



AMERICA'S DISTRIBUTION HUB FOR THE NEXT GENERATION



PORT HOUSTON™
THE INTERNATIONAL PORT OF TEXAS

PORT COMMISSION



Janiece M. Longoria
Chairman



John D. Kennedy



Dean E. Corgay



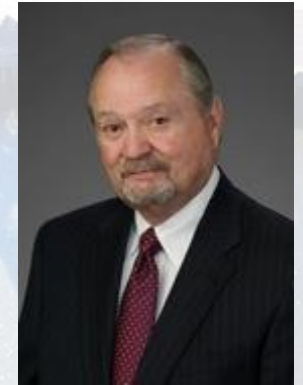
Clyde Fitzgerald



Theldon R. Branch, III



Stephen H. DonCarlos



Roy D. Mease

ABOUT US



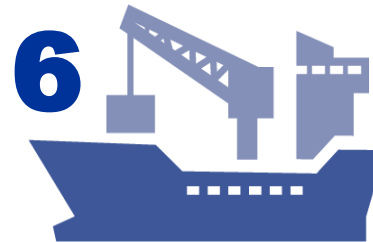
**Governmental
subdivision
chartered by the
State**



**Appointed by Harris
County, City of
Houston and other
neighboring cities**



**Governed by a 7
member
Commission**



**Leases 6 General
Cargo facilities**



**Operates 2
Container
Terminals**



**Owens/operates 8
public terminals
*2: Operating
6: Landlord Port***

PORT HOUSTON HISTORY

1911

Harris County
Houston
Ship
Channel
Navigation
District



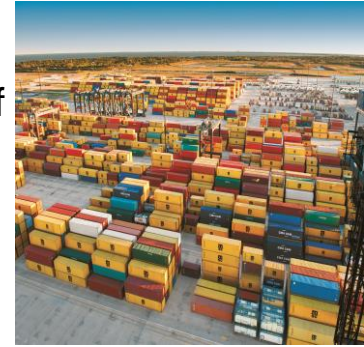
1926

USCOE
dredges
channel
to 30 ft.



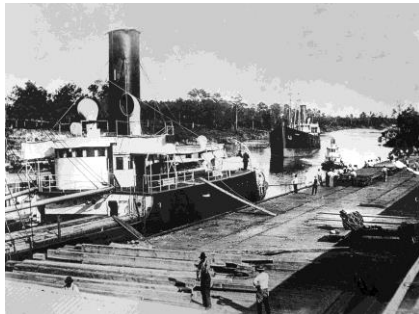
PRESENT

Today, we
handle 68% of
containerized
cargo in the
U.S. Gulf of
Mexico.



1914

The port officially opens to traffic



1956

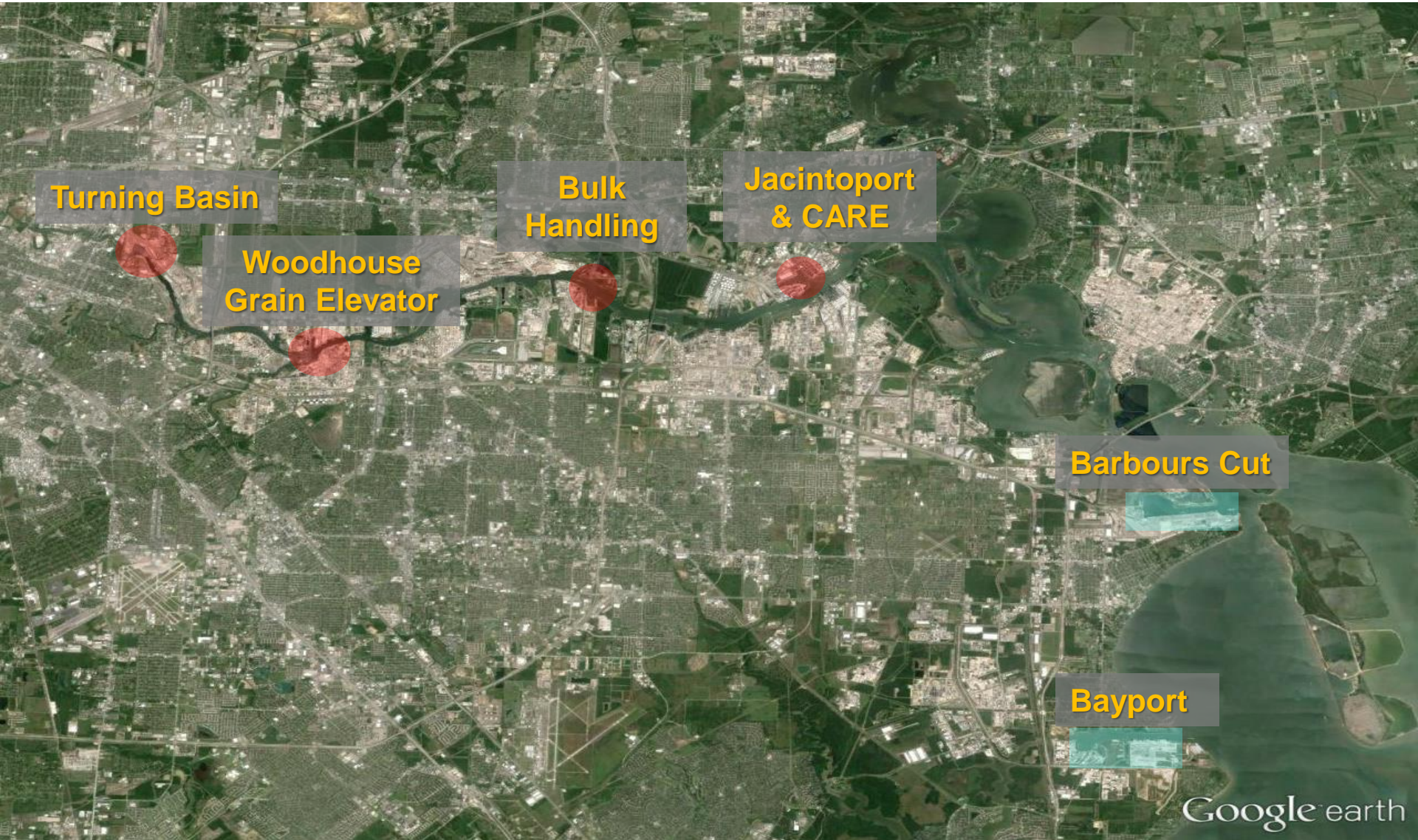
World's first
containership, *Ideal*
X, calls the Port of
Houston



PORT HOUSTON TERMINALS



PORT HOUSTON
THE INTERNATIONAL PORT OF TEXAS



PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

STATE AND LOCAL MARKET



HOUSTON: RIGHT TIME. RIGHT PLACE.

- 4th largest US metro area – 6.8 M
- Population + 9.2% over next 5 years
 - 20 Fortune 500 headquarters
- 23rd Strongest Economy in the World

IF TEXAS WERE A NATION...

- 9 – Brazil
- **10 – TEXAS**
- 11 – Canada
- 12 – Korea
- 13 – Russia

IT WOULD HAVE THE **10th**
LARGEST ECONOMY IN THE
WORLD.

MAJOR GATEWAY



#1

**U.S. Port
by Foreign
Waterborn
e Tonnage
– 169.9M
Tons**



#1

**in Petroleum,
Steel and
Project Cargo**



#6

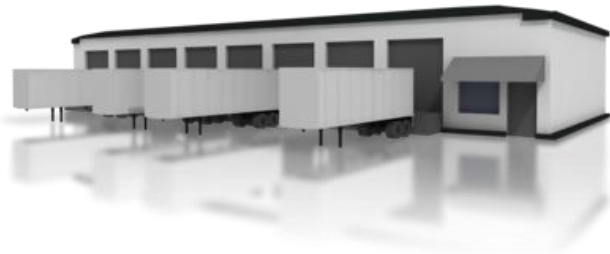
**Ranked US
Container
Port by
Total TEUs**



#15

**Largest
Port in the
World by
Tonnage**

HOUSTON INDUSTRIAL REAL ESTATE



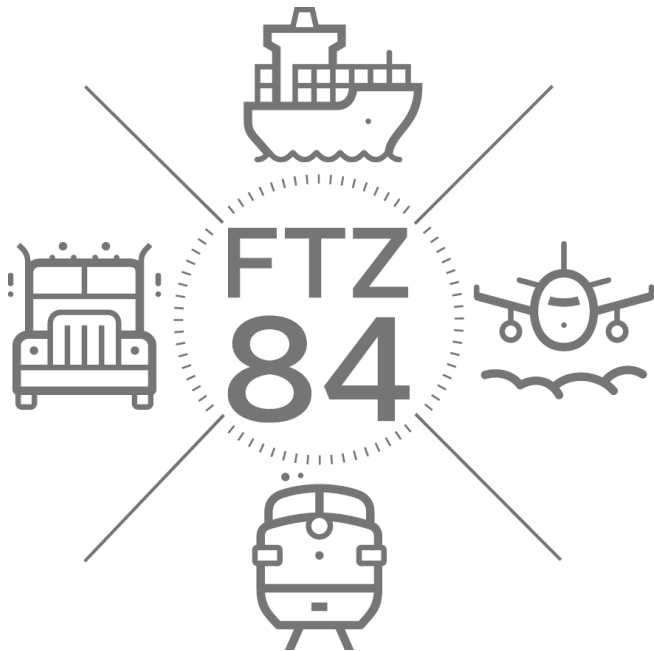
More than
474 M SQ FT
of Industrial
Real Estate

3RD
LARGEST
IN THE U.S.

FOREIGN TRADE ZONE



PORT HOUSTON
THE INTERNATIONAL PORT OF TEXAS



The Houston
FTZ is
sponsored and
maintained by
Port Houston

Over 12,000
acres of total
FTZ area – 3,000
acres for public
use

For FTZ questions,
contact: Shane Williams
at (713) 670-2487 or
smwilliams@poha.com



DISTRIBUTION GROWTH



PORT HOUSTON™
THE INTERNATIONAL PORT OF TEXAS



Company	Rank (per JOC)	Size	Year
	#1 US Container Importer	4,000,000 sq ft = 372,000 m ²	2005
	#3 US Container Importer	750,000 sq ft = 70,000 m ²	2003
	#10 US Container Importer	1,000,00 sq ft = 93,000 m ²	2017
	#24 US Container Importer	1,500,000 sq ft = 139,000 m ²	2009



2014 ECONOMIC IMPACT

The Port of Houston Drives Regional Prosperity in the Region and Across the U.S.



