

A Message from the President

Dear Friends,

As the holiday season approaches and the end of the year arrives, we, as individuals, like to reflect on our accomplishments of the previous year, see what we could have done differently, set goals and make New Year's resolutions for the next year. At Associated Terminals, we like to perform the same reflection as a company. Looking to the past can help with setting goals and assessing the future.

This year has certainly been one of tremendous accomplishments. Associated Terminals will have handled a record tonnage of approximately 20 million tons of cargo by the end of 2011. We secured new long-term clients for our warehouse in Port Allen, LA and the new transit shed at Globalplex in Reserve, LA. The Associated Terminals of St. Bernard group remodeled a warehouse and the surrounding area, which was approved for London Metal Exchange cargo for a new client. Two new Gottwald 6400 model crane barges were commissioned, which increased our capacity and ability to service our clients safely and efficiently. These two floating cranes were named in honor of two valuable and long-term team members, Frankie Walker and Kerry Robertson.

The Myrtle Grove Midstream Terminal went through a shut-down in early June to upgrade sampling systems, add a new generator, repair a large section of the barge, rework some of the conveyor areas, rewire the control room, and sandblast and paint many areas of the rig. All of these repairs and improvements were completed in a remarkable 15-day period. We are now in a position to handle increased tonnage volumes at this facility.

Most importantly, Associated Terminals' team has increased proactive safety efforts per man-hour by 20%. The total proactive safety efforts by the team are forecasted to be approximately 85,000 for 2011. This number will be approximately 30,000 more safety efforts than the previous year. A total of 45 different training module classes were conducted this year with 9,537 attendances counted, an increase of 3,200 over 2010. We will continue to place an emphasis on these proactive efforts, as this type of commitment will help create the safest workplace in our industry.

Further to the safety training, the management team of Associated Terminals attended five-day courses this past summer for continuing development in leadership and management training. In an effort to give our team the best tools and support, we will continue to have leadership training and forums in 2012 and beyond.

Associated is looking forward to another year of great accomplishments in 2012. The efforts to make this happen have already begun with the construction of another floating crane, a Gottwald 8400, to be commissioned in April 2012. We are and will continue to look for new opportunities for growth and stability for our entire organization. As we make our New Year's resolutions for 2012, I ask that you make the safety and the health of you, your family, and the Associated family paramount. I challenge our team to have a stellar year of zero recordable incidents at our facilities. Happy Holidays to you and your families and make safety your first priority!

Sincerely,
Todd Fuller
President