



## CASE STUDY

### FLINDERS PORTS, SOUTH AUSTRALIA

In 2000, the South Australian Government recognised the need to improve the utilisation and levels of service at its seven busy ports – known collectively as the Flinders Ports Corporation. Egis was the leader of the successful bid for the ownership and operation of this critical economic infrastructure.

Since 2001, Egis has taken part in this highly successful public-to-private sector transition into a 99 year lease and port operations concession. In a few years of operation, the operating company has achieved significant operating cost savings and initiated a capital works program which will see the ports significantly upgraded. Customer communications and container handling speed have also been improved.

The ports are providing improved financial returns to public and private stakeholders through increased traffic with considerable growth achievements.

With further capital upgrades and the introduction of new technologies, it is expected that Flinders Ports will contribute highly to the growth of local industry and the South Australian economy.

#### EGIS' INVOLVEMENT INCLUDED:

- ownership of the ports (in partnership with other owners)
- management and operations (through AdEgis in partnership with Adsteam)
- project management of ports development and capital works project

#### FLINDERS PORTS' FACTS:

The seven commercial ports making up the Flinders Ports Corporation handle over 14 million tonnes per annum, including 4 million tonnes of grain and 120,000 containers.

Flinders Ports has over 100 employees and turns over \$40 million per annum.

The \$60 million capital works program will see a major upgrade of operations and services for all seven ports.

The total initial project cost is approximately \$200 million.

<b>CLIENT</b>	– South Australian Government
<b>CONCESSION COMPANY</b>	– Flinders Port Pty Ltd
<b>FINANCING</b>	– Sponsor equity (Egis Projects, Adsteam) – Institutional equity – Bank debt – Subordinated debt
<b>SCHEDULE</b>	– Financial close: 2 November 2001 – Land lease period: 99 years