



9M 2016
Earnings Presentation

November 14, 2016

9M 2016
Operational and Financial Results

9M 2016: Resilient Stance Strengthened Against the Perfect Storm...

Revenue and EBITDA growth despite ongoing tensions in East Med, Coup Attempt in Turkey, and temporary pressure on TEU volumes in Port Akdeniz. Consolidated revenues increased by 11.2%, reaching USD 90.7mn; while segmental EBITDA grew by 10.2%, reaching USD 60.3mn in 9M 2016 YoY.

Commercial business bounces back...

Commercial revenues and EBITDA posted **7.6%** and **14.1% growth** in 9M 2016 YoY, indicating **390bps margin increase**. Growth was driven by:

- Recovery from the temporary marble investigation launched by Chinese Authorities on marble imports to China in June 2016
- Growth in non-marble business in Q3 2016 YoY
- Recently introduced revenue item as well as other side revenues
- Contribution from project cargo
- Tariff adjustments thanks to tariff flexibility at operational ports due to underlying concessions
- Depreciation of TL against USD in as approximately 70% of costs are in TL in Turkish port operations

Impact of the Perfect Storm on Turkish cruise port operations remained limited...

Driven by GPH's well diversified cruise port network, GPH ports excluding Turkey managed to increase total cruise passengers by 27.6% YoY in 9M 2016. The increase was mainly driven by Barcelona, Malaga, Valletta, and Singapore. **When Turkey is included**, total passenger base still indicates a satisfactory **10.0%** YoY inorganic growth in 9M 2016. Similarly, Cruise Revenues and EBITDA recorded **15.4%** and **5.9%** increase in 9M 2016 YoY. Growth was mainly driven by:

- Inorganic growth: Valletta Cruise Port (Malta) acquisition
- Increasing share of turnaround passengers in total passenger mix, driven by Barcelona and Malaga
- Tariff adjustments
- Cruise passengers in GPH ports in Turkey decreased by 39.7% as opposed to an overall decrease of 65.3% decrease in Turkey, thanks to a world-class security measures and unique excursion choices offered by Ege Ports

Executive Summary

	Q3 2015	Q3 2015 PF	Q3 2016	YoY Change (Actual)	YoY Change (Based on PF)	9M 2015	9M 2015 PF	9M 2016	YoY Change (Actual)	YoY Change (Based on PF)
Passengers (mn PAX) ⁴	1.4	1.6	1.5	8.5%	-6.7%	3.1	3.5	3.4	10.0%	-5.1%
General & Bulk Cargo ('000 tons)	218.8	218.8	352.7	61.2%	61.2%	1,151.8	1,151.8	1,106.4	-3.9%	-3.9%
Throughput ('000 TEU)	57.2	57.2	56.8	-0.7%	-0.7%	166.0	166.0	161.8	-2.5%	-2.5%
Revenue (US\$ mn)	34.5	37.9	38.0	10.0%	0.3%	81.6	89.2	90.7	11.2%	1.7%
Cruise Revenue (US\$ mn) ²	20.1	23.4	20.4	1.6%	-12.9%	37.1	44.6	42.8	15.4%	-4.1%
Commercial Revenue (US\$ mn)	14.5	14.5	17.6	21.7%	21.7%	44.5	44.5	47.9	7.6%	7.6%
Segmental EBITDA (US\$ mn) ³	24.5	26.3	25.9	5.8%	-1.2%	54.8	58.3	60.3	10.2%	3.5%
Segmental EBITDA Margin	71.1%	69.4%	68.3%	-270bps	-100bps	67.1%	65.4%	66.5%	-60bps	+110bps
Cruise EBITDA (US\$ mn)	14.9	16.7	13.8	-7.5%	-17.1%	26.0	29.5	27.5	5.9%	-6.9%
Cruise Margin	74.4%	71.2%	67.7%	-670bps	-350bps	70.0%	66.1%	64.3%	-580bps	-190bps
Commercial EBITDA (US\$ mn)	9.6	9.6	12.1	26.4%	26.4%	28.8	28.8	32.9	14.1%	14.1%
Commercial Margin	66.4%	66.4%	69.0%	+260bps	+260bps	64.7%	64.7%	68.5%	+390bps	+390bps
Consolidated EBITDA (US\$ mn)	24.0	25.7	24.9	3.7%	-3.3%	52.3	55.8	57.4	9.7%	2.7%
Consolidated EBITDA Margin	69.5%	67.9%	65.5%	-400bps	-240bps	64.1%	62.6%	63.2%	-80bps	+60bps

