

REPUBLIC OF PERU

**CONCESSION OF GENERAL SAN MARTIN PORT
TERMINAL(PISCO)**

EXECUTIVE SUMMARY

PRIVATE INVESTMENT PROMOTION AGENCY



ProInversión

COMMITTEE IN SANITATION AND STATE PROJECTS

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Important Notice

The present Executive Summary has been prepared by PROINVERSION. It is provided only as information for potential investors and to assist them in determining their interest in participating in the Concession of General San Martin Port Terminal (Pisco). This document is not a request for investments.

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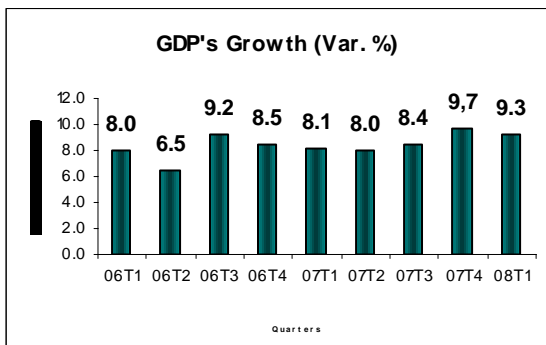
1. Peru

Peru is South America's third largest country, after Brazil and Argentina. It spans over 1.28 million Km² and has a population of 28 million people and 22 inhabitants per square kilometer population density. It is located in the west central portion of South America's Pacific coast, a position that poses it as a regional business hub as well as a strategic bridge among the markets of South America, the United States and Asia.

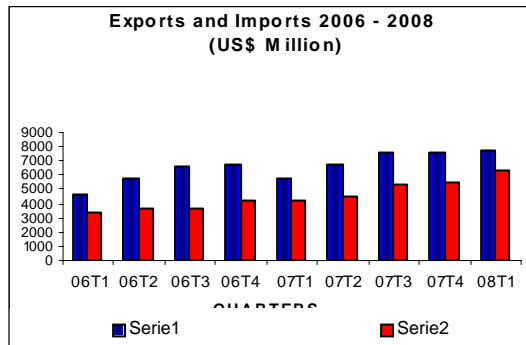


In terms of GDP, Peru shows a sustained growth and registered a 9.3% increase in the first quarter of 2008 compared to the same period last year. In 2007, per capita GDP reached almost US\$ 3 931.

Since 2002, Peru has enjoyed a positive trade balance that reached US\$ 8,4 billion in 2007 and US\$ 1,4 billion in 1Q 2008, as a result of a permanent growth in the export levels.



Source: BCR / INEI

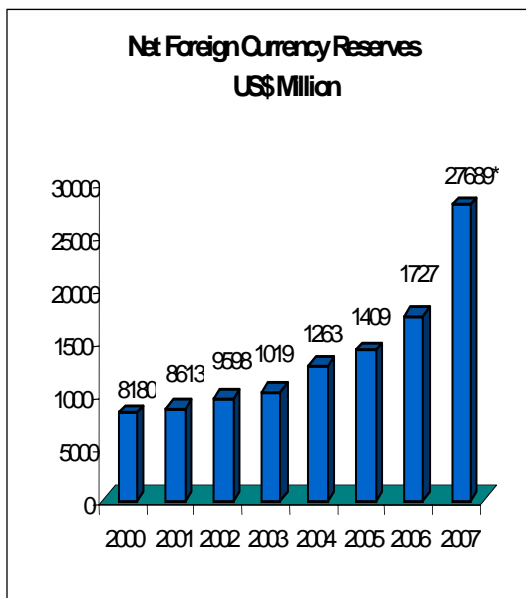


Source: BCR / INEI

Likewise, exports in the first quarter of 2008 reached US\$ 7,7 billion, an increase of 34.58% compared to the first quarter of 2007. This increase is mainly attributed to a greater product diversification, favorable price evolution in foreign markets and access to new ones.

Net Foreign Currency Reserves reached US\$ 33,4 billion as of 1Q 2008, while Foreign Debt was estimated at 16.5 % of GDP.

In July, 2008 the prestigious agency Standard Poor's Services, granted Peru with the investment grade, from BB+ to BBB-. This grade is sustained in his sound economic



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prospect, the promissory perspective of growth and responsible managing of the fiscal policies of our country, and considering the recent rating granted in April of the present year by the agency Fitch Ratings and in October, 2007 by the Canadian Credit risk DBRS.

1. General San Martin Port Terminal (Pisco)

The project purpose is the modernization, rehabilitation and provision of cranes, and others elements further specified in the Terms, as well as the operation of the terminal for a period not over 30 years.

This port is located in Ica department, in the surroundings of Pisco, 220 km from Callao Port. It has a marginal pier 700 m long and with 4 berths built in 1969. this port has a natural cover for swell and good weather almost throughout the 365 days of the year. It does not have important physical restraints for its development.

Is has big storage areas paved with cement and asphalt. Those areas can be used to store general cargo and bulk cargo. This port terminal is designed t handle 25,000 DWT ships, with 33 feet sea depth. It has a installed capacity of 2,337,606 t/year free from traffic; It has large expanding areas(2'000,000 m2) which enable the development of logistic activities.