	U.S.	TEXAS
ECONOMIC ACTIVITY	\$ 618 Billion	\$ 265 Billion
JOBS CREATED	2.7 Million	1.2 Million
TAX REVENUE	\$ 35 Billion	\$ 5 Billion
PERSONAL INCOME	\$ 126 Billion	\$ 66.7 Billion



ECONOMIC IMPACT



PORT HOUSTON
THE INTERNATIONAL PORT OF TEXAS



**ADDITIONAL
148,000
JOBS
CREATED**
since 2011

PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

SECURITY ENFORCEMENT



**1ST TO ACHIEVE
ISO 28000 Compliance for
Security Management
System**

U.S. COAST GUARD

WATERSIDE AND FACILITIES

U.S. CUSTOMS & BORDER PROTECTION

CARGO AND SHIP PERSONNEL

PHA POLICE

LANDSIDE TERMINALS

**PRIVATE REGULATED CORPORATE
FACILITIES**

**SUPPORTED BY U.S. COAST GUARD &
LOCAL LAW ENFORCEMENT**

**HOUSTON SHIP CHANNEL SECURITY
DISTRICT**

**TEXAS GOVERNMENTAL ENTITY,
PUBLIC/PRIVATE PARTNERSHIP,
SECURITY SYSTEM & INFRASTRUCTURE**



ENVIRONMENTAL COMMITMENT



1ST TO ACHIEVE ISO14001 Compliance for Environmental Management System

- ✓ **WASTE MINIMIZATION**
- ✓ **ENERGY EFFICIENCY**
- ✓ **STORM WATER POLLUTION
CLEANUP PROGRAM**
- ✓ **LEED STANDARDS**
- ✓ **DREDGED MATERIAL AREA MANAGEMENT**



PORT HOUSTON
THE INTERNATIONAL PORT OF TEXAS



DEVELOPMENTS

CHANNEL IMPROVEMENT PROJECTS



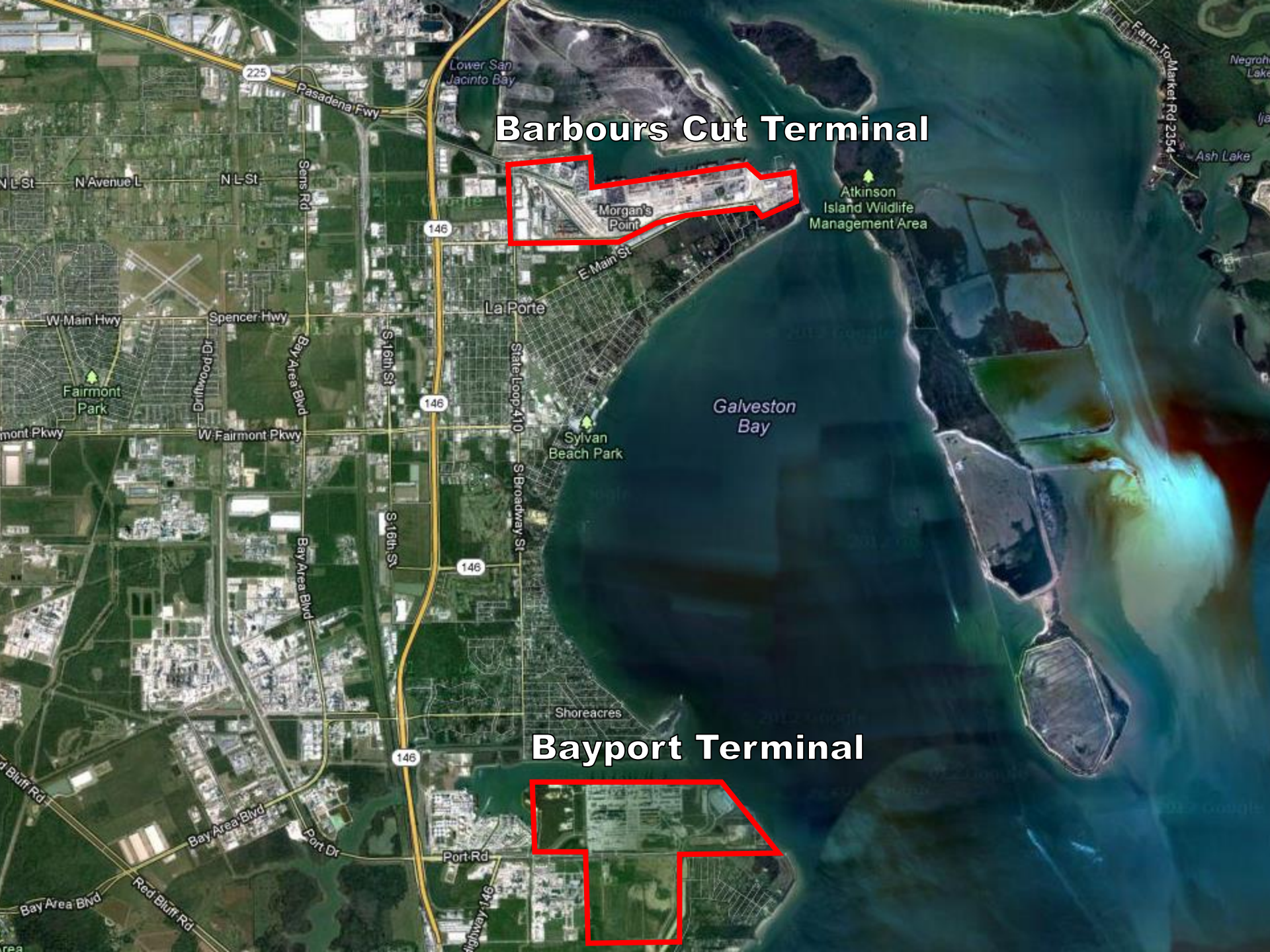
CONTAINER TERMINALS

Dredging & Widening Projects



PROJECT SCOPE	Bayport and Barbours Cut Channel +5 ft. Deep <i>*5 feet = 1.52 meters. Widening and other adjustments as needed To bring final depth to 45 feet depth (13.72 meters)</i>
ESTIMATED COMPLETION	Barbours Cut Container Terminal: Completed Bayport Container Terminal: Summer 2016
ESTIMATED COST	\$85 Million
START WORK DATE	July 25, 2014
FUNDING SOURCE	PHA funds construction 100% Federal Assumption of Maintenance

Barbours Cut Terminal



Bayport Terminal

BAYPORT CONTAINER TERMINAL

Next 10-year Completion:

Current

At Build-Out

**\$600
MILLION**

Acres (ha)	305 acres (123 ha)	450 acres (182 ha)
Berth	4	7
Waterfront ft (m)	4,000 ft (1,219 m)	7,000 ft (2,134 m)
Terminal Capacity	1.5 M teu	2.5 M teu
Equipment (cranes)	9 Neopanamax	21 Neopanamax

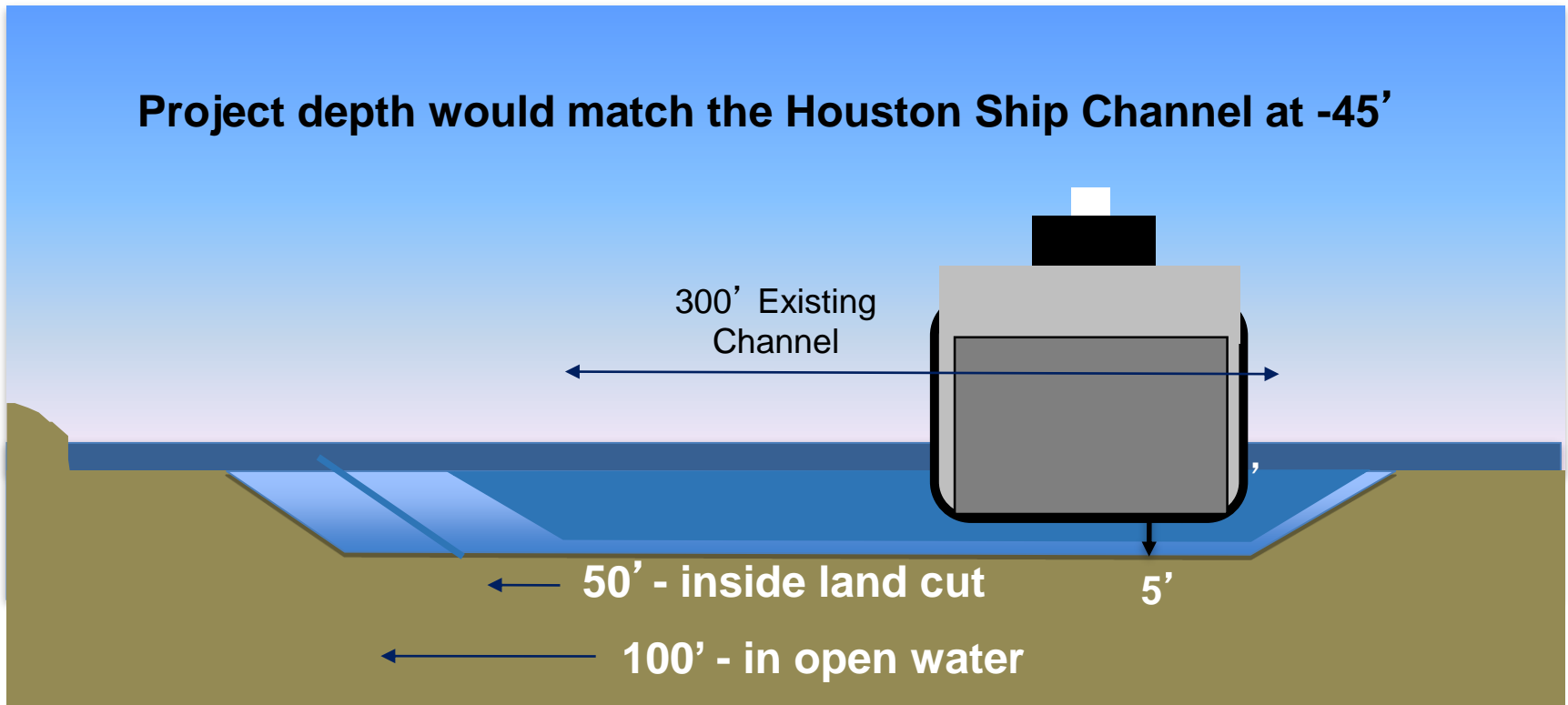
**50% COMPLETE
TODAY**



PROPOSED BAYPORT IMPROVEMENTS

BAYPORT CHANNEL:

- Deepen to -45' / 13.72m (authorized depth)
- Widen 300'-wide channel an additional 100', tapering to 50' additional width



BARBOURS CUT CONTAINER TERMINAL



10-yr Capital Investment

**\$577
MILLION**

Current

At Build-Out

Acres (ha)	390 acres (158 ha)	390 acres (158 ha)
Berths	6	6
Waterfront ft (m)	6,000 ft (1,829 m)	6,000 ft (1,829 m)
Terminal Capacity	1.7 M teu	2.5 M teu
Equipment (cranes)	5 PP, 3 P, 7 Neopanamax	18 Neopanamax