¹ Passengers, Cruise Revenue and Cruise EBITDA outside Turkey exclude contribution from GPH ports in Turkey; namely, Port Akdeniz Cruise operations, Ege Ports and Bodrum Cruise Port

² Revenue allocated to cruise segment includes sum of revenues of cruise ports excluding Singapore and Lisbon, as well as cruise portion of revenue from Port Akdeniz, which while mainly a commercial port also has minor cruise operations

³ Segmental EBITDA figures indicate only operational companies; excludes GPH solo expenses

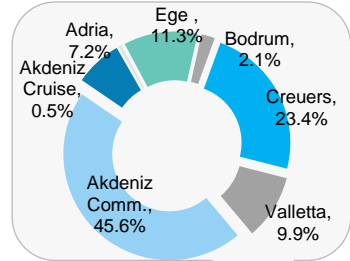
⁴ Passenger numbers include Lisbon and Singapore Pax fully

⁵ Proforma for 2015 effect of Valletta Cruise Port (Malta) acquisition

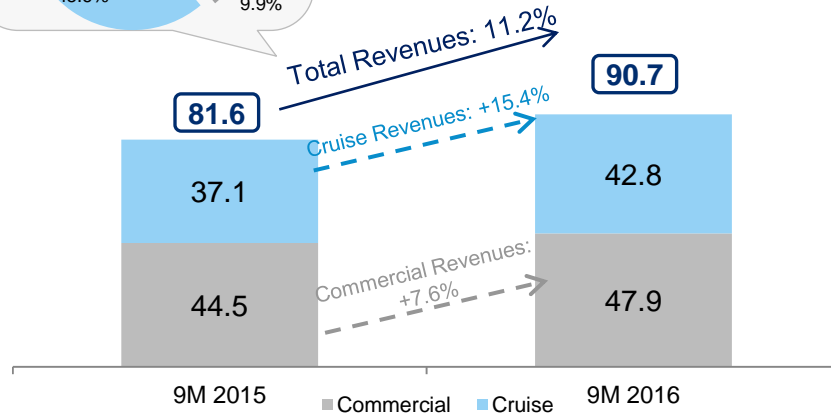
Revenue and EBITDA: Pleasing revenue & EBITDA performance...

Revenue¹ (US\$mn)

Revenue Breakdown (9M 2016)



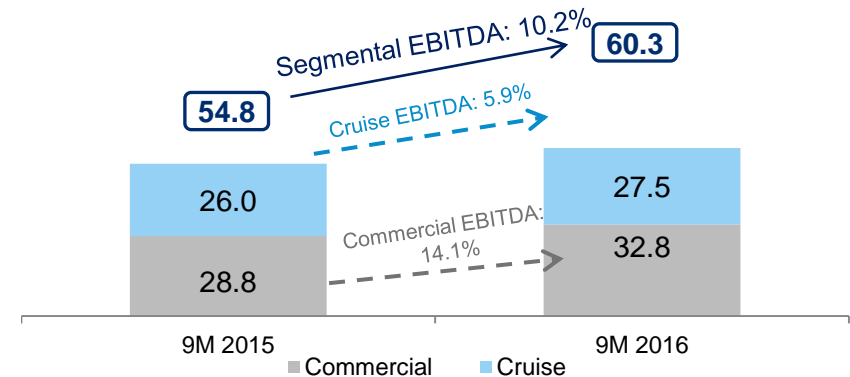
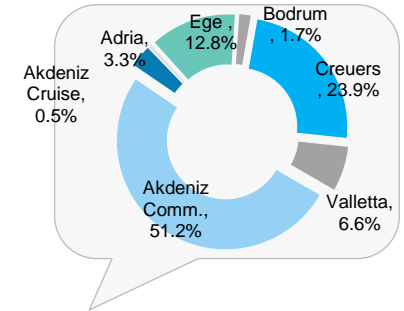
FY 2015: US\$105.5mn
 Cruise portion : 45%
 Commercial portion: 55%



