Global Liman İşletmeleri Anonim Şirketi
and its Subsidiaries

Condensed Consolidated Interim
Financial Information
As at and for the three Months Ended
31 March 2018

This report includes 26 pages of condensed consolidated interim financial information together with their explanatory notes.

Global Liman İşletmeleri A.Ş. and its Subsidiaries

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Global Liman İşletmeleri A.Ş. and its Subsidiaries

Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income

For the three months ended 31 March 2018

(Amounts expressed in USD 000's ("USD'000"))

	Notes	1 January- 31 March 2018	1 January- 31 March 2017
Revenue	*5*	20,625	18,241
Cost of sales	*5*	(18,122)	(15,936)
Gross profit		**2,503**	**2,305**
Other income		806	638
Selling and marketing expenses		(229)	(148)
Administrative expenses	*8*	(3,302)	(2,579)
Other expenses	*6*	(1,654)	(1,310)
Operating profit		**(1,876)**	**(1,094)**
Finance income	*9*	4,537	5,572
Finance costs	*9*	(12,578)	(10,668)
Net finance costs		**(8,041)**	**(5,096)**
Share of profit of equity-accounted investees		1,082	464
Profit before tax		**(8,835)**	**(5,726)**
Income tax (expense) / benefit	*7*	46	750
(Loss) / profit for the period		**(8,789)**	**(4,976)**
(Loss) / profit attributable to:			
Owners of the Company		(7,187)	(3,898)
Non-controlling interests		(1,602)	(1,078)
		(8,789)	**(4,976)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Foreign currency translation differences		7,670	3,806
Remeasurement of defined benefit obligation		--	51
Income tax relating to items that will not be reclassified subsequently to profit or loss		--	(10)
		7,670	**3,847**
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation differences		8,686	14,591
Cash flow hedges - effective portion of changes in fair value		(35)	61
Gain on a hedge of a net investment		(11,382)	(9,226)
Income tax relating to items that may be reclassified subsequently to profit or loss		2,285	1,830
		(446)	**7,256**
Other comprehensive income for the period, net of income tax		**7,224**	**11,103**
Total comprehensive income/(loss) for the period		**(1,565)**	**6,127**
Total comprehensive income attributable to:			
Owners of the Company		(2,487)	1,452
Non-controlling interests		922	4,675
		(1,565)	**6,127**
Basic and diluted (loss) / earnings per share (cents per share)	*16*	**(9.67)**	**(5.25)**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Global Liman İşletmeleri A.Ş. and its Subsidiaries

Condensed Consolidated Interim Statement of Financial Position
As at 31 March 2018
(Amounts expressed in USD 000's ("USD'000"))

	Notes	**As at 31 March 2018**	**As at 31 December 2017**
Non-current assets			
Property and equipment	*10*	136,114	134,665
Intangible assets	*11*	432,389	433,075
Goodwill		14,504	14,088
Equity-accounted investees		23,437	22,004
Other investments		6	5
Deferred tax assets	*7*	1,640	1,695
Other non-current assets		5,652	4,905
		613,742	**610,437**
Current assets			
Trade and other receivables		13,086	15,702
Due from related parties	*19*	4,804	1,988
Other investments		237	14,728
Other current assets		5,078	4,855
Inventory		1,833	1,714
Prepaid taxes		1,481	2,900
Cash and cash equivalents	*12*	52,708	48,308
		79,227	**90,195**
Total assets		**692,969**	**700,632**
Current liabilities			
Loans and borrowings	*14*	40,550	44,878
Trade and other payables		12,891	14,922
Due to related parties	*19*	4,027	4,056
Current tax liabilities		1,947	2,217
Provisions	*15*	1,212	1,202
		60,627	**67,275**
Non-current Liabilities			
Loans and borrowings	*14*	294,943	296,842
Other financial liabilities		2,756	2,662
Derivative financial liabilities		914	855
Deferred tax liabilities	*7*	100,949	99,879
Provisions	*15*	22,371	21,081
Employee benefits		873	936
		422,806	**422,255**
Total liabilities		**483,433**	**489,530**
Net assets		**209,536**	**211,102**
Equity			
Share capital	*13*	33,836	33,836
Share premium account		54,539	54,539
Legal reserves	*13*	13,033	13,012
Hedging and translation reserves		19,563	14,863
Retained earnings		(5,251)	1,957
Equity attributable to equity holders of the Company		**115,720**	**118,207**
Non-controlling interests		**93,817**	**92,895**
Total equity		**209,537**	**211,102**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Global Liman İşletmeleri A.Ş. and its Subsidiaries

Condensed Consolidated Interim Statement of Changes in Equity

For the three months ended 31 March 2018

(Amounts expressed in USD 000's ("USD'000"))

	Note	Share capital	Share premium	Legal reserves	Hedging reserves	Translation reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2018		**33,836**	**54,539**	**13,012**	**(135,763)**	**150,626**	**1,957**	**118,207**	**92,895**	**211,102**
Total comprehensive income										
Loss for the period		--	--	--	--	--	(7,187)	**(7,187)**	(1,602)	**(8,789)**
Other comprehensive income		--	--	--	(9,132)	13,832	--	**4,700**	2,524	**7,224**
Total comprehensive income for the period		**--**	**--**	**--**	**(9,132)**	**13,832**	**(7,187)**	**(2,487)**	**922**	**(1,565)**
Contributions and distributions										
Transfer to legal reserves		--	--	21	--	--	(21)	**--**	**--**	**--**
Total contributions and distributions		**--**	**--**	**21**	**--**	**--**	**(21)**	**--**	**--**	**--**
Total transactions with owners of the Company		**--**	**--**	**21**	**(9,132)**	**13,832**	**(7,208)**	**(2,487)**	**922**	**(1,565)**
Balance at 31 March 2018		**33,836**	**54,539**	**13,033**	**(144,895)**	**164,458**	**(5,251)**	**115,720**	**93,817**	**209,537**

	Note	Share capital	Share premium	Legal reserves	Hedging reserve	Translation reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2017		**33,836**	**54,539**	**12,424**	**(122,707)**	**119,745**	**43,752**	**141,589**	**81,695**	**223,284**
Total comprehensive income										
Profit for the period		--	--	--	--	--	(3,898)	**(3,898)**	(1,078)	**(4,976)**
Other comprehensive income		--	--	--	(7,335)	12,644	41	**5,350**	5,753	**11,103**
Total comprehensive income for the period		**--**	**--**	**--**	**(7,335)**	**12,644**	**(3,857)**	**1,452**	**4,675**	**6,127**
Contributions and distributions										
Transfer to legal reserves		--	--	588	--	--	(588)	**--**	**--**	**--**
Dividends	13	--	--	--	--	--	(26,783)	**(26,783)**	(1,048)	**(27,831)**
Total contributions and distributions		**--**	--	**588**	**--**	**--**	**(27,371)**	**(26,783)**	**(1,048)**	**(27,831)**
Total transactions with owners of the Company		**--**	**--**	**588**	**(7,335)**	**12,644**	**(31,228)**	**(25,331)**	**3,627**	**(21,704)**
Balance at 31 March 2017		**33,836**	**54,539**	**13,012**	**(130,042)**	**132,389**	**12,524**	**116,258**	**85,322**	**201,580**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Global Liman İşletmeleri A.Ş. and its Subsidiaries