BAYPORT DEVELOPMENT PLAN

CHANNEL IMPROVEMENTS

CY7 NORTH

CY6 NORTH

- 25 Acres CY
- 192 Total

COMPLETED

WHARF 2

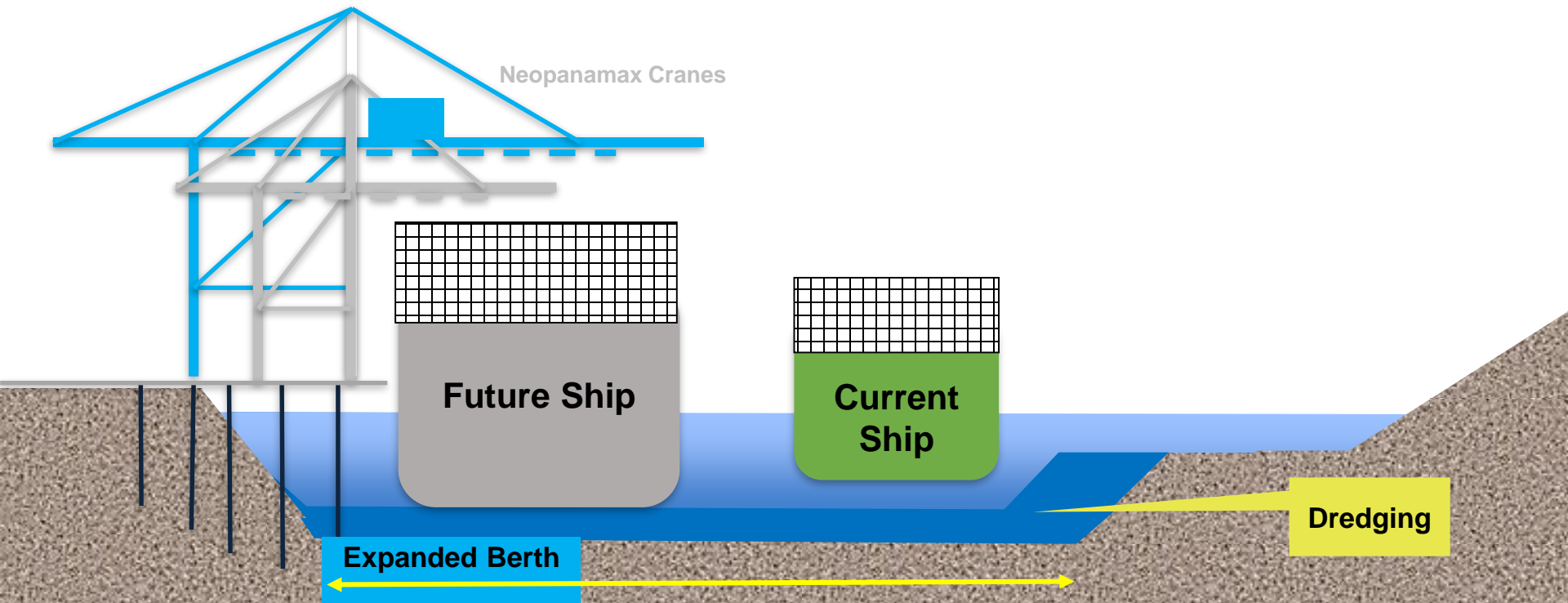
- 4000' **COMPLETED**
- 3 NEW NEOPANAMAX CRANES – ARRIVING SOON

PHASE 3 GATE **COMPLETED**

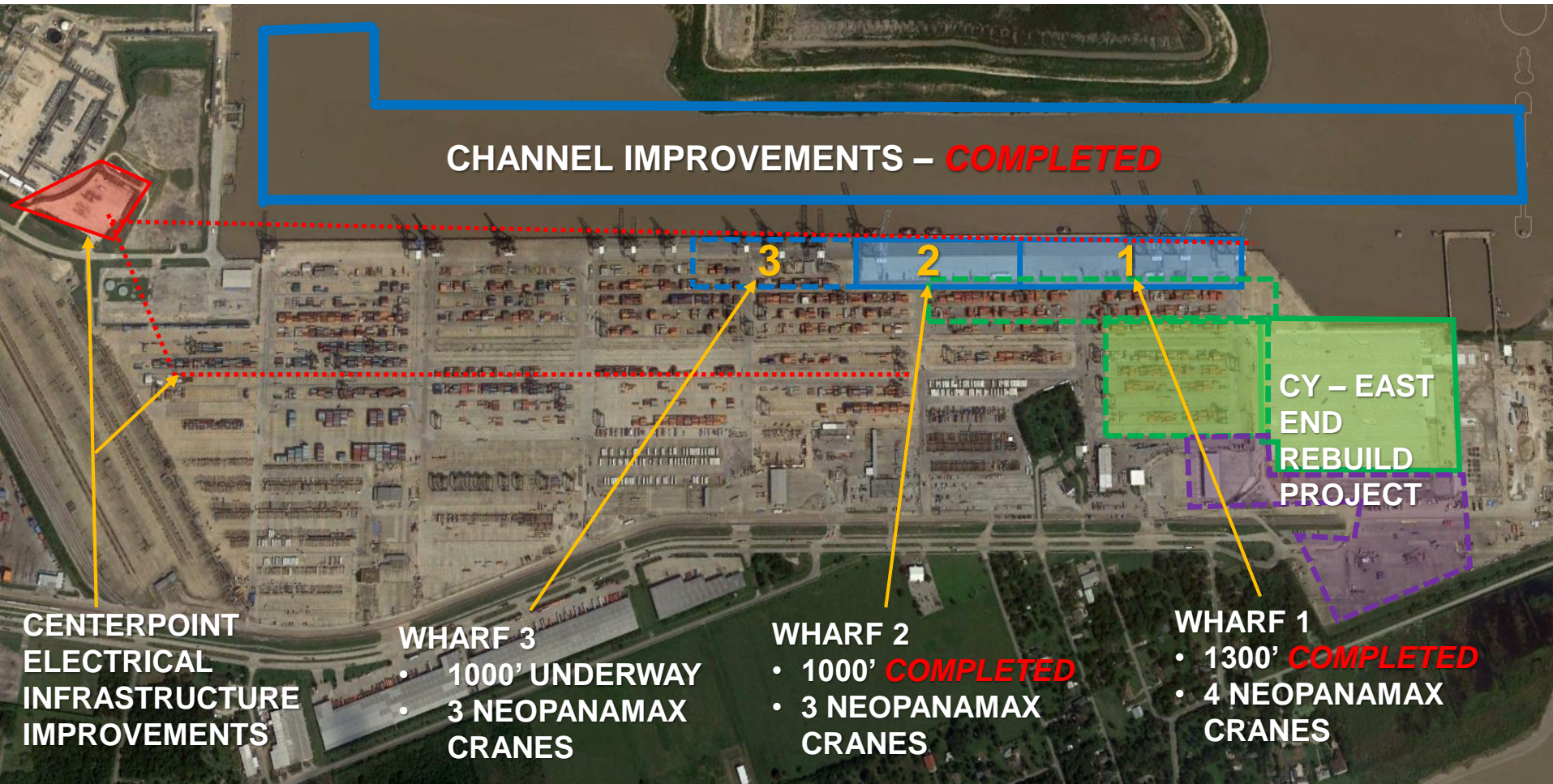
- 28 dedicated inbound lanes
- N4 Implementation
- OCR

BARBOURS CUT CHANNEL IMPROVEMENTS

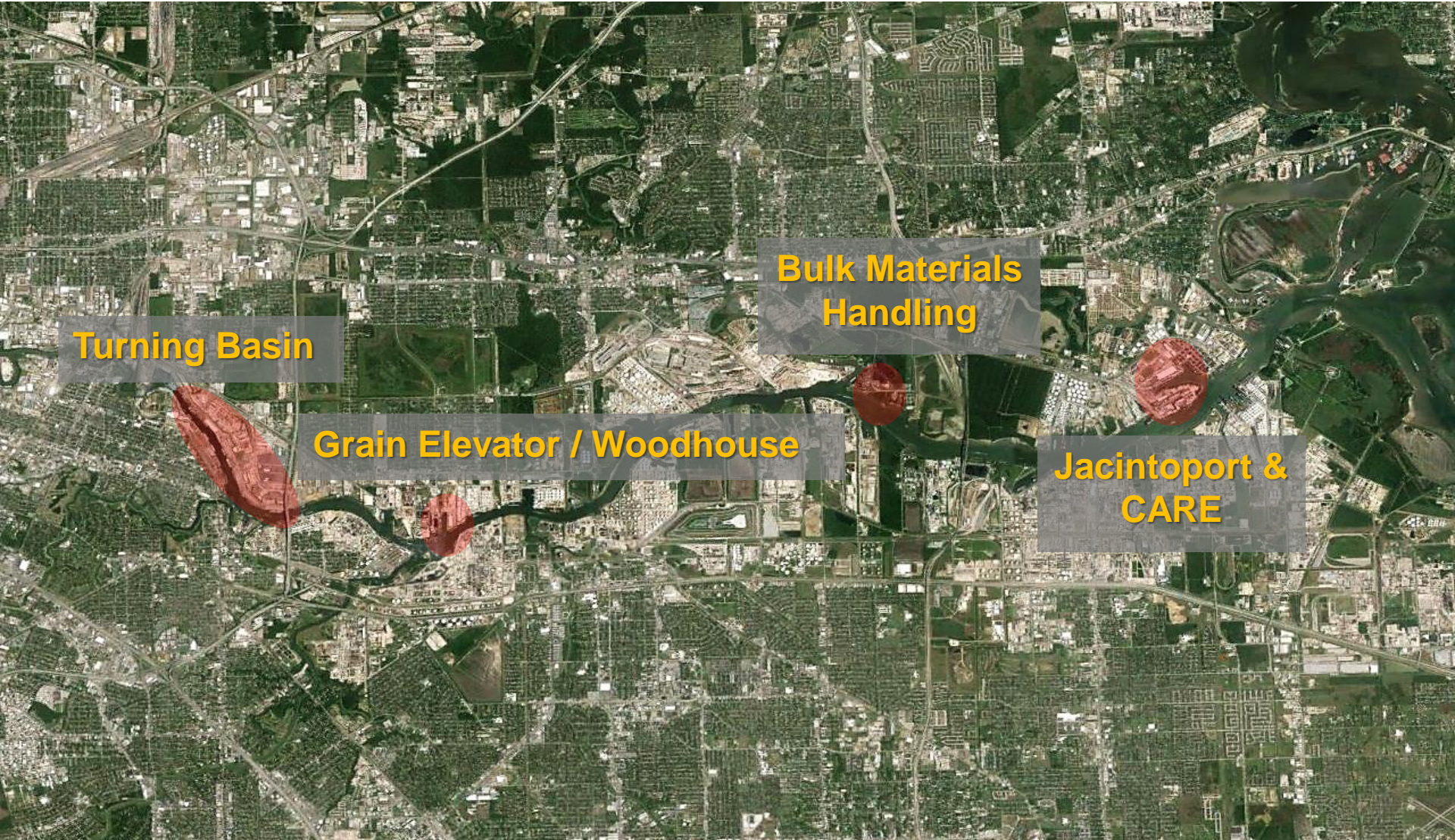
- New cranes extend approximately 75' further (22 containers rows wide)
- Crane reach requires expansion of the berthing pocket
- Both federal channel and berths will be deepened 5 feet (45' : 13.72m)