Segmental EBITDA² (US\$mn) & EBITDA Margin

FY 2015: US\$73.8mn
 Cruise portion : 47%
 Commercial portion: 53%

EBITDA Breakdown (9M 2016)



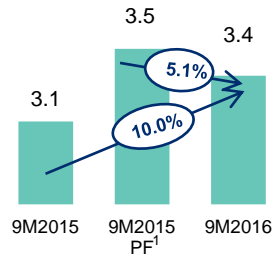
- Total revenues increased by 11.2%, while cruise revenues went up by 15.4% YoY in 9M 2016, representing inorganic growth impact
 - On proforma basis (including VCP 9M 2015 figures), total revenues went up by 1.7% in 9M 2016 YoY, on the back of tariff increases
- Segmental EBITDA was up by 10.2%, while cruise EBITDA recorded a 5.9% increase in 9M 2016 YoY, inorganically
 - On proforma basis (including VCP 9M 2015 figures), segmental EBITDA grew by 3.5%, while cruise EBITDA declined by 6.9% YoY in 9M 2016
- Despite the volume pressure, GPH managed to maintain commercial revenue and EBITDA growth, which translated into 390bps increase in commercial margin
- The decline in cruise EBITDA margin is mainly attributable to the lower contribution from Ege Ports in Turkey in 9M 2016, which operates at 70%-80% EBITDA margin

1. Revenue allocated to cruise segment includes sum of revenues of cruise ports excluding Singapore and Lisbon, as well as cruise portion of revenue from Port Akdeniz, which while mainly a commercial port also has minor cruise operations.
 2. EBITDA figures indicate only operational companies; excludes GPH solo expenses.

Cruise Ports Operations: 'Solid cruise revenues outside Turkey driven by increasing share of turnaround passengers and ancillary revenues...'

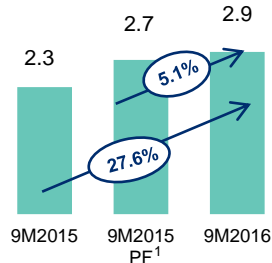
Cruise Passengers²

(mn PAX)



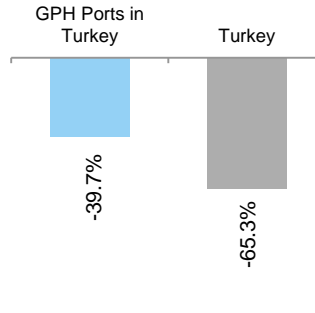
Cruise Passengers Excluding Turkey²

(mn PAX)



GPH Ports in Turkey vs Turkey, Δ Pax

(9M 2016, YoY)

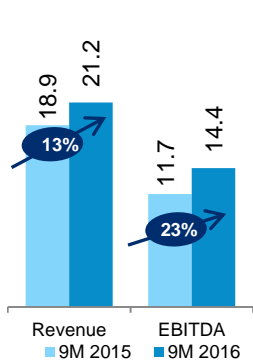


- Total passengers increased by 10.0% in 9M 2016 YoY through inorganic growth. When VCP proforma effect in 9M 2016 is included, total passengers indicate a 5.1% decline, mainly driven by Turkish ports due to the tension in East Med and the Coupe attempt in Turkey in July 2016. Yet, the decline in passenger numbers are quite limited at GPH Turkish ports (39.7% YoY) compared to Turkey (65.3% YoY decline) thanks to the world-class security measures at utmost priority at GPH ports and unique excursion choices of Ege Ports
 - YoY passenger increase excluding Turkish ports came out at 5.1% including proforma effect of Valletta, while the inorganic YoY passenger increase for GPH ports outside Turkey was 27.6% in 9M 2016
- Cruise revenues outside Turkey posted 14.5% increase YoY, mainly due to
 - 5.1% YoY organic growth in passenger numbers outside Turkey
 - The increasing share of turnaround passengers in Barcelona and Malaga
 - Ancillary revenues in Malta (commercial berthing, heavy machinery, duty free)
- A 20% tariff increase in Lisbon started to be applied in 9M 2016, which is in line with GPH's strategy to rationalize and optimize prices at the ports it operates

