

For immediate release

16 March 2015

Global Ports Investments PLC

2014 Full Year Results

Global Ports Investments PLC (“Global Ports” or the “Company”, together with its subsidiaries and joint ventures, the “Group” or the “Global Ports Group”; LSE ticker: GLPR) today announces its full-year results for the financial year ended 31 December 2014.

From 1 January 2014 the Group adopted IFRS 11, ‘Joint arrangements’ which has resulted in significant changes in the accounting policies applied by the Group. Prior to 1 January 2014, the Group’s interests in jointly controlled entities (VEOS and MLT and CD Holding groups) were accounted for by using the proportionate method of consolidation. From 1 January 2014 jointly controlled entities are accounted for using the equity method of consolidation. Comparative figures have been adjusted for consistent accounting and presentation. The comparative figures for 2013 in the audited IFRS financial statements do not include cash flows and financial results of NCC Group for the year ended 31 December 2013, but include financial position of NCC Group as of that date.

Concurrently Global Ports is publishing Unaudited Selected Illustrative Combined Financial Metrics for the full financial year ended 31 December 2013 (the “Illustrative Combined Financial Metrics” or “Illustrative Combined”) of Global Ports Group¹. Illustrative Combined Financial Metrics include NCC Group Limited and its consolidated subsidiaries (“NCC Group” or “NCC”) following the Group’s announcement on 27 December 2013 that it had completed the acquisition of 100% of the share capital of NCC Group (the “Transaction”). Illustrative Combined Financial Metrics include jointly controlled entities that are accounted for using the equity method of consolidation. For the purposes of this announcement, Global Ports is using the Illustrative Combined Financial Metrics as a comparator against the actual results of operations for the twelve months period ended 31 December 2014 in respect of (i) the Group’s results and (ii) the Russian Ports segment’s results. Where relevant, for reader’s reference, actual (reported) results of operations for the twelve-month period ended 31 December 2013 are presented in separate columns in the tables presenting financial information.

The Illustrative Combined Financial Metrics represent information prepared based on estimates and assumptions deemed appropriate by the Group and are provided for illustrative purposes only. They do not purport to represent what the actual results of the operations or cash flows of the Group would have been had the Transaction occurred on 1 January 2013, nor are they necessarily indicative of the results or cash flows of the Group for any future periods. Because of their nature, the Illustrative Combined Financial Metrics are based on a hypothetical situation and, therefore, do not represent the actual results of the operations and cash flows of the Group.

Certain financial and operational information which is derived from the management accounts is marked in this announcement with an asterisk {}. Information (including non-IFRS financial measures) requiring additional explanation or terms which begin with capital letters and the explanations or definitions thereto are provided at the end of this announcement.*

SUMMARY

Global Ports’ focus in 2014 was on improving operational efficiency, maximising free cash flow and maintaining pricing discipline against the backdrop of a difficult market environment, especially during the second half of the year. As a result, the Group’s Adjusted EBITDA increased 4%* year-on-year

¹ Please see Appendix 2: Unaudited Selected Illustrative Combined Financial Metrics for further details.

with Adjusted EBITDA margin growth of 556 basis points* to 66.8%*. The Group focused on further deleveraging its balance sheet, decreasing its Net Debt by USD 141 million* and reducing the Group's Net Debt/EBITDA ratio from 3.7* to 3.2* times as of the end of the year.

Key highlights for the twelve-month period ended 31 December 2014

Global Ports IFRS reported results (excluding the 2013 results of NCC Group)

- Gross marine container throughput rose 63%* to 2,665 thousand TEU*;
- Group revenues increased 69%* to USD 562.4 million;
- Adjusted EBITDA grew 90%* to USD 375.9 million*;

Global Ports results on a comparable basis (consolidated financial information for 2014 compared to Illustrative Combined results of 2013, jointly controlled entities in both are accounted for using the equity method of consolidation)

- A successful commercial campaign for 2014 supported by the Group's unparalleled network of container terminals yielded a 3.5%* increase in full-year Revenue per TEU in the Russian Ports segment compared to 2013;
- Global Ports' gross container throughput declined 4.3%* year on year to 2,655 thousand TEU* (2,774 thousand TEU* in 2013) as sustained container throughput in VSC, strong growth in throughput in the Finnish Ports (+12%* year on year) and the active ramp-up of ULCT (+68%* year on year) were offset by the decline in throughput at PLP and FCT (-11%* combined year on year) in the Big Port of St. Petersburg;
- Global Ports' 2014 revenue was 4.5%* lower than in 2013 at USD 562.4 million due to lower throughput in both container and bulk cargo which was partially offset by growth in Revenue per TEU;
- The Group achieved a record Adjusted EBITDA margin of 66.8%*. The continued focus on efficiency and cost control along with the devaluation of the Russian rouble enabled the Group to reduce Total Operating Cash Costs 18%* and to expand the margin by 556 basis points*;
- Global Ports' Adjusted EBITDA in 2014 rose 4.1%* to USD 375.9 million* as the effects of cost reductions and strong pricing offset the decrease in volumes;
- Operating profit increased by USD 12.6 million*, or 4.7%*, from USD 266.0 million* in 2013 to USD 278.6 million in 2014;
- Net profit attributable to the owners of the company was negatively impacted by an increase in Net finance cost to USD 507.7 resulting in a Net loss attributable to the owners of the company of USD 193.1 million in 2014. This increase in the Net finance cost was largely driven by a non-cash Net foreign exchange loss of USD 418.5 million deriving mostly from USD denominated borrowings in the Group's subsidiaries, whose functional currency the Rouble was subject to a strong devaluation in the end of 2014;
- Capital expenditure on a cash basis in 2014 was reduced by 66% to USD 24 million as a proactive response to changing macro-economic conditions in light of the available capacity at the Group's terminals;

- The Group's Net Debt² was reduced by USD 141 million during 2014, while Net Debt to Adjusted EBITDA declined to 3.2x* as of 31 December 2014 from 3.7x* as of 31 December 2013.

