

March 5, 2007

MR'S ADVISORY TO SHIPPING No. A-03-2007

TO : All Steamship Agents, Owners, and Operators

SUBJECT: Monthly Canal Operations Summary – FEBRUARY 2007

1. Panama Canal Statistical Summary:

| | |
|------------------------------|-----|
| a. Transit Pilot Force | 275 |
| b. Pilots in Training | 0 |
| c. Tugs | 24 |
| d. Locomotives | 100 |

2. Traffic Statistics:

| | <u>Average Daily</u> | <u>High Daily</u> | <u>Low Daily</u> |
|---------------------------|----------------------|-------------------|------------------|
| Arrivals | 39.50 | 51 | 23 |
| Oceangoing Transits | 39.14 | 46 | 35 |
| Canal Waters Time (hours) | 22.33 | 26.30 | 17.48 |
| In-Transit Time (hours) | 10.41 | 11.97 | 9.06 |

| Distribution of Oceangoing Transits: | <u>Total</u> | <u>Average Daily</u> | <u>Percentage</u> |
|---|--------------|----------------------|-------------------|
| Vessels of less than 80´ Beam | 391 | 13.96 | 35.68 |
| Vessels 80´ Beam and Over | <u>705</u> | <u>25.18</u> | 64.32 |
| Total of Oceangoing Transits: | 1096 | 39.14 | |

| | | | |
|------------------------------|-----|-------|-------|
| Vessels 100´ Beam and Over | 477 | 17.04 | 43.52 |
| Vessels 900´ Length and Over | 144 | 5.14 | 13.14 |

Note: For the purpose of this report, the term "oceangoing transits" is equivalent to the number of locomotive transits.

| Booking Slots: | <u>Available</u> | <u>Used</u> | <u>Percentage</u> |
|-----------------------------------|------------------|-------------|-------------------|
| Large Vessels (beam 91' and over) | 420* | 404* | 96.19 |
| Regular vessels (beam < 91') | 252* | 234* | 92.86 |

*Does not include additional auctioned booking slots

3. The following page provides the scheduled locks maintenance work and other items of interest to the shipping community.

4. This advisory will be canceled for record purposes on March 31, 2007.

ORIGINAL SIGNED

Capt. Arcelio H. Hartley
Acting Maritime Operations Director

| TENTATIVE SCHEDULE OF LOCKS MAINTENANCE WORK FOR FY 2007 | | | | | | |
|---|--------------------|---------------------------------|--------------------------------------|--|---|---------------|
| Dates | Outage Days | Miraflores | Pedro Miguel | Gatun | Estimated Transit Capacity | Status |
| April 18-20 | 2 | | Lane Outage April 18-19 (30 Hrs.) | Lane Outage (2d) | 26-28 | Tentative |
| June 13-22 | 3 | Lane with restrictions (10d) | Lane Outage June 20-22 (3d) | | 32-36 during restrictions* 26-28 during outage | Tentative |
| July 11-20 | 2 | Lane with restrictions (9d) | Lane Outage July 19-20 (2d) | | 32-36 during restrictions* 26-28 during outage | Tentative |
| Aug. 8-10 | 2 | | | Lane Outage (2d) | 26-28 | Tentative |
| Aug. 14-23 | 2 | Lane with restrictions (9d) | Lane Outage Aug. 22-23 (2d) | | 32-36 during restrictions* 26-28 during outage | Tentative |
| Sept. 5-15 | 6 | | Lane Outage Sept. 5- 10 (6d) | Lane with restrictions Sept. 5-15 (10d) | 32-36 during restrictions* 26-28 during outage | Tentative |
| Sept. 26-28 | 2 | | | Lane Outage (2d) | 26-28 | Tentative |

* **Note:** Actual transit capacity will depend on the type of restriction imposed during work.

Transit Capacity: The normal capacity of the Panama Canal is 38 transits per day. This capacity is reduced during locks outages, as indicated in the above table. Consequently, vessels may experience delays in transiting. Normally, during these periods, the Panama Canal Transit Reservation System slots are fully utilized. Whenever a set of locks requires a major outage of one of its two lanes for dry chamber inspection, miter gate repairs, tow track work or other major maintenance/improvement projects, advantage may be taken of this requirement to perform simultaneous single lane outages for additional maintenance at other locks. Two-day lane outages have no significant impact on Canal vessel backlog, therefore are not normally included in this chart.

PANAMA CANAL AUTHORITY AWARDS FINANCIAL ADVISOR CONTRACT FOR CANAL EXPANSION

The Panama Canal Authority (ACP) awarded the financial advisor contract for the Panama Canal expansion project to Mizuho Corporate Bank, Ltd. This contract includes the following services: reviewing the financial aspects of the ACP's Master Plan and expansion proposal, providing strategic counsel on financing structures and strategies, and creating and implementing an integrated financial model, among other items.

A total of 15 firms participated in the international bid for this contract, including firms from the United States, Japan, France, England and Spain. After thorough technical and economical evaluation of the proposals, the contract was awarded to Mizuho Corporate Bank based on the firm's reputable experience and capabilities. Moreover, the firm had the best credentials for the requirements and interests of the expansion project.

The Japanese Mizuho Corporate Bank, Ltd. is considered one of the largest banks in the world. It is conformed by the consolidation of The Industrial Bank of Japan, Ltd., The Fuji Bank, Ltd. and the Dai-Ichi Kangyo Bank, Ltd. For more than 30 years, it has offered financial advisory services and financing for the execution of numerous infrastructure and energy projects in countries around the world, such as Mexico, South America, Central America and the Caribbean.

As the world becomes more interconnected, the significance of the Panama Canal and its function in the global supply chain becomes increasingly important. The waterway lies within a critical area where trade routes emerge and connect. The ACP will continue its efforts toward maximizing Panama's strategic location to become the logistics and transportation hub of the Americas.