Creuers³

2015:
 Revenue: US\$24.7 mn
 EBITDA: US\$16.5mn
 EBITDA Margin: 67%

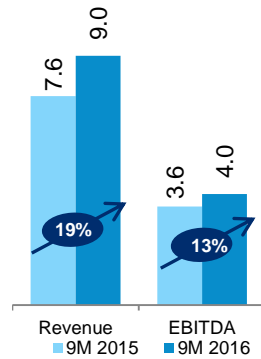
US\$, mn



Valletta Cruise Port

2015:
 Revenue: US\$10.2 mn
 EBITDA: US\$4.9mn
 EBITDA Margin: 48%

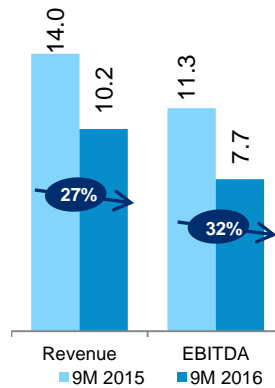
US\$, mn



Ege Port Kuşadası

2015:
 Revenue: US\$17.3 mn
 EBITDA: US\$14.2mn
 EBITDA Margin: 82%

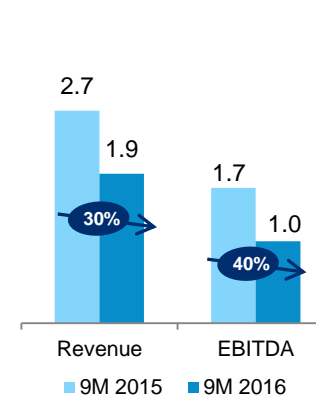
US\$, mn



Bodrum Cruise Port

2015:
 Revenue: US\$2.8 mn
 EBITDA: US\$1.7mn
 EBITDA Margin: 59%

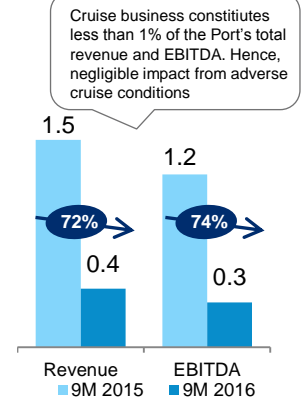
US\$, mn



Port Akdeniz / Cruise

2015:
 Revenue: US\$2.1 mn
 EBITDA: US\$1.7mn
 EBITDA Margin: 79%

US\$, mn



1. Proforma 1H 2015 effect of Valletta Cruise Port (Malta) acquisition
 2. Cruise Passengers and calls include ferries as well
 3. Creuers figures includes Barcelona and Malaga

Commercial Ports Operations: 'Project cargo, ancillary revenues and efficient cost management continued to support margins despite the stress in the region...'

Port Akdeniz:

- The general investigation launched by Chinese officials for imports of marble by the end of May 2016, coupled with the Coup attempt in Turkey in July 2016 put a cap on container volumes through Port Akdeniz during June and July. Yet, despite a perfect storm environment, Port Akdeniz managed to maintain similar container levels in Q3 2016 compared to Q3 2015, signalling recovery
 - TEU throughput declined only by a mere 1% in Q3 2016 YoY
- Despite the perfect storm, revenues increased by 8.8%, while EBITDA posted a 12.4% increase in 9M 2016 YoY, translating into c.230bps improvement in EBITDA margin
- 10.4% depreciation of TL in 9M16 compared to 9M15 led to c.2.5% increase in EBITDA, as approximately 70% of costs are in TL in Turkish port operations.
 - EBITDA increase in constant currencies was c.9.9%
- Container yield increased by 9.6% in 9M 2016 YoY, reaching US\$203.7
 - A recently introduced revenue item, Verified Gross Mass (VGM) as well as other side revenues such as container storage revenue and stuffing revenue contributed considerably to container yield increase
- Driven by the project cargo, general cargo yield increased by 66% in 9M 2016 YoY, reaching US\$10.2 per ton