Dividends

While the Board continues to believe in the importance of providing, over time, an attractive level of shareholder remuneration this must also be consistent with a prudent approach to ensuring the long-term robustness of the Company's finances. In the current environment, characterised by a recent sharp decline in container volumes and low visibility regarding the market outlook, the Board considers it appropriate to prioritize deleveraging over dividend distribution. With this in mind, the Board is recommending that following the payment of the interim dividend of USD 22.9 million in October last year, there will be no further dividend payments in the medium term. The Board will continue to monitor the container market for recovery as well as for levels of volatility in order to identify the appropriate timing for a resumption of the payment of a dividend, always consistent with sustaining conservative leverage ratios.

Tiemen Meester, Chairman of Global Ports, commented:

"2014 was a challenging year in a market environment that inevitably felt the effects of a weakening in the RUB exchange rate. This negatively impacted consumer confidence and the knock-on effect on imports has continued into 2015. The 23% volume decline experienced by the sector as a whole in January and February compared to last year attests to that.

Our approach to these unprecedented conditions has been to be ever more focused on improving operational efficiency, maximising free cash flow and maintaining our pricing discipline. The success of this strategy can be seen in these results reflected in a 4% uplift in Adjusted EBITDA. Nonetheless, the Board considered it appropriate in view of the broader context to suspend dividend payments for the medium term in order to prioritize the deleveraging of our balance sheet. This will give us maximum financial flexibility to manage the conditions that lie ahead.

The tough and volatile market environment looks set to continue for some time yet. Nonetheless we have a first rate management team to guide the business through this testing period and to ensure that the company emerges in the best possible shape to take advantage of the undoubted opportunities that will exist as we emerge from the downturn."

Further information is available in the following Appendices

- Appendix 1: Results of operations for Global Ports for 2014;
- Appendix 2: Unaudited Selected Illustrative Combined Financial Metrics;
- Appendix 3: Definitions and Presentation of Information; and
- Appendix 4: Investor Presentation.

Downloads

The consolidated financial statements for 2014 for Global Ports are available for viewing and downloading at www.globalports.com.

² Including derivative financial instruments

Analyst and Investor Conference call

The publication of these results will be accompanied by an analyst and investor conference call hosted by:

- Alexander Nazarchuk, Chief Executive Officer;
- Mikhail Loganov, Chief Financial Officer;
- Roy Cummins, Chief Commercial Officer;
- Evgeny Zaltsman, Head of Business Development.

Date: Monday, 16 March 2015

Time: 14.00 UK / 10.00 US (East coast) / 17.00 Moscow

To participate in the conference call, please dial one of the following numbers and ask to be put through to the "Global Ports" call:

Standard International Access: +44 (0) 20 3003 2666

UK Toll Free: 0808 109 0700

USA Toll Free: +1 866 966 5335

Russia Toll Free: 8 10 8002 4902044

ENQUIRIES

Global Ports Investor Relations

Mikhail Grigoriev
+357 25 313 475
Email: ir@globalports.com

Global Ports Media Relations

Anna Vostrukhova
+357 25 313 475
E-mail: media@globalports.com

StockWell Communications

Laura Gilbert/ Zoe Watt
+44 20 7240 2486
E-mail: globalports@stockwellgroup.com.

NOTES TO EDITORS

Global Ports

Global Ports Investments PLC is the leading operator of container terminals in the Russian market.

Global Ports' terminals are located in the Baltic and Far East Basins, key regions for foreign trade

cargo flows. Global Ports operates five container terminals in Russia (Petrolsport, First Container Terminal, Ust-Luga Container Terminal³ and Moby Dik⁴ in the Russian Baltics, and Vostochnaya Stevedoring Company in the Russian Far East) and two container terminals in Finland⁵ (Multi-Link Terminals Helsinki and Multi-Link Terminals Kotka). Global Ports also owns inland container terminals Yanino Logistics Park⁶ and Logistika-Terminal, both located in the vicinity of St. Petersburg, and has a 50% stake in the major oil products terminal AS Vopak E.O.S. in Estonia⁷.

Global Ports' consolidated revenue for 2014 was USD 562.4 million, Adjusted EBITDA of USD 375.9 million*. The total marine container throughput was 2,655 thousand TEU* in 2014.

Global Ports' major shareholders are Transportation Investments Holding Limited (operating under the brand name of N-Trans), one of the largest private transportation and infrastructure groups in Russia (30.75%), and APM Terminals B.V. (30.75%), whose core expertise is the design, construction, management and operation of ports, terminals and inland services. APM Terminals operates a global terminal network of 64 ports and 140 inland services facilities, giving the company a global presence in 67 countries. 20.5% of Global Ports shares are traded in the form of global depository receipts listed on the Main Market of the London Stock Exchange (LSE ticker: GLPR).

For more information please see: www.globalports.com

LEGAL DISCLAIMER

Some of the information in these materials may contain projections or other forward-looking statements regarding future events or the future financial performance of Global Ports. You can identify forward looking statements by terms such as “expect”, “believe”, “anticipate”, “estimate”, “intend”, “will”, “could,” “may” or “might” or the negative of such terms or other similar expressions. Global Ports wishes to caution you that these statements are only predictions and that actual events or results may differ materially. Global Ports does not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in projections or forward-looking statements of Global Ports, including, among others, general political and economic conditions, the competitive environment, risks associated with operating in Russia and market change in the industries Global Ports operates in, as well as many other risks related to Global Ports and its operations.