2. Short – Listing Requirement

The short-listed bidder shall meet technical, legal and worth requirements included in the Terms.

Technical requirements to be met refer to the experience in port management of containers, proving volume of containers handled, ports or docks managed, etc.

Worth requirements refer to the company's financial capacity to execute the project. The specific requirements to be met are: Patrimony, Financial Statements, etc.

3. Advantages for Investors

- Operation in a port with growth perspective
- Alternate port to Callao port
- Unsatisfied local demand
- Growing local development
- Dock extension allows arrival of big-size vessels
- Natural cover
- Good weather
- Few physical restraints to growth
- Near to the airport and Panamericana Sur highway
- The port has the following characteristics

GENERAL SAN MARTIN PORT TERMINAL		
TECHNICAL FEATURES	DESCRIPTION	
LOCATION	DEPARTAMENT: ICA	
	PROVINCE: PISCO	
	DISTRICT: PARACAS	
POSITION	Longitude: 76°-13'W;Latitude 13°-43' S	
ADMINISTRATION	ENAPU S.A	
CATEGORY	PUBLIC	
NATURAL CONDITIONS	MAXIMUM TIDAL RANGE	(Spring Tide) 1.27m
	SWELL	
	WINDS :	
	CURRENT SPEED	
	DEPTH :	33 feet
	ACCESS CHANNEL	Open
	RAINFALL	

	VISIBILITY			
	OCEAN FLOOR			SAND AND CLAY
SEA FACILITIES	DOCK 1		DOCK 2	
	LENGTH: 720.00 m WIDTH :20.00 m		LENGTH : WIDTH:	
	MOORINGS			
	N°	Depth	Length	Capacity DWT
	1A	Lenght:1.75m	Depth 33 feet	25,000
	1B	Lenght:1.75m	Depth 33 feet	25,000
	1C	Lenght:1.75m	Depth 25 feet	25,000
	1D	Lenght:1.75m	Depth 29 feet	25,000
	UNDERWATER PIPELINES			(Not available)
	SHELTER WORKS			(Not available)
	BUOYS			Sea Buoy
	NAVIGATION AIDS			Position Lights in Dock; Landfall Buoy
LAND FACILITIES	WAREHOUSE W/ ROOF			Warehouse No.1= 3,060 m2; Warehouse No.2= 3,060 m2; Warehouse No.3=3,060m2
	CONTAINER YARD			(Not available)
	AREAS AND/OR ANNEXES			Area No.1=4,190m2; Area No.2=4,885 m2; Area No.3= 7,847m2; Area No.4= 5,071m2; Area No.5=18,708 m2
	SILOS			(Not available)
	ADMINISTRATIVE AREA			Surface =700 m2
	OPERATING AREA			Surface =683 m2
	NAVIGATION AIDS			Alignment signs
EQUIPMENT	DOCK CRANES			(Not available)
	YARD CRANES			16(1) and 22 ton(2)
	FREIGHT TRANSPORTATION EQUIPMENT			20 tons container ship(2),Fork lift(9),Press(2),Tractors(4)
	VANS			14,20 tons(18)
	TRUCK SCALES			100 tons(2)
	TUGS/LAUNCHS			Tug(1),Launch(1)
	DREDGES			(Not available)
	CONVEYOR BELTS			(Not available)

The investor may request the subscription of Juridical Stability agreements with the State. Those agreements provide for stability on income tax regime and workers hiring regime in case of further modifications to Peruvian legislation.

4. Characteristic of the Transaction

- Comprehensive Project Bidding. Services and productivity levels will be required. The investor will be in charge of technical solutions.
- The final design, construction, maintenance and operation will be at the expense of the investor.
- The investor will provide services to the ship and to the cargo, according to the established in the Concession Contract.
- This terminal will be facilities of public use, so third parties could be served.
- The Investor has the financial responsibility.

5. Investor Commitment

To make investment in construction, maintenance and operation of the infrastructure. To meet service indexes and other contracting obligations that will be stated in the Public – Private Participation Contract.

Should execute the following works and acquisitions:

- Reconditioning of the marginal existing dock for the attention of container ships, conditioning of area support and extension of uncovered storage areas.
- Acquisitions of different equipments to transport and pile up the containers.
- Dredging for deepening area of maneuvers and moorings.

6. Financial Structure

The execution of work requires one referential investment of US\$ 55 millions.

7. Current Status

In April 4, 2008 The Supreme Resolution N° 041 – 2008 EF approved the Private Investment Promotion Plan of General San Martin - Pisco Port Terminal agreed by ProInversion and the National Port Authority.

The Call to concession process of General San Martin – Pisco port terminal was published in newspapers and ProInversion web site. April, Friday 11, 2008.

8. Schedule

Will be announced in the web site: www.proinversion.gob.pe

- Option: Concession and Opportunities of Sectorial Investment
- Option: General San Martin Port Terminal – Pisco