bearer Note which is exchangeable for Definitive Bearer Notes in the limited circumstances specified in the Permanent Global Bearer Note] [Temporary Global Bearer Note exchangeable for Definitive Bearer Notes on [●] days' notice] [Permanent Global Bearer Note exchangeable for Definitive Bearer Notes on [●] days' notice/at any time/in the limited circumstances specified in the Permanent Global Bearer Note] Registered Notes: [Restricted Global Certificate] [Unrestricted Global Certificate]
25	Financial Centre(s) or other special provisions relating to payment dates:	[Not Applicable/give details. Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub-paragraphs 16(iv) and 18(ix) relate]
26	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	[Not Applicable/*give details*]

27	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	[Not Applicable/*give details*]
28	Other final terms:	[Not Applicable/*give details*] (*When adding any other final terms consideration should be given as to whether such terms constitute a "significant new factor" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.*)

DISTRIBUTION

29	(i) If syndicated, names of Managers:	[Not Applicable/*give names*]
	(ii) Stabilising Manager(s) (if any):	[Not Applicable/*give names*]
30	If non-syndicated, name of Dealer:	[Not Applicable/*give names*]
31	Additional selling restrictions:	[Not Applicable/*give names*]
32	ERISA	[Employee Benefit Plans can buy [Yes/No]

[LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the US$5,000,000,000 Global Medium Term Note Programme of DP World Limited.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: ....
Duly authorized

PART B—OTHER INFORMATION

1 LISTING

(i)	Listing:	[London/other (*specify*)/None]
(ii)	Admission to trading:	[Application has been made for the Notes to be admitted to trading on [●] with effect from [●].] [Not Applicable.]
(iii)	Estimate of total expenses related to admission to trading:	[●]

2 RATINGS

Ratings: The Notes to be issued have been rated:

[S & P: [●]]

[Moody's: [●]]

[[Other]: [●]]

(*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.*)

3 [NOTIFICATION

The [Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000] [has been requested to provide/has provided—include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the [*include names of competent authorities of host Member States*] with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive.]

4 [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."]

5 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i)	[Reasons for the offer]:	[●]
		(*See [“**Use of Proceeds**”] wording in Prospectus—if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.*)
(ii)	[Estimated net proceeds]:	[●](*If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding*.)
(iii)	[Estimated total expenses]:	[●] [Include breakdown of expenses.]
		(*Only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included and (i) above.*)][(2)]

(2) Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

6 [*Fixed Rate Notes only*—YIELD

Indication of yield:	[●]
	The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

7 [*Index Linked or other variable-linked Notes only*—PERFORMANCE OF INDEX/FORMULA/ OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained. [*Where the underlying is an index, need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer, need to include details of where the information about the index can be obtained. Where the underlying is not an index, need to include equivalent information.*]

[*Include other information concerning the underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation (including the exercise price or the final reference price of the underlying (as applicable))*.]

[(*When completing the above paragraphs, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive*.)]

The Issuer [*intends to provide post-issuance information* [*specify what information*] *will be reported and where it can be obtained*]] [*does not intend to provide post-issuance information.*]]

8 [*Dual Currency Notes only*—PERFORMANCE OF RATE[S] OF EXCHANGE

Need to include details of where past and future performance and volatility of the relevant rate[*s*] *can be obtained.*]

9 OPERATIONAL INFORMATION

ISIN Code (in respect of Unrestricted Global Certificate):	[●]
Common Code (in respect of Unrestricted Global Certificate):	[●]
[CUSIP Number:	[●]]
Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking, *société anonyme,* DTC and the relevant identification number(s):	[Not Applicable/*give name(s) and number(s)* [*and address(es)*]]
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying and Transfer Agent(s) (if any):	[●]
Applicable TEFRA exemption:	[C Rules/D Rules/Not Applicable]

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Final Terms, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Bearer Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Final Terms or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these terms and conditions will have the meanings given to them in Part A of the relevant Final Terms. Those definitions will be endorsed on the definitive Notes or Certificates (if any), as the case may be. References in these terms and conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

DP World Limited (the "**Issuer**") has established a Global Medium Term Note Programme (the "**Programme**") for the issuance of up to US$5,000,000,000 in aggregate principal amount of notes outstanding at any time (the "**Notes**").

The Notes issued by the Issuer are constituted by an amended and restated Trust Deed (as amended or supplemented as at the date of issue of the Notes (the "**Issue Date**"), the "**Trust Deed**") dated 4 November 2010 between the Issuer and Deutsche Trustee Company Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons referred to below. An amended and restated agency agreement (as amended or supplemented as at the Issue Date, the "**Agency Agreement**") dated 4 November 2010 has been entered into in relation to the Notes between the Issuer, the Trustee, Deutsche Bank AG, London Branch as initial issuing and paying agent and the other agents named in it. The issuing and paying agent, the paying agents, the registrars, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Issuing and Paying Agent**", the "**Paying Agents**" (which expression shall include the Issuing and Paying Agent), the "**Registrars**", the "**Transfer Agents**" (which expression shall include the Registrars) and the "**Calculation Agent(s)**". Copies of the Trust Deed and the Agency Agreement are available for inspection during usual business hours at the principal office of the Trustee (presently at Winchester House, 1 Great Winchester Street, London EC2N 2DB) and at the specified offices of the Paying Agents and the Transfer Agents.

References herein to "**Issuing and Principal Paying Agent**", "**Calculation Agent**" and "**Registrar**" shall be deemed to be respectively to the Issuing and Principal Paying Agent and the Registrar so appointed and references to any Paying Agent shall be to the Issuing and Principal Paying Agent. The relevant Issuing and Principal Paying Agent and the Registrar will be specified hereon.

The Noteholders, the holders of the interest coupons (the "**Coupons**") relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "**Talons**") (the "**Couponholders**") and the holders of the receipts for the payment of instalments of principal (the "**Receipts**") relating to Notes in bearer form of which the principal is payable in instalments are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used in these Conditions, "**Tranche**" means Notes which are identical in all respects.

1. Form, Denomination and Title

The Notes are issued in bearer form ("**Bearer Notes**", which expression includes Notes that are specified to be Exchangeable Bearer Notes), in registered form ("**Registered Notes**") or in bearer form exchangeable for Registered Notes ("**Exchangeable Bearer Notes**") in each case in the Specified Denomination(s) shown hereon provided that in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a Prospectus under the Prospectus Directive, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

All Registered Notes shall have the same Specified Denomination. Where Exchangeable Bearer Notes are issued, the Registered Notes for which they are exchangeable shall have the same Specified Denomination as the lowest denomination of Exchangeable Bearer Notes.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2, each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes, the Receipts, the Coupons and the Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the relevant register that the Issuer shall procure to be kept by the relevant Registrar in accordance with the provisions of the Agency Agreement (the "**Registers**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, "**Noteholder**" means the bearer of any Bearer Note and the Receipts relating to it, or the person in whose name a Registered Note is registered, "**holder**" (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon, or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2. Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes

(a) ***Exchange of Exchangeable Bearer Notes***

Subject as provided in Condition 2(f), Exchangeable Bearer Notes may be exchanged for the same nominal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Receipts, Coupons and Talons relating to it, at the specified office of any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 7(b)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes that are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

(b) ***Transfer of Registered Notes***

One or more Registered Notes may be transferred upon the surrender (at the specified office of any Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding. All transfers of Notes and entries on the Registers will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrars and the Trustee. A copy of the current regulations will be made available by the Registrars to any Noteholder upon request.

(c) ***Exercise of Options or Partial Redemption in Respect of Registered Notes***

In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a redemption of, some only of a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. New Certificates shall only be issued against surrender of the existing Certificates to any Registrar or any Transfer Agent.

(d) ***Delivery of New Certificates***

Each new Certificate to be issued pursuant to Conditions 2(a), (b) or (c) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the relevant Registrar (as the case may be).

(e) ***Exchange and Transfer-Free of Charge***

Exchange and transfer of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrars or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the relevant Registrar or the relevant Transfer Agent may require).

(f) ***Closed Periods***

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date (as defined in Condition 7(b)). An Exchangeable Bearer Note called for redemption may, however, be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

3. Status of the Notes

The Notes and the Receipts and Coupons relating to them constitute direct, unconditional and (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes, the Receipts and the Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and other monetary obligations of the Issuer, present and future.

4. Negative Pledge

So long as any Note or Coupon remains outstanding (as defined in the Trust Deed), the Issuer will not, and will ensure that none of its Subsidiaries will, create or have outstanding, any mortgage, charge, lien, pledge or other security interest (each a "**Security Interest**"), other than a Permitted Security Interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness, or any guarantee or indemnity in respect of any Relevant

Indebtedness, without at the same time or prior thereto according to the Notes and the Coupons the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as either (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the Noteholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

In these Conditions:

"**Excluded Subsidiary**" means any Subsidiary of the Issuer:

(i) which is a single purpose company whose principal assets and business are constituted by the ownership, acquisition, leasing, construction, development (including any subsequent development) or operation of any project or asset (or group of related assets); and

(ii) whose indebtedness for borrowed money in respect of the financing of such ownership, acquisition, leasing, construction, development (including any subsequent development) or operation of any project or asset (or group of related assets) is subject to no recourse (other than any Permitted Recourse) to the Issuer or any of its Subsidiaries (other than another Excluded Subsidiary) in respect of the repayment thereof;

"**Permitted Recourse**" means recourse to the Issuer or any of its Subsidiaries in respect of any financing or refinancing of all or part of the costs of the ownership, acquisition, leasing, construction, development (including any subsequent development) or operation of any project or asset (or group of related assets), so long as the terms of such recourse are restricted such that:

(i) it shall be released following completion of the development or construction of the relevant asset (or group of related assets) to the satisfaction of the holders of such indebtedness; or

(ii) it is limited to:

(1) an agreed cash amount, and may only be enforced in the event that the development or construction of such project or asset (or group of related assets) cannot be completed or is subject to cost overruns or delays; or

(2) the cash flow or net cash flow (other than historic cash flow or historic net cash flow) from such project or asset (or group of related assets); or

(3) shares, securities or other instruments representing ownership in, or indebtedness of, an Excluded Subsidiary; or

(4) an agreement by the Issuer or any of its Subsidiaries not to dispose of any or all of such shares, securities or other instruments as are referred to in paragraph (3) above; or

(5) an agreement by the Issuer or any of its Subsidiaries to subordinate its rights in respect of such shares, securities or other instruments for the benefit of the holders of indebtedness incurred by an Excluded Subsidiary; or

(6) recourse in respect of any policy of insurance (or similar instrument, but for the avoidance of doubt not including any financial guarantee) which may be granted by the Issuer or any of its Subsidiaries (other than an Excluded Subsidiary) for the benefit of an Excluded Subsidiary;

"**Permitted Security Interest**" means:

(i) any Security Interest existing on the date on which agreement is reached to issue the first Tranche of the Notes;

(ii) any Security Interest securing Relevant Indebtedness of a person and/or its subsidiaries existing at the time that such person is merged into, or consolidated with, the Issuer or any of its Subsidiaries, provided that such Security Interest was not created in contemplation of such merger or consolidation and does not extend to any other assets or property of the Issuer or any of its Subsidiaries;

(iii) any Security Interest existing on any property or assets prior to the acquisition thereof by the Issuer or any of its Subsidiaries and not created in contemplation of such acquisition;

(iv) any renewal of or substitution for any Security Interest permitted by any of paragraphs (i) to (iii) (inclusive) of this definition, provided that with respect to any such Security Interest the principal amount secured has not increased and the Security Interest has not been extended to any additional assets (other than the proceeds of such assets); or

(v) any Security Interest in respect of any Relevant Indebtedness not otherwise permitted under any other paragraph of this definition, provided that the aggregate outstanding amount secured thereby shall not at any time exceed an amount equal to 10 per cent. of Total Assets of the Issuer;

"**Project Financing Indebtedness**" means any indebtedness incurred in connection with the financing or refinancing of all or part of the costs of the ownership, acquisition, leasing, construction, development (including any subsequent development) or operation of any project or asset (or group of related assets), provided that the principal source of payment or repayment of such indebtedness is (i) the project or asset (or group of related assets) so financed or refinanced and/or the revenues or cashflows derived from such project or asset; or (ii) the assets and undertaking of an Excluded Subsidiary and/or shares, securities or other instruments representing ownership in, or indebtedness of, an Excluded Subsidiary and provided further that the person or persons to whom any such indebtedness is or may be owed by the relevant obligor has no recourse (other than Permitted Recourse) to the Issuer or any Subsidiary;

"**Relevant Indebtedness**" means any indebtedness other than (i) Project Financing Indebtedness and (ii) Securitisation Indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock, sukuk certificates or other securities which for the time being are, or are intended to be, or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;

"**Securitisation**" means any securitisation (Islamic or otherwise) of existing or future assets and/or revenues, provided that (i) any Security Interest given by the Issuer or any Subsidiary in connection therewith is limited solely to the assets and/or revenues which are the subject of the securitisation; (ii) each person participating in such securitisation expressly agrees to limit its recourse to the assets and/or revenues so securitised as the principal source of repayment for the money advanced or payment of any other liability; and (iii) there is no other recourse to the Issuer or any Subsidiary in respect of any default by any person under the securitisation;

"**Securitisation Indebtedness**" means any indebtedness incurred in connection with Securitisation;

"**Subsidiary**" means, at any particular time, any company which is then directly or indirectly controlled, or more than 50 per cent. of whose issued equity share capital (or equivalent) is then beneficially owned by the Issuer. For a company to be "**controlled**" by the Issuer means that the Issuer (whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract, trust or otherwise) has the power to appoint and/or remove all or the majority of the members of the board of directors or other governing body of that company or otherwise controls, or has the power to control, the affairs and policies of that company; and

"**Total Assets**" means at any time (i) in relation to the Issuer, the consolidated total assets of the Issuer, calculated by reference to the then latest audited consolidated financial statements of the Issuer, (ii) in relation to any Subsidiary, the total assets (consolidated in the case of a Subsidiary which itself has subsidiaries) of such Subsidiary calculated by reference to the then latest financial statements (consolidated or, as the case may be, unconsolidated) of such Subsidiary, provided that for this purpose, in calculating the amount of the total assets of any Subsidiary of the Issuer, any receivables due from the Issuer or any other Subsidiary shall be excluded and provided, further, that if at any time the relevant financial statements do not include a line item for "total assets", the relevant amount shall be that which the Issuer determines (after consultation with its external auditors) to be the amount of the relevant total assets (consolidated or, as the case may be, unconsolidated) in accordance with the accounting principles used in preparation of the then latest consolidated financial statements.

5. Interest and Other Calculations

(a) ***Interest on Fixed Rate Notes***

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h).

(b) ***Interest on Floating Rate Notes and Index Linked Interest Notes***

(i) *Interest Payment Dates*

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention*

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest for Floating Rate Notes*

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified hereon

(y) the Designated Maturity is a period specified hereon and

(z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

(x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

(y) If the Relevant Screen Page is not available or if sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 11.00 a.m. (London time, if the Reference Rate is LIBOR or Brussels time, if the Reference Rate is EURIBOR) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent.

(z) If paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered at approximately 11.00 a.m. (London time, if the Reference Rate is LIBOR or Brussels time, if the Reference Rate is EURIBOR) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately 11.00 a.m. (London time, if the Reference Rate is LIBOR or Brussels time, if the Reference Rate is EURIBOR), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(iv) *Rate of Interest for Index Linked Interest Notes*

The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.

(c) ***Zero Coupon Notes***

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).

(d) ***Dual Currency Notes***

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.

(e) ***Partly Paid Notes***

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.

(f) ***Accrual of Interest***

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused or payment on the due date is improperly withheld or not made. In such event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to and including the Relevant Date (as defined in Condition 8).

(g) ***Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding***

(i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.

(ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be. Unless otherwise specified hereon, the Minimum Rate of Interest shall be zero.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country or countries, as the case may be, of such currency.

(h) ***Calculations***

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(i) ***Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts***

The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any other determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Trustee, the Issuer, the Registrar, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(j) ***Determination or Calculation by Trustee***

If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, the Trustee (or an agent appointed by it) shall at the cost of the Issuer, do so (or shall at the expense of the Issuer, appoint an agent on its behalf to do so) and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. Any such determination or calculation made by the Trustee shall (in the absence of manifest error) be final and binding upon all parties.

(k) ***Definitions***

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Additional Financial Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Business Day**" means:

(i) in the case of a currency other than euro, any day which is a day on which dealings in foreign currencies may be carried on the Principal Financial Center of the currency of payment and in each (if any) Additional Financial Center;

(ii) in the case of euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Center;

(iii) in the case of a currency and/or one or more Business Centres a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or Interest Accrual Period, the "**Calculation Period**"):

(i) if "**Actual/Actual**" or "**Actual/Actual-ISDA**" is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)

(ii) if "**Actual/365 (Fixed)**" is specified hereon, the actual number of days in the Calculation Period divided by 365

(iii) if "**Actual/360**" is specified hereon, the actual number of days in the Calculation Period divided by 360

(iv) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30

(v) if "**30E/360**" or "**Eurobond Basis**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30

(vi) if "**30E/360 (ISDA)**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30;

(vii) if "**Actual/Actual-ICMA**" is specified hereon,

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year where:

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

"**Determination Date**" means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s).

"**Euro-zone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

"**Instalment Amount**" means the amount (if any) specified as such hereon.

"**Instalment Date**" means the date (if any) specified as such hereon.

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

"**Interest Amount**" means:

(i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and

(ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified hereon.

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

"**Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified hereon.

"**ISDA Definitions**" means the 2006 ISDA Definitions (or, if specified hereon, the 2000 ISDA Definitions) as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

"**Rate of Interest**" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

"**Reference Banks**" means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent or as specified hereon.

"**Reference Rate**" means the rate specified as such hereon.

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified hereon.

"**Specified Currency**" means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

"**TARGET Settlement Day**" means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System or any successor thereto is open for the settlement of payments in euro.

(l) ***Calculation Agent***

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall (with the prior approval of the Trustee) appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

6. Redemption, Purchase and Options

(a) ***Redemption by Instalments and Final Redemption***

(i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(ii) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided hereon, is its nominal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) ***Early Redemption***

(i) *Zero Coupon Notes*

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

(B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) *Other Notes*

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) ***Redemption for Taxation Reasons***

The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is either a Floating Rate Note, an Index Linked Note or a Dual Currency Note) or at any time (if this Note is neither a Floating Rate Note, an Index Linked Note nor a Dual Currency Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer satisfies the Trustee immediately before the giving of such notice that it has or will become obliged to pay additional amounts as described under Condition 8 as a result of any change in, or amendment to, the laws or regulations of the relevant Tax Jurisdiction or any political subdivision or any authority therein or thereof having power to tax, or any change in the application or official interpretation of the laws or regulations of the relevant Tax Jurisdiction, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Trustee a certificate signed by two duly authorised officers of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out in (ii) above in which event it shall be conclusive and binding on Noteholders and Couponholders.

For the purpose of these Conditions, the "**relevant Tax Jurisdiction**" means each of the United Arab Emirates, the Emirate of Dubai and the Dubai International Financial Centre.

(d) ***Redemption at the Option of the Issuer***

If Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount (if any) to be redeemed specified hereon and no greater than the Maximum Redemption Amount (if any) to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or, in the case of Registered Notes, shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes to be redeemed, which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

(e) ***Redemption at the Option of Noteholders***

(i) If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon), redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together (if applicable) with interest accrued to the date fixed for redemption.

(ii) If a Change of Control Event occurs, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving notice to the Issuer at any time during the Redemption Period, redeem such Note on the Redemption Date at its principal amount (or such other amount as may be specified in the relevant Final Terms) together (if applicable) with interest accrued to the date fixed for redemption.

Immediately upon the Issuer becoming aware that a Change of Control Event has occurred, the Issuer shall, and, at any time following the occurrence of a Change of Control Event, the Trustee, if so requested by the holders of at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution, shall, give notice (a "**Change of Control Notice**") to the Noteholders in accordance with Condition 16 specifying the nature of the Change of Control Event.

For the purpose of this paragraph (ii):

a "**Change of Control Event**" will occur if at any time the Government of Dubai ceases to own, directly or indirectly, at least 50 per cent. of the issued share capital of DP World or otherwise ceases to control, directly or indirectly, DP World. For the purpose of this Condition, the Government of Dubai will be deemed to "**control**" DP World if (whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract, trust or otherwise) it has the power to appoint and/or remove all or the majority of the members of the board of directors or other governing body of DP World or otherwise controls, or has the power to control, the affairs and policies of DP World;

"**Redemption Date**" means, in respect of any Redemption Period, the date which falls 14 days after the date on which the relevant holder exercises its option in accordance with Condition 6(e)(iii); and

"**Redemption Period**" means, in relation to any Change of Control Event, the period from and including the date on which a Change of Control Event occurs (whether or not the Issuer or the Trustee has given the notice referred to in the second paragraph of this Condition 6(e)(ii) in respect of such event) to and including the date falling 60 days after the date on which any such notice is given, provided that if no such notice is given, the Redemption Period shall not terminate.

The Trustee is under no obligation to ascertain whether a Change of Control Event or any event which could lead to the occurrence of or could constitute a Change of Control Event has occurred and, until it shall have actual knowledge or notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control Event or other such event has occurred.

(iii) To exercise any option pursuant to Condition 6(e)(i) or (ii), the holder must deposit (in the case of a Bearer Note) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of a Registered Note) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the relevant period. No Note, Receipt, Coupon or Certificate so deposited and option so exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) ***Partly Paid Notes***

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified hereon.

(g) ***Purchases***

The Issuer and any Subsidiary may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. Notes so purchased, while held by or on behalf of the Issuer or any Subsidiary, shall not entitle the holder to vote at any meeting of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating the quorum at any meeting of Noteholders or for the purposes of Conditions 10, 11(a) and 12.

(h) ***Cancellation***

All Notes purchased by or on behalf of the Issuer or any Subsidiary may be surrendered for cancellation, in the case of a Bearer Note by surrendering such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of a Registered Note, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

7. Payments and Talons

(a) ***Bearer Notes***

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender or, in the case of part payment of any sum due, endorsement, of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. For the purpose of this Condition 7 "**Bank**" means a bank in the principal financial centre for such currency or, in the case of euro, a Target Settlement Day.

(b) ***Registered Notes:***

(i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender or, in the case of part payment of any sum due, endorsement, of the relevant Certificates at the specified office of any of the Transfer Agents or of any Registrar and in the manner provided in paragraph (ii) below.

(ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the relevant Register at the close of business on the fifteenth day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the relevant Register. Upon application by the holder to the specified office of any Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.

(c) ***Payments in the United States***

Notwithstanding the foregoing, if any Bearer Notes are denominated in US dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) ***Payments subject to laws***

All payments are subject in all cases to any applicable laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 8. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) ***Appointment of Agents***

The Issuing and Paying Agent, the Paying Agents, the Registrars, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. Subject as provided in the Agency Agreement, the Issuing and Paying Agent, the Paying Agents, the Registrars, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time with the prior written approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, any Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) such other agents as may be required by any other stock exchange on which the Notes may be listed in each case, as approved by the Trustee and (vi) a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN council meeting of 26-27 November 2000.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in US dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) ***Unmatured Coupons and Receipts and unexchanged Talons***

(i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index Linked Notes) they should be surrendered for payment together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).

(ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Interest Note or Index Linked Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(v) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may reasonably require.

(vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Note. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) ***Talons***

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(h) ***Non-Business Days***

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in the relevant place of presentation, in such jurisdictions as shall be specified as "**Financial Centres**" hereon and:

(i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or

(ii) (in the case of a payment in euro) which is a TARGET Settlement Day.

8. Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, or on account of, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the relevant Tax Jurisdiction (which expression shall take the same meaning for the purposes of this Condition 8 as it takes for the purposes of Condition 6) or any political subdivision or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

(a) ***Other connection***

to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the relevant Tax Jurisdiction other than the mere holding of the Note, Receipt or Coupon; or

(b) ***Presentation/surrender more than 30 days after the Relevant Date***

presented or (if applicable) surrendered (or (if applicable) in respect of which the relevant Certificate is presented or (if applicable) surrendered) for payment more than 30 days after the Relevant Date (defined below) except to the extent that the holder of it would have been entitled to such additional amounts on presenting or, as the case may be, surrendering it for payment on such thirtieth day; or

(c) ***Payment to individuals***

where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN council meeting of 26-27 November 2000; or

(d) ***Payment by another Paying Agent***

presented or (if applicable) surrendered (or (if applicable) in respect of which the relevant Certificate is presented or (if applicable) surrendered) for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting or, as the case may be, surrendering the relevant Note, Receipt or Coupon (or (if applicable) the relevant Certificate) to another Paying Agent in a Member State of the European Union.

As used in these Conditions, "**Relevant Date**" in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation or, as the case may be, surrender of the Note, Receipt or Coupon (or (if applicable) the relevant Certificate) being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts (except as provided in Condition 7(a)), Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) "**interest**" shall (except as provided in Condition 7(a)) be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Trust Deed.

9. Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10. Events of Default

If any of the following events ("**Events of Default**") occurs, the Trustee at its discretion may, and if so requested by holders of at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being indemnified and/or secured to its satisfaction), give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest:

(a) **Non-Payment:** default is made for more than 14 days (in the case of interest) or seven days (in the case of principal) in the payment on the due date of interest or principal, as the case may be, in respect of any of the Notes or

(b) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations in the Notes or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 30 days after notice of such default shall have been given to the Issuer by the Trustee or

(c) **Cross-Acceleration:** (i) any other present or future indebtedness of the Issuer or any of its Material Subsidiaries for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period, or (iii) the Issuer or any of its Material Subsidiaries fails to pay when due or, as the case may be, within any applicable grace period any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, save in each case where the liability in respect of the relevant indebtedness, guarantee or indemnity is being contested by the Issuer or such Material Subsidiary, as the case may be, in good faith and by all appropriate means and provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred equals or exceeds US$50,000,000 or its equivalent (as determined by the Trustee on the basis of the middle spot rate for the relevant currency against the US dollar as determined by any leading bank on the day on which this paragraph falls to be applied) or

(d) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or (in the opinion of the Trustee) a material part of the property, assets or revenues of the Issuer or any of its Material Subsidiaries and is not discharged, withdrawn or stayed within 60 days or

(e) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Material Subsidiaries in respect of all or (in the opinion of the Trustee) a material part of the property, assets or revenues of the Issuer or such Material Subsidiary, as the case may be, becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, manager or other similar person) or

(f) **Insolvency:** the Issuer or any of its Material Subsidiaries is (or is deemed by a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or (in the opinion of the Trustee) a material part of its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of the debts of the Issuer or any of its Material Subsidiaries or

(g) **Winding-up:** an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer or any of its Material Subsidiaries or the Issuer or any of its Material Subsidiaries ceases or threatens to cease, or is required to cease, to carry on all or (in the opinion of the Trustee) substantially all of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by the Trustee or by an Extraordinary Resolution of the Noteholders or (ii) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in another Subsidiary or

(h) **Authorisation and Consents:** any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with their respective obligations under the Notes, the Trust Deed, (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Notes and the Trust Deed admissible in evidence in the courts of the United Arab Emirates or the Emirate of Dubai, is not taken, fulfilled or done or

(i) **Illegality:** it is or will become unlawful for the Issuer to perform or comply with any one or more of their respective obligations under any of the Notes or the Trust Deed or

(j) **Analogous Events:** any event occurs that under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs,

provided that (other than in the case of paragraphs (a) and (c), paragraph (f) and paragraph (g) (to the extent it relates to the winding up or dissolution of the Issuer)) the Trustee shall have certified that in its opinion such event is materially prejudicial to the interests of the Noteholders.

For the purpose of this Condition,

"**EBITDA**" means, in respect of any period, profit in respect of such period, plus (i) finance costs (net of interest income), (ii) income tax (if any) and (iii) depreciation and amortisation, in each case in respect of such period and at any time (a) in relation to the Issuer, shall be calculated by reference to the relevant amounts shown in the then latest audited consolidated financial statements of the Issuer and (b) in relation to any Subsidiary, shall be calculated by reference to the relevant amounts (consolidated in the case of a Subsidiary which itself has subsidiaries) shown in the then latest financial statements (consolidated or, as the case may be, unconsolidated) of such Subsidiary; and

"**Material Subsidiary**" means any Subsidiary:

(i) whose EBITDA (consolidated in the case of a Subsidiary which itself has subsidiaries) or whose Total Assets (consolidated in the case of a Subsidiary which itself has subsidiaries) represent not less than 10 per cent. of the consolidated EBITDA of the Issuer, or, as the case may be, the consolidated Total Assets of the Issuer, as the case may be and/or

(ii) to which is transferred all or substantially all of the business, undertaking and assets of another Subsidiary which immediately prior to such transfer is a Material Subsidiary, whereupon (a) in the case of a transfer by a Material Subsidiary, the transferor Material Subsidiary shall immediately cease to be a Material Subsidiary and (b) the transferee Subsidiary shall immediately become a Material Subsidiary, provided that on or after the date on which the relevant audited financial statements for the financial period current at the date of such transfer are published, whether such transferor Subsidiary or such transferee Subsidiary is or is not a Material Subsidiary shall be determined pursuant to the provisions of sub-paragraph (i) above,

provided that if any acquisition or disposal has occurred after the end of the financial period to which the then latest audited consolidated financial statements of the Issuer relate, in applying each of the above tests the reference in the relevant defined terms to the latest audited consolidated financial statements shall be deemed to be a reference to such audited consolidated financial statements as if the relevant acquisition or disposal had been reflected in such audited consolidated financial statements by reference (where applicable) to any relevant Subsidiary's then latest relevant financial statements (consolidated in the case of a Subsidiary which itself has subsidiaries), adjusted as set out in the immediately following paragraph.

A report by two duly authorised officers of the Issuer, that in their opinion (making such adjustments (if any) as they shall deem appropriate) a Subsidiary is or is not or was or was not at any particular time or during any particular period a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Issuer, the Trustee and the Noteholders.

11. Meetings of Noteholders, Modification, Waiver and Substitution

(a) ***Meetings of Noteholders***

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, or (viii) to change the governing law of the Notes, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

(b) ***Modification of the Trust Deed and Waiver***

The Trustee may, without the consent of the Noteholders or Couponholders (i) agree to any modification of any of the provisions of the Trust Deed that is, in the opinion of the Trustee, of a formal, minor or technical nature or is made to correct a manifest error (ii) agree to any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed and (iii) determine that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such if in the case of (ii) and (iii), in the opinion of the Trustee, it is not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification shall be notified by the Issuer to the Noteholders as soon as practicable.

(c) ***Substitution***

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders or the Couponholders, to the substitution of the Issuer's successor in business (as defined in the Trust Deed) or any subsidiary of the Issuer or its successor in business in place of the Issuer, or of any previous substituted company, or of any previously substituted company under the Trust Deed, and the Notes. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders or the Couponholders, to a change of the law governing the Notes, the Receipts, the Coupons, the Talons, the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

(d) ***Entitlement of the Trustee***

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

12. Enforcement

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed, the Notes, the Receipts and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-fifth in nominal amount of the Notes outstanding, and (b) it shall have been indemnified and/or secured to its satisfaction. No Noteholder, Receiptholder or Couponholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

13. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

14. Replacement of Notes, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent in London (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificate, Receipts, Coupons or further Coupons) and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Certificate, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

15. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides.

16. Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Any such notice will be deemed to have been given on the first date of such publication. Notices to holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*). If in the opinion of the Trustee any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. The Issuer shall also ensure that notices are duly published in a manner that complies with any other relevant rules of any stock exchange or other relevant authority on which the Notes are for the time being or by which they have for the time being admitted to trading.

Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition.

17. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

18. Governing Law and Jurisdiction

(a) ***Governing Law***

The Trust Deed, the Notes, the Receipts, the Coupons and the Talons, and any non-contractual obligations arising out of or in connection with them, shall be governed by, and shall be construed in accordance with, English law.

(b) ***Arbitration***

Without limiting the rights of the Noteholders under Condition 18(c), any dispute arising from or connected with the Notes, the Receipts, the Coupons and the Talons shall be referred by the Trustee or the Noteholders to arbitration in London in accordance with the rules of the London Court of International Arbitration (the "**Rules**"), the Rules being incorporated into Condition 18(b) by reference, save that no requirements of the Rules as to the nationality of the arbitrators or the chairman shall apply. The number of arbitrators shall be three and the arbitration shall be conducted in English. Any arbitration award so made shall be binding.

(c) ***Jurisdiction***

Notwithstanding Condition 18(b) above, any Noteholder may, in the alternative, and at its sole discretion, by notice in writing to the Issuer or the Trustee require that a dispute be heard by the courts of England. In the event that such notice is delivered, the courts of England are to have jurisdiction to settle any such dispute and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons in respect of Notes ("**Proceedings**") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

(d) ***Service of Process***

The Issuer has in the Trust Deed irrevocably appointed an agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.

(e) ***Waiver***

The Issuer irrevocably agrees that, should any Proceedings be taken anywhere (whether for any injunction, specific performance, damages or otherwise), no immunity (to the extent that it may at any time exist, whether on the grounds of sovereignty or otherwise) in relation to those Proceedings (including without limitation, immunity from the jurisdiction of any court or tribunal, suit, service of process, injunctive or other interim relief, any order for specific performance, any order for recovery of land, any attachment (whether in aid of execution, before judgment or otherwise) of its assets, any process for execution of any award or judgement or other legal process) shall be claimed by it or on its behalf or with respect to its assets, any such immunity being irrevocably waived. The Issuer irrevocably agrees that it and its assets are, and shall be, subject to such Proceedings, attachment or execution in respect of its obligations under the Notes or the Trust Deed.

(f) ***Consent***

The Issuer irrevocably and generally consents in respect of any Proceedings anywhere to the giving of any relief or the issue of any process in connection with those Proceedings including, without limitation, the making, enforcement or execution against any assets whatsoever (irrespective of their use or intended use) of any order or judgment which may be made or given in those Proceedings.

USE OF PROCEEDS

The Issuer will apply the net proceeds from the issue of each Tranche of Notes for general corporate purposes and the refinancing of indebtedness. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the relevant Final Terms.

CAPITALISATION

The following table shows bank balances and cash, current financial indebtedness and the capitalisation of the Group (equal to total non-current financial indebtedness plus shareholders' equity) as at 30 June 2010 extracted without material adjustment from the Interim Financial Statements.

	As at 30 June 2010
	(unaudited) (US dollars in thousands)
Bank balances and cash	2,678,799
Current financial indebtedness:	
Current bank debt	657,024
Other current financial debt	14,861
Total current financial indebtedness	671,885
Non-current financial indebtedness:	
Non current bank debt	4,073,783
Bonds issued	3,232,659
Other non-current financial indebtedness	65,094
Non-current financial indebtedness	7,371,536
Equity:	
Shareholders' reserve	2,000,000
Retained earnings	1,625,293
Other equity	3,122,387
Non-controlling interests	789,635
Total equity	7,537,315
Total capitalisation	14,908,851

There has been no material change in the capitalisation of the Group since 30 June 2010.

SELECTED CONSOLIDATED FINANCIAL DATA

The selected consolidated financial data of the Company: (i) as of and for the year ended 31 December 2009, have been derived from the 2009 Audited Financial Statements; (ii) as of and for the years ended 31 December 2008 and 2007 have been derived from the 2008 Audited Financial Statements; and (iii) as of and for the six months ended 30 June 2010 and 30 June 2009 have been derived from the Interim Financial Statements, in each case, appearing elsewhere in this Prospectus. See "Presentation of Certain Financial and Other Information".

The selected consolidated financial data set forth below should be read in conjunction with, and are qualified by reference to, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Financial Statements. The results of operations for any period are not necessarily indicative of the results to be expected for any future period.

	Year ended 31 December 2007			Year ended 31 December 2008			Year ended 31 December 2009		
	Before separately disclosed items	Separately disclosed items(1)	Total	Before separately disclosed items	Separately disclosed items(1)	Total	Before separately disclosed items	Separately disclosed items(1)	Total
					(Audited) (US dollars in thousands)				
Income Statement Data:									
Revenue from operations	2,731,440	—	2,731,440	3,283,120	—	3,283,120	2,821,017	108,212	2,929,229
Cost of sales	(1,838,006)	(45,267)	(1,883,273)	(2,143,326)	—	(2,143,326)	(1,956,008)	(108,212)	(2,064,220)
Gross profit	893,434	(45,267)	848,167	1,139,794	—	1,139,794	865,009	—	865,009
General and administrative expenses	(251,419)	(43,456)	(294,875)	(306,081)	(129,900)	(435,981)	(284,551)	(20,755)	(305,306)
Other income	23,896	3,000	26,896	18,291	—	18,291	19,117	3,000	22,117
Finance income	259,127	98,125	357,252	76,146	—	76,146	72,950	12,542	85,492
Finance costs	(524,315)	(35,201)	(559,516)	(343,245)	(7,653)	(350,898)	(356,728)	—	(356,728)
Share of profit/(loss) of equity accounted associates and joint ventures	107,821	(3,000)	104,821	116,194	(2,000)	114,194	71,307	(1,970)	69,337
Profit on sale and termination of business (net of tax)	—	136,640	136,640	—	15,790	15,790	—	44,276	44,276
Profit/(loss) before tax from continuing operations	508,544	110,841	619,385	701,099	(123,763)	577,336	387,104	37,093	424,197
Income tax	(88,853)	8,000	(80,853)	(80,332)	33,700	(46,632)	(54,441)	313	(54,128)
Profit/(loss) after tax from continuing operations	419,691	118,841	538,532	620,767	(90,063)	530,704	332,663	37,406	370,069
Profit after tax from discontinued operations	65,000	546,378	611,378	—	—	—	—	—	—
Profit/(loss) for the year	$ 484,691	$ 665,219	$1,149,910	$ 620,767	$ (90,063)	$ 530,704	$ 332,663	$ 37,406	$ 370,069
Attributable to:									
Owners of the Company	$ 439,830	$ 665,219	$1,105,049	$ 572,277	$ (90,063)	$ 482,214	$ 295,456	$ 37,406	$ 332,862
Non-controlling interest	**44,861**	**—**	**44,861**	**48,490**	**—**	**48,490**	**37,207**	**—**	**37,207**

	Six Months ended 30 June 2009			Six Months ended 30 June 2010		
	Before separately disclosed items	Separately disclosed items(1)	Total	Before separately disclosed items	Separately disclosed items(1)	Total
	(Unaudited) (US dollars in thousands)					
Income Statement Data:						
Revenue from operations	$ 1,383,932	—	$ 1,383,932	$ 1,454,531	$ 69,791	$ 1,524,322
Cost of sales	(926,519)	—	(926,519)	(1,009,597)	(69,791)	(1,079,388)
Gross profit	457,413	—	457,413	444,934	—	444,934
General and administrative expenses	(152,873)	—	(152,873)	(155,077)	(3,500)	(158,577)
Other income	9,455	—	9,455	11,218	5,591	16,809
Finance income	21,270	—	21,270	46,504	—	46,504
Finance costs	(152,263)	—	(152,263)	(190,915)	—	(190,915)
Share of profit/(loss) of equity accounted associates and joint ventures	33,396	—	33,396	61,912	(2,900)	59,012
Profit on sale and termination of business	—	—	—	—	13,542	13,542
Profit before tax from continuing operations	216,398	—	216,398	218,576	12,733	231,309
Income tax	(28,673)	—	(28,673)	(12,088)	—	(12,088)
Profit for the period	$ 187,725	—	$ 187,725	$ 206,488	$ 12,733	$ 219,221
Attributable to:						
Owners of the Company.	$ 175,324	—	$ 175,324	$ 163,876	$ 12,733	$ 176,609
Non-controlling interest	**12,401**	**—**	**12,401**	**42,612**	**—**	**42,612**

(1) Separately disclosed items represent those material items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, we believe merit separate presentation in order to more effectively present our financial performance for a period, compare our financial performance with prior periods and assess trends in our financial performance. For further information regarding separately disclosed items, see Note 10 "Separately disclosed items" of the Notes to the 2009 Audited Financial Statements, Note 11 "Separately disclosed items" of the Notes to the 2008 Audited Financial Statements and Note 5 "Separately disclosed items" of the Notes to the Interim Financial Statements.

	Year ended 31 December 2007		Year ended 31 December 2008		Year ended 31 December 2009	
	Revenue from continuing operations	Profit after tax from continuing operations	Revenue	Profit after tax	Revenue	Profit after tax
	(Audited) (US dollars in thousands)					
Income Statement Data by Segment (before separately disclosed items):						
Middle East, Europe and Africa	$ 1,473,451	$ 504,674	$ 2,009,347	$ 727,666	$ 1,748,155	$ 523,166
Australia and Americas	796,996	183,822	756,810	183,208	596,299	74,636
Asia-Pacific and Indian Subcontinent	460,993	225,316	516,963	59,399	476,563	188,018
	2,731,440	913,812	3,283,120	970,273	2,821,017	785,820
Head office	—	(375,280)	—	(439,569)	—	(415,751)
Total	$ 2,731,440	$ 538,532	$ 3,283,120	$ 530,704	$ 2,821,017	$ 370,069

	Six Months ended 30 June 2009		Six Months ended 30 June 2010	
	Revenue	Profit after tax	Revenue	Profit after tax
	(Unaudited) (US dollars in thousands)			
Income Statement Data by Segment (before separately disclosed items):				
Middle East, Europe and Africa	$ 867,325	$ 283,807	$ 853,467	$ 287,523
Australia and Americas	267,825	15,612	388,872	69,809
Asia-Pacific and Indian Subcontinent	248,782	90,039	281,983	57,906
	1,383,932	389,458	1,524,322	415,238
Head office	—	(201,733)	—	(196,017)
Total	$ 1,383,932	$ 187,725	$ 1,524,322	$ 219,221

	Year ended 31 December 2007	Year ended 31 December 2008	Year ended 31 December 2009
	(Audited) (US dollars in thousands)		
Consolidated Cash Flows Data:			
Net cash from operating activities	$ 955,092	$ 1,068,708	$ 572,340
Net cash from/(used in) investing activities	4,353,820	(2,007,467)	(915,487)
Net cash from/(used in) financing activities	(2,432,915)	(685,799)	1,963,373
Net increase/(decrease) in cash and cash equivalents	2,875,997	(1,624,558)	1,620,226
Effect of exchange rate fluctuation on cashflow	—	(97,294)	124,195
Cash and cash equivalents at 1 January	—	2,875,997	1,154,145
Cash and cash equivalents at 31 December	$ 2,875,997	$ 1,154,145	$ 2,898,566

	Six Months ended 30 June 2009(1)	Six Months ended 30 June 2010
	(Unaudited) (US dollars in thousands)	
Consolidated Cash Flows Data:		
Net cash from operating activities	$ 240,219	$ 486,708
Net cash used in investing activities	(541,033)	(489,731)
Net cash from/(used in) financing activities	2,121,375	(190,316)
Net increase/(decrease) in cash and cash equivalents	1,820,561	(193,339)
Effect of exchange rate fluctuation on cashflow	19,489	(29,245)
Cash and cash equivalents at 1 January	1,154,145	2,898,566
Cash and cash equivalents at 30 June	$ 2,994,195	$ 2,675,982

(1) Comparative cash flow information for the six months ended 30 June 2009 has been reclassified in our financial statements as of and for the six months ended 30 June 2010 and, as a result, do not correspond to the cash flow information presented in our financial statements as of and for the six months ended 30 June 2009. Such reclassification did not affect our net increase in cash and cash equivalents for the period.

	As at 31 December			As at 30 June
	2007 Restated[(1)]	2008	2009	2010
		(Audited) (US dollars in thousands)		(Unaudited)
Consolidated Balance Sheet Data:				
Non-current assets	$13,352,816	$13,485,913	$15,154,901	$15,010,343
Current assets				
Bank balances and cash.	3,058,863	1,204,074	2,910,066	2,678,799
Other current assets[(2)]				812,832
Total current assets	3,837,391	2,012,939	3,805,635	3,491,631
Total assets	$17,190,207	$15,498,852	$18,960,536	$18,501,974
Equity	8,372,775	7,173,262	8,037,445	7,537,315
Non-current liabilities				
Interest bearing loans and borrowings	5,607,776	5,196,894	7,474,878	7,371,536
Other non-current liabilities[(3)]	1,442,974	1,694,455	1,963,965	884,977
Total non-current liabilities	7,050,750	6,891,349	9,438,843	9,256,513
Current liabilities				
Accounts payable and accruals	919,355	1,008,137	817,602	901,223
Interest bearing loans and borrowings.	111,313	172,451	483,091	669,068
Other current liabilities[(4)]	736,014	253,653	183,555	137,855
Total current liabilities	1,766,682	1,434,241	1,484,248	1,708,146
Total liabilities	8,817,432	8,325,590	10,923,091	10,964,659
Total equity and liabilities	$17,190,207	$15,498,852	$18,960,536	$18,501,974

(1) See "*Presentation of Certain Financial and Other Information—Restatement of 2007 Financial Information*" and Note 2 "*Basis of preparation*" to the 2008 Audited Financial Statements for further information regarding the restatement of certain financial information with respect to the year ended 31 December 2007 in our 2008 Audited Financial Statements.

(2) Other current assets includes inventories, accounts receivable and prepayments, and assets held for sale.

(3) Other non-current liabilities includes deferred tax liabilities, employees' end of service benefits, pension and post employment benefits, and other payables.

(4) Other current liabilities includes income tax liabilities, bank overdrafts, and pension and post employment benefits.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with the information in "Selected Consolidated Financial Data" and the Financial Statements, appearing in this Prospectus.

This discussion and analysis contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed below and elsewhere in this Prospectus, particularly under the headings "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements".

Overview

We are one of the largest container terminal operators in the world by capacity and throughput. We are also one of the most geographically diversified container terminal operators in the world. We currently operate 50 terminals, which span 28 countries. Our portfolio had a gross capacity of 59.7 million TEUs and generated gross throughput of 43.4 million TEUs for the year ended 31 December 2009 and 23.7 million TEUs for the six months ended 30 June 2010. For the year ended 31 December 2009 and the six months ended 30 June 2010, we generated revenue from operations (which does not include revenue attributable to our joint ventures and associates) of $2,821.0 million and $1,454.5 million, respectively (excluding SDIs), and an Adjusted EBITDA of $1,072.4 million and $580.4 million, respectively.

The creation of the Company represented an important step in the development of a global container terminal business designed to serve the needs of a global and consolidating customer base. As a result of our acquisitions of CSX WT in February 2005 and P&O in March 2006, together with recent developments and new concessions, our business has been transformed from one focused principally on container terminal operations located primarily in the UAE to a truly global container terminal business.

We report our results primarily by geographic segment based on the location of our assets and liabilities. For the periods under review, our geographic segments comprised: (i) the Middle East, Europe and Africa; (ii) Australia and Americas; and (iii) Asia-Pacific and Indian Subcontinent.

Factors Affecting Financial Condition and Results of Operations

The following is a discussion of the most significant factors that have affected, or are expected to affect, our financial condition and results of operations.

Impact and Response to Changing Global Economic Conditions

In 2008, our terminals handled volumes of 46.8 million TEUs, had utilisation rates of 83.2% and Adjusted EBITDA margins of 40.8%. The global economic slowdown began to affect our operations in the last quarter of 2008. As a result of such slowdown, our gross container volumes decreased by 6.1% and our consolidated container volumes by 8.2% in 2009.

We responded to these adverse events by seeking to secure our core business volumes, by enacting strict cost controls in our operations and by driving efficiencies across terminals. As a result of these actions in 2009, we reported a reduction in fixed costs of 6.9% and stated that we believed our actions had permanently removed approximately 3-4% of costs per annum from the business. These actions resulted in Adjusted EBITDA of $1,072.4 million and an Adjusted EBITDA margin of 38.0% in 2009. In 2010, we have continued to manage our cost base and drive efficiencies through our terminals, which, when combined with the return of volume growth, has resulted in Adjusted EBITDA of $580.4 million and Adjusted EBITDA margin of 39.9% for the six months ended 30 June 2010.

Our Capacity and Ability to Handle Additional Volumes

We believe that we operate some of the most productive and efficient terminals in the world by using modern technology and processes. We believe that the maintenance and enhancement of our operations is critically important as this has a direct impact on our results. In particular, by operating more efficiently we seek to generate additional value out of our existing facilities by increasing capacity, which in turn permits increased throughput, making each crane move more profitable. Increased operating efficiency also reduces our cost base as we are able to fully utilise our existing assets and do not need to invest additional capital in the deployment of new assets. At certain of our terminals we are not able to expand our operations physically, and efficiency improvements are the only means for us to increase our capacity and throughput. Conversely, at terminals that could be expanded physically, we may use efficiency improvements to incrementally increase capacity until demand reaches a point that justifies the capital expenditure costs associated with physical expansion. Finally, efficient operations help us maintain good customer relations and reduce customer defection, thereby maintaining our competitive position.

Increases in operational efficiency can be achieved by, among other things:

- introducing new technologies to speed up processes and reduce labour costs;
- improving landside support to ensure that containers are quickly and efficiently transported to and from our terminals;
- using external depot functions to increase the capacity for container storage;
- actively managing container storage times by incentivising customers to take delivery of containers that have arrived in port as quickly as possible;
- maintaining schedule integrity with respect to vessel calls;
- increasing the number of berthing windows by loading and unloading vessels more quickly; and
- implementing rationalised berth utilisation, which involves arranging the timing of the arrival and departure of different-sized ships to ensure that a maximum of berth length is used.

Capacity Management and Development

Our portfolio of 50 terminals and 11 new development and major expansion projects has the potential to take our total capacity to 92 million TEUs by 2020, which we believe will be in line with anticipated market demand.

In late 2008 and early 2009, we delayed a significant proportion of our new development and expansion projects as utilization rates declined, choosing to progress only those projects that were near completion and to replace existing terminals. We opened Callao (Peru) in the first half of 2010 and we expect to open Vallarpadam (India) and Karachi (Pakistan) in the second half of 2010.

As utilization rates improve we have the ability to roll out new capacity in the United Kingdom (London), the Netherlands (Rotterdam), France (Fos-sur-Mer), Turkey (Yarimca), Brazil (Santos), Senegal (Dakar), Egypt (Sokhna), India (Kulpi) and China (Qingdao) as well as to potentially expand existing terminals.

Origin and Destination and Transhipment Cargo Mix

For the year ended 31 December 2009, approximately 73.6% of our gross throughput was O&D. From a revenue perspective, O&D throughput differs from transhipment throughput primarily in that O&D throughput is usually handled most cost-effectively by one port, normally closest to the point of consumption or production, which makes O&D throughput less likely to be lost to competitors and less price-sensitive than transhipment throughput. O&D throughput also provides terminal operators with an opportunity to earn additional revenue by charging for delivery or reception of the container from the shipper or consignee, as well as by providing ancillary services, such as container freight stations ("**CFS**") and container cleaning. We will endeavour to maintain a strong O&D component in each of our terminals or, where this is not possible, obtain volume commitments from shipping lines to make our terminals less susceptible to the loss of transhipment volumes and price deterioration. However, the development of sophisticated route networks by shipping lines, together with the limited number of terminals that can efficiently service the growing number of large container ships, increases the potential for, and attractiveness of, additional transhipment volume in certain locations. See "*Industry Overview—Transhipment*" above.

Emerging Market Focus

Approximately 77% of gross throughput in our portfolio of terminals comes from countries that are considered to be Emerging or Frontier Markets (as defined by the MSCI Frontier and Emerging market indices). These economies are generally seen to be higher growth areas and have grown throughout the global economic slowdown, growing by approximately 2.5% in 2009 (source: IMF World Economic Outlook July 2010) with forecasts suggesting future growth potential of above 6% per annum (source: IMF World Economic Outlook, July 2010).

Ability to Win Concessions

We believe we have a proven history of winning new concessions due to:

- our operating and technical credentials;
- our ability to offer an "integrated port management" model, which combines container handling facilities with economic free zones and infrastructure developments;
- our focus on key government issues such as security and sustainability; and
- our common user status and strong customer relationships.

Attractive concession opportunities will continue to arise globally and, as authorities granting concessions increase barriers to entry, we believe that our experience and qualifications will leave us well positioned to continue to win new concessions.

Currency Risk

Our functional currency is UAE Dirhams and our reporting currency is the US dollar. The functional and reporting currency of our subsidiaries, affiliates and associates varies depending on their geographic location. Accordingly, we are exposed to risks related to the translation of assets and liabilities denominated in currencies other than, or not pegged to, the US dollar. In addition to these translation risks, we are exposed to transaction risks as a result of differences in the currency mix of our operating expenses, on the one hand, and revenue, on the other hand. As a result, a depreciation or appreciation of a particular local currency against the US dollar could have either a positive or negative impact on both our balance sheet and our profit margin and therefore our profit for the year. For additional discussion of the impact of foreign currency transactions and translations on our results of operations, see Note 5 "*Financial Risk Management*" of the Notes to our Audited Consolidated Financial Statements and "*—Quantitative and Qualitative Disclosures about Market Risk—Currency risk*".

Critical Accounting Policies and Estimates

The preparation of our financial statements in conformity with IFRS requires us to make many estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses. Those estimates and judgments are based on historical experience, available information, future expectations and other factors and assumptions that we believe are reasonable under the circumstances. We review our estimates and judgments on an ongoing basis and revise them when necessary. Actual results may differ from the original or revised estimates. Summaries of our significant accounting policies are contained in Note 3 "*Summary of Significant Accounting Policies*", of the Notes to our Audited Consolidated Financial Statements and Note 3 "Significant accounting policies", of the Notes to our Interim Consolidated Financial Statements. A description of our most critical policies, which we believe involve a significant degree of judgment or complexity or are areas where assumptions and estimates are significant to the preparation of our financial statements, follows.

Accounting for Impairment of Assets

Impairment of Goodwill

Following the acquisitions of CSX and P&O, we have $2,275.1 million of goodwill as of 30 June 2010. We determine whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires us to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. These estimates can be significantly affected by future changes in market conditions, the economic environment and inflation.

Impairment of Other Port Concession Rights

As of 30 June 2010, we had other port concession rights on our balance sheet of $3,993.4 million. We assess the impairment of our port concession rights, which principally comprise our concessions, when there is an indication that an impairment loss may exist and at least annually. The impairment review compares the estimated recoverable amount to the carrying amount of the asset. The recoverable amount is the higher of the estimated fair value less cost to sell or the asset's value-in-use. To estimate these values, we use the estimated market value or discounted cash flows, as relevant. An impairment loss is recognised when the recoverable amount of such asset is less than the carrying value of the asset. Estimates of future cash flows are judgments based on our experience and knowledge of our operations and the industries in which we operate. We also estimate the useful lives of other finite lived port concession rights based on estimates of the economic benefit expected to be received from the acquired assets, which could differ from actual results. These estimates can be significantly affected by future changes in market conditions, the economic environment and inflation.

Provision for Income Taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax claims based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Useful Life of Property, Plant and Equipment

The useful life of property, plant and equipment is determined by the Group's management based on their estimate of the period over which an asset is expected to be available for use by the Group. This estimate is reviewed and adjusted if appropriate at each financial year end.

Available for Sale Financial Assets

Equity investments are impaired when objective evidence of impairment exists. A significant or prolonged decline in fair value of an investment is considered as objective evidence of impairment. The Group considers that generally a decline of 20% will be considered as significant and a decline of over nine months will be generally considered as prolonged.

Impairment of Accounts Receivable

An estimate of the collectible amount of accounts receivable is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recover rates. Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the consolidated income statement.

Pension and Post Employment Benefits

The cost of defined benefit pension plans and other post employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

Explanation of Key Income Statement Items

Revenue

Revenue comprises income earned from the provision of various services such as stevedoring (which is the tariff we apply to moving containers over the quay wall), warehousing and storage, CFS cargo handling, trucking, port management fees, warehouse gate receipts and miscellaneous terminal services. For further information regarding the services we provide, see "*Business—Our Ports Business*".

Cost of Sales

Cost of sales are comprised of costs incurred in connection with the operation, maintenance and security of our facilities and other costs directly attributable to the various services provided by us, including related depreciation expense. Major components of cost of sales include the amortisation cost of port concessions, concession fees, royalties payable to port authorities, marine cost of sales, garage cost of sales, warehousing expenses, transportation expenses and yard and gate operations expenses.

General and Administrative Expenses

General and administrative expenses include staff costs, facilities rental, travel and entertainment, insurance, advertising, marketing, printing and stationery, communication costs, legal expenses, consultancy costs, IT charges, repair and maintenance costs and other sundry expenses, including related depreciation expense.

Other Income

Other income includes gain on sale of miscellaneous operating assets and other gain/loss on non-core activities.

Net Finance Costs

Net finance costs includes finance expenses less finance income.

Share of Profit (Loss) of Joint Ventures and Associates

Share of profit (loss) of joint ventures and associates reflects our share of profits or losses from entities that are associates or joint ventures. The results of operations of associates and joint ventures are not consolidated and, consequently, only the earnings impact of these entities based on our shareholding is incorporated into our results.

Recent Developments

Current Trading

The Company handled 13.0 million TEU across its portfolio of 50 operating terminals in the third quarter of 2010, which represented an increase of 14% against the same period last year and a 15% increase for the first nine months of 2010 to 36.7 million against the comparable period last year. Volumes for the Company's consolidated terminals grew 8% in the third quarter of 2010 to 7.3 million TEU and 7% for the first nine months of 2010 to 20.5 million TEU. Like-for-like volume growth for the Company's consolidated terminals (which excludes contribution from Callao, Peru which became operational in 2010 and Saigon, Vietnam which became operational in the fourth quarter of 2009 and excludes the transfer of ATI Manila to the Group's joint venture portfolio in the fourth quarter of 2009) for the third quarter of 2010 was 9% and for the first nine months of 2010 was 10% against comparable periods last year.

The Company continues to handle container volumes ahead of the levels reported in 2008 which it believes reflects the resilience of its portfolio to the global declines in 2009. Volume growth in the third quarter of 2010 had been driven by strong growth in the Americas and Australia geographic segments, as well as a continuation of returning volumes across the Asia Pacific region and Europe and a stabilization of volume growth in the UAE. The Company's new developments in Vallarpadam, India and Karachi, Pakistan remained on scheduled to open later in 2010.

The UAE continued to deliver improved volume growth in the third quarter of 2010, reporting an increase of 4% to 3.0 million TEU, and taking the number of containers handled in the first nine months of the year to 8.6 million TEU or 3% ahead of the prior period. Non-container volumes in the UAE had also shown some improvement in the third quarter of 2010, but year to date had remained at lower levels than the same period in 2009.

Expansion and Extension of Concession in Sokhna, Egypt

On 14 October 2010, we announced that we had entered into an agreement with the Red Sea Ports Authority to (i) construct an additional terminal at Sokhna Port within the next four years with a quay length of 1,300 metres and a capacity of 1.75 million TEUs that will more than double DP World Sokhna's current capacity and (ii) extend DP World Sokhna's original concession to 35 years after the completion of the construction of the additional terminal.

London Stock Exchange Listing

On 28 June 2010, the Board announced that it remains committed to listing the Company's shares on the London Stock Exchange. However, the Board has decided to postpone the listing process until an acceptable system that supports the dual listing is available. Given that this will take time, the next practical window of opportunity to seek admission for listing would be following the publication of our audited consolidated financial statements for the year ending 31 December 2010.

Historical Results of Operations

The discussion and analysis of the six months ended 30 June 2010 compared to the six months ended 30 June 2009 is based on the Interim Financial Statements. The discussion and analysis of (i) the year ended 31 December 2009 compared to the year ended 31 December 2008 and (ii) the year ended 31 December 2008 compared to the year ended 31 December 2007 is based on the Audited Consolidated Financial Statements.

Six Months Ended 30 June 2010 Compared to Six Months Ended 30 June 2009

The following table sets forth selected consolidated income statement data for the Company for the periods indicated.

	Six months ended 30 June 2009			Six months ended 30 June 2010		
	Before separately disclosed items	Separately disclosed items	Total	Before separately disclosed items	Separately disclosed items	Total
	(Unaudited) (US dollars in thousands)					
Revenue	$ 1,383,932	$ —	$ 1,383,932	$ 1,454,531	$ 69,791	$ 1,524,322
Cost of sales	(926,519)	—	(926,519)	(1,009,597)	(69,791)	(1,079,388)
Gross profit	457,413	—	457,413	444,934	—	444,934
General and administrative expenses	(152,873)	—	(152,873)	(155,077)	(3,500)	(158,577)
Other income	9,455	—	9,455	11,218	5,591	16,809
Net finance costs	(130,993)	—	(130,993)	(144,411)	—	(144,411)
Share of profit/(loss) of equity accounted associates and joint ventures (net of tax)	33,396	—	33,396	61,912	(2,900)	59,012
Profit on sale and termination of business (net of tax)	—	—	—	—	13,542	13,542
Profit before tax	216,398	—	216,398	218,576	12,733	231,309
Income tax	(28,673)	—	(28,673)	(12,088)	—	(12,088)
Profit after tax	187,725	—	187,275	206,488	12,733	219,221
Profit for the period	**$ 187,725**	**$ —**	**$ 187,725**	**$ 206,488**	**$ 12,733**	**$ 219,221**
Attributable to:						
Owners of the Company	**$ 175,324**	**$ —**	**$ 175,324**	**$ 163,876**	**$ 12,733**	**$ 176,609**
Non-controlling interests	**12,401**	**—**	**12,401**	**42,612**	**—**	**42,612**

Our consolidated results of operations for the six months ended 30 June 2010 have benefitted from the inclusion of Saigon (Vietnam) which opened in the fourth quarter of 2009 and Callao (Peru), which opened at the end of the first half of 2010, partially offset by the exclusion of revenue and costs from ATI Manila, Philippines, which has been accounted for as a joint venture since October 2009.

Revenue

Revenue for the six months ended 30 June 2010 was $1,524.3 million as compared to $1,383.9 million for the six months ended 30 June 2009, an increase of $140.4 million, or 10.1%. The six months ended 30 June 2010 included a separately disclosed item ("**SDI**") of $69.8 million of revenue. In accordance with IFRIC 12 *Service Concession Arrangements*, the fair value of revenue from construction services provided by the Company to develop a port in the Asia-Pacific and Indian Subcontinent segment has been included as both revenue and cost of sales in the six months ended June 2010 and has been treated as an SDI. Excluding such SDI, revenue for the six months ended 30 June 2010 was $1,454.5 million as compared to $1,383.9 million for the six months ended 30 June 2009, an increase of $70.6 million, or 5.1%. The increase principally reflected a 7.0% increase in container volumes and slightly improved container revenue per TEU, offset partially by a decline in non-container revenue and ancillary container revenue (primarily storage).

As of 30 June 2010, we had 50 terminals, of which 28 were consolidated for financial reporting purposes. Terminals that were not consolidated for financial reporting purposes did not contribute to revenue from operations, except to the extent of any fees that may have been paid to us pursuant to a management agreement governing operations at a particular terminal.

Containerised Revenue

Containerised revenue (excluding SDIs) for the six months ended 30 June 2010 was $1,180 million (representing 81.1% of our total revenue, excluding SDIs, for such period) as compared to $1,098.2 million for the six months ended 30 June 2009 (representing 79.4% of our total revenue, excluding SDIs, for such period), an increase of $81.8 million, or 7.4%. The increase was primarily due to container volume growth and a slight improvement in containerised revenue per TEU. Like-for-like container revenue per TEU at constant currency (which excludes the contribution of our new terminals that commenced operations subsequent to 30 June 2009 and ATI Manila, which has been treated as a joint venture for accounting purposes since October 2009) reported a small decrease due to the lower ancillary container revenue (primarily storage).

Non-Containerised Revenue

Non-containerised revenue (excluding SDIs) for the six months ended 30 June 2010 was $274.5 million (representing 18.9% of our total revenue, excluding SDIs, for such period) as compared to $285.7 million for the six months ended 30 June 2009 (representing 20.6% of our total revenue, excluding SDIs, for such period), a decrease of $11.2 million, or 3.9%. The decrease was primarily due to significantly reduced non-container revenue in the UAE.

Revenue by Segment

The following table presents revenue information (excluding SDIs) regarding our three segments for the six months ended 30 June 2009 and 2010.

	Six months ended 30 June 2009	Six months ended 30 June 2010
	(Unaudited) (US dollars in thousands)	
Revenue (excluding SDIs)		
Middle East, Europe and Africa	$ 867,325	$ 853,467
Australia and Americas	267,825	388,872
Asia-Pacific and Indian Subcontinent	248,782	212,192
Total revenue (excluding SDIs)	**$ 1,383,932**	**$ 1,454,531**

Middle East, Europe and Africa. Revenue for the Middle East, Europe and Africa segment (excluding SDIs) for the six months ended 30 June 2010 was $853.5 million as compared to $867.3 million for the six months ended 30 June 2009, a decrease of $13.8 million, or 1.6%. In 2009 the Middle East, Europe and Africa segment benefitted from the more resilient container performance in the UAE, but was adversely affected by the more challenging operating environment in Europe and the decline in non-container revenue in the UAE. During the first half of 2010, whilst container volumes have returned in part, revenue growth remained challenging as ancillary revenue (storage) and non-container revenue remained below levels reached in the six months ended 30 June 2009. As a result, although container volumes in the segment increased 6.0%, container revenue for the six months ended 30 June 2010 was flat against the same period in 2009, due primarily to a decrease in revenue from ancillary container services (storage). In addition, non-container revenue was 6.2% lower than the prior period at $196.8 million. The UAE reported an increase in container volumes of 2.7% to 5.5 million TEUs for the six months ended 30 June 2010, but container revenue declined 11.8% against the same period in 2009, reflecting the strong ancillary container revenue (primarily storage) in the first half of 2009. Non-container revenue in the UAE fell 17.8% for the six months ended 30 June 2010, reflecting a decline in general, break-bulk and bulk cargo volumes as compared to the stronger results for the same period in 2009.

As of 30 June 2010, we had 25 terminals in the segment, of which 13 were consolidated for financial reporting purposes. On average terminals that contributed to revenue for the segment experienced an increase in container volume of 6.0% over the same period the previous year.

Australia and Americas. Revenue for the Australia and Americas segment (excluding SDIs) for the six months ended 30 June 2010 was $388.9 million as compared to $267.8 million for the six months ended 30 June 2009, an increase of $121.1 million, or 45.2%. Reported revenue in this segment benefitted substantially from the translation of operational currencies into US dollars, which generally strengthened relative to local operational currencies over 2009 and the first half of 2010. In addition, our new development in Callao (Peru) opened at the end of the six months ended 30 June 2010, contributing to the results for this segment for the first time. Like-for-like revenue at constant currency was 21.1% higher as a result of the 24.7% increase in container volume in the segment, partially offset by slightly lower container revenue per TEU.

As of 30 June 2010, we had nine terminals in the region, of which eight were consolidated for financial reporting purposes. In addition, P&O Maritime Services is accounted for in this segment. On average, terminals that contributed to revenue experienced an increase in container volume of 26.7% against the same period in 2009, with container volumes ahead of 2008 levels and well ahead of 2009.

Asia-Pacific and Indian Subcontinent. Revenue for the Asia-Pacific and Indian Subcontinent segment (excluding SDIs) for the six months ended 30 June 2010 was $212.2 million as compared to $248.8 million for the six months ended 30 June 2009, a decrease of $36.6 million, or 14.7%. Revenues in the Asia-Pacific and Indian Subcontinent segment has been negatively impacted as a result of a loss of revenue resulting from the transfer of ATI Manila, Philippines from being a consolidated terminal to the joint venture portfolio in the fourth quarter of 2009. Excluding the effects of this transfer, the segment has had a strong performance, boosted by a return to container volume growth. Whilst reported revenues (excluding SDIs) declined 14.7% in the period as a result of the transfer of ATI Manila, like-for-like revenue, at constant currency, was 11.4% higher as a result of like-for-like container volumes growing 13.4%. Revenue per TEU decreased slightly, principally as a result of lower ancillary container revenue (primarily storage).

As of 30 June 2010, we had 16 operating terminals in the segment, of which seven were consolidated for financial reporting purposes.

Cost of Sales

Cost of sales for the six months ended 30 June 2010 was $1,079.4 million as compared to $926.5 million for the six months ended 30 June 2009, an increase of $152.9 million, or 16.5%. The six months ended 30 June 2010 included an SDI of $69.8 million representing the corresponding cost of sales required by IFRIC 12 *Service Concession Arrangements* relating to the fair value of costs associated with construction services provided by the Company to develop a port in the Asia-Pacific and Indian Subcontinent segment. Excluding such SDI, cost of sales for the six months ended 30 June 2010 was $1,009.6 million as compared to $926.5 million for the six months ended 30 June 2009, an increase of $83.1 million, or 9.0%. The increase primarily reflected a 7.0% increase in container volumes and the operations of two new terminals (Saigon and Callao), which was offset in part by the transfer of ATI Manila that resulted in a change in its accounting treatment from being a consolidated terminal to a joint venture.

General and Administrative Expenses

General and administrative expenses for the six months ended 30 June 2010 were $158.6 million as compared to $152.9 million for the six months ended 30 June 2009, an increase of $5.7 million, or 3.7%. The six months ended 30 June 2010 included an SDI of $3.5 million of general and administrative expenses for an impairment loss on a property held in the Australia and Americas segment that has been valued for a potential sale and has been classified as an asset held for sale at its fair value. Excluding such SDI, general and administrative expenses for the six months ended 30 June 2010 were $155.1 million as compared to $152.9 million for the six months ended 30 June 2009, an increase of $2.2 million, or 1.4%. The increase primarily reflected the operations of two new terminals (Saigon and Callao), which was offset in part by the effect of the transfer of ATI Manila that resulted in a change in its accounting treatment from being a consolidated terminal to a joint venture.

Other Income

Other income for the six months ended 30 June 2010 was $16.8 million as compared to $9.5 million for the six months ended 30 June 2009, an increase of $7.3 million, or 76.8%. The six months ended 30 June 2010 included an SDI of $5.6 million consisting primarily of the release of provisions for litigation in the Australia and Americas segment that was concluded favourably. Excluding such SDI, other income for the six months ended 30 June 2010 was $11.2 million as compared to $9.5 million for the six months ended 30 June 2009, an increase of $1.7 million.

Net Finance Costs

Net finance costs for the six months ended 30 June 2010 were $144.4 million as compared to $131.0 million for the six months ended 30 June 2009, an increase of $13.4 million, or 10.2%. The increase was primarily due to additional borrowing costs associated with our new terminals in Saigon (Vietnam) and Callao (Peru). Interest cover remains at four times.