Condensed Consolidated Interim Statement of Cash Flows

For the three months ended 31 March 2018

(Amounts expressed in USD 000's ("USD'000"))

	Notes	**Three months period ended 31 March 2018**	**Three months period ended 31 March 2017**
Cash flows from operating activities			
(Loss) / profit for the period		(8,789)	(4,976)
Adjustments for			
Depreciation and amortization expense	*10, 11*	11,403	10,072
Share of profit of equity-accounted investees, net of tax		(1,082)	(464)
Gain on disposal of Property Plant and Equipment		--	(6)
Finance costs (excluding foreign exchange differences)	*9*	6,540	6,466
Finance income (excluding foreign exchange differences)	*9*	(239)	(905)
Income tax (benefit) / expense	*7*	(46)	(750)
Employment termination indemnity reserve		28	98
Provisional charges		821	664
Foreign exchange differences on finance costs and income, net	*9*	1,740	(465)
Operating cash flow before changes in operating assets and liabilities		**10,376**	**9,734**
Changes in:			
- trade and other receivables		3,302	1,113
- other current assets		1,077	(648)
- related party receivables		1	(2)
- other non-current assets		(747)	1,844
- trade and other payables		(1,878)	(3,977)
- related party payables		(110)	(235)
- provisions		(145)	(651)
Cash generated by operations before benefit and tax payments		**11,876**	**7,178**
Employee benefits paid		(58)	(13)
Income taxes paid		(1,279)	(1,039)
Net cash generated from operating activities		**10,539**	**6,126**
Investing activities			
Acquisition of property and equipment		(1,127)	(4,773)
Advances given for tangible assets		(662)	(34)
Acquisition of intangible assets		(71)	(338)
Proceeds from sale of property and equipment		--	129
Change in financial investments		14,475	602
Interest received		204	424
Net cash used in investing activities		**12,819**	**(3,990)**
Financing activities			
Change in due from related parties		(2,985)	(382)
Changes in due to related parties		268	26,236
Dividends paid		--	(26,783)
Interest paid		(308)	(512)
Proceeds from borrowings		772	7,602
Repayments of borrowings		(15,676)	(10,532)
Net cash used in financing activities		**(17,929)**	**(4,371)**
Net decrease in cash and cash equivalents		**5,429**	**(2,235)**
Effect of foreign exchange rate changes on cash and cash equivalents		(1,029)	(3,308)
Cash and cash equivalents at the beginning of the year		48,308	44,310
Cash and cash equivalents at the end of the period	12	**52,708**	**38,767**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial information

(Amounts expressed in thousand USD 000's ("USD'000"))

1 General Information

Global Altyapı Hizmetleri ve İşletmecilik A.Ş. was incorporated in 2004 in Istanbul, Turkey as joint stock company to invest in Global Yatırım Holding A.Ş.'s ("Global Yatırım Holding") infrastructure projects. On 13 September 2007, Global Altyapı Hizmetleri ve İşletmecilik A.Ş. changed its trade name to Global Liman İşletmeleri A.Ş. ("Global Liman", the "Company" or "GPH").

The principal activities of the Company and its subsidiaries (together, the "Group") is to invest in the capital and management of companies that operate or will operate in the ports and port management industry.

The address of the registered office of the Company is "Rıhtım Caddesi No: 51 Karaköy / İstanbul".

As at 31 March 2018 and 31 December 2017, all shares are owned by Global Ports Plc.

As at 31 March 2018, the number of employees of the Group was 630 (31 December 2017: 635). The address of the registered office of the Company is "Rıhtım Caddesi No: 51 Karaköy / Istanbul".

The nature of the operations and the locations of the subsidiaries of the Company are listed below:

Subsidiaries	Locations	Operations
Ege Liman İşletmeleri A.Ş. ("Ege Liman")	Aydın-Turkey	Port operations
Ortadoğu Antalya Liman İşletmeleri A.Ş. ("Ortadoğu Liman")	Antalya-Turkey	Port operations
Bodrum Liman İşletmeleri A.Ş. ("Bodrum Liman")	Muğla-Turkey	Port operations
Container Terminal and General Cargo – Bar ("Port of Adria")	Montenegro	Port operations
Barcelona Port Investments, S.L ("BPI")	Spain	Port investments
Creuers del Port de Barcelona, S.A. ("Creuers")	Spain	Port operations
Cruceros Malaga, S.A. ("Malaga Port")	Spain	Port operations
Global Ports Europe B.V ("Global BV")	Netherlands	Port investments
Perquisite Holdings Ltd. ("Perquisite")	Malta	Port investments
Global Ports Malta Ltd. ("GP Malta")	Malta	Port investments
Valetta Cruise Port PLC ("VCP")	Valetta – Malta	Port operations
Port Operation Holding Srl ("POH")	Italy	Port investments
Royal Caribbean Investments (Cyprus) Ltd ("RCI Cyprus")	Cyprus	Port investments
Ravenna Terminali Passegeri Srl ("Ravenna")	Italy	Port operations
Catania Terminali Passegeri Srl ("Catania")	Italy	Port operations
Cagliari Terminali Passegeri Srl ("Cagliari")	Italy	Port operations
Global Depolama A.Ş. ("Global Depolama")	İstanbul-Turkey	Storage
Randa Denizcilik San. ve Tic. Ltd. Şti. ("Randa")	Antalya-Turkey	Marine vehicle trade

Ege Liman

Kuşadası Cruise Port was constructed in 1968 and was operated by the Turkish Maritime Organization Inc. (Türkiye Denizcilik İşletmeleri A.Ş.) ("TDI") until its privatization in 2003. On 2 July 2003, Ege Liman entered into a transfer of operational rights agreement ("TOORA") for Kuşadası Cruise Port for a period of 30 years with the Privatization Administration (Özelleştirme İdaresi Başkanlığı) ("OIB") and TDI. The TOORA will end in 2033. Kuşadası Cruise Port is the largest cruise ship terminal in Turkey and is a popular port of call for cruises originating from Greece, Italy, France, Spain and Turkey.

Global Liman acquired 72.50% of the shares of Ege Liman on 6 July 2005. The other shareholder of Ege Liman is Royal Caribbean Cruises Ltd. ("RCCL").

Ege Liman offers the following basic services to ships calling at the port: tugging, pilotage, sheltering, security, clean water supply, disposal of solid waste, underwater diving inspection, fuel supply and liquid waste collection.

