

Proposed expansion of container handling facilities in the Port of Durban

April 2007

Transnet's vision is to be Africa's undisputed world champion in transport and logistic solutions (World Class Organisation)

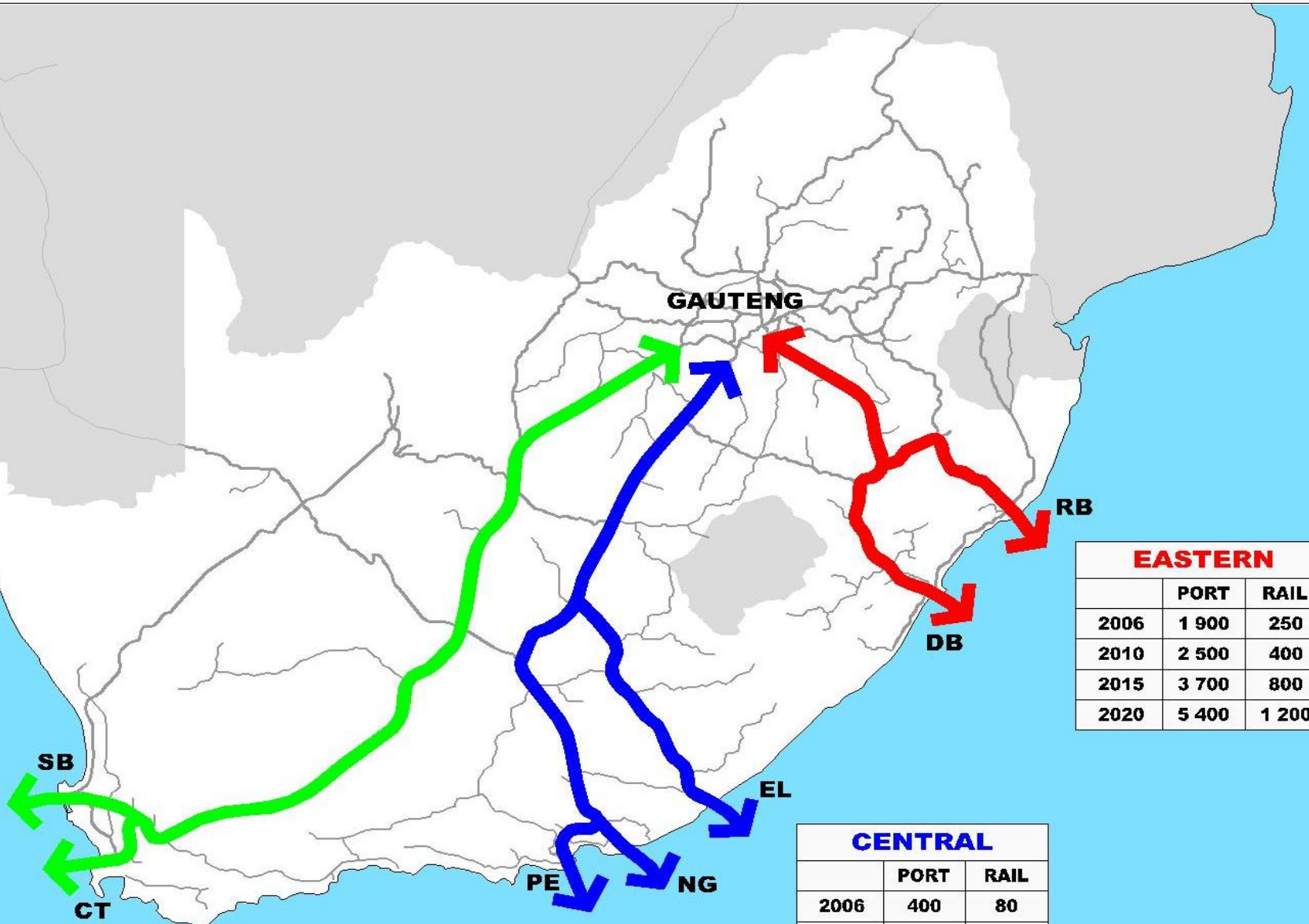
Turn around strategy :