BARBOURS CUT REDEVELOPMENT PLAN



UPPER HOUSTON SHIP CHANNEL: BREAKBULK TERMINALS



TURNING BASIN DOCKS



PORT HOUSTON
THE INTERNATIONAL PORT OF TEXAS

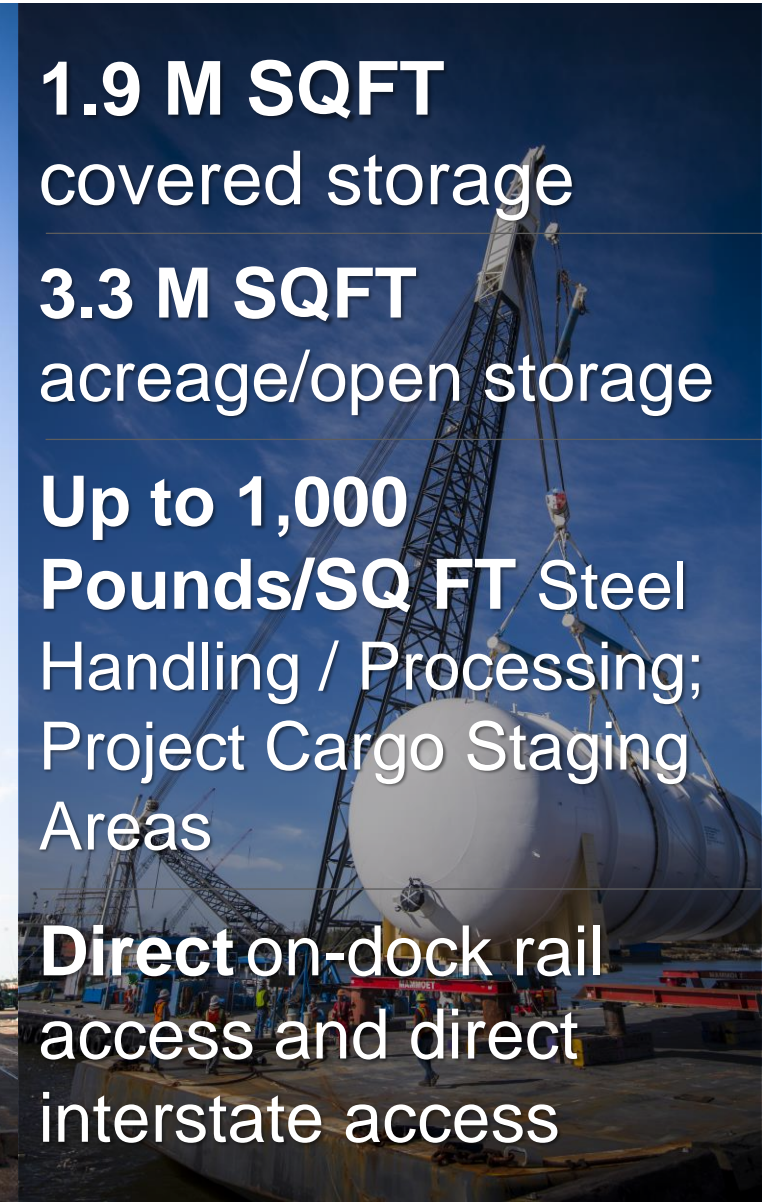


1.9 M SQFT
covered storage

3.3 M SQFT
acreage/open storage

Up to 1,000
Pounds/SQ FT Steel
Handling / Processing;
Project Cargo Staging
Areas

Direct on-dock rail
access and direct
interstate access



CITY DOCKS



PORT HOUSTON
THE INTERNATIONAL PORT OF TEXAS



PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

WHARF 32 – INDUSTRIAL PARK EAST



WHARF 32 – INDUSTRIAL PARK EAST

- Short-Term Storage Solutions Available
- Project Cargo Capabilities
- Sq. ft. Capacity



HOUSTON PUBLIC GRAIN ELEVATOR #2



Operated by Lansing Trade Group



WOODHOUSE



PORT HOUSTON
THE INTERNATIONAL PORT OF TEXAS



PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

HOUSTON PUBLIC GRAIN ELEVATOR #2

- **100%** Automated Facility
- **6** Shipping Bins with Capacity of **90K** Bushels
- Storage Capacity of **6.2 M** Bushels
- Avg. Vessel Loading **70K** Bushels/Hr.
- Rail Unloading **46K** Bushels/Hr., **79K** Bushels Max.)
- Trucks Received on **2** Pits at **30** Trucks/Hr.

WOODHOUSE



PORT HOUSTON™
THE INTERNATIONAL PORT OF TEXAS

- **3** Cargo Wharves **1,910 FT**
- **235,000 SQFT** Warehouse
- **10** Acres of Open Storage
- **Storage** for Any Type of Cargo
- Direct On-Dock **Rail Access**



JACINTO PORT & CARE



PORT HOUSTON
THE INTERNATIONAL PORT OF TEXAS



PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

JACINTO PORT

- **3 Cargo Wharves 1,836 FT**
- **Spiralveyor** Cargo Handling
- **400 Tons** of Bagged Cargo/Hr.
- **200K SQ FT** of Climate-Controlled Storage
- **FTZ** Designation
- **On-Site** Product Bagging
- **Direct On-Dock Rail Access**



CARE



- **2 Cargo Wharves 1,118 FT**
- **1,000 LB/SQ FT** Capacity
- **15 Acres** of Paved Open Storage
- **45,900 SQ FT** Shed Space
- **Direct On-Dock Rail Access**