³ In which Eurogate currently has a 20% effective ownership interest.

⁴ In which Container Finance currently has a 25% effective ownership interest.

⁵ In each of which Container Finance currently has a 25% effective ownership interest.

⁶ In which Container Finance currently has a 25% effective ownership interest.

⁷ In which Royal Vopak currently has a 50% effective ownership interest.

Appendix 1: Results of operations for Global Ports for 2014

From 1 January 2014 the Group adopted IFRS 11, 'Joint arrangements' which has resulted in significant changes in the accounting policies applied by the Group. Prior to 1 January 2014, the Group's interests in jointly controlled entities (VEOS, MLT, and CD Holding groups) were accounted for by using the proportionate method of consolidation. From 1 January 2014 jointly controlled entities are accounted using equity method of consolidation.

The financial information presented in this appendix is extracted from the Consolidated Financial Statements of the Global Ports for the twelve month period ended 31 December 2014, prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). This appendix also includes certain non-IFRS financial information, identified using capitalised terms below. For further information on the calculation of such non-IFRS financial information, see Appendix 3 (Definitions and Presentation of Information) and the section entitled "Non-IFRS Measures: Adjusted EBITDA and Adjusted EBITDA Margin" below. Readers of this appendix should read the entire announcement together with the Global Ports Group Consolidated Financial Statements also released on the date hereof, and not just rely on the summary information set out below.

In this announcement, unless stated otherwise, Global Ports is using the Illustrative Combined Financial Metrics as a comparator against the actual results of operations for the twelve-month period ended 31 December 2014. Where relevant, for reader's reference, actual (reported) results of operations for the twelve-month period ended 31 December 2013 are presented in separate columns in the tables presenting financial information.

The Illustrative Combined Financial Metrics represent information prepared based on estimates and assumptions deemed appropriate by the Group and are provided for illustrative purposes only. They do not purport to represent what the actual results of the operations or cash flows of the Group would have been had the Transaction occurred on 1 January 2013, nor are they necessarily indicative of the results or cash flows of the Group for any future periods. Because of their nature, the Illustrative Combined Financial Metrics are based on a hypothetical situation and, therefore, do not represent the actual financial position or results of the operations and cash flows of the Group.

Certain financial and operational information which is derived from the management accounts is marked in this announcement with an asterisk {}.*

Results of operations of Global Ports for the twelve months period ended 31 December 2013 and 2014

The following table sets out the principal components of the Global Ports consolidated income statement for 2014 compared throughout the document against Illustrative Combined Financial Metrics of 2013 in order to provide an enhanced understanding and a comparative basis of the underlying financial performance.

	2014 Reported	2013 Illustrative Combined	Change		2013 Reported
	USD mln	USD mln	USD mln	%	USD mln
Selected consolidated financial information					
Revenue	562.4	589.1*	(26.7) *	(4.5%)*	332.2
Cost of sales	(231.5)	(285.3) *	53.8*	(18.9%)*	(137.0)
Administrative, selling and marketing expenses	(55.2)	(62.3) *	7.1*	(11.4%)*	(45.6)
Share of profit/(loss) of joint ventures	(7.7)	16.9*	(24.5)*	(145.3%)*	16.9
Other gains/(losses) —net	10.5	7.6*	3.0*	39.1%*	2.8
Operating profit	278.6	266.0*	12.6*	4.7%*	169.4
Finance costs, net	(507.7)	N/A	N/A	N/A	(19.9)
Profit before income tax	(229.1)	N/A	N/A	N/A	149.5
Income tax expense	31.8	N/A	N/A	N/A	(35.4)
Profit for the period	(197.3)	N/A	N/A	N/A	114.1
Profit attributable the owners of the Company	(193.1)	N/A	N/A	N/A	114.1
Basic and diluted earnings per share for profit attributable to the owners of the Company during the period	(0.34)	N/A	N/A	N/A	0.24
Key Non-IFRS financial information					
Total Operating Cash Costs	(186.5)*	(228.1)*	41.6*	(18.2%)*	(134.4)*
Adjusted EBITDA	375.9*	361.0*	14.9*	4.1%*	197.8*
Adjusted EBITDA margin	66.8%*	61.3%*			59.6%*

Revenue

Revenue decreased by USD 26.7 million*, or 4.5%*, from USD 589.1 million* in 2013 (on the Illustrative Combined basis) to USD 562.4 million in 2014. As a result of the mandatory implementation of IFRS 11, 'Joint arrangements', the Group's revenue is driven by the changes in revenue of the Russian Ports segment. Revenue of the Russian Ports segment is discussed in greater detail below in the discussion of the financial results for each of Global Ports Group's segments.

Cost of sales

Cost of sales decreased by USD 53.8 million*, or 18.9%*, from USD 285.3 million* (on the Illustrative Combined basis) in 2013 to USD 231.5 million in 2014. As a result of the mandatory implementation of IFRS 11, 'Joint arrangements', the Group's Cost of sales is driven by the changes in the Cost of sales of the Russian Ports segment. Cost of sales of the Russian Ports segment is discussed in greater detail below in the discussion of the financial results for each of Global Ports Group's segments.

Administrative, selling and marketing expenses

Administrative, selling and marketing expenses decreased by USD 7.1 million* or by 11.4%* from USD 62.3 million* in 2013 (on the Illustrative Combined basis) to USD 55.2 million in 2014.

Share of profit/(loss) of joint ventures accounted for using the equity method

The following table sets out the principal components of the Global Ports share of profit/(loss) of joint ventures accounted for using the equity method for 2014 compared to 2013 (on the Illustrative Combined basis).

