

Hutchison inks \$22.8 billion deal to sell majority of port holdings to BlackRock, TiL



Hutchison's control of its Panama ports has come under scrutiny from the Trump administration due to the company's alleged links to the Chinese government, which the company has denied. Photo credit: Jose Mario Espinoza / Shutterstock.com.

Keith Wallis, Special Correspondent | Mar 4, 2025, 4:15 PM EST

Amid growing ire within the new Trump administration over alleged Chinese influence in the operation of the Panama Canal, Hong Kong-based CK Hutchison stunned the maritime world Tuesday by announcing it had agreed to sell the majority of its Hutchison Port Holdings (HPH) global terminals network to a consortium comprised of BlackRock Group and Mediterranean Shipping Co.'s Terminal Investment Limited (TiL) in a \$22.8 billion deal.

The deal comprises two parts. The first covers HPH's 90% interests in the Panama Ports Company, which owns and operates the ports of Balboa and Cristobal on the Pacific and Atlantic entrances to the Panama Canal.

The second involves HPH's 80% effective and controlling interest in subsidiary and associated companies that own and operate 43 ports comprising 199 berths in 23 countries including Felixstowe in Britain, ECT in Rotterdam, Manzanillo in Mexico, Busan in South Korea and Laem Chabang in Thailand.

The agreement also covers all of HPH's management resources, operations, terminal operating systems, IT and other systems, Hutchison said in a statement.

Hutchison's control of its Panama ports has come under scrutiny from the Trump administration due to the company's alleged links to the Chinese government. The administration has used these claims, which Hutchison has denied, for the basis of threats to take back control of the canal zone, which the US signed over to Panama in 1999.

Commenting on the specific sale of the Panama Ports Company, Frank Sixt, CK Hutchison's co-managing director, said it was unrelated to the row over control of the ports.

"I would like to stress that the transaction is purely commercial in nature and wholly unrelated to recent political news reports concerning the Panama Ports," Sixt said.

Hutchison's ports in China, including those controlled by Hutchison's Singapore-listed company HPH Trust that operates ports in Hong Kong, Shenzhen and South China, are excluded from the deal.

Dwarfs recent port deals

The deal is one of the world's biggest ports sales, overshadowing the combined \$4 billion sale of the Orient Overseas Container Line global ports business in 2006 and 2019 and Hutchison's \$4.4 billion disposal of a 20% stake in Hutchison Port Holdings to Singapore's PSA in 2006.

Hutchison said documents for the sale of the Panama Ports Company are expected to be signed on or before April 2. It gave no timeline for the sale of the remaining Hutchison ports portfolio.

Sixt said the sale of the HPH ports business was "the result of a rapid, discrete but competitive process in which numerous bids and expressions of interest were received."

"As a result, the transaction valuation agreed in principle is compelling, and the transaction is clearly in the best interest of our shareholders," he said.

Diego Aponte, MSC's president and chairman of TiL, said the MSC group has a long-standing relationship with Hutchison Ports.

"We are very focused on this industry, and we know that the investment in Hutchison Ports will be a very viable investment commercially," Aponte said in the statement.

TiL was formed in 2020 to secure container terminal capacity for MSC and currently handles more than 65 million TEUs annually at ports including Long Beach, Los Angeles, New York/New Jersey, Singapore, Ningbo, Rotterdam and Antwerp.

By comparison, HPH handles about 60 million TEUs with a further 22 million TEUs handled by ports controlled by HPH Trust.

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