June 2, 2009

OP’S ADVISORY TO SHIPPING No. A-09-2009

TO: All Steamship Agents, Owners, and Operators

SUBJECT: Monthly Canal Operations Summary – MAY 2009

1. Panama Canal Statistical Summary:
   a. Transit Pilot Force .................................................................290
   b. Pilots in Training ................................................................. 0
   c. Tugs ................................................................. 32
   d. Locomotives .................................................................100

2. Traffic Statistics:

<table>
<thead>
<tr>
<th>Statistics</th>
<th>Average Daily</th>
<th>High Daily</th>
<th>Low Daily</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrivals</td>
<td>34.19</td>
<td>50</td>
<td>21</td>
</tr>
<tr>
<td>Oceangoing Transits</td>
<td>33.87</td>
<td>41</td>
<td>25</td>
</tr>
<tr>
<td>Canal Waters Time (hours)</td>
<td>18.75</td>
<td>27.39</td>
<td>14.73</td>
</tr>
<tr>
<td>In-Transit Time (hours)</td>
<td>9.21</td>
<td>11.08</td>
<td>7.74</td>
</tr>
</tbody>
</table>

   Distribution of Oceangoing Transits:
   - Vessels of less than 91´ Beam 462 14.90 44.00%
   - Vessels 91´ Beam and Over 588 18.97 56.00%
   - Total of Oceangoing Transits: 1050 33.87

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

   Booking Slots:
   - Large Vessels (beam 91’ and over) 527* 275* ¹ 52.18
   - Regular Vessels (beam < 91’) 248* 116* ¹ 46.77

   *Does not include additional auctioned booking slots
   ¹ Includes booked transits only

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 June 30, 2009.

ORIGINAL SIGNED

Manuel E. Benitez
Executive Vice President of Operations
ONE YEAR SCHEDULE OF LOCKS MAINTENANCE WORK

<table>
<thead>
<tr>
<th>Dates</th>
<th>Days</th>
<th>Miraflores</th>
<th>Pedro Miguel</th>
<th>Gatun</th>
<th>Estimated Transit Capacity</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 21-26, 2009</td>
<td>6</td>
<td>Lane Outage</td>
<td></td>
<td></td>
<td>26-28</td>
<td>Tentative</td>
</tr>
</tbody>
</table>

The normal transit capacity of the Panama Canal is 38-40 vessels each day, depending on vessel mix and other factors. This capacity is reduced during lock maintenance work, 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.

PANAMA CANAL INVESTS $320 MILLION IN UPGRADING CURRENT CANAL

INCREASED DAILY TRANSITS, ENHANCED CUSTOMER SERVICE, REDUCED CANAL WATERS TIME

As work on the expansion project progresses, the Panama Canal Authority (ACP) continues to modernize and upgrade the existing waterway, resulting in streamlined operations and increased capacity. Recent modernizations, valued at US$320 million, include an improved lighting system in the Canal’s locks; a new track and turntable system; the acquisition of five new tugboats; an additional tie-up station; and, the replacement and reconstruction of the ACP’s launch fleet. According to the ACP, these latest improvements allow two additional transits per day and enhance the safety, reliability and efficiency of the Canal.

“In total, the returns on our US$320 million investment have been significant,” said Mr. Benítez. “We devote a significant portion of Canal revenue to modernization and improvement projects and, through careful planning; these projects have brought about the desired operational returns – safe, reliable and efficient transits for our customers.”

Lighting the Way to Canal Safety

Every night, the ACP moves large vessels through the Canal locks, maximizing the utility of the waterway. Panamax ships, the largest vessels able to transit the Panama Canal, have only two feet of space on each side to travel through the Canal’s lock chambers. To help Panamax ships transit safely, the ACP augmented its lighting system with lights in the lock chamber walls that shine down to the water providing greater visibility of the space between the vessel and the lock wall.

Turning Up Canal Efficiency

Additional upgrades enhancing the safety and efficiency of the Canal include the ACP’s new track and turntable system and a second tie-up station. The track and turntable system allows locomotives to reach and assist vessels traveling through the Canal’s Gatun Locks. Prior to this system, vessels stopped mid-lockage to exchange locomotives. The new system allows vessels to travel through the locks using the same set of locomotives, which cuts transit times and increases capacity.

The second tie-up station, located at Cartagena Hill, serves as a staging area for northbound (Pacific to Atlantic) ships waiting for southbound ships (Atlantic to Pacific) to transit the Canal. The station enables ships that have passed through Pedro Miguel Locks to pre-position for their next stage of transit. The Cartagena Tie-up Station allows at least one additional vessel to transit the Canal on a daily basis.

“Since integrating the track and turntable system and tie-up station into Canal operations, two additional vessels transit the Canal every day,” said ACP Canal Operations Captain Miguel Rodriguez. “These projects have been very well received. Canal customers are afforded a cost-effective and reliable route. Additionally, Canal workers are able to provide smooth and continuous service.”

Canal Reliability Moves Full Steam Ahead

Five new tugboats, completing the order of eight tugboats, obtained by the ACP from Cheoy Lee Shipyards, Ltd. further increase the Canal’s efficiency and reliability. Replacing and augmenting the existing tugboat fleet to help vessels transit the waterway. The new units come with an award-winning design; an output capacity of 4,800 horse power and a bollard pull of more than 60 metric tons. The ACP shipyard that recently became a part of the Maritime Operations Division, will handle fleet maintenance. In 2008, the Canal awarded an additional 13 new tugboats to Cheoy Lee. These tugs have an anticipated delivery date of 2010.

To further improve Canal reliability, the ACP replaced and reconstructed launches used for transiting and dredging operations. Specifically, they contracted Transporte y Equipo, S.A. (TESA) to retrofit 20 launches with new engines, transmissions and propellers. To date, TESA has retrofitted 11 of the 20 launches with Detroit Diesel Serial 60 engines and Twin Disc transmissions. In addition, the ACP contracted ASCON Ltd. to provide six pilot and four operation passenger launches and MetalCraft Marine Inc. to supply four dredging passenger launches. These 14 additional launches are expected to begin arriving in fiscal year 2010 and will be equipped with the same engines as the 20 retrofitted launches.

“In total, the returns on our US$192 million investment have been significant,” said Mr. Benítez. “We devote a significant portion of Canal revenue to modernization and improvement projects and, through careful planning; these projects have brought about the desired operational returns – safe, reliable and efficient transits for our customers.”