	2014 Reported	2013 Illustrative Combined	Change	
	USD mln	USD mln	USD mln	%
VEOS	8.8	29.6*	(20.8)*	(70.3%)*
MLT	7.3	3.8*	3.5*	92.9%*
CD Holding	(23.7)	(16.5)*	(7.2)*	44.0%*
Total share of profit/(loss) of joint ventures	(7.7)	16.9*	(24.5)*	(145.3%)*

Share of profit/(loss) of joint ventures accounted for using the equity method amounted to the loss of USD 7.7 million in 2014 compared to the profit of USD 16.9 million in 2013. The change was primarily driven by decline in share of profits of VEOS (see Results of operations for the Oil Products Terminal segment below) from USD 29.6 million in 2013 to USD 8.8 million in 2014 and increase in share of loss of CD Holding from USD 16.5 million in 2013 to USD 23.7 million in 2014. This change was mainly driven by the financial performance of Yanino Logistics Park.

Other gains/(losses) —net

Other gains/(losses) – net in 2014 amounted to a gain of USD 10.5 million compared to gain of USD 7.6 million* in 2013 (on the Illustrative Combined basis). This change was largely due to FX gains/(losses) from accounts payable and receivable.

Operating profit

Operating profit increased by USD 12.6 million*, or 4.7%*, from USD 266 million* in 2013 (on the Illustrative Combined basis) to USD 278.6 million in 2014 due to the factors discussed above.

Finance costs—net

Finance costs—net amounted to USD 507.7 million in the reporting period mainly due to Net foreign exchange gains/(losses) on financing activities of USD 418.5 million and Interest expenses on bank borrowings of USD 87.4 million. Net foreign exchange gains/(losses) on financing activities derives mostly from USD denominated borrowings in the Group's subsidiaries, whose functional currency, the Russian Rouble, was subject to a significant devaluation by the end of 2014.

Profit before income tax

Profit before income tax amounted to a loss of USD 229.1 million due to the factors discussed above.

Income tax expense

Income tax expense in the reporting period amounted to tax credit of USD 31.8 million which was mainly driven by losses carried forward originated from FX losses on USD denominated borrowings.

Loss attributable to the Owners of the Company

Loss attributable to the Equity holders of the Company amounted to USD 193.1 million in 2014 due to the reasons discussed above.

Basic and diluted earnings per share for profit attributable to the Equity Owners of the Company

Basic and diluted earnings per share for profit attributable to the Equity Owners of the Company during 2014 period produced a loss of USD 0.34.

NON-IFRS MEASURES: ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN

The following table sets out the adjustments made to Global Ports' revenue for the year to calculate Global Ports' Adjusted EBITDA⁸ for 2013 and 2014.

	2014 Reported	2013 Illustrative Combined	Change		2013 Reported
	USD mln	USD mln	USD mln	%	USD mln
Revenue	562.4	589.1*	(26.7)*	(4.5%)*	332.2
Cost of sales (excl. depreciation of PPE, amortisation of intangible assets and impairment of PPE)	(132.5)*	(167.4)*	34.9*	(20.8%)*	(89.5)*
Administrative, selling and marketing expenses (excl. depreciation of PPE, amortisation of intangible assets and impairment of PPE)	(53.9)*	(60.7)*	6.8*	(11.2%)*	(45.0)*
Adjusted EBITDA	375.9*	361.0*	14.9*	4.1%*	197.8*

Global Ports' Adjusted EBITDA in 2014 increased by USD 14.9 million*, or 4.1%*, from USD 361 million* in 2013 (on the Illustrative Combined basis) to USD 375.9 million* mainly impacted by the decrease in Cost of sales (excl. depreciation of PPE, amortisation of intangible assets and impairment of PPE) and Administrative, selling and marketing expenses (excl. depreciation of PPE, amortisation of intangible assets and impairment of PPE).

The Group's Adjusted EBITDA Margin increased to 66.8%* in 2014 compared to 61.3%* in 2013 (on the Illustrative Combined basis) due to the factors discussed above.

LIQUIDITY AND CAPITAL RESOURCES

As at 31 December 2014, Global Ports had USD 78.8 million in cash and cash equivalents.

Global Ports' liquidity needs arise primarily in connection with the capital investment programmes of each of its operating segments as well as their operating costs. In the period under review, Global Ports Group's liquidity needs were met primarily by revenues generated from operating activities as well as through borrowings.

As a result of the shareholding or joint venture agreements at Moby Dik, the Finnish Ports, Yanino, ULCT and Vopak E.O.S., cash generated from the operating activities of the entities constituting the respective business is not freely available to fund other operations and capital expenditures of Global Ports Group or any other businesses within Global Ports Group and can only be lent to an entity or distributed as a dividend with the consent of the other shareholders who are parties to those

⁸ Adjusted EBITDA does not include the results of joint ventures.

arrangements. PLP, FCT, and VSC are not subject to such agreements. Accordingly, each of Global Ports Group's businesses is dependent on the cash generated by it and its own borrowings, whether external or from its shareholders, to fund its cash and capital requirements.

As at 31 December 2014, the Global Ports Group had USD 1,286.5 million of Total debt, of which USD 1,073.7 million comprised non-current borrowings, USD 102.8 million derivative financial instruments and USD 110.0 million current borrowings. See also "*Capital resources*".

Capital expenditures

Global Ports Group's capital expenditure on a cash basis in 2014 and 2013 (on the Illustrative Combined basis) was USD 23.6 million and USD 70 million, respectively, and was used to finance the maintenance of its terminals' capacity, to complete the increase in VSC's capacity by 100 thousand TEU, and for the purchase and replacement of equipment.