1 General Information *(continued)*

Ortadoğu Liman

Antalya Port, constructed in 1977, is a multi-functional facility harbouring a cruise port, a marina and a commercial port and was operated by the TDI until its privatization in 1998. Operational rights for Antalya Port were taken over for a period of 30 years by Ortadoğu Liman in August 1998. In 2001, due to the difficulties in the other commercial activities of the former shareholders of Ortadoğu Liman, Savings Deposit Insurance Fund ("SDIF") confiscated the company.

Akdeniz Liman İşletmeleri A.Ş. ("Akdeniz Liman"), a joint venture of Global Liman, acquired 99.99% of the shares of Ortadoğu Liman which were subsequently tendered by the SDIF. Akdeniz Liman merged with Ortadoğu Liman in December 2006 and all the rights and obligations of Akdeniz Liman were transferred to Ortadoğu Liman which was denoted the successor entity. The concession period will end in 2028.

Until 29 July 2010, Global Liman owned 39.80% shares of Ortadoğu Liman. On 29 July 2010, Global Liman acquired the 60% of the shares of Ortadoğu Liman from other shareholders and obtained control by raising the ownership to 99.80%.

Bodrum Liman

Bodrum Cruise Port was tendered by the State Railways, Ports and Airports Construction Company (Demiryolları, Limanlar ve Havayolları) ("DLH") in September 2003 through a 12-year Build-Operate-Transfer ("BOT") tender agreement, which commenced in December 2007. The BOT agreement period will end in 2019. The winning bidder of the BOT concession was a consortium, which later established Bodrum Liman to carry out the operations of Bodrum Cruise Port.

Global Liman acquired 60% of the shares of Bodrum Liman on 16 June 2008. As at 31 March 2018 and 31 December 2017, shareholders of the remaining 30% and 10% of the shares of Bodrum Liman are Yüksel Çağlar and Setur Servis Turistik A.Ş. ("Setur"), respectively.

Port of Adria

On 23 July 2013, Global Liman won the tender for the repair, financing, operation, maintenance and transfer of Port of Bar and the right to acquire 62.09% of the shares in Port of Bar from the Montenegro Government through Container Terminal and General Cargo JSC-Bar, which has an operating concession for thirty years (terminating in 2043). Global Liman finalized a share purchase agreement with the Montenegro Government on 15 November 2013 and it was approved by the tender commission, the Montenegro Privatization and Capital Investments Authority and the Montenegro Council of Ministers. The shares were transferred to the Group on 30 December 2013.

Port of Bar represents an important link in the chain of intermodal transport because of its integration with the Belgrade-Bar railway and road traffic network, and benefits from a free zone regime.

BPI and Creuers

The Group acquired 43% and 57% interests in Creuers on 30 December 2013 and 30 September 2014, respectively through Barcelona Port Investments, S.L ("BPI") which is a special purpose joint venture between the Global Liman and Royal Caribbean Cruises Ltd. Creuers has the concession rights of Adossat and World Trade Center wharfs in Barcelona Cruise Port with 80% of controlling interest in Malaga Port and 40% of non-controlling interest in Singapore Port.

Global Liman increased its interest in BPI from 49% to 62% with the agreement of RCCL and became the shareholder of Creuers with 62% of interest indirectly on 30 September 2014 and BPI and Creuers have been recognized as subsidiaries as from 30 September 2014.

1 General Information *(continued)*

Global BV, Perquisite, GP Malta and VCP

Global BV was established in Netherlands for the investments made through European Ports. As of 15 November 2015, Global BV acquired 55.60% of VCP shares through Holding Companies of GP Malta and Perquisite. VCP was set up to develop the Valletta Waterfront, situated on the Grand Harbour, Malta, for the purpose of the operation and management of a cruise liner passenger terminal and an international ferry passenger terminal together with complementary leisure facilities. The company is also responsible for the handling of international cruise and ferry passengers. For this purpose the company was granted a licence by the Malta Maritime Authority.

Port Operation Holding, RCI Cyprus, Ravenna, Catania and Cagliari

POH was established in Italy for the investments made through Italian Ports. As of 31 December 2016, POH acquired 51% of Ravenna shares, 62% of Catania shares and 71% of Cagliari shares. Share purchases are performed from two different former shareholders, one by direct share purchase and another by purchase of a dormant Company, based in Cyprus ("RCI Cyprus"). Purchase of RCI Cyprus shares were made at the end of the year 2016. The financial statements of RCI Cyprus as of 31 March 2018 are not significant in terms of consolidated financial statements of the Group. Since RCI Cyprus could not prepare its financial statements as of 31 March 2018, RCI Cyprus is not included in the accompanying consolidated financial statements. Ravenna, Cagliari, and Catania were set up to operate the cruise liner passenger terminal together with complementary leisure facilities at their territories. The companies are responsible for the handling of international cruise passengers.

Global Depolama

Global Depolama was established on 9 July 2008 for the purpose of investing in the warehousing sector.

2 Basis of preparation

(a) Statement of compliance

This condensed consolidated interim financial information has been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 31 December 2017. This condensed consolidated interim financial information does not include all the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS").

(b) Use of estimates and judgments

The preparation of interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2017.

(c) New standards and interpretations not yet adopted

The IASB issued Annual Improvements to IFRSs - 2015–2017 Cycle. The amendments are effective as of 1 January 2019. Earlier application is permitted. Management is expecting the adoption of the amendments has had no major impact on the Group's consolidated financial position or performance of the Group.

(Amounts expressed in thousand USD 000's ("USD'000"))

2 Basis of preparation *(continued)*

(c) New standards and interpretations not yet adopted *(continued)*

The following standard is in issue but not yet adopted by the Group:

- IFRS 16 Leases, effective from 1 January 2019.

The Group is currently evaluating the impact of adopting this new accounting standard. Further discussion is included on the consolidated financial statements as at and for the year ended 31 December 2017.

(d) Functional and presentation currency

The individual financial statements of each group company are presented in the currency of the primary economic environment in which it operates (its functional currency). The functional currency of the Company is TL. For the purpose of the consolidated financial statements, United States Dollars is chosen as the presentation currency by management. The consolidated financial statements are rounded to the nearest thousand dollars, except when otherwise indicated.

The Company and its subsidiaries operating in Turkey maintain their books of account and prepare their statutory financial statements in Turkish Lira ("TL") in accordance with the Turkish Commercial Code, tax legislation and Turkish Uniform Chart of Accounts. The subsidiaries operating in Montenegro, Spain, Malta and Italy maintain their books of account and prepare their statutory financial statements in Euro in accordance with their respective local laws. The accompanying consolidated financial statements is based on these statutory records with adjustments and reclassifications for the purpose of fair presentation in accordance with IFRS.

US Dollar ("USD") is the most significant currency to the operations of Ortadoğu Liman. Therefore, USD has been determined as the functional currency of Ortadoğu Liman in line with IAS 21 "The Effects of Changes in Foreign Exchange Rates".

Euro is significantly used in the operations of the Port of Adria, Ege Liman, Bodrum Liman, VCP, Malaga Port, Global BV, BPI, Creuers and Italy. Therefore, Euro has been determined as the functional currency of these companies in line with IAS 21 – "The Effects of Changes in Foreign Exchange Rates".