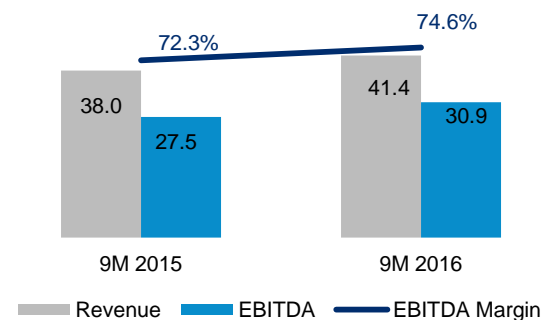
Port of Bar:

- Container yields came out at US\$100.3 in 9M 2016, indicating 6.0% increase YoY; which is mainly attributable to the tariff increases
- Stemming from a temporary situation, cargo volume shrank in 9M 2016 due to the decrease of raw material import made by a major producer in the region
- Driven by the project cargo, general cargo revenue per ton climbed to US\$36.9 in 9M 2016 from US\$8.1 in 9M 2015, supporting revenue and EBITDA generation. Project Cargo elements are basically the machinery, equipment and / constructions to be utilized at regional development projects
- Eastern Europe region where Port of Adria exists, has the highest priority within Europe to attract such development projects in near future, just like the region of Port Akdeniz in Turkey

Revenue & EBITDA (US\$ mn)