Cash flows for 2014 and 2013

The following table sets out the principal components of the Global Ports' consolidated cash flow statement for 2014 and 2013.

	2014 Reported	2013 Illustrative Combined	Change		2013 Reported
	USD mln	USD mln	USD mln	%	USD mln
Cash generated from operations	388.4	393.7	(5.3)	(1.4%)	218.8
Tax paid	(62.7)	(57.4)	(5.3)	9.3%	(37.5)
Net cash from operating activities before dividends received from joint ventures and adjusted for income tax	325.7	336.3	(10.6)	(3.2%)	181.3
Dividends received from joint ventures	9.5	70.3	(60.8)	(86.4%)	70.3
Net cash from operating activities	335.2	406.6	(71.4)	(17.6%)	251.6
Net cash used in investing activities	(93.3)	(281.4)	188.0	(66.8%)	(256.6)
Purchases of intangible assets	(0.2)	(0.1)	(0.1)	74.4%	(0.1)
Purchases of property, plant and equipment	(23.6)	(70.0)	46.5	(66.4%)	(62.8)
Loans granted to related parties	(12.5)	(37.6)	25.1	(66.8%)	(19.6)
Loan repayments received from related parties	0.5	1.3	(0.8)	(62.5%)	1.3
Contingent consideration paid	(61.6)	-	(61.6)	NA	-
Acquisitions of subsidiaries - net of cash acquired	-	(177.6)	177.6	NA	(177.6)
Other	4.0	2.6	1.5	53.8%	2.2
Net cash used in financing activities	(233.6)	(79.7)	(153.9)	192.9%	43.5
Proceeds from the issue of shares to non-controlling interest	12.8	-	12.8	NA	-
Net cash (outflows)/inflows from borrowings and financial leases	(105.8)	168.6	(274.4)	(162.8%)	210.3
Interest paid	(92.2)	(93.0)	0.8	(0.9%)	(15.0)
Dividends paid to the owners of the Company	(48.5)	(153.9)	105.4	(68.5%)	(150.4)
Expenses in relation to issued shares	-	(1.5)	-	-	(1.5)

Net cash from operating activities

Net cash from operating activities before dividends received from joint ventures and adjusted for income tax decreased by USD 10.6 million*, or 3.2%*, from USD 336.3 million* in 2013 (on the Illustrative Combined basis) to USD 325.7 million in 2014. This decrease was primarily due to Cash generated from operations which decreased by USD 5.3 million*, or 1.4%* and an increase in tax paid, from USD 57.4 million* in 2013 (on the Illustrative Combined basis) to USD 62.7 million in 2014.

The decrease in dividends received from joint ventures by USD 60.8 million* in 2014 compared to 2013 (on the Illustrative Combined basis) was mainly due to the elevated level of dividends during the first half of 2013 related to the special dividend payment made by Global Ports in February 2013 which was partially financed with dividends received from joint ventures.

Net cash used in investing activities

Net cash used in investing activities decreased by USD 188.0 million*, or 66.8%*, from USD 281.4 million* in 2013 (on the Illustrative Combined basis) to USD 93.3 million in 2014. This

change was primarily due to a 66.4%*, or USD 46.5 million*, decrease in Cash CAPEX (Purchases of property, plant and equipment) and the USD 177.6 million Acquisitions of subsidiaries - net of cash acquired reported in 2013 as a cash part of the consideration paid on the acquisition of NCC Group.

The contingent consideration paid to the previous owners of NCC Group as a part of the consideration for the Transaction was withheld and paid in 2014, when the previous owners of NCC Group fulfilled certain conditions related to the conversion of the Eurogate International GmbH (“Eurogate”) loan to ULCT, a 20% shareholder in ULCT, into equity.

Net cash used in financing activities

Net cash used in financing activities in 2013 (on the Illustrative Combined basis) was USD 79.7* million. This consisted primarily of Dividends paid to the owners of the Company (USD 153.9 million*), interest paid (USD 93.0 million*) and Net cash inflows from the borrowings of USD 168.6 million*.

Net cash used in financing activities in 2014 was USD 233.6 million. This consisted primarily of net cash outflows from borrowings and financial leases (USD 105.8 million), interest paid (USD 92.2 million), and dividends paid (USD 48.5 million), partially offset by proceeds from the issue of shares by a subsidiary to non-controlling interest (USD 12.8 million) related to the conversion of the Eurogate (a 20% shareholder in ULCT) loan to ULCT..

Capital resources

The Global Ports Group’s financial indebtedness consists of bank borrowings, loans from related and third parties and finance leases liabilities in an aggregate principal amount of USD 1,437.3 million as at 31 December 2013 and USD 1,183.6 million as at 31 December 2014. In addition the Group has Derivative financial instrument with the value of USD 26.1 million and USD 102.8 million as of 31 December 2013 and 31 December 2014 respectively. The decrease in financial indebtedness from the end of 2013 was mainly driven by repayment of borrowings as well as by conversion of ULCT debt to Eurogate into equity of ULCT.

The Group’s weighted average effective interest rate as at 31 December 2014 was 6.02%*.

As at 31 December 2014, the carrying amounts of Global Ports’ borrowings were effectively 99%* denominated USD dollars⁹:

The following table sets forth the maturity profile of the Group’s borrowings (including finance leases and derivative financial instruments) as at 31 December 2014.