31 March 2018 and 31 December 2017, foreign currency exchange rates of the Central Bank of the Turkish Republic comprised were as follows:

	31 March 2018	31 December 2017
TL/USD	0.2532	0.2651
Euro/USD	1.2326	1.1971

For the three months ended 31 March, average foreign currency exchange rates of the Central Bank of the Turkish Republic were as follows:

	2018	2017
TL/USD	0.2624	0.2709
Euro/USD	1.2284	1.0650

3 Significant accounting policies

The accounting policies applied in preparation of the accompanying condensed consolidated interim financial information are consistent with the accounting policies applied in the annual consolidated financial statements of the Group as at and for the year ended 31 December 2017.

4 Segment reporting

(i) Basis for segmentation

Operating segments considered in performance evaluation by the Group management are determined by considering the Group's risks and resources and internal reporting structure. The Group's chief operating decision maker is chief executive officer, who reviews the internal management reports of each division and subsidiary at least monthly.

The Group's operating segments are Commercial Operations which are Ortadoğu Liman and Port of Adria, and Cruise Operations, which composed of Ege Ports, Valletta Cruise Port, BPI, Bodrum Cruise Port, Ortadoğu Liman (Cruise operations) and Port Operation Holding. Bodrum Cruise Port, Cruise Operation of Ortadoğu Liman, Port Operation Holding results, and share of profit of equity accounted investees are presented under other cruise business category. Other operations of the Group, which include Global Liman and Global Depolama, do not generate external revenues and therefore are presented as non-operational & headquarter to reconcile to the consolidated financial statements.

Information regarding all the segments is stated below. External revenues and earnings before interest, tax, depreciation and amortization ("EBITDA") are reviewed in the assessment of the financial performance of the operating segments. This measurement basis excludes the effects of non-recurring income / expense from the operating segments such as project expenses. The measure also excludes the effects of non-cash income / expense such as bargain purchase gains and reserves created on provisional accounting. The Group management assesses EBITDA as the most appropriate method for the review of the segment operations. The reconciliation of EBITDA to operating profit is disclosed as follows.

The Group did not have a single customer that accounted for more than 10% of the Group's consolidated net revenues in any of the periods presented.

(Amounts expressed in thousand USD 000's ("USD'000"))

4 Segment reporting *(continued)*

(ii) ***Information about reportable segments*** *(continued)*

As at and for the three months ended 31 March 2018, the details of reportable segments comprised the following:

	BPI	Valletta	Ege Ports	Others	*Cruise Total*	Port Akdeniz	Port of Adria	*Total Commercial*	Non-operational & HQ	*Consolidated*
Segment assets	163,119	111,103	43,809	13,310	*331,341*	220,266	74,197	*294,463*	43,728	*669,532*
Equity accounted investees	--	--	--	23,437	*23,437*	--	--	--	--	*23,437*
Segment liabilities	95,781	33,823	10,643	5,175	*145,422*	50,192	9,602	*59,794*	278,217	*483,433*
Capital expenditures	206	79	53	89	*427*	660	398	*1,058*	31	*1,516*

	BPI	Valletta	Ege Ports	Others	*Cruise Total*	Port Akdeniz	Port of Adria	*Total Commercial*	Non-operational & HQ	*Consolidated*
External revenues	2,925	1,911	204	155	*5,195*	12,622	2,808	*15,430*	--	*20,625*
EBITDA	1,031	680	(190)	748	*2,269*	9,546	1,197	*10,743*	(856)	*12,156*
Depreciation and amortization expense	(2,960)	(671)	(824)	(908)	*(5,363)*	(5,237)	(751)	*(5,988)*	(53)	*(11,403)*
Non-recurring income/(expense)	(35)	--	2	(7)	*(40)*	699	(220)	*479*	(1,362)	*(923)*
Non-cash income/(expenses)	(594)	--	(6)	(2)	*(602)*	(22)	--	*(22)*	--	*(624)*
Operating profit	(2,558)	9	(1,019)	(1,252)	*(4,820)*	4,988	226	*5,214*	(2,270)	*(1,876)*
Share of profit of equity-accounted investees	--	--	--	1,082	*1,082*	--	--	--	--	*1,082*
Interest income	--	--	98	--	*98*	112	10	*122*	271	*491*
Interest expense	(636)	(78)	(110)	(12)	*(836)*	(161)	(262)	*(423)*	(5,114)	*(6,373)*

(Amounts expressed in thousand USD 000's ("USD'000"))

4 Segment reporting *(continued)*

(ii) ***Information about reportable segments*** *(continued)*

As at 31 December 2017 statement of financial position details and for the nine months ended 31 March 2017 profit or loss details of reportable segments comprised the following:

	BPI	Valletta	Ege Ports	Others	*Cruise Total*	Port Akdeniz	Port of Adria	*Total Commercial*	Non-operational & HQ	*Consolidated*
Segment assets	164,043	115,673	55,965	13,900	*349,581*	234,902	70,526	*305,428*	23,619	*678,628*
Equity accounted investees	--	--	--	22,004	*22,004*	--	--	--	--	*22,004*
Segment liabilities	98,490	37,471	13,285	5,069	*154,315*	53,333	8,157	*61,490*	273,725	*489,530*
Capital expenditures	209	801	3,448	1,447	*5,905*	2,851	6,581	*9,432*	467	*15,804*

	BPI	Valletta	Ege Ports	Others	*Cruise Total*	Port Akdeniz	Port of Adria	*Total Commercial*	Non-operational & HQ	*Consolidated*
External revenues	2,400	1,773	141	147	*4,461*	12,438	1,342	*13,780*	--	*18,241*
EBITDA	931	669	(109)	126	*1,617*	9,607	200	*9,807*	(1,104)	*10,320*
Depreciation and amortization expense	(2,547)	(584)	(615)	(512)	*(4,258)*	(5,207)	(575)	*(5,782)*	(32)	*(10,072)*
Non-recurring income/(expense)	(95)	(51)	(154)	--	*(300)*	7	(169)	*(162)*	(839)	*(1,301)*
Non-cash income/(expenses)	(517)	--	(71)	(13)	*(601)*	(46)	1,070	*1,024*	--	*423*
Operating profit	(2,227)	34	(949)	(862)	*(4,004)*	4,361	526	*4,887*	(1,977)	*(1,094)*
Share of profit of equity-accounted investees	--	--	--	464	*464*	--	--	--	--	*464*
Interest income	2	--	591	6	*599*	157	118	*275*	196	*1,070*
Interest expense	(604)	(118)	(365)	(24)	*(1,111)*	(60)	(188)	*(248)*	(4,992)	*(6,351)*

(Amounts expressed in thousand USD 000's ("USD'000"))

4 Segment reporting *(continued)*

(iii) Reconciliation of information on reportable segments to IFRS measures

For the three months ended 31 March, the details of reportable segments comprised the following:

