

LOOKING AHEAD:

INDUSTRIES IMPACTING HOUSTON'S FUTURE

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Innovation and Commercialization**
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Houston Technology Center
The Entrepreneurial Capital



Houston Technology Center provides business education, guidance, and access to capital that technology entrepreneurs need for commercialization.

Energy



Accelerating conventional and sustainable energy technologies.



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Information Technology



Driving Technology pioneers to power the future.



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Life Sciences



Guiding breakthrough technologies in life sciences.

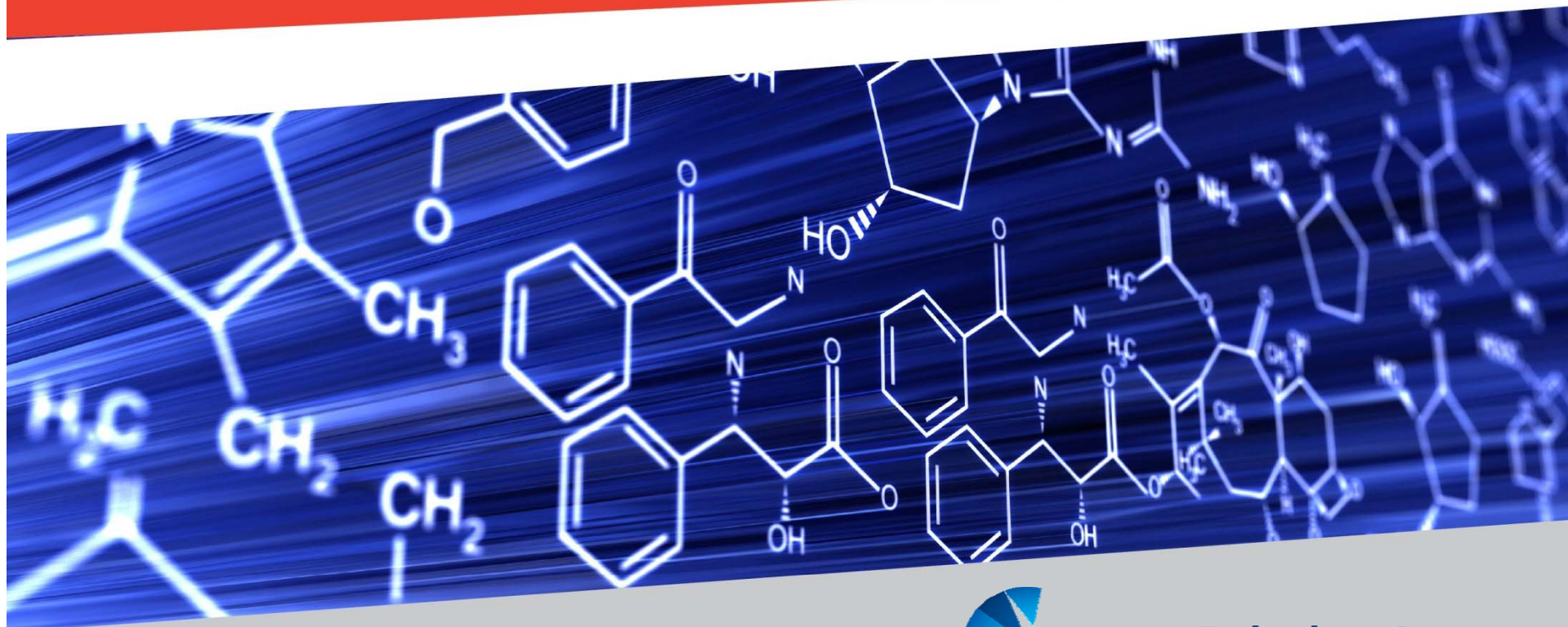


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Nanotechnology



Exploring and developing opportunities for nano-related technologies.



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Aerospace



Accelerating technologies in pursuit of new frontiers.