BULK MATERIALS HANDLING PLANT

Operated by Kinder Morgan



1,200 FT Berth, Working Dock of 650 FT Long

1,800 Short Tons/Hour

Capacity to Handle any Dry Bulk Commodity

High Speed Loading System

Sophisticated Dust Collection System

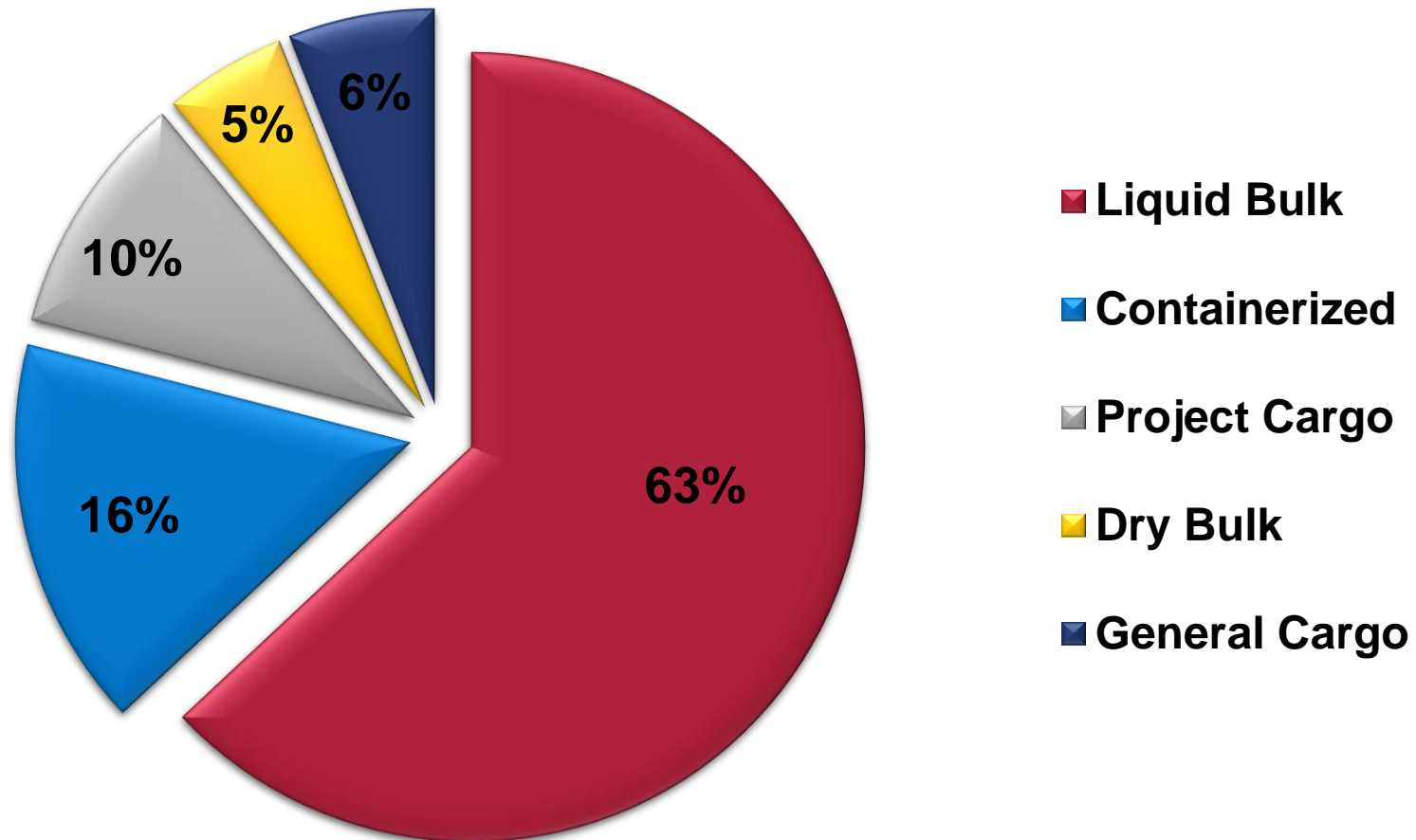
Direct On-Dock Rail Access



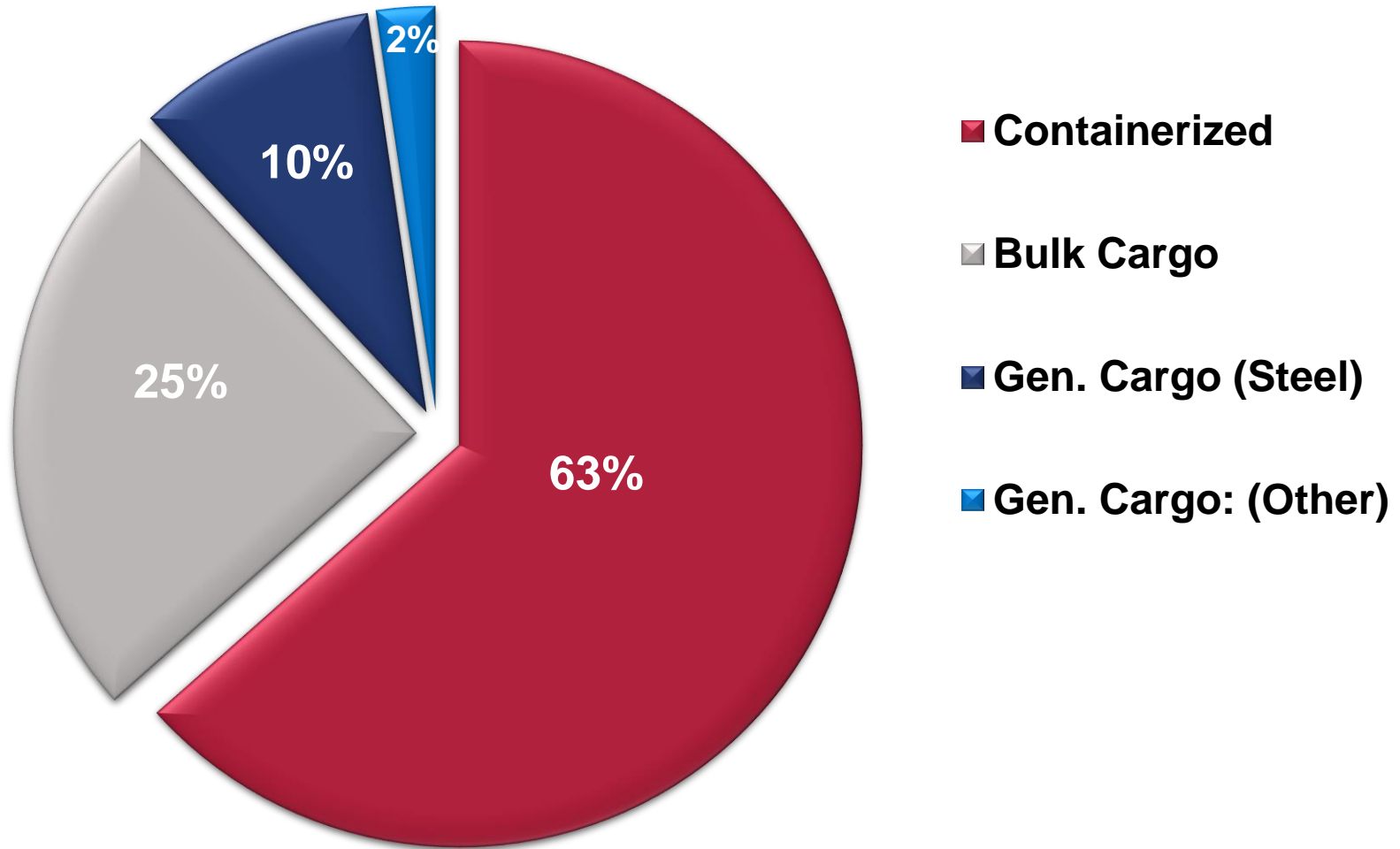
FACTS & FIGURES

GREATER HOUSTON PORT COMPLEX

Cargo Sectors – 2017

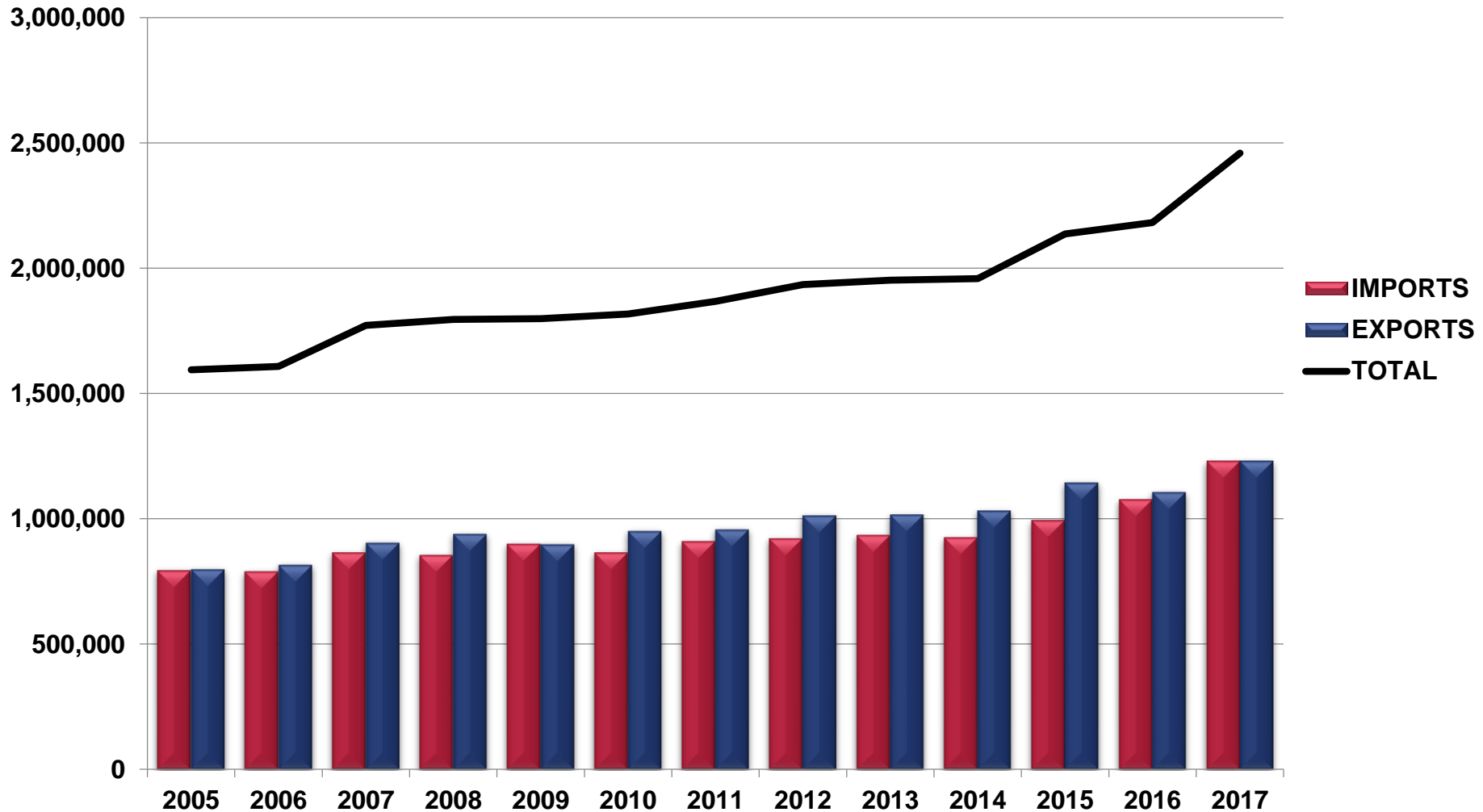


PORT HOUSTON CARGO SECTORS: 2017



CONSISTENT GROWTH OF CONTAINERS

Containers



Note: Totals include empty containers

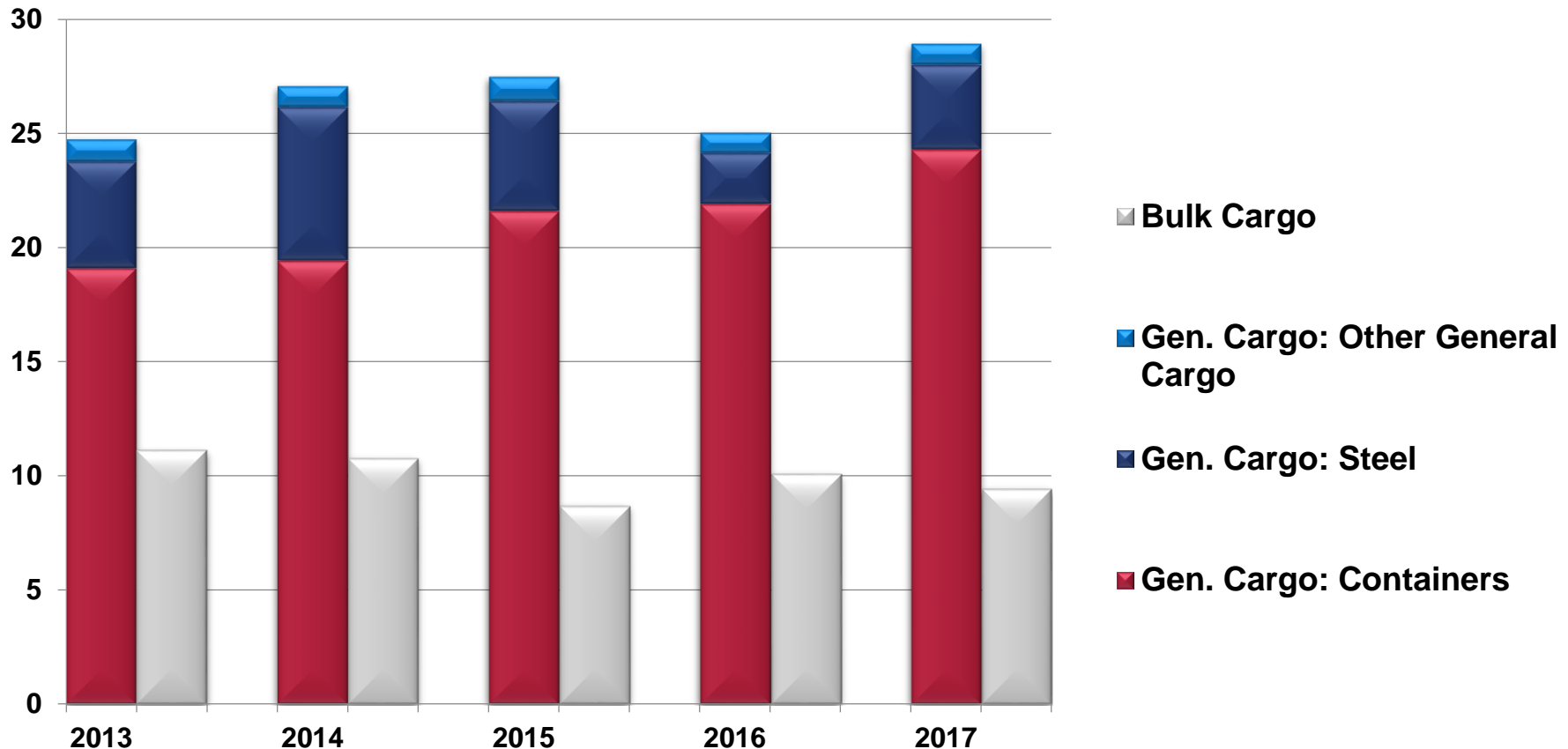
Source: PHA Accounting, PHA Market Development

PORT HOUSTON TOTAL TONNAGE

by Cargo Sector



Millions of Short Tons



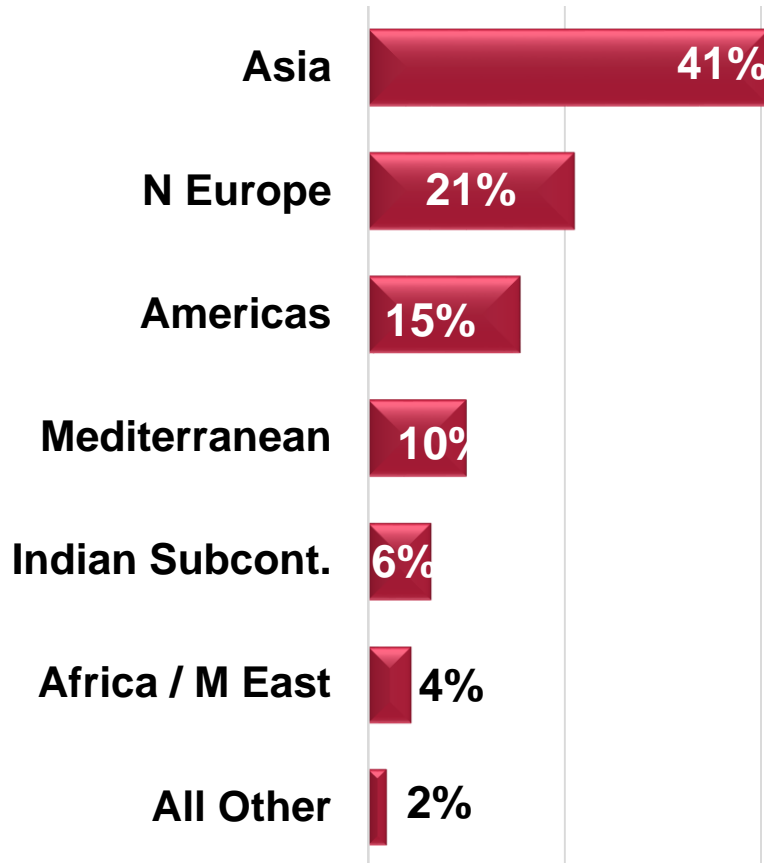
Source: PHA Market Development, PHA Accounting

Notes: Values include PHA Terminals only. Bulk cargo excludes Bayport Chemical complex.