Share of Profit/(Loss) of Equity Accounted Associates and Joint Ventures (Net of Tax)

Share of profit of equity accounted associates and joint ventures for the six months ended 30 June 2010 was $59.0 million as compared to $33.4 million for the six months ended 30 June 2009, an increase of $25.6 million, or 76.6%. The six months ended 30 June 2010 included an SDI of $2.9 million relating to non-recurring income tax expenses incurred with respect to an associate company. Excluding such SDI, share of profit of equity accounted associates and joint ventures was $61.9 million for the six months ended 30 June 2010 as compared to $33.4 million for the six months ended 30 June 2009, an increase of $28.5 million, or 85.3%. Whilst ATI Manila joining this portfolio was a key driver of this growth, after excluding ATI Manila and the two Algerian terminals that joined the portfolio in the second quarter of 2009, growth would still have been 57.6% as volumes returned across Asia and Europe from the very low base in 2009.

In the Middle East, Europe and Africa segment, our share of profit from joint ventures and associates improved from $0.8 million in the first half of 2009 to $1.7 million in the first half of 2010 as the segment benefited from returning volumes and the contribution of our two terminals in Algeria which joined the Group part way through the first half of 2009.

In the Australia and Americas segment, our share of profit from joint ventures and associates of $14.2 million for the six months ended 30 June 2010 was slightly higher than that of the same period in 2009 due to the improved performance of Caucedo (Dominican Republic) and an increase of our ownership in such terminal from 35% to 45%.

In the Asia-Pacific and Indian Subcontinent segment contributes the majority of our share of profit from joint ventures and associates. The segment reported $46.0 million profit for the six months ended 2010 as compared to $19.9 million for the same period in 2009. Excluding the contribution from ATI Manila and at constant currency, the improved performance of the terminals in this portfolio resulted in an increase of 88.4% of our share of profit from joint ventures and associates for the segment.

Income Tax

Income tax expense for the six months ended 30 June 2010 was $12.1 million as compared to $28.7 million for the six months ended 30 June 2009, a decrease of $16.6 million, or 57.8%. In the first six months of 2010, the income tax charge was lower than expected which is also reflected in a lower effective tax rate of 12.1%. This relates to an adjustment in deferred tax liability in the Asia-Pacific and Indian Subcontinent segment.

Profit for the Periods

Profit after tax for the six months ended 30 June 2010 was $219.2 million as compared to $187.7 million for the six months ended 30 June 2009, an increase of $31.5 million, or 16.8%. The six months ended 30 June 2010 included SDIs of $12.7 million (which are described further below). Excluding such SDIs, profit after tax for the six months ended 30 June 2010 was $206.5 million as compared to $187.7 million for the six months ended 30 June 2009, an increase of $18.8 million, or 10.0%.

The following table presents profit information regarding the segments for the six months ended 30 June 2009 and 2010.

	Six months ended 30 June 2009			Six months ended 30 June 2010		
	Before separately disclosed items	Separately disclosed items	Total	Before separately disclosed items	Separately disclosed items	Total
	(Unaudited) (US dollars in thousands)					
Profit after tax						
Middle East, Europe and Africa	$ 283,807	$ —	$ 283,807	$ 287,523	$ —	$ 287,523
Australia and Americas	15,612	—	15,612	55,576	14,233	69,809
Asia-Pacific and Indian Subcontinent	90,039	—	90,039	59,406	(1,500)	57,906
Head office profit/(loss)	(201,733)	—	(201,733)	(196,017)	—	(196,017)
Total profit after tax	**$ 187,725**	**$ —**	**$ 187,725**	**$ 206,488**	**$ 12,733**	**$ 219,221**

Middle East, Europe and Africa. Profit after tax for the Middle East, Europe and Africa segment for the six months ended 30 June 2010 was $287.5 million as compared to $283.8 million for the six months ended 30 June 2009, an increase of $3.7 million, or 1.3%. The increase was primarily due to the stronger relative performance of UAE container operations, which was partially offset by a decline in non-container revenue in the UAE and, to a lesser extent, a more challenging operating environment in Europe.

Australia and Americas. Profit after tax for the Australia and Americas segment for the six months ended 30 June 2010 was $69.8 million as compared to $15.6 million for the six months ended 30 June 2009, an increase of $54.2 million, or 3.5 times. The six months ended 30 June 2010 included an SDI of $14.2 million primarily relating to profit realised on the sale of an investment in an associate company. Excluding such SDI, profit after tax for the Australia and Americas segment for the six months ended 30 June 2010 was $55.6 million as compared to $15.6 million for the six months ended 30 June 2009, an increase of $40.0 million, or 2.6 times. The increase was primarily due to container volume growth of 26.7%.

Asia-Pacific and Indian Subcontinent. Profit after tax for the Asia-Pacific and Indian Subcontinent segment for the six months ended 30 June 2010 was $57.9 million as compared to $90.0 million for the six months ended 30 June 2009, a decrease of $32.1 million, or 35.7%. The six months ended 30 June 2010 included an SDI of $1.5 million of loss relating to non-recurring income tax expenses incurred with respect to an associate company. Excluding such SDI, profit after tax for the Asia-Pacific and Indian Subcontinent segment for the six months ended 30 June 2010 was $59.4 million as compared to $90.0 million for the six months ended 30 June 2009, a decrease of $30.6 million, or 34%. The decrease was primarily due to the transfer of ATI Manila from being a consolidated terminal to the joint venture portfolio in the fourth quarter of 2009, partially offset by strong revenue recorded from other joint ventures in the segment.

Head office. Head office loss after tax for the six months ended 30 June 2010 was $196.0 million as compared to $201.7 million for the six months ended 30 June 2009, a decrease of $5.7 million or 2.8%. This decrease was primarily due to cost savings at the head office and deferred tax credits, partially offset by the increase in net interest expense.

Non-Controlling Interests

Our profit for the six months ended 30 June 2010 included amounts attributable to non-controlling interests of $42.6 million as compared to $12.4 million for the six months ended 30 June 2009, an increase of $30.2 million, or 2.4 times. The increase in growth attributable to non-controlling interests was primarily due to the improved performance in those terminals that the Group does not wholly own, such as Southampton (UK) and Buenos Aries (Argentina). The $12.4 million reported for the first half of 2009 included a $14.4 million tax liability in relation to our terminal in Buenos Aries which reduced the reported non-controlling interest in that period.

Year Ended 31 December 2009 Compared to Year Ended 31 December 2008

The following table sets forth selected consolidated income statement data for the Company for the years indicated.

	Year ended 31 December 2008			Year ended 31 December 2009		
	Before separately disclosed items	Separately disclosed items	Total	Before separately disclosed items	Separately disclosed items	Total
	(Audited) (US dollars in thousands)					
Revenue from operations	$ 3,283,120	$ —	$ 3,283,120	$ 2,821,017	$ 108,212	$ 2,929,229
Cost of sales	(2,143,326)	—	(2,143,326)	(1,956,008)	(108,212)	(2,064,220)
Gross profit	1,139,794	—	1,139,794	865,009	—	865,009
General and administrative expenses	(306,081)	(129,900)	(435,981)	(284,551)	(20,755)	(305,306)
Other income	18,291	—	18,291	19,117	3,000	22,117
Net finance costs	(267,099)	(7,653)	(274,752)	(283,778)	12,542	(271,236)
Share of profit/(loss) of equity accounted associates and joint ventures (net of tax)	116,194	(2,000)	114,194	71,307	(1,970)	69,337
Profit on sale and termination of business (net of tax)	—	15,790	15,790	—	44,276	44,276
Profit before tax	701,099	(123,763)	577,336	387,104	37,093	424,197
Income tax	(80,332)	33,700	(46,632)	(54,441)	313	(54,128)
Profit for the year	**$ 620,767**	**$ (90,063)**	**$ 530,704**	**$ 332,663**	**$ 37,406**	**$ 370,069**
Attributable to:						
Owners of the Company	$ 572,277	$ (90,063)	$ 482,214	$ 295,456	$ 37,406	$ 332,862
Non-controlling interests	**48,490**	**—**	**48,490**	**37,207**	**—**	**37,207**

Revenue

Revenue for the year ended 31 December 2009 was $2,929.2 million as compared to $3,283.1 million for the year ended 31 December 2008, a decrease of $353.9 million, or 10.8%. The year ended 31 December 2009 included an SDI of $108.2 million of revenue. In accordance with IFRIC 12 *Service Concession Arrangements*, the fair value of revenue from construction services provided by the Company to develop a port in the Asia-Pacific and Indian Subcontinent segment has been included as both revenue and cost of sales in the year ended 31 December 2009 and has been treated as an SDI. Excluding such SDI, revenue for the year ended 31 December 2009 was $2,821.0 million as compared to $3,283.1 million for the year ended 31 December 2008, a decrease of $462.1 million, or 14.1%. The decrease reflects decreases in both containerised revenue and non-containerised revenue principally due to the adverse market conditions resulting from the global financial crisis.

As of 31 December 2009, we had 49 terminals, of which 27 were consolidated for financial reporting purposes. On average, terminals that contributed to our revenue as of 31 December 2009 experienced a decrease in consolidated volume over the previous year of 8.2%.

Containerised Revenue

Containerised revenue (excluding SDIs) for the year ended 31 December 2009 was $2,253.9 million (representing 79.9% of our total revenue, excluding SDIs, for such period) as compared to $2,486.8 million for the year ended 31 December 2008 (representing 75.7% of our total revenue, excluding SDIs, for such period), a decrease of $232.7 million, or 9.4%. The decline reflected an 8.2% decrease in container volumes resulting from the global economic crisis as well as a decrease in ancillary container revenue (primarily storage) in the Middle East, Europe and Africa and Australia and Americas segments.

Non-Containerised Revenue

Non-containerised revenue (excluding SDIs) for the year ended 31 December 2009 was $567.1 million (representing 20.1% of our total revenue, excluding SDIs, for such period) as compared to $796.3 million for the year ended 31 December 2008 (representing 24.3% of our total revenue, excluding SDIs, for such period), a decrease of $229.2 million, or 28.8%.

Revenue by Segment

The following table presents revenue information regarding our three segments (excluding SDIs) for the years ended 31 December 2008 and 2009.

	Year ended 31 December	
	2008	2009
	(US dollars in thousands)	
Revenue (excluding SDIs)		
Middle East, Europe and Africa	$ 2,009,347	$ 1,748,155
Australia and Americas	756,810	596,299
Asia-Pacific and Indian Subcontinent	516,963	476,563
Total revenue (excluding SDIs)	**$ 3,283,120**	**$ 2,821,017**

Middle East, Europe and Africa. Revenue for the Middle East, Europe and Africa segment for the year ended 31 December 2009 was $1,748.2 million as compared to $2,009.3 million for the year ended 31 December 2008, a decrease of $261.1 million, or 13.0%. The decrease reflected a decline in non-container volumes of 28.9% as well as a decline in container volume of 7.0%. This decline in container volume resulted in a 6.0% decline in container revenue, which was partially offset by a slight increase in revenue per TEU in this segment. As of 31 December 2009, we had 25 terminals in the segment, of which 13 were consolidated for financial reporting purposes. On average, terminals that contributed to revenue for the segment experienced a decrease in container volume of 7.0% over the same period the previous year. The segment benefitted from a full year of container volumes from Dakar (Senegal), Sokhna (Egypt) and Tarragona (Spain) as well as a contribution from our newly opened terminal at Doraleh (Djibouti). Excluding the new terminals, container volumes declined 11.3% and like-for-like revenue adjusted for currency movements declined 20.6%, primarily as a result of the large decline in non-container revenues in the UAE and the challenging operating environment in Europe.

The UAE reported a decline in container volumes of 6.1% to 11.1 million TEUs with the container operations showing resilience to the global economic downturn, whilst non-container revenue fell 35.6% following a decline in general, break-bulk and bulk cargo volumes. Container revenue for the year ended 31 December 2009 declined against the same period in 2008, reflecting a decline in container volume during the period as well as the strong ancillary container revenue (primarily storage) in the second half of 2008.

Australia and Americas. Revenue for the Australia and Americas segment for the year ended 31 December 2009 was $596.3 million as compared to $756.8 million for the year ended 31 December 2008, a decrease of $160.5 million, or 21.2%. The decrease in revenue primarily resulted from a decline in container volume in this segment. However, in the second half of the year we saw improvements in utilisation rates, especially in Australia, and this segment delivered stronger second half revenue than in the first half. As of 31 December 2009, we had eight terminals in the segment, of which seven were consolidated for financial reporting purposes. P&O Maritime Services is accounted for in this segment. On average, terminals that contributed to revenue experienced a decrease in container volume of 14.0% for the year ended 31 December 2009 against the same period in 2008.

Asia-Pacific and Indian Subcontinent. Revenue for the Asia-Pacific and Indian Subcontinent segment (excluding SDIs) for the year ended 31 December 2009 was $476.6 million as compared to $517.0 million for the year ended 31 December 2008, a decrease of $40.4 million, or 7.8%. The decline in revenue was in line with the decline in container volume, with revenues in the second half impacted by our beginning to account for our interest in ATI Manila as a joint venture in the fourth quarter of 2009, whereas previously its results were consolidated. Excluding this change, like-for-like revenue increased 4.0% against a decline in container volume of 4.4% reflecting revenue per TEU increases as a result of continued high capacity utilisation in the segment. We had 16 operating terminals in the segment, of which seven were consolidated for financial reporting purposes. On average, terminals that contributed to revenue for the segment experienced a decrease in container volume of 7.7% for the year ended 31 December 2009 as compared to the same period in 2008, and reported a slight improvement in container volumes the second half of the year 2009.

Cost of Sales

Cost of sales for the year ended 31 December 2009 were $2,064.2 million as compared to $2,143.3 million for the year ended 31 December 2008, a decrease of $79.1 million, or 3.7%. The year ended 31 December 2009 included an SDI of $108.2 million. In accordance with IFRIC 12 *Service Concession Arrangements*, the fair value of revenue from construction services provided by the Company to develop a port in the Asia-Pacific and Indian Subcontinent segment was included as both revenue and cost of sales in the year ended 31 December 2009 and has been treated as an SDI. Excluding such SDI, cost of sales for the year ended 31 December 2009 were $1,956.0 million as compared to $2,143.3 million for the year ended 31 December 2008, a decrease of $187.3 million, or 8.7%. The decrease was principally due to decreases in container volume as well as the transfer of ATI Manila to a joint venture in the fourth quarter of 2009.

General and Administrative Expenses

General and administrative expenses for the year ended 31 December 2009 were $305.3 million as compared to $436.0 million for the year ended 31 December 2008, a decrease of $130.7 million, or 30.0%. The year ended 31 December 2009 included an SDI of $20.8 million relating to the impairment of certain cranes in the Middle East, Europe and Africa segment. The year ended 31 December 2008 included an SDI of $129.9 million relating to the impairment of the Group's investment in a joint venture and a loss relating to the restructuring of a subsidiary, each of which are located in the Asia-Pacific and Indian Subcontinent segment. Excluding such SDIs, general and administrative expenses for the year ended 31 December 2009 were $284.6 million as compared to $306.1 million for the year ended 31 December 2008, a decrease of $21.5 million, or 7.0%. The decrease was primarily due to decreases in fixed costs through cost cutting measures.

Other Income

Other income for the year ended 31 December 2009 was $22.1 million as compared to $18.3 million for the year ended 31 December 2008, an increase of $3.8 million, or 20.8%. The year ended 31 December 2009 included an SDI of $3.0 million consisting primarily of one-time recoveries following the settlement of certain litigation in the Middle East, Europe and Africa segment. Excluding such SDI, other income for the year ended 31 December 2009 was $19.1 million as compared to $18.3 million for the year ended 31 December 2008, an increase of $0.8 million, or 4.4%.

Net Finance Costs

Net finance costs for the year ended 31 December 2009 were $271.2 million as compared to $274.8 million for the year ended 31 December 2008, a decrease of $3.6 million, or 1.3%. The year ended 31 December 2009 included an SDI of $12.5 million of foreign exchange gain relating to foreign exchange swaps and the year ended 31 December 2008 included an SDI expense of $7.7 million associated with certain interest rate swaps. Excluding such SDIs, net finance costs for the year ended 31 December 2009 were $283.8 million as compared to $267.1 million for the year ended 31 December 2008, an increase of $16.7 million, or 6.3%. The increase was principally due to an increase in project finance interest costs relating to Saigon (Vietnam) and Doraleh (Djibouti).

Share of Profit (Loss) of Joint Ventures and Associates

Share of profit (loss) of joint ventures and associates for the year ended 31 December 2009 was $69.3 million as compared to $114.2 million for the year ended 31 December 2008, a decrease of $44.9 million, or 39.3%. The year ended 31 December 2009 included an SDI loss of $2.0 million relating to a restructuring provision with respect to a joint venture in the Australia and Americas segment, partially offset by profits on the sale of certain assets in the Asia-Pacific and Indian Subcontinent segment. The year ended 31 December 2008 included an SDI loss of $2.0 million relating to a prior year tax adjustment of an associate in the Middle East, Europe and Africa segment. Excluding such SDIs, share of profit (loss) of joint ventures and associates for the year ended 31 December 2009 was $71.3 million as compared to $116.2 million for the year ended 31 December 2008, a decrease of $44.9 million, or 38.6%. The decrease was primarily due to lower container volumes and the weak performance of joint ventures in Europe.

Income Tax

Income tax expense for the year ended 31 December 2009 was $54.1 million as compared to $46.6 million for the year ended 31 December 2008, an increase of $7.5 million, or 16.1%. The year ended 31 December 2009 included an SDI of $0.3 million resulting from the reversal of deferred tax credit on the impairment taken on cranes in the Middle East, Europe and Africa segment. The year ended 31 December 2008 included an SDI of $33.7 million of net income tax credit reflecting a $40.0 million credit resulting from the reversal of the prior year's tax provisions, partially offset by $6.3 million provision for deferred tax expenses relating to an industrial building allowance in the Middle East, Europe and Africa segment. Excluding such SDIs, income tax for the year ended 31 December 2009 was $54.4 million as compared to $80.3 million for the year ended 31 December 2008, a decrease of $25.9 million, or 32.3%. The decrease was principally due to the decline in profit before tax resulting from poor market conditions in 2009.

Profit for the Year

Profit after tax for the year ended 31 December 2009 was $370.1 million as compared to $530.7 million for the year ended 31 December 2008, a decrease of $160.6 million, or 30.3%. The year ended 31 December 2009 included SDIs representing a profit of $37.4 million and the year ended 31 December 2008 included SDIs representing a loss of $90.1 (see above for further information regarding such SDIs). Excluding such SDIs, profit after tax for the year ended 31 December 2009 was $332.7 million as compared to $620.8 million for the year ended December 2008, a decrease of $288.1 million, or 46.4%.

The following table presents profit information regarding the Group's geographical segments for the years ended 31 December 2008 and 2009.

	Year ended 31 December 2008			Year ended 31 December 2009		
	Before separately disclosed items	Separately disclosed items	Total	Before separately disclosed items	Separately disclosed items	Total
	(Audited) (US dollars in thousands)					
Profit after tax						
Middle East, Europe and Africa	$ 730,466	$ (2,800)	$ 727,666	$ 531,040	$ (7,874)	$ 523,166
Australia and Americas	146,908	36,300	183,208	49,058	25,578	74,636
Asia-Pacific and Indian Subcontinent	187,335	(127,936)	59,399	171,944	16,074	188,018
Head office profit/(loss)	(443,942)	4,373	(439,569)	(419,379)	3,628	(415,751)
Total profit after tax	**$ 620,767**	**$ (90,063)**	**$ 530,704**	**$ 332,663**	**$ 37,406**	**$ 370,069**

Middle East, Europe and Africa. Profit for the Middle East, Europe and Africa segment was $523.2 million for the year ended 31 December 2009 as compared to $727.7 million for the year ended 31 December 2008, a decrease of $204.5 million, or 28.1%. Excluding SDIs, profit after tax for the Middle East, Europe and Africa segment was $531.0 million for the year ended 31 December 2009 as compared to $730.5 million for the year ended 31 December 2008, a decrease of $199.5 million, or 27.3%. The Middle East, Europe and Africa segment benefitted from the more resilient performance of the UAE and new terminals joining the portfolio during the year, but was impacted by the more challenging operating environment in Europe and the decline in non-container revenue in the UAE. Non-container revenue continued to decline in the second half of 2009 which resulted in a weaker second half of 2009 than the first half of 2009 for this segment. However, the segment realised certain of the benefits of cost cutting programmes in 2009.

Australia and Americas. Profit for the Australia and Americas segment was $74.6 million for the year ended 31 December 2009 as compared to $183.2 million for the year ended 31 December 2008, a decrease of $108.6, or 59.3%. Excluding SDIs, profit for the Australia and Americas segment was $49.1 million for the year ended 31 December 2009 as compared to $146.9 million for the year ended 31 December 2008, a decrease of $97.8 million, or 66.6%. The Americas and Australia segment is predominantly made up of terminals in developed countries which were harder hit by the downturn in global trade and face heightened challenges controlling costs. However, container volumes showed signs of improvement in the second half of 2009 and cost cutting measures slowly began to yield results.

Asia-Pacific and Indian Subcontinent. Profit for the Asia-Pacific and Indian Subcontinent segment for the year ended 31 December 2009 was $188.0 million as compared to a profit of $59.3 million for the year ended 31 December 2008, an increase of $128.7 million, or 2.2 times. Excluding SDIs, profit for the Asia-Pacific and Indian Subcontinent segment for the year ended 31 December 2009 was $171.9 million as compared to a profit of $187.3 million for the year ended 31 December 2008, a decrease of $15.4 million, or 8.2%. The Asia-Pacific and Indian Subcontinent segment had the strongest performance of our segments with revenue declines in line with the decline in container volume. The Asia-Pacific and Indian Subcontinent segment was also affected by the transfer of ATI Manila to a joint venture in the fourth quarter of 2009.

Head Office. Loss for the Head Office segment for the year ended 31 December 2009 was $415.8 million as compared to a loss of $439.6 million for the year ended 31 December 2008, a decrease of $23.8 million, or 5.4%. Excluding SDIs, loss for the Head Office segment for the year ended 31 December 2009 was $419.4 million as compared to a loss of $443.9 million for the year ended 31 December 2008, a decrease of $24.5 million, or 5.5%. This decrease principally reflected cost reductions at the Company's head office.

Non-Controlling Interests

Our profit for the year ended 31 December 2009 included amounts attributable to non-controlling interests of $37.2 million as compared to $48.5 million for the year ended 31 December 2008, a decrease of $11.3 million. The decrease in amounts attributable to non-controlling interests reflects declines in performance at those terminals that the Group does not wholly own as well as a $14.3 million tax liability relating to our terminal in Buenos Aires.

Year Ended 31 December 2008 Compared to Year Ended 31 December 2007

The following table sets forth selected consolidated income statement data for the Company for the years indicated.

	Year ended 31 December 2007			**Year ended 31 December 2008**		
	Before separately disclosed items	**Separately disclosed items**	**Total**	**Before separately disclosed items**	**Separately disclosed items**	**Total**
			(Audited)			
			(US dollars in thousands)			
Revenue from continuing operations	$ 2,731,440	$ —	$ 2,731,440	$ 3,283,120	—	$ 3,283,120
Cost of sales	(1,838,006)	(45,267)	(1,883,273)	(2,143,326)	—	(2,143,326)
Gross profit	893,434	(45,267)	848,167	1,139,794	—	1,139,794
General and administrative expenses	(251,419)	(43,456)	(294,875)	(306,081)	(129,900)	(435,981)
Other income	23,896	3,000	26,896	18,291	—	18,291
Net finance costs	(265,188)	62,924	(202,264)	(267,099)	(7,653)	(274,752)
Share of profit/(loss) of equity accounted associates and joint ventures (net of tax)	107,821	(3,000)	104,821	116,194	(2,000)	114,194
Profit on sale and termination of business (net of tax)	—	136,640	136,640	—	15,790	15,790
Profit before tax from continuing operations	508,544	110,841	619,385	701,099	(123,763)	577,336
Income tax	(88,853)	8,000	(80,853)	(80,322)	33,700	(46,632)
Profit after tax from continuing operations	419,691	118,841	538,532	620,767	(90,063)	530,704
Profit after tax from discontinued operations	65,000	546,378	611,378	—	—	—
Profit for the year	**$ 484,691**	**$ 665,219**	**$ 1,149,910**	**$ 620,767**	**(90,063)**	**$ 530,704**
Attributable to:						
Owners of the Company	$ 439,830	$ 665,219	$ 1,105,049	$ 572,277	$ (90,063)	$ 482,214
Non-controlling interests	44,861	—	44,861	48,490	—	48,490

Revenue from Continuing Operations

Revenue from continuing operations for the year ended 31 December 2008 was $3,283.1 million as compared to $2,731.4 million for the year ended 31 December 2007, an increase of $551.7 million, or

20.2%. The increase reflected container volume growth of 15.0% to 27.7 million TEUs, with improved utilisation rates of 90.0%. These strong container volumes reflected the addition of new terminals in the Middle East, Europe and Africa segment as well as extremely strong growth in the Middle East region, driven by the UAE, which continued to benefit from our investment in additional capacity to meet the increasing demand from O&D cargo for the broader Middle East, Africa and India segment. Excluding the revenue contribution from new terminals which joined the portfolio in 2008, like-for-like revenue growth was 18.7% against a like-for-like container volume growth of 4.9%.

After reporting very strong container volume growth for the first half of 2008, growth against the prior period for the second half of 2008 slowed considerably, with many terminals failing to or struggling to deliver increases as compared to the same period in 2007 due to the onset of the global economic downturn.

As of 31 December 2008, we had 46 terminals, of which 26 were consolidated for financial reporting purposes. On average, those terminals that contributed to our revenue as of 31 December 2008 recorded an increase of 15.0% of consolidated volume over that recorded in 2007.

Containerised Revenue

Containerised revenue for the year ended 31 December 2008 was $2,486.8 million (representing 75.7% of our total revenue for such period) as compared to $2,051.3 million for the year ended 31 December 2007 (representing 75.1% of our total revenue for such period), an increase of $435.5 million, or 21.2%. The increase was primarily due to an increase in container volumes and strong ancillary container revenue (primarily storage) from the UAE.

Non-Containerised Revenue

Non-containerised revenue for the year ended 31 December 2008 was $796.3 million (representing 24.3% of our total revenue for such period) as compared to $680.1 million for the year ended 31 December 2007 (representing 24.9% of our total revenue for such period), an increase of $116.2 million, or 17.1%. The increase was primarily due to strong results in the UAE.

Revenue by Segment

The following table presents revenue from continuing operations information regarding our three geographical segments for the years ended 31 December 2007 and 2008.

	Year ended 31 December	
	2007	**2008**
	(US dollars in thousands)	
Revenue from continuing operations		
Middle East, Europe and Africa	$ 1,473,451	$ 2,009,347
Australia and Americas	796,996	756,810
Asia-Pacific and Indian Subcontinent	460,993	516,963
Total revenue from continuing operations	**$ 2,731,440**	**$ 3,283,120**

Middle East, Europe and Africa. Revenue from continuing operations for the Middle East, Europe and Africa segment for the year ended 31 December 2008 was $2,009.3 million as compared to $1,473.4 million for the year ended 31 December 2007, an increase of $535.9 million, or 36.4%. Almost 80% of this revenue growth was driven by increased revenue per TEU, favourable cargo mix and higher revenue from associated containerised services across a number of the ports in this segment. As of 31 December 2008, we had 22 terminals in the segment, of which 12 were consolidated for financial reporting purposes. On average, terminals that contributed to revenue for the segment experienced an increase in container volume of 21.1% over the same period the previous year, with the segment also benefiting from new container volumes from Dakar (Senegal), Sokhna (Egypt), Tarragona (Spain) and a full year contribution from Jeddah (Kingdom of Saudi Arabia), as well as strong growth in the UAE.

The UAE increased container volumes by 11.2% to 11.8 million TEUs. The UAE benefited from additional capacity added during the year and record container volumes in excess of one million TEUs for each of the months of October and November 2008. The UAE proved remarkably resilient to the macroeconomic climate for much of 2008, as it continued to handle cargo from throughout the Middle East, India and Africa segment.

We successfully integrated our new terminals at Dakar (Senegal), Sokhna (Egypt) and Tarragona (Spain) into our segmental portfolio and throughout the year they benefited from the Group's management's expertise and by further investment, each of which contributed to improved utilisation rates. In addition we were awarded a concession in Yemen which joined the portfolio in November 2008.

Australia and Americas. Revenue from continuing operations for the Australia and Americas segment for the year ended 31 December 2008 was $756.8 million as compared to $797.0 million for the year ended 31 December 2007, a decrease of $40.2 million, or 5.0%. The decrease was primarily due to the divesture of certain non-core businesses in Australia.

As of 31 December 2008, we had nine terminals in the segment, of which seven were consolidated for financial reporting purposes. On average, terminals that contributed to revenue experienced an increase in consolidated volume of 7.9% for the year ended 31 December 2008 as compared to the same period in 2007.

Asia-Pacific and Indian Subcontinent. Revenue from continuing operations for the Asia-Pacific and Indian Subcontinent segment for the year ended 31 December 2008 was $517.0 million as compared to $461.0 million for the year ended 31 December 2007, an increase of $56.0 million, or 12.1%. The increase was primarily due to revenues associated with increased container volumes, higher revenue from associated containerised services and the impact of rate or cargo mix.

Our terminals in the Asia-Pacific and Indian Subcontinent segment had a much stronger performance than competitors due to their focus on the east-west trade route rather than the Asia-Pacific trade route, which reported slowing container volume growth from very early in 2008. However, the fourth quarter of 2008 proved to be more challenging and revenue declined over the prior period resulting in this segment being the only segment not to record a better second half of 2008 than first half of 2008, although the segment reported good growth against the prior year.

As of 31 December 2008, we had 15 operating terminals in the segment, of which seven were consolidated for financial reporting purposes. On average, terminals that contributed to revenue experienced an increase in consolidated volume for the period of 5% compared with the previous year.

Cost of Sales

Cost of sales for the year ended 31 December 2008 were $2,143.3 million as compared to $1,883.3 million for the year ended 31 December 2007, an increase of $260.0 million, or 13.8%. The year ended 31 December 2007 included an SDI of $45.3 million primarily representing impairment costs relating to discontinued global software. Excluding such SDI, cost of sales for the year ended 31 December 2008 were $2,143.3 million as compared to $1,838.0 million for the year ended 31 December 2007, an increase of $305.3 million, or 16.6%. The increase was primarily due to increases in variable costs associated with the significant increases in container volume discussed above as well as costs associated with the operations of newly acquired terminals.

General and Administrative Expenses

General and administrative expenses for the year ended 31 December 2008 were $436.0 million as compared to $294.9 million for the year ended 31 December 2007, an increase of $141.1 million, or 47.8%. The year ended 31 December 2008 included an SDI of $129.9 million for an impairment on the Group's investment in a joint venture in Asia-Pacific, Middle East and Indian Subcontinent segment and a loss on restructuring of a subsidiary. The year ended 31 December 2007 included an SDI of $43.5 million for an impairment of software costs. Excluding such SDIs, general and administrative expenses for the year ended 31 December 2008 were $306.1 million as compared to $251.4 million for the year ended 31 December 2007, an increase of $54.7 million, or 21.8%. The increase was primarily due to increases in salaries and other personnel expenses caused by an increase in personnel and a more geographically diverse portfolio resulting from new terminal acquisitions.

Other Income

Other income for the year ended 31 December 2008 was $18.3 million as compared to $26.9 million for the year ended 31 December 2007, a decrease of $8.6 million, or 32.0%. The year ended 31 December 2007 included an SDI of $3.0 million of increases associated with the disposal of assets recorded as property, plant and equipment. Excluding such SDI, other income for the year ended 31 December 2008 was $18.3 million as compared to $23.9 million for the year ended 31 December 2007, a decrease of $5.6 million, or 23.4%. The decrease was primarily due to $4.5 million of income received in 2007 as part of a lease incentive that did not reoccur in 2008.

Net Finance Costs

Net finance costs for the year ended 31 December 2008 were $274.8 million as compared to $202.3 million for the year ended 31 December 2007, an increase of $72.5 million, or 35.8%. The year ended 31 December 2008 included SDI expense of $7.7 million related to certain interest rate swaps. The year ended 31 December 2007 included a net SDI income of $62.9 million relating to certain interest rate swaps. Excluding such SDIs, net finance costs for the year ended 31 December 2008 were $267.1 million as compared to $265.2 million in the year ended 31 December 2007, an increase of $1.9 million, or 0.7%, reflecting the full year impact of the corporate debt issued in mid-2007 as well as significantly lower interest income earned on the cash on our balance sheet.

Share of Profit (Loss) of Joint Ventures and Associates

Share of profit (loss) of joint ventures and associates for the year ended 31 December 2008 was $114.2 million as compared to $104.8 million for the year ended 31 December 2007, an increase of $9.4 million, or 9.0%. The year ended 31 December 2008 included an SDI loss of $2.0 million relating to deferred tax on the discontinuance of the industrial building allowance. The year ended 31 December 2007 included an SDI loss of $3.0 million relating to the disposal of investments. Excluding such SDIs, share of profit (loss) of joint ventures and associates for the year ended 31 December 2008 was $116.2 million as compared to $107.8 million for the year ended 31 December 2007, an increase of $8.4 million, or 7.8%. The increase was primarily due to the improved performance from Vostochny (Russia) and our two joint ventures in America, Caucedo (Dominican Republic) and Cabello (Venezuela). The Asia-Pacific and Indian Subcontinent segment delivered the majority of net profit from joint ventures.

Income Tax

Income tax for the year ended 31 December 2008 was $46.6 million as compared to $80.9 million for the year ended 31 December 2007, a decrease of $34.3 million, or 42.4%. The year ended 31 December 2008 included an SDI of $33.7 million of net income tax credit reflecting a $40.0 million reversal of the prior year's tax provisions and partially offset by a $6.3 million provision for deferred tax expenses relating to an industrial building allowance in the Middle East, Europe and Africa segment. The year ended 31 December 2007 included an SDI of $8.0 million of income tax credit reflecting tax credits arising on the disposal of certain investments. Excluding such SDIs, income tax for the year ended 31 December 2008 was $80.3 million as compared to $88.9 million for the year ended 31 December 2007, a decrease of $8.6 million, or 9.7%. The decrease was primarily due to a decrease in the effective income tax rate resulting from the higher contribution of the UAE operations for the year ended 31 December 2008.

Profit after Tax from Continuing Operations

The following table presents profit information regarding the Group's geographical segments for the years ended 31 December 2008 and 2007.

	Year ended 31 December 2007			Year ended 31 December 2008		
	Before separately disclosed items	Separately disclosed items	Total	Before separately disclosed items	Separately disclosed items	Total
	(Audited) (US dollars in thousands)					
Profit after tax						
Middle East, Europe and Africa	$ 531,941	$ (27,267)	$ 504,674	$ 730,466	$ (2,800)	$ 727,666
Australia and Americas	119,634	64,188	183,822	146,908	36,300	183,208
Asia-Pacific and Indian Subcontinent	170,276	55,040	225,316	187,325	(127,936)	59,399
Head office profit/(loss)	(402,160)	26,880	375,280	(443,942)	4,373	(439,569)
Total profit after tax	**$ 419,691**	**$ 118,841**	**$ 538,532**	**$ 620,767**	**$ (90,063)**	**$ 530,704**

Middle East, Europe and Africa. Profit for the Middle East, Europe and Africa segment was $727.7 million for the year ended 31 December 2008 as compared to $504.7 million for the year ended 31 December 2007, an increase of $223.0 million, or 44.2%. Excluding SDIs, profit for the Middle East, Europe and Africa segment was $730.5 million for the year ended 31 December 2008 as compared to $531.9 million for the year ended 31 December 2007, an increase of $198.6 million, or 37.3%. The increase primarily reflected an increase of 21.1% in container volume and higher container revenue as well as strong ancillary container revenue (primarily storage) from the UAE.

Australia and Americas. Profit for the Australia and Americas segment was $183.2 million for the year ended 31 December 2008 as compared to $183.8 million for the year ended 31 December 2007, a decrease of $0.6 million, or 0.3%. Excluding SDIs, profit for the Australia and Americas segment was $146.9 million for the year ended 31 December 2008 as compared to $119.6 million for the year ended 31 December 2007, an increase of $27.3 million, or 22.8%. The increase primarily reflected an increase in container volumes across the segment and an improved share of profit from joint ventures.

Asia-Pacific and Indian Subcontinent. Profit for the Asia-Pacific and Indian Subcontinent segment was $59.4 million for the year ended 31 December 2008 as compared to $225.3 million for the year ended 31 December 2007, a decrease of $165.9 million, or 73.6%. Excluding SDIs, profit for the Asia-Pacific and Indian Subcontinent segment was $187.3 million for the year ended 31 December 2008 as compared to $170.3 million for the year ended 31 December 2007, a decrease of $17.0 million, or 10.0%. The increase primarily reflected an increase in container volumes across the segment.

Head Office. Loss for the Head Office was $439.6 million for the year ended 31 December 2008 as compared to a loss of $375.3 million for the year ended 31 December 2007, an increase of $64.3 million, or 17.1%. Excluding SDIs, loss for the Head Office was $443.9 million for the year ended 31 December 2008 as compared to a loss of $402.2 million for the year ended 31 December 2007, an increase of $41.7 million, or 10.4%. The increase primarily reflected an increase in headcount due to the Group's growth in 2008.

Profit after Tax from Discontinued Operations

In the year ended 31 December 2007, we sold or transferred certain assets acquired as part of our acquisition of P&O, including P&O Ports North America ("**POPNA**"), P&O's UK ferry operating business and P&O's property development businesses. These businesses were treated as discontinued operations in 2007. Profit after tax from discontinued operations for the year ended 31 December 2007 was $611.4 million, representing an SDI of $546.4 million reflecting the profit after tax recognised from the sale of the discontinued operations in 2007 and $65.0 million of trading profit after tax from the discontinued operation in 2007, prior to its sale.

Profit for the Year

As a result of the factors described above, profit for the year ended 31 December 2008 was $530.7 million as compared to $1,149.9 million for the year ended 31 December 2007, a decrease of $619.2 million, or 53.8%. Excluding SDIs, profit for the year ended 31 December 2008 was $620.8 million as compared to $484.7 million for the year ended 31 December 2007, an increase of $136.1 million, or 28.1%.

Non-Controlling Interests

Our profit for the year ended 31 December 2008 included amounts attributable to non-controlling interests of $48.5 million as compared to $44.9 million for the year ended 31 December 2007.

Liquidity and Capital Resources

We expect to meet our ongoing capital requirements, including in respect of our 11 new developments or major expansion projects, as described in "Business—History—Future Expansion" and "Business—Our Ports Business—Portfolio", through dividends and repayments of loans from our subsidiaries, as well as debt financing from banks or capital markets or the issuance of equity to the extent necessary. Where available, we intend to finance terminal development and expansion projects through non-recourse debt of the relevant terminal operating company. See "*Risk Factors—Risks Related to the Notes—Because the Issuer is a holding company and substantially all of its operations are conducted through its subsidiaries, unconsolidated joint ventures and associates, its ability to make payments in respect of the Notes issued by it depends on its ability to obtain cash dividends or other cash payments or obtain loans from such entities*" and "*Risk Factors—Risks Relating to the Group—Our businesses require substantial capital investment, and we* *may not have sufficient capital to make, or may be restricted by covenants in our financing agreements from making, future capital expenditures and other investments as we deem necessary or desirable*".

Cash Flows

The following table sets forth certain information about the consolidated cash flows of the Company for the periods indicated.

	Year ended 31 December			Six months ended	
	2007	2008	2009	30 June 2009	30 June 2010
				(Unaudited)	
	(US dollars in thousands)				
Net cash from/(used in) operating activities	$ 955,092	$ 1,068,708	$ 572,340	$ 240,219	$ 486,708
Net cash from/(used in) investing activities	4,353,820	(2,007,467)	(915,487)	(541,033)	(489,731)
Net cash from/(used in) financing activities	(2,432,915)	(685,799)	1,963,373	2,121,375	(190,316)
Net increase (decrease) in cash and cash equivalents	2,875,997	(1,624,558)	1,620,226	1,820,561	(193,339)
Net foreign exchange translation difference	—	(97,294)	124,195	19,489	(29,245)
Cash and cash equivalents at the beginning of the period	—	2,875,997	1,154,145	1,154,145	2,898,566
Cash and cash equivalents at the end of the period	**$ 2,875,997**	**$ 1,154,145**	**$ 2,898,566**	**$ 2,994,195**	**$ 2,675,982**

Net cash from/(used in) operating activities. Net cash from operating activities for the six months ended 30 June 2010 was $486.7 million as compared to net cash from operating activities of $240.2 million for the six months ended 30 June 2009. The increase was primarily due to improved operating performance and cost reductions in the first half of 2010.

Net cash from operating activities for the year ended 31 December 2009 was $572.3 million as compared to $1,068.7 million for the year ended 31 December 2008, a decrease of $496.4 million, or 46.4%. The decrease was primarily due to a reduction in the Group's profitability resulting from the general trade contraction in 2009 and adverse changes to our working capital.

Net cash from operating activities for the year ended 31 December 2008 was $1,068.7 million as compared to $955.1 million for the year ended 31 December 2007, an increase of $113.6 million, or 11.9%. The increase was primarily due to improved operating performance in 2008.

Net cash from/(used in) investing activities. Net cash used in investing activities for the six months ended 30 June 2010 was $489.7 million as compared to $541.0 million for the six months ended 30 June 2009, a decrease of $51.3 million. The decrease was principally due to a decrease in capital expenditures, which was offset in part by an investment in land associated with our London Gateway project and the repayment of certain borrowings by an associate.

Net cash used in investing activities for the year ended 31 December 2009 was $915.5 million as compared to $2,007.5 million for the year ended 31 December 2008, a decrease of $1,092.0 million, or 54.4%. The decrease was primarily due to a significant decrease in capital expenditure in response to the global economic downturn and the acquisition of Sokhna (Egypt) in 2008.

Net cash used in investing activities for the year ended 31 December 2008 was $2,007.5 million as compared to net cash from investing activities of $4,353.8 million for the year ended 31 December 2007. Net cash from investing activities for the year ended 31 December 2007 primarily reflected the disposals of certain non-core businesses in 2007 and the recognition of cash inflows on the acquisition in 2007 by the Group of entities that had been under common control. Net cash used in investing activities for the year ended 31 December 2008 primarily reflected the acquisition of Sokhna (Egypt).

Net cash from/(used in) financing activities. Net cash used in financing activities for the six months ended 30 June 2010 was $190.3 million. Such amount was primarily used in paying dividends and making interest payments and was partially offset by additional borrowings.

Net cash provided from financing activities for the year ended 31 December 2009 was $1,963.4 million. This amount was primarily the result of the full drawdown of the Syndicated Loan Facility in 2009.

Net cash used in financing activities for the year ended 31 December 2008 was $685.8 million. This amount was primarily used in paying dividends, making interest payments and repaying certain loans, partially offset by an increase in borrowings.

Net cash used in financing activities for the year ended 31 December 2007 was $2,432.9 million. This amount primarily reflected the repayment of $2 billion of indebtedness to our shareholder prior to the initial public offering of the Group in 2007 as well as interest payments.

Capital Expenditures

The following discussion of our capital expenditures relates to all our consolidated terminals. Capital expenditures include our investing in plant and equipment relating to our business but do not include investments in real estate relating to our operations.

For the six months ended 30 June 2010, the Company had capital expenditures of $411.4 million, as compared to capital expenditures of $515.9 million for the six months ended 30 June 2009. For the years ended 31 December 2007, 2008 and 2009, the Company had capital expenditures of $878.7 million, $1,397.3 million and $967.5 million, respectively.

Total capital expenditure for the year ended 31 December 2007 was $878.7 million, of which 67.5% was spent on the expansion of new capacity in existing terminals and 17.8% was spent on the development of new terminals.

Total capital expenditure for the year ended 31 December 2008 was $1,397.3 million, of which almost 50% was spent on the expansion of new capacity in existing terminals, Jebel Ali being the major beneficiary. 36% was spent on new developments including Doraleh (Djibouti), which opened in early 2009, Saigon (Vietnam), which opened in 2009, and Callo (Peru), which opened in May 2010.

With the decline in container volumes in 2009, we postponed much of our capital expenditure in the year ended 31 December 2009, investing $967.5 million in our consolidated terminals with the focus on expansion of those new developments nearing completion or those that were due to replace existing terminals.

During 2009 we opened two new developments at Doraleh (Djibouti) and Saigon (Vietnam) and completed the expansion of our flagship terminal in Jebel Ali, UAE. We were awarded new 30 year concession agreements in Algeria for ports in Algiers and Djen-Djen, which we began operating in the second quarter. We also renewed two more concessions in Australia, in Adelaide and Sydney, for a further 30 years and 15 years, respectively.

Alongside the investment in new terminals, following the successful concession renewals in Australia, we also invested in our portfolio in 2009, improving efficiencies and winning market share, and continued to invest in improving efficiencies in those terminals recently joining our portfolio such as Tarragona (Spain), Dakar (Senegal) and Sokhna (Egypt).

During the first six months of 2010, we completed our terminal at Callao (Peru) which opened towards the end of the period and we continue to work towards completion of Vallarpadam (India) and Karachi (Pakistan) both due to open later this year. Our $411.4 million of capital expenditure in the period also included further investment in improving terminal efficiency in many of our terminals, including in Chennai (India), Maputo (Mozambique), Tarragona (Spain) and terminals across Australia. We also had significant expenditures in connection with the purchase of land at London Gateway (UK) in the first six months of 2010 that are not included within our capital expenditures.

We remain fully committed to meeting the long-term market demand for capacity expansion. However we will continue to take a cautious approach, investing in new capacity in line with market demand. We expect that capital expenditure is likely to be in the region of $2.5 billion for the period 2010 to 2012 inclusive of which we have invested $411.4 million at 30 June 2010.

We believe we will make significant capital expenditures in each of our current geographic segments during the period from 2010 to 2012 and that the majority of such expenditures will be for new developments, over a quarter will be for expansion projects and the balance will be for maintenance.

We expect to finance our future commitments for capital expenditures for capacity increases or expansion projects, including in respect of our 11 new developments and major expansion projects, through cash from operations, dividends and repayments of loans from our subsidiaries, as well as debt financing or equity to the extent necessary. Where available, we intend to finance terminal development through non-recourse debt at the relevant terminal operating company level. We intend to finance expansion projects through cash from operations and additional funding, if required. In addition, we may elect or be required to make additional capital expenditures related to our concessions in the future and, as a result, our future capital expenditures may be significantly higher than the amounts indicated under "*—Liquidity and Capital Resources—Contractual Obligations*" above. We believe that our operating cash flows and borrowing capacity, taken together, provide adequate resources to fund capital expenditures relating to our ongoing operations and future investments associated with the expansion of our business for the foreseeable future.

Indebtedness

Indebtedness of the Company outstanding as of 30 June 2010 was $8,043.4 million, and was comprised principally of:

- $3,000.0 million in borrowings under the Syndicated Loan Facility (as defined below);
- $1,750.0 million in bonds issued under the Global Medium Term Note Programme;
- $1,500.0 million in trust certificates issued under the Sukuk;
- $336.1 million in cash-backed facilities in Australia and the United Kingdom;
- $706.9 million in secured obligations owed by our subsidiaries;
- $747.6 million in unsecured obligations owed by our subsidiaries; and
- $2.8 million in bank overdrafts.

Syndicated Loan Facility

On 22 October 2007, the Company entered into an unsecured syndicated loan facility among the Company, DP World Holdings (Australia) Limited and P&O, as borrowers, the Company, as the sole guarantor, the lenders from time to time party thereto, Barclays Capital, Citibank N.A., Deutsche Bank AG, London Branch, and The Royal Bank of Scotland Plc, as mandated lead arrangers, The Royal Bank of Scotland Plc, as issuing bank, and Deutsche Bank Luxembourg S.A, as facility agent (the "**Syndicated Loan Facility**").

The Syndicated Loan Facility comprises a $3.0 billion syndicated loan facility with a maturity on 22 October 2012, and has been used for general corporate purposes of the Company and its subsidiaries, as well as refinancing outstanding amounts under our previous credit facility. The Syndicated Loan Facility is fully utilised. Interest on the Syndicated Loan Facility is payable based on a specified margin over LIBOR.

Ranking. The Syndicated Loan Facility is a senior unsecured obligation of the Company and ranks equally in right of payment to all of the Company's existing and future senior indebtedness and senior in right of payment to all of the Company's existing and future senior subordinated debt.

Guarantees. The obligations of the borrowers under the Syndicated Loan Facility are unconditionally and irrevocably guaranteed by the Company.

Repayment and Voluntary Prepayments. Borrowings under the Syndicated Loan Facility must be repaid at final maturity. The Syndicated Loan Facility provides for voluntary prepayments of loans and voluntary cancellations of the unutilised proportion of the commitments, without penalty, subject to certain conditions pertaining to minimum notice and payment and cancellation amounts. Amounts prepaid may be reborrowed in accordance with the terms of the Syndicated Loan Facility. The Syndicated Loan Facility also contains mandatory prepayment provisions that we believe are usual and customary for facilities of this type.

Change of Control. The Syndicated Loan Facility is subject to a change of control covenant whereby the Government of Dubai must continue to own, directly or indirectly, at least 50% of our issued share capital.

Undertakings and Covenants. The Syndicated Loan Facility contains affirmative and negative undertakings that we believe are usual and customary for facilities of this type. In addition, the Syndicated

Loan Facility contains a total debt to total debt plus equity financial covenant, where equity refers to the amount of equity on the balance sheet of the Company.

Events of Default. The Syndicated Loan Facility contains certain customary events of default.

6.85% Notes Due 2037

On 2 July 2007, the Company issued $1,750,000,000 aggregate principal amount of 6.85% Notes due 2037 (the "**2007 Senior Notes**") under its $5,000,000,000 Global Medium Term Note Programme (the "**DP World MTN Programme**") . The 2007 Senior Notes mature on 2 July 2037 and are listed on the London Stock Exchange and the NASDAQ Dubai.

Ranking. The Senior Notes are senior unsecured obligations of the Company and rank equally in right of payment to all of the Company's existing and future senior indebtedness and senior in right of payment to all of the Company's existing and future senior subordinated debt.

Repayment and Redemption. Upon the occurrence of a change of control of the Company, each holder of the Senior Notes has the right to require the Company to repurchase such holder's Senior Notes at a purchase price in cash equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the repurchase date. Subject to certain limited exceptions, the Senior Notes may not be redeemed at the Company's option prior to maturity. Unless previously redeemed or purchased and cancelled, the Senior Notes must be redeemed at par on the maturity date.

Change of Control. The DP World MTN Programme is subject to a change of control covenant whereby the Government of Dubai must continue to own, directly or indirectly, at least 50% of our issued share capital.

Covenants. The DP World MTN Programme contains affirmative and negative undertakings that we believe are usual and customary for debt securities of this type and which are similar to those relating to the Notes offered hereunder.

Events of default. The Senior Notes are subject to certain customary events of default that, if any of them occurs, would permit the principal of and accrued interest on the Senior Notes to be declared due and payable.

Trust Certificates (Sukuk Al-Mudaraba) Due 2017

On 2 July 2007, DP World Sukuk Limited, a Cayman Islands special purpose vehicle ("**DP World Sukuk**"), issued $1,500,000,000 face amount of Trust Certificates due 2017 (the "**Certificates**"). The Certificates mature on 2 July 2017 and are listed on the London Stock Exchange and the NASDAQ Dubai. The Certificates evidence an undivided beneficial ownership interest in certain assets held in trust. The proceeds from the Certificates were invested in the Company's business activities in accordance with an agreed investment plan. Each holder of the Certificates is entitled to periodic distribution amounts in an amount equal to 6.25% per annum on the aggregate principal amount of Certificates held by such holder. To the extent that the amount of profit generated through the investment plan is less than the amount necessary to make such periodic distribution amounts, the Company (as Mudareb under the Certificates) is required to provide Shari'a compliant liquidity financing to ensure that sufficient funds are available to pay such periodic distribution amounts. To the extent that the amount of profit generated through the investment plan is greater than the amount necessary to make such periodic distribution amounts, the Company is entitled to retain such excess amount for its own account by way of an incentive fee for acting as Mudareb.

Ranking. The Certificates are senior unsecured obligations of the Company and rank equally in right of payment to all of the Company's existing and future senior indebtedness and senior in right of payment to all of the Company's existing and future senior subordinated debt.

Redemption. Upon the occurrence of a change of control of the Company, each holder of the Certificates has the right to require DP World Sukuk to redeem any or all of such holder's Certificates at a purchase price in cash equal to 100% of the aggregate principal amount thereof, plus accrued and unpaid periodic distribution amounts, if any, to the redemption date. Subject to certain limited exceptions, the Certificates may not be redeemed at DP World Sukuk's option prior to maturity. Unless previously redeemed or purchased and cancelled, the Certificates must be redeemed at par on the scheduled redemption date.

Prior to any such redemption date, the Company will purchase all or, in the case of a partial redemption, part of the trust assets for an amount equal to the 100% of the aggregate principal amount of the Certificates being redeemed, plus accrued and unpaid periodic distribution amounts, if any, to the redemption date.

Change of Control. The DP World Sukuk is subject to a change of control covenant whereby the Government of Dubai must continue to own, directly or indirectly, at least 50% of our issued share capital.

Covenants. The DP World Sukuk contains affirmative and negative undertakings that we believe are usual and customary for debt securities of this type and which are similar to those relating to the Notes offered hereunder.

Dissolution Event. The Certificates are subject to certain customary dissolution events that, if any of them occurs, would permit the holders of at least 20% in aggregate principal amount of Certificates then outstanding to require the trust to be dissolved and all Certificates redeemed for an amount equal to the 100% of the aggregate principal amount thereof, plus accrued and unpaid periodic distribution amounts, if any, to the redemption date.

Contractual Obligations

The following table presents the Company's contractual obligations as of 31 December 2009.

	Payments due by period				
	Less than 1 year	**1-2 years**	**2-5 years**	**More than 5 years**	**Total**
	(US dollars in thousands)				
Debt obligations[1]	$ 519,523[2]	$ 514,744	$ 3,320,576[3]	$ 3,540,426	$ 7,895,270
Financial lease obligations	11,875	13,730	27,894	9,200	62,699
Total	$ 531,398	$ 528,474	$ 3,348,470	$ 3,549,626	**$ 7,957,969**

(1) Excludes interest payable.

(2) $336.1 million of this amount comprises cash-backed facilities in Australia and the United Kingdom, which are due in the second half of 2010.

(3) $3 billion of this amount comprises the Syndicated Loan Facility, which is due in October 2012.

In addition to the above obligations, as at 31 December 2009 the Company's contracted capital expenditure commitments totalled $1,040.1 million. The terms of such contracts, however, allow a degree of flexibility with respect to the timing of such expenditures.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably expected to have a material current or future effect on our financial condition, revenues, expenses, results of operations, liquidity, capital expenditures or capital resources.

Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

Our exposure to interest rate risks is primarily through long-term debt obligations that carry a fixed/ floating interest rate and bank deposits. Our policy is to manage interest rate risk by entering into interest rate swap agreements designed to hedge our underlying debt obligations.

As of 31 December 2009, the fixed-rate 2007 Senior Notes and the fixed-rate Certificates collectively represented $3,250.0 million of loans and borrowings. As of 31 December 2009, approximately $4,377.5 million of our financial instruments carried interest at floating rates before taking into account interest rate swaps. As of 31 December 2009, after taking into account the effect of interest rate swaps, approximately 70% of our total loans and borrowings carried fixed interest rates. As of 31 December 2009, a 1% increase or decrease in the interest associated with variable interest bearing loans and borrowings would have resulted in a change in our interest expense of approximately $5.6 million.

Credit Risk

We seek to trade only with recognised, creditworthy third parties. It is our policy that all customers who wish to trade on credit terms are subject to credit verification procedures and may be required to submit financial guarantees based on their creditworthiness. In addition, receivable balances are monitored on an ongoing basis with the result that our exposure to bad debts is not significant.

With respect to credit risk arising from our other financial assets, which comprise cash and cash equivalents and certain derivative instruments, our exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

We limit our credit risk with regard to bank deposits by only dealing with reputable banks.

Liquidity Risk

We have cash balances and undrawn committed facilities to provide liquidity as required. As of 31 December 2010, committed undrawn facilities totalled $179.4 million. See "*—Liquidity and Capital Resources—Working Capital and Indebtedness—Revolving Credit Syndicated Facility*" above for a description of the Syndicated Loan Facility.

Our terms of business require amounts to be paid within 60 days of the provision of the service. Trade payables are normally settled within 45 days of the date of purchase.

Currency Risk

Our functional currency is UAE Dirhams and our reporting currency is the US dollar. The functional and reporting currency of our subsidiaries, affiliates and associates varies depending on their geographic location. Accordingly, we are exposed to risks related to the translation of assets and liabilities denominated in currencies other than, or not pegged to, the US dollar.

As of 31 December 2009, 86% of our net operating assets were denominated in foreign currencies (i.e., other than the functional currency of the Company, UAE Dirhams). The Group partially mitigates the effect of such movements by borrowing in the same currencies as those in which the assets are denominated and hedges such as foreign exchange forward contracts and cross currency swaps.

In addition to these translation risks, we are exposed to transaction risks as a result of differences in the currency mix of our operating expenses, on the one hand, and revenue, on the other hand. As a result, a depreciation or appreciation of a particular local currency against the US dollar could have either a positive or negative impact on both our balance sheet and our profit margin and therefore our profit for the year.

The Group operates in some locations where the local currency is fixed to the Group's reporting currency of USD further reducing the risk of currency movements.

For additional discussion of the impact of foreign currency transactions and translations on our results of operations, see Note 5 "*Financial Risk Management*" of the Notes to our Audited Consolidated Financial Statements.

BUSINESS

Overview

We are one of the largest container terminal operators in the world by capacity and throughput. We are also one of the most geographically diversified container terminal operators in the world. We currently operate 50 terminals, which span 28 countries. Our portfolio had a gross capacity of 59.7 million TEUs and generated gross throughput of 43.4 million TEUs for the year ended 31 December 2009 and 23.7 million for the six months ended 30 June 2010. For the year ended 31 December 2009 and the six months ended 30 June 2010, we generated revenue from operations (which does not include revenue attributable to our joint ventures and associates) of $2,821.0 million and $1,454.5 million, respectively (excluding SDIs), and an Adjusted EBITDA of $1,072.4 million and $580.4 million, respectively.

The creation of the Company represented an important step in the development of a global container terminal business designed to serve the needs of a global and consolidating customer base. As a result of our acquisitions of CSX WT in February 2005 and P&O in March 2006, together with recent new developments and new concessions, our business has been transformed from one focused principally on container terminal operations located primarily in the UAE to a truly global container terminal business, reporting across the following three geographical segments:

Middle East, Europe and Africa

- UAE—Our UAE operations are at the core of our portfolio and are comprised of four operating terminals, including our flagship terminal at DP World Jebel Ali in Dubai, which is the seventh largest container terminal in the world.
- Middle East (excluding UAE)—We currently have three operating terminals in three countries, having commenced operations at Aden, Yemen in the fourth quarter of 2008.
- Europe—We operate twelve terminals in seven countries. In addition, we have development projects in the United Kingdom, Turkey, France and the Netherlands.
- Africa—We currently have six operating terminals in four African countries. The latest additions to our portfolio are the newly built Doraleh terminal in Djibouti and two terminals in Algeria, namely in Djazair and Djen-Djen. We also operate general and bulk cargo stevedoring in all five of South Africa's state owned ports.

Asia-Pacific and Indian Subcontinent

- Asia-Pacific—We have an extensive network of ten container terminals in six countries throughout the Asia-Pacific region including Saigon Premier Container Terminal in Vietnam which we opened at the end of 2009. Additionally, we operate two logistics centres in the region, which are located in Hong Kong (ATL Logistics Centre) and Yantian (ATL Logistics Centre Yantian).
- Indian Subcontinent—With five terminals in India and one in Pakistan, we have the largest presence of any container terminal operator in the Indian Subcontinent region, and currently have two projects under development in the Indian Subcontinent which are expected to be operational by the end of 2010 (one of which will replace our existing operations at DP World Cochin) and one in Pakistan.

Australia and Americas

- Australia—We operate five container terminals in Australia and have the widest geographical spread of container facilities in the country.
- Americas—Our Americas portfolio is comprised of four terminals in four countries. The latest addition to our portfolio is Callao in Peru which commenced operations in the first half of 2010 and a new greenfield development in Brazil.

The following table provides information regarding the number of terminals, as well as the gross throughput for the year ended 31 December 2009 and the six months ended 30 June 2010 and gross capacity as of 31 December 2009, for our terminal portfolio.

Reporting segment	Terminals	Gross throughput 2009	Gross capacity[1] 2009
	(TEUs in millions, except number of terminals)		
Middle East, Europe and Africa	24	20.3	28.8
Asia-Pacific and Indian Subcontinent	16	18.5	24.9
Australia and Americas	9	4.6	6.0
Total	49	43.4	59.7

Reporting segment	Terminals	Gross throughput 30 June 2010
	(TEUs in millions, except number of terminals)	
Middle East, Europe and Africa	25	10.5
Asia-Pacific and Indian Subcontinent	16	10.5
Australia and Americas	9	2.6
Total	50	23.7

(1) Presented as of 31 December 2009. On a consolidated basis, total capacity at 31 December 2009 was 34.0 million TEUs (reflecting capacity of consolidated subsidiaries).

History

The Company was incorporated in the DIFC on 9 August 2006 for the purpose of becoming the holding company for the ports-related commercial activities of Dubai World. On 1 January 2007, DP World FZE and Thunder FZE, which is the holding company for P&O, were transferred to the Company from DPA, an affiliate of the Company. Prior to the transfer of DP World FZE and Thunder FZE, the Company did not have any operations. As a result of the transfer, the Company, together with its operating subsidiaries, conducts all of the ports-related commercial activities of Dubai World. DPA continues to conduct all of the ports-related regulatory activities of the Government of Dubai. Such regulatory activities have not been and will not be transferred to the Company.

As described below, as a result of the winning of new concessions around the world and our acquisitions of CSX WT and P&O, our business has been transformed from one focused principally on container terminal operations located primarily in the UAE to a truly global container terminal business.

Regional and International Growth

In 1999, we formed a wholly-owned subsidiary, Dubai Ports International FZE, to manage and operate container terminals and other facilities outside of Dubai. Our first international project was at Jeddah Islamic Port, Saudi Arabia, where we, in collaboration with a local partner, began container terminal operations in September 1999. In June 2000, we won the contract to manage the entire Port of Djibouti and Djibouti Airport in Djibouti, including its marine, bulk and container operations, logistics zone and administration. We expanded our international footprint with concession wins at Visakhapatnam Port, India in 2002, Constanta, Romania in 2003 and Cochin, India in 2004. As at the date of this prospectus, we have a combined portfolio of 50 operating container terminals in 28 countries.

Global Expansion

CSX WT

In February 2005, we acquired CSX World Terminals ("**CSX WT**"), the international terminal business of CSX Corporation, for $1.2 billion (the "**CSX WT Acquisition**"). CSX WT was a leading global container terminal operator with key strategic assets in some of the world's fastest growing markets, including Asia and South America. The CSX WT Acquisition represented an important step in our global expansion strategy by increasing our international presence in the container terminal industry and enhancing our geographic diversification.

P&O

In March 2006, we acquired P&O for $7.2 billion (the "**P&O Acquisition**"). P&O was a leading global container terminal operator and the P&O Acquisition represented a unique opportunity to significantly increase our global network and market position by incorporating P&O's largely complementary portfolio of terminals in Asia, India, Australia, the Americas, Europe and Africa into our portfolio of terminals.

Listing on NASDAQ Dubai

On 26 November 2007, the entire issued share capital of the Company was admitted to the Official List of Securities of the NASDAQ Dubai Stock Exchange ("**NASDAQ Dubai**"). As at the date of this Prospectus, approximately 19.55% of our issued and outstanding share capital is held by public shareholders and approximately 80.45% is held by Port and Free Zone World FZE, which is wholly owned by Dubai World, a holding company owned by the Government of Dubai. For information on the planned listing of our shares on the London Stock Exchange, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments."*

Further Development and Expansion

We have historically grown our business through a combination of organic growth and corporate acquisitions, which have helped to establish our global footprint and change the composition and dynamics of our industry. Our global expansion has continued at a slower pace after the decline in volumes in 2009 and our focus has been on completing projects that were some way towards completion. We constructed and opened a new terminal at Saigon Premier Container Terminal, Vietnam in October 2009 and Callao, Peru in May 2010. We also have new development projects in Vallapadam, India and Karachi, Pakistan which are scheduled for completion in the second half of 2010. In addition, recently we were awarded new concessions for terminals at Djazair and Djen Djen, Algeria.

Competitive Strengths

We have built our global container terminal business through the combination of our regional and international operations, the CSX WT acquisition, the P&O acquisition and the development of new terminals and winning or acquiring new concession agreements. We believe our network of 50 operating terminals provides us with complementary strengths, which together position us as a market leader in the global container terminal industry. In particular, we believe that our business is characterized by the following key competitive strengths.

A Globally Diversified, Market-Leading and Balanced Portfolio of Terminals

With 50 terminals in 28 countries, and approximately 10% of global market share of container port throughput on a gross throughput basis (source: Annual Review of Global Terminal Operators 2010 by Drewry Shipping Consultants Ltd.), we believe that we have the most geographically diversified portfolio of terminals in the industry. Our asset base includes a diverse mixture of both established and newer terminals and a number of greenfield and brownfield projects that we are in the process of developing. We believe that this combination of development sites and fully operating facilities is key to facilitating our future growth strategies and ensuring that we are well positioned to meet our customers' requirements.

Emerging Market Focus

Approximately 77% of gross throughput in our portfolio of terminals comes from countries that are considered to be Emerging or Frontier Markets, which include the Middle East and Africa, South America, South Asia and the Far East (as such terms are defined by the MSCI Frontier and Emerging Market indices). These economies are generally seen to be higher growth areas and have grown throughout the global economic slowdown, growing by approximately 2.5% in 2009 (source: IMF World Economic Outlook July 2010) with forecasts suggesting future growth potential of above 6% per annum (source: IMF World Economic Outlook, July 2010).

Focus on Origin and Destination Cargo

We believe that our portfolio benefits from a focus on origin and destination ("**O&D**") throughput. O&D throughput is cargo that has to either go to, or be collected from, a particular terminal because of its proximity to the point of consumption or distribution. Because O&D throughput is usually handled most cost-effectively by one port, normally closest to the point of consumption or production, O&D throughput is less likely to be lost to competitors and less price sensitive than transhipment throughput.

Operational Excellence and Innovation

We seek to improve our operational efficiency and increase the capacity of our existing facilities by investing in advanced handling equipment. We are one of the innovators in the container terminal industry and have been successful in developing and enhancing container terminal capacity and efficiency in the regions in which we operate based on the needs and attributes of particular terminals. In 2010, our international achievements were recognized by our winning *Lloyd's Environmental Protection Award* for London Gateway, *Indian Operator of the Year Award* for DP World, India, *Shipping Port of the Year Award* for DP World Jebel Ali, *International Transport Award* for DP World Constanta and *Best Seaport in the Middle East* for DP World Jebel Ali for the 16th year in a row and, in 2009, by our winning *Best Global Terminal Operating Company* for DP World. We were awarded the *Mohammed Bin Rashid Al Maktoum Business Award* in recognition of our outstanding entrepreneurship and excellence in supply chain and logistics services in 2008 and also won various awards in 2007, including *Best Container Terminal in Asia under 4 million TEUs per annum* for CT3 (Hong Kong) at the Asian Freight & Supply Chain Awards. We have also been focused on longer term restructuring costs and winning market share through improved efficiencies for customers. and streamlining our operational process.

Ability to grow our portfolio in line with market driven volume growth

We have extensive experience in developing new capacity around the globe, including constructing new terminals from both greenfield and brownfield sites, as a result of winning new concessions for operational terminals and through the expansion of terminals within our own portfolio.

In addition to our existing portfolio increasing incremental capacity in line with customer demand, we currently have 11 new development and major expansion projects. These new development and major expansion projects give us the flexibility to increase our existing gross capacity to over 92 million TEU in line with market demand over the next 10 years. Of this, approximately 48 million TEU will be consolidated.

Whilst the rollout of new capacity is always subject to market driven volume growth, we currently anticipate almost half of this new capacity coming online by 2015, taking our gross capacity to 78 million TEU of which approximately 42 million TEU will be consolidated.

Experienced and International Management Team

Our global business is run out of our head office in Dubai by members of our executive management team, who have significant industry experience. In addition, our local operations are divided across three geographic areas, each managed by a senior executive, who has significant experience in the container terminal industry and extensive local and regional knowledge at the local level. Each senior executive is supported by a highly experienced team of local container terminal managers.

Corporate Strategy

We have historically grown our business through a combination of organic growth and corporate acquisitions, which have helped to establish our global footprint and change the composition and dynamics of our industry.

While recognising the need for caution in the current market environment, we are committed to our core container handling business and, going forward, have a pipeline of new container terminal development projects and terminal expansion projects, which will be rolled out in line with market demand and have the potential to increase our gross capacity to over 92 million TEUs by 2020.

We believe that operational excellence and innovation create opportunities to generate additional value out of our existing facilities. We seek to improve our operational efficiency and increase the capacity of our existing facilities by investing in advanced handling equipment and streamlining our operational processes.

We believe that this strategy is one of the most cost-effective methods for increasing capacity at our existing facilities. In addition, we continually communicate with our customers and essential stakeholders in the port and shipping community to maximize the connectivity, responsiveness, accuracy and speed that we are able to offer.

Providing our global customers and their customers with value enhancing port and logistics solutions is the cornerstone of our operating strategy. We seek to sustain our consultative approach to customer relationship management to ensure we invest in facilities around the globe as and when our services are required. We believe that the reliability and efficiency of our operations and information flow will enhance our customers' competitive edge.

Optimise Existing Asset Base and Current Capacity

We believe that operational excellence and innovation create opportunities to generate additional value out of our existing facilities. We seek to improve our operational efficiency and increase the capacity of our existing facilities by investing in advanced handling equipment and streamlining our operational processes. We believe that this strategy is one of the most cost-effective methods for increasing capacity at our existing facilities. In addition, we continually communicate with our customers and essential stakeholders in the port and shipping community to maximize the connectivity, responsiveness, accuracy and speed that we are able to offer. We believe that the reliability and efficiency of our operations and information flow enhance our customers' competitive edge.

Maximize Customer Satisfaction with Innovative and Tailored Solutions that Add Value

Providing our global customers with value enhancing port and logistics solutions is a cornerstone of our operating strategy. We seek to sustain our consultative approach to customer relationship management to ensure we invest in facilities around the globe as and when our services are required. We employ a proactive management process that focuses on the key elements of connectivity, information sharing and security, which can provide strategic solutions in inventory and cost control in the global supply chain. Where it adds value and improves service for our customers, we will consider investing in complementary services outside the terminal gates. We believe that the reliability and efficiency of our operations and information flow will enhance our customers' competitive edge.

Enhance Relationships with Sector Participants

We continually evaluate our relationships with both current and potential future partners and stakeholders to ensure that we stay at the forefront of our industry, seizing the most attractive commercial opportunities by involving the relevant stakeholders from the outset. We believe that our credentials as one of the world's largest container terminal operators make us a partner of choice, and we seek to enhance this perception across the globe. We believe that efficient infrastructure transforms the local economies of the countries in which we operate, which ultimately enhances the value proposition for our business.

Deploy Capital for Sustained Growth, Profitability and Market Leadership

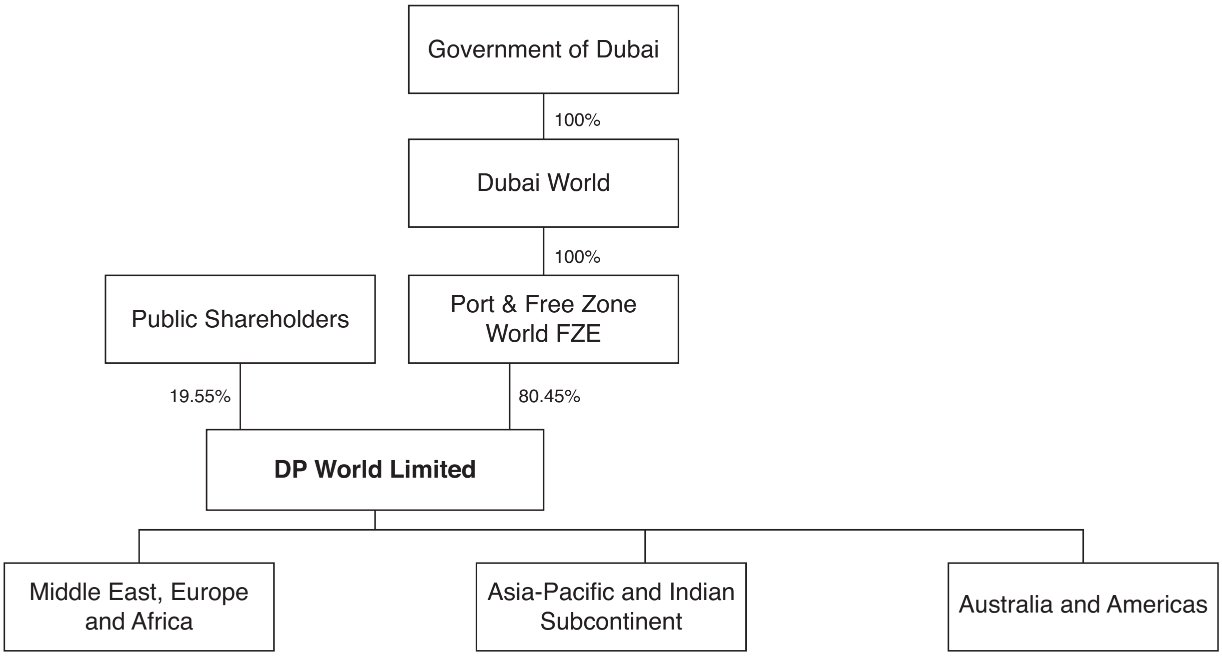
We intend to pursue investment opportunities based on our assessment of their potential for value creation, growth and sustained profitability. We continue to ensure that our assessment of potential investment opportunities is performed on a risk-adjusted basis, such that any capital deployed in more volatile markets is accompanied by a commensurate increase in the expected return. Within this framework, we emphasize operational control of new projects while ensuring that we have the most appropriate partners where required. We seek to position ourselves to react to changes in both our and our customers' industries to ensure that we remain the port operator of choice.

Create an Environment of Opportunity and Professional Enhancement for Employees

We believe that our achievement of operational excellence and innovation depends on the abilities, creativity and dedication of our employees. By implementing policies that allow us to be a good employer and good corporate citizen, we seek to create a culture of global excellence that will define our organization and the container terminal industry. We plan to continue to invest in the personal development of our employees to ensure that we attract and retain the most experienced, motivated and knowledgeable workforce.

Organizational, Reporting and Operational Structure

Dubai World, through its shareholding of our majority shareholder, Port & Free Zone World FZE, beneficially owns approximately 80.45% of our issued and outstanding share capital. Dubai World itself is wholly owned by the Government of Dubai. The following chart illustrates our organizational structure and the three financial reporting regions for our principal business activities.



Our Ports Businesses

Overview

We believe that our portfolio represents a well-diversified business in terms of geographic spread, political risk, currency fluctuation and level of economic development, with operations divided into the following three geographical segments: (i) Middle East, Europe and Africa, (ii) Asia-Pacific and Indian Subcontinent, and (iii) Australia and Americas.

The following chart lists our container terminals by geographic segments.

Middle East, Europe and Africa Segment

UAE
UAE
- DP World Jebel Ali
- Port Rashid (Dubai)
- Mina Zayed (Abu Dhabi)$^{\triangle}$
- DP World Fujairah

Middle East (excluding UAE)
Saudi Arabia
- DP World Jeddah

Egypt
- DP World Sokhna

Yemen
- DP World Aden*

Africa
Djibouti
- Port Autonome Djibouti
- Doraleh Terminal

Mozambique
- DP World—Maputo

Senegal
- DP World Dakar

Algeria
- DP World Djazair
- DP World Djen-Djen

Europe
Belgium
- DP World Antwerp
- Antwerp Gateway*

France
- Terminal de Nord (Le Havre)*
- Terminal de France (Le Havre)*
- Fos Container Terminal (Fos sur Mer)*
- Mourepiane Container Terminal (Marseille)*

Germany
- DP World Germersheim

Romania
- DP World Constanta

Russia
- Vostochnaya Stevedore Company*

Spain
- DP World Tarragona

United Kingdom
- DP World Southampton
- Tilbury Container Services*

Asia-Pacific and Indian Subcontinent Segment

Asia-Pacific
China
- Qingdao Qianwan Container Terminal*
- Tianjin Orient Container Terminals*
- ACT (CT8) (Hong Kong)*
- CT3 (Hong Kong)
- DP World Yantai*

Indonesia
- Terminal Petikemas Surabaya*

Philippines
- Asia Terminals Incorporated*

South Korea
- Pusan Newport Company*

Thailand
- Laem Chabang International Terminal*

Vietnam
- Saigon Premier Container Terminal

Indian Subcontinentat
India
- DP World Nhava Sheva
- DP World Chennai
- Mundra International Container Terminal
- DP World Cochin
- Visakha Container Terminal*

Pakistan
- DP World Karachi

Australia

Australia

- DP World Melbourne
- DP World Sydney
- DP World Brisbane
- DP World Fremantle
- DP World Adelaide

Americas

- DP World Callao, Peru

Argentina

- Terminales Rio de la Plata (Buenos Aires)

Canada

- DP World Vancouver

Dominican Republic

- DP World Caucedo*

Key:

* terminal operated pursuant to a joint venture arrangement

△ terminal operated pursuant to a management agreement

Core Services

Our core ports services are comprised of container cargo handling, which accounts for the significant majority of our revenue from operations and net profit, as well as general cargo handling and Roll On-Roll Off ("**Ro-Ro**") services.

Container cargo handling

The core services for containerized handling consist of lifting containers on and off of vessels, storing containers in the relevant terminal and facilitating the delivery and receipt of containers. The two main categories of throughput are O&D, which is also often referred to as import and export, and transhipment. O&D throughput differs from transhipment throughput primarily because O&D throughput has to go to, or be collected from, a particular terminal because of its proximity to the point of consumption or distribution. This makes O&D throughput more stable and we have more control over setting the price for O&D throughput compared with transhipment where the price is driven by the customer and global competition. O&D throughput also provides us with opportunities to earn additional revenue by charging for delivery or receipt of the container from the shipper or consignee, as well as by providing ancillary services, such as storage and container cleaning. For the year ended 31 December 2009 we estimate that approximately 73.6% of our gross throughput was O&D throughput.

General cargo handling and Ro-Ro services

In addition to container cargo handling services, some of our ports offer general cargo handling and Ro-Ro services at some of our terminals. We believe that by offering superior service and handling facilities, we are able to attract general cargo vessels carrying a wide variety of non-containerized goods. Our Ro-Ro facilities are designed to accommodate vessels that carry wheeled cargo, such as automobiles. The defining feature of Ro-Ro vessels is a built-in ramp, which allows cargo to be efficiently "rolled on" and "rolled off" the vessel when in port.

P&O Maritime Services

As part of the P&O Acquisition, we acquired P&O Maritime Services, which is based in Melbourne, Australia. Through its ownership, operation and management of a fleet of specialized vessels, P&O Maritime Services provides government shipping, cargo, defence and port services and chartering to a diverse range of government and industrial customers in Australia, Argentina, Paraguay, Ireland, Papua New Guinea, Singapore, the United Kingdom and the UAE.

A significant majority of the revenue of P&O Maritime Services is derived from contracts with a term of five or more years with its major clients, including the Australian Antarctic Division, the Royal Australian Navy, CSIRO, Centre for Environment, Fisheries and Aquaculture Science UK, Marine Institute Ireland, University of Wales, Institut Polaire Francais, Fugro Australia, Min Metals Group, Ok Tedi Mining and Xstrata. The defence business of P&O Maritime Services in Australia is operated through DMS Maritime Pty Ltd, a 50% owned joint venture.

P&O Maritime Services has also taken over the marine operations at DP World's Jebel Ali Port and has brought a number of safety, savings and efficiency measures to that operation. From that base P&O Maritime Services also recently concluded a contract to provide tugs to DP World Sokhna.

From its regional bases in the Australasia, Middle East, South America and UK/Europe P&O Maritime is expanding is existing specialist services into harbour marine services, bulk commodity river barging; offshore wind farm support, off shore oil and gas support and Antarctic logistics.

Customers

Our customers comprise over 150 carriers and cargo interests, including all of the top ten global container shipping lines, as well as general cargo and car carriers. We also perform logistics activities whereby we deal directly with both transport companies and the ultimate owners of the relevant cargo, such as manufacturers, traders and importers. We have continued to invest in our operations to improve our service to our customers with a number of our terminals benefitting from new cranes and yard equipment.

Contracts in the container terminal industry are characterized by relatively long terms, usually in the range of one to three years, and typically, although not exclusively, require cause in operational failing to allow early termination. However, in certain regions, such as Europe, a limited number of contracts may have relatively short notice periods in respect of termination, often only of one year, and allow for termination without cause.

Business Development

New opportunities are identified by multiple sources throughout the organization and through the many different channels yielded by our extensive network, including discussions with our customers and with government representatives and authorities. We have a clearly defined strategy for our business development activity that allows us to efficiently short-list and pursue opportunities that will likely add the greatest potential value to our business. We evaluate new business opportunities based both on the initial investment we will be required to make and the potential future expected growth opportunity associated with the asset. Our preference when looking at new opportunities is to achieve an appropriate balance between established and developing sites, a predominance of O&D cargo and locations in the faster growing emerging markets.

Our new project and major expansion pipeline includes a total of 11 terminal development projects in Brazil, China, Egypt, France, India, the Netherlands, Pakistan, Senegal, Turkey and the United Kingdom. Two of these terminal development projects in Vallapadam, India and Karachi, Pakistan will commence operations towards the end of 2010.

Concessions

Our terminal operations are substantially conducted pursuant to long-term operating concessions or leases entered into with the owner of a relevant port for terms generally between 20 and 50 years. Based on our experience, incumbent operators are typically granted renewal of operating concessions leases, often because it can be costly for a port owner to switch operators, both administratively and due to interruptions to port operations and reduced productivity associated with such transitions. We commonly start negotiations regarding the renewal of concession agreements with approximately five to ten years remaining on the term and often obtain renewals of or extensions on concession agreements in advance of their expiration in return for a commitment to make certain capital expenditures in respect of the subject terminal. Over the last two years, the three concession agreements that we sought to renew were successfully renewed. Two of the concessions were in Australia, in Adelaide and Sydney, and were renewed for a further 30 years and 15 years, respectively, and the third concession was in Maputo, Mozambique, which was renewed for 25 years. We are currently negotiating the renewal of a concession agreement relating to one terminal in Europe which is due to expire within the next twelve months from the date of this Prospectus.

We generally seek to structure our concession agreements to have payment terms with a fixed and a variable element. We believe that these payment terms help align the concessionaire's and our interests to maximise throughput as the variable element of the fee payable to the concessionaire is calculated on throughput through the relevant port. The concessionaire is therefore incentivised to provide a good land side service so that the level of throughput, and their corresponding fee, is increased.

Portfolio

Middle East, Europe and Africa Region

UAE

Overview. The UAE is an important trading hub for the Middle East, African and Indian Ocean rim countries. We have been operating in the UAE since 1972, initially at Port Rashid (Dubai) and subsequently at DP World Jebel Ali, Mina Zayed (Abu Dhabi) and DP World Fujairah (Fujairah). DP World Jebel Ali is our flagship facility and was the seventh largest container terminal in the world according to Containerization International Online in 2009. In addition, DP World Jebel Ali can accommodate the required draft of any container vessel in existence or on order and deploys the largest quayside cranes currently in operation in the world, capable of lifting two forty-foot containers or four twenty-foot containers at a time. We hold operational control over the facility at Mina Zayed through a 5 year management contract signed in 2006, which entitles us to a fixed fee for our services.

Competitive position. We believe we hold the strongest market position as a terminal operator compared with any other operator in the UAE and Middle East due to the high volumes of O&D cargo having to use DP World Jebel Ali. Our container operations at DP World Jebel Ali are strengthened by being adjacent to the Jebel Ali Free Zone, which is home to over 6,500 international companies and generates significant volumes of captive container traffic for us. The free zone and port are physically connected, creating a logistics hub potentially capable of serving over 2 billion consumers from West Asia to East Africa. We expect that Al Maktoum International Airport (formerly Dubai World Central International Airport), which commenced initial operations in June 2010, will increase considerably the size and scope of this logistics zone and provide additional opportunities for sea-air freight services.

Other activities. In addition to container cargo handling, certain of our facilities in the region offer general and bulk cargo handling, Ro-Ro, reefers (being refrigerated shipping containers for transporting perishables) and tanker facilities and container repair, commercial trucking, sea-air cargo, logistics and/or other terminal services. The UAE region has historically contributed the majority of the total group non-container revenue. This primarily consists of general and bulk cargo in the UAE region.

Middle East (excluding UAE)

Overview. We have been present in Jeddah, Saudi Arabia since we won the contract to manage Jeddah Port in 1999. In the third quarter of 2007, through our acquisition of Siyanco DPA, we acquired a 100% ownership interest in DP World Jeddah (formerly Jeddah South Container Terminal), which we had previously operated pursuant to a management contract and which is the largest facility by capacity on the Red Sea. DP World Jeddah is focused on attracting long-term O&D customers not only for the local Jeddah market, but also for the Riyadh market once the Saudi Arabian government completes the proposed rail-land bridge.

In the first quarter of 2008, through our acquisition of SPDC, we acquired a 90% ownership interest in DP World Sokhna (formerly Sokhna Port). DP World Sokhna is the closest container port to Cairo and is located within the 90 square kilometer North West Suez Economic Zone, the first of its kind in Egypt. In October 2010, an agreement was signed between DP World Sokhna and the Red Sea Ports Authority that will allow us to construct an additional terminal at Sokhna Port within the next four years, with a quay length of 1,300 metres and a capacity of 1.75 million TEU which will more than double the size of DP World Sokhna's current capacity. The new agreement replaces the original concession agreement awarded to DP World and further extends the concession to 35 years after completion of the construction of a new terminal.

We entered into a joint venture with the Yemen Gulf of Aden Port Corporation in July 2008 to operate and develop the container handling facilities in the port of Aden. This port is strategically located to capture significant growing regional transhipment volumes. In addition, Aden is a key domestic cargo gateway for Yemen.

Competitive position. We currently face intra-port competition at Jeddah Port from the North Terminal in Jeddah and from the recently developed Red Sea Gateway Terminal (RSGT), that is developed on existing land within the port adjoining the North Terminal. This leads to competition and imbalances in supply and demand. We face inter-port competition for regional transhipment throughput from Salalah and the Mediterranean hub ports for mainline relay business.

Other activities. In addition to our container terminal business, our terminal at Jeddah offers reefer facilities. Sokhna offers container business, breakbulk & general cargo, passenger vessels and liquid terminal facilities. In addition, Aden offers container handling reefer and CFS facilities.

Europe

Overview. Our operations in Europe are well established, with facilities in Western and Eastern Europe. With the exception of DP World Germersheim, and shares that we have in three inland terminals in Belgium and Germany, all our terminals offer deep-water access and are strategically located to reach the major markets of the United Kingdom and Continental Europe.

Our operations in Europe include twelve operational terminals covering markets from North Europe to the Mediterranean, the Black Sea, up to the Far-East Russian seaboard. As well as investing in our existing facilities to improve service and increase capacity, we also continue to explore new opportunities in this region. We also have key developments projects at London Gateway on the River Thames, Rotterdam World Gateway, which will be the first container terminal on the new Maasvlakte 2 reclamation development in Rotterdam, and in Yarimca, Turkey.

Competitive position. Western Europe is a well-established market characterised by high stability of throughput with moderate growth. Competition between ports across Western Europe is well developed, and our key global competitors HPH, APMT and PSA are well established there. HHLA is also one of the significant local operators there.

The Eastern European market is less developed and has been adversely affected by the global economic recession. DP World Constanta is the largest and most modern facility on the Black Sea and acts as a hub for other Black Sea ports in Ukraine, Bulgaria and Turkey. While Constanta Port is currently the only deep-sea port with direct access to the Danube inland waterway (which handles container barge traffic to the former Yugoslavia), surrounding countries are developing modern, deep-water container terminals, which may compete with DP World Constanta for transhipment traffic or reduce the need for transhipment at Constanta Port. Nevertheless, we expect that when Ukraine and Romania emerge from recession, DP World Constanta will be well positioned to benefit from the growth in these markets.

Other activities. In addition to container cargo handling, certain of our facilities in the region offer general and bulk cargo handling, Ro-Ro services, container freight station, stuffing and unstuffing warehousing and reefer facilities and logistics, empty depot, custom documentation and/or other terminal services. We also operate a fleet of Rhine River barges that connect DP World Germersheim with the deep-water ports of Rotterdam and Antwerp and receive daily shuttle trains at the terminal with containers from Rotterdam.

Africa

Overview. Our presence in Africa began in 1995 when P&O obtained the concession to operate the container terminal in Maputo Port, Mozambique now re-branded DP World—Maputo. P&O subsequently acquired general and bulk cargo stevedoring operations at each of South Africa's major ports, namely Richards Bay, Durban, East London, Port Elizabeth and Cape Town, which we continue to manage under the DP World—Cargo Services brand, and which has recently expanded its services to Maputo. We are present in Djibouti where we commenced container operations at a new facility in Doraleh in January 2009 while continuing to manage the Port of Djibouti and other cargo operations under a management agreement with the Government of Djibouti.

In addition, in the second quarter of 2007, we were awarded the concession to operate the existing container terminal in the Port of Dakar, Senegal and develop a new terminal there in the future. The development of capacity in Africa remains a priority for DP World and further deals are under negotiation in this region. The Company's concession in Mozambique has been extended by an additional 25 years as a result of an agreement signed in July 2010.

We have also expanded our operations into Algeria by obtaining a concession to operate the ports of Djazair and Djen-Djen in November 2008 and February 2009, respectively, which we began operating in the second quarter of 2009. The port at Djazair will be developed to primarily serve Algeria's domestic needs. The port at Djen-Djen is the main terminus for the Eastern part of the country and will be developed as a transhipment hub for the Western Mediterranean.

Competitive position. As an emerging region, competitor presence is limited relative to other regions globally. We hold strong positions in our operating locations. Both Djibouti and Maputo have no intra-port competition and limited regional competition.

Other activities. In addition to our container terminal business, we operate the entire Port of Djibouti, which includes container terminal activities, bulk cargo and a logistics zone, and Djibouti Airport.

Asia-Pacific and Indian Subcontinent Region

Asia-Pacific

Overview. Our origins in the Asia-Pacific date back to 1973, when Sea-Land Service, Inc. ("**Sea-Land**"), which was acquired by CSX Corporation in 1986, developed CT3 (Hong Kong). It subsequently developed additional significant operations in China (including Hong Kong), as well as a greenfield project in Pusan, South Korea, which commenced operations in 2006. Since the early 1990s, P&O gradually acquired or built facilities in China (including Hong Kong), the Philippines, Indonesia and Thailand. We currently have a strong presence in key manufacturing heartlands of China and also have interests in the fast growing economies of South-East Asia. Our Asia-Pacific operations are managed from Hong Kong, with sub-regional offices in Shanghai, which focuses on north and central China, and Manila, which focuses on South-East Asia. All of our Asia-Pacific operations are joint ventures and associates.

Competitive position. With ten container terminals, we have a significant presence in the Asia-Pacific market, with a strong presence in the key gateway ports in China (namely Quingdao Qianwan Container Terminal), CT3 (Hong Kong), Tianjin and DP World Yantai) and in many strategic locations across the region (including Thailand, Indonesia, the Philippines, Vietnam, Russia and South Korea). We also operate logistics facilities in Hong Kong and Yantian. The most significant of these logistics operations is the ATL Logistics Centre in Hong Kong, which encompasses a gross area of 865,937 square meters and is the largest industrial building in the world by area. The ATL Logistics Centre provides warehouse and office leasing, as well as a full range of cargo handling and container freight station consolidation and distribution services. The ATL Logistics Centre is a market leader in the premium warehouse leasing segment in southern China and we plan to continue to leverage our strong regional presence to identify new development opportunities. We opened the Saigon Premier Container Terminal in Vietnam in October 2009.

Other activities. In addition to container cargo handling, certain of our facilities in the region offer general and bulk cargo handling, ferry, Ro-Ro, reefer and container freight station facilities and container repair and/or other terminal services.

We also operate a break bulk cargo terminal in the Philippines. The most significant of these logistics operations is the ATL Logistics Centre in Hong Kong, as noted above.

Indian Subcontinent

Overview. We have had a decade-long presence in the Indian Subcontinent, which started in 1997 with P&O obtaining the concession to operate Qasim International Container Terminal (now DP World Karachi) in Bin Qasim, Pakistan and participating in the first Indian port privatization at Nhava Sheva International Container Terminal (now DP World Nhava Sheva) in the Jawaharlal Nehru Port Trust, Navi Mumbai. Since then, we have expanded our presence in the region significantly. Our terminals are well-positioned to service customers in the hinterlands of India and Pakistan and, with the addition of our new development in Kulpi, we will have a strategic gateway presence around the entire coast of the Subcontinent.

Competitive Position. We are a market leader in the Indian Subcontinent. We face intra-port and regional competition from other global operators. Our strong position, combined with a high proportion of O&D traffic and market growth potential, makes the Indian Subcontinent an extremely important part of our global portfolio.

Other activities. In addition to container cargo handling, certain of our facilities in the region offer general and bulk cargo handling, container storage, internal terminal transport, reefer and container freight station facilities, lashing, stuffing and de-stuffing and/or other terminal services and container rail road logistics.

Australia and Americas Region

Australia

Overview. We operate container terminals in each of the five state capital cities of Australia—Brisbane, Sydney, Melbourne, Adelaide and Fremantle (serving Perth)—and can trace the origins of our operations in Australia to the formation of P&O in the 19th Century. In addition, all of our terminal operations in Australia benefit from excellent rail links between the terminals and the relevant surrounding hinterland. Over the last two years, we have renewed our concessions in Australia by way of (i) a new 15-year operating lease extension for DP World Sydney and (ii) a new 30-year operating lease for DP World Adelaide. In 2010, P&O Maritime Services expanded into Egypt with a new contract to provide tug boat services to DP World Sokhna. The contract is for three years, with three 1 year extensions.

Competitive Position. Historically, the major Australian ports of Sydney, Melbourne, Brisbane and Fremantle have each developed dual container terminal operator structures to ensure that competition exists within each port, and we are one of only two companies that currently operate container terminals in Australia. Our main competitor is the Asciano Group's Patrick Stevedores division and is present in every port in which we operate except Adelaide, where we operate the only container terminal. However, in April 2007, Port of Brisbane Corporate ("**POBC**") announced the introduction of the third operator with HPH being awarded the lease for Berths 11 and 12 (330 metres and 300 metres respectively) which POBC anticipates will be operational by 2012 and 2014.

Other activities. As part of the P&O Acquisition, we acquired P&O Maritime Services, which is based in Melbourne, Australia. Through its ownership, operation and management of a fleet of specialized vessels, P&O Maritime Services provides shipping, cargo, port, charter and agency services to a diverse range of government (including the military) and industrial customers in Australia, as well as Argentina, Ireland, Papua New Guinea, Singapore, the United Kingdom and the UAE.

A significant majority of the revenue of P&O Maritime Services is derived from contracts with a term of five or more years with its major clients, including the Australian Government Antarctic Division, the Department of Defense, Australian Customs Service, CSIRO and Xstrata. Services provided to the military are operated through Defense Maritime Services Pty Ltd, a 50% owned joint venture with Serco Group plc of the United Kingdom.

Americas

Overview. P&O entered the South American market in 1994 when it was awarded the concession to operate Terminals Rio de la Plata (Buenos Aires). In addition, CSX WT had developed operations at Caucedo, Dominican Republic in 2004 and P&O acquired operations in Vancouver, Canada in 2003. Our operations in the Americas have been strengthened by the commencement of operations in Callao, Peru, in 2010. We have recently added a development project in Santos, Brazil to our Americas portfolio, with the forming of a new joint venture for Embraport.

Competitive position. The Americas geographical area remains highly fragmented, with many independent companies operating single terminals in key markets and government owned entities maintaining a significant presence. Given the strategic position of our facilities as regional gateway ports, our facilities have market leading positions in their respective selected markets in Latin America where we have an operating presence in four of the top ten container ports in Latin America.

Other activities. In addition to container cargo handling, certain of our facilities in the region offer general and bulk cargo handling, reefer, on-dock rail and cruise and ferry passenger facilities and/or other terminal services. In Vancouver, Canada, our general stevedoring operation principally encompasses Ro-Ro automobiles and bulk grain. Terminales Rio de la Plata is the exclusive cruise terminal operator in Buenos Aires which is a major seasonal cruise destination.

Security and Business Resilience

We are committed to improving our security on an ongoing basis in order to enhance our position as a leading global operator, while assuring quality service and continued customer satisfaction. Our corporate security policy is designed to protect our personnel, assets, reputation and customers' interests by employing the highest corporate, ethical and operational standards to meet our vision of excellence.

We have dedicated strategic security resources at the corporate level, which provide counsel to our executive management and direction to our business units around the world. We have set ourselves a series of primary security objectives that are designed to implement our corporate security policy across our network of container terminals. Simultaneously, in conjunction with other internal departmental objectives, we are building business resilience capacity in the critical areas of asset protection, corporate governance, information assurance, business continuity, reputation management and crisis management.

Our security and business resilience objectives are met through the implementation of a planned set of security standards initiatives and internal programs. These are consistent with international security legislation and appropriately recognised and accredited quality management systems. Thirty-one of our terminals are certified to the independently audited ISO 28000 standard and we aim to have all our terminals certified by the end of 2012. We are a member of the EU Customs Security Program-Authorized Economic Operator initiative (AEO) and the US government Customs-Trade Partnership Against Terrorism (C-TPAT). We were the first international port operator to be invited as a member, and we are an active participant in the US Container Security Initiative (CSI), which places US Customs officers at sensitive terminals around the world.

Safety and Environment

We consider safety and environment ("**S&E**") to be of fundamental importance in every aspect of our global operations. We understand and take very seriously the S&E responsibilities that we have to employees, customers, contractors, visitors, government agencies and communities.

We have dedicated S&E resources throughout the world that provide expert advice for management in exercising our corporate obligations in this critical area. Management, staff and employees are guided by our corporate Safety and Environment Policy, which has been authorized by our Chief Executive Officer, and all business units, irrespective of the jurisdiction in which they operate, are required to implement this policy. The implementation of the global standards has been crucial to the improvement in our safety performance in the business units.

DP World is fully committed to robust environmental management in our terminals and development projects while playing a proactive role in tackling the challenges of climate change through initiatives such as reduction in resource consumption and continual improvement in energy efficiency.

More than half of our business units are certified to ISO 14001 on Environmental Management Systems with the remaining terminals progressing towards it.

DP World aims high in its target-setting and is working towards a significant 27% reduction in greenhouse gas emissions, normalised against trade throughput, over a measurement period of five years (from 2009). This is amongst the most ambitious targets in any industry sector.

DP World has invested heavily in lower-carbon plant and equipment and is embracing renewable energy technologies in our terminals.

In 2010, DP World was the first terminal operator to publicly disclose its carbon emissions as part of the Carbon Disclosure Project. The company also signed up to the Copenhagen Communiqué on climate change and is a contributing stakeholder in the World Economic Forum's Decarbonisation of the Supply Chain project.

Information Technology and Operating Systems

Our IT strategy is designed to enable local IT groups at our terminals to meet their requirements with little dependency on a company-wide IT infrastructure, although we provide some centralized IT services, such as hosting and network services, to varying degrees at a regional level. While our central IT department plays a vital role in strategic planning, governance and standardization of IT across our portfolio and, in the case of new terminal operations, provides guidance, consulting and reviews, it is not involved in the day-to-day IT operations of our terminals. We believe that this strategy provides our local IT groups with the flexibility to design IT solutions that best fit the needs of a particular terminal. When designing such solutions, we encourage our local IT groups to purchase readily available off-the-shelf software wherever possible.

Each of our terminals, based on the nature of its business, is configured to keep its systems operational, including with respect to business processes and procedures, under abnormal conditions. Although IT systems are essential to the functioning of our terminals, proper manual backup procedures have been devised to support our operations in case of a rare unexpected system downtime. We have defined IT component topologies and recovery time objectives for each business process, which prescribe the appropriate level of IT infrastructure depending on the importance of the relevant business process. For example, a business process, such as container movement operations at a large terminal, that is categorized as "mission critical" would be allocated an IT infrastructure consisting of a clustered server environment with significant resilience, extensive focus on backup and IT disaster recovery plans, with the aim of providing for 99.99% availability.

Employees

As of the six months ended 30 June 2010, we had approximately 30,000 employees (which figure includes employees at consolidated subsidiaries and joint ventures). Our employees are engaged under a variety of employment arrangements, including, pursuant to individual employment contracts, collective bargaining agreements and through third-party sourcing. A significant majority of our employees in Argentina, Australia, Belgium, Canada, China, the Dominican Republic, France, India, Pakistan, Peru, South Africa, South East Asia, South Korea and the United Kingdom operate pursuant to collective bargaining agreements that typically cover employees in the relevant countries. We believe that the material terms of our collective bargaining agreements and other terms of employment are customary for the countries and industries in which we operate and that we have a good relationship with our employees.

Legal Proceedings

Apart from the legal proceedings highlighted below, there are, and have been, no other governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which we are aware) during the twelve months preceding the date of this Prospectus that may have, or have had, significant effects on our financial position or profitability.

(a) The Group through its 100% owned subsidiary Mundra International Container Terminal Private Limited ("**MICT**") has developed and is operating the container terminal at the Mundra port in Gujarat. In 2006, MICT received a show cause notice from Gujarat Maritime Board ("**GMB**") requiring MICT to demonstrate that the undertaking given by its parent company P&O Ports (Mundra) Private Limited, with regard to its shareholding in MICT has not been breached in view of P&O Ports being taken over by the Group (DP World). Based on the strong merits of the case and on the advice received from legal counsel, we believe that the above litigation is unsubstantiated and in our view, it will have no impact on the Group's ability to continue to operate the port.

(b) Our 100% owned subsidiary Chennai Container Terminal Ltd ("**CCTL**") has received claims from the Chennai Port Trust ("**CPT**") covering CCTL's alleged failure to fulfil its obligations in respect of non-transhipment containers for a period of four years from 1 December 2003 and additional lease charges for land leased by CCTL from CPT. CCTL has limited counterclaims against CPT. Based on advice from our legal counsel, we believe that both proceedings will not have an adverse impact on the Group's financial position and that the cases will be settled in the Group's favour. The aggregate US$ equivalent of the two Indian Rupee based claims as at 31 December 2009 was US$35.64 million.

Insurance

Our operations are subject to normal hazards of operational and geographic risks, including accidents, fire and weather-related perils. Globally, we maintain various types of insurance policies to protect against the financial impact arising from unexpected events when the amount of the potential loss would be significant enough to prevent normal business operations. The purchase of these policies is co-ordinated by an internal insurance department, with applicable limits, coverage, scope and deductibles that we, with the advice of our insurance advisors, believe are reasonable and prudent after all means of controlling or preventing the risk have been considered. We cannot, however, assure you that this insurance will be adequate to protect us from all expenses related to potential future claims for personal injury and property damage or that these levels of insurance will be available in the future at commercially reasonable prices.

We do not fully insure against certain risks to the extent that such risks may not be fully insurable or related coverage is unavailable at what we consider to be appropriate price levels. *See "Risk Factors—Risks Relating to the Group—We may not maintain sufficient insurance coverage for the risks associated with the operation of our business".*

SHAREHOLDERS

The following table sets forth the beneficial owners of, and their respective interests in, the ordinary shares of the Company.

	As at the date of this Prospectus	
Shareholder	**Number of Shares**	**% of issued share capital**
Port & Free Zone World FZE[1] PO Box 17000 Dubai, United Arab Emirates	13,354,700,000	80.45
Public shareholders	3,243,996,430	19.54
Directors and management	1,303,570	0.01
Total	**16,600,000,000**	**100%**

(1) Port & Free Zone World FZE is a free zone establishment formed and registered under the laws promulgated by the Jebel Ali Free Zone Authority ("**JAFZA**"). Port & Free Zone World FZE is controlled by Dubai World, which is a holding company owned by the Government of Dubai.

Each of the ordinary shares held by Port & Free Zone World FZE has the same voting rights attached to it as one of the ordinary shares held by any other holder.

Other than Port & Free Zone World FZE as described above, we are not aware of any shareholder that, directly or indirectly, jointly or severally, owns or could exercise control over the Company.

Dubai World Restructuring

On 25 November 2009, the Government of Dubai announced that it had authorised the Dubai Financial Support Fund, acting through the Supreme Fiscal Committee, to spearhead the restructuring of DP World's ultimate parent company, Dubai World, and its direct and indirect subsidiaries. At that time and following confirmation from the Government of Dubai, DP World announced that DP World and its debt were not included in the restructuring process for Dubai World. Following the announcement by the Government of Dubai, Dubai World requested certain of its finance providers and hedging counterparties to "standstill" and extend maturities until at least 30 May 2010.

Dubai World held an all-lender meeting on 21 December 2009 where it provided an overview of the proposed restructuring process. On 10 September 2010, Dubai World announced that it had received approval from approximately 99 per cent. of creditors in respect of its proposal to restructure approximately US$24.9 billion of its debt. The Company understands that as at the date of this Prospectus all the lenders to Dubai World have expressly agreed to the commercial terms of that restructuring.

RELATED PARTY TRANSACTIONS

Related parties represent associated companies, major shareholders, our Directors and key management personnel, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by our management. Save as described below or in Note 27, "*Related Party Transactions*", of the Notes to our Consolidated Financial Statements, no related party transactions between us and the foregoing entities have occurred or been entered into in the past three fiscal years.

Concession Agreement

On 31 December 2006, our wholly-owned subsidiary DP World UAE entered into the Concession Agreement with DPA to operate DP World Jebel Ali, Port Rashid (Dubai) and Hamriya Port in Dubai on an arm's-length basis. The ownership of these ports has been retained by DPA. The Concession Agreement became effective as of 1 July 2006 for a term of 99 years and is governed by the federal law of the UAE and the laws of the Emirate of Dubai.

During the term of the Concession Agreement, DP World UAE has exclusive rights to use the relevant land and existing infrastructure and superstructure within the concession area. DP World UAE has paid consideration calculated on a fair market basis for such infrastructure and superstructure as if those assets were transferred outright to it. On expiration of the term, all assets developed, leased, acquired by or transferred to DP World UAE shall be transferred to DPA on a fair market valuation basis.

DP World UAE is not obligated to pay any annual concession fee until 31 December 2012. After that date, calculation of the annual concession fee is based on the greater of a certain percentage of revenue and a fixed monetary amount. DPA has the right to terminate the Concession Agreement on an event of default by DP World UAE, which include material breach of an obligation, failure to pay, abandonment and change of control.

Commercial Agreements and Arrangements

From time to time in the ordinary course of our business, we may enter into commercial contracts and arrangements with, or otherwise provide services to, or obtain goods and services from, affiliates. These commercial arrangements are generally on an arm's length basis and subject to customary market terms.

MANAGEMENT

Board of Directors

As at the date of this Prospectus, the Board of Directors is comprised of the seven members (each, a "**Director**") listed below.

Name	Position(s)	Date of appointment(1)
Sultan Ahmed Bin Sulayem(2)	Chairman of the Board	30 May 2007
Jamal Majid Bin Thaniah(2)	Director; Joint Vice Chairman	30 May 2007
Mohammed Sharaf	Chief Executive Officer; Director	30 May 2007
Yuvraj Narayan	Chief Financial Officer; Director	9 August 2006
Sir John Parker(2)(3)	Director; Joint Vice Chairman	30 May 2007
David Williams(2)(3)	Director	30 May 2007
Cho Ying Davy Ho(2)(3)	Director	30 May 2007

(1) All directors have subsequently retired and been re-elected by rotation in accordance with the Articles.

(2) Denotes a Non-Executive Director.

(3) Denotes an independent Non-Executive Director.

Brief biographies of each of the members of the Board of Directors are set out below:

Sultan Ahmed Bin Sulayem has served as Chairman of the Board of the Company since 30 May 2007. He is also Chairman of Dubai World. As leader of Dubai World, he oversees businesses in industries as diverse as real estate development, hospitality, retail, e-commerce and various commodities exchanges, as well as those associated with transportation and logistics. He has more than 25 years' experience in the marine terminal industry and is a leading Dubai and international businessman.

Jamal Majid Bin Thaniah has served as a Director and Vice Chairman of the Company since 30 May 2007. He joined Dubai Ports in 1981 and, from 2001, led DPA, which operated DP World Jebel Ali and Port Rashid (Dubai). On becoming Group Chief Executive Officer of Dubai World on 27 October 2009, he became a Non-Executive Director. He is also Group Chief Executive Officer of Port & Free Zone World FZE. As Group Chief Executive Officer of Port & Free Zone World FZE, he also oversees the P&O Ferries Business and the free zone and business park company, Economic Zones World, which includes Jafza International and Jebel Ali Free Zone. He also serves as Vice Chairman of Istithmar World Holdings LLC and Istithmar World PJSC and as a Non-Executive Director of Union Railway Company (Abu Dhabi).

Mohammed Sharaf has served as Chief Executive Officer since 2005 and as a Director of the Company since 30 May 2007. He joined DPA in 1992 and became Managing Director of Dubai Ports International in 2003. He began his shipping career at Holland Hook terminal in The Port of New York/New Jersey and has more than 20 years' experience in the transport and logistics business. He is also Chairman of Tejari World FZ LLC.

Yuvraj Narayan has served as Chief Financial Officer since 2005 and as a Director of the Company since 9 August 2006. He Joined DP World in 2004. He serves as Non-Executive Director of Istithmar World PJSC and Non-Executive Director of IDFC—SSKI Securities Limited. He previously served as ANZ Group's Head of Corporate and Project Finance for South Asia before becoming Chief Financial Officer of Salalah Port Services in Oman. He is a qualified Chartered Accountant and has more than 23 years' experience in the ports and international banking sectors.

Sir John Parker has served as an independent Non-Executive Director and Vice Chairman of the Company since 30 May 2007. He serves as Chairman of National Grid plc and Chairman of Anglo American plc. He previously served as Chair of the Court of the Bank of England and Non-Executive Chairman of BVT, Joint Chairman of Mondi plc, Non-Executive Director and Deputy Chairman and, subsequently, Chairman of P&O and as Vice Chairman of Port & Free Zone World FZE. He was a Member of the Prime Minister's Business Council for Britain (2008-2010). He is also a Non-Executive Director of Carnival plc and Carnival Corporation and EADS Airbus.

David Williams has served as an independent Non-Executive Director of the Company since 30 May 2007. He is currently Joint Chairman of Mondi plc and Non-Executive Director of Tullow Oil plc and Meggitt plc. He previously served as a Non-Executive Director of P&O, Taylor Wimpey plc and George

Wimpey plc. He has also served as a Non-Executive Director of Dewhirst Group plc, a Non-Executive Director of Medeva plc and as Finance Director of Bunzl plc. He is a qualified Chartered Accountant.

Cho Ying Davy Ho has served as an independent Non-Executive Director of the Company since 30 May 2007. Having retired from many of his Swire Group positions, he continues to serve as director of several Swire Group entities relating to properties and cold storage. He previously served as director of Cathay Pacific Airways Limited, Modern Terminals Ltd. and Shekou Container Terminals Ltd. and as Chairman of the Shipping Committee of the Hong Kong General Chamber of Commerce.

For information related to the compensation of our Directors see "—*Compensation*" below.

The business address for each of our Directors is c/o DP World Limited, PO Box 17000, Dubai, UAE.

There are no potential conflicts of interest between the duties owed by the Directors to the Company and their private interests or other duties.

Board Legal Adviser and Company Secretary

The primary responsibility of the Board is to foster the long-term success of the Company. The Board is ultimately responsible for the management, and is accountable for all operations, of the Company. To assist the Board in carrying out its functions, all Directors have access to the Company's Board Legal Adviser and Company Secretary (the "**Board Legal Adviser and Company Secretary**"), as well as independent professional advice at the Company's expense, if necessary. The Board Legal Adviser and Company Secretary of the Company is **Bernadette Allinson**, who is a Solicitor with over 20 years experience as counsel and company secretary to UK publicly quoted companies.

Senior Management

In addition to the executive management appointed to the Board, the day-to-day management of our business is led by the following senior managers (the "**Senior Managers**") who, together, comprise the Executive Committee (see "—*Corporate Governance*" below) of the Company (save that Anwar Wajdi is an attendee and not a member of the Executive Committee) and, together with other regional managers, have the appropriate expertise and experience to conduct the day-to-day management of our business:

Name	Position(s)
Mohammed Sharaf(1)(2)	Chief Executive Officer
Anil Wats(2)	Executive Vice President and Chief Operating Officer
Yuvraj Narayan(1)(2)	Chief Financial Officer
Mohammed Al Muallem(2)	Senior Vice President and Managing Director—UAE
Peter Wong(2)	Senior Vice President and Managing Director—Asia-Pacific
Anwar Wajdi	Senior Vice President—Commercial and Corporate Strategy

(1) Please refer to "—*Board of Directors*" above for biographical details.

(2) Denotes an Executive Committee member.

Brief biographies of each of the Senior Managers (other than Mohammed Sharaf and Yuvraj Narayan, whose biographies are set out above) are set out below:

Anil Wats has served as Executive Vice President and Chief Operating Officer since 2005. He joined DP World in 2003 as Global Commercial Director. He began his career with Sea-Land Service Inc. and served in various positions including Vice President heading the Mediterranean and, later, Chief Executive Officer responsible for group activities covering the Middle East and the Subcontinent. Following the acquisition of Sea-Land by the A.P. Moller-Maersk Group, he was appointed Chief Executive Officer for the A.P. Moller-Maersk Group activities for Indonesia and, later, the UAE, Oman and Qatar and was on multiple global boards and committees. He has more than 25 years' experience in the international shipping and logistics industry having lived across the globe.

Mohammed Al Muallem serves as Senior Vice President and Managing Director—UAE Region. He began his career with DP World at Port Rashid more than 20 years ago and has led the integration of DPA, Dubai Customs and the Free Zone Organisation.

Peter Wong serves as Senior Vice President and Managing Director—Asia-Pacific Region and joined DP World as part of the acquisition of CSX WT in 2005. He has extensive experience in the shipping industry, having worked in North America, Europe and the Far East.

Anwar Wajdi serves as Senior Vice President—Commercial and Corporate Strategy. He joined DP World in 1992 as a trainee and previously served as Deputy Managing Director for the UAE Region. He has played a role in securing projects for the Company and has led the development of the DP World UAE commercial systems, procedures and policies.

Each of the Senior Managers can be contacted at our registered office, c/o DP World Limited, PO Box 17000, Dubai, UAE.

There are no potential conflicts of interest between the duties owed by the Senior Managers to the Company and their private interests or other duties.

Compensation

For the year ended 31 December 2009 and for the six months ended 30 June 2010, the aggregate total remuneration we paid (including contingent or deferred compensation) to our Executive Directors and Senior Managers listed above was US$7.0 million.

In addition, the total amount set aside or accrued by the Group to pension, retirement or other benefits to all employees, including the Directors and Senior Managers as at 31 December 2009 and for the six months ended 30 June 2010 was US$0.5 million respectively. The remuneration of the independent Non-Executive Directors is decided by the Chairman and approved by the Board. For the year ended 31 December 2009, the independent Non-Executive Directors received a fee, set out as follows, which included remuneration for their services in being a member of, or chairing, a Board Committee (see "—*Corporate Governance*" below):

Name	Non-Executive Director Fee
Sir John Parker	$469,800
David Williams	$125,280
Cho Ying Davy Ho	$101,770

Our Directors, other than our Chief Executive Officer and Chief Financial Officer, are not under service contracts with us with respect to their roles as Directors, and we do not have contractual obligations to provide benefits to our Directors upon termination of their directorships. Our Chief Financial Officer would be entitled to end of service benefits on termination of employment.

Short-Term Bonus and Long-Term Incentive Plans

Our Short Term (Annual) Bonus Scheme is based on performance against EBITDA and against individual objectives. The EBITDA component is worth 70% of the overall bonus value. The objectives, which are worth 30% of the overall bonus value, are particular to each individual role and can include financial based objectives and more qualitative ones. For 2009 the bonus was worth a maximum of 75% of annual basic salary.

Our Long Term Incentive Plan is based on a three year performance cycle and is a cash based plan. The 2007-2009 cycle is based on net operating profit after tax as the measure. The 2008-2010 and 2009-2011 cycles are based on an earnings per share measure linked to performance against corporate EBITDA targets. The 2007-2009, 2008-2010 cycles are worth a maximum of 75% of average annual basic salary. The 2009-2011 cycle is worth a maximum of 100% of average annual basic salary.

Directors' and Senior Managers' Interests

As at 31 December 2009, the Directors' and Senior Managers' shareholdings were as follows:

Name	Position	Shareholding
Mohammed Sharaf	Director and Senior Manager (CEO)	564,431
Yuvraj Narayan	Director and Senior Manager (CFO)	293,364
Sir John Parker	Independent Non-Executive Director	145,240
Anil Wats	Executive Vice President and COO	206,293
Mohammed Al Muallem	Senior Vice President and MD-UAE Region	94,242

In addition to their directorships in the group, the Directors and Senior Managers hold or have held the following directorships, and or were members of the following partnerships, within the past five years.

Name	Current directorships/partnerships	Past directorships/partnerships
Sultan Ahmed Bin Sulayem	Dubai World	
Jamal Majid Bin Thaniah	Dubai World	
	Port & Free Zone World FZE	
	Istithmar World Holdings LLC	
	Istithmar World PJSC	
	Union Railway Company (Abu Dhabi)	
Mohammed Sharaf	Dubai Ports International	
	Tejari World FZ LLC	
Yuvraj Narayan	Kerzner International Holdings Limited	Salalah Port Services
	Kerzner Istithmar Limited	
	Through Transport Bermuda	
	Istithmar World PJSC	
	IDFC—SSKI Securities Limited	
Sir John Parker	National Grid plc	
	Anglo American plc	BVT
	Carnival plc	Port & Free Zone World FZE
	Carnival Corporation	
	EADS Airbus	
David Williams	Mondi plc	
	Tullow Oil plc	Dewhirst Group
	Meggitt plc	Medeva plc
		Bunzl plc
		George Wimpey plc
		Taylor Wimpey plc
Cho Ying Davy Ho	Finlay Flowers (Asia) Limited	Cathay Pacific Airways Limited
	Swire Cold Store (China) Limited	Modern Terminals Ltd.
	Swire Properties Limited	Shekou Container Terminals Ltd.
	Guangdong Swire Cold Chain Logistics Co. Ltd	Swire Pacific Limited
	Swire Properties China Holdings Ltd	Hong Kong United Dockyards Ltd.
	Swire Properties (China) Investment Ltd	Hong Kong Air Cargo Terminals Ltd.
	Swire Properties (Beijing) Ltd	
	Swire Properties (Shanghai) Ltd	
	Swire Properties (Guangzhou) Ltd	
	Swire Properties (Chengdu) ltd	
Mohammed Al Muallem	Gulf Navigation Holding PJSC	

Corporate Governance

We are in compliance with corporate governance requirements applicable to DIFC companies listed on NASDAQ Dubai, including the Dubai Financial Services Authority Offered Securities Rules.

The Board is composed of seven members, consisting of two Executive Directors and five Non-Executive Directors, each of whom (other than the Chairman, Sultan Ahmed Bin Sulayem, and Vice Chairman, Jamal Majid Bin Thaniah) is independent.

The Chairman's role is to ensure good corporate governance. His responsibilities will include leading the Board, ensuring the effectiveness of the Board in all aspects of its role, ensuring effective communication with shareholders, setting the Board's agenda and ensuring that all Directors are encouraged to participate fully in the activities and decision-making process of the Board.

The Board has established Remuneration, Audit and Nominations and Governance Committees, with formally delegated duties and responsibilities with written terms of references. From time to time, separate committees may be set up by the Board to consider specific issues when the need arises. The Executive

Committee is an advisory committee which provides support to the Chief Executive Officer in the exercise of his delegated financial authorities.

Remuneration Committee

The Remuneration Committee determines and agrees with the Board the framework and broad policy for the remuneration of the Chief Executive Officer and Chief Financial Officer and other members of executive management. The policy of the committee is to review remuneration on independent assessment and market practice. The remuneration of independent Non-Executive Directors is a matter for the Chairman and executive members of the Board. No executive is involved in any decisions as to their own remuneration. The remuneration committee:

- approves the design of, and determines the targets for, any schemes of performance related remuneration, including any annual bonus arrangements;
- makes recommendations to the Board on the Company's framework of remuneration;
- recommends and monitors the level and structure of remuneration to executive management;
- keeps under review its own performance, constitution and terms of reference; and
- considers other matters as referred to the remuneration committee by the Board.

The membership of the Company's Remuneration Committee is composed of three members, all of whom are independent Non-Executive Directors (namely Sir John Parker, David Williams and Cho Ying Davy Ho). The chairman of the Remuneration Committee is Sir John Parker.

The Remuneration Committee will meet formally at least twice a year and otherwise as required.

Audit Committee

The Audit Committee assists the Board in discharging its responsibilities with regard to financial reporting, external and internal audits and controls, including reviewing the Company's annual financial statements, reviewing and monitoring the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors and reviewing the effectiveness of the Company's internal audit activities, internal controls and risk management systems. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly reports remains with the Board.

External and internal auditors are invited to attend Audit Committee meetings, along with any other director or member of staff considered necessary by the committee to complete its work. The committee meets with external auditors and internal auditors without executive directors or members of staff present, as it considers appropriate (and at least once a year).

The committee's remit includes the following:

- to review the form and content of the financial statements to be presented to shareholders of the Company at the half year and at the year end, and any other public announcement concerning the Company's financial position which has not previously been reviewed by the Board, and if necessary, to challenge the actions and judgements of management in relation to them;
- to keep under review the scope and results of the external audit and the independence, effectiveness, resources and objectivity of the auditors;
- to review the effectiveness of the system of risk management and at least annually to carry out a review of the effectiveness of the system of internal controls and the process of risk management;
- to review management and internal audit reports on the effectiveness of the system of internal financial control including the year end financial reporting process and the Company's procedures for investigating concerns raised by members of staff, and to report its findings to the Board. A whistle-blowing policy is in place; and
- to receive reports from the internal audit department and to monitor the quality of the department's work, ensuring that it was adequately resourced.

The membership of the Company's Audit Committee is composed of three members, all of whom are independent Non-Executive Directors (namely Sir John Parker, David Williams and Cho Ying Davy Ho).

The Audit Committee is chaired by David Williams whom the Board considers has appropriate financial expertise to fulfil this role.

The Audit Committee will meet formally at least four times a year and otherwise as required.

Nominations and Governance Committee

The Nominations and Governance Committee assists the Board in discharging its responsibilities relating to the size and composition of the Board. It is also responsible for periodically reviewing the Board's structure and identifying potential candidates to be appointed as Directors as the need may arise. The Nominations and Governance Committee is responsible for evaluating the balance of skills, knowledge and experience on the Board and, in particular: (i) identifying individuals qualified to become Board members, (ii) recommending individuals to be considered for election at the next annual general meeting of the Company or to fill vacancies, (iii) preparing a description of the role and capabilities required for a particular appointment and (iv) developing and recommending to the Board appropriate corporate governance guidelines.

The Company's Nominations and Governance Committee is composed of five members, three of whom are independent Non-Executive Directors (namely Sir John Parker, David Williams and Cho Ying Davy Ho) one of whom is a non-independent Non-Executive Director (namely Jamal Majid Bin Thaniah) and one of whom is an Executive Director (namely Mohammed Sharaf). The chairman of the Nominations and Governance Committee is Sir John Parker.

The Nominations and Governance Committee will meet formally at least twice a year and otherwise as required.

Litigation Statement about Directors and Senior Management

Within the period of five years preceding the date of this Prospectus none of the Directors or Senior Management:

- has any convictions in relation to fraudulent offences;
- has been a director or senior manager of any company at the time of any bankruptcy, receivership or liquidation of such company; or
- has received any official public incrimination and/or sanction by any statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of a company.

Unless otherwise indicated, the information set forth below has been sourced to the Drewry Shipping Consultants Ltd. Annual Review of Global Terminal Operators 2010.

Overview

Global seaborne trade consists of three main segments: general cargo, which is carried by conventional shipping vessels; liquid cargo, which is carried by specialized vessels such as tankers; and containerized cargo, which is carried by container vessels.

Containerization of cargo increases the efficiency of its transportation by standardizing the container used for both seaborne and overland transportation of cargo. This facilitates the integrated multi modal transportation of cargo by sea, rail and road. Containerization also allows for the efficient storage of goods on ships or on land, provides protection against damage to goods in transit, increases the security of the cargo during transport and enables faster loading and unloading of cargo.

First introduced in the 1950s, container shipping has expanded rapidly since that time to emerge as the dominant method for the international transportation of a broad spectrum of industrial and consumer goods, including agricultural products, raw materials and semi-manufactured and finished consumer goods. The container terminal industry has grown in line with the container shipping industry, which in turn has benefited in particular from the globalization of world trade. According to the Annual Review of Global Terminal Operators 2010 by Drewry Shipping Consultants Ltd. ("**Drewry**"), global throughput reached 473.0 million TEUs in 2009, up from 236.6 million TEUs in 2000, a compound annual growth rate of 9.0%.

Industry Demand

Between 1990 and 2009 global gross domestic product ("**GDP**") grew by an average of 3.46% per annum. Global container terminal throughput has historically grown at a multiple of approximately three times that of global GDP at 10.7% per annum since 1990 driven by the increase in world trade in goods and services and the trend towards containerization (Source: IMF World Economic Outlook, October 2010).

World Trade in Goods and Services

World trade in goods and services grew by an average of 6.6% per annum between 1990 and 2009, approximately twice the growth in global GDP (Source: IMF World Economic Outlook, October 2010). Factors that have influenced this trend include: (i) overall reductions in the costs of trade, (ii) productivity growth in the tradable goods sector and (iii) global increases in per capita income.

Costs of Trade

Over the past 20 years, frictional costs associated with global trade, including transportation, communication and search costs, tariff and non-tariff related trade barriers and foreign exchange transaction costs and risks, have decreased significantly. In particular, advances in technology have greatly improved the amount and quality of available market information, while decreasing the costs of transportation through the implementation of more efficient processes. Similarly, the widespread adoption of increasingly liberal trade policies, as evidenced by the execution of successive multilateral and bilateral trade agreements globally, coupled with larger and more liquid capital markets, have reduced government imposed and transaction costs relating to international trade and created the ability to hedge more effectively against foreign exchange risk.

As the costs of trade fall, specialization becomes more profitable as labor, capital, technology and resources can be sourced on a global, and increasingly efficient, basis. This trend generally results in increases in levels of both inter- and intra-industry trade and has largely been reflected in the systemic shift in global manufacturing capacity and output from west to east, especially towards China.

Per Capita Income

Growth in global per capita income over the past two decades has resulted in greatly increased levels of consumption around the world. As income levels rise, spending patterns tend to shift towards increased consumption of tradable goods and, in particular, manufactured products, relative to non-tradable goods.

Containerization/Global Throughput

Between 1990 and 2009, global throughput grew by 9.3% per annum, which equates to a multiple of growth in global throughput over growth in world trade of goods and services of 1.6 times over the period. This multiple is primarily the result of the increased containerization of tradable goods, but also reflects an increase in the incidence of transhipment over the period. The rate of containerization has slowed over the past 30 years because almost all tradable goods that are capable of being transported along the deep-sea trade routes in containers are now transported in this way and, in recent years, the rate of containerization has increasingly reflected the containerization of new products, such as paper and other types of cargo that were traditionally considered break-bulk, which advances in technology have enabled. However, despite the near-completion of the process of containerization, trade routes to and from particular countries and geographical regions, notably China, South East Asia, Latin America, the Indian Subcontinent and Africa, continue to offer scope for significant growth in container volumes. Adverse global economic trends led to container throughput at the world's ports falling for the first time ever, from 525 million TEU in 2008 to 473 million TEU in 2009, a drop of almost 10%. Most global container terminal operators experienced reduced volumes across their networks in 2009. However, current forecasts from Drewry estimate compound annual growth between 2009 and 2015 of approximately 7.2% (Source: Drewry Container Forecaster, 3Q10).

Regional Variations in Demand

There have been significant regional variations in the growth of container traffic. Eastern Europe, Africa, South Asia, South America, the Middle East and the Far East have recorded the fastest growth in recent years, resulting in a number of new ports emerging as handling the largest container volumes globally. According to Drewry Shipping Consultants Ltd., Annual Review of Global Terminal Operators 2010, between 2004 and 2009, container terminals in those regions experienced compound annual growth in throughput of 10.2%, 10.8%, 10.3%, 4.9%, 8.7% and 7.7%, respectively.

Following the recent global financial crisis, and the consequent reduction in world trade, container terminal operators have adopted a more conservative approach to their development plans, ensuring that additional capacity is made available based on demand.

The following table provides a breakdown by region of the balance between container terminal supply and demand for the periods indicated as reported by Drewry Container Forecaster, 3Q10 and does not reflect the Company's internal projections.

Forecast medium term growth in container activity by region (Change in total port handling)

	2008	2009	2010	2011	2012	2013	2014	2015
North America	−4.0%	−13.3%	9.1%	5.6%	4.9%	4.3%	4.1%	4.1%
West Europe	1.2%	−13.6%	7.0%	4.9%	4.6%	4.5%	4.2%	3.3%
North Europe	*1.4%*	*−16.1%*	*7.6%*	*5.1%*	*5.0%*	*4.8%*	*4.4%*	*3.5%*
South Europe	*0.7%*	*−9.6%*	*6.2%*	*4.5%*	*4.0%*	*4.0%*	*3.8%*	*3.0%*
Far East	7.5%	−8.3%	12.7%	10.0%	9.1%	9.0%	8.9%	9.5%
South East Asia	5.5%	−7.9%	11.2%	8.5%	7.2%	7.1%	6.7%	7.0%
Middle East	15.3%	−1.9%	10.6%	7.3%	6.8%	6.5%	6.5%	7.2%
Latin America	5.3%	−10.9%	10.5%	6.0%	5.4%	5.0%	6.2%	9.7%
Carib/C. America	*5.8%*	*−9.3%*	*9.8%*	*5.1%*	*4.8%*	*3.1%*	*3.5%*	*10.7%*
S. America	*4.9%*	*−12.6%*	*11.4%*	*7.1%*	*6.0%*	*7.0%*	*9.0%*	*8.7%*
Oceania	7.4%	−4.9%	7.8%	6.1%	4.3%	4.1%	4.2%	4.1%
South Asia	9.1%	−4.9%	13.4%	11.1%	8.9%	8.8%	8.7%	8.4%
Africa	17.3%	−0.4%	8.1%	7.4%	6.0%	4.9%	4.7%	6.3%
Eastern Europe	11.1%	−36.2%	20.1%	11.5%	8.8%	9.0%	7.7%	7.8%
World	5.7%	−9.4%	10.8%	8.0%	7.2%	7.0%	6.9%	7.5%

Source: Drewry Container Forecaster, 3Q10.

According to Drewry Shipping Consultants Ltd., Annual Review of Global Terminal Operators 2010, the annual average growth rate for global throughput and global capacity between 2009 and 2015 is expected to be 7.2% and 2.9%, respectively. By 2015, global throughput volumes are expected to reach 718.5 million TEU and the global utilisation rate is expected to be 80.3%.

O&D versus Transhipment

The two main categories of throughput are origin & destination (O&D), also referred to as import and export, and transhipment. Every container shipped by sea is by definition an export container at the origination terminal and an import container at the destination terminal. A container that is transferred from one ship to another at some point during the journey is said to be transhipped, which gives rise to transhipment throughput at an intermediate terminal somewhere between the load terminal and the discharge terminal.

O&D

O&D throughput is often preferred by container terminal operators for the following reasons:

- terminal operators typically earn more revenue per quay crane lift from O&D throughput than from transhipment throughput;
- terminal operators earn additional revenue by charging for delivery or reception of the container from the shipper or consignee;
- terminal operators have the opportunity to generate additional revenue from ancillary services, such as CFS and container cleaning; and
- whereas shipping lines can relatively easily transfer transhipment throughput to other ports in the same region, O&D throughput is usually most cost-effectively handled by one terminal, preferably close to the point of consumption, which makes O&D throughput less likely to be lost to competitors and less price sensitive than transhipment throughput.

Hub-and-Spoke (Gateway)

As the latest generation of container ships on order have nominal capacities in excess of 13,000 TEUs and are too wide and too deep to call at many ports in the world, shipping lines may instead seek to, or be required to, rationalize the number of port calls they make. This trend is expected to result in shipping lines favoring larger, centrally placed ports in a region leading to the creation of hub-and-spoke or gateway terminals. To compete effectively under this model, container terminal operators will need to be able to handle larger vessels, and some operators already have the necessary infrastructure in place or are constructing new facilities with this factor in mind. The hub-and-spoke model also implies an increased level of throughput carried by feeder lines between hub ports and final destinations, which places demands on smaller ports to develop the facilities necessary to handle containers at dedicated container berths.

Transhipment

Despite the advantages of O&D throughput, there are numerous large container terminals around the world for which transhipment accounts for a very high percentage of total throughput. Current examples include Singapore; Tanjuung Pelepas, Malaysia; Gioia Tauro, Italy; Salalah, Oman; Algeciras, Spain; Balboa, Panama; Freeport, Bahamas; and Marsaxlokk, Malta. Many of these terminals are operated by, or involve an equity stake holding by, a major shipping line, which benefits from the transhipment capacity and provides the terminal with a reliable level of volume.

According to Drewry Container Forecaster, 3Q10, the incidence of transhipment at container terminals worldwide (as a percentage of global throughput) increased from 17.6% in 1990 to 28.6% in 2009, which has provided a boost to growth in global throughput over the period as the inclusion of transhipment along an otherwise direct O&D route adds at least two port moves to each container shipment. However, the trend of an increasing incidence of transhipment has slowed in recent years and is forecast to stop in the short to medium term. Drewry estimates that the incidence of transhipment at container terminals worldwide (as a percentage of global throughput) will remain the same through 2015. Drewry's estimates reflect the fact that shipping lines often prefer not to tranship containers, where possible, as they are not always able to pass on the full costs associated with transhipment to their customers.

Leading Container Terminal Operators

The container terminal industry is characterized by a small number of large operators, the four largest of which collectively accounted for 46.8% of global gross throughput as of 31 December 2009 and, adjusted for equity, 29.6% of global throughput for the year ended 31 December 2009. Global terminal operators compete increasingly based on the size and diversification of their terminal portfolios, which enable them to offer global networks to their liner customers, who are themselves consolidating and becoming increasingly large. Consequently, new container terminal market participants face significant barriers to entry.

The following table provides a breakdown of terminal operators by gross throughput, equity adjusted throughput and market share for the years ended 31 December 2008 and 2009

	Gross throughput(1)		Equity-adjusted throughput(2)		Market share	
	2008	2009	2008	2009	2008	2009
	(TEUs in millions)					
Hutchison Port Holdings	67.6	64.2	34.4	32.2	13.0%	13.6%
APM Terminals	64.4	56.9	33.8	31.1	12.3%	12.0%
PSA International(3)	59.7	55.3	50.4	45.0	11.4%	11.7%
DP World(4)	46.2	45.2	32.9	31.5	8.9%	9.5%
Cosco(5)	32.0	32.5	11.1	10.9	6.1%	6.9%
MSC	16.2	16.4	7.9	8.2	3.1%	3.5%
Eurogate	13.2	11.7	7.4	6.1	2.5%	2.5%
Evergreen	10.3	8.6	8.9	7.2	2.0%	1.8%
SSA Marine(6)	7.4	7.7	4.6	6.3	1.4%	1.6%
CMA—CGM	7.0	7.0	4.1	4.6	1.3%	1.5%
Ten largest global terminal operators	324.0	305.5	195.5	183.1	62.0%	64.6%
Remaining global terminal operators	50.1	48.5	37.6	32.5	9.6%	10.2%
Total	374.1	354.0	233.1	215.6	71.6%	74.8%

Source: Drewry Shipping Consultants Ltd., Annual Review of Global Terminal Operators 2010.

(1) Figures include throughput for all terminals in which 10% or more shareholding was held as of 31 December 2008 or 2009 (as applicable).

(2) Equity adjusted throughput is determined by multiplying the gross throughput of a particular container terminal by the relevant terminal operator's economic interest in such terminal.

(3) PSA acquired 20% of HPH in 2006.

(4) Figures as reported by Drewry.

(5) Includes Cosco Container Lines and Cosco Pacific.

(6) 49% of SSA Marine was sold to Goldman Sachs during 2007.

Drewry divides global terminal operators into three broad categories:

- Global stevedores—these are companies whose primary business is port operations and that view terminals as profit centres;
- Global carriers—these are companies whose main business is container shipping, but which have investments in container terminals to support this core activity and that often run terminals as cost centres; and
- Global hybrids—these are companies where the main activity, or that of the parent group, is container shipping, but which have established separate terminal operating business units that handle a significant amount of third party business, as well as in-house traffic.

Of the top ten largest terminal operators by gross throughput, Drewry considers six to be global stevedores (comprised of Hutchison Port Holdings, PSA International, Eurogate, SSA Marine, HHLA and us); two to be global carriers (comprised of Evergreen and MSC); and two to be global hybrids (comprised of APM Terminals and Cosco).

Ownership and Operating Structures

Container terminals operate under a number of different ownership and operating structures, which can vary by region. The various ownership models are summarized in the table below.

Mode of Ownership	Land area	Terminal infrastructure	Terminal superstructure (cranes/yard equipment)	Quayside operations	Landslide operations	Example
100% state owned and operated	Stated owned	Owned and constructed by port authority	Stated owned	Port authority	Port authority	Haifa, Israel
"Suitcase" stevedores	Stated owned	Owned and constructed by port authority	Stated owned	Private stevedores (on common-user berths)	Port authority	Hampton Roads, USA
Management contract	Stated owned	Owned and constructed by port authority	Stated owned	Terminal operator	Terminal operator	Djibouti(1)
Leased terminal	Stated owned	Owned and constructed by port authority	Privately owned or rented from port authority	Terminal operator	Terminal operator	Constanta, Romania(1)
Concession agreement	Stated owned	Owned and constructed by port authority	Privately owned	Terminal operator	Terminal operator	Le Havre, France(1)
BOT concession	Stated owned	Owned and constructed by port authority	Privately owned	Terminal operator	Terminal operator	Laem Chabang, Thailand(1)
100% privately owned	Privately owned	Owned and constructed by port authority	Privately owned	Terminal operator	Terminal operator	London Gateway(1)

Source: DP World, developed from Drewry Annual Review of Global Terminal Operations 2010.

(1) Denotes a terminal that we operate or are developing.

A large number of countries around the world still operate under the state owned model, whereby the port land remains the property of the state and an operator has varying degrees of rights and obligations. In the United Kingdom, most container terminals are 100% privately owned, although this is a relatively rare structure. Conversely, in the United States, container terminal operators will usually lease the terminal infrastructure and equipment from the state.

Concession agreements have traditionally been used in developed economies, but in recent years have started to be used as a privatization vehicle for emerging economies. Typical concession terms include: royalty fees as a percentage of revenue and/or volume; up-front payment and/or commitment to make capital expenditure; nominal rent per hectare or per meter; and 25 to 50 year duration.

Due to the typical length of concession agreements and the recent proliferation of their use, factors influencing concession renewal are likely to become more apparent in the future. Based on our experience, we would expect that incumbent operators will typically be granted concession renewal, often because it can be costly, both administratively and due to initial inexperience or inefficiency of a new operator, for a port owner to switch operators.

The trend towards privatization and BOT schemes discussed above has been driven largely by governments attempting to fund much-needed container port development projects in order to improve the trade competitiveness of their respective countries. Drewry Shipping Consultants Ltd., Annual Review of Global Terminal Operators 2010 estimates that the proportion of global throughput handled at state-run terminals, other than those controlled by global terminal operators with a state as the controlling shareholder, has declined from approximately 42% in 1993 to 20.6% in 2009. Privatization and BOT initiatives are aimed specifically at expanding quay length and yard area to increase throughput capacity, increasing port efficiency by adding container handling equipment and implementing technological improvements.

TAXATION

The following summary of certain United Kingdom, United States, European Union and United Arab Emirates tax consequences of ownership of Notes is based upon laws, regulations, decrees, rulings, income tax conventions, administrative practice and judicial decisions in effect at the date of this Prospectus. Legislative, judicial or administrative changes or interpretations may, however, be forthcoming that could alter or modify the statements and conclusions set forth herein. Any such changes or interpretations may be retroactive and could affect the tax consequences to holders of the Notes. This summary does not purport to be a legal opinion or to address all tax aspects that may be relevant to a Noteholder. Each prospective holder is urged to consult its own tax adviser as to the particular tax consequences to such holder of the ownership and disposition of Notes, including the applicability and effect of any other tax laws or tax treaties, and of pending or proposed changes in applicable tax laws as of the date of this Prospectus, and of any actual changes in applicable tax laws after such date.

United Kingdom

*The following is a summary of the United Kingdom withholding taxation treatment at the date hereof in relation to payments of principal and interest, within the meaning of such terms for the purposes of United Kingdom taxation, in respect of the Notes. It is based on current law and the practice of Her Majesty's Revenue and Customs ("**HMRC**"), which may be subject to change, sometimes with retrospective effect. The comments do not deal with other United Kingdom tax aspects of acquiring, holding or disposing of Notes. The comments relate only to the position of persons who are absolute beneficial owners of the Notes. Prospective Noteholders should be aware that the particular terms of issue of any series or tranche of Notes as specified in the relevant Final Terms may affect the tax treatment of that and other series or tranche of Notes. The following is a general guide for information purposes and should be treated with appropriate caution. It is not intended as tax advice and it does not purport to describe all of the tax considerations that may be relevant to a prospective Noteholder. Noteholders who are in any doubt as to their tax position should consult their professional advisers. Noteholders who may be liable to taxation in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of the Notes are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain United Kingdom taxation aspects of payments in respect of the Notes. In particular, Noteholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.*

United Kingdom withholding tax

United Kingdom withholding Tax on non-United Kingdom source interest

Provided that the interest on the Notes does not have a United Kingdom source, interest on the Notes issued by the Company may be paid by the Company without withholding or deduction for or on account of United Kingdom income tax. However, the location of the source of a payment is a question of fact and a complex matter. It is necessary to have regard to case law and to HMRC practice. Depending on the circumstances, interest on Notes may have a United Kingdom source where, for example, the Notes are paid out of funds maintained in the United Kingdom.

Where the Notes do have a United Kingdom source, subject to the availability of any exemption or relief (described further below), interest on the Notes may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20%).

United Kingdom withholding tax on United Kingdom source interest

United Kingdom source interest on Notes issued for a term of one year or more (or under arrangements the effect of which is to render the Notes part of a borrowing with a total term of one year or more) may be paid by the Company and without withholding or deduction for or on account of United Kingdom income tax if the Notes in respect of which the United Kingdom source interest is paid constitute "quoted Eurobonds".

The Notes issued by the Issuer which carry a right to interest will constitute "quoted Eurobonds" provided they are and continue to be listed on a recognised stock exchange. Whilst the Notes are and continue to be quoted Eurobonds, payments of interest on the Notes may be made without withholding or deduction for or on account of United Kingdom income tax.

Securities will be "listed on a recognised stock exchange" for this purpose if they are admitted to trading on an exchange designated as a recognised stock exchange by an order made by the Commissioners for HMRC and either they are included in the United Kingdom official list (within the meaning of Part 6 of the Financial Services and Markets Act 2000) or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange.

The London Stock Exchange is a recognised stock exchange, and accordingly the Notes will constitute quoted Eurobonds provided they are and continue to be included in the United Kingdom official list and admitted to trading on the Regulated Market of that Exchange.

In all cases falling outside the exemption described above, United Kingdom source interest on the Notes may fall to be paid under deduction of United Kingdom income tax at the basic rate subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty, or to any other exemption which may apply.

Provision of information

Noteholders should note that where any interest on Notes is paid to them (or to any person acting on their behalf) by the Issuer or any person in the United Kingdom acting on behalf of the Issuer (a "**paying agent**"), or is received by any person in the United Kingdom acting on behalf of the relevant Noteholder (other than solely by clearing or arranging the clearing of a cheque) (a "**collecting agent**"), then the Issuer, the paying agent or the collecting agent (as the case may be) may, in certain cases, be required to supply to HMRC details of the payment and certain details relating to the Noteholder (including the Noteholder's name and address). These provisions will apply whether or not the interest has been paid subject to withholding or deduction for or on account of United Kingdom income tax and whether or not the Noteholder is resident in the United Kingdom for United Kingdom taxation purposes. In certain circumstances, the details provided to HMRC may be passed by HMRC to the tax authorities of certain other jurisdictions.

The provisions referred to above may also apply, in certain circumstances, to payments made on redemption of any Notes which constitute "deeply discounted securities" as defined in Chapter 8 of Part 4 of the Income Tax (Trading and Other Income) Act 2005.

Information may also be required to be reported in accordance with regulations made pursuant to the EU Savings Directive (see "*EU Savings Directive*" below).

United States Federal Income Taxation

The discussion of tax matters in this Prospectus is not intended or written to be used, and cannot be used by any person, for the purpose of avoiding US federal, state or local tax penalties, and was written to support the promotion or marketing of the Programme. Each taxpayer should seek advice based on such person's particular circumstances from an independent tax adviser.

The following summary discusses the principal US federal income tax consequences of the acquisition, ownership and disposition of the Notes. Except as specifically noted below, this discussion applies only to:

- Notes purchased on original issuance at their issue price (as defined below);
- Notes held as capital assets;
- US Noteholders (as defined below); and
- Notes with an original maturity of 30 years or less.

This discussion does not describe all of the tax consequences that may be relevant in light of a Noteholder's particular circumstances or to Noteholders subject to special rules, such as:

- financial institutions;
- insurance companies;
- dealers in securities or foreign currencies;
- persons holding Notes as part of a hedging transaction, straddle, conversion transaction or other integrated transaction;
- US Noteholders whose functional currency is not the US dollar;

- partnerships or other entities classified as partnerships for US federal income tax purposes; or
- former citizens and residents of the United States.

This summary is based on the Internal Revenue Code of 1986, as amended, administrative pronouncements, judicial decisions and final, temporary and proposed US Treasury Regulations all as of the date of this Prospectus and any of which may at any time be repeated, revised or subject to differing interpretation, possibly retroactively so as to result in US federal income tax consequences different from those described below. Persons considering the purchase of the Notes should consult the relevant Final Terms for any additional discussion regarding US federal income taxation and should consult their tax advisors with regard to the application of the US federal income tax laws to their particular situations as well as any tax consequences arising under the laws of any state, local or non-US taxing jurisdiction.

This summary does not discuss Notes that by their terms may be retired for an amount less than their principal amount and Notes subject to special rules. The tax treatment of certain Notes such as, for example, Index-Linked Redemption Notes or Dual Currency Notes, may be specified in the relevant Final Terms. Moreover, this summary does not discuss Bearer Notes. In general, US federal income tax law imposes significant limitations on US Noteholders of Bearer Notes which are not being marketed to US persons. US Noteholders should consult their tax advisors regarding the tax consequences with respect to the acquisition, ownership and disposition of Notes.

As used herein, the term "**US Noteholder**" means a beneficial owner of a Note that is for US federal income tax purposes:

- an individual that is a citizen or resident of the United States;
- a corporation created or organised in or under the laws of the United States or of any state thereof or the District of Columbia;
- an estate the income of which is subject to US federal income taxation regardless of its source; or
- a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more US persons have the authority to control all substantial decisions of the trust.

If an entity that is classified as a partnership for US federal income tax purposes holds Notes, the US federal income tax treatment of a partner will generally depend on the status of the partner and upon the activities of the partnership. Partners of partnerships holding Notes should consult with their tax advisors regarding the US federal tax consequences of an investment in the Notes.

Payments of Stated Interest

Interest paid on a Note will be taxable to a US Noteholder as ordinary interest income at the time it accrues or is received in accordance with the Noteholder's method of accounting for US federal income tax purposes, provided that the interest is "qualified stated interest" (as defined below). Interest income earned by a US Noteholder with respect to a Note will constitute foreign source income for US federal income tax purposes, which may be relevant in calculating the Noteholder's foreign tax credit limitation. The rules regarding foreign tax credits are complex and prospective investors should consult their tax advisors about the application of such rules to them in their particular circumstances. Special rules governing the treatment of interest paid with respect to original issue discount Notes and foreign currency Notes are described under "*—Original Issue Discount*," "*—Contingent Payment Debt Instruments,*" and "*—Foreign Currency Notes*."

Original Issue Discount

A Note that has an "issue price" that is less than its "stated redemption price at maturity" will be considered to have been issued at an original discount for US federal income tax purposes (and will be referred to as an "original issue discount Note") unless the Note satisfies a *de minimis* threshold (as described below). The "issue price" of a Note generally will be the first price at which a substantial amount of the Notes are sold to the public (which does not include sales to bond houses, brokers or similar persons or organisations acting in the capacity of underwriters, placement agents or wholesalers). The "stated redemption price at maturity" of a Note generally will equal the sum of all payments required to be made under the Note other than payments of "qualified stated interest." "Qualified stated interest" is stated interest unconditionally payable (other than in Notes of the issuer) at least annually during the entire term of the Note at a single fixed rate of interest, at a single qualified floating rate of interest or at a rate that is determined at a single fixed formula that is based on objective financial or economic information. A rate is a qualified floating rate if variations in the rate can reasonably be expected to measure contemporaneous fluctuations in the cost of newly borrowed funds in the currency in which the Note is denominated.

If the difference between a Note's stated redemption price at maturity and its issue price is less than a *de minimis* amount, i.e., ¼ of 1 per cent. of the stated redemption price at maturity multiplied by the number of complete years to maturity, the Note will not be considered to have original issue discount. US Noteholders of the Notes with a *de minimis* amount of original issue discount will include this original issue discount in income, as capital gain, on a pro rata basis as principal payments are made on the Note.

US Noteholders of original issue discount Notes that mature more than one year from their date of issuance will be required to include original issue discount in income for US federal tax purposes as it accrues in accordance with a constant yield method based on a compounding of interest, regardless of whether cash attributable to this income is received. Under these rules, US Noteholders generally will have to include in taxable income, increasingly greater amounts of original issue discount in successive accrual periods.

A US Noteholder may make an election to include in gross income all interest that accrues on any particular Note (including stated interest, acquisition discount, original issue discount, *de minimis* original issue discount, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortisable bond premium or acquisition premium) in accordance with a constant yield method based on the compounding of interest, and generally may revoke such election (a "**constant yield election**") only with the permission of the US Internal Revenue Service ("**IRS**"). If a US Note Holder makes a constant yield election with respect to a Note with market discount (discussed below), the US Noteholder will be treated as having made an election to include market discount in income currently over the life of all debt instruments with market discount acquired by the electing US Noteholder on or after the first day of the first taxable year to which such election applies. US Noteholders should consult their tax advisors about making this election in light of their particular circumstances.

Market Discount

If a US Noteholder purchases a Note (other than a short-term Note) for an amount that is less than its stated redemption price at maturity or, in the case of an original issue discount Note, its adjusted issue price, the amount of the difference will be treated as market discount for US federal income tax purposes, unless this difference is less than a specified *de minimis* amount.

A US Noteholder will be required to treat any principal payment (or, in the case of an original issue discount Note, any payment that does not constitute qualified stated interest) on, or any gain on the sale, exchange, retirement or other disposition of a Note, including disposition in certain nonrecognition transactions, as ordinary income to the extent of the market discount accrued on the Note at the time of the payment or disposition unless this market discount has been previously included in income by the US Noteholder pursuant to an election by the Noteholder to include market discount in income as it accrues. An election to include market discount in income as it accrues applies to all debt instruments with market discount acquired by the electing US Noteholder on or after the first day of the first taxable year to which such election applies and may not be revoked without the consent of the IRS. In addition, a US Noteholder that does not elect to include market discount in income currently may be required to defer, until the maturity of the Note or its earlier disposition (including certain nontaxable transactions), the deduction of all or a portion of the interest expense on any indebtedness incurred or maintained to purchase or carry such Note.

Market discount will accrue on a straight line basis unless a US Noteholder makes an election on a Note to accrue on the basis of a constant interest rate. This election is irrevocable once made.

Acquisition Premium and Amortisable Bond Premium

A US Noteholder who purchases a Note for an amount that is greater than the Note's adjusted issue price but less than or equal to the stated redemption price at maturity will be considered to have purchased the Note at an acquisition premium. Under the acquisition premium rules, the amount of original issue discount that the US Noteholder must include in its gross income with respect to the Note for any taxable year will be reduced by the portion of acquisition premium properly allocable to that year.

If a US Noteholder purchases a Note for an amount that is greater than the stated redemption price at maturity, the Noteholder will be considered to have purchased the Note with amortisable bond premium equal in amount to the excess of the purchase price over the amount payable at maturity. The Noteholder may elect to amortise this premium, using a constant yield method, over the remaining term of the Note. A Noteholder who elects to amortise bond premium must reduce its tax basis in the Note by the amount of the premium amortised in any year. An election to amortise bond premium applies to all taxable debt obligations then owned and thereafter acquired by the Noteholder and may be revoked only with the consent of the IRS.

If a US Noteholder makes a constant yield election (as described under "—*Original Issue Discount*") for a Note with amortisable bond premium, such election will result in a deemed election to amortise bond premium for all of the Noteholder's debt Notes with amortisable bond premium.

Sale, Exchange or Retirement of the Notes

Upon the sale, exchange or retirement of a Note, a US Noteholder will recognise taxable gain or loss equal to the difference between the amount realised on the sale, exchange or retirement and the Noteholder's adjusted tax basis in the Note. A US Noteholder's adjusted tax basis in a Note generally will equal the acquisition cost of the Note increased by the amount of original issue discount and market discount included in the US Noteholder's gross income and decreased by any bond premium or acquisition premium previously amortised and by the amount of any payment received from the Issuer other than a payment of qualified stated interest. Gain or loss, if any, will generally be US source income for purposes of computing a US Noteholder's foreign tax credit limitation. For these purposes, the amount realised does not include any amount attributable to accrued but unpaid interest on the Note. Amounts attributable to accrued but unpaid interest are treated as payments of interest as described under "—*Payments of Stated Interest*".

Except as described below, gain or loss realised on the sale, exchange or retirement of a Note will generally be capital gain or loss and will be long-term capital gain or loss if at the time of sale, exchange or retirement the US Noteholder has held the Note for more than one year. The tax rate for long-term capital gains of non-corporate taxpayers is scheduled to increase for taxable years beginning on or after 1 January 2011. Exceptions to this general rule apply to the extent of any accrued market discount or, in the case of a short-term Note, to the extent of any accrued discount not previously included in the Noteholder's taxable income. See "—*Original Issue Discount*" and "—*Market Discount*." In addition, other exceptions to this general rule apply in the case of foreign currency Notes, and contingent payment debt Notes. See "—*Foreign Currency Notes*" and "—*Contingent Payment Debt Instruments*." The deductibility of capital losses is subject to limitations.

Contingent Payment Debt Instruments

If the terms of the Notes provide for certain contingencies that affect the timing and amount of payments (including Notes with a variable rate or rates that do not qualify as "variable rate debt instruments" for purposes of the original issue discount rules) they generally will be "contingent payment debt instruments" for US federal income tax purposes. Under the rules that govern the treatment of contingent payment debt instruments, no payment on such Notes qualifies as qualified stated interest. Rather, a US Noteholder must account for interest for US federal income tax purposes based on a "comparable yield" and the differences between actual payments on the Note and the Note's "projected payment schedule" as described below. The comparable yield is determined by us at the time of issuance of the Notes. The comparable yield may be greater than or less than the stated interest, if any, with respect to the Notes. Solely for the purpose of determining the amount of interest income that a US Noteholder will be required to accrue on a contingent payment debt instrument, the Issuer will be required to construct a "projected payment schedule" that represents a series of payments the amount and timing of which would produce a yield to maturity on the contingent payment debt instrument equal to the comparable yield.

Neither the comparable yield nor the projected payment schedule constitutes a representation by the Issuer regarding the actual amount, if any, that the contingent payment debt Note will pay.

For US federal income tax purposes, a US Noteholder will be required to use the comparable yield and the projected payment schedule established by the Issuer in determining interest accruals and adjustments, unless the Noteholder timely discloses and justifies the use of a different comparable yield and projected payment schedule to the IRS.

A US Noteholder, regardless of the Noteholder's method of accounting for US federal income tax purposes, will be required to accrue interest income on a contingent payment debt instrument at the comparable yield, adjusted upward or downward to reflect the difference, if any, between the actual and the projected amount of any contingent payments on the contingent payment instrument (as set forth below).

A US Noteholder will be required to recognise interest income equal to the amount of any net positive adjustment, i.e., the excess of actual payments over projected payments, in respect of a contingent payment debt instrument for a taxable year. A net negative adjustment, i.e., the excess of projected payments over actual payments, in respect of a contingent payment debt instrument for a taxable year:

- will first reduce the amount of interest in respect of the contingent payment debt instrument that a Noteholder would otherwise be required to include in income in the taxable year; and
- to the extent of any excess, will give rise to an ordinary loss equal to so much of this excess as does not exceed the excess of:
    - the amount of all previous interest inclusions under the contingent payment debt instrument over
    - the total amount of the US Noteholder's net negative adjustments treated as ordinary loss on the contingent payment debt instrument in prior taxable years.

A net negative adjustment is not subject to the 2 per cent. floor limitation imposed on miscellaneous deductions. Any net negative adjustment in excess of the amounts described above will be carried forward to offset future interest income in respect of the contingent payment debt instrument or to reduce the amount realised on a sale, exchange or retirement of the contingent payment debt instrument. Where a US Noteholder purchases a contingent payment debt instrument for a price other than its adjusted issue price, the difference between the purchase price and the adjusted issue price must be reasonably allocated to the daily portions of interest or projected payments with respect to the contingent payment debt instrument over its remaining term and treated as a positive or negative adjustment, as the case may be, with respect to each period to which it is allocated.

Upon a sale, exchange or retirement of a contingent payment debt instrument, a US Noteholder generally will recognise taxable gain or loss equal to the difference between the amount realised on the sale, exchange or retirement and the Noteholder's adjusted basis in the contingent payment debt instrument. A US Noteholder's adjusted basis in a Note that is a contingent payment debt instrument generally will be the acquisition cost of the Note, increased by the interest previously accrued by the US Noteholder on the Note under these rules, disregarding any net positive and net negative adjustments, and decreased by the amount of any noncontingent payments and the projected amount of any contingent payments previously made on the Note. A US Noteholder generally will treat any gain as interest income, and any loss as ordinary loss to the extent of the excess of previous interest inclusions in excess of the total net negative adjustments previously taken into account as ordinary losses, and the balance as capital loss. The deductibility of capital losses is subject to limitations. In addition, if a Noteholder recognises loss above certain thresholds, the Noteholder may be required to file a disclosure statement with the IRS (as described under "*—Reportable Transactions*").

A US Noteholder will have a tax basis in any property, other than cash, received upon the retirement of a contingent payment debt instrument equal to the fair market value of the property, determined at the time of retirement. The Noteholder's holding period for the property will commence on the day immediately following its receipt. Special rules apply to contingent payment debt instruments that are denominated, or provide for payments, in a currency other than the US dollar ("**Foreign Currency Contingent Payment Debt Instruments**"). Very generally, these Notes are accounted for like a contingent payment debt instrument, as described above, but in the currency of the Foreign Currency Contingent Payment Debt Instruments. The relevant amounts must then be translated into US dollars. The rules applicable to Foreign Currency Contingent Payment Debt Instruments are complex and US Noteholders are urged to consult their own tax advisors regarding the US federal income tax consequences of the acquisition, ownership and disposition of such Notes.

Foreign Currency Notes

The following discussion summarises the principal US federal income tax consequences to a US Noteholder of the ownership and disposition of the Notes that are denominated in a specified currency other than the US dollar or the payments of interest or principal on which are payable in a currency other than the US dollar ("**foreign currency Notes**")

The rules applicable to foreign currency Notes could require some or all gain or loss on the sale, exchange or other disposition of a foreign currency Note to be recharacterised as ordinary income or loss. The rules applicable to foreign currency Notes are complex and may depend on the Noteholder's particular US federal income tax situation. For example, various elections are available under these rules, and whether a Noteholder should make any of these elections may depend on the Noteholder's particular US federal income tax situation. US Noteholders are urged to consult their tax advisors regarding the US federal income tax consequences of the ownership and disposition of foreign currency Notes.

A US Noteholder who uses the cash method of accounting and who receives a payment of qualified stated interest in a foreign currency with respect to a foreign currency Note will be required to include in income the US dollar value of the foreign currency payment (determined on the date the payment is received) regardless of whether the payment is in fact converted to US dollars at the time, and this US dollar value will be the US Noteholder's tax basis in the foreign currency.

An accrual method US Noteholder will be required to include in income the US dollar value of the amount of interest income (including original issue discount or market discount, but reduced by acquisition premium and amortisable bond premium, to the extent applicable) that has accrued and is otherwise required to be taken into account with respect to a foreign currency Note during an accrual period. The US dollar value of the accrued income will be determined by translating the income at the average rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within the taxable year. The US Noteholder will recognise ordinary income or loss with respect to accrued interest income on the date the income is actually received. The amount of ordinary income or loss recognised will equal the difference between the US dollar value of the foreign currency payment received (determined on the date the payment is received) in respect of the accrual period and the US dollar value of interest income that has accrued during the accrual period (as determined above). Rules similar to these rules apply in the case of a cash method taxpayer required to currently accrue original issue discount or market discount.

An accrual method US Noteholder or cash method US Noteholder accruing original issue discount may elect to translate interest income (including original issue discount) into US dollars at the spot rate on the last day in the interest accrual period (or, in the case of a partial accrual period, the spot rate on the last day of the partial accrual period in the taxable year) or, if the date of receipt is within five business days of the last day of the interest accrual period, the spot rate on the date of receipt. A US Noteholder that makes this election must apply it consistently to all Notes from year to year and cannot change the election without the consent of the IRS.

Original issue discount, market discount, acquisition premium and amortisable bond premium on a foreign currency Note are to be determined in the relevant foreign currency. Where the taxpayer elects to include market discount in income currently, the amount of market discount will be determined for any accrual period in the relevant foreign currency and then translated into US dollars on the basis of the average rate in effect during the accrual period. Exchange gain or loss realised with respect to such accrued market discount shall be determined in accordance with the rules relating to accrued interest described above. Accrued market discount (other than market discount currently included in income) taken into account upon the receipt of any partial principal payment or upon the sale, retirement or other disposition of a Note is translated into US dollars at the spot rate on such payment or disposition date.

If an election to amortise bond premium is made, amortisable bond premium taken into account on a current basis shall reduce interest income in units of the relevant foreign currency. Exchange gain or loss is realised on amortised bond premium with respect to any period by treating the bond premium amortised in the period in the same manner as on the sale, exchange or retirement of the foreign currency Note. Any exchange gain or loss will be ordinary income or loss as described below. If the election is not made, any loss realised on the sale, exchange or retirement of a foreign currency Note with amortisable bond premium by a US Noteholder who has not elected to amortise the premium will be a capital loss to the extent of the bond premium.

A US Noteholder's tax basis in a foreign currency Note, and the amount of any subsequent adjustment to the Noteholder's tax basis, will be the US dollar value amount of the foreign currency amount paid for such foreign currency Note, or of the foreign currency amount of the adjustment, determined on the date of the purchase or adjustment. A US Noteholder who purchases a foreign currency Note with previously owned foreign currency will recognise ordinary income or loss in an amount equal to the difference, if any, between such US Noteholder's tax basis in the foreign currency and the US dollar fair market value of the foreign currency Note on the date of purchase.

Gain or loss realised upon the sale, exchange or retirement of a foreign currency Note that is attributable to fluctuation in currency exchange rates will be ordinary income or loss which will not be treated as interest income or expense. Gain or loss attributable to fluctuations in exchange rates will equal the difference between (i) the US dollar value of the foreign currency principal amount of the Note, determined on the date the payment is received or the Note is disposed of, and (ii) the US dollar value of the foreign currency principal amount of the Note, determined on the date the US Noteholder acquired the Note. Payments received attributable to accrued interest will be treated in accordance with the rules applicable to payments of interest on foreign currency Notes described above. The foreign currency gain or loss will be recognised only to the extent of the total gain or loss realised by the Noteholder on the sale, exchange or retirement of the foreign currency Note. The source of the foreign currency gain or loss will be determined by reference to the residence of the Noteholder on whose books the Note is properly reflected. Any gain or loss realised by these Noteholders in excess of the foreign currency gain or loss will be capital gain or loss except to the extent of any accrued market discount or, in the case of short-term Note, to the extent of any discount not previously included in the Noteholder's income provided that the Note is not a Foreign Currency Contingent Payment Debt Note. Noteholders should consult their tax advisors with respect to the tax consequences of receiving payments in a currency different from the currency in which payments with respect to such Note accrue.

A US Noteholder will have a tax basis in any foreign currency received on the sale, exchange or retirement of a foreign currency Note equal to the US dollar value of the foreign currency, determined at the time of sale, exchange or retirement. A cash method taxpayer who buys or sells a foreign currency Note that is traded on an established securities market is required to translate units of foreign currency paid or received into US dollars at the spot rate on the settlement date of the purchase or sale. Accordingly, no exchange gain or loss will result from currency fluctuations between the trade date and the settlement date of the purchase or sale. An accrual method taxpayer may elect the same treatment for all purchases and sales of foreign currency obligations **provided that** the Notes are traded on an established securities market. This election cannot be changed without the consent of the IRS. If either (i) the Note is not traded on an established securities market or (ii) it is and the Noteholder is an accrual method taxpayer that does not make the election described above with respect to such Note, exchange gain or loss may result from currency fluctuations between the trade date and the settlement date of the purchase or sale. Any gain or loss realised by a US Noteholder on a sale or other disposition of foreign currency (including its exchange for US dollars or its use to purchase foreign currency Notes) will be ordinary income or loss.

Backup Withholding and Information Reporting

Information returns may be filed with the IRS in connection with payments on the Notes and the proceeds from a sale or other disposition of the Notes. A US Noteholder may be subject to US backup withholding on these payments if it fails to provide its tax identification number to the paying agent and comply with certain certification procedures or otherwise establish an exemption from backup withholding. The amount of any backup withholding from a payment to a US Noteholder will be allowed as a credit against the Noteholder's US federal income tax liability and may entitle them to a refund, provided that the required information is furnished to the IRS.

Reporting Requirements

A US taxpayer that participates in a "reportable transaction" will be required to disclose its participation to the IRS. The scope and application of these rules is not entirely clear. A US Noteholder may be required to treat a foreign currency exchange loss from the Notes as a reportable transaction if the loss exceeds US$50,000 in a single taxable year if the US Noteholder is an individual or trust, or higher amounts for other US Noteholders. In the event the acquisition, ownership or disposition of the Notes constitutes participation in a "reportable transaction" for purposes of these rules, a US Noteholder will be required to disclose its investment by filing Form 8886 with the IRS.

US Noteholders should consult their tax advisors regarding the application of these rules as well as any additional filing or reporting obligations that may apply to the acquisition, ownership or disposition of the Notes.

The US federal income tax discussion set forth above is included for general information only and may not be applicable depending upon a Noteholder's particular situation. Noteholders should consult their tax advisors with respect to the tax consequences to them of the ownership and disposition of the Notes, including the tax consequences under state, local, foreign and other tax laws and the possible effects of changes in US federal or other tax laws.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain other persons established in that other Member State; however, for a transitional period, Austria, Belgium and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35%, unless during such transitional period they elect otherwise (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld). The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. Belgium has replaced this withholding tax with a provision of information system as from 1 January 2010.

A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain other entities established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain other entities established in one of those territories.

UAE and the DIFC

The following summary of the anticipated tax treatment in the UAE and the DIFC in relation to the payments on the Notes is based on the taxation law and practice in force at the date of this Prospectus, and does not constitute legal or tax advice and prospective investors should be aware that the relevant fiscal rules and practice and their interpretation may change. Prospective investors should consult their own professional advisers on the implications of subscribing for, buying, holding, selling, redeeming or disposing of Notes and the receipt of any payments in respect of such Notes and distributions (whether or not on a winding-up) with respect to such Notes under the laws of the jurisdictions in which they may be liable to taxation.

There is currently in force in the Emirates of Abu Dhabi and Dubai legislation establishing a general corporate taxation region (the Abu Dhabi Income Tax Decree 1965 (as amended) and the Dubai Income Tax Decree 1969 (as amended)). The regime is, however, not enforced save in respect of companies active in the hydrocarbon industry, some service industries and branches of foreign banks operating in the UAE. It is not known whether the legislation will or will not be enforced more generally or within other industry sectors in the future. Under current legislation, there is no requirement for withholding or deduction for or on account of UAE, Dubai or DIFC taxation in respect of payments on debt securities.

The Constitution of the UAE specifically reserves to the Federal Government of the UAE the right to raise taxes on a Federal basis for purposes of funding its budget. It is not known whether this right will be exercised in the future.

CERTAIN ERISA CONSIDERATIONS

The US Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") imposes certain requirements on "employee benefit plans" (as defined in ERISA) subject to Title I of ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, "**ERISA Plans**") and on those persons who are fiduciaries with respect to ERISA Plans.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan (Section 4975 of the Code also imposes prohibitions for certain plans that are not subject to Title I of ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts (together with ERISA Plans, "**Plans**")) and certain persons (referred to as "**parties in interest**" or "**disqualified persons**") having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and Section 4975 of the Code.

The US Department of Labor (the "**DOL**") regulations and Section 3(42) of ERISA describe what constitutes the assets of a Plan with respect to the Plan's investment in an entity for purposes of ERISA's fiduciary provisions and Section 4975 of the Code (the "**Plan Asset Regulation**"). Under the Plan Asset Regulation, subject to certain exceptions, if a Plan invests in an "equity interest" of an entity, then the Plan's assets include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established that equity participation in the entity by "Benefit Plan Investors" (as defined below) is not "significant" (as described below). If the underlying assets of the entity are deemed to be "plan assets," the obligations and other responsibilities of Plan sponsors, Plan fiduciaries and Plan administrators, and of "parties in interest" and "disqualified persons" (as defined under ERISA and the Code), under Parts 1 and 4 of Subtitle B of Title I of ERISA and Section 4975 of the Code, as applicable, may be expanded, and there may be an increase in their liability under these and other provisions of ERISA and the Code (except to the extent (if any) that a favorable statutory or administrative exemption or exception applies); in addition, various providers of fiduciary or other services to the entity, and any other parties with authority or control with respect to the entity, could be deemed to be Plan fiduciaries or otherwise parties in interest or disqualified persons by virtue of their provision of such services (and there could be an improper delegation of authority to such providers).

Generally, equity participation by Benefit Plan Investors in an entity is "significant" under the Plan Asset Regulation if, immediately after the most recent acquisition of any equity interest in the entity, 25% or more of the value of any class of equity interests in the entity is held by Benefit Plan Investors. For purposes of the Plan Asset Regulation, an equity interest includes any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features. For purposes of the Plan Asset Regulation, as modified by Section 3(42) of ERISA, a "Benefit Plan Investor" is (i) an "employee benefit plan" as defined in ERISA and subject to Part 4 of Subtitle B of Title I of ERISA, (ii) a "plan" as defined in and subject to Section 4975 of the Code, or (iii) any entity whose underlying assets are deemed for purposes of ERISA or the Code to include "plan assets" by reason of such employee benefit plan's or plan's investment in the entity.

Subject to the requirements discussed herein, and unless otherwise stated in the applicable Final Terms, the Notes (or any interests therein) may be purchased and held by Benefit Plan Investors. Accordingly, unless otherwise stated in the applicable Final Terms, each original purchaser or transferee of a Note will be deemed to have represented and agreed that either (i) it is not (and for so long as it holds a Note or interest therein will not be), and is not acting on behalf of (and for so long as it holds any Note or interest therein will not be acting on behalf of), (A) an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA, (B) a "plan" as defined in and subject to Section 4975 of the Code, (C) any entity whose underlying assets are deemed for purposes of Section 406 of ERISA or Section 4975 of the Code to include "plan assets" by reason of such employee benefit plan's or plan's investment in the entity, or (D) any governmental or other employee benefit plan subject to any US federal, state, local or non-US law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code ("Similar Law"), or (ii) its purchase, holding and disposition of such Note (or any interest therein) does not and will not constitute or result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code (or, in the case of another employee benefit plan subject to Similar Law, is not in violation of any Similar Law).

THE PRECEDING DISCUSSION IS ONLY A SUMMARY OF CERTAIN ERISA AND OTHER US IMPLICATIONS OF AN INVESTMENT IN THE NOTES AND DOES NOT PURPORT TO BE COMPLETE. PROSPECTIVE INVESTORS SHOULD CONSULT WITH THEIR OWN LEGAL, TAX, FINANCIAL AND OTHER ADVISORS PRIOR TO INVESTING TO REVIEW THESE IMPLICATIONS IN LIGHT OF SUCH INVESTOR'S PARTICULAR CIRCUMSTANCES.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated 4 November 2010 (the "**Dealer Agreement**") between the Issuer, the Permanent Dealers and the Arrangers, the Issuer will offer the Notes on a continuous basis to any one or more of the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer(s). The Issuer may also sell the Notes through the Dealers, acting as its agents. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are either (i) jointly and severally or (ii) if agreed between the Issuer and the relevant Dealers, severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between the Issuer and such Dealers in respect of Notes subscribed by it. The Issuer has agreed to reimburse each of the Arrangers for certain of their expenses incurred in connection with the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling Restrictions

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, US persons, except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Each Dealer has represented and agreed, and each further Dealer will be required to represent and agree that, except as permitted by the Dealer Agreement, and as described below, it will not offer, sell or, in the case of Bearer Notes, deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Issuer, by the Issuing and Paying Agent or, in the case of Notes issued on a syndicated basis, the relevant Lead Manager, within the United States or to, or for the account or benefit of, US persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period (other than resales pursuant to Rule 144A) a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, US persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

Except as otherwise provided in the applicable Final Terms, the purchaser and each transferee will be deemed to represent that either (i) it is not and for as long as it holds the Notes (or any interest therein) will not be, and is not acting on behalf of (and for so long as it holds any Note or interest therein will not be acting on behalf of), an "employee benefit plan" as described in Section 3(3) of ERISA and subject to Title I of ERISA, a "plan" as defined in and subject to Section 4975 of the Code, an entity whose underlying assets are deemed for purposes of Section 406 of ERISA or Section 4975 of the Code to include "plan assets" by reason of such employee benefit plan's or plan's investment in the entity, or any governmental or other employee benefit plan subject to any US federal, state, local or non-US law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code ("**Similar Law**"), or (ii) its purchase, holding and disposition of such Note (or any interest therein) does not and will not constitute or result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code (or, in the case of another employee benefit plan subject to Similar Law, is not in violation of any Similar Law).

Bearer Notes are subject to US tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a US person, except in certain transactions permitted by US tax regulations. Terms used in this paragraph have the meanings given to them by the US Internal Revenue Code of 1986, as amended, and regulations thereunder.

(A) Where the D Rules are specified in the relevant Final Terms as being applicable in relation to any Tranche of Notes, each Dealer will be required to represent, undertake and agree, and each further Dealer will be required to represent and agree, that:

(i) except to the extent permitted under the D Rules, (a) it has not offered or sold, and during the restricted period will not offer or sell, any Bearer Notes to a person who is within the United States or its possessions or to a US person, and (b) it has not delivered and will not deliver within the United States or its possessions Definitive Bearer Notes that are sold during the restricted period;

(ii) it has, and throughout the restricted period will have, in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Bearer Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a US person, except as permitted by the D Rules;

(iii) if it is a US person, it is acquiring the Bearer Notes for purposes of resale in connection with their original issuance and, if it retains Bearer Notes for its own account, it will only do so in accordance with the requirements of United States Treasury Regulations §1.163-5(c)(2)(i)(D)(6);

(iv) with respect to each affiliate (if any) that acquires from such Dealer Bearer Notes for the purposes of offering or selling such Notes during the restricted period, such Dealer either repeats and confirms the representations, undertakings and agreements contained in sub-clauses (i), (ii) and (iii) above on such affiliate's behalf or agrees that it will obtain from such affiliate for the benefit of the Issuer the representations, undertakings and agreements contained in such sub-clauses (i), (ii) and (iii); and

(v) shall obtain for the benefit of the Issuer the representations, undertakings and agreements contained in sub-clauses (i), (ii), (iii) and (iv) of this paragraph from any person other than its affiliate with whom it enters into a written contract, (a "distributor" as defined in United States Treasury Regulations § 1.163-5(c)(2)(i)(D)(4)), for the offer or sale during the restricted period of the Bearer Notes.

(B) In addition, where the C Rules are specified in the relevant Final Terms as being applicable in relation to any Tranche of Notes, such Notes must in their original issuance, be issued and delivered outside the United States and its possessions and, accordingly, each Dealer will be required to represent, undertake and agree that, in connection with the original issuance of the Notes:

(i) it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, any Bearer Notes within the United States or its possessions; and

(ii) it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either such purchaser or such Dealer is within the United States or its possessions and will not otherwise involve the United States office of such Dealer in the offer and sale of Bearer Notes.

Terms used in sub-clauses (A) and (B) have the meanings given to them by the Code and the regulations thereunder, including the C Rules and the D Rules.

The Notes are being offered and sold outside the United States to non-US persons in reliance on Regulation S. The Dealer Agreement provides that the Dealers may directly or through their respective US broker-dealer affiliates arrange for the offer and resale of Registered Notes within the United States only to QIBs in reliance on Rule 144A.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or another exemption from registration under the Securities Act.

This Prospectus has been prepared for use in connection with the offer and sale of the Notes outside the United States to non-US persons in reliance on Regulation S and, in the case of Registered Notes only, within the United States to QIBs in reliance on Rule 144A. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Prospectus does not constitute an offer to any person in the United States or to any US person, other than any QIB to whom an offer has been made directly by one of the Dealers or its US broker-dealer affiliate. Distribution of this Prospectus, or any disclosure without the prior written consent of the Issuer of any of its contents, by any non-US person outside the United States or by any QIB in the United States to any US person or to any other person within the United States (other than a QIB and those persons, if any, retained to advise such non-US person or QIB with respect thereto) is prohibited.

Public Offer Selling Restriction Under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented and agreed, and each additional Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

(i) at any time to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(ii) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;

(iii) at any time to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(iv) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in clauses (i) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer will be required to represent and agree, that:

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Republic of Italy

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, each Dealer has represented and agreed that it has not offered, sold, distributed, and will not offer, sell or distribute any Notes or any copy of this Prospectus or any other offer document in the Republic of Italy ("**Italy**") except:

(a) to qualified investors (*investitori qualificati*), pursuant to Article 100 of Legislative Decree no. 58 of 24 February 1998 (the "**Consolidated Financial Services Act**") and Article 34-ter, paragraph, letter (b) of CONSOB regulation 11971 of 14 May 2999 (the "**CONSOB Regulation**"), all as amended; or

(b) in any other circumstances where an express exemption from compliance with the restrictions on offers to the public applies, as provided under Article 100 of the Consolidated Financial Services Act and Article 34-ter of the CONSOB Regulation.

Moreover, and subject to the foregoing, each Dealer has acknowledged that any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in Italy under (a) or (b) above must be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Consolidated Financial Services Act, Legislative Decree No. 385 of 1 September 1993 (the "**Banking Act**"), CONSOB Regulation No. 16190 of 29 October 2007, all as amended;

(ii) in compliance with Article 129 of the Banking Act and the implementing guidelines, pursuant to which the Bank of Italy may request information on the offering or issue of securities in Italy; and

(iii) in compliance with any securities, tax, exchange control and other applicable laws and regulations, including any limitation or requirement which may be imposed from time to time, *inter alia*, by CONSOB or the Bank of Italy.

In accordance with Article 100-bis of the Consolidated Financial Services Act, Notes having a denomination per unit of less than euro 50,000 (or the equivalent in other currencies at the date of issue), which have been offered in Italy to qualified investors (as defined under article 34-ter of the CONSOB Regulation), shall not be systematically resold—at any time in the 12 months following such offer—to non-qualified investors on the secondary market in the Republic of Italy other than in compliance with the offer to the public and prospectus requirements rules set out in the Consolidated Financial Services Act and the CONSOB Regulation, unless an exemption from such rules applies. Where the Notes are sold in breach of these requirements, purchasers of Notes who are acting outside of the course of their business or profession may be entitled to have such purchase declared void and, in addition, to claim damages from any authorised person at whose premises the Notes were purchased.

Any investor purchasing the Notes is solely responsible for ensuring that any offer or resale of the Notes by such investor occurs in compliance with applicable Italian laws and regulations.

This Prospectus and the information contained therein are intended only for the use of its recipient and are not to be distributed to any third party resident or located in Italy for any reason. No person resident or located in Italy other than the original recipients of the Prospectus may rely on it or its contents.

United Arab Emirates (excluding the Dubai International Financial Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes to be issued under the Programme have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that the information contained in this Prospectus does not constitute a public offer of securities in the United Arab Emirates in accordance with the Commercial Companies Law (Federal Law 8 of 1984 (as amended)) or otherwise and is not intended to be a public offer and the information contained in this Prospectus is not intended to lead to the conclusion of any contract of whatsoever nature within the territory of the United Arab Emirates.

Dubai International Financial Centre

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Notes to be issued under the Programme to any person in the Dubai International Financial Centre unless such offer is:

(a) an "Exempt Offer" in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (the "**DFSA**"); and

(b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended; the FIEA) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Control Law (Law No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Kingdom of Saudi Arabia

No action has been or will be taken in Saudi Arabia that would permit a public offering of the Notes in Saudi Arabia. The Notes will only be offered and sold in Saudi Arabia through persons authorised to do so in accordance with the Offers of Securities Regulations issued by the Saudi Arabian Capital Market Authority (the "**CMA**") (the "**Regulations**") following a notification to the CMA under the Regulations. The Notes will be offered in Saudi Arabia, only to sophisticated investors in accordance with Article 10 of the Regulations, with each such offeree paying an amount not less than SAR 1,000,000 or an equivalent amount in another currency.

Each Dealer acknowledges and agrees, and each further Dealer appointed under the Programme will be required to acknowledge and agree, that the Regulations place restrictions on secondary market activity with respect to the Notes, which are summarised as follows:

(a) any transfer must be made through an entity licensed by the CMA;

(b) a person (a "**transferor**") who has acquired Notes may not offer or sell such Notes or any part thereof to any person (a "**transferee**") unless (i) the price to be paid by the transferee for such Notes equals or exceeds SAR 1,000,000; or (ii) the transferee is a sophisticated investor (as defined under the Regulations);

(c) if the provisions of paragraph (b) above cannot be fulfilled because the price of the Notes being offered or sold to the transferee has declined since the date of the original limited offer, the transferor may offer or sell Notes to the transferee if their purchase price during the period of the original offer was equal to or exceeded SAR 1,000,000;

(d) if the provisions of paragraphs (b) and (c) above cannot be fulfilled, the transferor may offer or sell the Notes if he sells his entire holding of such Notes to one transferee; and

(e) the provisions of paragraphs (b), (c) and (d) above shall apply to all subsequent transferees of the Notes.

Malaysia

Each Dealer has represented, warranted and agreed, and each further Dealer appointment under the Programme will be required to represent, warrant and agree that the offer or issue of the Notes in Malaysia can only be made to investors in the manner specified in Schedules 6 or 7 and 9 of the Capital Markets and Services Act 2007 (e.g. unit trust schemes, holders of a Capital Markets Services Licence ("**CMSL**") who carry on the business of dealing in securities, closed-end funds approved by the Securities Commission of Malaysia, holders of a CMSL who carry on the business of fund management, licensed financial institutions under the Banking and Financial Institutions Act 1989 or licensed Islamic banks under the Islamic Banking Act 1983, licensed offshore banks under the Offshore Banking Act 1990, insurance companies registered under the Insurance Act 1996, corporations with total net lease assets exceeding ten million Malaysian ringgit or its equivalent in foreign currencies based on the last audited accounts, statutory bodies established by an Act of Parliament of Malaysia or an enactment of any state in Malaysia and pension funds approved by the Director General of Inland Revenue under section 150 of the Income Tax Act 1967).

General

These selling restrictions may be modified by the agreement between the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplementary Prospectus.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Prospectus, any other offering material or any Final Terms and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries, and neither the Issuer nor any other Dealer shall have responsibility therefor.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

TRANSFER RESTRICTIONS

Restricted Notes

Each purchaser of Restricted Notes, by accepting delivery of this Prospectus and the Restricted Notes, will be deemed to have represented, agreed and acknowledged that:

1. It is (a) a QIB, (b) acting for its own account, or for the account of one or more QIBs, (c) not formed for the purpose of investing in the Restricted Notes or the Issuer and (d) aware, and each beneficial owner of the Restricted Notes has been advised, that the sale of the Restricted Notes to it is being made in reliance on Rule 144A.

2. (i) The Restricted Notes have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it, and any person acting on its behalf, reasonably believes is a QIB purchasing for its own account or for the account of one or more QIBs, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S under the Securities Act, (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available) or (d) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any State of the United States and (ii) it will, and each subsequent holder of the Restricted Notes is required to, notify any purchaser of the Restricted Notes from it of the resale restrictions on the Restricted Notes.

3. Except as otherwise provided in the applicable Final Terms, either (i) it is not and for as long as it holds the Notes (or any interest therein) will not be, and is not acting on behalf of (and for so long as it holds any Note or interest therein will not be acting on behalf of), an "employee benefit plan" as described in Section 3(3) of ERISA and subject to Title I of ERISA, a "plan" as defined in and subject to Section 4975 of the Code, an entity whose underlying assets are deemed for purposes of Section 406 of ERISA or Section 4975 of the Code to include "plan assets" by reason of such employee benefit plan's or plan's investment in the entity, or any governmental or other employee benefit plan subject to any US federal, state, local or non-US law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code ("**Similar Law**"), or (ii) its purchase, holding and disposition of such Note (or any interest therein) does not and will not constitute or result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code (or, in the case of another employee benefit plan subject to Similar Law, is not in violation of any Similar Law).

4. The Restricted Notes, unless the Issuer determines otherwise in accordance with applicable law, will bear a legend (the "**Rule 144A Legend**") in or substantially in the following form:

   THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "**QIB**") THAT IS ACQUIRING THIS NOTE FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER RULE 144 UNDER THE SECURITIES ACT ("**RULE 144**"), IF AVAILABLE, OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR RESALES OF THE NOTES.

   EXCEPT AS OTHERWISE PROVIDED IN THE APPLICABLE FINAL TERMS, BY ITS PURCHASE AND HOLDING OF THIS NOTE (OR ANY INTEREST THEREIN), EACH PURCHASER AND EACH TRANSFEREE WILL BE DEEMED TO HAVE REPRESENTED AND AGREED, THAT EITHER THAT (1) IT IS NOT AND FOR AS LONG AS IT HOLDS THE NOTE (OR ANY INTEREST THEREIN) WILL NOT BE, AND

IS NOT ACTING ON BEHALF OF (AND FOR AS LONG AS IT HOLDS THE NOTE OR INTEREST THEREIN WILL NOT BE ACTING ON BEHALF OF), AN "EMPLOYEE BENEFIT PLAN" AS DESCRIBED IN SECTION 3(3) OF THE US EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") AND SUBJECT TO TITLE I OF ERISA, OR A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE US INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), AN ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED FOR PURPOSES OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE TO INCLUDE "PLAN ASSETS" BY REASON OF SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY, OR ANY GOVERNMENTAL OR OTHER EMPLOYEE BENEFIT PLAN SUBJECT TO ANY US FEDERAL, STATE, LOCAL OR NON-US LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), OR (2) ITS PURCHASE, HOLDING AND DISPOSITION OF THIS NOTE (OR ANY INTEREST THEREIN) DOES NOT AND WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER ERISA OR SECTION 4975 OF THE CODE (OR IN THE CASE OF ANOTHER EMPLOYEE BENEFIT PLAN SUBJECT TO SIMILAR LAW, IS NOT IN VIOLATION OF ANY SIMILAR LAW).

5. It understands that the Issuer, each Registrar, the relevant Dealer(s) and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of the acknowledgements, representations or agreements deemed to have been made by it by its purchase of Restricted Notes is no longer accurate, it shall promptly notify the Issuer and the relevant Dealer(s). If it is acquiring any Restricted Notes for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each of those accounts and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

6. It understands that the Restricted Notes will be represented by a Restricted Global Certificate. Before any interest in a Restricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Unrestricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.

Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Unrestricted Notes

Each purchaser of Unrestricted Notes and each subsequent purchaser of Unrestricted Notes in resales prior to the expiration of the distribution compliance period, by accepting delivery of this Prospectus and the Unrestricted Notes, will be deemed to have represented, agreed and acknowledged that:

1. It is, or at the time Unrestricted Notes are purchased will be, the beneficial owner of the Unrestricted Notes and (a) it is not a US person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate.

2. It understands that the Unrestricted Notes have not been and will not be registered under the Securities Act and that, prior to the expiration of the distribution compliance period, it will not offer, sell, pledge or otherwise transfer Unrestricted Notes except (a) in accordance with Rule 144A under the Securities Act to a person that it and any person acting on its behalf reasonably believes is a QIB purchasing for its own account, or for the account of one or more QIBs or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States.

3. Except as otherwise provided in the applicable Final Terms, either (i) it is not and for as long as it holds the Notes (or any interest therein) will not be, and is not acting on behalf of (and for so long as it holds any Note or interest therein will not be acting on behalf of), an "employee benefit plan" as described in Section 3(3) of ERISA and subject to Title I of ERISA, a "plan" as defined in and subject to Section 4975 of the Code, an entity whose underlying assets are deemed for purposes of Section 406 of ERISA or Section 4975 of the Code to include "plan assets" by reason of such employee benefit

plan's or plan's investment in the entity, or any governmental or other employee benefit plan subject to any US federal, state, local or non-US law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code ("**Similar Law**"), or (ii) its purchase, holding and disposition of such Note (or any interest therein) does not and will not constitute or result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code (or, in the case of another employee benefit plan subject to Similar Law, is not in violation of any Similar Law).

4. It understands that the Unrestricted Notes, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend (the "**Regulation S Legend**") in or substantially in the following form:

   THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT.

   EXCEPT AS OTHERWISE PROVIDED IN THE APPLICABLE FINAL TERMS, BY ITS PURCHASE AND HOLDING OF THIS NOTE (OR ANY INTEREST THERIN), EACH PURCHASER AND EACH TRANSFEREE WILL BE DEEMED TO HAVE REPRESENTED AND AGREED, THAT EITHER THAT (1) IT IS NOT AND FOR AS LONG AS IT HOLDS THE NOTE (OR ANY INTEREST THEREIN) WILL NOT BE, AND IS NOT ACTING ON BEHALF OF (AND FOR AS LONG AS IT HOLDS THE NOTE OR INTEREST THEREIN WILL NOT BE ACTING ON BEHALF OF), AN "EMPLOYEE BENEFIT PLAN" AS DESCRIBED IN SECTION 3(3) OF THE US EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") AND SUBJECT TO TITLE I OF ERISA, OR A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE US INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), AN ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED FOR PURPOSES OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE TO INCLUDE "PLAN ASSETS" BY REASON OF SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY, OR ANY GOVERNMENTAL OR OTHER EMPLOYEE BENEFIT PLAN SUBJECT TO ANY US FEDERAL, STATE, LOCAL OR NON-US LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), OR (2) ITS PURCHASE, HOLDING AND DISPOSITION OF THIS NOTE (OR ANY INTEREST THERIN) DOES NOT AND WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER ERISA OR SECTION 4975 OF THE CODE (OR IN THE CASE OF ANOTHER EMPLOYEE BENEFIT PLAN SUBJECT TO SIMILAR LAW, IS NOT IN VIOLATION OF ANY SIMILAR LAW).

5. It understands that the Issuer, each Registrar, the relevant Dealer(s) and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

6. It understands that the Unrestricted Notes will be represented by an Unrestricted Global Certificate, or as the case may be, a Global Bearer Note. Prior to the expiration of the distribution compliance period, before any interest in an Unrestricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Restricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.

CLEARANCE AND SETTLEMENT

It is expected that delivery of Notes will be made against payment therefor on the relevant Issue Date, which could be more than three business days following the date of pricing. Under Rule 15c6-1 of the Exchange Act, trades in the US secondary market generally are required to settle within three business days ("**T+3**"), unless the parties to any such trade expressly agree otherwise. Accordingly, in the event that an Issue Date is more than three business days following the relevant date of pricing, purchasers who wish to trade Registered Notes in the United States between the date of pricing and the date that is three business days prior to the relevant Issue Date will be required, by virtue of the fact that such Notes initially will settle beyond T+3, to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Notes may be affected by such local settlement practices and, in the event that an Issue Date is more than three business days following the relevant date of pricing, purchasers of Notes who wish to trade Notes between the date of pricing and the date that is three business days prior to the relevant Issue Date should consult their own adviser.

GENERAL INFORMATION

Authorisation

The Issuer has obtained all necessary consents, waivers, approvals and authorizations in connection with the establishment of the Programme. The establishment and the update of the Programme was authorized by resolutions of the Company's Board of Directors passed on 30 May 2007 and 4 November 2010.

Listing of the Notes

The admission of the Notes to the Official List will be expressed as a percentage of their nominal amount (exclusive of accrued interest). It is expected that each Tranche of the Notes which is to be admitted to the Official List and to trading on the Market will be admitted separately as and when issued, subject only to the issue of a Temporary Global Bearer Note or Permanent Global Bearer Note (or one or more Global Certificates) in respect of each Tranche. The listing of the Programme in respect of the Notes is expected to be granted on or about 8 November 2010. Prior to official listing and admission to trading, however, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions on the Market will normally be effected for delivery on the third working day after the day of the transaction.

Dealers transacting with the Issuer

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Company in the ordinary course of business.

Significant or Material Change

There has been no significant change in the financial or trading position of the Issuer or the Group since 30 June 2010, the date of publication of the Group's latest interim accounts, and no material adverse change in the prospects of the Issuer or the Group since 31 December 2009, the date of publication of the Group's latest audited accounts.

Litigation

Save as disclosed on page 131 of this Prospectus, neither the Company, nor any Subsidiary, has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the 12 months preceding the date of this Prospectus which may have or has had in the recent past significant effects on the financial position or profitability of the Company or the Group.

Legends

(a) Each Bearer Note issued in compliance with the D Rules, Receipt, Coupon and Talon will bear the following legend:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code of 1986, as amended".

(b) Each Note will bear the following legend:

"No offer of the Notes may be made to any person in the Dubai International Financial Centre unless such offer is (a) deemed to be an "Exempt Offer" in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (the "**Rules**") and (b) made to "Professional Clients" as defined in the Rules. Persons into whose possession this Note may come must inform themselves about the nature of the Notes as Restricted Securities, and observe, any applicable restrictions in any relevant jurisdiction on the offering, purchase and sale of the Notes".

Clearing Systems

Notes may be accepted for clearance through the Euroclear, Clearstream, Luxembourg and/or DTC systems. Such acceptance will be confirmed in the relevant Final Terms. The Common Code, the International Securities Identification Numbers (ISINs), the Committee on the Uniform Security

Identification Procedure (CUSIP) number and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, the address of Clearstream, Luxembourg is 42 Avenue J.F. Kennedy L-1855 Luxembourg and the address of DTC is 55 Water Street, New York, New York 10041. The address of any alternative clearing system will be specified in the relevant Final Terms.

Information from third parties

Where information in this Prospectus has been sourced from third parties this information has been accurately reproduced and as far as we are aware and are able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.

Conditions for determining price

The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Final Terms of each Tranche, based on the prevailing market conditions. We do not intend to provide any post-issuance information in relation to any issue of Notes.

Auditors

The unaudited condensed consolidated interim financial statements of the Company as of and for the six months ended 30 June 2010 included in this Prospectus have been reviewed by KPMG LLP, independent auditors, as stated in their review report appearing herein. The audited consolidated financial statements of the Company as of and for the years ended 31 December 2008 and 2009 have been audited by KPMG LLP, independent auditors, as stated in their audit report appearing herein. The registered office of KPMG LLP is P.O. Box 3800, Level 32, Emirates Towers, Sheikh Zayed Road, Dubai, UAE.

Documents available for inspection

Our principal executive offices are located at LOB 17, Jebel Ali Free Zone, Dubai, UAE. Our registered office is PO Box 17000, Dubai, UAE. Our telephone number is +971 4 881 1110. Our website address is *www.dpworld.com*. The information contained on our website is not incorporated by reference into, or otherwise included in, this Prospectus.

For so long as Notes may be issued pursuant to this Prospectus, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of the Issuer and each of the Paying Agents:

(i) the Trust Deed (which includes the form of the Global Bearer Notes, the Global Certificates, the Definitive Bearer Notes, the Certificates, the Coupons, the Receipts and the Talons);

(ii) the Agency Agreement;

(iii) the Dealer Agreement;

(iv) the constitutional documents of the Issuer;

(v) the unaudited condensed consolidated interim financial statements of the Company as of and for the six months ended 30 June 2010, including the review report of KPMG LLP in respect thereof;

(vi) the audited consolidated financial statements of the Company as of and for the years ended 31 December 2008 and 2009, including the audit report of KPMG LLP in respect thereof;

(vii) each Final Terms (save that Final Terms relating to a Note which is neither admitted to trading on a regulated market within the EEA nor offered in the EEA in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Issuing and Paying Agent as to its holding of Notes and identity); and

(viii) a copy of this Prospectus together with any supplementary prospectus or further prospectus.

This Prospectus and each Final Terms for Notes that are admitted to the Official List and admitted to trading on the Market will be published on the website of the Regulatory News Service operated by the

London Stock Exchange at *www.londonstockexchange.com/exchange/prices-and-news /news/market-news/ market-news-home.html*.

Copies of our latest consolidated financial statements may be obtained, and copies of the Trust Deed will be available for inspection, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes is outstanding.

Post-issuance information

Save as set out in the Final Terms, the Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

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for the six months ended 30 June 2010

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The Shareholders
DP World Limited

Independent auditors' report on review of condensed consolidated interim financial information

We have reviewed the accompanying condensed consolidated statement of financial position of DP World Limited (”the Company”) and its subsidiaries (collectively referred to as "the Group") as at 30 June 2010 and the condensed consolidated statements of comprehensive income (comprising a separate condensed consolidated income statement and a condensed consolidated statement of comprehensive income), changes in equity and cash flows and selected explanatory notes for the six month period then ended ("the condensed consolidated interim financial information"). Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, '*Interim Financial Reporting*'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, '*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2010 is not prepared, in all material respects, in accordance with IAS 34 '*Interim Financial Reporting*'.

KPMG LLP

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DP World Limited and its subsidiaries

Condensed consolidated income statement

For the six months ended 30 June 2010

		Period ended 30 June 2010			Period ended 30 June 2009		
	Notes	Before separately disclosed items USD'000	Separately disclosed items (Note 5) USD'000	Total USD'000	Before separately disclosed items USD'000	Separately disclosed items (Note 5) USD'000	Total USD'000
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue from operations	6	**1,454,531**	**69,791**	**1,524,322**	1,383,932	—	1,383,932
Cost of sales		**(1,009,597)**	**(69,791)**	**(1,079,388)**	(926,519)	—	(926,519)
Gross profit		**444,934**	**—**	**444,934**	457,413	—	457,413
General and administrative expenses		**(155,077)**	**(3,500)**	**(158,577)**	(152,873)	—	(152,873)
Other income		**11,218**	**5,591**	**16,809**	9,455	—	9,455
Share of profit/(loss) of equity accounted associates and joint ventures (net of tax)	7	**61,912**	**(2,900)**	**59,012**	33,396	—	33,396
Profit on sale and termination of business (net of tax)		**—**	**13,542**	**13,542**	—	—	—
Result from operating activities		**362,987**	**12,733**	**375,720**	347,391	—	347,391
Finance income		**46,504**	**—**	**46,504**	21,270	—	21,270
Finance costs		**(190,915)**	**—**	**(190,915)**	(152,263)	—	(152,263)
Net finance costs		**(144,411)**	**—**	**(144,411)**	(130,993)	—	(130,993)
Profit before tax		**218,576**	**12,733**	**231,309**	216,398	—	216,398
Income tax	8	**(12,088)**	**—**	**(12,088)**	(28,673)	—	(28,673)
Profit for the period		**206,488**	**12,733**	**219,221**	187,725	—	187,725
Profit attributable to:							
Owners of the Company		**163,876**	**12,733**	**176,609**	175,324	—	175,324
Non-controlling interests		**42,612**	**—**	**42,612**	12,401	—	12,401
		206,488	**12,733**	**219,221**	187,725	—	187,725
Earnings per share							
Basic earnings per share—US cents				**1.06**			1.06

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

DP World Limited and its subsidiaries

Condensed consolidated statement of comprehensive income

For the six months ended 30 June 2010

	30 June 2010 USD'000 (Unaudited)	30 June 2009 USD'000 (Unaudited)
Profit for the period	**219,221**	187,725
Other comprehensive income		
Foreign exchange translation differences*	**(532,027)**	438,494
Effective portion of net changes in fair value of cash flow hedges	**(21,988)**	39,065
Net change in fair value of cash flow hedges recycled to consolidated income statement	**4,000**	—
Defined benefit plan actuarial losses	**(14,171)**	(107,800)
Net change in fair value of available for sale financial assets	**(1,282)**	(2,820)
Income tax on other comprehensive income	**1,200**	4,000
Other comprehensive income for the period, net of income tax	**(564,268)**	370,939
Other comprehensive income attributable to:		
Owners of the Company	**(525,160)**	354,454
Non-controlling interests	**(39,108)**	16,485
	(564,268)	370,939
Total comprehensive income attributable to:		
Owners of the Company	**(348,551)**	529,778
Non-controlling interests	**3,504**	28,886
	(345,047)	558,664

* This includes a significant portion of foreign exchange translation differences arising from the translation of goodwill and purchase price adjustments which are carried in foreign currencies at the Group level. Furthermore, the translation differences arising on account of translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency on group consolidation are also reflected here. There are no differences on translation from functional to presentation currency as the Group's functional currency is currently pegged to the presentation currency.

DP World Limited and its subsidiaries

Condensed consolidated statement of financial position

As at 30 June 2010

	Notes	30 June 2010 USD'000 (Unaudited)	31 December 2009 USD'000 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	9	**5,097,088**	4,859,200
Goodwill		**2,275,091**	2,424,689
Port concession rights	10	**3,993,437**	4,174,195
Investment in equity accounted associates and joint ventures	7	**3,351,278**	3,453,833
Deferred tax assets		**115,838**	103,439
Other investments		**63,747**	65,289
Accounts receivable and prepayments		**113,864**	74,256
Total non-current assets		**15,010,343**	15,154,901
Current assets			
Inventories		**57,244**	59,700
Accounts receivable and prepayments		**734,713**	807,469
Bank balances and cash	11	**2,678,799**	2,910,066
Assets classified as held for sale		**20,875**	28,400
Total current assets		**3,491,631**	3,805,635
Total assets		**18,501,974**	18,960,536

DP World Limited and its subsidiaries

Condensed consolidated statement of financial position (Continued)

As at 30 June 2010

	Notes	30 June 2010 USD'000 (Unaudited)	31 December 2009 USD'000 (Audited)
Equity			
Share capital	12	**1,660,000**	1,660,000
Share premium		**2,472,655**	2,472,655
Shareholders' reserve		**2,000,000**	2,000,000
Retained earnings		**1,625,293**	1,584,804
Hedging and other reserves		**(60,473)**	(49,864)
Actuarial reserve		**(313,898)**	(302,300)
Translation reserve		**(635,897)**	(134,347)
Total equity attributable to owners of the Company		**6,747,680**	7,230,948
Non-controlling interests		**789,635**	806,497
Total equity		**7,537,315**	8,037,445
Liabilities			
Non-current liabilities			
Deferred tax liabilities		**1,253,387**	1,304,854
Employees' end of service benefits		**45,104**	42,948
Pension and post-employment benefits		**251,500**	269,400
Interest bearing loans and borrowings	14	**7,371,536**	7,474,878
Accounts payable and accruals		**334,986**	346,763
Total non-current liabilities		**9,256,513**	9,438,843
Current liabilities			
Income tax liabilities		**89,138**	126,655
Bank overdrafts	11	**2,817**	11,500
Pension and post-employment benefits		**45,900**	45,400
Interest bearing loans and borrowings	14	**669,068**	483,091
Accounts payable and accruals		**901,223**	817,602
Total current liabilities		**1,708,146**	1,484,248
Total liabilities		**10,964,659**	10,923,091
Total equity and liabilities		**18,501,974**	18,960,536

The condensed consolidated financial statements were authorised for issue on 18 August 2010.

Mohammed Sharaf
Chief Executive Officer

Yuvraj Narayan
Chief Financial Officer

DP World Limited and its subsidiaries

Condensed consolidated statement of changes in equity

For the six months ended 30 June 2010

	Attributable to equity holders of the Company									
	Share capital USD'000	**Share premium USD'000**	**Shareholders' reserve USD'000**	**Retained earnings USD'000**	**Hedging and other reserves USD'000**	**Actuarial reserve USD'000**	**Translation reserve USD'000**	**Total USD'000**	**Non-controlling interests USD'000**	**Total equity USD'000**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Balance as at 1 January 2010	**1,660,000**	**2,472,655**	**2,000,000**	**1,584,804**	**(49,864)**	**(302,300)**	**(134,347)**	**7,230,948**	**806,497**	**8,037,445**
Total comprehensive income for the period:										
Profit for the period	—	—	—	**176,609**	—	—	—	**176,609**	**42,612**	**219,221**
Other comprehensive income:										
Foreign exchange translation differences	—	—	—	—	—	—	**(501,550)**	**(501,550)**	**(30,477)**	**(532,027)**
Effective portion of net changes in fair value of cash flow hedges, net of tax	—	—	—	—	**(14,730)**	—	—	**(14,730)**	**(7,258)**	**(21,988)**
Net change in fair value of cash flow hedges recycled to consolidated income statement	—	—	—	—	**4,000**	—	—	**4,000**	—	**4,000**
Net change in fair value of available for sale financial assets	—	—	—	—	**(1,282)**	—	—	**(1,282)**	—	**(1,282)**
Defined benefit plan actuarial gains and losses, net of tax	—	—	—	—	—	**(11,598)**	—	**(11,598)**	**(1,373)**	**(12,971)**
Total other comprehensive income	—	—	—	—	**(12,012)**	**(11,598)**	**(501,550)**	**(525,160)**	**(39,108)**	**(564,268)**
Total comprehensive income for the period	—	—	—	**176,609**	**(12,012)**	**(11,598)**	**(501,550)**	**(348,551)**	**3,504**	**(345,047)**
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owner										
Dividends paid (refer to note 13)	—	—	—	**(136,120)**	—	—	—	**(136,120)**	—	**(136,120)**
Share-based payment transactions	—	—	—	—	**1,099**	—	—	**1,099**	—	**1,099**
Others	—	—	—	—	**304**	—	—	**304**	—	**304**
Total transactions with owners	—	—	—	**(136,120)**	**1,403**	—	—	**(134,717)**	—	**(134,717)**
Transactions with non-controlling interests, recorded directly in equity										
Dividends paid	—	—	—	—	—	—	—	—	**(20,976)**	**(20,976)**
Amount contributed by non-controlling interests	—	—	—	—	—	—	—	—	**610**	**610**
Total transactions with non-controlling interests	—	—	—	—	—	—	—	—	**(20,366)**	**(20,366)**
Balance as at 30 June 2010	**1,660,000**	**2,472,655**	**2,000,000**	**1,625,293**	**(60,473)**	**(313,898)**	**(635,897)**	**6,747,680**	**789,635**	**7,537,315**

DP World Limited and its subsidiaries

Condensed consolidated statement of changes in equity

For the six months ended 30 June 2009

	Attributable to equity holders of the Company									
	Share capital USD'000	**Share premium USD'000**	**Shareholders' reserve USD'000**	**Retained earnings USD'000**	**Hedging and other reserves USD'000**	**Actuarial reserve USD'000**	**Translation reserve USD'000**	**Total USD'000**	**Non-controlling interests USD'000**	**Total equity USD'000**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Balance as at 1 January 2009	1,660,000	2,472,655	2,000,000	1,366,482	(111,175)	(153,300)	(801,394)	6,433,268	739,994	7,173,262
Total comprehensive income for the period:										
Profit for the period	—	—	—	175,324	—	—	—	175,324	12,401	187,725
Other comprehensive income:										
Foreign currency translation differences	—	—	—	—	—	—	416,209	416,209	26,285	442,494
Effective portion of changes in fair value of cash flow hedges, net of tax	—	—	—	—	39,065	—	—	39,065	—	39,065
Net change in fair value of available for sale financial assets	—	—	—	—	(2,820)	—	—	(2,820)	—	(2,820)
Defined benefit plan actuarial gains and losses, net of tax	—	—	—	—	—	(98,000)	—	(98,000)	(9,800)	(107,800)
Total other comprehensive income	—	—	—	—	36,245	(98,000)	416,209	354,454	16,485	370,939
Total comprehensive income for the period	—	—	—	175,324	36,245	(98,000)	416,209	529,778	28,886	558,664
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owner										
Dividends paid (refer to note 13)	—	—	—	(114,540)	—	—	—	(114,540)	—	(114,540)
Share-based payment transactions	—	—	—	—	—	—	1,073	1,073	—	1,073
Others	—	—	—	(67)	67	—	—	—	—	—
Total transactions with owners	—	—	—	(114,607)	67	—	1,073	(113,467)	—	(113,467)
Transactions with non-controlling interests, recorded directly in equity										
Dividends paid	—	—	—	—	—	—	—	—	(9,348)	(9,348)
Total changes in ownership interests in subsidiaries	—	—	—	—	—	—	—	—	15,445	15,445
Amounts contributed by non-controlling interests	—	—	—	—	—	—	—	—	13,067	13,067
Total transactions with non-controlling interests	—	—	—	—	—	—	—	—	19,164	19,164
Balance as at 30 June 2009	1,660,000	2,472,655	2,000,000	1,427,199	(74,863)	(251,300)	(384,112)	6,849,579	788,044	7,637,623

DP World Limited and its subsidiaries

Condensed consolidated statement of cash flows

For the six months ended 30 June 2010

	Notes	30 June 2010 USD'000 (Unaudited)	30 June 2009 USD'000 (Unaudited)
Cash flows from operating activities			
Profit from continuing operations		**219,221**	187,725
Adjustments for:			
Depreciation and amortisation		**217,427**	187,890
Impairment loss		**3,500**	—
Share of profit from equity accounted associates and joint ventures		**(59,012)**	(33,396)
Finance costs		**190,915**	152,263
Income tax expense		**12,088**	28,673
Loss/ (gain) on disposal of property, plant and equipment	9	**1,352**	(1,988)
Profit on disposal of investment in an associate		**(13,542)**	—
Finance income		**(46,504)**	(21,270)
Gross cash flow from operations		**525,445**	499,897
Change in inventories		**(105)**	(5,168)
Change in receivables		**(3,602)**	(67,813)
Change in payables and accruals		**30,722**	(155,075)
Changes in provisions, pension and post-employment benefits		**(17,126)**	22,096
		535,334	293,937
Income taxes paid		**(48,626)**	(53,718)
Net cash from operating activities		**486,708**	240,219
Cash flows from investing activities			
Acquisition of property, plant and equipment	9	**(303,572)**	(478,079)
Acquisition of land		**(191,982)**	—
Proceeds from disposal of property, plant and equipment		**5,933**	3,842
Proceeds from disposal of investment in an associate		**15,900**	—
Acquisition of port concession rights	10	**(107,801)**	(37,869)
Interest received		**45,554**	15,441
Dividends received from equity accounted associates and joint ventures		**42,424**	29,440
Additional investment in equity accounted associates and joint ventures		**(23,187)**	(43,231)
Acquisition of additional interest in subsidiaries		**—**	(10,277)
Loan repaid by/ (given to) an associate		**27,000**	(20,300)
Net cash used in investing activities		**(489,731)**	(541,033)
Cash flows from financing activities			
Repayment of interest bearing loans and borrowings		**(90,328)**	(35,509)
Drawdown of interest bearing loans and borrowings		**198,165**	2,409,171
Dividend paid to the owners of the Company	13	**(136,120)**	(114,540)
Interest paid		**(141,667)**	(141,466)
Dividends paid to non-controlling shareholders		**(20,976)**	(9,348)
Contribution by non-controlling shareholders		**610**	13,067
Net cash (used in)/ from financing activities		**(190,316)**	2,121,375
Net (decrease)/ increase in cash and cash equivalents		**(193,339)**	1,820,561
Cash and cash equivalents at 1 January		**2,898,566**	1,154,145
Effect of exchange rate fluctuations on cash held		**(29,245)**	19,489
Cash and cash equivalents at 30 June	11	**2,675,982**	2,994,195

1 Legal status and principal activities

DP World Limited ("the Company") was incorporated on 9 August 2006 as a Company Limited by Shares with the Registrar of Companies of the Dubai International Financial Centre ("DIFC") under the Companies Law, DIFC Law No. 3 of 2006. The condensed consolidated financial statements of the Company for the period ended 30 June 2010 comprise the Company and its subsidiaries (collectively referred to as "the Group") and the Group's interest in associates and jointly controlled entities. The Group is engaged in the business of international marine terminal operations and development, logistics and related services.

Port & Free Zone World FZE ("the Parent Company") which originally held 100% of the Company's issued and outstanding share capital, made an initial public offer of 19.55% of its share capital to the public and as a result the Company was listed on the Nasdaq Dubai (formerly known as Dubai International Financial Exchange) with effect from 26 November 2007.

Port & Free Zone World FZE is a wholly owned subsidiary of Dubai World Corporation ("the Parent Group"), which is the ultimate holding company of the Group.

The Company's registered office address is P.O. Box 17000, Dubai, United Arab Emirates.

2 Statement of compliance

The condensed consolidated interim financial statements of the Group are prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*. They do not include all of the information required for full annual consolidated financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2009.

The condensed consolidated interim financial statements were approved by the Board of Directors on 18 August 2010.

3 Significant accounting policies

Except as described below, the accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2009.

Change in accounting policies

During the current period, the Group has adopted the following standards effective for the annual periods beginning on or after 1 January 2010.

Accounting for business combinations

From 1 January 2010 the Group has applied IFRS 3 (Revised) '*Business Combinations*' in accounting for business combinations. The change in accounting policy has been applied prospectively and had no impact on earnings per share in the current period.

For acquisitions on or after 1 January 2010, the Group measures goodwill as the fair value of the consideration transferred (including the fair value of any previously-held equity interest in the acquiree) and the recognised amount of any non-controlling interests in the acquiree, less the net recognised amount (generally the fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. When the excess is negative, a bargain purchase gain is recognised immediately in the income statement.

The Group elects on a transaction-by-transaction basis whether to measure non-controlling interests at fair value, or at their proportionate share of the recognised amount of the identifiable net assets of the acquiree, at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

3 Significant accounting policies (Continued)

There were no business combinations that occurred during the current period.

Accounting for acquisition of non- controlling interests

From 1 January 2010 the Group has applied IAS 27 (Revised) '*Consolidated and Separate Financial Statements'* in accounting for acquisitions of non-controlling interests. The change in accounting policy has been applied prospectively. There was no impact on earnings per share in the current period.

From 1 January 2010, acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders and therefore no goodwill is recognised. Previously, goodwill arising on the acquisition of non-controlling interests in a subsidiary has been recognised and represented the excess of the cost of the additional investment over the carrying amount of the interest in the net assets acquired at the date of the transaction.

There was no acquisition of non-controlling interests during the current period.

Amendment to IAS 17—Classification of leases of land and buildings

As per the amendment of IAS 17 *'Leases'*, which is applicable from 1 January 2010, a land lease with a lease term of several decades or longer may be classified as a finance lease, even if at the end of the lease term title will not pass to the lessee, because in such arrangements substantially all risks and rewards are transferred to the lessee and the present value of the residual value of the leased asset is considered negligible. The amendment also clarifies that the lessee in leases of this type will typically be in a position economically similar to that of the buyer.

The Group has assessed its port concession agreements based on the above amendment and concluded that none of its concession agreements result in a position which is economically similar to that of the buyer. Accordingly the amendment has no impact on the Group's financial position.

4 Accounting judgements and estimates

The preparation of the interim financial statement requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2009.

5 Separately disclosed items

	Six months ended 30 June 2010 USD '000 (Unaudited)	Six months ended 30 June 2009 USD'000 (Unaudited)
Construction contract revenue	**69,791**	—
Construction contract costs	**(69,791)**	—
Impairment costs	**(3,500)**	—
Other income	**5,591**	—
Share of loss from equity accounted investments in associates and joint ventures	**(2,900)**	—
Profit on sale and termination of business	**13,542**	—
	12,733	—

5 Separately disclosed items (Continued)

Construction contract revenue and costs

In the current period, in accordance with IFRIC 12 'Service Concession Arrangements', the Group has recorded revenue of USD 69,791 thousand (30 June 2009: Nil) on construction of a port. The construction revenue represents the fair value of the construction services provided in developing the port. No margin has been recognised, as in management's opinion the fair value of the construction services provided approximates to the construction cost.

Impairment costs represent an impairment loss on a property held in the 'Australia and Americas' region that has been valued for a potential sale and has been classified as an asset held for sale at its fair value.

Other income relates to certain claim settlements of a non-recurring nature in the 'Australia and Americas' region.

Share of loss from equity accounted investments in associates and joint ventures mainly relates to the non-recurring income tax expense incurred on transfer of certain assets by an associate located in the 'Asia Pacific and Indian Subcontinent' region and operating loss of a associate in the 'Australia and Americas' region whose parent company was disposed off during the year.

Profit on sale and termination of business represents the profit on sale of investment in an associate in the 'Australia and Americas' region.

6 Segment information

For management reporting purposes, the Group is organised into business units based on the location of the Group's assets and liabilities, and has four reportable operating segments.

The following table presents certain results, assets and liabilities information regarding the Group's operating segments as at 30 June.

	Asia Pacific and Indian subcontinent Six months ended 30 June		Australia and Americas Six months ended 30 June		Middle East, Europe and Africa Six months ended 30 June		Head office Six months ended 30 June		Total Six months ended 30 June	
	2010 USD'000	2009 USD'000	2010 USD'000	2009 USD'000	2010 USD'000	2009 USD'000	2010 USD'000	2009 USD'000	2010 USD'000	2009 USD'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	**281,983**	248,782	**388,872**	267,825	**853,467**	867,325	**—**	—	**1,524,322**	1,383,932
Segment results from operations*	**57,906**	90,039	**69,809**	15,612	**287,523**	283,807	**(51,606)**	(70,740)	**363,632**	318,718
Net finance cost	**—**	—	**—**	—	**—**	—	**(144,411)**	(130,993)	**(144,411)**	(130,993)
Profit/ (loss) from operations	**57,906**	90,039	**69,809**	15,612	**287,523**	283,807	**(196,017)**	(201,733)	**219,221**	187,725

* Segment results from operations comprise profit for the period plus net finance cost.

Net finance cost and tax expense have not been allocated to various geographical locations and are reported in head office.

	Asia Pacific and Indian subcontinent		Australia and Americas		Middle East, Europe and Africa		Head office		Total	
	30 June 2010 USD'000	31 December 2009 USD'000	30 June 2010 USD'000	31 December 2009 USD'000	30 June 2010 USD'000	31 December 2009 USD'000	30 June 2010 USD'000	31 December 2009 USD'000	30 June 2010 USD'000	31 December 2009 USD'000
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Segment assets	**5,113,885**	5,078,227	**3,200,623**	3,181,362	**8,541,666**	8,692,118	**1,645,800**	2,008,829	**18,501,974**	18,960,536
Segment liabilities	**418,852**	350,762	**299,410**	246,409	**1,471,924**	1,498,295	**7,431,948**	7,396,116	**9,622,134**	9,491,582
Tax liabilities	**—**	—	**—**	—	**—**	—	**1,342,525**	1,431,509	**1,342,525**	1,431,509
Total liabilities	**418,852**	350,762	**299,410**	246,409	**1,471,924**	1,498,295	**8,774,473**	8,827,625	**10,964,659**	10,923,091

6 Segment information (Continued)

	Six months ended 30 June		Six months ended 30 June		Six months ended 30 June		Six months ended 30 June		Six months ended 30 June	
	2010 USD'000	**2009 USD'000**	**2010 USD'000**	**2009 USD'000**	**2010 USD'000**	**2009 USD'000**	**2010 USD'000**	**2009 USD'000**	**2010 USD'000**	**2009 USD'000**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Capital expenditure (excluding acquisition of land)	**105,112**	90,002	**128,854**	90,723	**177,407**	334,071	**—**	1,152	**411,373**	515,948
Acquisition of land	**—**	—	**—**	—	**191,982**	—	**—**	—	**191,982**	—
Depreciation	**16,738**	11,209	**29,212**	25,798	**91,839**	79,676	**2,445**	902	**140,234**	117,585
Amortisation/ impairment	**34,430**	25,747	**26,004**	17,116	**20,259**	27,442	**—**	—	**80,693**	70,305
Share of profit from equity accounted associates and joint ventures before separately disclosed items	**45,978**	19,880	**14,235**	12,701	**1,699**	815	**—**	—	**61,912**	33,396
Tax expense	**—**	—	**—**	—	**—**	—	**12,088**	28,673	**12,088**	28,673

Tax liabilities and tax expense have not been allocated to various geographical locations and are reported in head office.

Earnings before interest, tax, depreciation and amortisation ("EBITDA")—Adjusted

	Asia Pacific and Indian subcontinent Six months ended 30 June		Australia and Americas Six months ended 30 June		Middle East, Europe and Africa Six months ended 30 June		Head office Six months ended 30 June		Total Six months ended 30 June	
	2010 USD'000	**2009 USD'000**	**2010 USD'000**	**2009 USD'000**	**2010 USD'000**	**2009 USD'000**	**2010 USD'000**	**2009 USD'000**	**2010 USD'000**	**2009 USD'000**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Revenue before separately disclosed items	**212,192**	248,782	**388,872**	267,825	**853,467**	867,325	**—**	—	**1,454,531**	1,383,932
Profit from operations	**57,906**	90,039	**69,809**	15,612	**287,523**	283,807	**(196,017)**	(201,733)	**219,221**	187,725
Adjusted for separately disclosed items	**1,500**	—	**(14,233)**	—	**—**	—	**—**	—	**(12,733)**	—
Adjusted net profit	**59,406**	90,039	**55,576**	15,612	**287,523**	283,807	**(196,017)**	(201,733)	**206,488**	187,725
Finance income	**—**	—	**—**	—	**—**	—	**(46,504)**	(21,270)	**(46,504)**	(21,270)
Finance costs	**—**	—	**—**	—	**—**	—	**190,915**	152,263	**190,915**	152,263
Tax expense	**—**	—	**—**	—	**—**	—	**12,088**	28,673	**12,088**	28,673
Depreciation and amortisation	**51,168**	36,956	**51,716**	42,914	**112,098**	107,118	**2,445**	902	**217,427**	187,890
EBITDA (Adjusted)	**110,574**	126,995	**107,292**	58,526	**399,621**	390,925	**(37,073)**	(41,165)	**580,414**	535,281

7 Investment in equity accounted associates and joint ventures

Summary of financial information for equity accounted investments in associates and joint ventures, not adjusted for the percentage ownership held by the Group:

	Asia Pacific and Indian subcontinent		Australia and Americas		Middle East, Europe and Africa		Total	
	30 June 2010 USD'000	31 December 2009 USD'000	30 June 2010 USD'000	31 December 2009 USD'000	30 June 2010 USD'000	31 December 2009 USD'000	30 June 2010 USD'000	31 December 2009 USD'000
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Current assets	**516,192**	457,850	**381,890**	390,757	**275,387**	271,766	**1,173,469**	1,120,373
Non-current assets	**7,235,730**	6,905,258	**667,955**	812,555	**2,653,295**	2,996,665	**10,556,980**	10,714,478
Total assets	**7,751,922**	7,363,108	**1,049,845**	1,203,312	**2,928,682**	3,268,431	**11,730,449**	11,834,851
Current liabilities	**980,627**	747,942	**102,475**	96,707	**188,989**	149,970	**1,272,091**	994,619
Non-current liabilities	**1,408,508**	1,562,853	**229,168**	358,240	**813,016**	932,454	**2,450,692**	2,853,547
Total liabilities	**2,389,135**	2,310,795	**331,643**	454,947	**1,002,005**	1,082,424	**3,722,783**	3,848,166

	Six months ended 30 June		Six months ended 30 June		Six months ended 30 June		Six months ended 30 June	
	2010 USD'000	2009 USD'000	2010 USD'000	2009 USD'000	2010 USD'000	2009 USD'000	2010 USD'000	2009 USD'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenues	**494,117**	332,208	**237,416**	258,664	**283,038**	252,875	**1,014,571**	843,747
Expenses	**(386,860)**	(286,214)	**(215,287)**	(227,648)	**(274,102)**	(247,450)	**(876,249)**	(761,312)
Net profit	**107,257**	45,994	**22,129**	31,016	**8,936**	5,425	**138,322**	82,435
The Group's share of profit of equity accounted associates and joint ventures (before separately disclosed items) for the six months period ending 30 June 2010							**61,912**	33,396
The Group's investment in net assets of equity accounted associates and joint ventures as at 30 June 2010/ 31 December 2009							**3,351,278**	3,453,833

8 Income tax

The Group's effective tax rate in respect of continuing operations is as below:

	Six months ended 30 June 2010	Six months ended 30 June 2009
	(Unaudited)	(Unaudited)
Before separately disclosed items	12.1%	15.5%
Including separately disclosed items	12.1%	15.5%

The effective tax rate is derived from profits of continuing operations after excluding Profit on sale and termination of business.

9 Property, plant and equipment

During the six months period ended 30 June 2010, the Group acquired assets excluding land amounting to USD 303,572 thousand (30 June 2009: USD 478,079 thousand).

The depreciation on property, plant and equipment during the six months period ended 30 June 2010 amounted to USD 140,234 thousand (30 June 2009: USD 117,585 thousand).

Assets with a net carrying amount of USD 7,285 thousand were disposed of by the Group during the six months ended 30 June 2010 (30 June 2009: USD 1,854 thousand), resulting in a loss on disposal of USD 1,352 thousand (30 June 2009: profit on disposal of USD 1,988 thousand).

10 Port concession rights

During the six month period ended 30 June 2010, the Group acquired port concession rights amounting to USD 107,801 thousand (30 June 2009: USD 37,869 thousand).

The amortization of port concession rights during the six months period ended 30 June 2010 amounted to USD 77,193 thousand (30 June 2009: USD 70,305 thousand).

11 Bank balances and cash

	30 June 2010 USD'000 (Unaudited)	31 December 2009 USD'000 (Audited)
Cash at banks and in hand	**544,155**	518,255
Short-term deposits	**1,781,764**	2,023,460
Deposits under lien	**352,880**	368,351
Bank balances and cash	**2,678,799**	2,910,066
Bank overdrafts	**(2,817)**	(11,500)
Cash and cash equivalents	**2,675,982**	2,898,566

Short-term deposits are maintained for varying periods between one day and three months depending on the cash requirements of the Group and earn interest at the respective short—term deposit market rates.

Out of the deposits under lien, USD 337,606 thousand (2009: 348,669 thousand) is placed to collaterise some of the regional borrowings. The balance of USD 15,274 thousand (2009: USD 19,682 thousand) is under lien in respect of certain loan notes issued to the erstwhile shareholders of Peninsular & Oriental Steam Navigation Company ("P&O").

Bank overdrafts are repayable on demand.

12 Share capital

The share capital of the Company is as follows:

	30 June 2010 USD'000 (Unaudited)	31 December 2009 USD'000 (Audited)
Authorised		
25,000,000,000 ordinary shares of USD 0.10 each	**2,500,000**	2,500,000
Issued and fully paid		
16,600,000,000 ordinary shares of USD 0.10 each	**1,660,000**	1,660,000

13 Dividend paid

Dividend relating to 2009 amounting to USD 136,120 thousand was paid during the period ended 30 June 2010 (30 June 2009: USD 114,540 thousand).

14 Interest bearing loans and borrowings

The Group's interest bearing loans and borrowings are as follows:

	30 June 2010 USD'000 (Unaudited)	31 December 2009 USD'000 (Audited)
Non-current liabilities		
Unsecured bank loans	**3,489,451**	3,645,649
Unsecured bond issues	**3,232,659**	3,231,829
Secured bank loans	**584,332**	536,341
Unsecured loan stock	**4,881**	5,280
Mortgage debenture stocks	**2,129**	2,303
Finance lease liabilities	**58,084**	53,476
	7,371,536	7,474,878
Current liabilities		
Secured bank loans	**385,853**	419,605
Unsecured bank loans	**268,354**	51,715
Unsecured loan stock	**2,199**	2,548
Finance lease liabilities	**12,662**	9,223
	669,068	483,091
Total	**8,040,604**	7,957,969

There has been no issuance or repayment of debt securities in the current period (2009: Nil).

15 Transactions with related parties

Transactions with related parties included in the condensed consolidated interim financial statements are as follows:

	30 June 2010 USD'000 (Unaudited)	30 June 2009 USD'000 (Unaudited)
Concession fee charged by a related party	**24,082**	24,082
Expenses charged by related parties	**13,184**	18,026
Management fee charged to associates and joint ventures	**1,975**	1,975

Balances with related parties included in the condensed consolidated interim statement of financial position are as follows:

	30 June 2010 USD'000 (Unaudited)	31 December 2009 USD'000 (Audited)
Due from related parties:		
Associates and joint ventures	**37,504**	43,003
Dubai World Corporation	**7,352**	3,865
Other related parties	**94,192**	77,220
	131,696	120,223
Due to related parties:		
Associates and joint ventures	**51**	952
Dubai World Corporation	**7,776**	5,139
Other related parties	**15,507**	15,885
	23,334	21,976

16 Operating leases

Operating lease commitments—Group as lessee

Future minimum rentals payable under non-cancellable operating leases (mainly relating to service concessions) are as follows:

	30 June 2010 USD'000 (Unaudited)	31 December 2009 USD'000 (Audited)
Within one year	**162,180**	148,835
Between one and five years	**868,393**	791,194
Between five to ten years	**1,369,848**	1,408,553
Between ten to twenty years	**1,747,667**	1,733,066
Between twenty to thirty years	**757,278**	777,726
Between thirty to fifty years	**1,124,722**	1,073,954
Between fifty to seventy years	**1,038,389**	922,508
More than seventy years	**1,143,635**	1,174,608
	8,212,112	8,030,444

Operating lease commitments—Group as lessor

Future minimum rentals receivable under non-cancellable operating leases are as follows:

	30 June 2010 USD'000 (Unaudited)	31 December 2009 USD'000 (Audited)
Within one year	**20,675**	22,772
Between one to five years	**56,811**	56,131
More than five years	**44,975**	51,875
	122,461	130,778

17 Capital commitments

	30 June 2010 USD'000 (Unaudited)	31 December 2009 USD'000 (Audited)
Estimated capital expenditure contracted for at the reporting date	**753,317**	1,040,069

18 Contingent liabilities

(a) The Group has the following contingent liabilities in respect of guarantees issued:

Type of guarantee	30 June 2010 USD'000 (Unaudited)	31 December 2009 USD'000 (Audited)
Payment guarantees	**132,414**	170,114
Performance guarantees	**81,150**	76,624

(b) The Group through its 100% owned subsidiary Mundra International Container Terminal Private Limited ("MICT") has developed and is operating the container terminal at the Mundra port in Gujarat.

In 2006, MICT received a show cause notice from Gujarat Maritime Board ("GMBT") requiring

18 Contingent liabilities (Continued)

MICT to demonstrate that the undertaking given by its parent company, P&O Ports (Mundra) Private Limited, with regard to its shareholding in MICT has not been breached in view of P&O Ports being taken over by the Group (DP World).

Based on the strong merits of the case and on the advice received from legal counsel, management believes that the above litigation is unsubstantiated, and in management's view, it will have no impact on the Group's ability to continue to operate the port.

(c) Chennai Port Trust ("CPT") has raised a demand for an amount of USD 26,000 thousand (2009: USD 26,000 thousand) from Chennai Container Terminal Limited ("CCTL"), a subsidiary of the company, on the basis that CCTL has failed to fulfil its obligations in respect of non-transhipment containers for a period of four consecutive years from 1 December 2003. CCTL has subsequently paid USD 13,180 thousand in the year 2008. CCTL has commenced legal proceedings at the Chennai High Court against CPT. Based on advice from the legal counsel, management believes that the legal proceedings will have no adverse impact on the Group's financial position; the amount paid is highly likely to be recovered eventually and will not result in termination of the license agreement to operate the port.

CPT has raised a demand for an amount of USD 16,190 thousand (2009: USD 15,950 thousand) from CCTL, towards additional lease charges for the land leased out to CCTL. Legal proceedings have been initiated for this matter and the company strongly believes that this case will be settled in the company's favour.

DP World Limited
and its subsidiaries

Consolidated financial statements
31 December 2009

DP World Limited and its Subsidiaries

Consolidated Financial Statements

31 December 2009

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INDEPENDENT AUDITORS' REPORT

The Shareholders
DP World Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of DP World Limited ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated statement of financial position as at 31 December 2009 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material mis-statements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material mis-statement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material mis-statement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2009, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

2 3 MAR 2010 KPMG LLP

DP World Limited and its Subsidiaries

Consolidated Income Statement

for the year ended 31 December 2009

		Year ended 31 December 2009			Year ended 31 December 2008		
	Note	Before separately disclosed items USD'000	Separately disclosed items (Note 10) USD'000	Total USD'000	Before separately disclosed items USD'000	Separately disclosed items (Note 10) USD'000	Total USD'000
Revenue from operations	6	**2,821,017**	**108,212**	**2,929,229**	3,283,120	—	3,283,120
Cost of sales		**(1,956,008)**	**(108,212)**	**(2,064,220)**	(2,143,326)	—	(2,143,326)
GROSS PROFIT		**865,009**	**—**	**865,009**	1,139,794	—	1,139,794
General and administration expenses		**(284,551)**	**(20,755)**	**(305,306)**	(306,081)	(129,900)	(435,981)
Other income		**19,117**	**3,000**	**22,117**	18,291	—	18,291
Finance income	8	**72,950**	**12,542**	**85,492**	76,146	—	76,146
Finance costs	8	**(356,728)**	**—**	**(356,728)**	(343,245)	(7,653)	(350,898)
Share of profit of equity accounted associates and joint ventures	15	**71,307**	**(1,970)**	**69,337**	116,194	(2,000)	114,194
Profit on sale/termination of business (net of tax)	10	**—**	**44,276**	**44,276**	—	15,790	15,790
PROFIT BEFORE TAX		**387,104**	**37,093**	**424,197**	701,099	(123,763)	577,336
Income tax	9	**(54,441)**	**313**	**(54,128)**	(80,332)	33,700	(46,632)
PROFIT FOR THE YEAR	7	**332,663**	**37,406**	**370,069**	620,767	(90,063)	530,704
Attributable to:							
Owners of the Company		**295,456**	**37,406**	**332,862**	572,277	(90,063)	482,214
Non-controlling interest		**37,207**	**—**	**37,207**	48,490	—	48,490
		332,663	**37,406**	**370,069**	620,767	(90,063)	530,704
Earnings per share	22						
Basic earnings per share—US cents				**2.01**			2.90

The accompanying notes 1 to 33 form an integral part of these consolidated financial statements.

The independent auditors' report is set out on page F-22.

DP World Limited and its Subsidiaries

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2009

	Note	2009 USD'000	2008 USD'000
Profit for the year	7	**370,069**	530,704
Other comprehensive income			
Foreign exchange translation differences for foreign operations	20	**724,603**	(1,433,577)
Foreign exchange loss recycled to consolidated income statement		**(32,194)**	—
Effective portion of changes in fair value of cash flow hedges		**26,652**	(82,947)
Net change in fair value of available for sale financial assets		**13,745**	(9,085)
Net actuarial loss on pension schemes	24	**(162,200)**	(106,900)
Income tax on other comprehensive income		**4,800**	1,300
Other comprehensive income for the year, net of income tax		**575,406**	(1,631,209)
Total comprehensive income for the year		**945,475**	(1,100,505)
Attributable to:			
Owners of the Company		**905,075**	(1,061,551)
Non-controlling interest		**40,400**	(38,954)
Total comprehensive income for the year		**945,475**	(1,100,505)

Foreign exchange translation differences arise from goodwill and purchase price adjustments carried in foreign currencies mainly Pound Sterling, Australian Dollar and Indian Rupee at the Group level. Furthermore, the translation differences arising on account of translation of foreign operations to the presentation currency for the Group consolidation are also reflected here. There are no differences on translation from functional to presentation currency as the Company's functional currency is pegged to the presentation currency (also refer to note 2(e)).

The accompanying notes 1 to 33 form an integral part of these consolidated financial statements.

The independent auditors' report is set out on page F-22.

DP World Limited and its Subsidiaries

Consolidated Statement of Financial Position

As at 31 December 2009

	Note	2009 USD'000	2008 USD'000
ASSETS			
Non-current assets			
Property, plant and equipment	12	**4,859,200**	4,252,683
Goodwill	13	**2,424,689**	2,154,165
Port concession rights	13	**4,174,195**	3,840,527
Investment in associates and joint ventures	15	**3,453,833**	3,109,276
Deferred tax assets	9	**103,439**	30,186
Other investments	16	**65,289**	51,041
Other receivables	17	**74,256**	48,035
Total non-current assets		**15,154,901**	13,485,913
Current assets			
Inventories		**59,700**	57,476
Accounts receivable and prepayments	17	**807,469**	741,289
Bank balances and cash	18	**2,910,066**	1,204,074
Assets held for sale		**28,400**	10,100
Total current assets		**3,805,635**	2,012,939
TOTAL ASSETS		**18,960,536**	15,498,852

DP World Limited and its Subsidiaries

Consolidated Statement of Financial Position (Continued)

As at 31 December 2009

	Note	2009 USD'000	2008 USD'000
EQUITY			
Share capital	19	**1,660,000**	1,660,000
Share premium		**2,472,655**	2,472,655
Shareholders' reserve	20	**2,000,000**	2,000,000
Retained earnings		**1,584,804**	1,366,482
Hedging and other reserves	20	**(49,864)**	(111,175)
Actuarial reserve	20	**(302,300)**	(153,300)
Translation reserve	20	**(134,347)**	(801,394)
Total equity attributable to equity holders of the Company		**7,230,948**	6,433,268
Non-controlling interest		**806,497**	739,994
Total equity		**8,037,445**	7,173,262
Liabilities			
Deferred tax liabilities	9	**1,304,854**	1,167,884
Employees' end of service benefits	23	**42,948**	43,114
Pension and post-employment benefits	24	**269,400**	104,500
Interest bearing loans and borrowings	25	**7,474,878**	5,196,894
Other payables	26	**346,763**	378,957
Total non-current liabilities		**9,438,843**	6,891,349
Income tax liabilities	9	**126,655**	121,724
Bank overdrafts	18	**11,500**	49,929
Pension and post-employment benefits	24	**45,400**	41,700
Interest bearing loans and borrowings	25	**483,091**	172,451
Accounts payable and accruals	26	**817,602**	1,048,437
Total current liabilities		**1,484,248**	1,434,241
Total liabilities		**10,923,091**	8,325,590
TOTAL EQUITY AND LIABILITIES		**18,960,536**	15,498,852

The accompanying notes 1 to 33 form an integral part of these consolidated financial statements.

The consolidated financial statements were authorised for issue on 23 March 2010.

Chief Executive Officer

Chief Financial Officer

The independent auditors' report is set out on page F-22.

DP World Limited and its Subsidiaries
Consolidated Statement of Changes in Equity
for the year ended 31 December 2009

	Attributable to equity holders of the Company									
	Share capital USD'000	**Share premium USD'000**	**Shareholders' reserve USD'000**	**Retained earnings USD'000**	**Hedging and other reserves USD'000**	**Actuarial reserve USD'000**	**Translation reserve USD'000**	**Total USD'000**	**Non-controlling interest USD'000**	**Total equity USD'000**
Balance at 1 January 2009	**1,660,000**	**2,472,655**	**2,000,000**	**1,366,482**	**(111,175)**	**(153,300)**	**(801,394)**	**6,433,268**	**739,994**	**7,173,262**
Total comprehensive income for the year:										
Profit for the year	—	—	—	**332,862**	—	—	—	**332,862**	**37,207**	**370,069**
Other comprehensive income:										
Foreign currency translation differences	—	—	—	—	—	—	**700,919**	**700,919**	**23,684**	**724,603**
Foreign exchange recycled to profit or loss	—	—	—	—	—	—	**(32,194)**	**(32,194)**	—	**(32,194)**
Effective portion of changes in fair value of cash flow hedges, net of tax	—	—	—	—	**38,743**	—	—	**38,743**	**(13,791)**	**24,952**
Net change in fair value of available-for-sale financial assets	—	—	—	—	**13,745**	—	—	**13,745**	—	**13,745**
Defined benefit plan actuarial losses, net of tax	—	—	—	—	—	**(149,000)**	—	**(149,000)**	**(6,700)**	**(155,700)**
Total other comprehensive income	—	—	—	—	**52,488**	**(149,000)**	**668,725**	**572,213**	**3,193**	**575,406**
Total comprehensive income for the year	—	—	—	**332,862**	**52,488**	**(149,000)**	**668,725**	**905,075**	**40,400**	**945,475**
Transactions with owners, recorded directly in equity										
Dividends paid	—	—	—	**(114,540)**	—	—	—	**(114,540)**	—	**(114,540)**
Share-based payment transactions	—	—	—	—	**2,145**	—	—	**2,145**	—	**2,145**
Transfer of share based payments of previous year	—	—	—	—	**2,145**	—	**(2,145)**	—	—	—
Transfer of other reserves	—	—	—	—	**(467)**	—	**467**	—	—	—
Others	—	—	—	—	**5,000**	—	—	**5,000**	—	**5,000**
Total transactions with owners	—	—	—	**(114,540)**	**8,823**	—	**(1,678)**	**(107,395)**	—	**(107,395)**
Transactions with non-controlling interest, recorded directly in equity										
Dividends paid	—	—	—	—	—	—	—	—	**(17,474)**	**(17,474)**
Amounts contributed by non-controlling interest	—	—	—	—	—	—	—	—	**43,577**	**43,577**
Total transactions with non-controlling interest	—	—	—	—	—	—	—	—	**26,103**	**26,103**
Balance at 31 December 2009	**1,660,000**	**2,472,655**	**2,000,000**	**1,584,804**	**(49,864)**	**(302,300)**	**(134,347)**	**7,230,948**	**806,497**	**8,037,445**

DP World Limited and its Subsidiaries

Consolidated Statement of Changes in Equity (continued)

for the year ended 31 December 2008

	Attributable to equity holders of the Company									
	Share capital USD'000	Share premium USD'000	Shareholders' reserve USD'000	Retained earnings USD'000	Hedging and other reserves USD'000	Actuarial reserve USD'000	Translation reserve USD'000	Total USD'000	Non-controlling interest USD'000	Total equity USD'000
Balance at 1 January 2008	1,660,000	2,472,655	2,000,000	1,105,049	(19,143)	(46,400)	543,439	7,715,600	657,175	8,372,775
Total comprehensive income for the year:										
Profit for the year	—	—	—	482,214	—	—	—	482,214	48,490	530,704
Other comprehensive income:										
Foreign currency translation differences	—	—	—	—	—	—	(1,344,833)	(1,344,833)	(87,444)	(1,432,277)
Effective portion of changes in fair value of cash flow hedges, net of tax	—	—	—	—	(92,032)	—	—	(92,032)	—	(92,032)
Defined benefit plan actuarial losses	—	—	—	—	—	(106,900)	—	(106,900)	—	(106,900)
Total other comprehensive income	—	—	—	—	(92,032)	(106,900)	(1,344,833)	(1,543,765)	(87,444)	(1,631,209)
Total comprehensive income for the year	—	—	—	482,214	(92,032)	(106,900)	(1,344,833)	(1,061,551)	(38,954)	(1,100,505)
Transactions with owners, recorded directly in equity										
Dividends paid	—	—	—	(220,781)	—	—	—	(220,781)	—	(220,781)
Total transactions with owners	—	—	—	(220,781)		—		(220,781)	—	(220,781)
Transactions with non-controlling interest, recorded directly in equity										
Dividends paid	—	—	—	—	—	—	—	—	(30,730)	(30,730)
Goodwill adjustment relating to investment in joint ventures held via subsidiary	—	—	—	—	—	—	—	—	73,867	73,867
Acquisition of non-controlling interest	—	—	—	—	—	—	—	—	(35,673)	(35,673)
Non-controlling interest on acquisition/ divestment of subsidiary	—	—	—	—	—	—	—	—	92,833	92,833
Amounts contributed by non-controlling interest	—	—	—	—	—	—	—	—	21,476	21,476
Total transactions with non-controlling interest	—	—	—	—	—	—	—	—	121,773	121,773
Balance at 31 December 2008	1,660,000	2,472,655	2,000,000	1,366,482	(111,175)	(153,300)	(801,394)	6,433,268	739,994	7,173,262

DP World Limited and its Subsidiaries

Consolidated Statement of Cash Flows

for the year ended 31 December 2009

	Note	2009 USD'000	2008 USD'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		**370,069**	530,704
Adjustments for:			
Depreciation and amortization	7	**414,217**	371,644
Impairment loss	10	**—**	112,000
Net share of profit of associates and joint ventures		**(69,337)**	(114,194)
Finance costs	8	**356,728**	350,898
Income tax expenses	9	**54,128**	46,632
Profit on sale of property, plant and equipment		**(4,058)**	(1,433)
Net gain on sale of investment in subsidiaries and associates	10	**(44,276)**	(15,790)
Finance income	8	**(85,492)**	(76,146)
GROSS CASH FLOW FROM OPERATIONS		**991,979**	1,204,315
Change in inventories		**(2,271)**	(491)
Change in accounts receivable and prepayments		**(60,580)**	45,534
Change in accounts payable and accruals		**(229,958)**	122,343
Change in provisions and pensions		**(57,886)**	(211,308)
		641,284	1,160,393
Taxes paid		**(68,944)**	(91,685)
NET CASH FROM OPERATING ACTIVITIES		**572,340**	1,068,708
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment	12	**(828,234)**	(1,264,951)
Proceeds from disposal of property, plant and equipment		**11,755**	38,009
Proceeds from sale of investment in subsidiaries and associates		**77,400**	120,939
Additions to port concessions	13	**(139,259)**	(132,395)
Additions to available-for-sale financial assets		**—**	(18,048)
Interest received		**75,636**	76,146
Dividends received from associates and joint ventures		**147,202**	95,726
Additional investment in associates and joint ventures		**(219,134)**	(107,347)
Acquisition of additional interest in subsidiaries		**—**	(145,020)
Acquisition of subsidiaries, net of cash acquired	11	**—**	(670,526)
Loan to joint ventures and associates		**(40,853)**	—
NET CASH USED IN INVESTING ACTIVITIES		**(915,487)**	(2,007,467)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of loans		**(168,215)**	(1,153,930)
Drawdown of loans		**2,600,020**	989,126
Dividend paid to shareholders		**(114,540)**	(220,781)
Amounts contributed by non-controlling interest		**20,786**	21,476
Interest paid		**(357,204)**	(290,960)
Dividends paid to non-controlling interest		**(17,474)**	(30,730)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES		**1,963,373**	(685,799)

DP World Limited and its Subsidiaries

Consolidated Statement of Cash Flows (Continued)

for the year ended 31 December 2009

	Note	2009 USD'000	2008 USD'000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**1,620,226**	(1,624,558)
Cash and cash equivalents at 1 January		**1,154,145**	2,875,997
Effect of exchange rate fluctuations on cash flow		**124,195**	(97,294)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	18	**2,898,566**	1,154,145
Cash and cash equivalents comprise of the following:			
Bank balances and cash		**2,910,066**	1,204,074
Bank overdrafts		**(11,500)**	(49,929)
Cash and cash equivalents		**2,898,566**	1,154,145

The accompanying notes 1 to 33 form an integral part of these consolidated financial statements.

The independent auditors' report is set out on page F-22.

1 Reporting entity

DP World Limited ("the Company") (formerly known as Galaxy Investments Limited) was incorporated on 9 August 2006 as a Company Limited by Shares with the Registrar of Companies of the Dubai International Financial Centre ("DIFC") under the Companies Law, DIFC Law No. 3 of 2006. The consolidated financial statements of the Company for the year ended 31 December 2009 comprise the Company and its subsidiaries (collectively referred to as "the Group") and the Group's interests in associates and jointly controlled entities. The Group is engaged in the business of international marine terminal operations and development, logistics and related services.

Port & Free Zone World FZE ("Parent Company") which held 100% of the Company's issued and outstanding share capital, made an initial offer of 19.55% of its share capital to the public and as a result the Company was listed on NASDAQ Dubai (formerly known as the Dubai International Financial Exchange) with effect from 26 November 2007.

Port & Free Zone World FZE is a wholly owned subsidiary of Dubai World Corporation ("Parent Group"), which is the ultimate holding company of the Group.

The Company's registered office address is P.O. Box 17000, Dubai, United Arab Emirates.

2 Basis of preparation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The consolidated financial statements were approved by the Board of Directors on 23 March 2010.

(b) Comparative information

Certain comparatives have been regrouped/ reclassified to conform with the presentation adopted in these consolidated financial statements.

(c) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for derivative financial instruments and available for sale financial assets which are measured at fair value.

The methods used to measure fair values are discussed further in note 4.

(d) Funding and liquidity

The Group's business activities, together with factors likely to affect its future development, performance and position are set out in the Chairman's Statement and Operating and Financial Review. In addition, note 5 sets out the Group's objectives, policies and processes for managing the Group's financial risk including capital management and note 28 provides details of the Group's exposure to credit risk, liquidity risk and interest rate risk from financial instruments.

The Board of Directors remain satisfied with the Group's funding and liquidity position. At 31 December 2009, the Group had net debt of USD 5,059,403 thousand (2008: USD 4,215,200 thousand). The Group's credit facility covenants are currently well within the covenant limits. The Group generated net cash of USD 572,340 thousand (2008: USD 1,068,708 thousand) from operating activities and its interest cover for the year is 4 times (2008: 5 times) (calculated using adjusted EBITDA and net interest expense).

Based on the above, the Board of Directors have concluded that the going concern basis of preparation continues to be appropriate.

2 Basis of preparation (Continued)

(e) Functional and presentation currency

The functional currency of the Company is UAE Dirhams. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

These consolidated financial statements are presented in United States Dollars ("USD"), which in the opinion of management is the most appropriate presentation currency in view of the global presence of the Group. All financial information presented in USD is rounded to the nearest thousand.

UAE Dirhams is pegged to USD and there are no differences on translation from functional to presentation currency.

(f) Use of estimates and judgements

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are included in the following notes:

- Note 9—Provision for income taxes
- Note 12—Useful life of property, plant and equipment
- Note 14—Impairment testing
- Note 16—Available-for-sale financial assets
- Note 17—Impairment of accounts receivable
- Note 24—Pension and post employment benefits

(i) Provision for income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax claims based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(ii) Useful life of property, plant and equipment

The useful life of property, plant and equipment is determined by the Group's management based on their estimate of the period over which an asset is expected to be available for use by the Group. This estimate is reviewed and adjusted if appropriate at each financial year end.

(iii) Impairment testing

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

2 Basis of preparation (Continued)

(iv) Available for sale financial assets

Equity investments are impaired when objective evidence of impairment exists. A significant or prolonged decline in fair value of an investment is considered as objective evidence of impairment. The Group considers that generally a decline of 20% will be considered as significant and a decline of over 9 months will be generally considered as prolonged.

(v) Impairment of accounts receivable

An estimate of the collectible amount of accounts receivable is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recovery rates. Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the consolidated income statement.

(vi) Pension and post employment benefits

The cost of defined benefit pension plans and other post employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

(g) Change in accounting policies

Overview

Starting as of 1 January 2009, the Group has changed its accounting policies in the following areas:

- Accounting for borrowing costs
- Determination and presentation of operating segments
- Presentation of financial statements

(i) Accounting for borrowing costs

In respect of borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after 1 January 2009, the Group capitalises borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The revised standard does not have a significant impact on these consolidated financial statements as the Group's previous policy was to capitalise the borrowing cost related to qualifying assets. The change in accounting policy had no material impact on earnings per share

(ii) Determination and presentation of operating segments

As of 1 January 2009 the Group determines and presents operating segments based on the information that internally is provided to the Board of Directors. This change in accounting policy is due to the adoption of IFRS 8 '*Operating Segments*'. Operating segments were previously determined and presented in accordance with IAS 14 '*Segment Reporting*'. These segments are reported in a manner that is consistent with the prior year and internal reporting provided to the Board of Directors.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

2 Basis of preparation (Continued)

Segment results that are reported to the Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly head office costs, net finance costs and income tax expenses/ credits.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and other port concession rights.

(iii) Presentation of financial statements

The Group applies revised IAS 1 *Presentation of Financial Statements* (2007), which became effective as of 1 January 2009. As a result, the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income.

Comparative information has been re-presented so that it also is in conformity with the revised standard. The change in accounting policies mentioned above only impacts presentation aspects and has no impact on earnings per share.

3 Significant accounting policies

The accounting policies set out below have been applied consistently in the period presented in these consolidated financial statements and have been applied consistently by the Group entities.

(a) Basis of consolidation

(i) Business combinations

Except for transactions involving entities under common control, where the provisions of IFRS 3, '*Business Combinations*' are not applicable, business combinations are accounted for using the acquisition method. This involves recognising identifiable assets (including previously unrecognised port concession rights) and liabilities (including contingent liabilities and excluding future restructuring) of the acquired business at fair value.

For transactions involving entities under common control, the carrying value of assets and liabilities are used to account for these transactions.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

(iii) De-recognition of subsidiaries

Gains or losses arising from de-recognition of subsidiaries are measured as the difference between the net disposal proceeds and the carrying amount of the subsidiary and are recognised in the consolidated income statement when the subsidiary is de-recognised.

(iv) Special purpose entities

The Group has established DP World Sukuk Limited (a limited liability company incorporated in the Cayman Islands) as a special purpose entity ("SPE") for the issue of Sukuk Certificates. These certificates are listed on NASDAQ Dubai. The Group does not have any direct or indirect shareholdings in this entity. An SPE is consolidated based on an evaluation of the substance of its relationship with the Group and based on the SPE's risks and rewards; the Group concludes that it controls the SPE. The SPE controlled by the Group was established under terms that impose strict limitations on the decision-making powers of the

3 Significant accounting policies (Continued)

SPE's management and that result in the Group receiving the majority of the benefits related to the SPE's operations and net assets, being exposed to risks incident to the SPE's activities, and retaining the majority of the residual or ownership risks related to the SPE or its assets.

(v) Investments in associates and joint ventures

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Investment in associates and joint ventures are accounted for using the equity method ("equity accounted investees") and are initially recorded at cost. The Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Group's share of the income and expenses of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. The transactions between the Group and associates and joint ventures are made at normal market prices.

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from the transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

(i) Foreign currency transactions

These consolidated financial statements are presented in USD, which is the Group's presentation currency. Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation of monetary items are recognised in the consolidated income statement, except for differences arising on the retranslation of available for sale equity instruments, of a financial liability designated as a hedge of the net investment in a foreign operation, or qualifying cash flow hedges, which are recognised directly in other comprehensive income (refer to note 3b (iii) below).

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to USD at exchange rates at the reporting date. The income and expenses of foreign operations are translated to USD at rates approximating to the foreign exchange rates ruling at the date of the transactions. Foreign exchange differences arising on translation are recognised in other comprehensive income. Such differences have been recognised in the translation reserve. When a foreign operation is disposed off, in part or in full, the relevant amount in the translation reserve is transferred to the consolidated income statement. Foreign exchange gains and losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in

3 Significant accounting policies (Continued)

the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income.

(iii) Hedge of net investment in foreign operation

Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in foreign operation are recognised in other comprehensive income, to the extent that the hedge is effective. To the extent that the hedge is ineffective, such differences are recognised in the consolidated income statement. When the hedged part of a net investment is disposed off, the associated cumulative amount in other comprehensive income is transferred to the consolidated income statement on disposal.

(c) Financial instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in an unquoted infrastructure fund, debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value, plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below:

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances and short-term deposits under lien with an original maturity of three months. Bank overdrafts that are repayable on demand form an integral part of the Group's cash management and are included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

Held-to-maturity investments

Where the Group has a positive intent and ability to hold debt securities to maturity, then these are classified as held-to-maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method, less any impairment losses. Gains and losses are recognised in the income statement when the investments are derecognised or impaired, as well as through the amortisation process.

Available-for-sale investments

The Group's investment in an unquoted infrastructure investment fund is classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses are recognised directly in other comprehensive income. When an investment is derecognised, the cumulative gain or loss in other comprehensive income is transferred to profit or loss.

Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

(ii) Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are recognised initially at fair value and attributable transaction costs are

3 Significant accounting policies (Continued)

recognised in the income statement when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below:

Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised directly in the other comprehensive income to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in the income statement.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in other comprehensive income remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognised in other comprehensive income is transferred to the carrying amount of the asset when it is recognised. In other cases the amount recognised in other comprehensive income is transferred to income statement in the same period that the hedged item affects the income statement.

(iii) Share capital

Ordinary shares are classified as equity. Any excess payment received over par value is treated as share premium.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses (refer to the accounting policy on impairment).

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed asset includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the cost of dismantling and removing the items and restoring the site on which they are located. Borrowing costs that are directly attributable to acquisition, construction or production of an asset are included in the cost of that asset. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and recognised within ‘other income’ in the consolidated income statement.

Capital work-in-progress

Capital work-in-progress is measured at cost less impairment losses and not depreciated until such time the assets are ready for intended use and transferred to the respective category under property, plant and equipment.

Dredging

Dredging expenditure is categorised into capital dredging and major maintenance dredging. Capital dredging is expenditure which includes creation of a new harbour, deepening or extension of the channel berths or waterways in order to allow access to larger ships which will result in future economic benefits for the Group. This expenditure is capitalised and amortised over the expected period of the relevant concession agreement. The expenditure is also capitalised under port concession rights due to application of IFRIC 12 ‘*Service Concession Arrangements*’.

3 Significant accounting policies (Continued)

Major maintenance dredging is expenditure incurred to restore the channel to its previous condition and depth. On an average, the Group incurs such expenditure every 10 years. At the completion of maintenance dredging, the channel has an average service potential of 10 years. Any unamortised expense is written-off on commencing of any new dredging activities. Maintenance dredging is regarded as a separate component and is capitalised and amortised evenly over 10 years.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced parts are derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the consolidated income statement as incurred.

(iii) Depreciation

Depreciation is recognised in consolidated income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. No depreciation is provided on freehold land.

The estimated useful lives are as follows:

Assets	Life (years)
Buildings	5 - 50
Plant and equipment	3 - 25
Ships	10 - 35
Dredging	10 - 99

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if required.

(e) Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures. Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative (negative goodwill), it is recognised immediately in the consolidated income statement.

Acquisitions of non-controlling interest

Goodwill arising on the acquisition of a non-controlling interest in a subsidiary represents the excess of the cost of the additional investment over the carrying amount of the net assets acquired at the date of exchange.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment.

(f) Port concession rights

Port concession rights arising on business combinations

The cost of port concession rights acquired in a business combination is the fair value as at the date of acquisition. Other port concession rights acquired separately are measured on initial recognition at cost. Following initial recognition, port concession rights are carried at cost less any accumulated amortisation

3 Significant accounting policies (Continued)

and any accumulated impairment losses. Internally generated port concession rights, excluding capitalised development costs, are recognised in the consolidated income statement as incurred. The useful lives of port concession rights are assessed to be either finite or indefinite. Port concession rights with finite lives are amortised on a straight line basis over the useful economic life and assessed for impairment whenever there is an indication that the port concession rights may be impaired.

The amortisation period and amortisation method for port concession rights with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on port concession rights with finite useful lives is recognised in the consolidated statement of income on a straight line basis in the expense category consistent with the function of port concession rights.

Port concession rights arising from Service Concession Arrangements

Substantially all of the Group's terminal operations are conducted pursuant to long-term operating concessions or leases entered into with the owner of a relevant port for terms generally between 25 and 50 years. The Group commonly starts negotiations regarding renewal of concession agreements with approximately 5-10 years remaining on the term and often obtains renewals or extensions on the concession agreements in advance of their expiration in return for a commitment to make certain capital expenditures in respect of the subject terminal. In addition, such negotiations may result in the re-basing of rental charges to reflect current market rates. Due to the typical length of concession agreements and the recent proliferation of their use, factors influencing concession renewal are likely to become more apparent in the future. However, based on the Group's experience, incumbent operators are typically granted renewal often because it can be costly for a port owner to switch operators, both administratively and due to interruptions to port operations and reduced productivity associated with such transactions.

The Group recognises port concession rights arising from a service concession arrangement, in which the public sector (the grantor) controls or regulates the services provided and the prices charged, and also controls any significant residual interest in the infrastructure such as property, plant and equipment if the infrastructure is existing infrastructure of the grantor or the infrastructure is constructed or purchased by the Group as part of the service concession arrangement.

Port concession rights with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such port concession rights are not amortised. The useful life of port concession rights with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of a port concession rights are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is de-recognised.

The estimated useful lives for port concession rights range within a period of 5 - 82 years (including the concession rights relating to associates and joint ventures).

The Group considers port concession rights as intangible assets.

(g) Inventories

Inventories mainly consist of spare parts and consumables. Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on weighted average method and includes expenditure incurred in acquiring inventories and bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3 Significant accounting policies (Continued)

(h) Leases

(i) Group as a lessee

Payments made under operating leases are recognised in the consolidated income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(ii) Group as a lessor

Leases where the Group retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

(iii) Leasing and sub-leasing transactions

A series of leasing and sub-leasing transactions between the Group and third parties, which are closely interrelated, negotiated as a single transaction, and take place concurrently or in a continuous sequence are considered linked and accounted for as one transaction when the overall economic effect cannot be understood without reference to the series of transactions as a whole.

These leasing and sub-leasing transactions are designed to achieve certain benefits for the third parties in overseas locations in return for a cash benefit to the Group. Such cash benefit is accounted in the consolidated income statement based on its economic substance. Under these leasing and sub-leasing transactions, current and non-current liabilities have been defeased by the loan receivable and the placement of deposits. Those liabilities, receivables and deposits (and income and charges arising there from) are netted off in the consolidated financial statements, in order to reflect the overall commercial effect of the arrangement.

(i) Impairment

(i) Financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the consolidated income statement. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in other comprehensive income is transferred to the consolidated income statement.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in the consolidated income statement. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in other comprehensive income.

3 Significant accounting policies (Continued)

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets are reviewed annually to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and port concession rights that have indefinite lives or that are not yet available for use, recoverable amount is estimated annually. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its value in use. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the consolidated income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount, which would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Assets held for sale

Assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets (or components of a disposal group) are re-measured in accordance with the Group's accounting policies. Thereafter generally the assets (or disposal group) are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and employee benefit assets which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on re-measurement are recognised in the income statement. Gains are not recognised in excess of any cumulative impairment loss.

(k) Employee benefits

(i) Pension and post-employment benefits

The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine the present value, and the fair value of any plan assets is deducted. The calculation is performed by a qualified actuary using the projected unit credit method. The discount rate is the yield at the reporting date on AA credit rated bonds that have maturity dates approximating to the terms of the Group's obligations.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the income statement on a straight line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the income statement.

Actuarial gains and losses that arise in calculating the Group's obligation in respect of a plan are recognised in the period in which they arise directly in other comprehensive income. The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit

3 Significant accounting policies (Continued)

credit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligation) and is based on actuarial advice.

Contributions, including lump sum payments, in respect of defined contribution pension schemes and multi employer defined benefit schemes where it is not possible to identify the Group's share of the scheme, are charged to the income statement as they fall due.

(ii) Long-term service benefits

The Group's net obligation in respect of long-term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on AA credit rated bonds that have maturity dates approximating to the terms of the Group's obligations.

(iii) Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised by the Group as an expense with a corresponding increase in equity over the period that the employees become unconditionally entitled to payment, on a straight line basis.

(l) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(m) Revenue

Revenue mainly comprises income from container cargo handling and storage services.

Revenue from the rendering of services is recognised on the delivery of those services; which for Ports, is once the relevant throughput has taken place, for Maritime is on rendering of services and for container shipping is on completion of the shipping or transport operation. For logistics storage, revenue is recognised over the period during which storage is provided and for its handling and transport operations on completion of service.

Rental income is recognised on a straight line basis over the term of the lease.

Revenues relating to construction contracts which are entered into with local authorities for the construction of the infrastructure necessary for the provision of services, are measured at the fair value of the consideration received or receivable.

(n) Finance income and expense

Finance income comprises interest income on funds invested and gains on hedging instruments that are recognised in the consolidated income statement. Interest income is recognised as it accrues, using the effective interest method.

Finance costs comprises interest expense on borrowings, unwinding of the discount on provisions, impairment losses recognised on financial assets and losses on hedging instruments that are recognised in the consolidated income statement.

Finance income and expense also include realised exchange gains and losses.

3 Significant accounting policies (Continued)

(o) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the consolidated income statement except to the extent that it relates to items recognised directly in other comprehensive income. Income tax expense also includes any interest, fines and penalties payable to Tax Authorities.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences arising on the initial recognition of goodwill and the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit. Deferred tax is also not recognised for the temporary differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(p) Discontinued operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed or is held for sale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative income statement is restated as if the operation had been discontinued from the start of the comparative period.

(q) Earnings per share

The Group presents basic earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(r) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. The Group's primary format for segment reporting is based on geographical segments.

(s) Separately disclosed items

The Group presents, as separately disclosed items on the face of the consolidated income statement, those material items of income and expense which, because of the nature and expected infrequency of the events

3 Significant accounting policies (Continued)

giving rise to them, merit separate presentation to allow users to understand better the elements of financial performance in the period, so as to facilitate a comparison with prior periods and a better assessment of trends in financial performance.

(t) New standards and interpretations not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2009 and have not been applied in preparing these consolidated financial statements:

Revised IFRS 3 and IAS 27 (effective from 1 July 2009) These revisions to IFRS 3 and IAS 27 impact the manner in which business combinations are identified and accounted for. The revised IAS 27 will impact the Group, when its percentage holdings in subsidiaries changes without resulting in a loss of control, by taking the gains and losses directly to other comprehensive income. When the Group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. Further, any costs directly attributable to the acquisition of business shall be expensed as incurred.

Currently the Group is accounting for any gains or losses arising on partial disposal of a subsidiary in the consolidated income statement and recognising goodwill on acquiring further non-controlling interest in a subsidiary.

4 Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/ or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Property, plant and equipment

The fair value of property, plant and equipment recognised as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The market value of items of plant, equipment, fixtures and fittings is based on the quoted market prices for similar items.

(ii) Port concession rights

Port concession rights acquired in a business combination are accounted at their fair values. The fair value is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

(iii) Investments in debt securities

The fair values of debt securities held-to-maturity and available-for-sale financial assets are based on the quoted market value of similar assets. The fair value of unquoted infrastructure investment fund is based on the independent valuation of the fund.

(iv) Trade and other receivables/ payables

The fair value of trade and other receivables and trade and other payables approximates to book value due to the short term maturity of these instruments.

(v) Derivatives

The fair value of derivative financial instruments is discounted to the net present value using prevailing market rates and foreign currency rates at the reporting date.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the

4 Determination of fair values (Continued)

contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate.

The fair value of interest rate swaps is based on bank quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

(vi) Non-derivative financial liabilities

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements. Other loans include term loans and finance leases. These are largely at variable interest rates and therefore, the book value normally equates to the fair value.

The fair value of cash and bank overdrafts approximates to the book value due to the short term maturity of the instruments.

5 Financial risk management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

5 Financial risk management (Continued)

Trade and other receivables

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures and are required to submit financial guarantees based on their creditworthiness. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets on taking into account the impact of the current global financial crisis on the Group's major customers.

Other financial assets

Credit risk arising from other financial assets of the Group comprises cash and cash equivalents and certain derivative instruments. The Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Group manages its credit risks with regard to bank deposits, throughout the Group, through a number of controls, which include assessing the credit rating of the bank either from public credit ratings, or internal analysis where public data is not available and consideration of the support for financial institutions from their central banks or other regulatory authorities.

Financial guarantees

The Group's policy is to consider the provision of a financial guarantee to wholly-owned subsidiaries, where there is a commercial rationale to do so. Guarantees may also be provided to associates and joint ventures in very limited circumstances and always only for the Group's share of the obligation. The provision of guarantees always requires the approval of senior management.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank facilities and by ensuring adequate internally generated funds. The Group's terms of business require amounts to be paid within 60 days of the date of provision of the service. Trade payables are normally settled within 45 days of the date of purchase.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group buys and sells derivatives and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the Board of Directors in the Group Treasury policy. Generally the Group seeks to apply hedge accounting in order to manage the volatility in the consolidated income statement.

5 Financial risk management (Continued)

(i) Currency risk

The proportion of the Group's net operating assets denominated in foreign currencies (i.e., other than the functional currency of the Company, UAE Dirhams) is approximately 86% with the result that the Group's USD consolidated statement of financial position, and in particular owner's equity, can be affected by currency movements when it is retranslated at each period end rate. The Group partially mitigates the effect of such movements by borrowing in the same currencies as those in which the assets are denominated and using cross currency swaps. The impact of currency movements on operating profit is partially mitigated by interest costs being incurred in foreign currencies. The Group operates in some locations where the local currency is fixed to the Group's reporting currency of USD further reducing the risk of currency movements.

Most foreign currency loans are accounted for as hedges and the exchange difference arising from retranslating these loans at each reporting date is taken to other comprehensive income to the extent that this hedge is deemed to be effective. Interest on borrowings that are denominated in currencies that match the cash flows generated by the underlying operations of the Group provide an economic hedge.

A portion of the Group's activities generate part of their revenue and incur some costs outside their main functional currency. Due to the diverse number of locations in which the Group operates there is some natural hedging that occurs within the Group. When it is considered that currency volatility could have a material impact on the results of an operation, hedging, generally up to 12 months forward using forward foreign currency contracts, is undertaken to reduce the short-term effect of currency movements.

When the Group's businesses enter into capital expenditure or lease commitments in currencies other than their main functional currency, these commitments are hedged in most instances using forward contracts and currency swaps in order to fix the cost when converted to the functional currency. The Group classifies its forward exchange contracts hedging forecasted transactions as cash flow hedges and states them at fair value.

As well as the direct effect on cash flows, exchange rates also affect the Group's businesses because of their overall economic influence. In particular, exchange rates affect international trade flows which impact on the activities of the Group.

(ii) Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with a fixed/ floating interest rate and bank deposits. The Group issued two fixed rate bonds, a 10 year Sukuk with a profit rate of 6.25% and a 30 year Medium Term Note with a coupon of 6.85% which collectively represents USD 3,250,000 thousand of the Group's year end outstanding debt.

Approximately USD 4,315,094 thousand of the Group's interest bearing loans and borrowings comprising US Dollar, Great British Pound, Indian Rupee, Australian and Canadian Dollar borrowings carried interest at floating rates. The Group's policy is to manage its interest cost by entering into interest rate swap agreements, in which the Group agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. These swaps are designated to hedge underlying debt obligations.

At 31 December 2009, after taking into account the effect of interest rate swaps, approximately 70% of the Group's borrowings are at a fixed rate of interest.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return

5 Financial risk management (Continued)

on capital, which the Group defines as net operating profit attributable to the equity shareholders divided by total shareholders' equity.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

6 Segment information

Based on the internal management reports that are reviewed by the Board of Directors, the Group considers that the primary reporting format is by geographical segment and is based on the location of the Group's assets and liabilities.

The Group has identified the following geographic areas as its basis of segmentation.

- Asia Pacific and Indian subcontinent
- Australia and Americas
- Middle East, Europe and Africa

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's Board of Directors.

The following table presents certain results, assets and liabilities information regarding the Group's geographical segments as at the reporting date.

	Asia Pacific and Indian subcontinent		Australia and Americas		Middle East, Europe and Africa		Head office		Total	
	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000
Revenue from operations	**584,775**	516,963	**596,299**	756,810	**1,748,155**	2,009,347	**—**	—	**2,929,229**	3,283,120
Segment results from operations*	**188,018**	59,399	**74,636**	183,208	**523,166**	727,666	**(144,515)**	(164,817)	**641,305**	805,456
Finance income	**—**	—	**—**	—	**—**	—	**85,492**	76,146	**85,492**	76,146
Finance costs	**—**	—	**—**	—	**—**	—	**(356,728)**	(343,245)	**(356,728)**	(350,898)
Profit/(loss) for the year	**188,018**	59,399	**74,636**	183,208	**523,166**	727,666	**(415,751)**	(439,569)	**370,069**	530,704

* Segment results from operations comprise profit for the year before net finance cost.

Net finance cost and tax expense have not been allocated to various geographical locations and are instead reported in head office.

6 Segment information (Continued)

	Asia Pacific and Indian subcontinent		Australia and Americas		Middle East, Europe and Africa		Head office		Total	
	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000
Segment assets	**5,078,227**	4,972,286	**3,181,362**	2,567,179	**8,692,118**	7,855,655	**2,008,829**	103,732	**18,960,536**	15,498,852
Segment liabilities	**350,762**	341,519	**246,409**	192,111	**1,498,295**	1,245,145	**7,396,116**	5,257,207	**9,491,582**	7,035,982
Tax liabilities*	**—**	—	**—**	—	**—**	—	**1,431,509**	1,289,608	**1,431,509**	1,289,608
Total liabilities	**350,762**	341,519	**246,409**	192,111	**1,498,295**	1,245,145	**8,827,625**	6,546,815	**10,923,091**	8,325,590
Capital expenditure	**214,753**	171,297	**178,525**	240,719	**516,710**	982,330	**57,505**	3,000	**967,493**	1,397,346
Depreciation	**25,451**	19,749	**55,630**	55,611	**182,672**	143,477	**3,002**	1,900	**266,755**	220,737
Amortisation/impairment	**51,970**	65,018	**33,182**	38,168	**62,310**	47,721	**—**	—	**147,462**	150,907
Share of profit/(loss) of equity accounted associates and joint ventures before separately disclosed items	**48,393**	57,134	**23,831**	28,494	**(917)**	30,566	**—**	—	**71,307**	116,194
Tax expense	**—**	—	**—**	—	**—**	—	**55,128**	46,632	**55,128**	46,632

* Tax liabilities have not been allocated to various geographical locations and are reported in head office.

Earnings before interest, tax, depreciation and amortisation ("EBITDA")—Adjusted

	Asia Pacific and Indian subcontinent		Australia and Americas		Middle East, Europe and Africa		Head office		Total	
	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000
Revenue before separately disclosed items	**476,563**	516,963	**596,299**	756,810	**1,748,155**	2,009,347	**—**	—	**2,821,017**	3,283,120
Profit for the year	**188,018**	59,399	**74,636**	183,208	**523,166**	727,666	**(415,751)**	(439,569)	**370,069**	530,704
Adjusted for separately disclosed items	**(16,074)**	127,936	**(25,578)**	(36,300)	**7,874**	2,800	**(3,628)**	(4,373)	**(37,406)**	90,063
Adjusted net profit for the year	**171,944**	187,335	**49,058**	146,908	**531,040**	730,466	**(419,379)**	(443,942)	**332,663**	620,767
Finance income	**—**	—	**—**	—	**—**	—	**(72,950)**	(76,146)	**(72,950)**	(76,146)
Finance costs	**—**	—	**—**	—	**—**	—	**356,728**	343,245	**356,728**	343,245
Tax expense	**—**	—	**—**	—	**—**	—	**54,441**	80,332	**54,441**	80,332
Depreciation and amortisation	**75,638**	84,767	**88,812**	93,779	**234,108**	191,198	**3,002**	1,900	**401,560**	371,644
EBITDA (Adjusted)	**247,582**	272,102	**137,870**	240,687	**765,148**	921,664	**(78,158)**	(94,611)	**1,072,442**	1,339,842

7 Profit for the year

	2009 USD'000	2008 USD'000
Profit for the year is stated after charging the following costs:		
Staff costs	**654,043**	674,264
Depreciation and amortization expenses	**414,217**	371,644
Operating leases	**287,610**	302,090

8 Finance income and expenses

	2009 USD'000	2008 USD'000
Financial income		
Interest income	**71,392**	57,068
Exchange gains	**14,100**	13,878
Other net financing income in respect of pension plans	**—**	5,200
	85,492	76,146
Financial expenses		
Interest payable	**(353,628)**	(348,786)
Exchange losses	**—**	(2,112)
Other net financing expense in respect of pension plans	**(3,100)**	—
	(356,728)	(350,898)
Net finance costs	**(271,236)**	(274,752)

9 Income tax

The major components of income tax expense for the year ended 31 December 2009:

	Before separately disclosed item 2009 USD'000	Total 2009 USD'000	Before separately disclosed item 2008 USD'000	Total 2008 USD'000
Current income tax expense				
Current year	**57,149**	**57,149**	114,517	74,517
Adjustment for prior periods*	**28,270**	**28,270**	37,055	37,055
	85,419	**85,419**	151,572	111,572
Deferred tax expense	**(30,978)**	**(31,291)**	(71,240)	(64,940)
Total income tax expense (excluding capital gain tax on sale/ termination of business)	**54,441**	**54,128**	80,332	46,632
Share of income tax of equity accounted investees	**12,509**	**12,509**	28,243	28,243
Total tax charges during the year (excluding capital gain tax)	**66,950**	**66,637**	108,575	74,875

All tax items included within separately disclosed items are detailed in note 10.

The Group is not subject to income tax on its UAE operations. The tax expense relates to the tax payable on the profit earned by the overseas subsidiaries, associates and joint ventures as adjusted in accordance with the taxation laws and regulations of the countries in which they operate. The applicable tax rates in the regions in which the Group operates are set out below:

Geographical segments	Applicable corporate tax rate
Asia Pacific and Indian subcontinent	17.50% to 35.00%
Australia and Americas	20.50% to 35.00%
Middle East, Europe and Africa	0% to 35%

9 Income tax (Continued)

The relationship between the tax expense and the accounting profit can be explained as follows:

	Before separately disclosed item 2009 USD'000	Total 2009 USD'000	Before separately disclosed item 2008 USD'000	Total 2008 USD'000
Profit for the year	**332,663**	**370,069**	620,767	530,704
Less: profit on sale/ termination of business	**—**	**(44,276)**	—	(15,790)
Add: income tax charge	**54,441**	**54,128**	80,332	46,632
Add: share of income tax of equity accounted investees	**12,509**	**12,509**	28,243	28,243
Accounting profit before income tax	**399,613**	**392,430**	729,342	589,789
At the UAE applicable tax rate of 0%	**—**	**—**	—	—
Effect of higher tax rates in other jurisdictions	**66,950**	**66,637**	108,575	74,875
Effective tax rate based on accounting profit (Total income tax expense/ profit before income tax charge)	**16.8%**	**17.0%**	14.9%	12.7%

The effective tax rate now takes into account tax on associates and joint ventures in the current and prior year.

Deferred income tax

Deferred income tax at 31 December 2009 relates to the following:

	Statement of financial position 2009 USD'000	Income statement 2009 USD'000	Statement of financial position 2008 USD'000	Income statement 2008 USD'000
Deferred tax liability				
Depreciation for property, plant and equipment	**116,912**	**4,618**	46,387	(125)
Investment in associates and joint ventures	**14,275**	**7,631**	41,468	600
Fair value adjustment on acquisitions	**777,271**	**(27,407)**	719,811	(45,519)
Financial instruments	**1,735**	**—**	—	—
Others	**394,661**	**184**	360,218	11,000
Total	**1,304,854**		1,167,884	
Deferred tax assets				
Depreciation for property, plant and equipment	**9,946**	**9,689**	257	—
Employee's end of service benefits	**26,484**	**(14,713)**	21,114	(393)
Deferred financing charges	**29,327**	**13,272**	—	—
Provisions	**3,696**	**(1,180)**	—	2,265
Tax value of losses carried forward	**27,597**	**9,078**	1,065	(39,335)
Others	**6,389**	**171**	7,750	6,567
Total	**103,439**		30,186	
Current income tax liabilities	**126,655**		121,724	

9 Income tax (Continued)

Movement in temporary differences during the year:

	Amount as at 1 January 2009 USD'000	Reclassifications* USD'000	Recognised in income statement USD'000	Translation and other movements USD'000	Amount as at 31 December 2009 USD'000
Deferred tax liability					
Depreciation for property, plant and equipment	**46,387**	**63,496**	**4,618**	**2,411**	**116,912**
Investment in associates and joint ventures	**41,468**	**(35,428)**	**7,631**	**604**	**14,275**
Fair value adjustment on acquisitions	**719,811**	**2,689**	**(27,407)**	**82,178**	**777,271**
Financial instruments	**—**	**—**	**—**	**1,735**	**1,735**
Others	**360,218**	**34,078**	**184**	**181**	**394,661**
Total	**1,167,884**	**64,835**	**(14,974)**	**87,109**	**1,304,854**
Deferred tax assets					
Depreciation for property, plant and equipment	**257**	**—**	**9,689**	**—**	**9,946**
Employees' end of service benefits	**21,114**	**10,515**	**(14,713)**	**9,568**	**26,484**
Deferred financing charges	**—**	**23,710**	**13,272**	**(7,655)**	**29,327**
Provisions	**—**	**2,977**	**(1,180)**	**1,899**	**3,696**
Tax value of losses carried forward recognised	**1,065**	**21,257**	**9,078**	**(3,803)**	**27,597**
Others	**7,750**	**6,376**	**171**	**(7,908)**	**6,389**
Total	**30,186**	**64,835**	**16,317**	**(7,899)**	**103,439**

* The reclassifications during the year represent the regrouping of the debit and credit balances in deferred tax liability and deferred tax assets.

10 Separately disclosed items

	2009 USD'000	2008 USD'000
Construction contract revenue relating to service concessions	**108,212**	—
Construction contract costs relating to service concessions	**(108,212)**	—
Profit on sale/ termination of business	**44,276**	15,790
Impairment, project development and restructuring costs	**(20,755)**	(129,900)
Foreign exchange gain	**12,500**	—
Other income	**3,000**	—
Share of loss of equity accounted associates and joint ventures	**(1,970)**	(2,000)
Deferred tax expense	**313**	(6,300)
Gain/ (loss) on interest rate swaps	**42**	(7,653)
Reversal of prior year tax charge	**—**	40,000
	37,406	(90,063)

Construction contract revenue and costs

In the current year, in accordance with IFRIC 12 '*Service Concession Arrangements*', the Group has recorded revenue of USD 108,212 thousand (2008: nil) on construction of a port. The construction revenue represents the fair value of the construction services provided in developing the port. No margin has been

10 Separately disclosed items (Continued)

recognised, as in management's opinion the fair value of the construction services provided approximates to the construction cost.

Profit on sale/ termination of business mainly includes profit on sale of investments divested in the 'Australia and Americas' region (2008: mainly includes profit on sale of investments divested in 'Middle East, Europe and Africa' region).

Impairment, project development and restructuring costs include impairment of certain cranes in 'Middle East, Europe and Africa' region and project development and restructuring costs incurred during the year (2008: mainly includes impairment on the Group's investment in a joint-venture in 'Asia Pacific and Indian subcontinent' region amounting to USD 112,000 thousand and loss on restructuring relating to a subsidiary in 'Asia Pacific and Indian subcontinent' region of USD 17,900 thousand).

Foreign exchange gain mainly relates to recycling of foreign exchange from translation reserve to the income statement as the loan no longer meets the criteria of a net investment hedge at subsidiary in 'Australia and Americas' region.

Other income includes one-off recoveries from a legal claim.

Share of loss of equity accounted associates and joint ventures includes share of profit on sale of certain assets of USD 13,530 thousand in the 'Asia Pacific and Indian subcontinent' region and restructuring provision of USD 15,500 thousand in the 'Australia and Americas' region (2008: represents prior year tax adjustment relating to an associate in 'Middle East, Europe and Africa' region).

Deferred tax expense represents reversal of deferred tax credit on impairment of cranes in 'Middle East, Europe and Africa' region (2008: represents provision of deferred tax on the net book value of assets following the phasing out of Industrial Building Allowances in 'Middle East, Europe and Africa' region).

Gain/ (loss) on interest rate swaps represents the ineffective portion of interest rate swaps.

Reversal of prior year tax charge 2009: nil. (2008: represents reversal of prior year tax provisions which were no longer required).

11 Business combinations

2009

There were no business combinations during the year. Previous year's business combinations are mentioned below.

2008

(a) Egyptian Container Terminal Handling Company ("ECHCO")—S.A.E at Sokhna Port, Egypt

On 19 February 2008, the Group acquired a 90% ownership interest in ECHCO through its 100% owned subsidiary, DP World FZE.

11 Business combinations (Continued)

The fair values of the identifiable assets and liabilities acquired by the Group are as follows:

	Recognised on acquisition USD'000	Carrying value USD'000
Property, plant and equipment	123,583	123,583
Other long-term investment	778	778
Accounts receivable and prepayments	67,948	80,357
Inventories	2,845	2,845
Bank balances and cash	13,954	13,954
Port concession rights	688,826	—
	897,934	221,517
Accounts payable and accruals	(11,340)	(11,340)
Dividend payable	(111)	(111)
Bank overdraft	(48,758)	(48,758)
Loans and borrowings	(83,256)	(83,256)
Shareholders' current account	(1,218)	(1,218)
Finance lease liability	(6,048)	—
	(150,731)	(144,683)
Fair value of net assets acquired	747,203	
Less: attributable to minority shareholders	(74,720)	
Total acquisition cost	672,483	
Less: cash acquired with the subsidiary	(13,954)	
Net cash outflow on acquisition	658,529	

From the date of acquisition, ECHCO has incurred a loss of USD 16,563 thousand. If the acquisition had taken place at the beginning of the year, the loss would have been USD 16,706 thousand.

(b) DP World Tarragona S.A. ("Tarragona"), Spain (formerly Contarsa Sociedad Estiba S.A.)

On 1 July 2008, the Group acquired 60% ownership interest in Tarragona through its 100% owned subsidiary, DP World ENAF BV at a total acquisition cost net of cash of USD 11,997 thousand. Goodwill arising out of this acquisition is USD 3,445 thousand. From the date of acquisition, DP World Tarragona SA has incurred a loss of USD 1,303 thousand. If the acquisition had taken place at the beginning of the year, the loss would have been USD 3,164 thousand.

12 Property, plant and equipment

	Land and buildings USD'000	Plant and equipment USD'000	Ships USD'000	Capital work-in-progress USD'000	2009 Total USD'000
Cost					
At 1 January	**2,034,319**	**2,188,327**	**88,458**	**888,015**	**5,199,119**
Additions during the year	**243,193**	**48,031**	**553**	**536,457**	**828,234**
Transfer to assets held for sale	**(15,973)**	**—**	**—**	**—**	**(15,973)**
Transfer (to)/from port concession rights (refer to note 13)	**(104,765)**	**112,595**	**—**	**(51,264)**	**(43,434)**
Reclassification	**477,597**	**300,056**	**—**	**(777,653)**	**—**
Translation adjustment	**44,920**	**149,260**	**8,992**	**35,690**	**238,862**
Disposals	**(1,377)**	**(118,224)**	**(51,365)**	**(4,240)**	**(175,206)**
At 31 December	**2,677,914**	**2,680,045**	**46,638**	**627,005**	**6,031,602**
Depreciation					
At 1 January	**204,843**	**685,596**	**55,997**	**—**	**946,436**
Depreciation charge for the year	**83,328**	**181,043**	**2,384**	**—**	**266,755**
Transfer from port concession rights	**8,770**	**—**	**—**	**—**	**8,770**
Translation adjustment	**12,034**	**73,407**	**3,538**	**—**	**88,979**
Disposals	**(980)**	**(86,348)**	**(51,210)**	**—**	**(138,538)**
At 31 December	**307,995**	**853,698**	**10,709**	**—**	**1,172,402**
Net book value At 31 December	**2,369,919**	**1,826,347**	**35,929**	**627,005**	**4,859,200**

In the previous year, the Group had entered into agreements with third parties pursuant to which the Group participated in a series of linked transactions including leasing and sub-leasing of certain cranes of the Group (the "**Crane French Lease Arrangements**"). At 31 December 2009, cranes with aggregate net book value amounting to USD 335,926 thousand (2008: USD 214,039 thousand) were covered by these Crane French Lease Arrangements. These cranes are accounted for as property, plant and equipment as the Group retains all the risks and rewards incidental to the ownership of the underlying assets.

At 31 December 2009, property, plant and equipment with a carrying amount of USD 1,238,888 thousand (2008: USD 781,632) are pledged to secure bank loans, refer to note 25. The net book value of the leased plant and equipment is USD 447,990 thousand (2008: USD 25,596 thousand).

12 Property, plant and equipment (Continued)

As at 31 December 2009, borrowing costs capitalised related to property, plant and equipment amounted to USD 10,191 thousand (2008: USD 7,392 thousand).

	Land and buildings USD'000	Plant and equipment USD'000	Ships USD'000	Capital work-in-progress USD'000	2008 Total USD'000
Cost					
At 1 January	1,642,577	2,067,182	103,616	565,520	4,378,895
Additions during the year	123,418	178,138	927	962,468	1,264,951
Acquired in business combinations during the year	28,522	43,575	—	58,371	130,468
Translation adjustment	(125,578)	(250,856)	(16,085)	(96,021)	(488,540)
Disposals	365,380	150,288	—	(602,323)	(86,655)
At 31 December	2,034,319	2,188,327	88,458	888,015	5,199,119
Depreciation					
At 1 January	182,563	695,951	60,344	—	938,858
Depreciation charge for the year	65,797	153,087	1,853	—	220,737
Translation adjustment	(40,380)	(116,470)	(6,200)	—	(163,050)
Disposals	(3,137)	(46,972)	—	—	(50,109)
At 31 December	204,843	685,596	55,997	—	946,436
Net book value					
At 31 December	1,829,476	1,502,731	32,461	888,015	4,252,683

The Group adopted IFRIC 12 in the prior year resulting in a retrospective reclassification of USD 474,993 thousand at 1 January 2007 from property, plant and equipment to other port concession rights at net book value. Also refer to notes 3 and 13.

13 Goodwill and port concession rights

	Goodwill USD'000	Port concession rights USD'000	2009 Total USD'000
Cost			
At 1 January	**2,154,165**	**4,259,864**	**6,414,029**
Additions	**3,512**	**139,259**	**142,771**
Disposals	**(34,777)**	**(188,959)**	**(223,736)**
Transfer from property, plant and equipment (refer to note 12)	**—**	**43,434**	**43,434**
Other capitalisations	**—**	**122,511**	**122,511**
Translation adjustment	**301,789**	**338,552**	**640,341**
At 31 December	**2,424,689**	**4,714,661**	**7,139,350**
Amortisation			
At 1 January	**—**	**419,337**	**419,337**
Amortisation charge for the year	**—**	**147,462**	**147,462**
Amortisation on disposals	**—**	**(62,300)**	**(62,300)**
Transfer to property, plant and equipment	**—**	**(8,770)**	**(8,770)**
Other capitalisations	**—**	**4,552**	**4,552**
Translation adjustment	**—**	**40,185**	**40,185**
At 31 December	**—**	**540,466**	**540,466**
Net book value			
At 31 December	**2,424,689**	**4,174,195**	**6,598,884**

Port concession rights include concession agreements which are mainly accounted for as business combinations and acquisitions. These concessions were determined to have finite and indefinite useful lives based on the terms of the respective concession agreements and the income approach model was used for the purpose of determining their fair values.

Port concession rights also include property, plant and equipment with a carrying value of USD 515,714 thousand which have been reclassified due to the application of IFRIC 12 '*Service Concession Arrangements*'. Port concession rights are amortised on a straight-line basis over the concession period and property, plant and equipment are amortised over the useful life of the asset. If an indication of

13 Goodwill and port concession rights (Continued)

impairment arises, the recoverable amount is estimated and an impairment loss is recognised, if the recoverable amount is lower than the carrying amount.

	Goodwill USD'000	Port concession rights USD'000	2008 Total USD'000
Cost			
At 1 January	2,510,397	4,327,403	6,837,800
Acquisition of business during the year*	3,445	712,047	715,492
Additions	—	132,395	132,395
Goodwill on purchase of non-controlling interest	83,427	—	83,427
Disposals	(2,800)	(1,100)	(3,900)
Reclassification	137,982	(40,600)	97,382
Translation adjustment	(578,286)	(870,281)	(1,448,567)
At 31 December	2,154,165	4,259,864	6,414,029
Amortisation			
At 1 January	—	344,783	344,783
Amortisation charge for the year	—	150,907	150,907
Amortisation on disposals	—	(927)	(927)
Translation adjustment	—	(75,426)	(75,426)
At 31 December	—	419,337	419,337
Net book value			
At 31 December	2,154,165	3,840,527	5,994,692

* The Goodwill acquired in 2008 related to acquisition of DP World Tarragona SA, Spain of USD 3,445 thousand (refer to note 11).

14 Impairment testing

Goodwill acquired through business combinations has been allocated to various cash-generating units ("CGU"), which are reportable business units, for the purposes of impairment testing.

Impairment testing is done at an operating port level that represents individual CGUs. Details of the geographical segments are shown below:

	2009 Carrying amount of goodwill USD'000	2008 Carrying amount of goodwill USD'000	Discount rate applied to cash flow projections	Perpetuity growth rate
Cash-generating units aggregated by geographical segment				
Asia Pacific and Indian subcontinent	**267,857**	297,520	7.50%-18.00%	0%-2.50%
Australia and Americas	**949,343**	767,473	6.50%-16.50%	0%-2.50%
Middle East, Europe and Africa	**1,207,489**	1,089,172	6.00%-19.00%	0%-2.50%
Total	**2,424,689**	2,154,165		

The recoverable amount of the CGU has been determined based on their value in use calculated using cash flow projections based on the financial budgets approved by management covering a three year period and a further outlook for five years, which is considered appropriate in view of the outlook for the industry and the long-term nature of the concession agreements held.

14 Impairment testing (Continued)

In management's view, the perpetuity growth rate is the minimum growth rate expected to be achieved beyond the eight year period.

Key assumptions used in value in use calculations

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill.

Budgeted gross margins—The basis used to determine the value assigned to the budgeted gross margin is the average gross margin achieved in the year immediately before the budgeted year, adjusted for expected efficiency improvements, price fluctuations and manpower costs.

Discount rates—These represent the cost of capital for the Group adjusted for the respective location risk factors.

Cost inflation—The basis used to determine cost inflation is the forecast general price index during the budget year for the relevant countries where the Group is operating.

The values assigned to key assumptions are consistent with the past experience of management.

Sensitivity to changes in assumptions

The calculation of value in use for the CGU is sensitive to future earnings. Accordingly, sensitivity analysis for a 10% decrease in earnings for a future period of three years from the reporting date would still result in the recoverable amount of the CGU being higher than the carrying value.

15 Investment in associates and joint ventures

Summary financial information for equity accounted investees, not adjusted for the percentage ownership held by the Group:

	Asia Pacific and Indian subcontinent		Australia and Americas		Middle East, Europe and Africa		Total	
	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000
Current assets	**457,850**	164,866	**390,757**	179,489	**271,766**	285,997	**1,120,373**	630,352
Non-current assets	**6,905,258**	6,594,028	**812,555**	595,157	**2,996,665**	2,834,150	**10,714,478**	10,023,335
Total assets	**7,363,108**	6,758,894	**1,203,312**	774,646	**3,268,431**	3,120,147	**11,834,851**	10,653,687
Current liabilities	**747,942**	312,681	**96,707**	113,121	**149,970**	134,556	**994,619**	560,358
Non-current liabilities	**1,562,853**	1,900,500	**358,240**	296,856	**932,454**	924,197	**2,853,547**	3,121,553
Total liabilities	**2,310,795**	2,213,181	**454,947**	409,977	**1,082,424**	1,058,753	**3,848,166**	3,681,911
Revenue	**752,863**	773,693	**535,774**	634,580	**538,538**	821,339	**1,827,175**	2,229,612
Expenses	**(671,968)**	(625,819)	**(473,644)**	(561,984)	**(534,868)**	(690,469)	**(1,680,480)**	(1,878,272)
Net profit	**80,895**	147,874	**62,130**	72,596	**3,670**	130,870	**146,695**	351,340
The Group's share of profit of equity accounted associates and joint ventures (before separately disclosed items)							**71,307**	116,194
The Group's share of net assets of equity accounted associates and joint ventures							**3,453,833**	3,109,276

For ownership percentages in equity accounted investees, refer to note 32.

15 Investment in associates and joint ventures (Continued)

On 30 August 2009, the Group finalized a joint venture agreement with Odebrecht Investimentos Em Infra-Estrutura Ltda to acquire 26.91% effective interest in Embraport project ("the Project") in Brazil. The fair value of the identifiable assets and liabilities of the Project have been recorded on a provisional basis which is subject to change on finalization. In addition, the Project has been in development phase and as a result, no revenue and profit have been recorded as at the reporting date.

16 Other investments

	2009 USD'000	2008 USD'000
Non-current investments		
Debt securities held to maturity	**14,729**	14,226
Available-for-sale financial assets	**50,560**	36,815
	65,289	51,041

Debt securities held to maturity carry an effective interest rate of 5.35%.

Available-for-sale financial assets consist of unquoted investment in an Infrastructure Fund.

17 Accounts receivable and prepayments

	2009 Non-current USD'000	2009 Current USD'000	2009 Total USD'000
Trade receivables (net)	**—**	**289,870**	**289,870**
Advances paid to suppliers	**—**	**14,846**	**14,846**
Other receivables and prepayments	**43,612**	**410,774**	**454,386**
Fair value of derivative financial instruments	**500**	**600**	**1,100**
Deferred costs and other assets	**1,300**	**—**	**1,300**
Due from related parties (refer to note 27)	**28,844**	**91,379**	**120,223**
	74,256	**807,469**	**881,725**

	2008 Non-current USD'000	2008 Current USD'000	2008 Total USD'000
Trade receivables (net)	—	246,119	246,119
Advances paid to suppliers	—	35,335	35,335
Other receivables and prepayments	18,400	333,998	352,398
Fair value of derivative financial instruments	600	1,200	1,800
Deferred costs and other assets	700	—	700
Due from related parties (refer to note 27)	28,335	124,637	152,972
	48,035	741,289	789,324

The Group's exposure to credit and currency risks related to trade and other receivables are disclosed in note 28.

18 Bank balances and cash

	2009 USD'000	2008 USD'000
Cash at banks and in hand	**518,255**	500,861
Short-term deposits	**2,023,460**	259,280
Deposits under lien	**368,351**	443,933
Bank balances and cash	**2,910,066**	1,204,074
Bank overdrafts	**(11,500)**	(49,929)
Cash and cash equivalents	**2,898,566**	1,154,145

Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit market rates.

Out of the deposits under lien, USD 348,669 thousand (2008: USD 409,887 thousand) is placed to collateralise some of the regional borrowings. The balance of USD 19,682 thousand (2008: USD 34,046 thousand) is under lien in respect of certain loan notes issued to the erstwhile shareholders of Peninsular & Oriental Steam Navigation Company Limited ("P&O").

19 Share capital

The share capital of the Company as at 31 December was as follows:

	2009 USD'000	2008 USD'000
Authorised		
25,000,000,000 ordinary shares of US$0.10 each	**2,500,000**	2,500,000
Issued and fully paid		
16,600,000,000 ordinary shares of US$0.10 each	**1,660,000**	1,660,000

20 Reserves

Shareholders' reserve

Shareholders' reserve forms part of the distributable reserves of the Group.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of the cash flow hedging instruments related to hedge transactions that have not yet occurred.

Other reserves

The other reserves mainly include statutory reserves of subsidiaries as required by applicable local legislations and share based payment transactions.

Actuarial reserve

The actuarial reserve comprises the cumulative actuarial losses recognised in other comprehensive income.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations as well as from the translation of liabilities that hedge the Company's net investment in a foreign subsidiary.

20 Reserves (Continued)

A significant portion of foreign exchange translation differences arises from translating goodwill and purchase price adjustments which are carried in foreign currencies at the Group level. Further, the translation differences arising on account of translation of foreign operations to presentation currency for the Group consolidation are also included here.

21 Proposed dividends

After 31 December 2009, the following dividends were proposed for the year 2009 by the directors of the Company. The dividends have not been provided for and there are no income tax consequences for the Company.

0.82 of a US cent per share on 16,600,000,000 shares which amounts to USD 136,120 thousand.

22 Earnings per share

Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding.

	2009 USD'000	2008 USD'000
Profit attributable to ordinary shareholders	**332,862**	482,214
	Number of shares	**Number of shares**
Number of ordinary shares outstanding at 31 December	**16,600,000,000**	16,600,000,000
	2009 USD	**2008 USD**
Basic earnings per share—(US cents)	**2.01**	2.90

The Company has no significant share options outstanding at the year end and therefore in management's opinion, the basic and diluted earnings per share are not significantly different.

23 Employees' end of service benefits

Movements in the provision recognised in the consolidated statement of financial position are as follows:

	2009 USD'000	2008 USD'000
At 1 January	**43,114**	36,912
Provision made during the year*	**16,282**	17,432
Amounts paid during the year or transferred to related parties (net)	**(16,448)**	(11,230)
At 31 December	**42,948**	43,114

* The provision for expatriate staff gratuities, included in Employees' end of service benefits, is calculated in accordance with the implementing regulations of the Jebel Ali Free Zone Authority. This is based on the liability that would arise if employment of all staff were terminated at the reporting date.

The UAE government had introduced Federal Labour Law No.7 of 1999 for pension and social security. Under this Law, employers are required to contribute 15% of the 'contribution calculation salary' of those employees who are UAE nationals. These employees are also required to contribute 5% of the 'contribution calculation salary' to the scheme. The Company's contribution is recognised as an expense in the income statement as incurred.

24 Pension and post-employment benefits

Non UAE region

Reconciliation of assets and liabilities recognised in the consolidated statement of financial position

	2009 USD'000	2008 USD'000
Non-current		
Defined benefit schemes net liabilities	**257,900**	101,900
Liabilities from defined contribution schemes	**2,400**	1,600
Liability in respect of long service leave	**5,200**	300
Liability for other non-current deferred compensation	**2,600**	—
	268,100	103,800
Current		
Liability for current deferred compensation	**45,400**	41,700
Net liabilities	**313,500**	145,500

	2009 USD'000	2008 USD'000
Net liabilities		
Reflected in the consolidated statement of financial position as follows:		
Employee benefits assets		
(included within non-current receivables (refer to note 17))	**(1,300)**	(700)
Employee benefits liabilities: Non-current	**269,400**	104,500
Employee benefits liabilities: Current	**45,400**	41,700
	313,500	145,500

The defined benefit pension schemes net liabilities of USD 257,900 thousand (2008: USD 101,900 thousand) is in respect of the total P&O schemes shown below. The USD 6,500 thousand (2008:USD 2,200 thousand) net liabilities in respect of the P&O's share of associates and joint ventures are included within investments in associates and joint ventures in the consolidated statement of financial position.

An expense of USD 28,700 thousand (2008: 31,500 thousand) has been recognised in the income statement in respect of employee benefits excluding pensions, USD 28,500 thousand (2008: USD 31,100 thousand) in general and administration expenses and USD 200 thousand (2008: USD 400 thousand) in cost of sales.

The current portion of employee benefits liabilities includes a liability of USD 25,200 thousand (2008: USD 21,400 thousand) in respect of annual leave, USD 11,400 thousand (2008: USD 13,900 thousand) in respect of long service leave, and USD 8,800 thousand (2008: USD 6,400 thousand) in respect of sick leave and other miscellaneous employee benefit items.

Pensions

P&O participates in a number of pension schemes throughout the world. The principal scheme is located in the UK (the "P&O UK Scheme"). The P&O UK Scheme is a funded defined benefit scheme and was closed to routine new members on 1 January 2002. The assets of the scheme are managed on behalf of the trustee by independent fund managers.

P&O also operates a number of smaller defined benefit and defined contribution schemes. In addition, P&O participates in various industry schemes, the most significant of which is the Merchant Navy Officers' Pension Fund (the "MNOPF Scheme"). These generally have assets held in separate trustee administered funds.

24 Pension and post-employment benefits (Continued)

Expenses recognized in the income statement 2009

	Defined benefit pension schemes					
	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2009 P&O UK schemes USD'000
Employer's current service cost	**300**	**—**	**4,700**	**5,000**	**200**	**5,200**
Employer's past service cost	**—**	**—**	**—**	**—**	**—**	**—**
Total	**300**	**—**	**4,700**	**5,000**	**200**	**5,200**
Expected return on scheme assets	**(95,700)**	**(6,900)**	**(8,100)**	**(110,700)**	**(800)**	**(111,500)**
Interest cost	**96,800**	**8,100**	**8,900**	**113,800**	**900**	**114,700**
Total	**1,100**	**1,200**	**800**	**3,100**	**100**	**3,200**
Total defined benefit expenses	**1,400**	**1,200**	**5,500**	**8,100**	**300**	**8,400**
Total defined contribution expense	**—**	**—**	**—**	**23,200**	**4,100**	**27,300**
Total	**1,400**	**1,200**	**5,500**	**31,300**	**4,400**	**35,700**

Expenses recognized in the income statement 2008

	Defined benefit pension schemes					
	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2008 P&O UK schemes USD'000
Employer's current service cost	700	—	7,400	8,100	200	8,300
Employer's past service cost	—	—	—	—	—	—
Gain due to settlements/ curtailments	(2,400)	—	—	(2,400)	—	(2,400)
Total	(1,700)	—	7,400	5,700	200	5,900
Expected return on scheme assets	(125,400)	(10,400)	(10,700)	(146,500)	(1,100)	(147,600)
Interest cost	120,300	9,600	11,700	141,600	1,300	142,900
Total	(5,100)	(800)	1,000	(4,900)	200	(4,700)
Total defined benefit (income)/ expenses	(6,800)	(800)	8,400	800	400	1,200
Total defined contribution expense	—	—	—	22,600	3,900	26,500
Total	(6,800)	(800)	8,400	23,400	4,300	27,700

24 Pension and post-employment benefits (Continued)

The expenses for defined benefit and defined contribution schemes are recognised in the following line items in the income statement 2009:

	Defined benefit pension schemes			Defined contribution pension schemes USD'000	Total group schemes USD'000	Share of associates and joint ventures schemes USD'000	2009 Total USD'000
	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000				
Operating expenses	**—**	**—**	**3,000**	**15,400**	**18,400**	**—**	**18,400**
General and administration expenses	**300**	**—**	**1,700**	**7,800**	**9,800**	**—**	**9,800**
Share of results of associates and joint ventures						**4,300**	**4,300**
	300	**—**	**4,700**	**23,200**	**28,200**	**4,300**	**32,500**
Financial expenses	**1,100**	**1,200**	**800**	**—**	**3,100**	**100**	**3,200**
Total	**1,400**	**1,200**	**5,500**	**23,200**	**31,300**	**4,400**	**35,700**

The expenses for defined benefit and defined contribution schemes are recognised in the following line items in the income statement 2008:

	Defined benefit pension schemes			Defined contribution pension schemes USD'000	Total group schemes USD'000	Share of associates and joint ventures schemes USD'000	2008 Total USD'000
	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000				
Operating expenses	—	—	4,600	3,700	8,300	—	8,300
General and administration expenses	(1,700)	—	2,800	18,900	20,000	—	20,000
Share of results of associates and joint ventures	—	—	—	—	—	4,300	4,300
	(1,700)	—	7,400	22,600	28,300	4,300	32,600
Financial (income)/expenses	(5,100)	(800)	1,000	—	(4,900)	—	(4,900)
Total	(6,800)	(800)	8,400	22,600	23,400	4,300	27,700

Total amount of actuarial losses recognised in the other comprehensive income.

	2009 USD'000	2008 USD'000
Total actuarial loss recognised in the consolidated comprehensive income during the year	**162,200**	106,900

Actuarial valuations and assumptions

The latest valuations of the defined benefit schemes have been updated to 31 December 2009 by qualified independent actuaries. The principal assumptions are included in the table below.

24 Pension and post-employment benefits (Continued)

The assumptions used by the actuaries are the best estimates chosen from a range of possible actuarial assumptions, which, due to the timescale covered, may not necessarily be borne out in practice.

	P&O UK scheme 2009	MNOPF scheme 2009	Other schemes 2009	Share of joint ventures and associates schemes 2009
Discount rates	**5.60%**	**5.60%**	**4.50%**	**6.20%**
Expected rates of salary increases	**4.70%**	**5.20%**	**3.00%**	**4.10%**
Pension increases: deferment	**3.70%**	**3.70%**	**—**	**—**
payment	**3.25%**	**3.50%**	**3.20%**	**2.10%**
Inflation	**3.70%**	**3.70%**	**3.30%**	**2.90%**
Expected rate of return on scheme assets	**6.02%**	**6.53%**	**6.80%**	**7.00%**

	P&O UK scheme 2008	MNOPF scheme 2008	Other schemes 2008	Share of joint ventures and associates schemes 2008
Discount rates	6.20%	6.20%	4.60%	6.40%
Expected rates of salary increases	4.25%	4.25%	2.30%	3.40%
Pension increases: deferment	2.75%	2.75%	—	—
payment	2.60%	2.60%	2.60%	2.50%
Inflation	2.75%	2.75%	2.80%	2.90%
Expected rate of return on scheme assets	6.36%	6.19%	6.50%	6.00%

In addition to the assumption for expected rates of salary increases set out in the table above, a further allowance for pay increases of up to 3% per annum is applied to members of the P&O UK Scheme under 50 years of age, the allowance being greater at younger ages.

The assumptions for pensioner longevity under both the P&O UK Scheme and the MNOPF Scheme are based on analyses of pensioner death trends under the respective schemes over many years. For the P&O UK Scheme the PA92C07mc tables are used (with a +1 year age rating applied for females and a +3 year age rating applied for males with current pensions below USD 16 thousand). In addition an allowance has been made for future longevity improvements in line with the CMI Long cohort projections for the 92 Series tables from 2007 onwards, subject to a minimum annual improvement of 1%. For the MNOPF scheme the PA80C2006 tables are used (with a −1 year age rating applied for both males and females), together with a reduction of 0.25% in the discount rate.

For illustration, the life expectancies for the two schemes at age 65 now and in the future are detailed in the table below.

	Male		Female	
	Age 65 now	Age 65 in 20 years' time	Age 65 now	Age 65 in 20 years' time
2009				
P&O UK Scheme	**22.6**	**24.5**	**26.0**	**28.0**
MNOPF Scheme	**18.2**	**19.6**	**22.3**	**24.0**
2008				
P&O UK Scheme	22.4	24.4	25.9	27.8
MNOPF Scheme	18.2	19.6	22.2	23.9

24 Pension and post-employment benefits (Continued)

The expected long-term rates of return for each of the main asset classes are subjective judgements based on market indicators, economic background, historical analysis of returns and industry forecasts. They take into account the schemes' strategic asset allocations across the sectors of the main asset classes.

	P&O UK scheme		MNOPF scheme		Other Schemes		Share of joint ventures and associates schemes		
	Expected long-term rate of return % p.a.	Fair value USD'000	Expected long-term rate of return % p.a.	Fair value USD'000	Expected long-term rate of return % p.a.	Fair value USD'000	Group schemes fair value USD'000	Fair value USD'000	Total fair value USD'000
2009									
Equities	**8.30**	**299,500**	**8.30**	**55,600**	**8.00**	**68,200**	**423,300**	**7,000**	**430,300**
Bonds	**5.45**	**135,300**	**5.00**	**63,600**	**5.20**	**36,400**	**235,300**	**9,200**	**244,500**
Other	**4.50**	**24,300**	**6.35**	**7,900**	**5.70**	**38,300**	**70,500**	**1,300**	**71,800**
Value of insured pensioner liability	**5.60**	**1,352,900**	**—**	**—**	**—**	**—**	**1,352,900**	**—**	**1,352,900**
	6.02	**1,812,000**	**6.53**	**127,100**	**6.67**	**142,900**	**2,082,000**	**17,500**	**2,099,500**
2008									
Equities	7.80	244,300	7.80	43,900	8.30	48,000	336,200	4,000	340,200
Bonds	5.30	97,100	4.95	54,600	5.20	45,500	197,200	7,600	204,800
Other	3.60	25,100	5.80	7,400	4.80	25,000	57,500	400	57,900
Value of insured pensioner liability	6.20	1,083,900	—	—	—	—	1,083,900	—	1,083,900
	6.36	1,450,400	6.19	105,900	6.37	118,500	1,674,800	12,000	1,686,800

Reconciliation of the opening and closing present value defined benefit obligations:

	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2009 Total USD'000
Present value of obligation at 1 January 2009	**(1,508,400)**	**(126,000)**	**(142,300)**	**(1,776,700)**	**(14,200)**	**(1,790,900)**
Employer's interest cost	**(96,800)**	**(8,100)**	**(8,900)**	**(113,800)**	**(900)**	**(114,700)**
Employer's current service cost	**(300)**	**—**	**(4,700)**	**(5,000)**	**(200)**	**(5,200)**
Contributions by scheme participants	**(200)**	**—**	**(2,500)**	**(2,700)**	**(200)**	**(2,900)**
Foreign currency exchange	**(168,900)**	**(14,000)**	**(21,200)**	**(204,100)**	**(1,600)**	**(205,700)**
Benefits paid	**109,200**	**7,200**	**14,600**	**131,000**	**800**	**131,800**
Sale/(purchase) of business			**6,300**	**6,300**	**(3,300)**	**3,000**
Amounts reclassified as defined contribution scheme			**2,700**	**2,700**	**—**	**2,700**
Amounts recognised in the statement or recognised income and expense						
Actuarial loss on obligation	**(326,400)**	**(22,700)**	**(28,500)**	**(377,600)**	**(4,400)**	**(382,000)**
Present value of obligation at 31 December 2009	**(1,991,800)**	**(163,600)**	**(184,500)**	**(2,339,900)**	**(24,000)**	**(2,363,900)**

24 Pension and post-employment benefits (Continued)

Reconciliation of the opening and closing present value defined benefit obligations:

	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2008 Total USD'000
Present value of obligation at 1 January 2008	(2,237,900)	(181,000)	(212,000)	(2,630,900)	(22,900)	(2,653,800)
Employer's interest cost	(120,300)	(9,600)	(11,700)	(141,600)	(1,300)	(142,900)
Employer's current service cost	(700)	—	(7,400)	(8,100)	(200)	(8,300)
Contributions by scheme participants	(200)	—	(2,200)	(2,400)	(200)	(2,600)
Foreign currency exchange	550,800	45,500	47,600	643,900	5,000	648,900
Benefits paid	124,000	8,000	10,000	142,000	1,100	143,100
Sale of business	(28,500)	—	—	(28,500)	—	(28,500)
Curtailments	2,400	—	—	2,400	—	2,400
Amounts reclassified as defined contribution scheme	—	—	3,200	3,200	—	3,200
Amounts recognised in the statement or recognised income and expense						
Actuarial gain on obligation	202,000	11,100	30,200	243,300	4,300	247,600
Present value of obligation at 31 December 2008	(1,508,400)	(126,000)	(142,300)	(1,776,700)	(14,200)	(1,790,900)

Reconciliation of the opening and closing fair value of scheme assets:

	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2009 Total USD'000
Fair value of scheme assets at 1 January 2009	**1,450,400**	**105,900**	**118,500**	**1,674,800**	**12,000**	**1,686,800**
Expected return on scheme assets	**95,700**	**6,900**	**8,100**	**110,700**	**800**	**111,500**
Contributions by employer	**13,500**	**4,400**	**6,700**	**24,600**	**900**	**25,500**
Contributions by scheme participants	**200**	**—**	**2,500**	**2,700**	**200**	**2,900**
Foreign currency exchange	**159,200**	**11,500**	**17,800**	**188,500**	**1,400**	**189,900**
Benefits paid	**(109,200)**	**(7,200)**	**(14,600)**	**(131,000)**	**(800)**	**(131,800)**
(Sale)/purchase of businesses	**—**	**—**	**(7,700)**	**(7,700)**	**2,700**	**(5,000)**
Amounts reclassified as defined contribution scheme	**—**	**—**	**—**	**—**	**—**	**—**
Amounts recognised in the statement of recognised income and expense						
Actuarial gain on assets	**202,200**	**5,600**	**11,600**	**219,400**	**300**	**219,700**
Fair value of scheme assets at 31 December 2009	**1,812,000**	**127,100**	**142,900**	**2,082,000**	**17,500**	**2,099,500**
Defined benefit schemes net liabilities	**(179,800)**	**(36,500)**	**(41,600)**	**(257,900)**	**(6,500)**	**(264,400)**
Actual gain on scheme assets	**297,900**	**12,500**	**19,700**	**330,100**	**1,100**	**331,200**

24 Pension and post-employment benefits (Continued)

Reconciliation of the opening and closing fair value of scheme assets:

	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2008 Total USD'000
Fair value of scheme assets at 1 January 2008	2,173,600	171,500	186,000	2,531,100	19,100	2,550,200
Expected return on scheme assets	125,400	10,400	10,700	146,500	1,100	147,600
Contributions by employer	56,300	5,200	9,800	71,300	1,100	72,400
Contributions by scheme participants	200	—	2,200	2,400	200	2,600
Foreign currency exchange	(531,100)	(39,700)	(38,600)	(609,400)	(4,500)	(613,900)
Benefits paid	(124,000)	(8,000)	(10,000)	(142,000)	(1,100)	(143,100)
Sales of businesses	28,500	—	—	28,500	—	28,500
Amounts reclassified as defined contribution scheme	—	—	(3,000)	(3,000)	—	(3,000)
Amounts recognised in the statement of recognised income and expense						
Actuarial loss on assets transfer	(278,500)	(33,500)	(38,600)	(350,600)	(3,900)	(354,500)
Fair value of scheme assets at 31 December 2008	1,450,400	105,900	118,500	1,674,800	12,000	1,686,800
Defined benefit schemes net liabilities	(58,000)	(20,100)	(23,800)	(101,900)	(2,200)	(104,100)
Actual gain on scheme assets	(153,100)	(23,100)	(27,900)	(204,100)	(2,800)	(206,900)

24 Pension and post-employment benefits (Continued)

It is anticipated that the Group will make the following contributions to the pension schemes in 2010:

	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2010 Total USD'000
Pension scheme contributions	12,700	4,100	5,700	22,500	900	23,400
Present value of defined benefit obligation						
31 December 2009						
Present value of define benefit obligation	(1,991,800)	(163,600)	(184,500)	(2,339,900)	(24,000)	(2,363,900)
Fair value of scheme assets	1,812,000	127,100	142,900	2,082,000	17,500	2,099,500
Surplus/ (deficit) in the scheme	(179,800)	(36,500)	(41,600)	(257,900)	(6,500)	(264,400)
Experience gains on scheme assets	202,200	5,600	11,600	219,400	300	219,700
Experience losses on scheme liabilities	(326,400)	(22,700)	(28,500)	(377,600)	(4,400)	(382,000)
31 December 2008						
Present value of define benefit obligation	(1,508,400)	(126,000)	(142,300)	(1,776,700)	(14,200)	(1,790,900)
Fair value of scheme assets	1,450,400	105,900	118,500	1,674,800	12,000	1,686,800
Surplus or deficit in the scheme	(58,000)	(20,100)	(23,800)	(101,900)	(2,200)	(104,100)
Experience losses on scheme assets	(278,500)	(33,500)	(38,600)	(350,600)	(3,900)	(354,500)
Experience gains on scheme liabilities	202,000	11,100	30,200	243,300	4,300	247,600

P&O UK Scheme

Formal actuarial valuations of the P&O UK Scheme are normally carried out triennially by qualified independent actuaries, the latest completed regular valuation report for the scheme being at 31 March 2007, using the projected unit credit method.

At this date, the market value of the P&O UK Scheme's assets were USD 2,373,000 thousand and the value of accrued benefits to members allowing for future increases in earnings was USD 2,504,000 thousand giving a deficit of USD 131,000 thousand and a funding ratio of 94.8%.

Excluding the deficit reduction payments, the average contribution rate for the P&O UK Scheme was 28.3% for the year to 31 December 2008 and 29.1% for the year to 31 December 2009.

The principal long-term assumptions in the P&O UK Scheme's 2007 valuation are:

	Nominal % per annum
Price inflation	3.00
Investment return on pre-employment portfolio	5.94
Investment return on post-employment portfolio	5.11
Earnings escalation	4.50
Increase in accrued pensions on excess over Guaranteed Minimum Pensions	2.75

24 Pension and post-employment benefits (Continued)

As a result of this valuation P&O committed to regular monthly deficit payments from April 2008 totalling USD 46,300 thousand over the following three years. These monthly payments are supported by bank guarantees.

In December 2007, as part of a process developed with P&O to de-risk the pension scheme, the Trustee transferred USD 1,600,000 thousand of P&O UK Scheme assets to Paternoster (UK) Ltd, in exchange for a bulk annuity insurance policy to ensure that the assets (in the Company's statement of financial position and in the Scheme) will always be equal to the current value of the liability of the pensions in payment at 30 June 2007, thus removing the funding risks for these liabilities.

Merchant Navy Officers' Pension Fund ("MNOPF")

The MNOPF Scheme is a defined benefit multi-employer scheme in which officers employed by companies within the Group have participated.

The scheme is divided into two sections, the Old Section and the New Section, both of which are closed to new members and the latest valuation was carried out at 31 March 2006.

The Old Section has been closed to benefit accrual since 1978. The scheme's independent actuary advised that at 31 March 2009 the market value of the scheme's assets for the Old Section was USD 1,800,000 thousand, representing approximately 89% of the value of the benefits accrued to members. The Trustee has determined that the asset growth of the Fund, in excess of that assumed in calculating the technical provisions, between the formal date of the valuation and 18 November 2009 has been sufficient to eliminate the shortfall. Therefore no contributions are required to meet the shortfall. The assets of the Old Section were substantially invested in bonds.

As at 31 March 2006, the date of the most recent formal actuarial valuation, the New Section had assets with a market value of USD 3,833,000 thousand, representing approximately 93% of the benefits accrued to members. The valuation assumptions were as follows:

	Nominal % per annum
Investment return on pre-employment portfolio	7.00
Investment return on post-employment portfolio	4.75
Rate of national average earnings increase	4.50
Rate of pension increases (where increases apply)	3.00

At the date of the valuation, approximately 57% of the New Section's assets were invested in equities, 15% in bonds and 28% in property and cash.

Following a court decision in 2005, the trustee advised P&O that its share of the net deficit of the New Section was 3.355% and issued a schedule of regular deficit payments from P&O companies totalling USD 2,100 thousand per annum commencing on 30 September 2005 and payable annually on 31 March thereafter until 31 March 2014. In addition part of the deficit payments being made by Carnival plc are attributable to P&O under the terms of the demerger agreement relating to the demerger of P&O Princes Cruises in 2000, these payments equate to a further 1.096% of the net deficit.

The proportion of deficit attributable to P&O changed with effect from 20 February 2007 to 3.963% as not all employers met their deficit payments. The payments to P&O Princess Cruises have also changed and these payments now equate to a further 1.295%.

As a result of the 31 March 2006 valuation report for the scheme the trustee issued a further schedule of regular deficit payments from P&O companies totalling USD 2,200 thousand commencing on 30 September 2007 and payable annually on 30 September thereafter until 30 September 2014.

P&O's share of the net deficit of the New Section at 31 December 2009 is estimated at 4.69%.

24 Pension and post-employment benefits (Continued)

Merchant Navy Ratings' Pension Fund ("MNRPF")

The Merchant Navy Ratings' Pension Fund (the "MNRPF Scheme") is an industry wide multi-employer defined benefit pension scheme in which sea staff employed by companies within P&O have participated. The scheme has a significant funding deficit and has been closed to further benefit accrual.

As at 31 March 2008, the date of the most recent full triennial actuarial valuation carried out by an independent actuary, the scheme had assets with a market value of USD 1,239,000 thousand, representing 78% of the benefits accrued to members allowing for future increases. Approximately 63% of the scheme's assets were invested in bonds, 27% in equities and 10% in property and cash. The valuation assumptions were as follows:

	Nominal % per annum
Investment return on pre-employment portfolio	6.20
Investment return on post-employment portfolio	5.20
Rate of national average earnings increase	5.20
Rate of pension increases (where increases apply)	3.60

The Group could not identify its share of the underlying assets and liabilities of the MNRPF Scheme on a consistent and reasonable basis and is therefore accounted for contributions and payments to the MNRPF Scheme under IAS 19 as if it were a defined contribution scheme.

Following the transfer of the Ferries division companies P&O's share of the deficit at 31 December 2009 is immaterial.

Other schemes

Other defined benefit schemes include schemes in Australia, Canada, Indonesia, Pakistan, Hong Kong and the Philippines.

Other industry schemes are mainly overseas multi-employer schemes, in which the Group is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis. The Group is therefore accounting for contributions to these schemes as if they were defined contribution schemes for IAS 19 purposes.

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") in Hong Kong, under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' relevant income and are charged to the consolidated income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The Group also operates a defined contribution retirement benefits scheme (the "ORSO Scheme") in Hong Kong for those employees who are eligible to participate in this scheme. The ORSO Scheme operates in a similar way to the MPF Scheme, except that when an employee leaves the ORSO Scheme before the employer contributions vest fully, the ongoing employer contributions payable by the Group are reduced by the relevant amount of the forfeited employer contributions.

In respect of Australia, a number of DP World's Australian companies participate in the Mercer Superannuation Trust, an Australian multi-employer corporate fund in which DP World Australia operates a sub-fund called DP World Australia Superannuation Plan. The defined benefit section of the sub-fund is closed to new members. At 31 December 2009 the sub-fund had a small surplus of USD 945 thousand. The Australian group of companies also participate in the superannuation plan associated with the maritime industry called "Maritime Super" (previously called "The Stevedoring Employees Retirement Fund").

24 Pension and post-employment benefits (Continued)

Maritime Super (MS) is a multi-employer superannuation fund. Its defined benefit section is closed to new members. As a multi-employer fund there is no reliable basis for allocating benefits, assets and costs between employers and therefore the Group has adopted multi-employer provisions when reporting under IFRS. Those provisions allow the employers to report as if the fund was a defined contribution fund. In any event as at 31 December 2009 the total number of members remaining in the defined benefit section of MS were 205 of which DP World's share was 82. The last actuarial statement dated June 2008 showed the ratio of assets to benefits at 102%.

25 Loans and borrowings

This note provides information about the terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. Information about the Group's exposure to interest rate, foreign currency and liquidity risk are described in note 28.

	2009 USD'000	2008 USD'000
Non-current liabilities		
Secured bank loans	536,341	721,983
Mortgage debenture stock	2,303	2,083
Unsecured loan stock	5,280	4,777
Unsecured bank loans	3,645,649	1,218,977
Unsecured bond issues	3,231,829	3,230,244
Finance lease liabilities	53,476	18,830
	7,474,878	5,196,894
Current liabilities		
Secured bank loans	419,605	97,677
Unsecured bank loans	51,715	68,055
Unsecured loans	2,548	—
Finance lease liabilities	9,223	6,719
	483,091	172,451
Total	7,957,969	5,369,345

25 Loans and borrowings (Continued)

Terms and debt repayment schedule

Terms and conditions of outstanding loans were as follows:

Currency	Notes	Nominal interest rate	Year of maturity	Face value USD'000	2009 Carrying amount USD'000
Secured loans					
AUD		Variable	2010	**103,105**	**103,105**
EGP		14%	2013	**6,610**	**6,610**
EUR		Variable	2016-2024	**19,174**	**19,174**
GBP		Variable	2010	**157,136**	**157,136**
HKD		2.90%	2015	**1,951**	**1,951**
INR		Variable	2014	**6,899**	**6,899**
PKR		Variable	2010-2013	**45,616**	**45,616**
USD		1.45%-4.75%	2010-2017	**75,458**	**75,458**
USD		Variable	2010-2019	**538,645**	**538,645**
ZAR		Variable	2016	**1,352**	**1,352**
Unsecured loans					
AUD		Variable	2010	**16,209**	**16,209**
CAD		Variable	2011	**184,429**	**184,429**
INR		Variable	2011-2014	**97,395**	**97,395**
INR		7.30%-14.25%	2010-2015	**93,165**	**93,165**
SAR		Variable	2010-2017	**31,378**	**31,378**
USD		Variable	2011-2024	**252,791**	**252,791**
USD		Variable	2010-2011	**29,512**	**29,512**
USD	(a)	Variable	2012	**3,000,000**	**2,992,485**
EUR		Variable	2010	**2,548**	**2,548**
Mortgage debenture stock					
GBP		3.50%	undated	**2,303**	**2,303**
Unsecured loan stock					
GBP		7.50%	undated	**5,280**	**5,280**
Unsecured Bond					
USD		7.88%	2027	**8,000**	**7,925**
Unsecured sukuk bonds					
USD	(b)	*	2017	**1,500,000**	**1,485,756**
Unsecured MTNs					
USD	(b)	6.85%	2037	**1,750,000**	**1,738,148**
Finance lease liabilities					
Various		Variable	2010-2023	**62,699**	**62,699**
				7,991,655	**7,957,969**

* The profit rate on this Islamic Bond is 6.25%.

(a) The unsecured bank loans include USD 3,000,000 (2008: USD 790,000 thousand) drawn under a USD 3,000,000 thousand revolving credit facility. This is a committed facility with a final maturity on 22 October 2012.

(b) The Group has a listed conventional bond of USD 1,750,000 thousand Medium Term Note and a Sukuk (Islamic Bond) of USD 1,500,000 thousand listed under DP World Sukuk Limited on NASDAQ Dubai and the London Stock Exchange (LSE).

(c) The bank loans are secured over property, plant and equipment with a carrying amount of USD 1,238,888 (2008: USD 781,632) thousand and a cash under lien of USD 368,351 thousand (2008: USD 443,933 thousand) (refer to note 18).

At 31 December 2009, the Group had available USD 179,744 thousand (2008: 2,770,083 thousand) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met.

25 Loans and borrowings (Continued)

Terms and debt repayment schedule

Terms and conditions of outstanding loans were as follows:

Currency	Notes	Nominal interest rate	Year of maturity	Face value USD'000	2008 Carrying amount USD'000
Secured loans					
EGP		14%	2013	7,122	7,122
Various		Variable	2015-2019	5,980	5,980
GBP		Variable	2010	158,401	158,401
INR		9.86%	2014	7,994	7,994
PKR		Variable	2010	39,639	39,639
USD		Variable	2009-2023	404,232	404,232
USD		3.58%-6.88%	2009-2017	84,181	84,181
AUD		Variable	2010	70,934	70,934
INR		Variable	2009	41,178	41,178
Unsecured loans					
CAD		Variable	2011	159,628	159,628
INR		Variable	2009	41,295	41,295
INR		7.20%-14.25%	2009-2010	67,152	67,152
PHP		Variable	2009-2014	49,155	49,155
SAR		Variable	2010-2017	35,505	35,505
USD		Variable	2009-2011	154,452	154,452
USD	(a)	Variable	2012	790,000	779,845
Mortgage debenture stock					
GBP		3.50%	undated	2,083	2,083
Unsecured loan stock					
GBP		7.50%	undated	4,777	4,777
Unsecured bond					
USD		7.88%	2027	8,000	7,923
Unsecured sukuk bonds					
USD	(b)	*	2017	1,500,000	1,484,317
Unsecured MTNs					
USD	(b)	6.85%	2037	1,750,000	1,738,004
Finance lease liabilities					
Various		Variable	2009-2014	25,548	25,548
				5,407,256	5,369,345

* The profit rate on this Islamic Bond is 6.25%.

25 Loans and borrowings (Continued)

Finance lease liabilities

Finance lease liabilities are payable as follows:

	Future minimum lease payments USD'000	Interest USD'000	2009 Present value of minimum lease payments USD'000
Less than one year	**14,853**	**(2,978)**	**11,875**
Between one and five years	**47,794**	**(6,170)**	**41,624**
More than five years	**18,900**	**(9,700)**	**9,200**
At 31 December	**81,547**	**(18,848)**	**62,699**
			2008
Less than one year	5,362	(885)	4,477
Between one and five years	16,705	(3,264)	13,441
More than five years	16,437	(8,806)	7,631
At 31 December	38,504	(12,955)	25,549

26 Accounts payable and accruals

	Non-current USD'000	Current USD'000	2009 Total USD'000
Trade payables	**—**	**160,462**	**160,462**
Amounts owed to joint ventures and associates (refer to note 27)	**810**	**142**	**952**
Other payables and accruals	**320,880**	**594,047**	**914,927**
Fair value of derivative financial instruments	**22,200**	**44,800**	**67,000**
Amounts due to related parties (refer to note 27)	**2,873**	**18,151**	**21,024**
At 31 December	**346,763**	**817,602**	**1,164,365**
			2008
Trade payables	—	174,275	174,275
Amounts owed to associates and joint ventures	3,700	64,647	68,347
Other payables and accruals	214,986	664,269	879,255
Fair value of derivative financial instruments	38,300	53,954	92,254
Amounts due to related parties	121,971	91,292	213,263
At 31 December	378,957	1,048,437	1,427,394

27 Related party transactions

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over it in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or significant influence i.e. part of the same Parent Group.

Related parties represent associated companies, shareholders, directors and key management personnel of the Group, and entities jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

27 Related party transactions (Continued)

Transactions with related parties during the year are as follows:

a) The Parent Group operates a Shared Services Unit ("SSU") which recharges the proportionate costs of services provided to the Group. SSU also processes the payroll for the Group and recharges the respective payroll costs.

b) All liabilities in respect of amounts payable to third parties by the Group are disbursed from the Group's head office. In addition, the Group operates its own treasury function.

Transactions with related parties included in the financial statements are as follows:

	2009 USD'000	2008 USD'000
Expenses charged by related parties	**36,432**	39,049
Concession fee charged by a related party	**48,169**	48,172
Property acquired from related parties	**82,785**	—

Balances with related parties included in the statement of financial position are as follows:

	Due from related parties		Due to related parties	
	2009 USD'000	2008 USD'000	2009 USD'000	2008 USD'000
Associates and joint ventures	**43,003**	39,688	**952**	68,347
Other related parties	**77,220**	113,284	**21,024**	213,263
	120,223	152,972	**21,976**	281,610

The Group's bankers have issued guarantees amounting to USD 170,114 thousand (2008: USD 253,475 thousand) in respect of payment guarantees, USD 76,624 thousand (2008: USD 71,117 thousand) in respect of performance guarantees and Nil (2008: USD 1,793 thousand) in respect of letters of credit on behalf of its subsidiaries.

Loan and lease guarantees issued on behalf of associates and joint ventures amount to USD 13,090 thousand (2008: USD 10,995 thousand).

Compensation of key management personnel

The remuneration of directors and other key members of the management during the year were as follows:

	2009 USD'000	2008 USD'000
Short-term benefits and bonus	**7,648**	6,474
Post retirement benefits	**428**	565
	8,076	7,039

28 Financial instruments

(a) Credit risk

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Carrying amount	
	2009 USD'000	**2008 USD'000**
Available-for-sale financial assets	**50,560**	39,041
Held-to-maturity investments	**14,729**	12,000
Derivative assets	**1,100**	1,800
Loans and receivables	**536,534**	593,195
Bank balances and cash	**2,910,066**	1,204,074
	3,512,989	1,850,110

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region is as follows:

	Carrying amount	
	2009 USD'000	**2008 USD'000**
Asia Pacific and Indian subcontinent	**28,128**	27,732
Australia and Americas	**73,902**	62,902
Middle East, Europe and Africa	**187,840**	155,485
	289,870	246,119

The ageing of trade receivables at the reporting date was:

Neither past due nor impaired on the reporting date:	**127,840**	155,538
Past due on the reporting date		
Past due 0-30 days	**89,253**	58,006
Past due 31-60 days	**19,828**	17,246
Past due 61-90 days	**12,305**	5,548
Past due > 90 days	**40,644**	9,781
	289,870	246,119

Movement in the allowance for impairment in respect of trade receivables during the year was:

	2009 USD'000	**2008 USD'000**
At 1 January	**59,774**	7,797
Provision written back/ recognised during the year	**(13,407)**	51,977
At 31 December	**46,367**	59,774

Trade receivables with the top ten customers represent 46% (2008: 50%) of the trade receivables.

28 Financial instruments (Continued)

(b) Market risk

2009

The following are the contractual maturities of financial liabilities, including estimated interest payments and excludes the impact of netting agreements.

	Carrying amount USD'000	Contractual cash flows USD'000	Less than 1 year USD'000	1 - 2 years USD'000	2 - 5 years USD'000	More than 5 years USD'000
Non derivative financial liabilities						
Secured bank loans	955,946	(1,166,241)	(477,139)	(111,944)	(324,414)	(252,744)
Unsecured bond issues	3,231,829	(7,269,906)	(214,255)	(214,255)	(642,765)	(6,198,631)
Mortgage debenture stocks	2,303	(4,641)	(81)	(81)	(242)	(4,237)
Unsecured loan stock	5,280	(16,763)	(396)	(396)	(1,188)	(14,783)
Finance lease liabilities	62,699	(69,446)	(16,949)	(15,656)	(28,982)	(7,859)
Unsecured syndicate bank loans	2,992,494	(3,056,965)	(27,019)	(27,019)	(3,002,927)	—
Unsecured other bank loans	707,418	(914,092)	(168,591)	(505,640)	(170,287)	(69,574)
Trade and other payables	1,066,661	(1,066,661)	(743,698)	(322,963)	—	—
Bank overdraft	11,500	(11,500)	(11,500)	—	—	—
Derivative financial liabilities						
Interest rate swaps used for hedging	64,185	(83,776)	(50,898)	(23,261)	(7,844)	(1,773)
Forward exchange contracts used for hedging						
Net outflow	2,815	(5,753)	(5,753)	—	—	—
Total	9,103,130	(13,665,744)	(1,716,279)	(1,221,215)	(4,178,649)	(6,549,601)

2009

The following table indicates the periods in which the cash flows associated with derivatives that are cash flow hedges are expected to occur. The timing of these cash flows is not materially different from the impact on the income statement.

	Carrying amount USD'000	Expected cash flows USD'000	Less than 1 year USD'000	1 - 2 years USD'000	2 - 5 years USD'000	More than 5 years USD'000
Interest rate swaps						
Assets	500	631	—	—	631	—
Liabilities	(64,185)	(83,776)	(50,898)	(23,261)	(7,844)	(1,773)
Forward exchange contracts used for hedging						
Net liabilities	(2,715)	(5,466)	(5,466)	—	—	—
Cross currency swaps						
Assets	500	757	577	180	—	—
Other derivatives						
Net liabilities	—	—	—	—	—	—
Total	(65,900)	(87,854)	(55,787)	(23,081)	(7,213)	(1,773)

28 Financial instruments (Continued)

2008

The following are the contractual maturities of financial liabilities, including estimated interest payments and excludes the impact of netting agreements.

	Carrying amount USD'000	Contractual cash flows USD'000	Less than 1 year USD'000	1 - 2 years USD'000	2 - 5 years USD'000	More than 5 years USD'000
Non derivative financial liabilities						
Secured bank loans	819,661	(928,739)	(111,763)	(377,510)	(280,767)	(158,699)
Unsecured bond issues	3,230,244	(7,483,283)	(214,255)	(214,255)	(642,765)	(6,412,008)
Mortgage debenture stocks	2,083	(2,521)	(73)	(73)	(219)	(2,156)
Unsecured loan stock	4,777	(6,926)	(358)	(358)	(1,075)	(5,135)
Finance lease liabilities	25,549	(38,504)	(5,362)	(5,898)	(10,807)	(16,437)
Unsecured syndicate bank loans	779,845	(863,865)	(20,145)	(20,145)	(823,575)	—
Unsecured other bank loans	507,187	(397,202)	(94,197)	(135,948)	(160,328)	(6,729)
Trade and other payables	1,293,940	(1,293,940)	(954,183)	(339,757)	—	—
Bank overdraft	49,929	(49,929)	(49,929)	—	—	—
Derivative financial liabilities						
Interest rate swaps used for hedging	87,341	(92,967)	(20,305)	(20,633)	(35,320)	(16,709)
Forward exchange contracts used for hedging Net outflow	3,313	(4,133)	(2,029)	(2,104)	—	—
Other derivatives Net outflow	1,600	(1,832)	(356)	(397)	(1,079)	—
Total	6,805,469	(11,163,841)	(1,472,955)	(1,117,078)	(1,955,935)	(6,617,873)

2008

The following table indicates the periods in which the cash flows associated with derivatives that are cash flow hedges are expected to occur. The timing of these cash flows is not materially different from the impact on the income statement.

	Carrying amount USD'000	Expected cash flows USD'000	Less than 1 year USD'000	1 - 2 years USD'000	2 - 5 years USD'000	More than 5 years USD'000
Interest rate swaps						
Assets	37	51	51	—	—	—
Liabilities	(87,341)	(92,967)	(20,305)	(20,633)	(35,320)	(16,709)
Forward exchange contracts used for hedging						
Net liabilities	(3,313)	(4,133)	(2,029)	(2,104)	—	—
Cross currency swaps						
Assets	1,763	1,874	46	1,247	581	—
Other derivatives						
Net liabilities	(1,600)	(1,832)	(356)	(397)	(1,079)	—
Total	(90,454)	(97,007)	(22,593)	(21,887)	(35,818)	(16,709)

28 Financial instruments (Continued)

(i) Currency risk

Exposure to currency risk

The Group's exposure to foreign currency risk was as follows:

	USD USD'000	GBP USD'000	EUR USD'000	AUD USD'000	INR USD'000	CAD USD'000	Others USD'000	2009 Total USD'000
Cash and cash equivalents	**2,372,768**	**236,149**	**60,544**	**168,174**	**68**	**9,240**	**63,123**	**2,910,066**
Trade receivables	**118,648**	**24,743**	**32,820**	**59,300**	**18,789**	**11,138**	**24,432**	**289,870**
Secured bank loans and debenture stock	**(616,076)**	**(159,437)**	**(19,175)**	**(103,084)**	**(6,899)**	**—**	**(53,578)**	**(958,249)**
Unsecured bank loans and loan stock	**(3,305,999)**	**(5,280)**	**(2,548)**	**(16,209)**	**(190,745)**	**(184,411)**	**—**	**(3,705,192)**
Bank overdraft	**—**	**—**	**—**	**(6,468)**	**(3,426)**	**—**	**(1,606)**	**(11,500)**
Trade payables	**(50,327)**	**(14,048)**	**(39,197)**	**(7,198)**	**(33,489)**	**(3,056)**	**(13,147)**	**(160,462)**
Net statement of financial position exposures	**(1,480,986)**	**82,127**	**32,444**	**94,515**	**(215,702)**	**(167,089)**	**19,224**	**(1,635,467)**

The Group's exposure to foreign currency risk was as follows:

	USD USD'000	GBP USD'000	EUR USD'000	AUD USD'000	INR USD'000	CAD USD'000	Others USD'000	2008 Total USD'000
Cash and cash equivalents	871,856	56,371	67,960	88,917	(450)	7,861	111,559	1,204,074
Trade receivables	87,481	15,857	33,867	41,845	12,773	15,047	39,249	246,119
Secured bank loans and debenture stock	(488,415)	(160,484)	—	(70,935)	(49,172)	—	(52,740)	(821,746)
Unsecured bank loans and loan stock	(939,076)	—	—	—	(108,447)	(159,628)	(84,659)	(1,291810)
Bank overdraft	(12,411)	—	—	(11,984)	(25,516)	—	(18)	(49,929)
Trade payables	(55,952)	(11,610)	(47,496)	(4,194)	(24,988)	(2,926)	(27,108)	(174,274)
Net statement of financial position exposures	(536,517)	(99,866)	54,331	43,649	(195,800)	(139,646)	(13,717)	(887,566)

The following significant exchange rates applied during the year:

	Average rate during		Reporting date spot rate	
	2009	2008	2009	2008
GBP	**0.641**	0.545	**0.618**	0.684
EUR	**0.719**	0.684	**0.698**	0.714
AUD	**1.281**	1.195	**1.115**	1.411
INR	**48.297**	43.441	**46.410**	48.577
CAD	**1.141**	1.068	**1.052**	1.216

(ii) Sensitivity analysis

A 10 percent strengthening of the USD against the following currencies at 31 December would have increased/ (decreased) other comprehensive income and consolidated income statement by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

28 Financial instruments (Continued)

Further, as each entity in the Group determines its own functional currency, the effect of translating financial assets and liabilities of the respective entity would mainly impact other comprehensive income.

	Other comprehensive income		Consolidated income statement	
	2009 USD'000	**2008 USD'000**	**2009 USD'000**	**2008 USD'000**
GBP	**8,213**	(9,987)	**1,617**	357
EUR	**3,244**	5,433	**771**	78
AUD	**9,452**	4,365	**589**	172
INR	**(21,570)**	(19,580)	**4,285**	1,393
CAD	**(16,709)**	(13,965)	**1,203**	486

A 10 percent weakening of the USD against the above currencies at 31 December would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

(c) Interest rate risk

(i) Profile

At the reporting date the interest rate profile of the Group's interest bearing financial instruments was:

	Carrying amount	
	2009 USD'000	**2008 USD'000**
Fixed rate instruments		
Financial assets	**14,729**	14,189
Financial liabilities	**(3,591,983)**	(3,476,589)
Interest rate swaps hedging floating rate debt	**(2,016,007)**	(699,211)
	(5,593,261)	(4,161,611)
Variable rate instruments		
Financial assets	**2,023,460**	259,280
Financial liabilities	**(4,377,486)**	(1,942,685)
Interest rate swaps hedging floating rate debt	**2,016,007**	699,211
	(338,019)	(984,194)

28 Financial instruments (Continued)

(ii) Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bp") in interest rates at the reporting date would have increased/(decreased) other comprehensive income and consolidated income statement by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Consolidated income statement		Other comprehensive income	
	100 bp increase USD'000	100 bp decrease USD'000	100 bp increase USD'000	100 bp decrease USD'000
2009				
Variable rate instruments	**3,380**	**(3,380)**	**—**	**—**
Interest rate swap	**2,210**	**(2,210)**	**17,950**	**(17,950)**
Cash flow sensitivity (net)	**5,590**	**(5,590)**	**17,950**	**(17,950)**
2008				
Variable rate instruments	9,842	(9,842)	—	—
Interest rate swap	880	(880)	6,112	(6,112)
Cash flow sensitivity (net)	10,722	(10,722)	6,112	(6,112)

28 Financial instruments (Continued)

Fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position are as follows:

	2009		2008	
	Carrying amount USD'000	Fair value USD'000	Carrying amount USD'000	Fair value USD'000
Assets carried at fair values				
Available-for-sale financial assets	**50,560**	**50,560**	36,815	36,815
Derivative financial assets	**1,100**	**1,100**	1,800	1,800
	51,660	**51,660**	38,615	38,615
Assets carried at amortised cost				
Held-to-maturity investments	**14,729**	**14,729**	12,000	12,000
Loans and receivables	**536,534**	**536,534**	593,195	593,195
Cash and cash equivalents	**2,910,066**	**2,910,066**	1,204,074	1,204,074
	3,461,329	**3,461,329**	1,809,269	1,809,269
Liabilities carried at fair values				
Interest rate swaps used for hedging	**(64,185)**	**(64,185)**	(87,341)	(87,341)
Forward foreign currency contracts	**(2,815)**	**(2,815)**	(3,313)	(3,313)
Other derivatives	**—**	**—**	(1,600)	(1,600)
	(67,000)	**(67,000)**	(92,254)	(92,254)
Liabilities carried at amortised cost				
Secured bank loans	**(955,946)**	**(955,946)**	(819,661)	(819,661)
Mortgage debenture stocks	**(2,303)**	**(2,303)**	(2,083)	(2,083)
Unsecured bond issues	**(3,231,829)**	**(2,629,126)**	(3,230,244)	(1,780,660)
Unsecured loan stock	**(5,280)**	**(5,280)**	(4,777)	(4,777)
Finance lease liabilities	**(62,699)**	**(62,699)**	(25,549)	(25,549)
Unsecured bank and other loans	**(3,699,912)**	**(3,699,912)**	(1,287,032)	(1,287,032)
Trade and other payables	**(1,066,661)**	**(1,066,661)**	(1,293,940)	(1,293,940)
Bank overdraft	**(11,500)**	**(11,500)**	(49,929)	(49,929)
	(9,036,130)	**(8,433,427)**	(6,713,215)	(5,263,631)

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

28 Financial instruments (Continued)

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000
2009			
Available-for-sale financial assets	—	**50,560**	—
Derivative financial assets	—	**1,100**	—
	—	**51,660**	—
Derivative financial liabilities	—	**(67,000)**	—
	—	**(15,340)**	—
2008			
Available-for-sale financial assets	—	36,815	—
Derivative financial assets	—	1,800	—
	—	38,615	—
Derivative financial liabilities	—	(92,254)	—
	—	(53,639)	—

29 Operating leases

Operating lease commitments—Group as lessee

Future minimum rentals payable under non-cancellable operating leases (mainly relating to service concessions) as at 31 December are as follows:

	2009 USD'000	2008 USD'000
Within one year	**148,835**	226,609
Between one to five years	**791,194**	682,133
Between five to ten years	**1,408,553**	1,333,085
Between ten to twenty years	**1,733,066**	1,765,711
Between twenty to thirty years	**777,726**	903,900
Between thirty to fifty years	**1,073,954**	1,179,331
Between fifty to seventy years	**922,508**	920,908
More than seventy years	**1,174,608**	1,218,553
	8,030,444	8,230,230

Operating lease commitments—Group as lessor

Future minimum rentals receivable under non-cancellable operating leases as at 31 December are as follows:

	2009 USD'000	2008 USD'000
Within one year	**22,772**	17,393
Between one to five years	**56,131**	45,601
More than five years	**51,875**	39,136
	130,778	102,130

30 Capital commitments

	2009 USD'000	2008 USD'000
Estimated capital expenditure contracted for at 31 December	**1,040,069**	1,407,725

31 Contingencies

(a) The Group has contingent liabilities amounting to USD 170,114 thousand (2008: USD 253,475 thousand) in respect of payment guarantees, USD 76,624 thousand (2008: USD 71,117 thousand) in respect of performance guarantees and Nil (2008: USD 1,793 thousand) in respect of letters of credit issued by the Group's bankers.

(b) The Group through its 100% owned subsidiary Mundra International Container Terminal Private Limited ("MICT") has developed and is operating the container terminal at the Mundra port in Gujarat.

In 2006, MICT received a show cause notice from Gujarat Maritime Board ("GMB") requiring MICT to demonstrate that the undertaking given by its parent company, P&O Ports (Mundra) Private Limited, with regard to its shareholding in MICT has not been breached in view of P&O Ports being taken over by the Group (DP World).

Based on the strong merits of the case and on the advice received from legal counsel, management believes that the above litigation is unsubstantiated, and in management's view, it will have no impact on the Group's ability to continue to operate the port.

(c) Chennai Port Trust ("CPT") has raised a demand for an amount of USD 19,690 thousand (2008: 18,810) from Chennai Container Terminal Limited ("CCTL'), a subsidiary of the Company, on the basis that CCTL has failed to fulfil its obligations in respect of non-transhipment containers for a period of four consecutive years from 1 December 2003. CCTL has subsequently paid USD 13,780 thousand (2008: 13,150) under dispute. CCTL has commenced legal proceedings at the Chennai High Court against CPT. Based on advice from the legal counsel, management believes that the legal proceedings will have no adverse impact on the Group's financial position; the amount paid is highly likely to be recovered eventually and will not result in termination of the license agreement to operate the port.

CPT has raised a demand for an amount of USD 15,950 thousand (2008: USD 15,230) from CCTL, towards additional lease charges for the land leased out to CCTL. Legal proceedings have been initiated for this matter and the Company strongly believes that this case will be settled in the Company's favour.

32 Significant group entities

The extent of the Group's ownership in its various subsidiaries and associates and their principal activities are as follows:

(a) Significant holding companies

Legal Name	Ownership interest	Country of incorporation	Principal activities
DP World FZE	100%	United Arab Emirates	Management and operation of seaports and airports and leasing of port equipment
Thunder FZE	100%	United Arab Emirates	Holding company
Peninsular and Oriental Steam Navigation Company Limited	100%	United Kingdom	Management and operations of seaports
DP World Ports Co-op U.A	100%	Netherlands	Holding Company
DP World Maritime Cooperatieve U.A	100%	Netherlands	Holding Company

(b) Significant subsidiaries—Ports

Legal Name	Ownership interest	Country of incorporation	Principal activities
DPI Terminals Holdings C.V.	100%	Netherlands	Holding Company
DPI Terminals Asia Holding Limited	100%	Netherlands	Holding Company
DPI Terminals (BVI) Limited	100%	Netherlands	Holding Company
Terminales Rio de la Plata SA	55.62%	Argentina	Container terminal operations
DP World Adelaide Pty Ltd	60%	Australia	Container terminal operations
DP World Australia Ltd	100%	Australia	Container terminal operations
DP World Brisbane Pty Ltd	100%	Australia	Container terminal operations
DP World Sydney Pty Ltd	90.37%	Australia	Container terminal operations
DP World (Fremantle) Ltd	100%	Australia	Container terminal operations
DP World Antwerp NV	100%	Belgium	Container terminal and other operations
DP World Vancouver	100%	Canada	Container terminals and Stevedoring
Egyptian Container Handling Company (ECHCO)—S.A.E	90%	Egypt	Container terminal operations
DP World Germersheim, GmbH and Co. KG	100%	Germany	Container terminal operator and Barge management operator
CSX World Terminals Hong Kong Limited	66.66%	Hong Kong	Container terminal operations
India Gateway Terminal Pvt. Ltd	81.31%	India	Container terminal operations
Mundra International Container Terminal Private Limited	100%	India	Container terminal operations
Nhava Sheva International Container Terminal Private Limited	100%	India	Container terminal operations
Chennai Container Terminal Private Limited	100%	India	Container terminal operation

32 Significant group entities (Continued)

Legal Name	Ownership interest	Country of incorporation	Principal activities
DP World Middle East Limited	100%	Kingdom of Saudi Arabia	Container terminal operations
Maputo International Port Services	60%	Mozambique	Container terminal operations
Qasim International Container Terminal Pakistan Ltd	75%	Pakistan	Container terminal operations
Constanta South Container Terminal SRL	75%	Romania	Container terminal operations
DP World Tarragona SA	60%	Spain	Container terminal operations
DP World Dakar S.A.	90%	Senegal	Container terminal operations
DP World UAE Region FZE	100%	United Arab Emirates	Container terminal operations
DP World Fujairah FZE	100%	United Arab Emirates	Container terminal operations
Southampton Container Terminals Limited	51%	United Kingdom	Container Terminal operations
Doraleh Container Terminal SARL	33.33%*	Republic of Djibouti	Container terminal operations
Saigon Premier Container Terminal	80%	Vietnam	Container terminal operations
(c) Associates and joint ventures—Ports			
Antwerp Gateway N.V	42.50%	Belgium	Container terminal operations
Caucedo Investment Inc.	45%	British Virgin Islands	Container terminal operations
Manutention Generale Mediterranenne SA (Marseille)	25.50%	France	Container terminal operations
Manutention Terminal Nord Development SA (Le Havre)	50%	France	Container terminal operations
Port Synergy SAS	50%	France	Container terminal operations
Asia Container Terminals Limited	55.16%**	Hong Kong	Container terminal operations
Vishaka Container Terminals Private Limited	26%	India	Container terminal operations
PT Terminal Petikemas Surabaya	49%	Indonesia	Container terminal operations
Pusan Newport Co. Ltd	42.09%	Korea	Container terminal operations
Qingdao Qianwan Container Terminal Co. Ltd	29%	People's Republic of China	Container terminal operations
Tianjin Orient Container Terminal Co Ltd	24.50%	People's Republic of China	Container terminal operations
DP World Yantai Company Limited	32.50%	People's Republic of China	Container terminal operations
Asian Terminals Inc	50.54%**	Philippines	Container terminal operations

32 Significant group entities (Continued)

Legal Name	Ownership interest	Country of incorporation	Principal activities
Vostochnaya Stevedoring Company	25%	Russia	Container terminal operations
Laem Chabang International Terminal Co. Ltd.	34.50%	Thailand	Container terminal operations
Tilbury Container Services Ltd.	34%	United Kingdom	Container terminal operations
DP World Boulton Puerto Cabello, C.A	50%	Venezuela	Container terminal operations
Dubai & Aden Port Development Company	33.34%	Yemen	Container terminal operations
Djazair Port World Spa	50%	Algeria	Container terminal operations
DP World Djen Djen Spa	50%	Algeria	Container terminal operations
(d) Other non port business			
P&O Maritime Services Pty Ltd	100%	Australia	Maritime services
Defence Maritime Services Pty Ltd	50%	Australia	Maritime services
ATL Logistics Centre Hong Kong Limited	34%	Hong Kong	Warehouse owner/Operator
ATL Logistics Centre Yantian Limited	48.83%	Hong Kong	Warehousing and logistics
DP World Crane Services (Shanghai)	100%	People's Republic of China	Technical support, services, consulting to crane manufacturers and leasing of port equipment
ATL Logistics Centre Yantian (Shenzen) Limited	48.83%	People's Republic of China	Warehousing and logistics
Port Secure Djibouti	40%	Republic of Djibouti	Port Security Services
Dubai International Djibouti FZE	100%	United Arab Emirates	Port Management and Operation
P&O Maritime FZE	100%	United Arab Emirates	Mngmt of Marine Assets service & port support Operations
P&O Ports Nationwide Cargo	70%	South Africa	Cargo Services

32 Significant group entities (Continued)

Legal Name	Ownership interest	Country of incorporation	Principal activities
(e) Ports under development			
DP World Callao SA	100%	Peru	Container terminal operations
Rotterdam World Gateway B.V.	30%	Netherlands	Container terminal operations
Yarimca Porselen Sanayi Ve Ticaret A.S	100%	Turkey	Container terminal operations
London Gateway Port Ltd	100%	United Kingdom	Container terminal operations
Qingdao New Qianwan Container Termnal Co. Ltd	11.6%	People's Republic Of China	Container terminal operations
Empresa Brasileria de Terminais Portuarious S.A.	26.91%	Brazil	Container terminal operations

* Although the Group has only a 33.33% effective ownership interest in Doraleh Container Terminal SARL, this entity is treated as a subsidiary, as the Group is able to govern the financial and operating policies of the company by virtue of an agreement with the other investor.

** Although the Group has more than 50% effective ownership interest in these entities, they are not treated as subsidiaries, but instead treated as joint ventures. The underlying joint venture agreement with the other shareholders does not provide significant control to the Group.

33 Subsequent event

On 4 January 2010, the Group announced its decision to proceed with construction of essential infrastructure that lays the foundation of the facility at London Gateway. The Group will continue to review the development of the port and park operations in line with market demand. The Group has also acquired the remaining 1,000 acres of land for the London Gateway and Logistics Park and Shell's remaining interests in the project for the sum of USD 220,000 thousand (GBP 136,000 thousand).

DP World Limited and its subsidiaries

Consolidated Financial Statements
31 December 2008

DP World Limited and its Subsidiaries

Consolidated Financial Statements

31 December 2008

Contents

INDEPENDENT AUDITORS' REPORT

The Shareholders
DP World Limited

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of DP World Limited ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated balance sheet as at 31 December 2008 and the related consolidated income statement, statement of recognised income and expense and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material mis-statements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material mis-statement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgement, including the assessment of risks of material mis-statement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2008, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

KPMG LLP 25 MAR 2009

DP World Limited and its Subsidiaries

Consolidated Income Statement

for the year ended 31 December 2008

		Year ended 31 December 2008			Year ended 31 December 2007		
	Note	Before separately disclosed items USD'000	Separately disclosed items (Note 11) USD'000	Total USD'000	Before separately disclosed items USD'000	Separately disclosed items (Note 11) USD'000	Total USD'000
Continuing operations							
Revenue from operations	6	**3,283,120**	**—**	**3,283,120**	2,731,440	—	2,731,440
Cost of sales		**(2,143,326)**	**—**	**(2,143,326)**	(1,838,006)	(45,267)	(1,883,273)
GROSS PROFIT		**1,139,794**	**—**	**1,139,794**	893,434	(45,267)	848,167
General and administration expenses		**(306,081)**	**(129,900)**	**(435,981)**	(251,419)	(43,456)	(294,875)
Other income		**18,291**	**—**	**18,291**	23,896	3,000	26,896
Finance income	9	**76,146**	**—**	**76,146**	259,127	98,125	357,252
Finance costs	9	**(343,245)**	**(7,653)**	**(350,898)**	(524,315)	(35,201)	(559,516)
Share of profit of equity accounted associates and joint ventures	17	**116,194**	**(2,000)**	**114,194**	107,821	(3,000)	104,821
Profit on sale/termination of business	11	**—**	**15,790**	**15,790**	—	136,640	136,640
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		**701,099**	**(123,763)**	**577,336**	508,544	110,841	619,385
Income tax	10	**(80,332)**	**33,700**	**(46,632)**	(88,853)	8,000	(80,853)
PROFIT AFTER TAX FROM CONTINUING OPERATIONS		**620,767**	**(90,063)**	**530,704**	419,691	118,841	538,532
Discontinued operations:							
Profit after tax from discontinued operations	7	**—**	**—**	**—**	65,000	546,378	611,378
PROFIT FOR THE YEAR	8	**620,767**	**(90,063)**	**530,704**	484,691	665,219	1,149,910
Attributable to:							
Equity holders of the Company		**572,277**	**(90,063)**	**482,214**	439,830	665,219	1,105,049
Minority interest		**48,490**	**—**	**48,490**	44,861	—	44,861
		620,767	**(90,063)**	**530,704**	484,691	665,219	1,149,910
Earnings per share	25						
Basic earnings per share—US cents				**2.90**			8.95

The accompanying notes 1 to 37 form an integral part of these consolidated financial statements.

The independent auditors' report is set out on page F-94.

DP World Limited and its Subsidiaries

Consolidated Statement of Recognised Income and Expense

for the year ended 31 December 2008

	Note	2008 USD'000	2007 USD'000
Income and expense recognised directly in equity			
Foreign exchange translation differences		**(1,433,577)**	521,084
Foreign exchange gain recycled to income statement on disposal of businesses		**—**	38,100
Net change in fair value of cash flow hedge		**(82,947)**	(25,500)
Net change in fair value of available for sale financial assets		**(9,085)**	—
Net actuarial loss on pension schemes		**(106,900)**	(46,400)
Transfer to income statement on termination of cash flow hedges		**—**	6,357
Income tax on items taken directly to equity		**1,300**	(2,300)
Income and expense recognised directly in equity		**(1,631,209)**	491,341
Profit for the year		**530,704**	1,149,910
Total recognised income and expense for the year	22	**(1,100,505)**	1,641,251
Attributable to:			
Equity holders of the Company		**(1,061,551)**	1,582,945
Minority interest		**(38,954)**	58,306
		(1,100,505)	1,641,251

Foreign exchange translation differences arise from goodwill and purchase price adjustments carried in foreign currencies mainly Pound Sterling, Australian Dollar and Indian Rupee at the Group level which have depreciated significantly in the current period against the United States Dollar. Furthermore, the translation differences arising on account of translation to the presentation currency for the Group consolidation are also reflected here.

The accompanying notes 1 to 37 form an integral part of these consolidated financial statements.

The independent auditors' report is set out on page F-94.

DP World Limited and its Subsidiaries

Consolidated Balance Sheet

As at 31 December 2008

	Note	2008 USD'000	2007 USD'000 (Restated)
ASSETS			
Property, plant and equipment	14	**4,252,683**	3,440,037
Goodwill	15	**2,154,165**	2,510,397
Other intangible assets	15	**3,840,527**	3,982,620
Investment in associates and joint ventures	17	**3,109,276**	3,322,304
Deferred tax assets	10	**30,186**	23,489
Other investments	18	**51,041**	41,700
Accounts receivable and prepayments	19	**48,035**	32,269
Total non-current assets		**13,485,913**	13,352,816
Current assets			
Inventories		**57,476**	54,134
Accounts receivable and prepayments	19	**741,289**	704,468
Bank balances and cash	20	**1,204,074**	3,058,863
Assets held for sale		**10,100**	19,926
Total current assets		**2,012,939**	3,837,391
TOTAL ASSETS		**15,498,852**	17,190,207

DP World Limited and its Subsidiaries

Consolidated Balance Sheet (Continued)

As at 31 December 2008

	Note	2008 USD'000	2007 USD'000
EQUITY			
Share capital	21	**1,660,000**	1,660,000
Share premium	21	**2,472,655**	2,472,655
Shareholders' reserve	22	**2,000,000**	2,000,000
Retained earnings	22	**1,366,482**	1,105,049
Hedging reserve	22	**(111,175)**	(19,143)
Actuarial reserve	22	**(153,300)**	(46,400)
Translation reserve	22	**(801,394)**	543,439
Total equity attributable to equity holders of the Company		**6,433,268**	7,715,600
Minority interest	22	**739,994**	657,175
Total equity		**7,173,262**	8,372,775
Liabilities			
Employees' end of service benefits	26	**43,114**	36,912
Pension and post-employment benefits	27	**104,500**	110,400
Interest bearing loans and borrowings	28	**5,196,894**	5,607,776
Deferred tax liabilities	10	**1,167,884**	991,290
Provisions	29	**900**	34,100
Accounts payable and accruals	30	**378,057**	270,272
Total non-current liabilities		**6,891,349**	7,050,750
Accounts payable and accruals	30	**1,008,137**	919,355
Bank overdrafts	20	**49,929**	182,866
Interest bearing loans and borrowings	28	**172,451**	111,313
Income tax liabilities	10	**121,724**	468,248
Pension and post-employment benefits	27	**41,700**	41,500
Provisions	29	**40,300**	43,400
Total current liabilities		**1,434,241**	1,766,682
Total liabilities		**8,325,590**	8,817,432
TOTAL EQUITY AND LIABILITIES		**15,498,852**	17,190,207

The accompanying notes 1 to 37 form an integral part of these consolidated financial statements.

The consolidated financial statements were authorised for issue on 25 March 2009.

Chief Executive Officer

Chief Financial Officer

The independent auditors' report is set out on page F-94.

DP World Limited and its Subsidiaries

Consolidated Statement of Cash Flows

for the year ended 31 December 2008

	Note	2008 USD'000	2007 USD'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit from continuing operations		**530,704**	538,532
Profit from discontinued operations		**—**	611,378
		530,704	1,149,910
Adjustments for:			
Depreciation and amortization	8	**371,644**	371,368
Impairment loss	11	**112,000**	—
Net share of profit of joint ventures and associates	17	**(114,194)**	(104,821)
Finance costs	9	**350,898**	559,516
Income tax expenses	10	**46,632**	84,254
Profit on sale of property, plant and equipment		**(1,433)**	(1,416)
Net gain on sale of discontinued operations, net of tax	7	**—**	(544,778)
Net gain on sale of continuing operations, net of tax	11	**(15,790)**	(136,640)
Finance income	9	**(76,146)**	(357,252)
		1,204,315	1,020,141
Change in inventories		**(491)**	(10,015)
Change in receivables		**45,534**	(104,949)
Change in payables		**122,343**	213,505
Change in property held for sale		**—**	37,547
Change in provisions, pensions, tax liabilities		**(211,308)**	(64,835)
CASH FROM OPERATIONS		**1,160,393**	1,091,394
Taxes paid		**(91,685)**	(136,302)
NET CASH FROM OPERATING ACTIVITIES		**1,068,708**	955,092
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	14	**(1,264,951)**	(741,684)
Proceeds from disposal of property, plant and equipment		**38,009**	86,540
Proceeds from disposal of discontinued operations		**—**	2,089,042
Proceeds from disposal of continuing operations		**21,939**	439,486
Additions to port concessions	15	**(132,395)**	(35,200)
Additions to investments held for sale		**(18,048)**	(26,500)
Interest received		**76,146**	357,252
Dividends received from joint ventures and associates		**95,726**	65,706
Additional investment in joint ventures and associates		**(107,347)**	(101,907)
Cash inflow on acquisition of entities under common control		**—**	2,221,085
Proceeds from sale of joint ventures and associates		**99,000**	—
Acquisition of additional interest in subsidiaries		**(145,020)**	—
Acquisition of subsidiaries, net of cash acquired	13	**(670,526)**	—
NET CASH USED IN/FROM INVESTING ACTIVITIES		**(2,007,467)**	4,353,820

DP World Limited and its Subsidiaries

Consolidated Statement of Cash Flows (Continued)

for the year ended 31 December 2008

	Note	2008 USD'000	2007 USD'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of loan		**(1,153,930)**	(4,943,262)
Proceeds from issue of bonds		**—**	3,250,000
Transaction cost on bond issue and revolving syndicate loan facility		**—**	(43,364)
Drawdown of loan		**989,126**	1,766,949
Payment to shareholder		**—**	(2,000,000)
Dividend paid to shareholders	22	**(220,781)**	—
Amounts contributed by minority interest		**21,476**	—
Interest paid		**(290,960)**	(452,141)
Dividends paid to minority interest	22	**(30,730)**	(11,097)
NET CASH USED IN FINANCING ACTIVITIES		**(685,799)**	(2,432,915)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(1,624,558)**	2,875,997
Cash and cash equivalents at 1 January		**2,875,997**	—
Effect of exchange rate fluctuation on cash flow		**(97,294)**	—
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	20	**1,154,145**	2,875,997

The accompanying notes 1 to 37 form an integral part of these consolidated financial statements.

The independent auditors' report is set out on page F-94.

1 Reporting entity

DP World Limited (the "Company") (formerly known as Galaxy Investments Limited) was incorporated on 9 August 2006 as a Company Limited by Shares with the Registrar of Companies of the Dubai International Financial Centre (DIFC) under the Companies Law, DIFC Law No. 3 of 2006. The consolidated financial statements of the Company for the year ended 31 December 2008 comprise the Company and its subsidiaries (collectively referred to as "the Group") and the Group's interests in associates and jointly controlled entities. The Group is engaged in the business of international marine terminal operations and development, logistics and related services.

On 1 January 2007, DP World FZE and Thunder FZE (Limited Liability Companies registered in Jebel Ali Free Zone in the Emirate of Dubai, United Arab Emirates), were transferred to the Company by Dubai Ports Authority ("DPA"), an affiliate of the Company (refer note 12) and as at that date the Company started its operations. On 30 May 2007, the Company's name was changed to DP World Limited.

Port & Free Zone World FZE ("Parent Company") which held 100% of the Company's issued and outstanding share capital, made an initial offer of 19.55% of its share capital to the public and as a result the Company was listed on NASDAQ Dubai (formerly known as the Dubai International Financial Exchange) with effect from 26 November 2007.

Port & Free Zone World FZE is a wholly owned subsidiary of Dubai World Corporation ("Parent Group"), which is the ultimate holding company of the Group.

The Company's registered office address is P.O. Box 17000, Dubai, United Arab Emirates.

2 Basis of preparation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The consolidated financial statements were approved by the Board of Directors on 25 March 2009.

(b) Comparative information

The Group has adopted IFRIC 12 'Service Concession Arrangements' effective 1 January 2008. Accordingly, previous year figures are restated wherever required on adoption of this interpretation. These changes have no impact on the consolidated income statement or on consolidated net assets. Refer to notes 14 and 15.

Certain comparatives have been regrouped / reclassified to conform with the presentation adopted in these consolidated financial statements.

(c) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for derivative financial instruments and available for sale financial assets which are measured at fair value.

The methods used to measure fair values are discussed further in note 4.

(d) Funding and liquidity

The Group's business activities, together with factors likely to affect its future development, performance and position are set out in the Chairman's Statement and Operating and Financial Review. In addition, note 5 sets out the Group's objectives, policies and processes for managing the Group's financial risk including capital management and note 32 provides details of the Group's exposure to credit risk, liquidity risk and interest rate risk from financial instruments.

The Board of Directors remain satisfied with the Group's funding and liquidity position. At 31 December 2008, the Group had net debt of USD 4,215,200 thousand and USD 2,770,083 thousand of undrawn committed borrowing facilities. The Group's credit facility covenants are currently well within the covenant

2 Basis of preparation (Continued)

limits. The Group generated net cash of USD 1,068,708 thousand from operating activities and its interest cover for the year is 5 times (calculated using adjusted EBITDA and net interest expense).

Based on the above, the Board of Directors have concluded that the going concern basis of preparation continues to be appropriate.

(e) Functional and presentation currency

The functional currency of the Company is UAE Dirhams. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

These consolidated financial statements are presented in United States Dollars ("USD"), which in the opinion of management is the most appropriate presentation currency in view of the global presence of the Group. All financial information presented in USD is rounded to the nearest thousand.

UAE Dirhams is pegged to USD and there are no differences on translation from functional to presentation currency.

(f) Use of estimates and judgements

The preparation of consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognized in these consolidated financial statements are discussed below:

(i) Goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

(ii) Pension

The cost of defined benefit pension plans and other post employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

(iii) Useful life of property, plant and equipment

The useful life of property, plant and equipment is determined by the Group's management based on their estimate of the period over which an asset is expected to be available for use by the Group. This estimate is reviewed and adjusted if appropriate at each financial year end.

(iv) Accounts receivable

An estimate of the collectible amount of accounts receivable is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recovery rates. Any

2 Basis of preparation (Continued)

difference between the amounts actually collected in future periods and the amounts expected will be recognised in the consolidated income statement.

(v) Provision for income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax claims based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(vi) Available for sale financial assets

Equity investments are impaired when objective evidence of impairment exists. A significant or prolonged decline in fair value of an investment is considered as objective evidence of impairment. The Group considers that generally a decline of 20% will be considered as significant and a decline of over 9 months will be generally considered as prolonged.

3 Significant accounting policies

The accounting policies set out below have been applied consistently in the period presented in these consolidated financial statements and have been applied consistently by the Group entities.

(a) Basis of consolidation

(i) Business combinations

Except for transactions involving entities under common control, where the provisions of IFRS 3, '*Business Combinations*' are not applicable, business combinations are accounted for using the acquisition method. This involves recognising identifiable assets (including previously unrecognised intangible assets) and liabilities (including contingent liabilities and excluding future restructuring) of the acquired business at fair value.

For transactions involving entities under common control, the carrying value of assets and liabilities are used to account for these transactions.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

(iii) De-recognition of subsidiary

Gains or losses arising from de-recognition of subsidiaries are measured as the difference between the net disposal proceeds and the carrying amount of the subsidiary and are recognised in the income statement when the subsidiary is de-recognised.

(iv) Special purpose entities

The Group has established DP World Sukuk Limited (a limited liability company incorporated in the Cayman Islands) as a special purpose entity ("SPE") for the issue of Sukuk Certificates. These certificates are listed on NASDAQ Dubai. The Group does not have any direct or indirect shareholdings in this entity. An SPE is consolidated based on an evaluation of the substance of its relationship with the Group and

3 Significant accounting policies (Continued)

based on the SPE's risks and rewards; the Group concludes that it controls the SPE. The SPE controlled by the Group was established under terms that impose strict limitations on the decision-making powers of the SPE's management and that result in the Group receiving the majority of the benefits related to the SPE's operations and net assets, being exposed to risks incident to the SPE's activities, and retaining the majority of the residual or ownership risks related to the SPE or its assets.

(v) Associates and joint ventures

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Associates and joint ventures are accounted for using the equity method ("equity accounted investees"). The consolidated financial statements include the Group's share of the income and expenses of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. The transactions between the Group and joint ventures and associates are made at normal market prices.

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from the transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

(i) Foreign currency transactions

These consolidated financial statements are presented in USD, which is the Group's presentation currency. Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation of monetary items are recognised in income statement, except for differences arising on the retranslation of available for sale equity instruments, of a financial liability designated as a hedge of the net investment in a foreign operation, or qualifying cash flow hedges, which are recognised directly in equity (refer note 3b (iii) below).

(c) Financial instruments

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to USD at exchange rates at the reporting date. The revenues and expenses of foreign operations are translated to USD at rates approximating to the foreign exchange rates ruling at the date of the transactions. Foreign exchange differences arising on translation are recognised directly in equity. Such differences have been recognised in the translation reserve. When a foreign operation is disposed off, in part or in full, the relevant amount in the translation reserve is transferred to the income statement. Foreign exchange gains and losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are

3 Significant accounting policies (Continued)

considered to form part of a net investment in a foreign operation and are recognised directly in equity in the translation reserve.

(iii) Hedge of net investment in foreign operation

Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in foreign operation are recognised directly in equity, in the translation reserve, to the extent that the hedge is effective. To the extent that the hedge is ineffective, such differences are recognised in the income statement. When the hedged part of a net investment is disposed off, the associated cumulative amount in equity is transferred to income statement on disposal.

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in an unquoted infrastructure fund, debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value, plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below:

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances and short-term deposits under lien with an original maturity of three months. Bank overdrafts that are repayable on demand form an integral part of the Group's cash management and are included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

Held-to-maturity investments

Where the Group has a positive intent and ability to hold debt securities to maturity, then these are classified as held-to-maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method, less any impairment losses. Gains and losses are recognised in the income statement when the investments are derecognised or impaired, as well as through the amortisation process.

Available-for-sale investments

The Group's investments in an unquoted infrastructure investment fund and certain debt securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses are recognised directly in equity. When an investment is derecognised, the cumulative gain or loss in equity is transferred to profit or loss.

Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

(ii) Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are recognized initially at fair value and attributable transaction costs are

3 Significant accounting policies (Continued)

recognized in the income statement when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below:

Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized directly in equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the income statement.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in equity remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognized in equity is transferred to the carrying amount of the asset when it is recognized. In other cases the amount recognized in equity is transferred to income statement in the same period that the hedged item affects the income statement.

(iii) Share capital

Ordinary shares are classified as equity. Any excess payment received over par value is treated as share premium.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses (refer to the accounting policy on impairment).

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed asset includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the cost of dismantling and removing the items and restoring the site on which they are located. Borrowing costs that are directly attributable to acquisition, construction or production of an asset are included in the cost of that asset. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and recognized within 'other income' in the income statement.

Capital work-in-progress

Capital work-in-progress is measured at cost and not depreciated until such time the assets are ready for intended use and transferred to the respective category under property, plant and equipment.

Dredging

Dredging expenditure is categorised into capital dredging and major maintenance dredging. Capital dredging is expenditure, which creates a new harbour, deepens or extends the channel berths or waterways in order to allow access to larger ships. This expenditure is capitalised and amortised over the expected period of the relevant concession agreement.

Major maintenance dredging is expenditure incurred to restore the channel to its previous condition and depth. On an average the Group incurs such expenditure every 10 years. At the completion of maintenance

3 Significant accounting policies (Continued)

dredging, the channel has an average service potential of 10 years. Maintenance dredging is regarded as a separate component and is capitalised and amortised evenly over 10 years.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the consolidated income statement as incurred.

(iii) Depreciation

Depreciation is recognized in consolidated income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. No depreciation is provided on freehold land.

Estimated useful lives for the current year are as follows:

Assets	Life (years)
Buildings	5-50
Plant and equipment	3-25
Ships	10-35
Dredging	10-99

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

(e) Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures. Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative (negative goodwill), it is recognized immediately in the consolidated income statement.

Acquisitions of minority interest

Goodwill arising on the acquisition of a minority interest in a subsidiary represents the excess of the cost of the additional investment over the carrying amount of the net assets acquired at the date of exchange.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment.

(f) Other intangible assets

Intangible assets arising on business combinations

The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. Other intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is charged against profits in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised on a straight line basis over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

3 Significant accounting policies (Continued)

The amortisation period and amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful lives is recognised in the consolidated statement of income on a straight line basis in the expense category consistent with the function of the intangible asset.

Intangible assets arising from Service Concession Arrangements

Substantially all of the Group's terminal operations are conducted pursuant to long-term operating concessions or leases entered into with the owner of a relevant port for terms generally between 25 and 50 years. The Group commonly starts negotiations regarding renewal of concession agreements with approximately 5-10 years remaining on the term and often obtains renewals or extensions on the concession agreements in advance of their expiration in return for a commitment to make certain capital expenditures in respect of the subject terminal. In addition, such negotiations may result in re-base of rental charges to reflect current market rates. Due to the typical length of concession agreements and the recent proliferation of their use, factors influencing concession renewal are likely to become more apparent in the future. However, based on the Group's experience, incumbent operators are typically granted renewal often because it can be costly for a port owner to switch operators, both administratively and due to interruptions to port operations and reduced productivity associated with such transactions.

In accordance with IFRIC 12, the Group recognises an intangible asset arising from a service concession arrangement, in which the public sector (the grantor) controls or regulates the services provided and the prices charged, and also controls any significant residual interest in the infrastructure such as property, plant and equipment if the infrastructure is existing infrastructure of the grantor or the infrastructure is constructed or purchased by the Group as part of the service concession arrangement.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is de-recognised.

The estimated useful lives for finite intangible assets range within a period of 5–82 years.

(g) Inventories

Inventories mainly consist of spare parts and consumables. Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on weighted average method and includes expenditure incurred in acquiring inventories and bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(h) Leases

(i) Group as a lessee

Payments made under operating leases are recognised in the consolidated income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

3 Significant accounting policies (Continued)

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(ii) Group as a lessor

Leases where the Group retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

(iii) Leasing and sub-leasing transactions

A series of leasing and sub-leasing transactions between the Group and third parties, which are closely interrelated, negotiated as a single transaction, and take place concurrently or in a continuous sequence are considered linked and accounted for as one transaction when the overall economic effect cannot be understood without reference to the series of transactions as a whole.

These leasing and sub-leasing transactions are designed to achieve certain benefits for the third parties in overseas locations in return for a cash benefit to the Group. Such cash benefit is accounted in the consolidated income statement based on its economic substance. Under these leasing and sub-leasing transactions, current and non-current liabilities have been defeased by the loan receivable and the placement of deposits. Those liabilities, receivables and deposits (and income and charges arising there from) are netted off in the consolidated financial statements, in order to reflect the overall commercial effect of the arrangement.

(i) Impairment

(i) Financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the consolidated income statement. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to the consolidated income statement.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in the consolidated income statement. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets are reviewed annually to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated annually. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its

3 Significant accounting policies (Continued)

value in use. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the consolidated income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount, which would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Non-current assets held for sale

Non-current assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets (or components of a disposal group) are re-measured in accordance with the Group's accounting policies. Thereafter generally the assets (or disposal group) are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and employee benefit assets which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on re measurement are recognised in the income statement. Gains are not recognised in excess of any cumulative impairment loss.

(k) Employee benefits

(i) Pension and post-employment benefits

The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine the present value, and the fair value of any plan assets is deducted. The calculation is performed by a qualified actuary using the projected unit credit method. The discount rate is the yield at the balance sheet date on AA credit rated bonds or local equivalent that have maturity dates approximating to the terms of the Group's obligations.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the income statement on a straight line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the income statement.

Actuarial gains and losses that arise in calculating the Group's obligation in respect of a plan are recognised in the period in which they arise directly in the statement of recognised income and expenses. The cost of providing benefits under the defined benefit plans is determined separately

for each plan using the projected unit credit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligation) and is based on actuarial advice.

3 Significant accounting policies (Continued)

Contributions, including lump sum payments, in respect of defined contribution pension schemes and multi employer defined benefit schemes where it is not possible to identify the Group's share of the scheme, are charged to the income statement as they fall due.

(ii) Long-term service benefits

The Group's net obligation in respect of long-term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. The discount rate is the yield at the balance sheet date on AA credit rated bonds (or local equivalent) that have maturity dates approximating to the terms of the Group's obligations.

(iii) Share-based payment transactions

Executive Directors and key employees of the Group are granted shares in the Company by the Parent Company in the form of share-based payment transactions. These retention shares were awarded at the initial public offering share price of USD 1.30 each and are required to be held for 3 years before vesting. The costs of these shares are recognized in the Group as an expense with a corresponding increase in equity over the period that the employees become unconditionally on a straight line basis entitled to payment.

(l) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(m) Revenue

Revenue mainly comprises of income from container cargo handling and storage services.

Revenue from the rendering of services is recognised on the delivery of those services; which for Ports, is once the relevant throughput has taken place, for Maritime is on rendering of services and for container shipping is on completion of the shipping or transport operation. For logistics storage, revenue is recognised over the period during which storage is provided and for its handling and transport operations on completion of service.

Rental income is recognised on a straight line basis over the term of the lease.

(n) Finance income and expense

Finance income comprises interest income on funds invested and gains on hedging instruments that are recognised in the consolidated income statement. Interest income is recognized as it accrues, using the effective interest method.

Finance expense comprises interest expense on borrowings, unwinding of the discount on provisions, impairment losses recognised on financial assets and losses on hedging instruments that are recognised in the consolidated income statement.

(o) Borrowing costs

Borrowing costs are recognised as an expense when incurred. All borrowing costs are recognised in the consolidated income statement using the effective interest method. When such borrowing costs are directly attributable to the acquisition, construction or production of qualifying assets such as property, plant and equipment and intangible assets in service concession agreements it is capitalised as part of the cost of the qualifying asset.

3 Significant accounting policies (Continued)

(p) Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the consolidated income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Income tax expense also includes any interest, fines and penalties payable to Tax Authorities.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences arising on the initial recognition of goodwill and the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit. Deferred tax is also not recognised for the temporary differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(q) Discontinued operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed or is held for sale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative income statement is restated as if the operation had been discontinued from the start of the comparative period.

(r) Earnings per share

The Group presents basic earnings per share EPS data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

(s) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Group's primary format for segment reporting is based on geographical segments.

The secondary segment reporting format of the Group is business. The Group considers that there is only one business segment being ports. Therefore, the disclosures for the secondary segment have already been given in these financial statements.

Segment assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly Head Office costs, net finance costs and tax expenses / credits.

3 Significant accounting policies (Continued)

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment and other intangible assets.

(t) Separately disclosed items

The Group presents, as separately disclosed items on the face of the income statement, those material items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, merit separate presentation to allow users to understand better the elements of financial performance in the period, so as to facilitate a comparison with prior periods and a better assessment of trends in financial performance.

(u) New standards and interpretations not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2008 and have not been applied in preparing these consolidated financial statements:

IFRS 8 Operating segments (effective from 1 January 2009) IFRS 8, requires the disclosure of segment information based on the internal reports regularly reviewed by the Group's management in order to assess each segment's performance and to allocate resources to them. The Group currently presents segment information in respect of its geographical segments and intends to continue to use geographical segments for all decision making purposes and therefore adoption of this standard will not have a significant impact on the Group's consolidated financial statements.

Revised IAS 23 Borrowing costs (effective from 1 January 2009) Revised IAS 23 removes the option to expense borrowing costs and requires that an entity capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The Group does not expect adoption of this revised standard to have a significant impact on the Group's consolidated financial statements as the Group's current accounting policy is to capitalise the borrowing costs relating to the qualifying assets.

Revised IFRS 3 and IAS 27 (effective from 1 July 2009) These revisions to IFRS 3 and IAS 27 impact the manner in which business combinations are identified and accounted for. The revised IAS 27 will impact the Group, when its percentage holdings in subsidiaries changes without resulting in a loss of control, by taking the gains and losses directly to equity. When the Group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognized in profit or loss. Further, any costs directly attributable to the acquisition of business shall be expensed as incurred.

Currently the Group is accounting for any gains or losses arising on partial disposal of a subsidiary in the income statement and recognising goodwill on acquiring further minority interest in a subsidiary.

4 Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Property, plant and equipment

The fair value of property, plant and equipment recognised as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The market value of items of plant, equipment, fixtures and fittings is based on the quoted market prices for similar items.

4 Determination of fair values (Continued)

(ii) Intangible assets

Intangible assets acquired in a business combination are accounted at their fair values. The fair value is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

(iii) Investments in equity and debt securities

The fair values of debt securities held-to-maturity and available-for-sale financial assets are based on the quoted market value of similar assets. The fair value of unquoted infrastructure investment fund is based on the independent valuation of the fund.

(iv) Trade and other receivables / payables

The fair value of trade and other receivables and trade and other payables approximates to book value due to the short term maturity of these instruments.

(v) Derivatives

The fair value of derivative financial instruments is discounted to the net present value using prevailing market rates and foreign currency rates at the balance sheet date.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate.

The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

(vi) Non-derivative financial liabilities

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements. Other loans include term loans and finance leases. These are largely at variable interest rates and therefore, the book value normally equates to the fair value.

The fair value of cash and bank overdrafts approximates to the book value due to the short term maturity of the instruments.

5 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a

5 Financial risk management (Continued)

disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

Trade and other receivables

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures and are required to submit financial guarantees based on their creditworthiness. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets on taking into account the impact of the current global financial crisis on the Group's major customers.

Other financial assets

Credit risk arising from other financial assets of the Group comprises cash and cash equivalents and certain derivative instruments. The Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Group limits its credit risks with regard to bank deposits by dealing only with reputable banks.

Financial guarantees

The Group's policy is to consider the provision of a financial guarantee to wholly-owned subsidiaries, where there is a commercial rationale to do so. Guarantees may also be provided to joint ventures and associates in very limited circumstances and always only for the Group's share of the obligation. The provision of guarantees always requires the approval of management.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank facilities and by ensuring adequate internally generated funds. The Group's terms of business require amounts to be paid within 60 days of the date of provision of the service. Trade payables are normally settled within 45 days of the date of purchase.

5 Financial risk management (Continued)

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group buys and sells derivatives and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the Board of Directors in the Group Treasury policy. Generally the Group seeks to apply hedge accounting in order to manage the volatility in the consolidated income statement.

(i) Currency risk

The proportion of the Group's net operating assets denominated in foreign currencies (i.e., other than UAE Dirhams) is approximately 84% with the result that the Group's USD consolidated balance sheet, and in particular owner's equity, can be affected by currency movements when it is retranslated at each period end rate. The Group partially mitigates the effect of such movements by borrowing in the same currencies as those in which the assets are denominated and using cross currency swaps. The impact of currency movements on operating profit is partially mitigated by interest costs being incurred in foreign currencies. The Group operates in some locations where the local currency is fixed to the Group's reporting currency of USD further reducing the risk of currency movements.

Most foreign currency loans are accounted for as hedges and the exchange difference arising from retranslating these loans at each balance sheet date is taken to equity to the extent that this hedge is deemed to be effective. Interest on borrowings that are denominated in currencies that match the cash flows generated by the underlying operations of the Group provide an economic hedge.

A portion of the Group's activities generate part of their revenue and incur some costs outside their main functional currency. Due to the diverse number of locations in which the Group operates there is some natural hedging that occurs within the Group. When it is considered that currency volatility could have a material impact on the results of an operation, hedging, generally up to 12 months forward using forward foreign currency contracts, is undertaken to reduce the short-term effect of currency movements.

When the Group's businesses enter into capital expenditure or lease commitments in currencies other than their main functional currency, these commitments are hedged in most instances using forward contracts and currency swaps in order to fix the cost when converted to the functional currency. The Group classifies its forward exchange contracts hedging forecasted transactions as cash flow hedges and states them at fair value.

As well as the direct effect on cash flows, exchange rates also affect the Group's businesses because of their overall economic influence. In particular, exchange rates affect international trade flows which impact on the activities of the Group.

(ii) Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with a fixed / floating interest rate and bank deposits. The Group issued two fixed rate bonds, a 10 year Sukuk with a profit rate of 6.25% and a 30 year Medium Term Note with a coupon of 6.85% which collectively represents USD 3,250,000 thousand of the Group's year end outstanding debt.

Approximately USD 1,133,514 thousand of the Group's interest bearing loans and borrowings comprising US Dollar, Great British Pound, Indian Rupee, Australian and Canadian Dollar borrowings carried interest at floating rates. The Group's policy is to manage its interest cost by entering into interest rate swap agreements, in which the Group agrees to exchange, at specified intervals, the difference between

5 Financial risk management (Continued)

fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. These swaps are designated to hedge underlying debt obligations.

At 31 December 2008, after taking into account the effect of interest rate swaps, approximately 78% of the Group's borrowings are at a fixed rate of interest.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as net operating profit attributable to the equity shareholders divided by total shareholders' equity.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

6 Segment information

Based on risks and returns, management considers that the primary reporting format is by geographical segment and is based on the location of the Group's assets and liabilities.

The secondary segment reporting format of the Group is business. The Group considers that there is only one business segment being ports. Therefore, the disclosures for the secondary segment have already been given in these financial statements.

The following table presents certain results, assets and liabilities information regarding the Group's geographical segments as at 31 December 2008.

The following table presents certain results, assets and liabilities information regarding the Group's geographical segments as at 31 December 2008.

	Asia Pacific and Indian subcontinent USD'000	**Australia and Americas USD'000**	**Middle East, Europe and Africa USD'000**	**Head office USD'000**	**2008 Total USD'000**
Revenue from continuing operations	**516,963**	**756,810**	**2,009,347**	**—**	**3,283,120**
Segment results from operations (before finance costs)*	**59,399**	**183,208**	**727,666**	**(164,817)**	**805,456**
Segment results from continuing operations (before finance costs)	**59,399**	**183,208**	**727,666**	**(164,817)**	**805,456**
Net finance cost	**—**	**—**	**—**	**(274,752)**	**(274,752)**
Profit / (loss) for the year	**59,399**	**183,208**	**727,666**	**(439,569)**	**530,704**
Profit / (loss) from continuing operations	**59,399**	**183,208**	**727,666**	**(439,569)**	**530,704**

* Segment results from operations (before finance cost) comprise profit for the year plus net finance cost.

6 Segment information (Continued)

Net finance cost and tax expense have not been allocated to various geographical locations and are instead reported in head office.

	Asia Pacific and Indian subcontinent USD'000	Australia and Americas USD'000	Middle East, Europe and Africa USD'000	Head office USD'000	2008 Total USD'000
Segment assets	4,972,286	2,567,179	7,855,655	103,732	15,498,852
Segment liabilities	341,519	192,111	1,245,145	5,257,207	7,035,982
Tax liabilities*	—	—	—	1,289,608	1,289,608
Total liabilities	341,519	192,111	1,245,145	6,546,815	8,325,590
Capital expenditure	171,297	240,719	982,330	3,000	1,397,346
Depreciation	19,749	55,611	143,477	1,900	220,737
Amortisation / impairment	65,018	38,168	47,721	—	150,907
Share of profit of associates and joint ventures	57,134	28,494	28,566	—	114,194
Tax expense	—	—	—	46,632	46,632

* Tax liabilities have not been allocated to various geographical locations and are reported in head office.

Earnings before interest, tax, depreciation and amortisation ("EBITDA")—Adjusted

	Asia Pacific and Indian subcontinent USD'000	Australia and Americas USD'000	Middle East, Europe and Africa USD'000	Head office USD'000	2008 Total USD'000
Profit from continuing operations	59,399	183,208	727,666	(439,569)	530,704
Adjusted for separately disclosed items	127,936	(36,300)	2,800	(4,373)	90,063
Adjusted net profit from continuing operations	187,335	146,908	730,466	(443,942)	620,767
Interest income	—	—	—	(76,146)	(76,146)
Interest expense	—	—	—	343,245	343,245
Tax expense	—	—	—	80,332	80,332
Depreciation and amortisation	84,767	93,779	191,198	1,900	371,644
EBITDA (Adjusted)	272,102	240,687	921,664	(94,611)	1,339,842

6 Segment information (Continued)

The following table presents certain results, assets and liabilities information regarding the Group's geographical segments as at 31 December 2007.

	Asia Pacific and Indian subcontinent USD'000	Australia and Americas USD'000	Middle East, Europe and Africa USD'000	Head office USD'000	2007 Total USD'000
Revenue	460,993	858,196	1,941,551	—	3,260,740
Less: revenue from discontinued operations	—	(61,200)	(468,100)	—	(529,300)
Revenue from continuing operations	460,993	796,996	1,473,451	—	2,731,440
Segment results from operations (before finance costs)*	225,316	376,573	920,601	(170,316)	1,352,174
Less: segment results from discontinued operations**	—	(192,751)	(415,927)	(2,700)	(611,378)
Segment results from continuing operations (before finance costs)	225,316	183,822	504,674	(173,016)	740,796
Net finance cost	—	—	—	(202,264)	(202,264)
Profit for the year	225,316	376,573	920,601	(372,580)	1,149,910
Profit from discontinued operations	—	(192,751)	(415,927)	(2,700)	(611,378)
Profit / (loss) from continuing operations	225,316	183,822	504,674	(375,280)	538,532

* Segment results from operations (before finance cost) comprise profit for the year plus net finance cost.

** Refer to note 7 on discontinued operations.

Net finance cost and tax expense has not been allocated to various geographical locations and are instead reported in head office.

	Asia Pacific and Indian subcontinent USD'000	Australia and Americas USD'000	Middle East, Europe and Africa USD'000	Head office USD'000	2007 Total USD'000
Segment assets	5,340,369	2,868,393	6,833,308	2,148,137	17,190,207
Segment liabilities	357,672	200,524	668,066	6,131,632	7,357,894
Tax liabilities*	—	—	—	1,459,538	1,459,538
Total liabilities	357,672	200,524	668,066	7,591,170	8,817,432
Capital expenditure	94,211	106,615	675,573	2,272	878,671
Depreciation (restated)	60,711	20,971	167,021	1,286	249,989
Amortisation / impairment (restated)	60,841	42,245	18,293	—	121,379
Share of profit of associates and joint ventures	72,205	15,465	17,151	—	104,821
Tax expense	—	—	—	80,853	80,853

* Tax liabilities have not been allocated to various geographical locations and are reported in head office.

6 Segment information (Continued)

Earnings before interest, tax, depreciation and amortisation ("EBITDA")—Adjusted

	Asia Pacific and Indian subcontinent USD'000	Australia and Americas USD'000	Middle East, Europe and Africa USD'000	Head office USD'000	2007 Total USD'000
Profit from continuing operations	225,316	183,822	504,674	(375,280)	538,532
Adjusted for separately disclosed items	(55,040)	(64,188)	27,267	(26,880)	(118,841)
Adjusted net profit from continuing operations	170,276	119,634	531,941	(402,160)	419,691
Interest income	—	—	—	(259,127)	(259,127)
Interest expense	—	—	—	524,315	524,315
Tax expense	—	—	—	88,853	88,853
Depreciation and amortisation	121,552	63,216	140,047	1,286	326,101
EBITDA (Adjusted)	291,828	182,850	671,988	(46,833)	1,099,833

7 Discontinued operations

A discontinued operation is an entity that has been disposed of and represents a major line of business or geographical area of operations.

Summary of 2007 profit after tax from discontinued operations:

	Before separately disclosed items USD'000	Separately disclosed items USD'000	2007 Total USD'000
Total profit for the year from discontinued operation	65,000	1,600	66,600
Total profit after tax from sale of discontinued operation	—	544,778	544,778
	65,000	546,378	611,378

8 Profit for the year

	2008 USD'000	2007 USD'000
Profit for the year is stated after charging the following costs:		
Staff costs	**630,410**	649,994
Depreciation and amortization expenses	**371,644**	371,368
Operating leases	**302,090**	319,975

9 Finance income and expenses

	2008 USD'000	2007 USD'000
Financial income		
Interest income	**57,068**	325,617
Exchange gains	**13,878**	13,035
Other net financing income in respect of pension plans	**5,200**	18,600
	76,146	357,252
Financial expenses		
Interest payable	**(348,786)**	(546,316)
Exchange losses	**(2,112)**	(13,200)
	(350,898)	(559,516)
Net financing costs	**(274,752)**	(202,264)

10 Income tax

The major components of income tax expense for the year ended 31 December 2008:

	Before Separately Disclosed Item 2008 USD'000	Total 2008 USD'000	Before Separately Disclosed Item 2007 USD'000	Total 2007 USD'000
Current income tax expense				
Current year	**114,517**	**74,517**	102,198	94,198
Adjustment for prior periods	**37,055**	**37,055**	27,570	27,570
	151,572	**111,572**	129,768	121,768
Deferred tax expense	**(71,240)**	**(64,940)**	(40,915)	(40,915)
Income tax expense excluding tax on sale of discontinued operations and share of income tax of equity accounted investees	**80,332**	**46,632**	88,853	80,853
Income tax expense from continuing operations		**46,632**		80,853
Income tax from discontinued operations (excluding capital gains tax on sale)		**—**		3,401
Total income tax expense including tax from discontinued operations (excluding capital gain tax on sale)	**80,332**	**46,632**	92,254	84,254
Share of income tax of equity accounted investees	**28,243**	**28,243**	30,348	30,348
Total tax charges during the year (excluding capital gains tax)	**108,575**	**74,875**	122,602	114,602

All tax items included within separately disclosed items are detailed in note 11.

The Group is not subject to income tax on its UAE operations. The tax expense relates to the tax payable on the profit earned by the overseas subsidiaries, joint ventures and associates as adjusted in accordance

10 Income tax (Continued)

with the taxation laws and regulations of the countries in which they operate. The applicable tax rates in the regions in which the Group operates are set out below:

Geographical Segment	Applicable corporate tax rate
Asia Pacific and Indian subcontinent	17.50% to 35.00%
Australia and Americas	20.50% to 35.00%
Middle East, Europe and Africa	0% to 35%

The prior year tax adjustment relates to the tax liability of the acquired entities existing at the time of acquisition.

The relationship between the tax expense and the accounting profit can be explained as follows:

	Before Separately Disclosed Item 2008 USD'000	Total 2008 USD'000	Before Separately Disclosed Item 2007 USD'000	Total 2007 USD'000
Profit for the year	**620,767**	**530,704**	484,691	1,149,910
Less: profit after tax from discontinued operations	**—**	**—**	—	(546,378)
Less: profit on sale / termination of business	**—**	**(15,790)**	—	(136,640)
Add: income tax charge	**80,332**	**46,632**	88,853	80,853
Add: share of income tax of equity accounted investees	**28,243**	**28,243**	30,348	30,348
Add: income tax from discontinued operations (excluding tax on capital gains)	**—**	**—**	3,401	3,401
Accounting profit before income tax	**729,342**	**589,789**	607,293	581,494
At the UAE applicable tax rate of 0%	—	—	—	—
Effect of higher tax rates in other jurisdictions	108,575	74,875	122,602	114,602
Effective tax rate based on accounting profit (Total income tax expense / profit before income tax charge)	14.9%	12.7%	20.2%	19.7%

The effective tax rate now takes into account tax on associates and joint ventures in the current and prior year.

10 Income tax (Continued)

Deferred income tax

Deferred income tax at 31 December 2008 relates to the following:

	Balance sheet 2008 USD'000	Income statement 2008 USD'000	Balance sheet 2007 USD'000	Income statement 2007 USD'000
Deferred tax liability				
Accelerated depreciation for tax purposes	**46,387**	**(125)**	104,523	1,084
Investment in joint ventures	**41,468**	**600**	42,143	—
Unrepatriated foreign earnings of subsidiaries	**15,593**	**—**	15,593	(4,093)
Fair value adjustment on acquisitions	**719,811**	**(45,519)**	879,429	(34,795)
Others	**401,762**	**11,000**	(3,413)	2,689
Tax liabilities netted off against tax assets	**(57,137)**	**—**	(46,985)	5,456
Total	**1,167,884**		991,290	(29,659)
Deferred income tax assets				
Decelerated depreciation for tax purposes	**257**	**—**	257	(257)
Prepaid inventories	**233**	**15**	246	(246)
Pension and post-employment benefits	**21,114**	**(393)**	30,041	(62)
Provisions	**12,604**	**2,265**	16,499	1,253
Tax value of losses carried forward	**45,365**	**(39,335)**	13,696	—
Tax liabilities netted off against tax assets	**(57,137)**	**—**	(46,985)	(5,456)
Others	**7,750**	**6,552**	9,735	(6,488)
Total	**30,186**	**(64,940)**	23,489	(40,915)
Current income tax liabilities	**121,724**		468,248	

Movement in temporary differences during the year:

	Amount as at 1 January 2008 USD'000	Recognised in income statement USD'000	Included in discontinued operations & assets held for sale USD'000	Translation and other movements USD'000	Amount as at 31 December 2008 USD'000
Deferred tax liability					
Accelerated depreciation for tax purposes	104,523	**(125)**	**(40,664)**	**(17,347)**	**46,387**
Investment in joint venture and associates	42,143	**600**	**1,538**	**(2,813)**	**41,468**
Unrepatriated foreign earnings of subsidiaries	15,593	**—**	**—**	**—**	**15,593**
Fair value adjustment on acquisitions	879,429	**(45,519)**	**—**	**(114,099)**	**719,811**
Others	(3,413)	**11,000**	**394,175**	**—**	**401,762**
Tax liabilities netted off against tax assets	(46,985)	**—**	**—**	**(10,152)**	**(57,137)**
Total	991,290	**(34,044)**	**355,049**	**(144,411)**	**1,167,884**
Deferred income tax assets					
Decelerated depreciation for tax purposes	257	**—**	**—**	**—**	**257**
Prepaid inventories	246	**(15)**	**—**	**2**	**233**
Employees' end of service benefits	30,041	**393**	**—**	**(9,320)**	**21,114**
Provisions	16,499	**(2,265)**	**(880)**	**(750)**	**12,604**
Tax value of losses carried forward recognised	13,696	**39,335**	**—**	**(7,666)**	**45,365**
Others	9,735	**(6,552)**	**3,455**	**1,112**	**7,750**
Tax liabilities netted off against tax assets	(46,985)	**—**	**—**	**(10,152)**	**(57,137)**
Total	23,489	**30,896**	**2,575**	**(26,774)**	**30,186**

11 Separately disclosed items

	2008 USD'000	2007 USD'000
Impairment costs and restructuring	**(129,900)**	(59,667)
(Loss) / gain on interest rate swaps	**(7,653)**	98,125
Profit on sale / termination of business	**15,790**	136,640
Reversal of prior year tax charge	**40,000**	—
Deferred Tax expense	**(6,300)**	—
Profit on sale of discontinued operations, net of tax	**—**	546,378
Finance costs	**—**	(33,601)
Net gain / (loss) on pension settlement	**—**	(13,200)
Other separately disclosed items	**(2,000)**	(9,456)
	(90,063)	665,219

Impairment costs and restructuring includes impairment on the Group's investment in a joint-venture in Asia Pacific, Middle East and Indian subcontinent amounting to USD 112,000 thousand due to the impairment testing carried out by the Group during the year as stated in note 16 and loss on restructuring relating to a subsidiary of USD 17,900 thousand. (2007: mainly includes an impairment of software costs of USD 37,800 thousand).

(Loss) / gain on interest rate swaps 2008: USD 7,653 thousand represents the ineffective portion of interest rate swaps in 2008. (2007: USD 98,125 thousand relates to two interest rate swaps in 2007 that converted the floating rate interest on the syndicated debt to a fixed rate, which resulted in a profit of USD 98,125 thousand on termination).

Profit on sale / termination of business mainly includes profit / loss on sale of investments divested during the year including profit on sale of 25% investments in Constanta South Container Terminal to Port and Free Zone World FZE. (2007: profit on sale of investments in Shekou, Colombo and AGS Australia).

Reversal of prior year tax charge represents reversal of prior year tax provisions which are no longer required. (2007: nil)

Deferred Tax expense represents provision of deferred tax on the net book value of assets following the phasing out of Industrial Building Allowances in the UK. The amount of deferred tax provision is based on the current UK tax rate of 28%.(2007: nil)

Profit on sale of discontinued operations 2008: nil. (2007: includes profit on sale of P&O Ports North America 'POPNA', profit on sale of Ferries and Estates division.)

12 Acquisition of entities under common control

Effective of 1 January 2007, the Company acquired a 100% beneficial ownership interest in DP World FZE and Thunder FZE, (Limited Liability Companies registered in the Jebel Ali Free Zone in the Emirate of Dubai, United Arab Emirates), from Dubai Ports Authority, an affiliate of the Company. The acquisition was made at the carrying value of net assets of DP World FZE and Thunder FZE as of 31 December 2006.

12 Acquisition of entities under common control (Continued)

The assets and liabilities of these companies on the date of acquisition were as follows:

	1 January 2007 Carrying value USD'000
Assets	
Property, plant and equipment (restated-refer to note 14)	3,309,755
Intangible assets (restated-refer to note 15)	3,833,676
Goodwill	3,103,870
Investment in associates and joint ventures	2,940,715
Deferred tax assets	12,119
Other investments	13,500
Accounts receivable and prepayments	979,083
Property held for development and sale	137,400
Inventories	63,888
Tax recoverable	18,660
Bank balances and cash	2,225,386
Assets classified as held for sale	1,263,621
	17,901,673
Liabilities	
Pension and post-employment benefits	341,775
Interest bearing loans and borrowings	5,718,038
Deferred tax liabilities	1,277,528
Provisions	100,600
Accounts payable and accruals	1,234,551
Bank overdrafts	4,301
Liabilities classified as held for sale	390,001
	9,066,794
Net assets	8,834,879
Less: Attributable to minority shareholders	(702,224)
Net assets acquired by the Company	8,132,655

The above acquisition was made by the Company at the carrying value of net assets of DP World FZE and Thunder FZE and since these acquisitions involved entities under common control, the provisions of IFRS 3, '*Business Combinations*' are not applicable.

13 Business combinations

(a) Egyptian Container Terminal Handling Company ("ECHCO")—S.A.E at Sokhna Port, Egypt

On 19 February 2008, the Group acquired a 90% ownership interest in ECHCO through its 100% owned subsidiary, DP World FZE.

The fair values of the identifiable assets and liabilities acquired by the Group are as follows:

	Recognised on acquisition USD'000	Carrying value USD'000
Property, plant and equipment	**123,583**	**123,583**
Other long-term investment	**778**	**778**
Accounts receivable and prepayments	**67,948**	**80,357**
Inventories	**2,845**	**2,845**
Bank balances and cash	**13,954**	**13,954**
Intangible assets	**688,826**	**—**
	897,934	**221,517**
Accounts payables and accruals	**(11,340)**	**(11,340)**
Dividend payable	**(111)**	**(111)**
Bank overdraft	**(48,758)**	**(48,758)**
Loans and borrowings	**(83,256)**	**(83,256)**
Shareholders' current account	**(1,218)**	**(1,218)**
Finance lease liability	**(6,048)**	**—**
	(150,731)	**(144,683)**
Fair value of net assets acquired	**747,203**	
Less: Attributable to minority shareholders	**(74,720)**	
Total acquisition cost	**672,483**	
Less: Cash acquired with the subsidiary	**(13,954)**	
Net cash outflow on acquisition	**658,529**	

From the date of acquisition, ECHCO has incurred a loss of USD 16,563 thousand. If the acquisition had taken place at the beginning of the year, the loss would have been USD 16,706 thousand.

(b) DP World Tarragona S.A. ("Tarragona"), Spain (formerly Contarsa Sociedad Estiba S.A.)

On 1 July 2008, the Group acquired 60% ownership interest in Tarragona through its 100% owned subsidiary, DP World ENAF BV at a total acquisition cost net of cash of USD 11,997 thousand. Goodwill arising out of this acquisition is USD 3,445 thousand. From the date of acquisition, DP World Tarragona SA has incurred a loss of USD 1,303 thousand. If the acquisition had taken place at the beginning of the year, the loss would have been USD 3,164 thousand.

14 Property, plant and equipment

	Land and buildings USD'000	Plant and equipment USD'000	Ships USD'000	2008 Total USD'000
Cost				
At 1 January (restated)	**2,086,230**	**2,189,049**	**103,616**	**4,378,895**
Additions during the year	**860,617**	**403,407**	**927**	**1,264,951**
Acquired in business combinations during the year	**57,574**	**72,894**	**—**	**130,468**
Translation adjustment	**(208,199)**	**(264,258)**	**(16,085)**	**(488,540)**
Disposals	**(2,732)**	**(83,921)**	**—**	**(86,653)**
At 31 December	**2,793,490**	**2,317,171**	**88,458**	**5,199,119**
Depreciation				
At 1 January (restated)	**182,563**	**695,951**	**60,344**	**938,858**
Depreciation charge for the year	**65,797**	**153,087**	**1,853**	**220,737**
Translation adjustment	**(40,380)**	**(116,470)**	**(6,200)**	**(163,050)**
Disposals	**(3,137)**	**(46,972)**	**—**	**(50,109)**
At 31 December	**204,843**	**685,596**	**55,997**	**946,436**
Net book value At 31 December	**2,588,647**	**1,631,575**	**32,461**	**4,252,683**

In the previous year, the Group has entered into agreements with third parties pursuant to which the Group participated in a series of linked transactions including leasing and sub-leasing of certain cranes of the Group (the "Crane French Lease Arrangements"). At 31 December 2008, cranes with aggregate net book value amounting to USD 214,039 thousand (2007: USD 205,724 thousand) were covered by these Crane French Lease Arrangements. These cranes are accounted for as property, plant and equipment as the Group retains all the risks and rewards incidental to the ownership of the underlying assets.

Property, plant and equipment include capital work in progress amounting to USD 888,016 thousand (2007: USD 562,703 thousand).

14 Property, plant and equipment (Continued)

For the collateral provided on the property, plant and equipment refer to the note on loans and borrowings. The net book value of the leased plant and equipment is USD 25,596 thousand (2007: USD 29,067 thousand).

	Land and buildings USD'000	Plant and equipment USD'000	Ships USD'000	2007 Total USD'000
	(Restated)	(Restated)		(Restated)
Cost				
Acquisition of entities under common control on 1 January 2007	1,512,271	2,193,189	860,297	4,565,757
Additions during the year	547,815	285,050	10,606	843,471
Acquired in business combinations during the year	717	2,217	—	2,934
Reclassification	143,496	—	—	143,496
Translation adjustment	61,106	114,135	27,140	202,381
Disposals	(179,175)	(405,542)	(794,427)	(1,379,144)
At 31 December	2,086,230	2,189,049	103,616	4,378,895
Depreciation				
Acquisition of entities under common control on 1 January 2007	205,705	778,274	272,023	1,256,002
Depreciation charge for the year	46,783	188,998	14,208	249,989
Translation adjustment	8,789	38,615	10,440	57,844
Disposals	(78,714)	(309,936)	(236,327)	(624,977)
At 31 December	182,563	695,951	60,344	938,858
Net book value At 31 December	1,903,667	1,493,098	43,272	3,440,037

The Group adopted IFRIC 12 in the current year resulting in a retrospective reclassification of USD 474,993 thousand at 1 January 2007 from property, plant and equipment to other intangible assets at net book value. Also refer to notes 3 and 15.

15 Intangible assets

	Goodwill USD'000	Other intangible assets USD'000	2008 Total USD'000
Cost			
At 1 January (restated)	**2,517,864**	**4,327,403**	**6,845,267**
Acquisition of business during the year	**3,445**	**712,047**	**715,492**
Additions	**—**	**132,395**	**132,395**
Goodwill on purchase of minority interest	**83,427**	**—**	**83,427**
Disposals	**(2,800)**	**(1,100)**	**(3,900)**
Reclassification	**137,982**	**(40,600)**	**97,382**
Translation adjustment	**(578,286)**	**(870,281)**	**(1,448,567)**
At 31 December	**2,161,632**	**4,259,864**	**6,421,496**
Amortisation			
At 1 January 2008 (restated)	**7,467**	**344,783**	**352,250**
Amortisation charge for the year	**—**	**150,907**	**150,907**
Amortisation on disposals	**—**	**(927)**	**(927)**
Translation adjustment	**—**	**(75,426)**	**(75,426)**
At 31 December	**7,467**	**419,337**	**426,804**
Net book value At 31 December	**2,154,165**	**3,840,527**	**5,994,692**

* The Goodwill acquired during the year relates to acquisition of DP World Tarragona SA, Spain of USD 3,445 thousand (refer to note 13b).

Other intangible assets mainly consist of concession agreements acquired through business combinations. Those intangibles were determined to have finite and infinite useful lives based on the terms of the respective concession agreements and the income approach model was used for the purpose of determining their fair values. The terms of the concessions with finite lives range from 5 to 82 years based on the respective concession agreements.

15 Intangible assets (Continued)

Concession agreements are amortised using the straight-line method over the concession period. If an indication of impairment arises, the recoverable amount is estimated and an impairment loss is recognised, if the recoverable amount is lower than the carrying amount.

	Goodwill USD'000	Other intangible assets USD'000	2007 Total USD'000
		(Restated)	(Restated)
Cost			
Acquisition of entities under common control on 1 January 2007	3,103,870	4,037,397	7,141,267
Acquisition of business during the year	8,419	78,572	86,991
Additions	—	35,200	35,200
Disposals	—	(101,661)	(101,661)
Reclassification	(775,729)	—	(775,729)
Translation adjustment	181,304	277,895	459,198
At 31 December	2,517,864	4,327,403	6,845,267
Amortisation / impairment			
Acquisition of entities under common control on 1 January 2007	—	203,721	203,721
Amortisation / impairment charge for the year	7,467	113,912	121,379
Translation adjustment	—	27,150	27,150
At 31 December	7,467	344,783	352,250
Net book value At 31 December	2,510,397	3,982,620	6,493,017

* The goodwill acquired in the previous year relates to the acquisition of Siyanco DPA ("Jeddah Port") and an increase in the Group's stake in DP World Adelaide Pty Limited, Australia of USD 7,467 thousand and USD 952 thousand respectively.

In the previous year, USD 7,467 thousand of goodwill which arose on the acquisition of South Station of Containers, Jeddah Islamic Port has been impaired.

The Group adopted IFRIC 12 in the current year resulting in a retrospective reclassification of USD 474,993 thousand at 1 January 2007 from property, plant and equipment to other intangible assets at net book value. Also refer to notes 3 and 14.

16 Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to various cash-generating units ("CGU"), which are reportable business units, for the purposes of impairment testing.

Impairment testing is done at an operating port level that represents individual CGU. Details of the geographical segments are shown below:

Cash-generating units aggregated by geographical segment	2008 Carrying amount of goodwill USD'000	Discount rate applied to cash flow projections	Perpetuity growth rate
Asia Pacific and Indian subcontinent	**297,520**	8% - 17%	0% - 2.50%
Australia and Americas	**767,473**	6% - 15%	0% - 2.50%
Middle East, Europe and Africa	**1,089,172**	6% - 17%	0% - 2.50%
Total	**2,154,165**		

The recoverable amount of the CGU has been determined based on their value in use calculated using cash flow projections based on the financial budgets approved by management covering a three year period

16 Impairment testing of goodwill (Continued)

and a further outlook for five years, which is considered appropriate in view of the outlook for the industry and the long-term nature of the concession agreements held.

In management's view, the perpetuity growth rate is the minimum growth rate expected to be achieved beyond the eight year period.

Key assumptions used in value in use calculations

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill.

Budgeted gross margins—The basis used to determine the value assigned to the budgeted gross margin is the average gross margin achieved in the year immediately before the budgeted year, adjusted for expected efficiency improvements, price fluctuations and manpower costs.

Discount rates—These represent the cost of capital for the Group adjusted for the respective location risk factors.

Cost inflation—The basis used to determine cost inflation is the forecast general price index during the budget year for the relevant countries where the Group is operating.

The values assigned to key assumptions are consistent with the past experience of management.

Sensitivity to changes in assumptions

With regard to the assessment of value in use of the above cash-generating units, management believes that no reasonable and possible change in any of the above key assumptions will cause the carrying value of the unit to materially exceed its recoverable amount.

17 Investment in associates and joint ventures

Summary financial information for equity accounted investees, not adjusted for the percentage ownership held by the Group:

	Asia Pacific and Indian subcontinent USD'000	Australia and Americas USD'000	Middle East, Europe and Africa USD'000	2008 Total USD'000
Current assets	**164,866**	**179,489**	**285,997**	**630,352**
Non-current assets	**6,594,028**	**595,157**	**2,438,979**	**9,628,164**
Total assets	**6,758,894**	**774,646**	**2,724,976**	**10,258,516**
Current liabilities	**312,681**	**113,121**	**134,556**	**560,358**
Non-current liabilities	**1,900,500**	**296,856**	**834,827**	**3,032,183**
Total liabilities	**2,213,181**	**409,977**	**969,383**	**3,592,541**
Revenues	**773,693**	**634,580**	**821,339**	**2,229,612**
Expenses	**(625,819)**	**(561,984)**	**(690,469)**	**(1,878,272)**
Net profit	**147,874**	**72,596**	**130,870**	**351,340**
The Group's share of profit of equity accounted associates and joint ventures				**114,194**
The Group's share of net assets of equity accounted associates and joint ventures				**3,109,276**

Note: For ownership percentages in equity accounted investees, refer to note 36.

17 Investment in associates and joint ventures (Continued)

Summary financial information for equity accounted investees, not adjusted for the percentage ownership held by the Group:

	Asia Pacific and Indian subcontinent USD'000	Australia and Americas USD'000	Middle East, Europe and Africa USD'000	2007 Total USD'000
Current assets	272,745	185,433	247,965	706,143
Non-current assets	6,963,891	725,124	2,562,387	10,251,402
Total assets	7,236,636	910,557	2,810,352	10,957,545
Current liabilities	300,328	103,072	146,883	550,283
Non-current liabilities	2,059,378	427,868	892,438	3,379,684
Total liabilities	2,359,706	530,940	1,039,321	3,929,967
Revenues	706,373	496,171	702,170	1,904,714
Expenses	(556,134)	(447,766)	(604,493)	(1,608,393)
Net profit	150,239	48,405	97,677	296,321
The Group's share of profit of equity accounted associates and joint ventures				104,821
The Group's share of net assets of equity accounted associates and joint ventures				3,322,304

Note: For ownership percentages in equity accounted investees, refer to note 36.

18 Other investments

	2008 USD'000	2007 USD'000
Non-current investments		
Debt securities held to maturity	**12,000**	12,100
Available-for-sale financial assets	**39,041**	29,600
	51,041	41,700

Debt securities held to maturity carry an effective interest rate of 5.35%.

Available-for-sale financial assets consists of unquoted investment in an Infrastructure Fund.

19 Accounts receivable and prepayments

	2008 Current USD'000	2008 Non-current USD'000	2008 Total USD'000
Trade receivables	**246,119**	**—**	**246,119**
Advances paid to suppliers	**35,335**	**—**	**35,335**
Other receivables and prepayments	**333,998**	**18,400**	**352,398**
Fair value of derivative financial instruments	**1,200**	**600**	**1,800**
Deferred costs and other assets	**—**	**700**	**700**
Due from related parties (refer to note 31)	**124,637**	**28,335**	**152,972**
	741,289	**48,035**	**789,324**

19 Accounts receivable and prepayments (Continued)

	2007 Current USD'000	2007 Non-current USD'000	2007 Total USD'000
Trade receivables	249,536	—	249,536
Advances paid to suppliers	2,190	—	2,190
Other receivables and prepayments	362,573	19,690	382,263
Fair value of derivative financial instruments	800	—	800
Deferred costs and other assets	2,400	4,900	7,300
Due from related parties (refer to note 31)	86,969	7,679	94,648
	704,468	32,269	736,737

The Group's exposure to credit and currency risks related to trade and other receivables are disclosed in note 32.

20 Bank balances and cash

	2008 USD'000	2007 USD'000
Cash at banks and in hand	**500,861**	2,016,239
Short-term deposits	**259,280**	493,444
Deposits under lien	**443,933**	549,180
Bank balances and cash	**1,204,074**	3,058,863
Bank overdrafts	**(49,929)**	(182,866)
Cash and cash equivalents	**1,154,145**	2,875,997

Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit market rates.

Out of the deposits under lien, USD 409,887 thousand (2007: USD 464,440 thousand) is placed to collateralise some of the regional borrowings. The balance of USD 34,046 thousand (2007: USD 84,740 thousand) is under lien in respect of certain loan notes issued to the erstwhile shareholders of Peninsular & Oriental Steam Navigation Company Limited ("P&O") (also refer to note 37).

21 Share capital

The share capital of the Company as at 31 December was as follows:

	2008 USD'000	2007 USD'000
Authorised		
25,000,000,000 ordinary shares of US$0.10 each	**2,500,000**	2,500,000
Issued and fully paid		
16,600,000,000 ordinary shares of US$0.10 each	**1,660,000**	1,660,000
Share premium (refer to note 22)	**2,472,655**	2,472,655

DP World Limited and its subsidiaries

Notes to consolidated financial statements (Continued)

(forming part of the financial statements)

22 Capital and reserves

	Share capital USD'000	Share premium USD'000	Shareholders' reserve USD'000	Retained earnings USD'000	Hedging and other reserve USD'000	Actuarial reserve USD'000	Translation reserve USD'000	Total USD'000	Minority interest USD'000	2008 Total USD'000
At 1 January 2008	**1,660,000**	**2,472,655**	**2,000,000**	**1,105,049**	**(19,143)**	**(46,400)**	**543,439**	**7,715,600**	**657,175**	**8,372,775**
Total recognised income and expense for the year	**—**	**—**	**—**	**482,214**	**(92,032)**	**(106,900)**	**(1,344,833)**	**(1,061,551)**	**(38,954)**	**(1,100,505)**
Goodwill adjustment relating to investment in joint ventures held via subsidiary	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**73,867**	**73,867**
Acquisition of minority interest	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(35,673)**	**(35,673)**
Minority interest on acquisition / divestment of subsidiary	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**92,833**	**92,833**
Amount contributed by minority interest	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**21,476**	**21,476**
Dividend paid	**—**	**—**	**—**	**(220,781)**	**—**	**—**	**—**	**(220,781)**	**(30,730)**	**(251,511)**
At 31 December 2008	**1,660,000**	**2,472,655**	**2,000,000**	**1,366,482**	**(111,175)**	**(153,300)**	**(801,394)**	**6,433,268**	**739,994**	**7,173,262**

	Share capital USD'000	Share premium USD'000	Shareholders' reserve USD'000	Retained earnings USD'000	Hedging and other reserve USD'000	Actuarial reserve USD'000	Translation reserve USD'000	Total USD'000	Minority interest USD'000	2007 Total USD'000
Acquisition of entities under common control on 1 January 2007	—	—	—	—	—	—	—	—	702,224	702,224
Total recognised income and expense for the year	—	—	—	1,105,049	(19,143)	(46,400)	543,439	1,582,945	58,306	1,641,251
Capitalisation of payable balance to parent company	1,660,000	2,472,655	2,000,000	—	—	—	—	6,132,655	—	6,132,655
Reclassification from deferred tax liabilities	—	—	—	—	—	—	—	—	(140,284)	(140,284)
Acquisition of minority interest	—	—	—	—	—	—	—	—	(5,504)	(5,504)
Minority interest on acquisition of subsidiary	—	—	—	—	—	—	—	—	61,863	61,863
Translation adjustment relating to minority interest	—	—	—	—	—	—	—	—	26,605	26,605
Amount contributed by minority interest	—	—	—	—	—	—	—	—	600	600
Dividend paid to minority interest	—	—	—	—	—	—	—	—	(23,742)	(23,742)
Divestment	—	—	—	—	—	—	—		(22,893)	(22,893)
At 31 December 2007	1,660,000	2,472,655	2,000,000	1,105,049	(19,143)	(46,400)	543,439	7,715,600	657,175	8,372,775

23 Reserves

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations as well as from the translation of liabilities that hedge the Company's net investment in a foreign subsidiary.

A significant portion of foreign exchange translation differences arises from translating goodwill and purchase price adjustments which are carried in foreign currencies at the Group level. Further, the translation differences arising on account of translation to presentation currency on Group consolidation is also reflected here.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of the cash flow hedging instruments related to hedge transactions that have not yet occurred.

24 Proposed dividends

After 31 December 2008, the following dividends were proposed for the year 2008 by the directors of the Company. The dividends have not been provided for and there are no income tax consequences for the Company.

US cent 0.69 per share on 16,600,000,000 shares which amounts to USD 114,540 thousand.

25 Earnings per share

Basic earnings per share calculated in accordance with IAS 33

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding. The weighted average number of ordinary shares outstanding reflects the bonus issue of shares during the year.

	2008 USD'000	2007 USD'000
Profit attributable to ordinary shareholders	**482,214**	1,105,049

	Number of shares	Number of shares
Weighted average number of ordinary shares outstanding at 31 December	**16,600,000,000**	12,348,307,692

	2008 USD	2007 USD
Basic earnings per share—(US cents)	**2.90**	8.95

The Company has no share options outstanding at the year end and therefore the basic and diluted earnings per share are the same.

25 Earnings per share (Continued)

Pro forma basic earnings per share

The calculation of basic earnings per share at 31 December is based on the profit attributable to ordinary shareholders from continuing operations and the number of ordinary shares outstanding of 16,600,000 thousand (refer to note 22—Share capital).

	2008 USD'000 (Unaudited)	2007 USD'000 (Unaudited)
Profit attributable to ordinary shareholders	**572,277**	439,830
Less: profit after tax from discontinued operations	**—**	(65,000)
Profit attributable to ordinary shareholders—continuing operations	**572,277**	374,830

	Number of shares	Number of shares
Number of ordinary shares outstanding at 31 December	**16,600,000,000**	16,600,000,000

	2008 USD	2007 USD
Basic earnings per share—continuing operations—(US cents)	**3.45**	2.26

26 Employees' end of service benefits

UAE region

Movements in the provision recognised in the consolidated balance sheets are as follows:

	2008 USD'000	2007 USD'000
At 1 January	**36,912**	39,274
Provision made during the year *	**17,432**	6,490
Amounts paid during the year or transferred to related parties (net)	**(11,230)**	(8,852)
At 31 December	**43,114**	36,912

* The provision for expatriate staff gratuities, included in Employees end of service benefits, is calculated in accordance with the implementing regulations of the Jebel Ali Free Zone Authority. This is based on the liability that would arise if employment of all staff were terminated at the balance sheet date.

The UAE government had introduced Federal Labour Law No.7 of 1999 for pension and social security. Under this Law, employers are required to contribute 15% of the 'contribution calculation salary' of those employees who are UAE nationals. These employees are also required to contribute 5% of the 'contribution calculation salary' to the scheme. The Company's contribution is recognised as an expense in the income statement as incurred.

27 Pension and post-employment benefits

Non UAE region

Reconciliation of assets and liabilities recognised in the balance sheet

	2008 USD'000	2007 USD'000
Non-current		
Defined benefit schemes net liabilities	**101,900**	99,800
Liabilities from defined contribution schemes	**1,600**	2,900
Liability in respect of long service leave	**300**	2,800
	103,800	105,500
Current		
Liability for current deferred compensation	**41,700**	41,500
Net liabilities	**145,500**	147,000

	2008 USD'000	2007 USD'000
Net liabilities		
Reflected in balance sheet as follows:		
Employee benefits assets (included within non-current receivables (refer to note 19))	**(700)**	(4,900)
Employee benefits liabilities: Non-current	**104,500**	110,400
Employee benefits liabilities: Current	**41,700**	41,500
	145,500	147,000

The defined benefit pension schemes net liabilities of USD 101,900 thousand (2007: USD 99,800 thousand) is in respect of the total P&O schemes shown below. The USD 2,200 thousand (2007:USD 3,800 thousand) net liabilities in respect of the P&O's share of joint ventures and associates are included within investments in joint ventures and associates in the consolidated balance sheet.

An expense of USD 31,500 thousand (2007: 28,200 thousand) has been recognised in the income statement in respect of employee benefits excluding pensions, USD 31,100 thousand (2007: USD 28,000 thousand) in general and administration expenses and USD 400 thousand (2007: USD 200 thousand) in cost of sales.

The current portion of employee benefits liabilities includes a liability of USD 21,400 thousand (2007: USD 22,600 thousand) in respect of annual leave, USD 13,900 thousand (2007: USD 10,900 thousand) in respect of long service leave, and USD 6,400 thousand (2007: USD 8,000 thousand) in respect of sick leave and other miscellaneous employee benefit items.

Pensions

P&O participates in a number of pension schemes throughout the world. The principal scheme is located in the UK (the "P&O UK Scheme"). The P&O UK Scheme is a funded defined benefit scheme and was closed to routine new members on 1 January 2002. The assets of the scheme are managed on behalf of the trustee by independent fund managers.

P&O also operates a number of smaller defined benefit and defined contribution schemes. In addition, P&O participates in various industry schemes, the most significant of which is the Merchant Navy Officers' Pension Fund (the "MNOPF Scheme"). These generally have assets held in separate trustee administered funds.

27 Pension and post-employment benefits (Continued)

Expenses recognized in the income statement 2008

	Defined benefit pension schemes					
	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2008 P&O UK schemes USD'000
Employer's current service cost	**700**	**—**	**7,400**	**8,100**	**200**	**8,300**
Employer's past service cost	**—**	**—**	**—**	**—**	**—**	**—**
Gain due to settlements / curtailments	**(2,400)**	**—**	**—**	**(2,400)**	**—**	**(2,400)**
Total	**(1,700)**	**—**	**7,400**	**5,700**	**200**	**5,900**
Expected return on scheme assets	**(125,400)**	**(10,400)**	**(10,700)**	**(146,500)**	**(1,100)**	**(147,600)**
Interest cost	**120,300**	**9,600**	**11,700**	**141,600**	**1,300**	**142,900**
Total	**(5,100)**	**(800)**	**1,000**	**(4,900)**	**200**	**(4,700)**
Total defined benefit (income) / expenses	**(6,800)**	**(800)**	**8,400**	**800**	**400**	**1,200**
Total defined contribution expense	**—**	**—**	**—**	**22,600**	**3,900**	**26,500**
Total	**(6,800)**	**(800)**	**8,400**	**23,400**	**4,300**	**27,700**

Expenses recognized in the income statement 2007

	Defined benefit pension schemes					
	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2007 P&O UK schemes USD'000
Employer's current service cost	4,400	800	8,400	13,600	200	13,800
Employer's past service cost	6,200	—	—	6,200	—	6,200
Gain due to settlements / curtailments	(56,800)	—	—	(56,800)	—	(56,800)
Total	(46,200)	800	8,400	(37,000)	200	(36,800)
Expected return on scheme assets	(132,300)	(20,000)	(11,800)	(164,100)	(1,100)	(165,200)
Interest cost	113,900	18,400	11,600	143,900	1,100	145,000
Total	(18,400)	(1,600)	(200)	(20,200)	—	(20,200)
Total defined benefit (income) / expenses	(64,600)	(800)	8,200	(57,200)	200	(57,000)
Total defined contribution expense	—	—	—	22,800	5,400	28,200
Total	(64,600)	(800)	8,200	(34,400)	5,600	(28,800)

27 Pension and post-employment benefits (Continued)

The expenses for defined benefit and defined contribution schemes are recognised in the following line items in the income statement 2008:

	Defined benefit pension schemes						
	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Defined contribution pension schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2008 Total USD'000
Operating expenses	**—**	**—**	**4,600**	**3,700**	**8,300**	**—**	**8,300**
General and administration expenses	**(1,700)**	**—**	**2,800**	**18,900**	**20,000**	**—**	**20,000**
Share of results of joint ventures and associates	**—**	**—**	**—**	**—**	**—**	**4,300**	**4,300**
	(1,700)	**—**	**7,400**	**22,600**	**28,300**	**4,300**	**32,600**
Financial income	**(5,100)**	**(800)**	**1,000**	**—**	**(4,900)**	**—**	**(4,900)**
Total	**(6,800)**	**(800)**	**8,400**	**22,600**	**23,400**	**4,300**	**27,700**

The expenses for defined benefit and defined contribution schemes are recognised in the following line items in the income statement 2007:

	Defined benefit pension schemes						
	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Defined contribution pension schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2007 Total USD'000
Operating expenses	—	400	1,200	18,400	20,000	—	20,000
General and administration expenses	(46,200)	400	7,400	4,400	(34,000)	—	(34,000)
Share of results of joint ventures and associates	—	—	—	—	—	5,600	5,600
	(46,200)	800	8,600	22,800	(14,000)	5,600	(8,400)
Financial income	(18,400)	(1,600)	(400)	—	(20,400)	—	(20,400)
Total	(64,600)	(800)	8,200	22,800	(34,400)	5,600	(28,800)

Total pension expenses in relation to other defined benefit schemes include an expense of Nil (2007: USD 2,360 thousand) in relation to discontinued operations which comprises general and administration costs of Nil (2007: USD 3,600 thousand), operating expenses of Nil (2007: USD 490 thousand) and net financing income of Nil (2007: USD 1,730 thousand). Total pension expenses in relation to defined contribution schemes include an expense of Nil (2007: USD 1,800 thousand) in relation to discontinued operations recognised in operating expenses.

Total amount of actuarial losses recognised in the statement of recognised income and expense.

	2008 USD'000	2007 USD'000
Total actuarial loss recognised in the statement of recognised income and expense in the year	**106,900**	46,400

27 Pension and post-employment benefits (Continued)

Actuarial valuations and assumptions

The latest valuations of the defined benefit schemes have been updated to 31 December 2008 by qualified independent actuaries. The principal assumptions are included in the table below.

The assumptions used by the actuaries are the best estimates chosen from a range of possible actuarial assumptions, which, due to the timescale covered, may not necessarily be borne out in practice.

	P&O UK scheme 2008	MNOPF scheme 2008	Other schemes 2008	Share of joint ventures and associates schemes 2008
Discount rates	**6.20%**	**6.20%**	**4.60%**	**6.40%**
Expected rates of salary increases	**4.25%**	**4.25%**	**2.30%**	**3.40%**
Pension increases: deferment	**2.75%**	**2.75%**	**—**	**—**
payment	**2.60%**	**2.60%**	**2.60%**	**2.50%**
Inflation	**2.75%**	**2.75%**	**2.80%**	**2.90%**
Expected rate of return on scheme assets	**6.36%**	**6.19%**	**6.50%**	**6.00%**

	P&O UK scheme 2007	MNOPF scheme 2007	Other schemes 2007	Share of joint ventures and associates schemes 2007
Discount rates	5.80%	5.80%	6.00%	5.80%
Expected rates of salary increases	4.75%	4.75%	4.03%	3.80%
Pension increases: deferment	2.95%	3.25%	—	—
payment	2.95%	3.25%	2.97%	2.50%
Inflation	3.25%	3.25%	3.09%	3.30%
Expected rate of return on scheme assets	6.21%	6.50%	6.15%	6.60%

In addition to the assumption for expected rates of salary increases set out in the table above, a further allowance for pay increases of up to 3% per annum is applied to members of the P&O UK Scheme under 50 years of age, the allowance being greater at younger ages.

The assumptions for pensioner longevity under both the P&O UK Scheme and the MNOPF Scheme are based on analyses of pensioner death trends under the respective schemes over many years. For the P&O UK Scheme the PA92C07mc tables are used (with a +1 year age rating applied for females and a +3 year age rating applied for males with current pensions below USD 16 thousand). In addition an allowance has been made for future longevity improvements in line with the CMI Long cohort projections for the 92 Series tables from 2007 onwards, subject to a minimum annual improvement of 1%. For the MNOPF scheme the PA80C2006 tables are used (with a −1 year age rating applied for both males and females), together with a reduction of 0.25% in the discount rate.

27 Pension and post-employment benefits (Continued)

For illustration, the life expectancies for the two schemes at age 65 now and in the future are detailed in the table below.

	Male		Female	
	Age 65 now	Age 65 in 20 years' time	Age 65 now	Age 65 in 20 years' time
2008				
P&O UK Scheme	**22.4**	**24.4**	**25.9**	**27.8**
MNOPF Scheme	**18.2**	**19.6**	**22.2**	**23.9**
2007				
P&O UK Scheme	22.3	24.3	25.8	27.8
MNOPF Scheme	18.1	19.5	22.2	23.8

The expected long-term rates of return for each of the main asset classes are subjective judgements based on market indicators, economic background, historical analysis of returns and industry forecasts. They take into account the schemes' strategic asset allocations across the sectors of the main asset classes.

	P&O UK scheme		MNOPF scheme		Other Schemes		Share of joint ventures and associates schemes		
	Expected long-term rate of return % p.a.	Fair value USD'000	Expected long-term rate of return % p.a.	Fair value USD'000	Expected long-term rate of return % p.a.	Fair value USD'000	Group schemes fair value USD'000	Fair value USD'000	Total fair value USD'000
2008									
Equities	**7.80**	**244,300**	**7.80**	**43,900**	**8.30**	**48,000**	**336,200**	**4,000**	**340,200**
Bonds	**5.30**	**97,100**	**4.95**	**54,600**	**5.20**	**45,500**	**197,200**	**7,600**	**204,800**
Other	**3.60**	**25,100**	**5.80**	**7,400**	**4.80**	**25,000**	**57,500**	**400**	**57,900**
Value of insured pensioner liability	**6.20**	**1,083,900**	**—**	**—**	**—**	**—**	**1,083,900**	**—**	**1,083,900**
	6.36	**1,450,400**	**6.19**	**105,900**	**6.37**	**118,500**	**1,674,800**	**12,000**	**1,686,800**
2007									
Equities	7.75	464,700	7.75	82,800	7.45	100,100	647,600	10,500	658,100
Bonds	6.00	67,300	5.15	73,200	4.40	73,400	213,900	8,600	222,500
Other	4.80	32,000	6.15	15,500	6.00	12,500	60,000	—	60,000
Value of insured pensioner liability	5.80	1,609,600	—	—	—	—	1,609,600	—	1,609,600
	6.21	2,173,600	6.50	171,500	6.15	186,000	2,531,100	19,100	2,550,200

27 Pension and post-employment benefits (Continued)

Reconciliation of the opening and closing present value defined benefit obligations:

	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2008 Total USD'000
Present value of obligation at 1 January	**(2,237,900)**	**(181,000)**	**(212,000)**	**(2,630,900)**	**(22,900)**	**(2,653,800)**
Employer's interest cost	**(120,300)**	**(9,600)**	**(11,700)**	**(141,600)**	**(1,300)**	**(142,900)**
Employer's current service cost	**(700)**	**—**	**(7,400)**	**(8,100)**	**(200)**	**(8,300)**
Contributions by scheme participants	**(200)**	**—**	**(2,200)**	**(2,400)**	**(200)**	**(2,600)**
Foreign currency exchange	**550,800**	**45,500**	**47,600**	**643,900**	**5,000**	**648,900**
Benefits paid	**124,000**	**8,000**	**10,000**	**142,000**	**1,100**	**143,100**
Sale of business	**(28,500)**	**—**	**—**	**(28,500)**	**—**	**(28,500)**
Curtailments	**2,400**	**—**	**—**	**2,400**	**—**	**2,400**
Amounts reclassified as defined contribution scheme	**—**	**—**	**3,200**	**3,200**	**—**	**3,200**
Amounts recognised in the statement or recognised income and expense	**—**	**—**	**—**	**—**	**—**	**—**
Actuarial gain on obligation	**202,000**	**11,100**	**30,200**	**243,300**	**4,300**	**247,600**
Present value of obligation at 31 December 2008	**(1,508,400)**	**(126,000)**	**(142,300)**	**(1,776,700)**	**(14,200)**	**(1,790,900)**

Reconciliation of the opening and closing present value defined benefit obligations:

	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2007 Total USD'000
Present value of obligation on acquisition	(2,623,000)	(845,400)	(266,900)	(3,735,300)	(21,900)	(3,757,200)
Employer's interest cost	(113,900)	(18,400)	(11,600)	(143,900)	(1,100)	(145,000)
Employer's current service cost	(4,400)	(800)	(8,400)	(13,600)	(200)	(13,800)
Past service costs—vested benefits	(6,200)	—	—	(6,200)	—	(6,200)
Contributions by scheme participants	(1,000)	(400)	(2,400)	(3,800)	(100)	(3,900)
Foreign currency exchange	(40,900)	(17,600)	(9,700)	(68,200)	(400)	(68,600)
Benefits paid	143,700	15,200	21,200	180,100	900	181,000
Sale of business	193,100	659,800	60,400	913,300	—	913,300
Settlements	276,900	—	—	276,900	—	276,900
Amounts recognised in the statement or recognised income and expense						
Actuarial (loss) / gain on obligation	(62,200)	26,600	5,400	(30,200)	(100)	(30,300)
Present value of obligation at 31 December 2007	(2,237,900)	(181,000)	(212,000)	(2,630,900)	(22,900)	(2,653,800)

27 Pension and post-employment benefits (Continued)

Reconciliation of the opening and closing fair value of scheme assets:

	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2008 Total USD'000
Fair value of scheme assets at 1 January 2008	2,173,600	171,500	186,000	2,531,100	19,100	2,550,200
Expected return on scheme assets	125,400	10,400	10,700	146,500	1,100	147,600
Contributions by employer	56,300	5,200	9,800	71,300	1,100	72,400
Contributions by scheme participants	200	—	2,200	2,400	200	2,600
Foreign currency exchange	(531,100)	(39,700)	(38,600)	(609,400)	(4,500)	(613,900)
Benefits paid	(124,000)	(8,000)	(10,000)	(142,000)	(1,100)	(143,100)
Sales of businesses	28,500	—	—	28,500	—	28,500
Amounts reclassified as defined contribution scheme	—	—	(3,000)	(3,000)	—	(3,000)
Amounts recognised in the statement of recognised income and expense						
Actuarial (loss) on assets	(278,500)	(33,500)	(38,600)	(350,600)	(3,900)	(354,500)
Fair value of scheme assets at 31 December 2008	1,450,400	105,900	118,500	1,674,800	12,000	1,686,800
Defined benefit schemes net liabilities	(58,000)	(20,100)	(23,800)	(101,900)	(2,200)	(104,100)
Actual loss on scheme assets	(153,100)	(23,100)	(27,900)	(204,100)	(2,800)	(206,900)

27 Pension and post-employment benefits (Continued)

Reconciliation of the opening and closing fair value of scheme assets:

	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2007 Total USD'000
Fair value of scheme assets on acquisition	2,578,300	680,300	233,300	3,491,900	17,600	3,509,500
Expected return on scheme assets	132,300	20,000	11,800	164,100	1,100	165,200
Contributions by employer	29,200	16,000	9,000	54,200	1,500	55,700
Contributions by scheme participants	1,000	400	2,400	3,800	100	3,900
Foreign currency exchange	40,500	13,900	8,700	63,100	200	63,300
Benefits paid	(143,700)	(15,200)	(21,200)	(180,100)	(900)	(181,000)
Sales of businesses	(199,500)	(573,700)	(57,000)	(830,200)	—	(830,200)
Settlements	(220,100)	—	—	(220,100)	—	(220,100)
Amounts recognised in the statement of recognised income and expense						
Actuarial (loss) / gain on assets transfer	(44,400)	29,800	(1,000)	(15,600)	(500)	(16,100)
Fair value of scheme assets at 31 December 2007	2,173,600	171,500	186,000	2,531,100	19,100	2,550,200
Defined benefit schemes net liabilities	(64,300)	(9,500)	(26,000)	(99,800)	(3,800)	(103,600)
Actual gain on scheme assets	87,900	49,800	10,600	148,300	600	148,900

27 Pension and post-employment benefits (Continued)

It is anticipated that the Group will make the following contributions to the pension schemes in 2009:

	P&O UK scheme USD'000	MNOPF scheme USD'000	Other schemes USD'000	Total group schemes USD'000	Share of joint ventures and associates schemes USD'000	2009 Total USD'000
Pension scheme contributions	17,300	5,600	10,700	33,600	1,200	34,800
Present value of defined benefit obligation						
31 December 2008						
Present value of define benefit obligation	(1,508,400)	(126,000)	(142,300)	(1,776,700)	(14,200)	(1,790,900)
Fair value of scheme assets	1,450,400	105,900	118,500	1,674,800	12,000	1,686,800
Surplus or deficit in the scheme	(58,000)	(20,100)	(23,800)	(101,900)	(2,200)	(104,100)
Experience gains on scheme assets	(278,500)	(33,500)	(38,600)	(350,600)	(3,900)	(354,500)
Experience gains on scheme liabilities	202,000	11,100	30,200	243,300	4,300	247,600
31 December 2007						
Present value of define benefit obligation	(2,237,900)	(181,000)	(212,000)	(2,630,900)	(22,900)	(2,653,800)
Fair value of scheme assets	2,173,600	171,500	186,000	2,531,100	19,100	2,550,200
Surplus or deficit in the scheme	(64,300)	(9,500)	(26,000)	(99,800)	(3,800)	(103,600)
Experience gains on scheme assets	(44,400)	29,800	(1,000)	(15,600)	(500)	(16,100)
Experience gains on scheme liabilities	(62,200)	26,600	5,400	(30,200)	(100)	(30,300)

P&O UK Scheme

Formal actuarial valuations of the P&O UK Scheme are normally carried out triennially by qualified independent actuaries, the latest completed regular valuation report for the scheme being at 31 March 2007, using the projected unit credit method.

At this date, the market value of the P&O UK Scheme's assets were USD 2,373,000 thousand and the value of accrued benefits to members allowing for future increases in earnings was USD 2,504,000 thousand giving a deficit of USD 131,000 thousand and a funding ratio of 94.8%.

Excluding the deficit reduction payments, the average contribution rates for the P&O UK Scheme were 28.3% for the year to 31 December 2008 and will be 29.1% from 1 January 2009.

The principal long-term assumptions in the P&O UK Scheme's 2007 valuation are:

	Nominal % per annum
Price inflation	3.00
Investment return on pre-employment portfolio	5.94
Investment return on post-employment portfolio	5.11
Earnings escalation	4.50
Increase in accrued pensions on excess over Guaranteed Minimum Pensions	2.75

27 Pension and post-employment benefits (Continued)

As a result of this valuation P&O committed to regular monthly deficit payments from April 2008 totalling USD 46,300 thousand over the following three years. These monthly payments are supported by bank guarantees.

In December 2007, as part of a process developed with P&O to de-risk the pension scheme, the Trustee transferred USD 1,600,000 thousand of P&O UK Scheme assets to Paternoster (UK) Ltd, in exchange for a bulk annuity insurance policy to ensure that the assets (in the Company balance sheet and in the Scheme) will always be equal to the current value of the liability of the pensions in payment at 30 June 2007, thus removing the funding risks for these liabilities.

During 2007 P&O launched a transfer value project for deferred members which involved cash payments from P&O to deferred members who choose to transfer their benefits to alternative pension funds outside of the Scheme. The exercise removed the risks for those who exercised their statutory right to transfer. Almost 3,000 deferred members choose to transfer out resulting in over USD 200,000 thousand being transferred out of the Scheme.

Following the sale of the Ferries division to an affiliate in March 2007, the majority of the accrued benefits of active Ferries members within the P&O UK Scheme were transferred to a separate scheme with identical benefits. The new Ferries Pension Scheme was effective from 1 April 2008 and 788 active members of the P&O Pension Scheme became eligible to join for future service and with a choice as to whether to transfer their past service to the new Scheme. 756 members took up the transfer option.

Following the sale of P&O Estates to an affiliate in December 2007, the active members will continue to be members of the P&O UK Scheme and P&O will continue to be responsible for past service liabilities.

Merchant Navy Officers' Pension Fund ("MNOPF")

The MNOPF Scheme is a defined benefit multi-employer scheme in which officers employed by companies within the Group have participated and continue to participate.

The scheme is divided into two sections, the Old Section and the New Section, both of which are closed to new members and the latest valuation was carried out at 31 March 2006.

The Old Section has been closed to benefit accrual since 1978. The scheme's independent actuary advised that at 31 March 2006 the market value of the scheme's assets for the Old Section was USD 2,924,000 thousand, representing approximately 107% of the value of the benefits accrued to members. The assets of the Old Section were substantially invested in bonds.

As at 31 March 2006, the date of the most recent formal actuarial valuation, the New Section had assets with a market value of USD 3,833,000 thousand, representing approximately 93% of the benefits accrued to members. The valuation assumptions were as follows:

	Nominal % per annum
Investment return on pre-employment portfolio	7.00
Investment return on post-employment portfolio	4.75
Rate of national average earnings increase	4.50
Rate of pension increases (where increases apply)	3.00

At the date of the valuation, approximately 57% of the New Section's assets were invested in equities, 15% in bonds and 28% in property and cash.

Following a court decision in 2005, the trustee advised P&O that its share of the net deficit of the New Section was 18.319% (of which 14.964% related to the Ferries division companies) and issued a schedule of regular deficit payments from P&O companies totalling USD 11,100 thousand per annum (of which USD 9,000 thousand will be paid by the Ferries division companies) commencing on 30 September 2005

27 Pension and post-employment benefits (Continued)

and payable annually on 31 March thereafter until 31 March 2014. In addition part of the deficit payments being made by Carnival plc are attributable to P&O under the terms of the demerger agreement relating to the demerger of P&O Princes Cruises in 2000, these payments equate to a further 1.096% of the net deficit.

The proportion of deficit attributable to P&O changed with effect from 20 February 2007 to 21.640% as not all employers met their deficit payments. The payments to P&O Princess Cruises have also changed and these payments now equate to a further 1.295%.

As a result of the 31 March 2006 valuation report for the scheme the trustee issued a further schedule of regular deficit payments from P&O companies totalling USD 10,600 thousand (of which USD 8,400 thousand will be paid by the Ferries division companies) commencing on 30 September 2007 and payable annually on 30 September thereafter until 30 September 2014.

Following the transfer of the Ferries division to an affiliate in March 2007 P&O's share of the net deficit of the New Section at 31 December 2008 is estimated at 4.69%.

Merchant Navy Ratings' Pension Fund ("MNRPF")

The Merchant Navy Ratings' Pension Fund (the "MNRPF Scheme") is an industry wide multi-employer defined benefit pension scheme in which sea staff employed by companies within P&O have participated. The scheme has a significant funding deficit and has been closed to further benefit accrual.

As at 31 March 2005, the date of the most recent full triennial actuarial valuation carried out by an independent actuary, the scheme had assets with a market value of USD 1,117,000 thousand, representing 86% of the benefits accrued to members allowing for future increases. Approximately 63% of the scheme's assets were invested in bonds, 27% in equities and 10% in property and cash. The valuation assumptions were as follows:

	Nominal % per annum
Investment return on pre-employment portfolio	6.50
Investment return on post-employment portfolio	5.00
Rate of national average earnings increase	4.20
Rate of pension increases (where increases apply)	2.70

Following this valuation P&O is yet to receive any adjustments to the previous schedule of payments. P&O made current contributions in respect of subsidiaries that were current employers in the scheme and annual contributions in respect of these and certain other subsidiaries. Current contributions and annual contributions by P&O to the scheme in 2007 totalled USD 1,560 thousand (of which USD 1,532 thousand related to the Ferries division companies). These payments were included within total defined contribution expense for the P&O.

P&O appointed an independent actuary to estimate the deficit of the MNRPF Scheme in 2007 and using the same assumptions as applied for the IAS 19 valuation of the P&O UK Scheme, based on the share of current contributions to the scheme by P&O companies, the Group's share of the estimated deficit was estimated at that date to be between USD 14,000 thousand and USD 19,000 thousand.

The Group could not identify its share of the underlying assets and liabilities of the MNRPF Scheme on a consistent and reasonable basis and is therefore accounted for contributions and payments to the MNRPF Scheme under IAS 19 as if it were a defined contribution scheme.

Following the transfer of the Ferries division companies P&O's share of the deficit at 31 December 2008 is immaterial.

27 Pension and post-employment benefits (Continued)

Other schemes

Other defined benefit schemes include schemes in Australia, Canada, Indonesia, Pakistan, Hong Kong and the Philippines.

Other industry schemes are mainly overseas multi-employer schemes, in which the Group is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis. The Group is therefore accounting for contributions to these schemes as if they were defined contribution schemes for IAS 19 purposes.

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") in Hong Kong, under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' relevant income and are charged to the consolidated income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The Group also operates a defined contribution retirement benefits scheme (the "ORSO Scheme") in Hong Kong for those employees who are eligible to participate in this scheme. The ORSO Scheme operates in a similar way to the MPF Scheme, except that when an employee leaves the ORSO Scheme before the employer contributions vest fully, the ongoing employer contributions payable by the Group are reduced by the relevant amount of the forfeited employer contributions.

In respect of Australia, on 30 April 2008 the Group transferred all the assets and liabilities of its pension plan (the P&O Australia Superannuation Fund, POASF) into an Australian Master Trust, the Mercer Superannuation Trust (MST) and from that date is a participating employer within MST with a sub-fund within MST named the "DP World Australia Superannuation Plan" (DPWASP). The Group is also a participating employer in the pension plan associated with the stevedoring industry, the Stevedoring Employees' Retirement Fund (SERF).

The defined benefit section of DPWASP is closed to new members. At 31 December 2008 the plan had a small deficit of USD 606 thousand.

SERF is a multi-employer superannuation fund. Its defined benefit section is closed to new members. As a multi-employer fund there is no reliable basis for allocating benefits, assets and costs between employers and therefore the Group has adopted multi employer provisions when reporting under IFRS. Those provisions allow the employers to report as if the fund was a defined contribution fund. In any event as at 31 December 2008 the total number of members remaining in the defined benefit section of SERF were 221 of which DP World's share was 89. At the last actuarial review in June 2007 SERF's past service surplus was USD 2,695 thousand.

28 Loans and borrowings

This note provides information about the expected terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. Information about the Group's exposure to interest rate, foreign currency and liquidity risk are described in note 32.

	2008 USD'000	2007 USD'000
Non-current liabilities		
Secured bank loans	**427,810**	96,277
Mortgage debenture stock	**2,083**	2,827
Unsecured loan stock	**4,777**	6,481
Unsecured bank loans	**1,513,150**	2,246,571
Unsecured bond issues	**3,230,244**	3,227,440
Finance lease liabilities	**18,830**	28,180
	5,196,894	5,607,776
Current liabilities		
Secured bank loans	**56,499**	85,119
Unsecured bank loans	**109,233**	25,733
Finance lease liabilities	**6,719**	461
	172,451	111,313
Total	**5,369,345**	5,719,089

28 Loans and borrowings (Continued)

Terms and debt repayment schedule

Terms and conditions of outstanding loans were as follows:

	Notes	Currency	Nominal interest rate	Year of maturity	Face value USD'000	2008 Carrying amount USD'000
Secured bank loan		EGP	14%	2013	**7,122**	**7,122**
Secured bank loan		Various	Variable	2015-2019	**5,980**	**5,980**
Secured bank loan		GBP	Variable	2010	**34,046**	**34,046**
Secured bank loan		INR	9.86%	2014	**7,994**	**7,994**
Secured bank loan		PKR	Variable	2010	**39,639**	**39,639**
Secured bank loan		USD	Variable	2009-2023	**305,347**	**305,347**
Secured bank loan		USD	3.58%- 6.88%	2009-2017	**84,181**	**84,181**
Mortgage debenture stock		GBP	3.50%	undated	**2,083**	**2,083**
Unsecured loan stock		USD	Variable	undated	**4,777**	**4,777**
Unsecured bank loan		AUD	Variable	2010	**70,935**	**70,935**
Unsecured bank loan		CAD	Variable	2011	**159,628**	**159,628**
Unsecured bank loan		GBP	Variable	2010	**124,355**	**124,355**
Unsecured bank loan		INR	Variable	2009	**82,473**	**82,473**
Unsecured bank loan		INR	7.20%-9.75%	2009-2010	**67,152**	**67,152**
Unsecured bank loan		PHP	Variable	2009-2014	**49,155**	**49,155**
Unsecured bank loan		SAR	Variable	2010-2017	**35,505**	**35,505**
Unsecured bank loan		USD	Variable	2009-2011	**253,336**	**253,336**
Unsecured bank loan	28(a)	USD	Variable	2012	**790,000**	**779,845**
Unsecured sukuk bonds	28(b)	USD	*	2017	**1,500,000**	**1,484,317**
Unsecured MTNs	28(b)	USD	6.85%	2037	**1,750,000**	**1,738,004**
Unsecured bond issue		USD	7.88%	2027	**8,000**	**7,923**
Finance lease liabilities		Various	Variable	2009-2014	**25,548**	**25,548**
					5,407,256	**5,369,345**

* The profit rate on this islamic bond is 6.25%.

(a) The unsecured bank loans include USD 790,000 thousand (2007: USD 1,324 thousand) drawn under a USD 3,000,000 thousand revolving credit facility. This is a committed facility with a final maturity on 22 October 2012.

(b) The Group has a listed conventional bond of USD 1,750,000 thousand Medium Term Note and a Sukuk (Islamic Bond) of USD 1,500,000 thousand listed under DP World Sukuk Limited on NASDAQ Dubai and the London Stock Exchange (LSE).

(c) The bank loans are secured over property, plant and equipment with a carrying amount of USD 781,632 (2007: USD 206,320) thousand and a cash lien of USD 443,933 thousand (2007: USD 549,180 thousand—refer to note 20).

At 31 December 2008, the Group had available USD 2,770,083 thousand (2007: 1,832,095 thousand) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met.

28 Loans and borrowings (Continued)

Terms and debt repayment schedule

Terms and conditions of outstanding loans were as follows:

	Notes	Currency	Nominal interest rate	Year of maturity	Face value USD'000	2007 Carrying amount USD'000
Secured bank loan		USD	Variable	2017	57,035	57,035
Secured bank loan		INR	9.86%	2019	10,888	10,888
Secured bank loan		GBP	Variable	2010	84,740	84,740
Secured bank loan		USD	Variable	2011	16,000	16,000
Unsecured bank loan		AUD	Variable	2010	143,000	143,000
Unsecured bank loan		CAD	Variable	2008-2011	194,685	194,685
Unsecured bank loan		GBP	Variable	2010	168,736	168,736
Unsecured bank loan		INR	6.79%-8.50%	2008-2009	224,685	224,685
Unsecured bank loan		PHP	Variable	2011	11,867	11,867
Unsecured bank loan		PHP	10.83%	2011	41,587	41,587
Unsecured bank loan		SAR	7.50%	2010	21,327	21,327
Unsecured bank loan		USD	Variable	2010	137,688	137,688
Unsecured bank loan	28(a)	USD	Variable	2012	1,324,000	1,311,196
Unsecured sukuk bonds	28(b)	USD	*	2017	1,500,000	1,487,099
Unsecured MTNs	28(b)	USD	6.85%	2037	1,750,000	1,732,341
Finance lease liabilities		Various	Various	2008-2014	44,051	28,641
Others		Various	Various	2008-2020	38,266	38,266
Others		Various	Various	undated	9,308	9,308
					5,777,863	5,719,089

* The profit rate on this islamic bond is 6.25%.

Finance lease liabilities

Finance lease liabilities are payable as follows:

	Future minimum lease payments USD'000	Interest USD'000	2008 Present value of minimum lease payments USD'000
Less than one year	**5,362**	**(885)**	**4,477**
Between one and five years	**16,705**	**(3,264)**	**13,441**
More than five years	**16,437**	**(8,806)**	**7,631**
At 31 December	**38,504**	**(12,955)**	**25,549**

	Future minimum lease payments USD'000	Interest USD'000	2007 Present value of minimum lease payments USD'000
Less than one year	12,041	(1,422)	10,619
Between one and five years	24,432	(13,388)	11,044
More than five years	7,578	(600)	6,978
At 31 December	44,051	(15,410)	28,641

29 Provisions

	2008 USD'000	2007 USD'000
At 1 January	**77,500**	100,600
Translation adjustment	**(7,400)**	6,300
Charged to the consolidated income statement	**8,900**	48,000
Released to the consolidated income statement	**(4,600)**	(5,400)
On disposal of subsidiaries	**—**	(52,400)
Released during the year	**(33,200)**	(29,600)
Other provisions	**—**	10,000
At 31 December	**41,200**	77,500
Disclosed in balance sheet as:		
Current	**40,300**	43,400
Non-current	**900**	34,100
At 31 December	**41,200**	77,500

These provisions relate mainly to restructuring and reorganisations projects undertaken by the Group, exposure arising from former employees working in environments that used to contain asbestos, and other miscellaneous claims.

30 Accounts payable and accruals

	Current USD'000	Non-current USD'000	2008 Total USD'000
Trade payables	**174,275**	**—**	**174,275**
Amounts owed to joint ventures and associates	**64,647**	**3,700**	**68,347**
Other payables and accruals	**623,969**	**214,086**	**838,055**
Fair value of derivative financial instruments	**53,954**	**38,300**	**92,254**
Amounts due to related parties	**91,292**	**121,971**	**213,263**
At 31 December	**1,008,137**	**378,057**	**1,386,194**

	Current USD'000	Non-current USD'000	2007 Total USD'000
Trade payables	132,698	10,700	143,398
Amounts owed to joint ventures and associates	92,707	800	93,507
Other payables and accruals	597,032	138,019	735,051
Fair value of derivative financial instruments	13,300	11,300	24,600
Amounts due to related parties	83,618	109,453	193,071
At 31 December	919,355	270,272	1,189,627

31 Related party transactions

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over it in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or significant influence i.e. part of the same Parent Group.

Related parties represent associated companies, shareholders, directors and key management personnel of the Group, and entities jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

31 Related party transactions (Continued)

Transactions with related parties during the years are as follows:

(a) The Parent Group operates a Shared Services Unit ("SSU") which recharges the proportionate costs of services provided to the Group. SSU also processes the payroll for the Group and recharges the respective payroll costs.

(b) All liabilities in respect of amounts payable to third parties by the Group are disbursed from the Group's head office. In addition, the Group operates its own treasury function.

(c) During the year, the Group sold 25% of investments in a subsidiary, Constanta South Container Terminal SRL to Port and Free Zone World FZE.

Transactions with related parties included in the financial statements are as follows:

	2008 USD'000	2007 USD'000
Expenses charged by related parties	**39,049**	46,748
Concession fee charged by a related party	**48,172**	48,751

Balances with related parties included in the balance sheet are as follows:

	Due from Related parties		Due to related parties	
	2008 USD'000	2007 USD'000	2008 USD'000	2007 USD'000
Joint ventures and associates	**39,688**	7,679	**68,347**	93,507
Other related parties	**113,284**	86,969	**213,263**	193,071
	152,972	94,648	**281,610**	286,578

The Group's bankers have issued guarantees amounting to USD 253,475 thousand (2007: USD 158,110 thousand) in respect of payment guarantees, USD 71,117 thousand (2007: USD 32,204 thousand) in respect of performance guarantees and USD 1,793 thousand (2007: USD 1,793 thousand) in respect of letters of credit on behalf of its subsidiaries.

Loan and lease guarantees issued on behalf of joint ventures and associates amount to USD 10,995 thousand (2007: USD 795 thousand).

Compensation of key management personnel

The remuneration of directors and other key members of the management during the year were as follows:

	2008 USD'000	2007 USD'000
Short-term benefits and bonus	**6,474**	5,828
Post retirement benefits	**565**	298
	7,039	6,126

32 Financial instruments

(a) Credit risk

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Carrying amount	
	2008 USD'000	2007 USD'000
Available-for-sale financial assets	**39,041**	29,600
Held-to-maturity investments	**12,000**	12,100
Loans and receivables	**593,195**	610,945
Bank balances and cash	**1,204,074**	3,058,863
Cross currency swaps	**1,763**	—
Interest rate swaps used for hedging	**37**	800
	1,850,110	3,712,308

The Group limits its credit risks with regard to bank deposits by dealing only with reputable banks.

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region is as follows:

Asia Pacific and Indian subcontinent	**27,732**	19,551
Australia and Americas	**62,902**	76,236
Middle East, Europe and Africa	**155,485**	153,749
	246,119	249,536

The ageing of trade receivables at the reporting date was:

Neither past due nor impaired on the reporting date:	**155,538**	189,514
Past due on the reporting date		
Past due 0-30 days	**58,006**	42,625
Past due 31-60 days	**17,246**	10,235
Past due 61-90 days	**5,548**	5,163
Past due > 90 days	**9,781**	1,999
	246,119	249,536

Movement in the allowance for impairment in respect of trade receivables during the year was:

	2008 USD'000	2007 USD'000
At 1 January	**7,797**	21,799
Bad debts provision recognized / (derecognized)	**51,977**	(14,002)
At 31 December	**59,774**	7,797

Trade receivables with the top ten customers represent 50% (2007: 42%) of the gross trade receivables.

32 Financial instruments (Continued)

(b) Liquidity risk

2008

The following are the contractual maturities of financial liabilities, including estimated interest payments and excludes the impact of netting agreements.

	Carrying amount USD'000	Contractual cash flows USD'000	Less than 1 year USD'000	1 - 2 years USD'000	2 - 5 years USD'000	More than 5 years USD'000
Non derivative financial liabilities						
Secured bank loans	484,309	(577,936)	(61,180)	(77,290)	(280,767)	(158,699)
Unsecured bond issues	3,230,244	(7,483,283)	(214,255)	(214,255)	(642,765)	(6,412,008)
Mortgage debenture stocks	2,083	(2,521)	(73)	(73)	(219)	(2,156)
Unsecured loan stock	4,777	(6,926)	(358)	(358)	(1,075)	(5,135)
Finance lease liabilities	25,549	(38,504)	(5,362)	(5,898)	(10,807)	(16,437)
Unsecured syndicate bank loans	779,845	(863,865)	(20,145)	(20,145)	(823,575)	—
Unsecured other bank loans	842,538	(914,217)	(144,780)	(440,558)	(322,150)	(6,729)
Trade and other payables	1,293,940	(1,293,940)	(1,293,940)	—	—	—
Bank overdraft	49,929	(49,929)	(49,929)	—	—	—
Derivative financial liabilities						
Interest rate swaps used for hedging	87,341	(92,967)	(20,305)	(20,633)	(35,320)	(16,709)
Forward exchange contracts used for hedging						
Net outflow	3,313	(4,133)	(2,029)	(2,104)	—	—
Other derivatives						
Net outflow	1,600	(1,832)	(356)	(397)	(1,079)	—
Total	6,805,468	(11,330,053)	(1,812,712)	(781,711)	(2,117,757)	(6,617,873)

2008

The following table indicates the periods in which the cash flows associated with derivatives that are cash flow hedges are expected to occur. The timing of these cash flows is not materially different from the impact on the income statement.

	Carrying amount USD'000	Expected cash flows USD'000	Less than 1 year USD'000	1 - 2 years USD'000	2 - 5 years USD'000	More than 5 years USD'000
Interest rate swaps						
Assets	37	51	51	—	—	—
Liabilities	(87,341)	(92,967)	(20,305)	(20,633)	(35,320)	(16,709)
Forward exchange contracts used for hedging						
Net liabilities	(3,313)	(4,133)	(2,029)	(2,104)	—	—
Cross currency swaps						
Assets	1,763	1,874	46	1,247	581	—
Other derivatives						
Net liabilities	(1,600)	(1,832)	(356)	(397)	(1,079)	—
Total	(90,454)	(97,007)	(22,593)	(21,887)	(35,818)	(16,709)

32 Financial instruments (Continued)

(b) Liquidity risk (Continued)

2007

The following are the contractual maturities of financial liabilities, including estimated interest payments and excludes the impact of netting agreements.

	Carrying amount USD'000	Contractual cash flows USD'000	Less than 1 year USD'000	1 - 2 years USD'000	2 - 5 years USD'000	More than 5 years USD'000
Non derivative financial liabilities						
Secured bank loans	181,396	(243,416)	(14,226)	(19,310)	(146,186)	(63,694)
Mortgage debenture stocks	2,827	(3,223)	(99)	(99)	(99)	(2,926)
Unsecured bond issues	3,227,440	(7,784,380)	(214,255)	(214,255)	(642,765)	(6,713,105)
Unsecured loan stock	6,481	(9,397)	(486)	(486)	(1,458)	(6,967)
Finance lease liabilities	28,641	(44,051)	(12,041)	(6,041)	(18,391)	(7,578)
Unsecured bank loans	1,311,196	(1,438,292)	—	(21,185)	(1,417,107)	—
Unsecured bank loans	961,108	(1,090,819)	(152,699)	(373,195)	(564,925)	—
Trade and other payables	1,165,027	(1,165,027)	(1,165,027)	—	—	—
Bank overdraft	182,866	(182,866)	(182,866)	—	—	—
Derivative financial liabilities						
Interest rate swaps used for hedging	10,500	(14,403)	(5,055)	(3,694)	(4,772)	(882)
Forward exchange contracts used for hedging						
Net outflow	1,800	(2,274)	(718)	(842)	(714)	—
Cross currency swaps						
Net outflow	10,500	(14,442)	(8,964)	(1,568)	(3,910)	—
Other derivatives						
Net outflow	1,800	(1,947)	(315)	(337)	(1,178)	(117)
Total	7,091,582	(11,994,537)	(1,756,751)	(641,012)	(2,801,505)	(6,795,269)

2007

The following table indicates the periods in which the cash flows associated with derivatives that are cash flow hedges are expected to occur. The timing of these cash flows is not materially different from the impact on the income statement.

	Carrying amount USD'000	Expected cash flows USD'000	Less than 1 year USD'000	1 - 2 years USD'000	2 - 5 years USD'000	More than 5 years USD'000
Interest rate swaps						
Assets	800	929	554	375	—	—
Liabilities	(10,500)	(14,403)	(5,055)	(3,694)	(4,772)	(882)
Forward exchange contracts used for hedging						
Net liabilities	(1,800)	(2,274)	(718)	(842)	(714)	—
Cross currency swaps						
Net liabilities	(10,500)	(14,442)	(8,964)	(1,568)	(3,910)	—
Other derivatives						
Net liabilities	(1,800)	(1,947)	(315)	(337)	(1,178)	(117)
Total	(23,800)	(32,137)	(14,498)	(6,066)	(10,574)	(999)

32 Financial instruments (Continued)

(b) Liquidity risk (Continued)

(i) Currency risk

Exposure to currency risk

The Group's exposure to foreign currency risk was as follows:

	USD USD'000	GBP USD'000	EUR USD'000	AUD USD'000	INR USD'000	CAD USD'000	Others USD'000	2008 Total USD'000
Cash and cash equivalents	**871,856**	**56,371**	**67,960**	**88,917**	**(450)**	**7,861**	**111,559**	**1,204,074**
Trade receivables	**87,481**	**15,857**	**33,867**	**41,845**	**12,773**	**15,047**	**39,249**	**246,119**
Secured bank loans and debenture stock	**(396,635)**	**(31,352)**	**(3,652)**	**—**	**(7,994)**	**—**	**(46,759)**	**(486,392)**
Unsecured bank loans and debenture stock	**(1,033,181)**	**(129,132)**	**—**	**(70,935)**	**(149,625)**	**(159,628)**	**(84,659)**	**(1,627,160)**
Bank overdraft	**(12,411)**	**—**	**—**	**(11,984)**	**(25,516)**	**—**	**(18)**	**(49,929)**
Trade payables	**(55,953)**	**(11,610)**	**(47,496)**	**(4,194)**	**(24,988)**	**(2,926)**	**(27,108)**	**(174,275)**
Gross balance sheet exposures	**(538,843)**	**(99,866)**	**50,679**	**43,649**	**(195,800)**	**(139,646)**	**(7,736)**	**(887,563)**
Forward exchange contracts	**—**	**—**	**(3,185)**	**65**	**(128)**	**—**	**—**	**(3,248)**
Net exposure	**(538,843)**	**(99,866)**	**47,494**	**43,714**	**(195,928)**	**(139,646)**	**(7,736)**	**(890,811)**

The Group's exposure to foreign currency risk was as follows:

	USD USD'000	GBP USD'000	EUR USD'000	AUD USD'000	INR USD'000	CAD USD'000	Others USD'000	2007 Total USD'000
Cash and cash equivalents	2,692,832	118,281	80,823	51,061	17,187	9,400	89,279	3,058,863
Trade receivables	91,086	26,437	35,370	48,940	3,994	18,968	24,741	249,536
Secured bank loans	(75,004)	(84,740)	—	—	(10,888)	—	(10,764)	(181,396)
Unsecured bank loans	(1,459,748)	(168,736)	(1,042)	(142,349)	(225,676)	(194,685)	(80,068)	(2,272,304)
Bank overdraft	(300)	(131,300)	(19,100)	100	—	—	(32,266)	(182,866)
Trade payables	(41,870)	(17,381)	(18,355)	(19,923)	(28,677)	(3,095)	(14,097)	(143,398)
Gross balance sheet exposures	1,206,996	(257,439)	77,696	(62,171)	(244,060)	(169,412)	(23,175)	528,435
Forward exchange contracts	—	—	—	(1,688)	101	(43)	—	(1,630)
Net exposure	1,206,996	(257,439)	77,696	(63,859)	(243,959)	(169,455)	(23,175)	526,805

The following significant exchange rates applied during the year:

	Average rate during		Reporting date spot rate	
	2008	2007	2008	2007
GBP	**0.545**	0.500	**0.684**	0.504
EUR	**0.684**	0.731	**0.714**	0.685
AUD	**1.195**	1.196	**1.411**	1.142
INR	**43.441**	41.667	**48.577**	40.000
CAD	**1.068**	1.074	**1.216**	0.996

32 Financial instruments (Continued)

(b) Liquidity risk (Continued)

(ii) Sensitivity analysis

A 10 percent strengthening of the USD against the following currencies at 31 December would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. Further, as each entity in the Group determines its own functional currency, the effect of translating financial assets and liabilities of the respective entity would mainly impact equity.

	Equity		Income statement	
	2008 USD'000	2007 USD'000	2008 USD'000	2007 USD'000
GBP	**(9,987)**	(25,744)	**357**	1,319
EUR	**5,068**	7,770	**78**	6
AUD	**4,365**	(6,217)	**172**	839
INR	**(19,580)**	(24,406)	**1,393**	1,700
CAD	**(13,965)**	(16,941)	**486**	1,110

A 10 percent weakening of the USD against the above currencies at 31 December would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

(c) Interest rate risk

(i) Profile

At the reporting date the interest rate profile of the Group's interest bearing financial instruments was:

	Carrying amount	
	2008 USD'000	2007 USD'000
Fixed rate instruments		
Financial assets	**14,189**	13,300
Financial liabilities	**(3,476,589)**	(3,544,323)
Interest rate swaps hedging floating rate debt	**(699,211)**	(354,613)
	(4,161,611)	(3,885,636)
Variable rate instruments		
Financial liabilities	**(1,892,756)**	(2,174,766)
Interest rate swaps hedging floating rate debt	**699,211**	354,613
	(1,193,545)	(1,820,153)

The Group has hedged its exposure to variable rates by entering into fixed interest rate swaps for a notional amount equivalent to USD 699,211 thousand (2007: USD 354,613 thousand).

32 Financial instruments (Continued)

(ii) Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bp") in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Income statement		Equity	
	100 bp increase USD'000	100 bp decrease USD'000	100 bp increase USD'000	100 bp decrease USD'000
2008				
Variable rate instruments	**11,935**	**(11,935)**	**—**	**—**
Interest rate swap	**880**	**(880)**	**6,112**	**(6,112)**
Cash flow sensitivity (net)	**12,815**	**(12,815)**	**6,112**	**(6,112)**
2007				
Variable rate instruments	18,202	(18,202)	—	—
Interest rate swap	—	—	3,546	(3,546)
Cash flow sensitivity (net)	18,202	(18,202)	3,546	(3,546)

(iii) Fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet are as follows:

	2008		2007	
	Carrying amount USD'000	Fair value USD'000	Carrying amount USD'000	Fair value USD'000
Available-for-sale financial assets	**39,041**	**39,041**	29,600	29,600
Held-to-maturity investments	**12,000**	**12,000**	12,100	12,100
Loans and receivables	**593,195**	**593,195**	610,945	610,945
Cash and cash equivalents	**1,204,074**	**1,204,074**	3,058,863	3,058,863
Interest rate swaps used for hedging:				
Assets	**37**	**37**	800	800
Liabilities	**(87,341)**	**(87,341)**	(10,500)	(10,500)
Currency swaps:				
Assets	**1,763**	**1,763**	—	—
Liabilities	**—**	**—**	(10,500)	(10,500)
Forward foreign currency contracts:				
Liabilities	**(3,313)**	**(3,313)**	(1,800)	(1,800)
Other derivatives:				
Liabilities	**(1,600)**	**(1,600)**	(1,800)	(1,800)
Secured bank loans	**(484,309)**	**(484,309)**	(181,396)	(181,396)
Mortgage debenture stocks	**(2,083)**	**(2,083)**	(2,827)	(2,827)
Unsecured bond issues	**(3,230,244)**	**(1,780,660)**	(3,227,440)	(3,082,616)
Unsecured loan stock	**(4,777)**	**(4,777)**	(6,481)	(6,481)
Finance lease liabilities	**(25,549)**	**(25,549)**	(28,641)	(28,641)
Unsecured bank loans	**(1,622,383)**	**(1,622,383)**	(2,272,304)	(2,272,304)
Trade and other payables	**(1,293,940)**	**(1,293,940)**	(1,165,027)	(1,165,027)
Bank overdraft	**(49,929)**	**(49,929)**	(182,866)	(182,866)

33 Operating leases

Operating lease commitments—Group as lessee

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

	2008 USD'000	2007 USD'000
Within one year	**226,609**	217,678
Between one to five years	**682,133**	648,247
Between five to ten years	**1,333,085**	1,347,577
Between ten to twenty years	**1,765,711**	1,958,176
Between twenty to thirty years	**903,900**	634,868
Between thirty to fifty years	**1,179,331**	1,019,876
Between fifty to seventy years	**920,908**	914,908
More than seventy years	**1,218,553**	1,257,999
	8,230,230	7,999,329

Operating lease commitments—Group as lessor

Future minimum rentals receivable under non-cancellable operating leases as at 31 December are as follows:

Within one year	**17,393**	13,417
Between one to five years	**45,601**	23,809
More than five years	**39,136**	3,695
	102,130	40,921

34 Capital commitments

	2008 USD'000	2007 USD'000
Estimated capital expenditure contracted for at the balance sheet date	**1,407,725**	1,195,405

35 Contingencies

(a) The Group has contingent liabilities amounting to USD 253,475 thousand (2007: USD 158,110 thousand) in respect of payment guarantees, USD 71,117 thousand (2007: USD 32,204 thousand) in respect of performance guarantees and USD 1,793 thousand (2007: USD 1,793 thousand) in respect of letters of credit issued by the Group's bankers.

(b) The Group through its 100% owned subsidiary Mundra International Container Terminal Private Limited ("MICT") has developed and is operating the container terminal at the Mundra port in Gujarat.

In 2006, MICT received a show cause notice from Gujarat Maritime Board ("GMB") requiring MICT to demonstrate that the undertaking given by its parent company, P&O Ports (Mundra) Private Limited, with regard to its shareholding in MICT has not been breached in view of P&O Ports being taken over by the Group (DP World).

Based on the strong merits of the case and on the advice received from legal counsel, management believes that the above litigation is unsubstantiated, and in management's view, it will have no impact on the Group's ability to continue to operate the port.

35 Contingencies (Continued)

(c) Chennai Port Trust ("CPT") has raised a demand for an amount of USD 18,810 thousand (2007: Nil) from Chennai Container Terminal Limited ("CCTL"), a subsidiary of the Company, on the basis that CCTL has failed to fulfil its obligations in respect of non-transhipment containers for a period of four consecutive years from 1 December 2003. CCTL has subsequently paid USD 13,150 thousand (2007: Nil) under dispute. CCTL has commenced legal proceedings at the Chennai High Court against CPT. Based on advice from the legal counsel, management believes that the legal proceedings will have no adverse impact on the Group's financial position; the amount paid is highly likely to be recovered eventually and will not result in termination of the license agreement to operate the port.

CPT has raised a demand for an amount of USD 15,230 thousand (2007: USD Nil) from CCTL, towards additional lease charges for the land leased out to CCTL. Legal proceedings have been initiated for this matter and the Company strongly believes that this case will be settled in the Company's favour.

36 Significant group entities

The extent of the Group's ownership in its various subsidiaries and associates and their principal activities are as follows:

(a) Significant holding companies

Legal Name	Ownership interest	Country of incorporation	Principal activities
DP World FZE	100%	United Arab Emirates	Management and operation of seaports and airports and leasing of port equipment
Thunder FZE	100%	United Arab Emirates	Holding company
Peninsular and Oriental Steam Navigation Company Limited	100%	United Kingdom	Management and operations of seaports
DP World Ports Co-op U.A	100%	Netherlands	Holding Company
DP World Maritime Cooperatieve U.A	100%	Netherlands	Holding Company
DPI Terminals Holdings C.V.	100%	Netherlands	Holding Company
DPI Terminals Asia Holding Limited	100%	Netherlands	Holding Company
DPI Terminals (BVI) Limited	100%	Netherlands	Holding Company

(b) Significant subsidiaries—Ports

Legal Name	Ownership interest	Country of incorporation	Principal activities
Terminales Rio de la Plata SA	55.62%	Argentina	Container terminal operations
DP World Adelaide Pty Ltd	100%	Australia	Container terminal operations
DP World Australia Limited	100%	Australia	Container terminal operations
Container Terminal Australia Ltd	90.37%	Australia	Container terminal operations
DP World (Fremantle) Ltd	100%	Australia	Container terminal operations
DP World Antwerp NV	100%	Belgium	Container terminal and other operations
DP World Vancouver	100%	Canada	Container terminals and Stevedoring
Egyptian Container Handling Company (ECHCO)—S.A.E	90%	Egypt	Container terminal operations
DP World Germersheim, GmbH and Co. KG	100%	Germany	Container terminal operator and Barge management operator
CSX World Terminals Hong Kong Limited	66.66%	Hong Kong	Container terminal operations
India Gateway Terminal Pvt. Ltd	78.08%	India	Container terminal operations

36 Significant group entities (Continued)

Legal Name	Ownership interest	Country of incorporation	Principal activities
Mundra International Container Terminal Private Limited	100%	India	Container terminal operations
Nhava Sheva International Container Terminal Private Limited	100%	India	Container terminal operations
Chennai Container Terminal Private Limited	100%	India	Container terminal operation
DP World Middle East Limited	100%	Kingdom of Saudi Arabia	Container terminal operations
Maputo International Port Services	60%	Mozambique	Container terminal operations
Qasim International Container Terminal Pakistan Ltd	75%	Pakistan	Container terminal operations
Asian Terminals Inc	84.13%	Philippines	Container terminal operations
Constanta South Container Terminal SRL	75%	Romania	Container terminal operations
DP World Tarragona SA	60%	Spain	Container terminal operations
DP World Dakar S.A.	90%	Senegal	Container terminal operations
DP World UAE Region FZE	100%	United Arab Emirates	Container terminal operations
DP World Fujairah FZE	100%	United Arab Emirates	Container terminal operations
Southampton Container Terminals Limited	51%	United Kingdom	Container Terminal operations

(c) Joint ventures and associates—Ports

Legal Name	Ownership interest	Country of incorporation	Principal activities
Antwerp Gateway N.V	42.5%	Belgium	Container terminal operations
Caucedo Investment Inc.	35%	British Virgin Islands	Container terminal operations
Manutention Generale Mediterranenne SA (Marseille)	25.50%	France	Container terminal operations
Manutention Terminal Nord Development SA (Le Havre)	50%	France	Container terminal operations
Port Synergy SAS	50%	France	Container terminal operations
Asia Container Terminals Limited	55.16%*	Hong Kong	Container terminal operations
Vishaka Container Terminals Private Limited	26%	India	Container terminal operations
PT Terminal Petikemas Surabaya	49%	Indonesia	Container terminal operations
Pusan New Port Co. Ltd	39.55%	Korea	Container terminal operations
Qingdao Qianwan Container Terminal Co. Ltd	29%	People's Republic of China	Container terminal operations
Tianjin Orient Container Terminal Co Ltd	24.50%	People's Republic of China	Container terminal operations
DP World Yantai Company Limited	32.50%	People's Republic of China	Container terminal operations
Vostochnaya Stevedoring Company	25%	Russia	Container terminal operations
Laem Chabang International Terminal Co. Ltd.	34.50%	Thailand	Container terminal operations
Tilbury Container Services Ltd.	34%	United Kingdom	Container terminal operations
DP World Boulton Puerto Cabello, C.A	50%	Venezuela	Container terminal operations
Dubai & Aden Port Development Company	33.34%	Yemen	Container terminal operations

36 Significant group entities (Continued)

(d) Other non port business

Legal Name	Ownership interest	Country of incorporation	Principal activities
P&O Maritime Services Pty Ltd	100%	Australia	Maritime services
Defence Maritime Services Pty Ltd	50%	Australia	Maritime services
ATL Logistics Centre Hong Kong Limited	34%	Hong Kong	Warehouse owner / Operator
ATL Logistics Centre Yantian Limited	48.83%	Hong Kong	Warehousing and logistics
DP World Crane Services (Shanghai)	100%	People's Republic of China	Technical support, services, consulting to crane manufacturers and leasing of port equipment
ATL Logistics Centre Yantian (Shenzen) Limited	48.83%	People's Republic of China	Warehousing and logistics
Port Secure FZCO	40%	Republic of Djibouti	Port Security Services
Dubai International Djibouti FZE	100%	United Arab Emirates	Port Management and Operation
P&O Maritime FZE	100%	United Arab Emirates	Mngmt of Marine Assets service & port support Operations

(e) New developments

Legal Name	Ownership interest	Country of incorporation	Principal activities
Tianjin Manmade Island	25%	People's Republic of China	Container terminal operations
Tianjin Xingang Sinor Terminal Co. Ltd	22.50%	People's Republic of China	Container terminal operations
DP World Callao SA	70%	Peru	Container terminal operations
Doraleh Container Terminal SARL	33.34**	Republic of Djibouti	Container terminal operations
Rotterdam World Gateway B.V.	30%	Netherlands	Container terminal operations
Yarimca Porselen Sanayi Ve Ticaret A.S	100%	Turkey	Container terminal operations
London Gateway Port Ltd	100%	United Kingdom	Container terminal operations
Saigon Premier Container Terminal	80%	Vietnam	Container terminal operations

* Although the Group has a 55.16% effective ownership interest in Asia Container Terminals Limited, this entity is not treated as subsidiary, but instead treated as a joint venture. The underlying joint venture agreement with the other shareholders does not provide significant control to the Group.

** Although the Group has only a 33.34% effective ownership interest in Doraleh Container Terminal SARL, this entity is treated as a subsidiary, as the Group is able to govern the financial and operating policies of the company by virtue of an agreement with the other investor.

37 Subsequent events

(a) The Group has drawn down USD 300,000 thousand on 5 January 2009 from its revolving syndicate credit facility.

(b) The Group has entered into USD 1,000,000 thousand of interest rate swaps on 21 January 2009 with a forward start date of 4 March 2009 to lock the interest rate on this amount of debt at 2.08%.

(c) The following amounts have been released from cash under lien which was provided in support of the debt at 31 December 2008:

(i) on 17 February 2009 USD 40,000 thousand

(ii) on 4 March 2009 USD 40,844 thousand

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