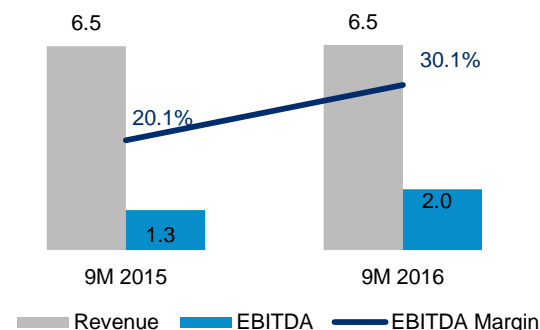
Port Akdeniz

Revenue YoY: 8.9%
EBITDA YoY: 12.4%



Port of Adria

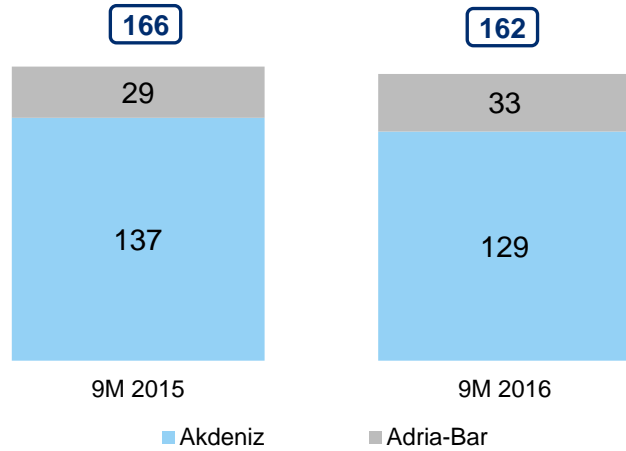
Revenue YoY: 0.5%
EBITDA YoY: 50.7%



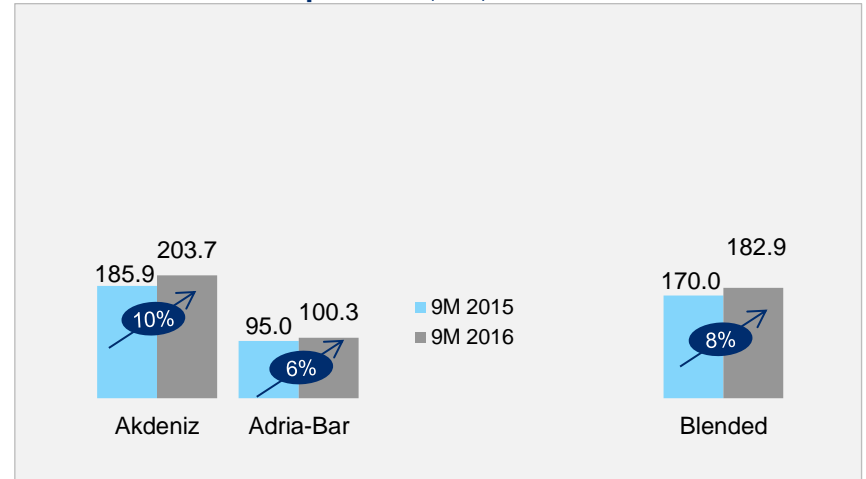
Commercial Ports Operations: Yield increase playing a vital role in recovery...

Commercial Volume

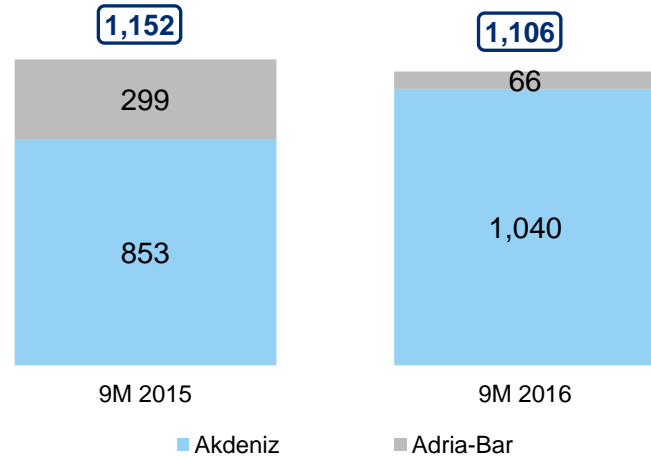
Throughput ('000 TEU)



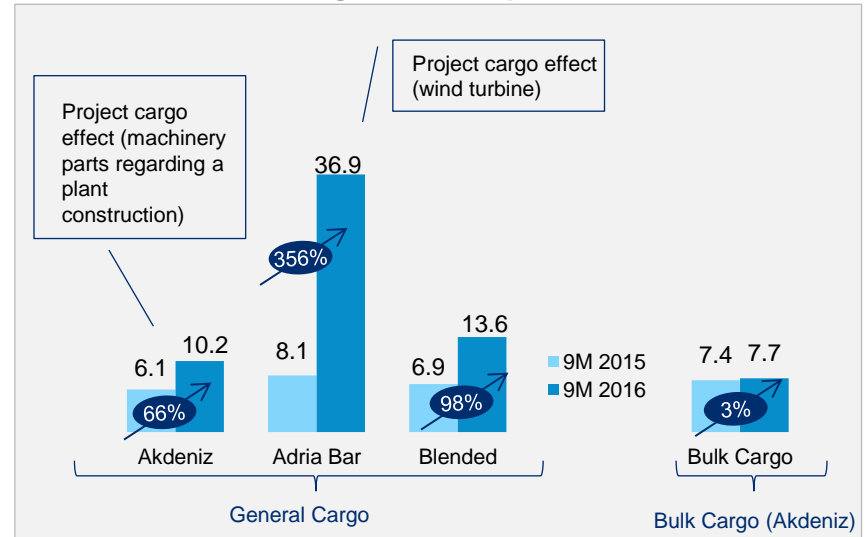
Container Revenue per TEU (US\$)



General & Bulk Cargo¹ ('000 tons)