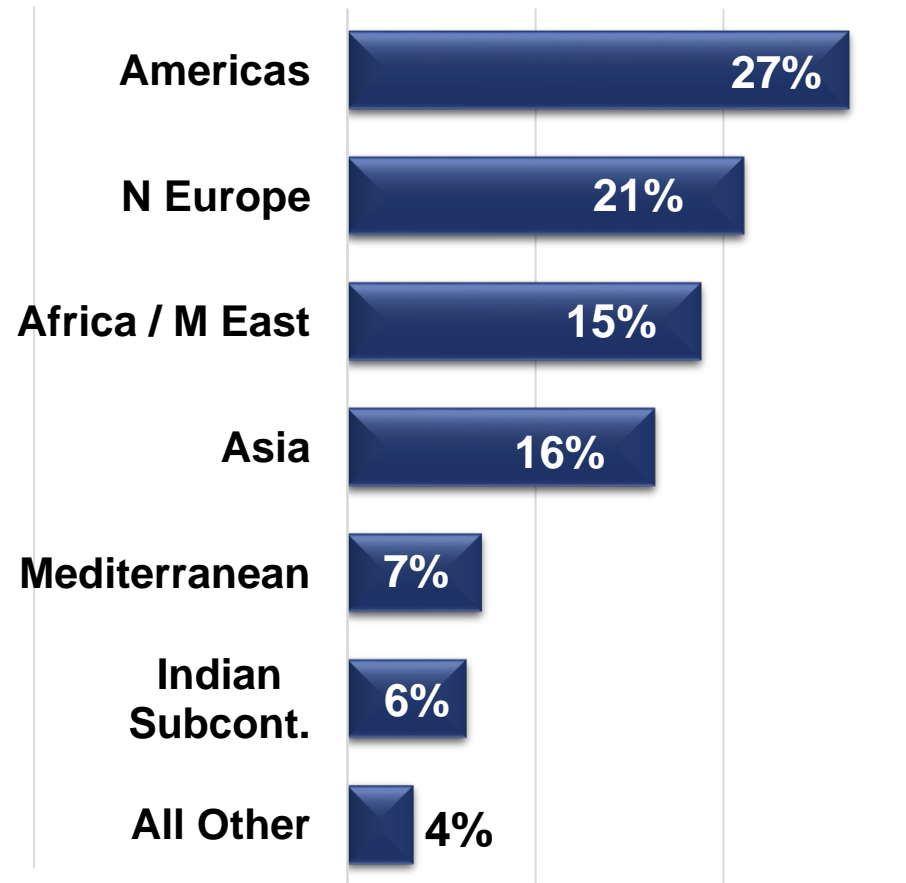
PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

CONTAINER TRADE SHARE – 2017

Imports by Trade Region



Exports by Trade Region



IMPORT GROWTH FOR 2017

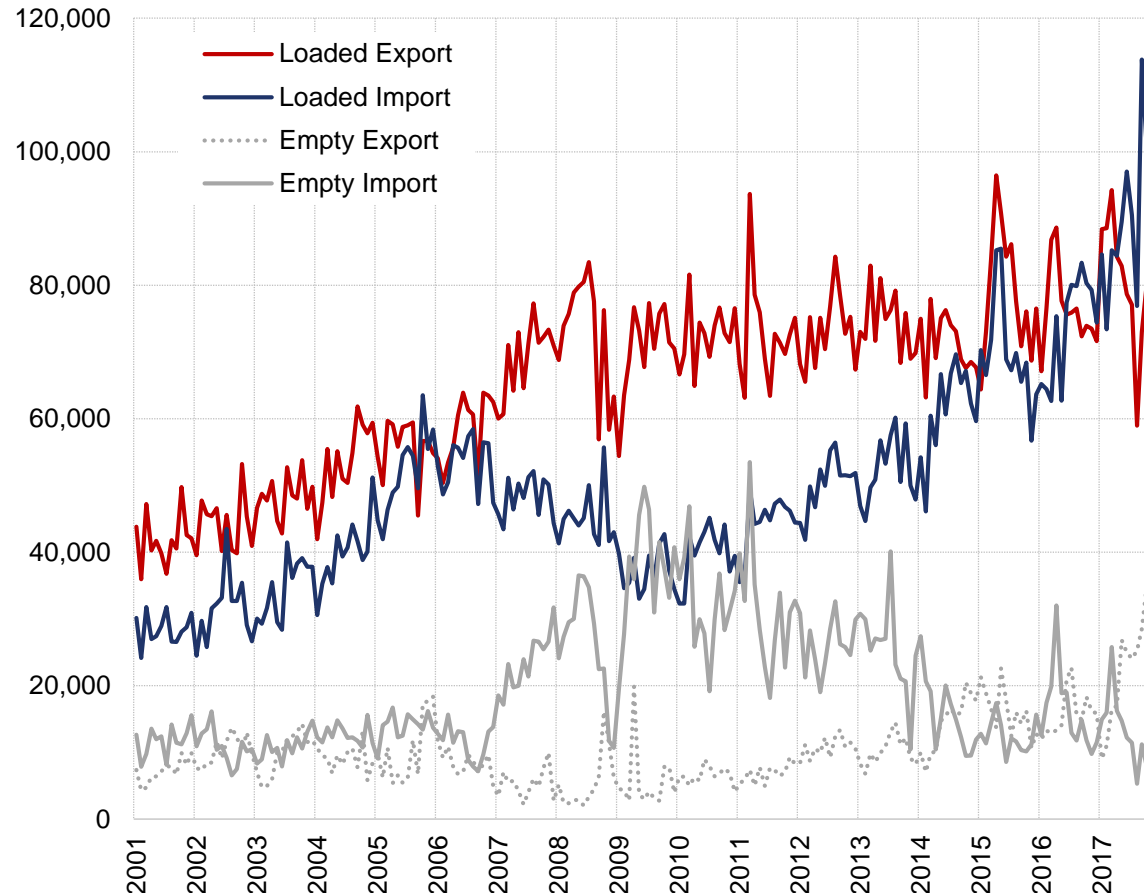


PORT HOUSTON
THE INTERNATIONAL PORT OF TEXAS

Graph: Port Houston Container Volumes by Type

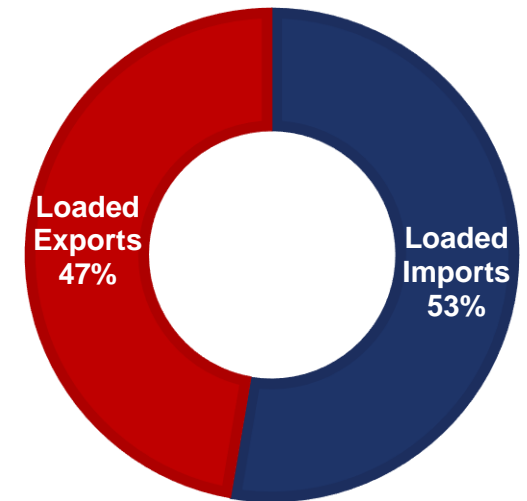
Source: PHA Accounting

Units: Monthly TEUs



Port Houston Container Balance

Based on Loaded TEUs



CAGR

2010 – 2017

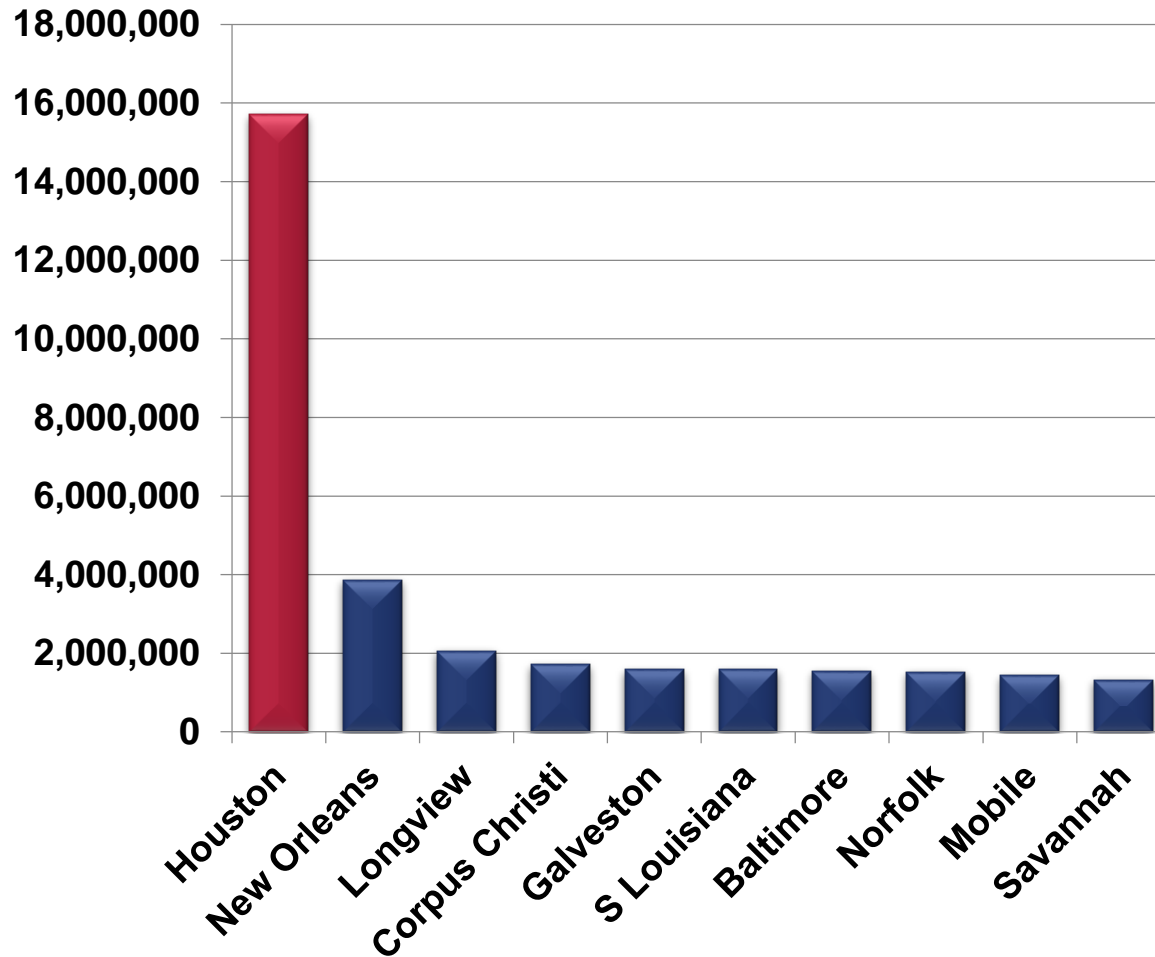
Loaded Imports: 12.3%

Loaded Exports: 1.5%

Total: 4.5%

EMERGING PERFORMANCE

Top 10 US Ports Steel & Breakbulk Volumes: 2017 Short Tons Totals



PORT	SHORT TONS
Houston	15,712,407
New Orleans	3,869,373
Longview	2,058,097
Corpus Christi	1,715,107
Galveston	1,589,610
S Louisiana	1,576,985
Baltimore	1,543,517
Norfolk	1,518,549
Mobile	1,440,292
Savannah	1,319,856

Source: Journal of Commerce (PIERS), PHA Market Development

Note: 1 Short Ton equals 0.907 Metric Ton; Excludes liquid bulk, grains, etc.

PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

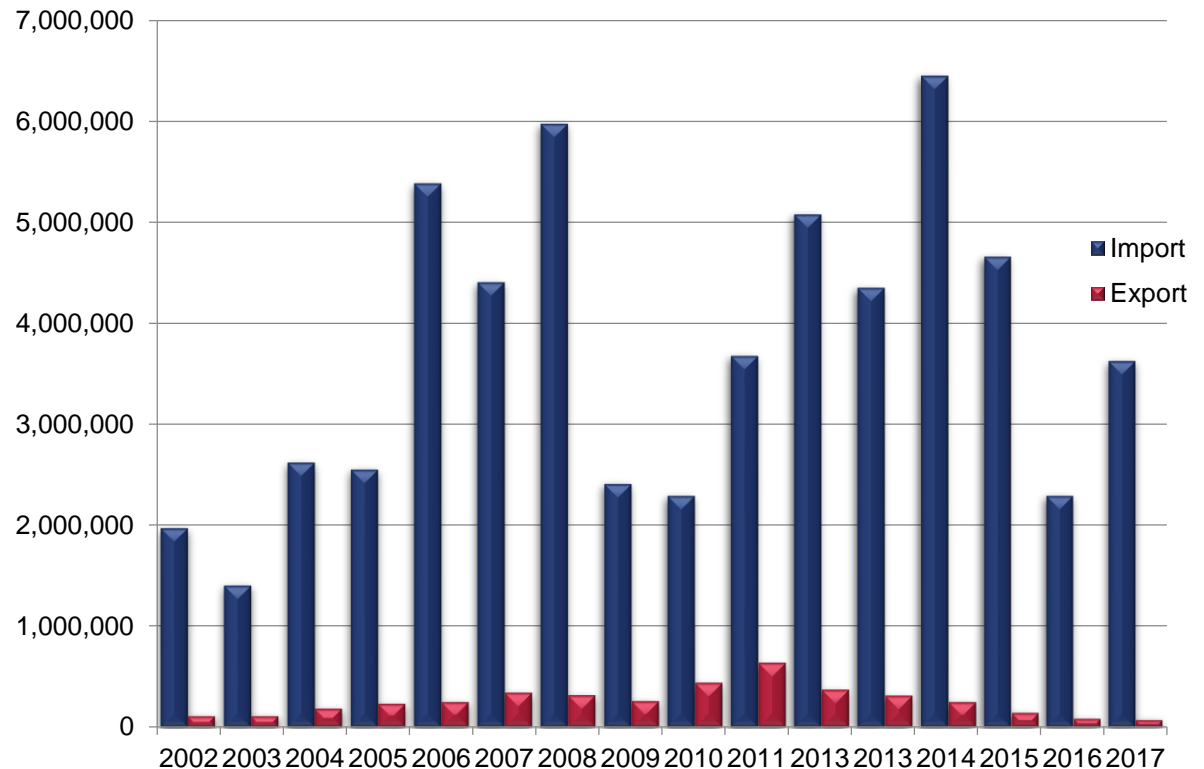
STEEL



PORT HOUSTON
THE INTERNATIONAL PORT OF TEXAS

Year	Imports	Exports	Total
2002	1,970,320	106,532	2,076,852
2003	1,402,651	106,532	2,076,852
2004	2,617,847	179,858	2,797,705
2005	2,550,467	227,776	2,778,243
2006	5,384,707	243,458	5,628,165
2007	4,405,944	336,470	4,742,414
2008	5,976,062	310,334	6,286,396
2009	2,405,324	251,428	2,656,752
2010	2,290,105	430,980	2,721,085
2011	3,676,234	624,881	4,301,115
2012	5,076,180	362,723	5,438,903
2013	4,350,450	305,808	4,656,258
2014	6,449,922	244,365	6,694,288
2015	4,657,591	138,879	4,796,470
2016	2,155,581	75,934	2,231,515
2017	3,626,185	68,492	3,694,676

PORT HOUSTON Steel Statistics (2002-2017) (in Short Tons)



Source: Journal of Commerce (PIERS), PHA Market Development

Note: 1 Short Ton equals 0.907 Metric Ton

PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

TOP CONTAINER CARRIERS

January through December 2017



TOP 10 CARRIERS	IMPORTS	EXPORTS	TOTAL TEU	PERCENTAGE
MSC	201,674	208,444	410,118	20.3%
Maersk Sealand	193,341	192,132	385,473	19.1%
CMA-CGM	115,090	170,824	285,914	14.2%
Hapag Lloyd	123,817	134,898	258,715	12.8%
China Ocean Shipping	54,960	126,410	181,370	9.0%
Seaboard Marine	66,173	34,452	100,625	5.0%
Hamburg Sud	57,556	35,256	92,811	4.6%
Zim Container	22,849	28,864	51,713	2.6%
OOCL	18,190	20,427	38,617	1.9%
Evergreen	14,313	22,581	36,894	1.8%

Note: Totals DO NOT include empty containers

Source: Journal of Commerce (PIERS), PHA Market Development

PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

BCO IMPORTERS & EXPORTERS

Containerized Freight: January through December 2017



TOP 10 PHA IMPORTERS	TEU	TOP 10 PHA EXPORTERS	TEU
Red Bull North America	12,213	ExxonMobil Chemical	26,715
Heineken USA, Inc.	11,346	Shintech Inc.	25,177
Ikea	9,784	Vinmar	14,841
Tramontina USA	4,736	Dow Chemical	14,454
Caterpillar	4,697	H Muehlstein	13,422
Dubal America	4,456	Olam Cotton	10,994
Rooms To Go	4,404	Dupont Nemours	8,634
Chep USA	4,098	Total Petrochemicals	7,061
Goodyear Tire and Rubber	3,919	Alenberg Cotton	6,477
Anheuser-Busch	3,856	Cargill	5,756

Source: Journal of Commerce (PIERS), PHA Market Development

Note: Totals DO NOT include empty containers; Excludes companies not listed in PIERS, e.g., WALMART

PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

IMPORT & EXPORT COMMODITIES

Containerized Freight: January through December 2017



PORT HOUSTON
THE INTERNATIONAL PORT OF TEXAS

PHA IMPORT COMMODITIES	TEU	PHA EXPORT COMMODITIES	TEU
Hardware & Construction Materials	158,987	Resins & Plastics	254,659
Food & Drink	154,436	Chemicals & Minerals	152,667
Retail Consumer Goods	142,909	Food & Drink	79,259
Machinery, Appliances & Electronics	121,942	Automotive	71,307
Steel & Metals	101,770	Retail Consumer Goods	70,236
Furniture	97,853	Machinery, Appliances & Electronics	70,128
Automotive	68,592	Fabrics including Raw Cotton	62,051
Chemicals & Minerals	67,639	Steel & Metals	30,269
Resins & Plastics	60,951	Apparel & Accessories	19,758
Apparel & Accessories	20,024	Hardware & Construction Materials	17,848
Fabrics including Raw Cotton	17,937	Furniture	4,074
Other	58,750	Other	112,858

Source: Journal of Commerce (PIERS), PHA Market Development

Note: Totals DO NOT include empty containers

PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

TOP BREAKBULK CARRIERS

2017 versus 2016



TOP 10 CARRIERS 2017	TONNAGE	TOP 10 CARRIERS 2016	TONNAGE
Seaboard Marine, Ltd.	1,326,737	Seaboard Marine, Ltd.	1,425,787
Star Shipping	792,907	Star Shipping	397,124
Pan Ocean	354,003	SK Shipping	289,503
SK Shipping	352,381	Clipper Shipping	225,830
Oldendorff Carriers, Inc.	237,248	National Shipping of America	170,953
Western Bulk Carriers	209,725	Volkswagen Of America - FTZ	162,069
Clipper Shipping	207,271	Western Bulk Carriers	131,914
Gulf Africa	167,205	Pan Ocean	128,933
K-Line America, Inc.	159,447	BBC	116,947
National Shipping of America	139,268	Rickmers-Line (America)	103,946

Source: PHA Accounting

Note: Data shown in Short Tons

PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

BCO IMPORTERS & EXPORTERS

Breakbulk Freight: January through December 2017



TOP POH IMPORTERS	TONNAGE	TOP POH EXPORTERS	TONNAGE
ArcelorMittal USA	767,451	SSAB Texas	12,655
Exxonmobil Sales and Supply	578,135	Noble America	11,000
Tenaris Global Services	370,235	Newmont Mining	9,754
North America Interpipe	261,230	Caterpillar	6,267
TGS USA	173,038	Corpac Steel Products	5,943
Borusan Mannesmann Pipe US	147,860	Ensco International	4,000
Husteel	130,816	CTS America	3,874
Voestalpine Tubular	106,115	Unisteel	3,707
Vallourec	105,398	ICC America	3,222
Hyundai Steel	101,925	ExxonMobil Sales and Supply	2,911

Source: Journal of Commerce (PIERS), PHA Market Development

Note: Data includes all public and private terminals along the Houston Ship Channel; Data shown in Short Tons

PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

A large cargo ship is sailing on a river, moving from left to right. The ship has a white superstructure and a dark hull. In the background, a dense urban skyline with various skyscrapers is visible under a clear blue sky with some light clouds. A bridge with a train crossing it is visible on the left side of the river. The text "THE HOUSTON ADVANTAGE" is overlaid in large, white, bold, sans-serif capital letters across the middle of the image.