	Note	2018	2017
Revenues			
Total revenue for reportable segments	*5*	20,625	18,241
Total external revenues		**20,625**	18,241
Consolidated EBITDA		12,156	10,320
Non-recurring income / (expense)		(923)	1,301
Non-cash income / (expense)		(624)	(423)
Finance income	*9*	4,537	5,574
Finance costs	*9*	(12,578)	(10,668)
Depreciation and amortization		(11,403)	(10,072)
Total profit before income tax		**(8,835)**	**(5,726)**
Interest income			
Total interest income for reportable segments		491	1,070
Elimination of inter-segments		(260)	(171)
Consolidated interest income	*9*	**231**	**899**
Interest expense			
Total interest expense for reportable segments		(6,373)	(6,351)
Elimination of inter-segments		260	171
Consolidated interest expense	***9***	**(6,113)**	**(6,180)**

(iv) Geographic information

The Port operations of the Group are managed on a worldwide basis, but operational ports and management offices are primarily in Turkey, Montenegro, Spain and Malta. The geographic information below analyses the Group's revenue and non-current assets by the Company's country of domicile and other countries. In presenting the following information, segment revenue has been based on the geographic location of port operations and segment assets were based on the geographic location of the assets.

Revenue

	31 March 2018	31 March 2017
Turkey	**12,912**	**12,670**
All foreign countries	**7,713**	**5,571**
Montenegro	2,808	1,342
Malta	1,911	1,773
Spain	2,925	2,400
Italy	69	56
	20,625	**18,241**

(Amounts expressed in thousand USD 000's ("USD'000"))

4 Segment reporting *(continued)*

***(iv) Geographic information** (continued)*

Non-current assets

	As at 31 March 2018	As at 31 December 2017
Turkey	**261,861**	**265,791**
All foreign countries	**326,804**	**320,947**
Spain	146,464	144,939
Malta	103,016	100,632
Montenegro	69,334	67,416
Italy	7,990	7,960
	588,665	**586,738**

Non-current assets exclude those relating to deferred tax assets and financial instruments (including equity-accounted investees).

(v) Information about major customers

The Group did not have a single customer that accounted for more than 10% of the Group's consolidated net revenues in any of the periods presented.

5 Revenue and cost of sales

Revenue

For the three months ended 31 March, revenue comprised the following:

	2018	2017
Container revenues	9,273	8,694
Cargo revenues	4,044	3,394
Landing fees	2,913	2,419
Port service revenues	1,838	1,606
Rental revenues	1,700	1,178
Income from duty free	647	678
Domestic water sales	115	87
Other revenue	95	185
Total	**20,625**	**18,241**

Generally, the number of cruise calls is lower during the winter months of December to February than at other times of the year, although this seasonality is more pronounced in the cruise segment as compared to the commercial segment. The third quarter is the busiest for cruise port calls in Mediterranean, Creuers (Barcelona) and Cruceros (Malaga) ports usually see less seasonality in terms of the number of calls than the Turkish ports in the Group's portfolio with the increasing popularity of winter cruises in Mediterranean and considering locations.

(Amounts expressed in thousand USD 000's ("USD'000"))

5 Revenue and cost of sales *(continued)*

Cost of sales

For the three months ended 31 March, cost of sales comprised the following:

	2018	2017
Depreciation and amortization expenses	10,573	9,331
Personnel expenses	3,111	2,613
Commission fees to government authorities and pilotage expenses	736	630
Shopping mall expenses	497	455
Repair and maintenance expenses	322	383
Subcontractor crane and container service	629	621
Security expenses	337	252
Insurance expenses	250	247
Port energy usage expenses	196	138
Fuel expenses	180	142
Container transportation expenses	197	167
Fresh water expenses	106	88
Port rental expenses	71	118
Waste removal expenses	38	19
Expenses in relation to replacement provisions	594	487
Other expenses	285	245
Total	**18,122**	**15,936**

6 Other expenses

For the three months ended 31 March, other expenses comprised the following:

	2018	2017
Project expenses (*)	1,318	995
Taxes other than on income	--	--
Other	336	315
Total	**1,654**	**1,310**

(*) The project expenses are mainly the expenses incurred in relation to the projects for new acquisitions and financing of these new projects.

7 Taxation on income

Income tax expense is recognised based on management's estimate of the average annual effective income tax rate for each relevant taxing jurisdiction and applied individually to the interim period pre-tax income of each jurisdiction.

(Amounts expressed in thousand USD 000's ("USD'000"))

7 Taxation on income *(continued)*

	Three months ended 31 March 2018	**Three months ended 31 March 2017**
Current income taxes	(1,148)	(474)
Deferred income taxes	1,194	1,224
Total	**46**	**750**

The movement of net deferred tax liability for the three months ended 31 March, is as follows:

	2018	**2017**
Balance at 1 January	**(98,184)**	**(94,124)**
Deferred tax benefit in profit or loss	1,194	1,224
Currency translation difference	(2,319)	(1,125)
Balance as at 30 September	**(99,309)**	**(94,025)**

8 Administrative expenses

For the three months ended 31 March, administrative expenses comprised the following:

	2018	**2017**
Personnel expenses	1,154	601
Depreciation and amortization expenses	830	741
Consultancy expenses	376	375
Representation expenses	207	363
Taxes other than on income	168	151
Travelling expenses	68	203
Communication expenses	86	55
IT expenses	73	40
Vehicle expenses	51	35
Stationary expenses	19	34
Office operating expenses	16	29
Rent expenses	27	2
Repair and maintenance expenses	6	12
Other expenses	221	(62)
Total	**3,302**	**2,579**

(Amounts expressed in thousand USD 000's ("USD'000"))

9 Finance income and costs

For the three months ended 31 March, finance income comprised the following:

Finance income	**2018**	**2017**
Foreign exchange gain	4,298	4,667
Interest income on marketable securities (*)	--	378
Interest income on related parties	26	98
Interest income on banks and others	195	416
Interest income from housing loans	10	7
Others	8	6
Total	**4,537**	**5,572**

(*) Interest income on marketable securities comprises the interest income earned from the Global Yatırım Holding's bonds during the year.

For the three months ended 31 March, finance costs comprised the following:

Finance costs	**2018**	**2017**
Interest expense on loans and borrowings	6,030	6,098
Foreign exchange losses	6,038	4,202
Other interest expenses	83	82
Letter of guarantee commission expenses	95	44
Loan commission expenses	60	21
Unwinding of provisions during the year	191	138
Other	81	83
Total	**12,578**	**10,668**

10 Property and equipment

For the three months ended 31 September, movements of property and equipment comprised the following:

	2018	**2017**
Net book value as at 1 January	134,664	115,765
Additions	1,446	6,702
Disposals	--	(123)
Depreciation	(3,124)	(2,563)
Currency translation differences	3,128	1,144
Net book value as at 31 March	**136,114**	**120,925**

As at 31 March 2018, the net book value of machinery and equipment purchased through leasing amounts to USD 1,971 thousand (31 December 2017: USD 2,064 thousand), the net book value of motor vehicles purchased through leasing amounts to USD 9,297 thousand (31 December 2017: USD 9,428 thousand), and the net book value of furniture and fixtures purchased through leasing amounts to USD 105 thousand (31 December 2017: USD 124 thousand). In 2018, and 2017, no capital expenditure was made through finance leases.