- Re-direct business**
- Restructure balance sheet**
- Ensure vigilance in risk management**
- Improve corporate governance**

Contribute to growth through infrastructure investment and thereby address one of the constraints identified in ASGI-SA namely the cost, efficiency and capacity of the national logistics system

REDUCE THE COST OF DOING BUSINESS IN SA

TOTAL		
	PORT	RAIL
2006	3 000	380
2010	4 100	600
2015	6 000	1 250
2020	8 800	1 750



WESTERN		
	PORT	RAIL
2006	700	50
2010	900	100
2015	1 300	150
2020	2 000	200

EASTERN		
	PORT	RAIL
2006	1 900	250
2010	2 500	400
2015	3 700	800
2020	5 400	1 200

CENTRAL		
	PORT	RAIL
2006	400	80
2010	700	100
2015	1 000	300
2020	1 400	350

Key drivers for expansion of container facilities in Port of Durban



Current projections are that container volumes will be 2,5 times higher in 2020 than in 2006.

The **Durban port handled 1,7m TEU (Twenty Foot Equivalent Unit) in 2005, and Transnet projects that it will need to be able to handle some 5,36m TEU by 2020, and 8m TEU by 2050**, although in reality the dates at which these volumes are reached by may vary.

Transnet projections are based on moderate national economic growth estimates (3/4% pa), which are already being exceeded.

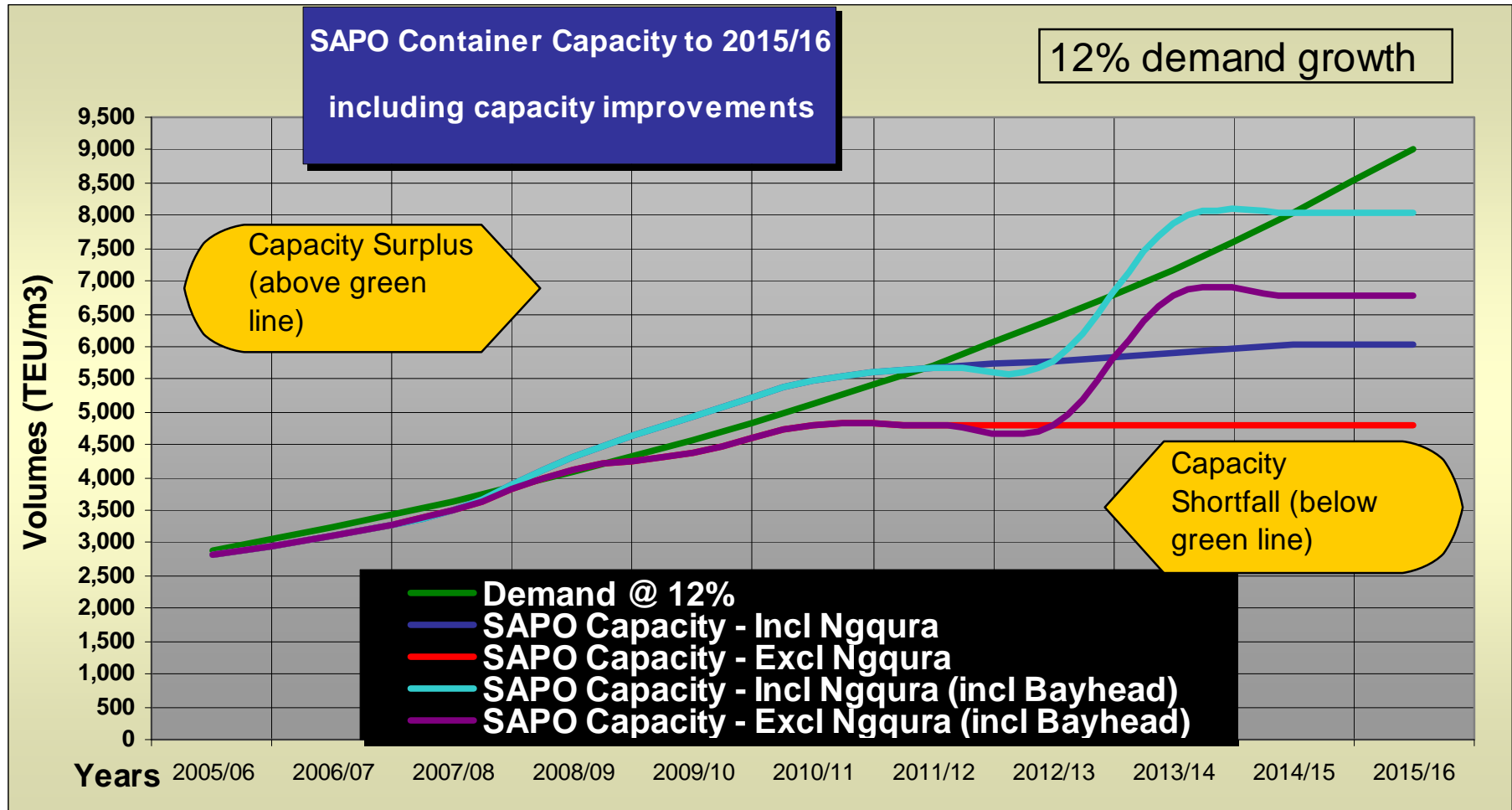
It is apparent that volumes for all cargo are expected to increase substantially, although not necessarily to the same extent as for containers.