	31 December 2014
	USD mln
1 st half 2015	57.4*
2 nd half 2015	52.6*
2016	175.4*
2017	197.1*
2018 and later	804.0*
Total	1,286.5*

⁹ Borrowings denominated in RUB are covered by cross-currency interest rate swap arrangement into USD

Results of operations for the Global Ports Group's segments for 2014 and 2013

The following table sets forth the Global Ports Group's key operational information for 2014 and 2013¹⁰.

	2014	2013	Change	
			Abs	%
Gross throughput				
Russian Ports segment				
<i>Containerised cargo (thousand TEUs)</i>				
PLP	658*	711*	(54)*	(7.5%)*
VSC	475*	475*	0*	0.0%*
Moby Dik	228*	219*	8*	3.8%*
FCT	941*	1,084*	(143)*	(13.2%)*
ULCT	104*	62*	42*	68.1%*
Total	2,404*	2,551*	(147)*	(5.7%)*
<i>Non-containerised cargo</i>				
Ro-ro (thousand units)	23*	24*	(1)*	(4.3%)*
Cars (thousand units)	114*	108*	5*	5.0%*
Other bulk cargo (thousand tonnes)	751*	895*	(144)*	(16.1%)*
Yanino (inland container terminal)				
Containerised cargo - inland container depot (thousand TEUs)	89*	63*	26*	40.6%*
Bulk cargo throughput (thousand tonnes)	319*	304*	15*	5.0%*
Logistika Terminal (inland container terminal)				
Containerised cargo - inland container depot (thousand TEUs)	89*	95*	(6)*	(6.2%)*
Bulk cargo throughput (thousand tonnes)	285*	240*	45*	18.9%*
Total inland container throughput (thousand TEUs)	179*	159*	20*	12.5%*
Total inland bulk throughput (thousand tonnes)	605*	544*	61*	11.1%*
Finnish Ports segment				
<i>Containerised cargo (thousand TEUs)</i>				
	251*	224*	27*	12.2%*
Oil Products Terminal segment				
Oil products Gross Throughput (million tonnes)	6.9*	9.7*	(2.8)*	(29.0%)*

¹⁰ Gross Throughput is shown on a 100% basis for each terminal. 2013 data is based on the Illustrative Combined basis, including the results of the NCC Group.

Results of operations for the Russian Ports segment

The Russian Ports segment consists of the Global Ports Group's interests in PLP (100%), VSC (100%), FCT (100%), ULCT (80%) (in which Eurogate currently has a 20% effective ownership interest), Moby Dik (75%), Yanino (75%) (Container Finance currently has a 25% effective ownership interest in each of Moby Dik and Yanino), and Logistika Terminal (100%).

The results of Moby Dik and Yanino are accounted in the Global Ports' consolidated financial statements for 2014 as well as in the Unaudited Selected Illustrative Combined Financial Metrics for 2013 using an equity method of accounting, but are included in the figures and discussion below on a 100% basis consistent to segmental reporting.

Operational performance

Throughput of container terminals in Russia declined 1.3%^{*11} in 2014 with growth of 1.6%^{*11} during the first half of 2014 offset by a macro economy driven decline of 4.2%^{*11} during the second half of 2014. Container Throughput in the Russian Federation Ports in 2014 stood at 5.1 million TEU^{*11}. Overall industry capacity utilisation levels¹² remained at a healthy level of approximately 70%* during the period.

The throughput of laden export containers at Russian container terminals increased 20.4%^{*13} in 2014 compared to 2013. The growth in laden export was driven by the ongoing containerisation in Russia underpinned by the depreciation of the Russian Rouble against the US dollar which positively impacted overall export from Russia.

The growth of throughput in the Russian Far East Basin in 2014 compared to 2013 was 3%^{13*}, while the throughput in the Russian Baltic basin declined 4%^{*13} and was broadly flat in the Russian Black Sea Basin.

Gross container throughput in the Russian Ports segment of the Group (excluding Yanino and LT) declined 5.7%* to 2,404 thousand TEU* in 2014 compared to 2,551 thousand TEU* in 2013 (on the Illustrative Combined basis). Flat container throughput in VSC (0%* growth year-on-year) and the active ramp-up of ULCT (+68%* year-on-year) were offset by the throughput decline in both PLP and FCT (combined decline of 11%* year-on-year). The decline in throughput of FCT and PLP was largely driven by decreasing volumes in the Baltic Basin along with loss of volumes to low cost competitors driven by the "pricing over volumes" strategy of the Group.

Car handling volumes increased 5%* in 2014 compared to 2013 to 114 thousand* cars due to an increase of car throughput by the terminal's key clients at PLP. Traditional Ro-Ro handling declined by 4.3%* to 23 thousand* units in the reporting period compared to 24 thousand units* in 2013.

Container and bulk cargo throughput at inland terminals increased 12.5%* and 11.1%* respectively in 2014 compared to 2013 to 179 thousand TEU* and 605 thousand tonnes* driven by ongoing containerisation in Russia and growth in export mentioned above.

Bulk cargo throughput in marine terminals declined by 144 thousand tonnes* or 16.1%* to 751 thousand tonnes* in 2014 from 895 thousand tonnes* in 2013 (on the Illustrative combined basis) largely driven by the decline in coal handling volumes at VSC.

¹¹Source: ASOP

¹² Capacity utilisation rate is defined as container throughput in the corresponding period divided by container handling capacity for the period; Source: Drewry, ASOP, Company data, open sources

¹³Source: ASOP

Financial Performance

Revenue

The Russian Ports segment primarily generates revenue from container handling, which accounted for 84.5%* of the segment's revenue in 2014 and 83.3%* in 2013 (on the Illustrative Combined basis). The Russian Ports segment also generates revenue from handling bulk cargo, cars, traditional Ro-Ro and ancillary services. Revenue from these activities accounted for 15.5%* and 16.7%* of the segment's revenue in 2014 and 2013 (on the Illustrative Combined basis), respectively.

The segment's revenue decreased by USD 23.8 million*, or 3.8%*, from USD 626.0 million* in 2013 (on the Illustrative Combined basis) to USD 602.2 million in 2014. This decrease was due to a USD 13.0 million* or 2.5%* decrease in revenue, attributable to container handling, and a USD 10.8 million* or 10.4%* decrease in other revenue. The decrease in revenue from container handling was primarily due to the lower container throughput in the Russian Ports segment which was partially offset by a 3.5%* increase in revenue per TEU in 2014 compared to 2013 (on the Illustrative Combined basis).

Other revenue in 2014 compared to 2013 decreased primarily due to decreased revenue from coal handling at VSC and from other bulk cargo handling which was partially offset by growth in revenue from cars and Ro-Ro handling.

The following table sets forth the components of the Russian Ports segment's revenue for 2014 and 2013 (on the Illustrative Combined basis).

	2014	2013	Change	
	USD mln	USD mln	USD mln	%
Revenue	602.2	626.0*	(23.8)*	(3.8%)*
Container handling	508.8*	521.7*	(13.0)*	(2.5%)*
Other	93.4*	104.3*	(10.8)*	(10.4%)*

The following table sets out Global Ports Group's revenue from cargo handling and storage services, Global Ports Group's total marine container throughput and the revenue per TEU for 2013 and 2014

		2014	2013	Change y-o-y		
		USD mln	USD mln	(Abs)	%	
[1]	Container handling	USD million	508.8*	521.7*	(13.0)*	(2.5%)*
[2]	Total marine container throughput	thousand TEUs	2,404*	2,551*	(146.5)*	(5.7%)*
[1]/[2]	Revenue per TEU	USD per TEU	212*	205*	7.1*	3.5%*

Revenue per TEU in 2014 increased by USD 7.1*, or 3.5%*, compared 2013 (on the Illustrative combined basis), mainly driven by increases in tariffs as well as by other factors.

Cost of sales, administrative, selling and marketing expenses

The following table sets out a breakdown, by expense, of the cost of sales, administrative, selling and marketing expenses for the Russian Ports segment for 2013 and 2014.

	<i>2014</i>	2014 Reported	2013 Illustrative Combined	Change		2013 Reported
	<i>% of total</i>	USD mln	USD mln	USD mln	%	USD mln
Depreciation of property, plant and equipment	27%	82.9	95.2	(12.2)	(12.9%)	51.8
Amortisation of intangible assets	8%	24.6	29.8	(5.1)	(17.3%)	6.1
Impairment of property, plant and equipment	6%	18.0	4.2	13.8	325.4%	0.0
Staff costs	28%	84.2	98.2	(14.0)	(14.2%)	58.6
Transportation expenses	4%	12.7	14.7	(2.0)	(13.9%)	14.7
Fuel, electricity and gas	5%	14.5	17.2	(2.7)	(15.5%)	9.6
Repair and maintenance of property, plant and equipment	5%	14.9	16.9	(2.0)	(11.8%)	11.8
Other operating expenses	18%	53.5	68.6	(15.1)	(22.0%)	34.8
Total cost of sales, administrative, selling and marketing expenses	100%	305.3	344.7	(39.4)	(11.4%)	187.4
Total Cash Cost of Sales, Administrative, Selling and Marketing Expenses (Operating Cash Costs of Russian Ports)	59%	179.8	215.6	(35.8)	(16.6%)	129.5

The Russian Ports segment's cost of sales, administrative, selling and marketing expenses declined by 11.4%* or USD 39.4 million* from USD 344.7 million* in 2013 (on the Illustrative Combined basis) to USD 305.3 million* in 2014

The segment's Operating Cash Costs decreased by USD 35.8* million, or 16.6%*, outpacing the decline in revenue of USD 23.8 million*, or 3.8%*.

The decline in the Russian Ports segment's Operating Cash Costs was driven by a 14.2%* decrease in Staff costs of USD 14.0 million*, a 11.8%* decrease in Repair and maintenance of property, plant and equipment of USD 2.0 million*, a 13.9%* decrease in Transportation costs of 2.0 million*, a 15.5%* reduction in Fuel, electricity and gas expenses of 2.7 million* as well as a 22.0%* decrease of Other operating expenses of USD 15.1 million*. These decreases were driven by a combination of positive FX effects, the decline in throughput, efficiency improvements and strong cost control.

Adjusted EBITDA (Non-IFRS financial measure)

The Russian Ports segment's Adjusted EBITDA increased 2.9%* in the reporting period by USD 12.0 million* compared to 2013 (on the Illustrative Combined basis) to USD 422.4 million*.

The Adjusted EBITDA Margin of the Russian Ports segment increased by 458 basis points*, from 65.6%* in 2013 (on the Illustrative Combined basis) to 70.1%* in 2014, due to the reasons discussed above.

Results of operations for the Oil Products Terminal segment

The Oil Products Terminal segment consists of the Global Ports Group's ownership interest in Vopak E.O.S (in which Royal Vopak currently has a 50% effective ownership interest).

The results of the Oil Products Terminal segment are accounted in the Global Ports' consolidated financial statements for 2014 as well as in the Unaudited Selected Illustrative Combined Financial Metrics for 2013 using an equity method of accounting, but are included in the figures and discussion below on a 100% basis.

The following table sets out the results of operations for the Oil Products Terminal segment for 2013 and 2014.