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PORT OF HOUSTON AUTHORITY



Master Presentation

DYNAMIC HOUSTON

MARCH 2011



MAJOR GATEWAY

- Port of Houston Authority operates 2 Container Terminals and 6 Bulk Terminals
- National & International Status
 - Largest U.S. port by foreign tonnage
 - Largest port in North America for break-bulk and project cargo
 - Largest port in North America for steel
 - Largest port in North America for petroleum
 - 7TH largest port in North America by TEU throughput
 - 15th largest port in the world by tonnage
- 2010 Results
 - 220M total tons of cargo
 - 1.8M TEU, 68% of the U.S. Gulf Coast traffic
 - 7,852 vessel calls



ECONOMIC IMPACT

- \$285B of economic activity in the U.S., \$118B in Texas
- 1.5M jobs generated in the U.S., 785K in Texas
- \$16.2B in tax revenue nationwide, \$3.7B in state and local tax revenue
- \$39.3B of personal income in Texas
- PHA Total Capital Projects Investment:
 - For 2010: \$212.5M
 - For 2010-2013: \$855M

Source: Martin Associates (2006 Study)

BARBOURS CUT



- 40-foot draft at mean low tide can accommodate 8,000 TEU-type vessels
- 6 x 1,000-foot berths
- 13 wharf cranes
- 40 RTG cranes
- 230 acres of paved marshaling area
- 24,500 grounded TEU capacity
- 2,500 wheeled unit slots
- 342 reefer plugs
- 255,000 square-feet of warehouse space in three buildings
- Modern, automated gate network with 15 inbound and 12 outbound lanes
- Roll-on/Roll-off platform
- 42-acre on-dock rail ramp with four working tracks, five storage tracks and 900 spaces
- Navis Express inventory and location computer system



BAYPORT



- Capacity to accommodate 40-foot draft type vessels
- 3,330 feet of continuous berth
- 9 Super Post-Panamax wharf cranes
- 27 RTG yard cranes
- Approx. 150 acres of container yard
- Approx. 900,000 TEU annual throughput
- At build-out
- 1.4M container capacity, or 2.3M TEU annual thru-put
- 7,000 feet berthing at final build-out
- 123-acre intermodal yard in early development phase
- Built in anticipation of the Panama Canal expansion (2014 completion)



PANAMA CANAL

- 3rd lock will double the canal's capacity in 2014
- 20% of Houston's containerized cargo transits the Panama Canal today
- Canal expansion forecasted to bolster Asian trade 7 ~ 9% annually in 2014/2015
- PHA's strategic plan anticipates growing demand in key markets served via canal



PANAMA CANAL OPPORTUNITY

- Houston is positioned to capture a larger share of Asian containerized imports:
 - Asia has become Houston's fastest growing container region, now accounting for 32% of our total import traffic.
 - Houston's dominant petrochemical and resin industries provide natural match-back opportunities, given the size and strength of its existing Asia export market
 - When the expanded Panama Canal opens in 2014, PPX ships will bring new efficiencies (lower cost) per TEU, making Houston competitive with WC ports whose surcharge structure and labor volatility make Houston an attractive alternative gateway port to Texas, surrounding states and the Midwest

WHY HOUSTON • WHY NOW

- Safe inland harbor. Centrally located gateway to N. America, equidistant to USEC & USWC
- Diversified trade. Connectivity to all world markets, for all cargo types
- Highly efficient, uncongested, cost effective port operations
- Strategically prepared for future growth
- \$855 in PHA infrastructural investment, 2010-2013, to ensure future readiness
- PHA gateway providing access to over 1M TEU import/export freight per year
- Trade balance provides economical match-back opportunities and efficiencies
- Favorable labor relations with experienced, skilled workforce
- Competitive industrial real estate landscape
- World-class city offering the infrastructure needed for world trade
- Business friendly environment. True partnership philosophy. “Can Do” Spirit





QUESTIONS & ANSWERS

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