For the three months ended 31 March 2018 and year ended 31 December 2017, there is no capitalised borrowing cost on property and equipment.

As at 31 March 2018, the insured amount of property and equipment amounts to USD 269,528 thousand (31 December 2017: USD 265,598 thousand).

11 Intangible assets

For the three months ended 31 March, movements of intangible assets comprised the following:

	2018	2017
Net book value as at 1 January	433,075	426,081
Additions	71	338
Amortization	(8,279)	(7,509)
Currency translation differences	7,522	14,484
Net book value as at 31 March	**432,389**	**433,394**

The details of the principal port operation rights for the three months ended 31 March 2018, year ended 31 December 2017 and three months ended 31 March 2017 are as follows:

	As at 31 March 2018		As at 31 December 2017		As at 31 March 2017	
USD '000	Carrying Amount	Remaining Amortisation Period	Carrying Amount	Remaining Amortisation Period	Carrying Amount	Remaining Amortisation Period
Barcelona Ports Investment	142,963	147 months	141,622	150 months	134,536	159 months
Valletta Cruise Port	70,002	584 months	68,339	587 months	62,257	596 months
Port of Adria	23,179	309 months	22,731	312 months	20,983	321 months
Port Akdeniz	173,274	125 months	177,433	128 months	189,908	137 months
Ege Ports	13,666	180 months	13,491	183 months	12,690	192 months
Bodrum Cruise Port	654	12 months	698	15 months	798	24 months
Ravenna Cruise Port	325	33 months	344	36 months	350	45 months
Cagliari Cruise Port	3,399	105 months	3,396	108 months	3,288	117 months
Catania Cruise Port	2,946	117 months	2,904	120 months	2,734	129 months
	430,408		**430,958**		**427,544**	

12 Cash and cash equivalents

As at 31 March 2018 and 31 December 2017, cash and cash equivalents comprised the following:

	31 March 2018	31 December 2017
Cash on hand	114	69
Cash at banks	52,594	48,239
- *Demand deposits*	*19,909*	*19,285*
- *Time deposits*	*13,893*	*9,646*
- *Overnight deposits*	*18,792*	*19,308*
Cash and cash equivalents	**52,708**	**48,308**

	31 March 2018	31 December 2017
Cash and cash equivalents	52,708	38,767
Restricted cash	(5,177)	(3,925)
Cash and cash equivalents for cash flow statement purposes	**47,531**	**34,842**

12 Cash and cash equivalents *(continued)*

As at 31 March 2018 and 31 December 2017, maturities of time deposits comprised the following:

	31 March 2018	31 December 2017
Up to 1 month	13,893	9,646
1 – 3 months	--	--
Total	**13,893**	**9,646**

As at 31 March 2018, cash at banks amounting to USD 5,177 thousand (31 December 2017: USD 3,925 thousand) is restricted due to the bank loans guarantees and subscription guarantees.

13 Capital and reserves

a) Share capital

As at 31 March 2018 and 31 December 2017, the Company's statutory nominal value of authorised and paid-in share capital consists of 74,307,399 registered ordinary shares with a par value of TL 1 each.

As at 31 March 2018 and 31 December 2017, the share ownership structure of the Company was as follows:

	31 March 2018		31 December 2017	
	Nominal value of shares (USD '000)	Proportion of shares (%)	Nominal value of shares (USD '000)	Proportion of shares (%)
Global Ports Holding PLC	33,828	100.00	33,828	100.00
Paid in capital (nominal)	**33,828**	**100.00**	**33,828**	**100.00**
Inflation accounting adjustment	8		8	
Inflation adjusted capital	**33,836**		**33,836**	

The Company's shares are ordinary voting shares. There are no preferential rights attached to any shares of the Company.

b) Nature and purpose of reserves

(i) Translation reserves

The translation reserves amounting to USD 164,458 thousand (31 December 2017: USD 150,626 thousand) are recognised as a separate account under equity and comprises foreign exchange differences arising from the translation of the consolidated historical financial information of subsidiaries and equity-accounted investees from their functional currencies (of Euro and TL) to the presentation currency, USD.

(ii) Legal reserves

Under the Turkish Commercial Code, Turkish companies are required to set aside first and second level legal reserves out of their profits. First level legal reserves are set aside as up to 5% of the distributable income per the statutory accounts each year. The ceiling of the first level reserves is 20% of the paid-up share capital. The requirement to set aside ends when the 20% of the paid-up capital level has been reached. Second level legal reserves correspond to 10% of profit actually distributed after the deduction of the first legal reserves and the minimum obligatory dividend pay-out, but holding companies are not subject to this regulation. There is no ceiling for second level legal reserves and they are accumulated every year.

13 Capital and reserves *(continued)*

b) Nature and purpose of reserves *(continued)*

(ii) Legal reserves (continued)

First and second level legal reserves cannot be distributed until they exceed 50% of the capital, but the reserves can be used for offsetting the losses in case free reserves are unavailable. As at 31 March 2018, the legal reserves of the Group amounted to USD 13,033 thousand (31 December 2017: USD 13,012 thousand).

(iii) Hedging reserves

Investment hedge

The Company has used its Eurobond financing as a non-derivative financial item to hedge the net investment of Port Akdeniz. As of 31 March 2018, the net asset value of Port Akdeniz amounts to USD 206,068 thousand, and the carrying value of Eurobond amounts to USD 257,625 thousand (31 December 2017: the net asset value of Port Akdeniz amounts to USD 190,833 thousand, and the carrying value of Eurobond amounts to USD 252,600 thousand). The ineffective portion of the investment hedge is USD 167 thousand as at 31 March 2018 (31 March 2017: USD 349 thousand).

As at 31 March 2018, the effective portion of gain or loss arising from investment hedging instrument is recognised in other comprehensive income, net of tax amounting to USD 9,106 thousand (31 March 2017: USD 7,412 thousand).

Cash flow hedge

The Group entered into an interest rate swap in order to hedge its position against changes in interest rates. The effective portion of the cash flow hedge that was recognised in other comprehensive income was a loss amounting USD 156 thousand (31 March 2017: USD 46 thousand loss). The amount that was reclassified from equity to profit and loss within the cash flow hedges – effective portion of changes in fair value line item for the period was USD 22 thousand (31 March 2017: USD 77 thousand).