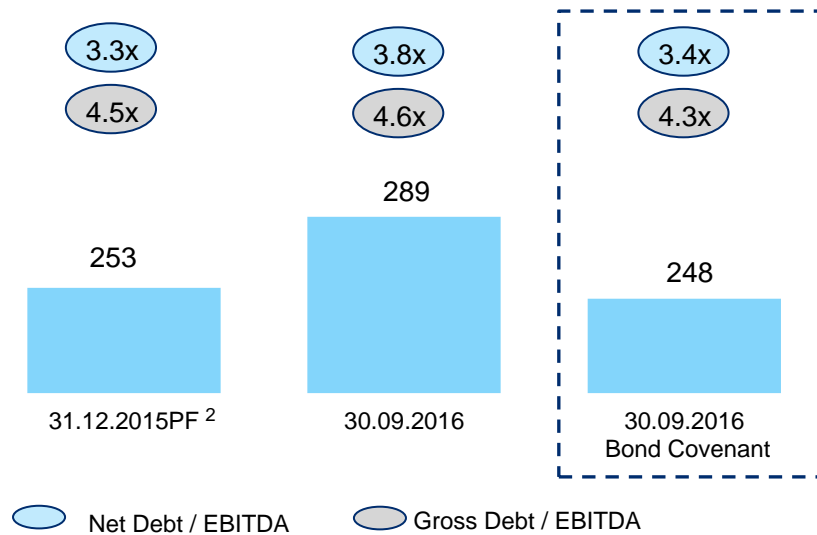
General and Bulk Cargo Revenue per Ton (US\$)



1. Bulk Cargo figures belong to Port Akdeniz; Adria Bar does not have bulk cargo operations

Debt Profile...

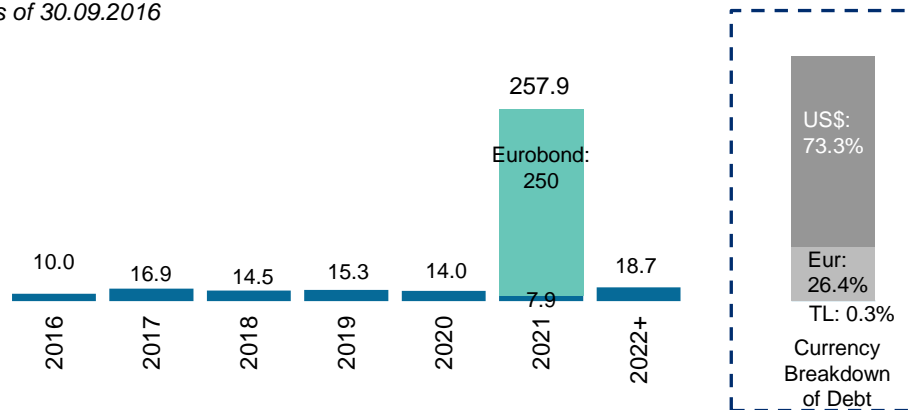
Net Debt (US\$ mn)



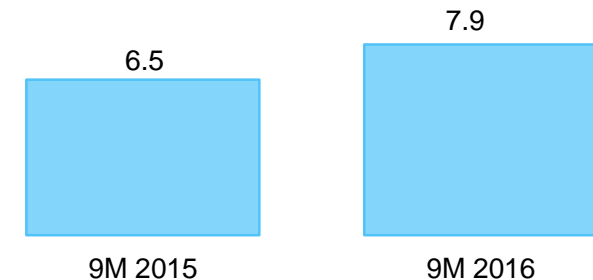
- The increase in net debt at 30.09.2016 to USD289mn is mainly due to the interest accruals of the US\$250mn euro-bond and dividend distribution made in cash to shareholders in March 2016
- Gross Debt / EBITDA increased slightly to 4.6x as of 30.09.2016 from 4.5x as of 31.12.2015PF; while Bond Leverage Covenant¹ stood at 4.3x as of 30.09.2016, comfortably below the bond covenant of 5.0x
- 73.3% of financial debt is in US\$ terms, while 26.4% is in Eur, and a mere 0.3% in TL
- 24.7% of the debt has a floating interest rate, while 75.3% has a fixed rate as at 30.09.2016

Debt Repayment (US\$ mn)

As of 30.09.2016



Capex (US\$ mn)



¹ Leverage covenant of the GPH Eurobond is calculated excluding EBITDA and gross debt from Malaga and Malta, which are Unrestricted Subsidiaries.
² 2015 pro forma for Malta acquisition and its financing.