THE HOUSTON ADVANTAGE



PORT HOUSTON
THE INTERNATIONAL PORT OF TEXAS

PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

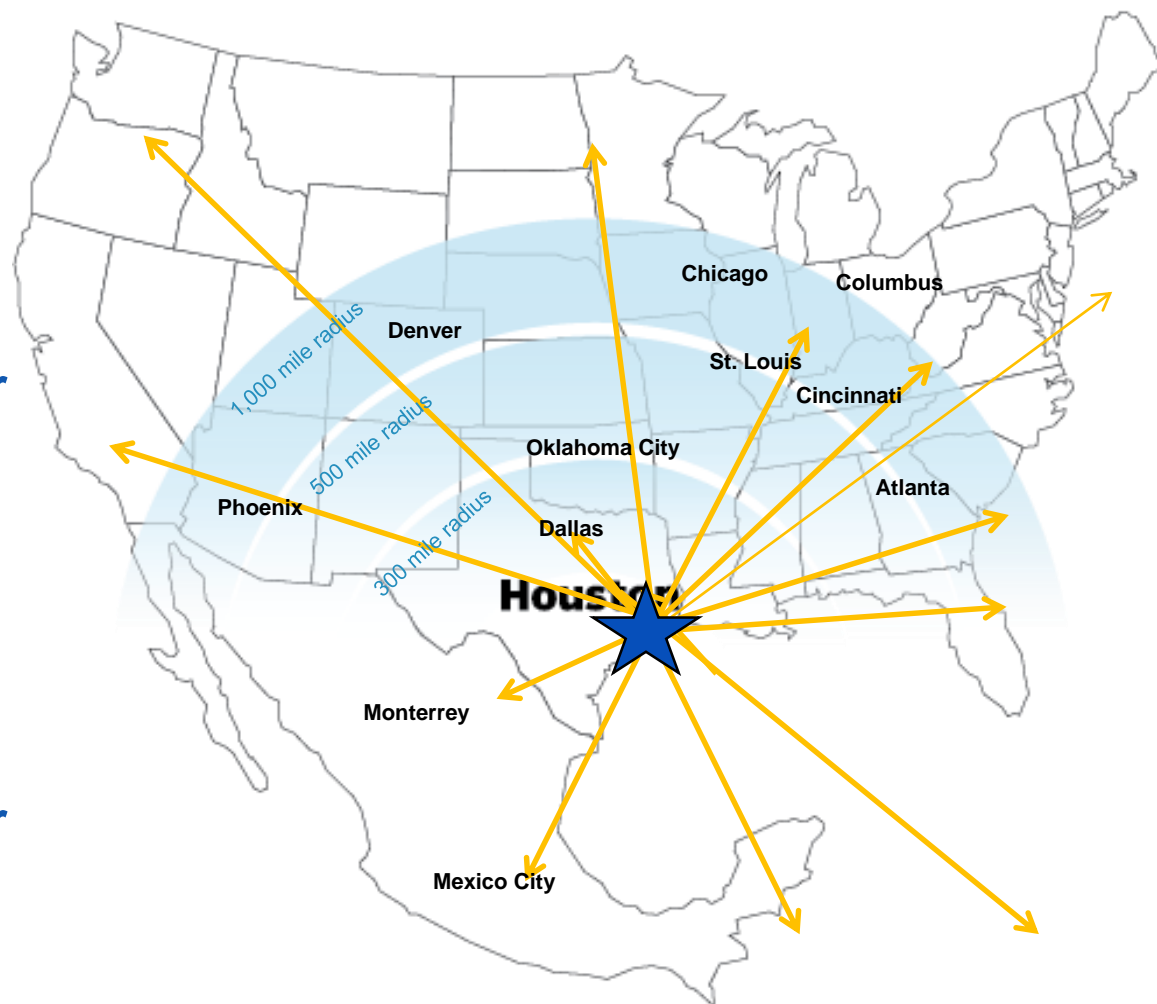
UNPARALLELED MARKET REACH



**8.4% of U.S. Population or
25.8 Million U.S.
Consumers
w/ in 300 mile radius**

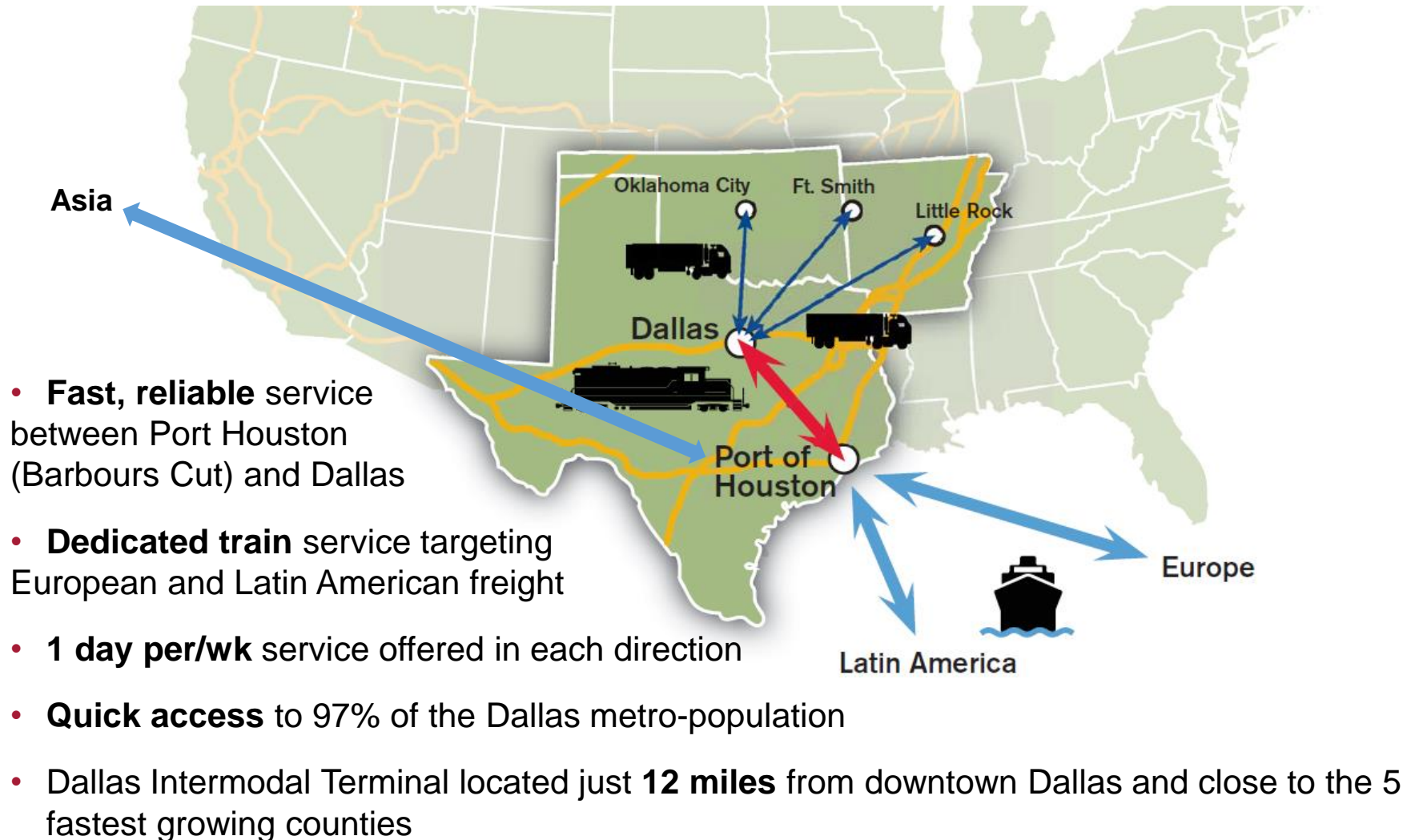
**12.9% of U.S. Population or
39.8 Million U.S.
Consumers
w/ in 500 mile radius**

**45.9% of U.S. Population or
141.8 Million U.S.
Consumers
w/ in 1,000 mile radius**



“TEXAS SHUTTLE” INTERMODAL SERVICE

Service between Port of Houston & Dallas Intermodal Terminal



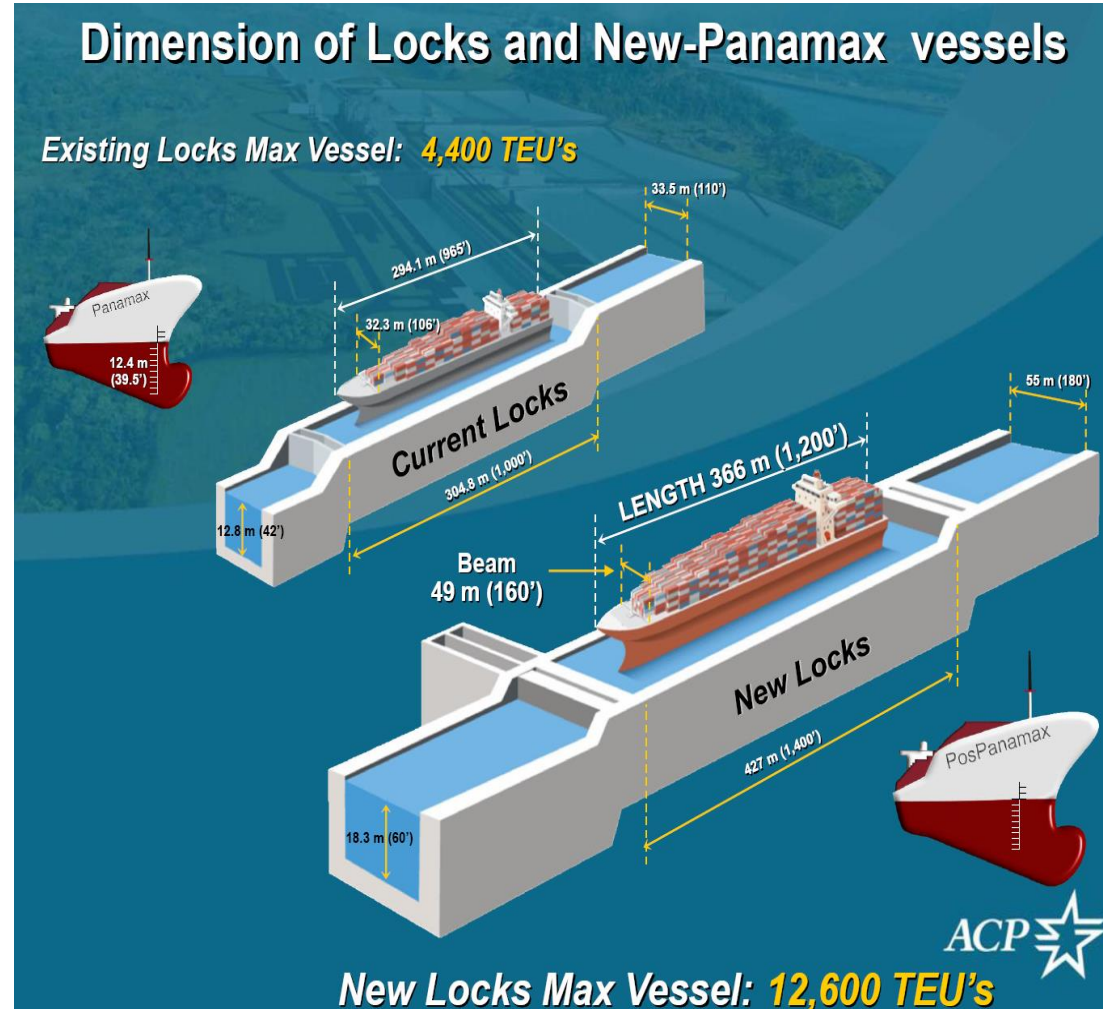
PANAMA CANAL OPPORTUNITY

N. East Asian imports currently represent **33%** of PHA's total inbound container trade volume

- Fastest growing population growth in the U.S.
- Increased consumer demand
- Centrally located gateway

Expanded Panama Canal brings new efficiencies

- Larger ships = lower cost per container
- Higher efficiency port (highest productivity in the U.S.)
- Attractive alternative gateway to Texas, Midwest and Latin America



HOUSTON: A GATEWAY TO THE WORLD



Strategic Location

- Huge Local Market – 39.8 million consumers in 500 miles
- Gateway to all U.S. and North America market
- Easy access to Mexico, Caribbean and Latin America

Pro-Business Environment

- Low taxes and low government regulation
- Low cost environment
- Excellent labor environment

Strong Infrastructure

- World class airport system
- Extensive railway access and efficient road and highway system
- Well developed sea port

Trade Development Division

Port Houston

713.670.2567

tradedevelopmentinfo@poha.com

www.PortHouston.com

111 East Loop North

Houston, TX 77029

QUESTIONS?

An aerial photograph of a busy port facility. In the foreground, several large blue gantry cranes stand on a pier, their long shadows cast across the water. Behind them, a vast yard is filled with stacks of colorful shipping containers in shades of red, blue, and white. The port is situated along a wide body of water, with a distant shoreline featuring trees and some buildings under a clear sky.

THANK YOU



PORT HOUSTON
THE INTERNATIONAL PORT OF TEXAS

PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS