



Ashdod Port Co. Ltd.



Iris Stark
Chairperson
(see page 000)



Yehoshua (Shuki) Sagis
CEO (see page 000)

ESTABLISHED
2004

LINE OF BUSINESS

Port services, loading and unloading ships, conveying cargo, passenger services, logistical services.

Ashdod Port is the economic gateway to the State of Israel. Just 40 km. from Tel Aviv, it is the closest to the country's major commercial centers and highways. Ashdod Port handled around 693,000 TEUs in 2006, an increase of 18% compared to 587,000 TEUs in 2005. The cargo unloaded and loaded in 2006 amounted to 15 million tons, an increase of 6.4% compared to around 14 million tons in 2005. The company's income increased around 15% in 2006* compared to 2005 totaling more than NIS 1 billion. Gross profits rose around 75% and net profits in 2006 amounted to around NIS 108 million, an increase of around 163% (2005 figures relate to 10.5 months of activity and percentage increases between the years have been calculated on a complete yearly basis).

Over 40 Years of Operation

Ashdod Port has been operating since 1965 and is one of the few ports in the world built on open sea. Ashdod Port was set up as an independent government-owned company in July 2004. Chairperson Iris Stark and CEO Shuki Sagis, head the company and their goal is to establish Ashdod Port as the leading port in the Eastern Mediterranean.

'Eitan Port'

An important step in realizing this vision took place during 2005, when Ashdod Port

inaugurated 'Eitan Port', the country's first fully computerized container port, following an investment of around NIS 3 billion. One of the largest infrastructure projects ever undertaken in Israel, 'Eitan Port', a deep water port, includes a 1,150 m. extension to the main breakwater and 1,700 m. of new quays with water depth up to 15.5 m. It was recently decided to build a rail terminal at 'Eitan Port', which will grant access to surrounding industrial centers.

Focus on Customer Service

The company's management has set as a main target implementing a new customer service strategy, which places the customer's needs at the forefront of the Port's activities. With this aim the company is about to invest NIS 700 million in equipment and infrastructure over the coming five years. The introduction of new, sophisticated technological equipment, expansion of the work force, development of the new docks and other customer service initiatives, have significantly reduced waiting times for ships and increased the outputs. The company has also invested around NIS 10 million in expanding the passenger terminal, which will increase passenger ship transport at Ashdod Port.

Full Services

Ashdod Port provides customers with a full package of services including logistic services

such as:

- Bringing ships into port and anchorage.
- Providing full ship services.
- Unloading, storage and loading cargoes.
- Emptying and storage of containers.
- Infrastructure for passenger liner anchorage provides top-quality service and handling for passengers and their baggage.
- The Port's vicinity has bonded warehouses, citrus fruit and agricultural produce warehouses, cold storage, a grain silo, container repair and cleaning services.
- An office complex at the Port's inland terminal.

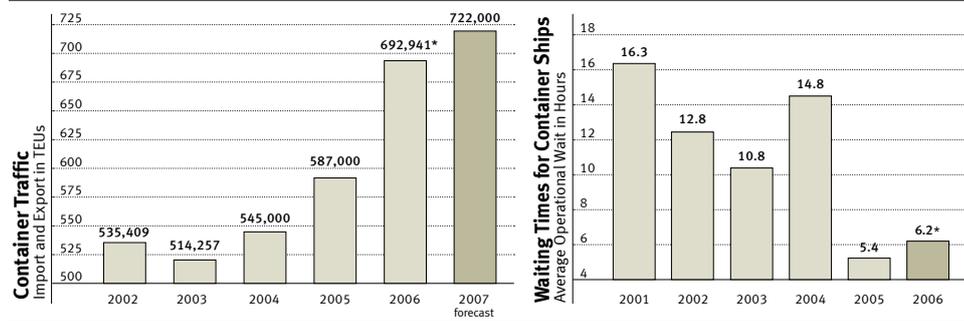
Advanced Technological Horizons

'Eitan Port' is among the most advanced ports in the world with its \$6 million Terminal Operating Systems (TOS). TOS gives Ashdod Port a clear competitive advantage through the efficient and controlled management of the Port. In addition, a cutting-edge ERP system, GPS for cargo and ship traffic and GIS for mapping and documenting infrastructures have been installed. A central automatic truck gate, using biometric and other devices, is being built.

Protecting the Environment

Ashdod Port has set itself a goal of conducting a dialogue with the environment and protecting the quality of the sea, beaches and air.

The Port strives to increase environmental awareness among its employees, subcontractors and equipment suppliers and gives preference to recyclable products and operates in a manner that minimizes its environmental impact. The Port operates in accordance with the Law for the Prevention of Sea Pollution 1983 and the Law for the Prevention of Sea Pollution for Land Sources 1988.



* unaudited figures

*Including the effects of the war



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