Historical Financials

<i>US\$m</i>	2012	2013	2014	2015	Q3 2015	Q3 2016	9M2015	9M 2016
Consolidated statement of comprehensive income data								
Revenue	68.3	75.5	90.6	105.5	34.5	37.5	81.6	90.3
Operating Expenses	(40.0)	(41.3)	(56.3)	(67.3)	(17.3)	(21.6)	(56.8)	(65.6)
Depreciation and Amortization	(23.4)	(23.6)	(28.1)	(38.2)	(9.5)	(10.2)	(28.6)	(30.6)
Other Operating Income	0.1	27.9	6.6	6.7	(0.4)	0.1	0.6	0.5
Other Operating Expense	(7.0)	(8.0)	(17.5)	(19.4)	(3.9)	(1.8)	(7.8)	(3.6)
Operating profit	21.4	54.1	23.5	25.5	12.8	14.3	17.6	21.6
Finance Income	12.6	13.1	37.5	32.8	7.6	3.7	15.0	7.9
Finance Expenses	(13.0)	(21.0)	(54.3)	(44.1)	(7.5)	(9.5)	(24.7)	(24.1)
Profit before income tax	20.9	46.9	26.0	14.9	12.8	8.4	8.1	6.1
Income tax expense	(2.0)	(2.6)	(2.0)	2.5	(2.3)	(1.1)	2.7	1.7
Profit for the year	18.9	44.3	24.0	17.4	10.6	7.3	10.8	7.7
Other financial data (USD millions actual)								
EBITDA	45.1	50.4	58.8	71.2	24.0	24.9	52.3	57.4
<i>EBITDA margin</i>	66.1%	66.7%	64.9%	67.5%	69.6%	66.2%	64.1%	63.5%

Source: Consolidated IFRS Financial Statements

Historical Financials

<i>US\$m</i>	2013	2014	2015	9M 2015	9M 2016
Consolidated cash flow statement data (USD millions)					
Net cash provided by operating activities	44.0	63.0	67.2	41.4	49.1
<i>of which generated from operations</i>	54.0	66.0	75.0	54.1	60.1
<i>of which net working capital</i>	(10.0)	(3.0)	(7.8)	(12.7)	(11.0)
Net cash (used in) / produced from investing activities	(46.0)	(10.0)	(32.6)	(8.6)	(9.7)
Net cash (used in) / produced from financing activities	37.0	(23.0)	19.9	(38.1)	(57.2)

<i>US\$m</i>	2013	2014	2015	30.09.2016
Consolidated statement of financial position data (USD millions)				
Cash and cash equivalents	20.0	46.4	77.4	51.8
Total current assets	57.2	128.2	152.9	134.2
Total assets	479.6	707.5	769.8	753.4
Total debt (including obligations under financing leases)	190.5	336.9	351.1	354.5
Net debt (including obligations under financing leases)	170.5	276.7	256.8	288.9
Total equity	207.9	240.2	277.8	255.5

Net Debt: Gross Debt-Cash & Cash Equivalents- Short-term investments.

M&A Developments

Other Italian Ports: Cagliari, Catania, Ravenna...



- In July 2016; Global Ports had started negotiations with the operating companies of some cruise ports in Italy (including **Ravenna, Cagliari, Catania** cruise ports) regarding the share purchase of these cruise ports
- Through its wholly owned subsidiary, Global Ports has acquired a 51% stake in Ravenna Terminal Passeggeri S.r.l, which operates **Ravenna Cruise Port** in September 2016
- Negotiations on the share purchase of the other ports in Italy are ongoing
- After Venice and Ravenna, potential acquisitions of these Italian ports should **enhance Global Ports' presence in Italy, which in total hosted c.0.5mn passengers** in 2015.

After the acquisition of the Italian ports including Venice, Global Ports' passenger base should reach

c.7.5mn...

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