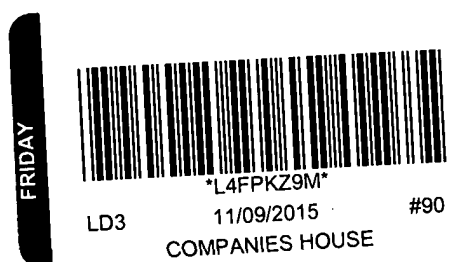


P&O Ports Limited

Unaudited

Directors' report and financial statements

for the year ended 31 December 2014



P&O Ports Limited

Company Information

Directors	F Dalgaard (resigned 17 January 2014) S M Qureshi G R Jayaraman (appointed 17 January 2014)
Company secretary	M Al Hashimy
Registered number	00751061
Registered office	16 Palace Street London SW1E 5JQ
Accountants	KPMG LLP 15 Canada Square Canary Wharf E14 5GL

P&O Ports Limited

Contents

	Page
Directors' report	1
Directors' responsibilities statement	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 8

P&O Ports Limited

**Directors' report
for the year ended 31 December 2014**

The Directors present their report and the financial statements for the year ended 31 December 2014.

Principal activities and review of business

The Company acts as a holding company for its investments in Southampton Container Terminals Limited.

Results and dividends

During the year, the Company has made NIL profit/loss after taxation (loss after taxation for 2013 - £157 thousand).

No dividends were paid in 2014 (2013 - £49,000 thousand).

Directors

The Directors who served during the year and as the date of this report were:

F Dalgaard (resigned 17 January 2014)

S M Qureshi

G R Jayaraman (appointed 17 January 2014)

Political and charitable contributions

During the year the Company has made no charitable or political donations (2013 - £NIL).

Principal risks and uncertainties

Funding and liquidity

The directors have considered the funding and liquidity position of the Company. Following this review, the directors consider it appropriate to continue to prepare the financial statements on the going concern basis.

Qualifying third party indemnity provisions

All directors are entitled to contractual indemnification from the Company to the extent permitted by law against claims and legal expenses incurred in the course of their duties.

Such qualifying third party indemnity insurance is provided and remains in force as at the date of approving the directors' report.

This report was approved by the board and signed on its behalf.


S M Qureshi
Director

Date: 7 September 2015

P&O Ports Limited

**Directors' responsibilities statement
for the year ended 31 December 2014**

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

P&O Ports Limited

**Profit and loss account
for the year ended 31 December 2014**

	Note	2014 £	2013 £
Profit on sale of investments	5	-	28
Profit on ordinary activities before taxation		-	28
Tax on profit on ordinary activities	2	-	(157,197)
Results for the financial year		-	(157,169)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

The Company has not traded during the year. During this period, the Company received no income and incurred no expenditure and therefore made neither profit or loss.

P&O Ports Limited
Registered number: 00751061

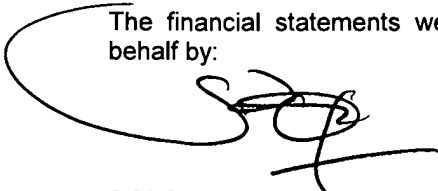
Balance sheet
as at 31 December 2014

	Note	2014 £	2013 £
Fixed assets			
Investments	3	1,588,454	1,588,454
Current assets			
Debtors	4	2,447,378	2,447,378
Creditors: amounts falling due within one year	5	(328,122)	(328,122)
Net current assets		<u>2,119,256</u>	<u>2,119,256</u>
Net assets		<u><u>3,707,710</u></u>	<u><u>3,707,710</u></u>
Capital and reserves			
Called up share capital	6	2,934,667	2,934,667
Profit and loss account		<u>773,043</u>	<u>773,043</u>
Shareholders' funds	7	<u><u>3,707,710</u></u>	<u><u>3,707,710</u></u>

For the year ended 31 December 2014 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


S M Qureshi
Director


G R Jayaraman
Director

Date: 7 September 2015

The notes on pages 5 to 8 form part of these financial statements.