Current container growth in Durban Port is 18% year on year

Premier port in South Africa (important local, regional and national role)

Current capacity in Port will not be able to handle this growth and thus support the local, regional and national economy

Container forecast and current capacities



VARIOUS PROCESSES UNDERWAY



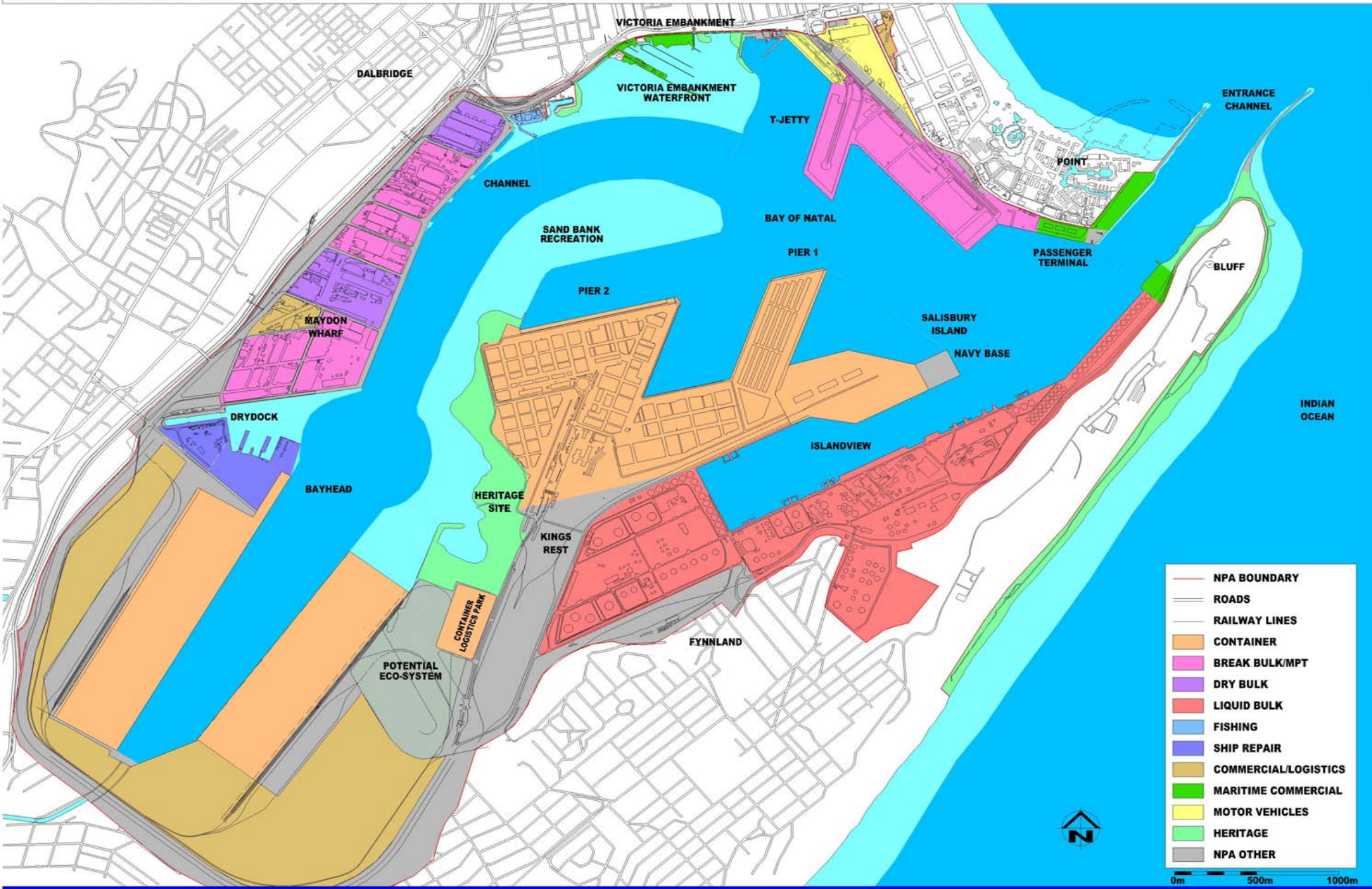
TEMPI (2005-2006)
Transnet eThekweni Planning Initiative
Joint vision developed for future of DBN and Port

Eastern Ports and Rail Corridor Study (EPRC)
National Infrastructure Plan being updated (still ongoing)
June 2006 – July 2007