The principal payments will be made in the periods shown below, at which time the amount deferred in equity will be reclassified to profit and loss:

	3 months or less	More than 3 months but less than 1 year	5 years or less but more than 1 year	More than 5 years
	(USD '000)	(USD '000)	(USD '000)	(USD '000)
Net cash inflows/(outflows) exposure				
Liabilities	145	137	655	25
At 31 March 2018	**145**	**137**	**655**	**25**
Net cash inflows/(outflows) exposure				
Liabilities	163	152	764	85
At 31 March 2017	**163**	**152**	**764**	**85**

c) Dividends

Dividend distributions are made by the Company in TL in accordance with its articles, after deducting taxes and setting aside the legal reserves as discussed above.

At the 2017 General Assembly, GPH decided to distribute USD 26,783 thousand to its shareholders. Valetta Cruise Port distributed USD 1,048 thousand to other shareholders.

(Amounts expressed in thousand USD 000's ("USD'000"))

14 Loans and borrowings

As at 31 March 2018 and 31 December 2017, loans and borrowings comprised the following:

Short term loans and borrowings	31 March 2018	31 December 2017
Short term portion of Eurobond issued	18,940	18,556
Short term bank loans	5,300	7,272
- *TL loans*	*108*	*47*
- *Loans denominated in other currencies*	*5,192*	*7,225*
Short term portion of long term bank loans	14,806	17,571
- *TL loans*	*403*	*339*
- *Loans denominated in other currencies*	*14,403*	*17,232*
Finance lease obligations	1,504	1,479
Total	**40,550**	**44,878**

Long term loans and borrowings	31 March 2018	31 December 2017
Long term Eurobond issued	235,515	230,889
Long term bank loans	57,822	64,038
- *TL loans*	*332*	*288*
- *Foreign currency loans*	*57,490*	*63,750*
Finance lease obligations	1,606	1,915
Total	**294,943**	**296,842**

As at 31 March 2018 and 31 December 2017, maturity profile of loans and borrowings comprised the following:

Year	31 March 2018	31 December 2017
Between 1-2 years	31,595	32,138
Between 2-3 years	29,662	30,715
Between 3-4 years	210,886	208,750
Over 5 years	21,194	23,324
Total	**293,337**	**294,927**

(Amounts expressed in thousand USD 000's ("USD'000"))

14 Loans and borrowings *(continued)*

As at 31 March 2018 and 31 December 2017, maturity profile of finance lease obligations comprised the following:

	31 March 2018			31 December 2017		
	Future minimum lease payments	*Interest*	*Present value of minimum lease payments*	*Future minimum lease payments*	*Interest*	*Present value of minimum lease payments*
Less than one year	1,605	(101)	1,504	1,589	(110)	1,479
Between one and five years	1,783	(177)	1,606	2,145	(230)	1,915
Total	**3,388**	**(278)**	**3,109**	**3,734**	**(340)**	**3,394**

15 Provisions

Non-current	**31 March 2018**	**31 December 2017**
Replacement provisions for Creuers (*)	19,241	17,918
Port of Adria Concession fee provision (**)	1,480	1,496
Italian Ports concession fee provisions (***)	1,650	1,667
Total	**22,371**	**21,081**

(*) The replacement provisions are related to the acquisition of Creuers in compliance with TOORA Contract, executed by and between Creuers and the Barcelona and Malaga Port Authorities. The Company is providing advance depreciation for any potential capital expenditure until end of the concession term, considering total concession term remaining at the date of any future investment is less than the useful life of fixed assets.

(**) On 27 December 2013, the Government of Montenegro and Container Terminal and General Cargo JSC-Bar ("CTGC") entered into an agreement regarding the operating concession for the Port of Adria-Bar which terminates on 27 December 2043. From the fourth year of the agreement, CTGC had an obligation to pay a concession fee to the Government of Montenegro of Euro 500,000 per year until the end of the agreement. The expense relating to this concession agreement is recognized on a straight-line basis over the concession period, giving rise to an accrual in the earlier years.

(**) On 16 December 2009, Ravenna Port Authority and Ravenna Passenger Terminal S.r.l. ("RTP") entered into an agreement regarding the operating concession for the Ravenna Passenger Terminal which terminates on 27 December 2019. RTP had an obligation to pay a concession fee to the Port Authority of Euro 86,375 per year until end of concession. The expense relating to this concession agreement is recognized on a straight-line basis over the concession period, giving rise to an accrual in the earlier years.

On 13 June 2011, Catania Port Authority and Catania Cruise Terminal S.r.l. ("CCT") entered into an agreement regarding the operating concession for the Catania Passenger Terminal which terminates on 12 June 2026. CCT had an obligation to pay a concession fee to the Catania Port Authority of Euro 135,000 per year until end of concession. The expense relating to this concession agreement is recognized on a straight-line basis over the concession period, giving rise to an accrual in the earlier years.

On 14 January 2013, Cagliari Cruise Port ("CCP") and Cagliari Port Authority entered into an agreement regarding the operating concession for the Cagliari Cruise Terminal which terminates on 13 January 2027. CCP had an obligation to pay a concession fee to the Cagliari Port Authority of Euro 44,315.74 per year until end of concession. The expense relating to this concession agreement is recognized on a straight-line basis over the concession period, giving rise to an accrual in the earlier years.

Current	**31 March 2018**	**31 December 2017**
Employee benefit provisions	264	348
Short term provisions	948	854
Total	**1,212**	**1,202**

(Amounts expressed in thousand USD 000's ("USD'000"))

16 Earnings per share

The Group presents basic earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, less own shares acquired.

The Group does not present diluted earnings per share ("diluted EPS") data, because there are no convertible securities exercised by the Group. Diluted EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company less preferred dividend by the weighted average number of ordinary shares outstanding during the period, plus impact of any convertible securities.

For the period ended 31 March, earnings per share is calculated by dividing the profit attributable to ordinary shareholders, by the weighted average number of shares outstanding.

	2018	**2017**
Loss attributable to owners of the Company	(7,187)	(3,898)
Weighted average number of shares	74,323,982	74,323,982
Basic and diluted earnings per share with par value of TL 1 (cent per share)	(9.67)	(5.25)

17 Commitment and contingencies

(a) Litigations

There are pending lawsuits that have been filed against or by the Group. The management of the Group assesses the possible results and financial effects of these lawsuits at the end of each period and as a result of these assessments, the required provisions are recognized for the possible expenses and liabilities. The amount of provision that has been accounted for as at 31 March 2018 is USD 274 thousand (31 December 2017: USD 315 thousand).

The information related to the significant lawsuits that the Group is directly or indirectly a party to is as follows:

Legal proceedings in relation to Ortadoğu Antalya, Ege Liman and Bodrum Liman's applications for extension of their concession rights

On 6 June 2013, the Turkish Constitutional Court partially annulled a law that prevented operators of privatised facilities from applying to extend their operating term. The respective Group companies then applied to extend the concession terms of Port Akdeniz-Antalya, Ege Ports-Kuşadası and Bodrum Cruise Port to give each concession a total term of 49 years from original grant date. After these applications were rejected, the respective Group companies filed lawsuits with administrative courts challenging the decisions.