P&O Ports Limited

**Notes to the financial statements
for the year ended 31 December 2014**

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

1.2 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.3 Related party transactions

The Company has taken advantage of the exemption contained in Financial Reporting Standard No. 8 "Related Party Disclosure" as it is a wholly-owned subsidiary of The Peninsular and Oriental Steam Navigation Company. Therefore the Company has not disclosed transactions or balances with entities that form part of the group headed by The Peninsular and Oriental Steam Navigation Company. There were no other related party transactions in the year.

1.4 Cash flow

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.5 Going concern

The directors have considered the funding and liquidity position of the Company. Following this review, the directors consider it appropriate to continue to prepare the financial statements on the going concern basis.

1.6 Taxation

UK Corporation tax is provided on taxable profits at the current rate. The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing difference between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet dates except as otherwise required by Financial Reporting Standard 19 (Deferred Tax).

P&O Ports Limited

**Notes to the financial statements
for the year ended 31 December 2014**

2. Taxation

	2014 £	2013 £
UK corporation tax charge on profit for the year	-	157,197

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - *lower than*) the standard rate of corporation tax in the UK of 21.5%% (2013 - 23.25%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	-	28
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.5%% (2013 - 23.25%)	-	7
Effects of:		
Chargeable gain transferred out	-	(7)
Transfer pricing adjustments	-	157,197
Current tax charge for the year	-	157,197

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and a further reduction to 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. The rate changes will impact the amount of future tax recognised by the company. However it does not have any effect on the current year results.

3. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2014 and 31 December 2014	1,588,454
Net book value	
At 31 December 2014	1,588,454
At 31 December 2013	1,588,454

P&O Ports Limited

**Notes to the financial statements
for the year ended 31 December 2014**

3. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Southampton Container Terminals Limited	Ordinary "P" Class shares	51%

Name	Business	Registered office
Southampton Container Terminals Limited	Container terminal operating	United Kingdom

The holding of 51% in Southampton Container Terminal Limited (SCT) is the result of the Company owning 100% of the ordinary "P" class shares, which represents 51% of the ordinary share capital of SCT.

4. Debtors

	2014	2013
	£	£
Amounts owed by group companies	2,447,378	2,447,378

Amounts owed by group companies have no fixed repayment terms, are unsecured and bear no interest.

**5. Creditors:
Amounts falling due within one year**

	2014	2013
	£	£
Group relief payable	157,197	157,197
Other creditors and accruals	170,925	170,925
	328,122	328,122

6. Share capital

	2014	2013
	£	£
Authorised, allotted, called up and fully paid		
2,934,667 (2013 - 2,934,667) Ordinary Shares of £1 each	2,934,667	2,934,667

P&O Ports Limited

**Notes to the financial statements
for the year ended 31 December 2014**

7. Reconciliation of movement in shareholders' funds

	2014	2013
	£	£
Opening shareholders' funds	3,707,710	52,864,879
Profit/(loss) for the financial year	-	(157,169)
Dividends (Note 8)	-	(49,000,000)
Closing shareholders' funds	3,707,710	3,707,710

8. Dividends

	2014	2013
	£	£
Dividends paid on equity capital	-	49,000,000

9. Ultimate parent undertaking and controlling party

The smallest group of companies for which consolidated financial statements are prepared and in which the company is consolidated is The Peninsular and Oriental Steam Navigation Company, a company incorporated by Royal Charter and therefore not registered, copies of whose accounts can be obtained from: The Registrar of Companies, Companies House, Crown Way, Cardiff CF14 3UZ.

The largest group of companies for which consolidated financial statements are prepared and which are publicly available, and in which the company is consolidated is DP World Limited, a company limited by shares incorporated in Dubai, whose accounts are filed with the Dubai International Financial Centre and where 19.55% of its shares are traded on NASDAQ Dubai. The Company was further admitted to trade on the London Stock Exchange with effect from 01 June 2011 and voluntarily delisted from the London Stock Exchange on 21 January 2015.

The immediate parent undertaking at 31 December 2014 was The Peninsular and Oriental Steam Navigation Company, a company incorporated in the United Kingdom.

In the opinion of the directors the ultimate controlling parent undertaking as at 31 December 2014 was Port & Free Zone World FZE, which owns 80.45% of DP World Limited. Port & Free Zone World FZE is a wholly owned subsidiary of Dubai World Corporation, which is the ultimate parent company of the company, but which does not exert control over the company. Both Port & Free Zone World FZE and Dubai World Corporation are incorporated in Dubai.