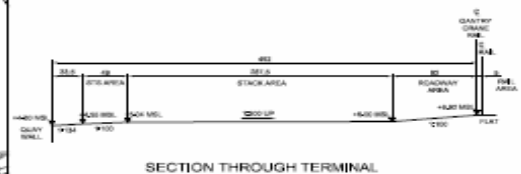
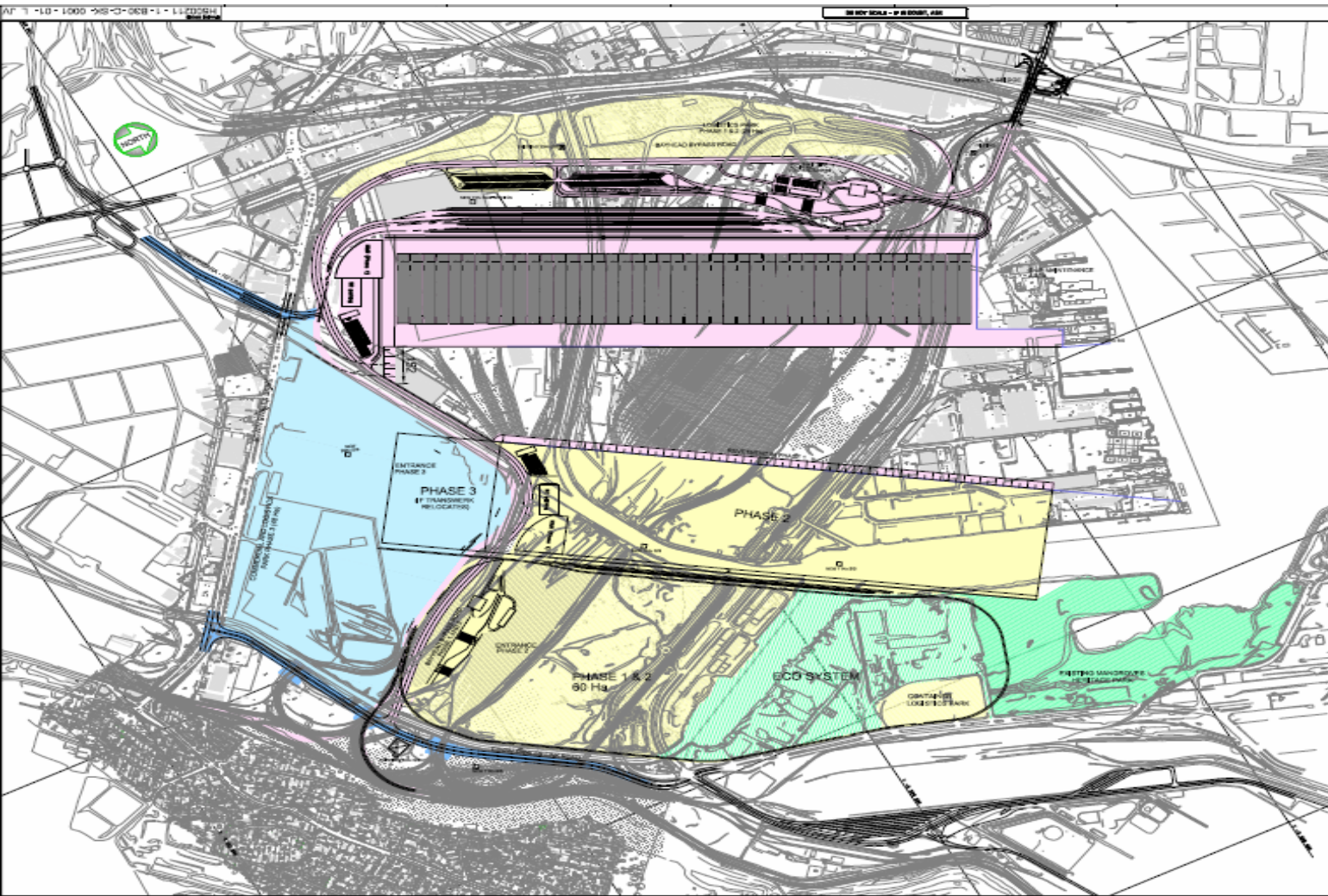
Feasibility for Bayhead
(Started Aug 2006 – 2007-2010)
EIA for Bayhead
(June 2007 to start)
Stakeholder engagement commenced

Construction by TP
Handover
Operations by NPA, SAPO etc

Ongoing long term master planning (Transnet Planning, NPA etc)



Proposed Bayhead Expansion Layout



- LEGEND:**
- PHASE 1
 - PHASE 2
 - PHASE 3
 - CONSTRUCTION BY OTHERS
 - ECO SYSTEM

FOR DISCUSSION PURPOSES ONLY

OPTION 1

REVISIONS / ISSUE AUTHORIZATION	REVISIONS / ISSUE AUTHORIZATION	REVISIONS / ISSUE AUTHORIZATION	REVISIONS / ISSUE AUTHORIZATION	REVISIONS / ISSUE AUTHORIZATION	REVISIONS / ISSUE AUTHORIZATION	REVISIONS / ISSUE AUTHORIZATION	REVISIONS / ISSUE AUTHORIZATION
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PORT OF URBAN BAYHEAD EXPANSION
 DURIAN INFRASTRUCTURE (SAPO)
 GENERAL AND SITE DEVELOPMENT
 PHASE 1, 2 AND 3 OPTION 1
 GENERAL ARRANGEMENT LAYOUT
 DRAWING TITLE: BAYHEAD EXPANSION LAYOUT

THANK YOU