Port Akdeniz-Antalya filed lawsuits against Privatization Administration and the General Directorate of Turkey Maritime Organization requesting cancellation with respect to rejection of the extension applications. The Court dismissed the case and the Group lawyers appealed such decision of the Court. The appeal is pending before the Council of State.

Ege Ports-Kuşadası filed lawsuits against Privatization Administration and General Directorate of Turkey Maritime Organization requesting cancellation with respect to rejection of the extension applications. Both authorities filed their defenses and Ege Ports-Kuşadası submitted its reply to the defenses in due time. The Court dismissed the case and the Group lawyers appealed such decision of the Court. The Council of State reversed the lower courts' judgement in favor of Ege Ports-Kuşadası. The Privatization Administration applied to the Council of State for reversal of this judgement and the case is still pending.

17 Commitments and contingencies *(continued)*

(a) Litigations *(continued)*

Bodrum Cruise Port filed a lawsuit against (i) Ministry of Finance General Directorate of National Estate, (ii) the District Governorship of Bodrum and (iii) the Ministry of Transportation, Maritime Affairs and Communication requesting cancellation with respect to rejection of the extension applications. Bodrum Cruise Port's objection was approved by the court and rejection decision of the Ministry of Transportation, Maritime Affairs and Communication had been cancelled in favor of Bodrum Cruise Port. The Ministry's appeal has been overruled and first instance court judgement has been affirmed by the Council of State. The Ministry has applied for the rectification of the decision.

Other legal proceedings

The Port of Adria-Bar (Montenegro) was party to a collective bargaining agreement with a union representing workers in a range of functions that expired in 2010, before the Port of Adria-Bar was acquired by the Group. However, a number of lawsuits have been brought in connection to this collective bargaining agreement seeking (i) unpaid wages for periods before the handover of the Port to the Group (from 2011 to 2014), and (ii) alleged underpaid wages as of the start of 2014. In April 2017, the Supreme Court ruled that the collective bargaining agreement is not valid. Although various cases remain pending before lower courts, this judgment establishes a precedent that would apply to the remaining pending cases before the lower courts. Accordingly, Management believes that the pending cases will be decided in favour of the Group.

18 Fair values

The information set out below provides information about how the Group determines fair values of various financial assets and liabilities.

Determination of the fair value of a financial instrument is based on market values when there are two counterparties willing to sell or buy, except under the conditions of events of default forced liquidation. The Group determines the fair values based on appropriate methods and market information and uses the following assumptions: the fair values of cash and cash equivalents, other monetary assets, which are short term, trade receivables and payables and long term foreign currency loans and borrowings with variable interest rates and negligible credit risk change due to borrowings close to year end are expected to approximate to the carrying amounts.

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Input other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or in directly (i.e. derived from prices);
- Level 3: Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

Except as detailed in the following table, the directors consider the carrying amounts of the financial assets and financial liabilities recognised in the consolidated historical financial information approximate to their fair values.

	Note	As at 31 March 2018		As at 31 December 2017	
USD '000		**Carrying**	**Fair**	**Carrying**	**Fair**
Financial liabilities		**Amount**	**Value**	**Amount**	**Value**
Loans and borrowings	14	335,493	336,808	341,720	347,788

(Amounts expressed in thousand USD 000's ("USD'000"))

18 Fair values *(continued)*

Loans and borrowings have been included in Level 2 of fair value hierarchy as they have been valued using quotes available for similar liabilities in the active market. The valuation technique and inputs used to determine the fair value of the loans and borrowings is based on discounted future cash flows and discount rates.
The fair value of loans and borrowings has been determined in accordance with the most significant inputs being discounted cash flow analysis and discount rates.

Financial instruments at fair value
The table below analyses the valuation method of the financial instruments carried at fair value. The different levels have been defined as follows:

		Level 1	Level 2	Level 3	Total
As at 31 March 2018	Derivative financial liabilities	--	914	--	914
As at 31 December 2017	Derivative financial liabilities	--	855	--	855

19 Related parties

The related parties of the Group which are disclosed in this note comprised the following:

Related parties	Relationship
Mehmet Kutman	Shareholder of ultimate controlling party
Global Yatırım Holding	Ultimate controlling party
Global Ports Holding PLC ("GPH PLC")	Parent Company
Global Sigorta Aracılık Hizmetleri A.Ş. ("Global Sigorta")	Ultimate controlling party's subsidiary
IEG Kurumsal Finansal Danışmanlık A.Ş.	Ultimate controlling party's subsidiary
Global Menkul Değerler A.Ş. ("Global Menkul")	Ultimate controlling party's subsidiary
Adonia Shipping	Ultimate controlling party's subsidiary
Naturel Gaz	Ultimate controlling party's subsidiary

All the related party transactions between the company and its subsidiaries have been eliminated on consolidation, and are therefore not disclosed in this note.

Due from related parties

As at 31 March 2018 and 31 December 2017, current receivables from related parties comprised the following:

Current receivables from related parties	31 March 2018	31 December 2017
Global Menkul (**)	2,558	--
GPH PLC	998	389
Adonia Shipping (*)	985	1,030
Naturel Gaz (*)	73	74
Mehmet Kutman	23	24
Global Yatırım Holding	--	307
Others	167	164
Total	**4,804**	**1,988**

(*) These amounts are related with the work advances. The charged interest rate is 9.75% as at 31 March 2018 (31 December 2017: 9.75%).

(**) These amount has given to Global Menkul with a yearly interest rate of 15%.

(Amounts expressed in thousand USD 000's ("USD'000"))

19 Related parties *(continued)*

Due to related parties

As at 31 March 2018 and 31 December 2017, current payables to related parties comprised the following:

Current payables to related parties	31 March 2018	31 December 2017
GPH PLC	3,679	3,573
Mehmet Kutman	182	191
Global Sigorta (*)	134	244
Global Menkul (*)	1	1
Other	31	47
Total	**4,027**	**4,056**

(*) These amounts are related to professional services taken. The charged interest rate is 9.75% as at 31 March 2018 (31 December 2017: 9.75%).

Transactions with related parties:

For the three months ended 31 March, significant transactions with other related parties comprised the following:

	2018		2017	
	Interest received	**Other**	**Interest received**	**Other**
Global Yatırım Holding	--	--	475	--
Global Menkul	26	--	--	--
Total	**26**	**--**	**--**	**--**

	2018		2017	
	Interest Paid	**Other**	**Interest Paid**	**Other**
Global Yatırım Holding	--	1	--	--
Total	**--**	**--**	**--**	**--**

For the three months ended 31 March 2017, the Group recognized interest income on Global Yatırım Holding bonds amounting to USD 378 thousand (31 March 2018: none). For the three months ended 31 March 2017, the effective interest rate was 14.45%.

Transactions with key management personnel

For the three months ended 31 March, details of benefits to key management personnel comprised the following:

	2018	2017
Salaries	504	319
Bonus	--	--
Attendance fees to Board of Directors	31	33
Other	20	--
Total	**555**	**352**

20 Events after reporting date

None.