	2014 Reported	2013 Reported	Change	
	USD mln	USD mln	USD mln	%
Revenue, USD million	116.5	202.4*	(85.9)*	(42.4%)*
Operating Cash Costs, USD million	70.0*	115.7*	(45.6)*	(39.5%)*
EBITDA, USD million	46.5*	86.7*	(40.2)*	(46.4%)*
EBITDA margin, %	39.9%*	42.9%*		

Revenue

The Oil Products Terminal segment's revenue decreased by USD 85.9 million*, or 42.4%*, from USD 202.4 million in 2013 to USD 116.5 million in 2014. This decrease was primarily due to (i) a 29%* decrease in throughput at the terminal due to a difficult market environment as cargo owners preferred to handle more product within Russia and (ii) an increased share of less profitable ship deliveries.

Driven by the above market change, VEOS has implemented a change of its business model focusing more on storage, handling products delivered by ships, as well as the blending and accumulating of large shipments.

Cost of sales, administrative, selling and marketing expenses

The following table sets out a breakdown, by expense, of the cost of sales, administrative, selling and marketing expenses for the Oil Products Terminal segment for 2013 and 2014.

	2014	2014 Reported	2013 Reported	Change	
	% of total	USD mln	USD mln	USD mln	%
Depreciation of property, plant and equipment	26%	25.6	23.7	1.9*	8.0%*
Amortisation of intangible assets	1%	1.3	2.5	(1.2)*	(48.5%)*
Staff costs	21%	20.6	25.2	(4.6)*	(18.2%)*
Transportation expenses	24%	22.9	46.8	(23.9)*	(51.1%)*
Fuel, electricity and gas	16%	15.8	28.7	(12.8)*	(44.7%)*
Repair and maintenance of property, plant and equipment	3%	3.1	4.5	(1.4)*	(30.9%)*
Other operating expenses	8%	7.6	10.5	(2.9)*	(27.8%)*
Total cost of sales, administrative, selling and marketing expenses	100%	96.9	141.9	-44.9*	(31.7%)*
Total Cash Cost of Sales, Administrative, Selling and Marketing Expenses (Operating Cash Costs of Oil Products Terminal segment)	73%	70.0*	115.7*	-45.6*	(39.5%)*

The Oil Products Terminal segment's Total cost of sales, administrative, selling and marketing expenses decreased by USD 44.9 million*, or 31.7%*, from USD 141.9 million in 2013 to USD 96.9 million in 2014. The decrease was largely driven by a USD 23.9 million* or 51.1%* decrease in Transportation expenses and USD 12.8 million* or 44.7%* decrease in Fuel, electricity and gas expenses as a result of a drop in rail delivered cargo volumes. Staff costs decreased by USD 4.6 million* or 18.2%* driven by measures taken in the course of changing business model.

Operating Cash Costs of the Oil Products Terminal segment declined by USD 45.6 million* or 39.5%* from USD 115.7 million* in 2013 to USD 70.0 million* in 2014 primarily driven by the factors described above.

Adjusted EBITDA (Non-IFRS financial measure)

The Oil Products Terminal segment's Adjusted EBITDA decreased by USD 40.2 million* or 46.4%* from USD 86.7 million* in 2013 to USD 46.5 million* in 2014 due to the factors described above.

The Adjusted EBITDA Margin of the Oil Products Terminal segment decreased from 42.9%* in 2013 to 39.9%* in 2014 due to the factors described above.

Results of operations for the Finnish Ports segment

The Finnish Ports segment consists of the Global Ports Group's ownership interests in MLT Kotka, MLT Helsinki (in each of which Container Finance currently has a 25% effective ownership interest).

The results of the Finnish Ports segment are accounted in the Global Ports' consolidated financial statements for 2014 as well as in the Unaudited Selected Illustrative Combined Financial Metrics for 2013 using an equity method of accounting, but are included in the figures and discussion below on a 100% basis.

Operational performance

The Gross Container Throughput of the Finnish Ports segment increased by 12.2%* year-on-year to 251 thousand* TEU from 224 thousand* TEU driven by the attraction of new customers in May 2013.

Financial Performance

Revenue

The Finnish Ports segment's revenue increased by USD 0.5 million*, or 2.1%*, from USD 23.6 million in 2013 to USD 24.1 million in 2014. The increase was primarily due to increased container throughput in the segment.

Cost of sales, administrative, selling and marketing expenses

The following table sets out a breakdown, by expense, of the cost of sales, administrative, selling and marketing expenses for the Finnish Ports segment for the first half 2013 and 2014.

	<i>2014</i>	2014 Reported	2013 Reported	Change	
	<i>% of total</i>	USD mln	USD mln	USD mln	%
Depreciation of property, plant and equipment	<i>12%</i>	2.8	2.6	0.2*	9.4%*
Staff costs	<i>37%</i>	8.5	8.4	0.1*	1.1%*
Transportation expenses	<i>16%</i>	3.6	3.2	0.5*	15.2%*
Fuel, electricity and gas	<i>4%</i>	1.0	1.0	0.0*	2.9%*
Repair and maintenance of property, plant and equipment	<i>7%</i>	1.6	1.3	0.4*	27.1%*
Other operating expenses	<i>24%</i>	5.5	6.5	(1.0)*	(14.9)%*
Total cost of sales, administrative, selling and marketing expenses	<i>100%</i>	23.1	22.9	0.2*	1.0%*
Total Cash Cost of Sales, Administrative, Selling and Marketing Expenses (Operating Cash Costs of Finnish Ports)	<i>88%</i>	20.3*	20.3*	0.0*	(0.1)%*

The Finnish Ports segment's cost of sales, administrative, selling and marketing expenses increased by USD 0.2 million*, or 1%*, from USD 22.9 million in 2013 to USD 23.1 million in 2014.

Adjusted EBITDA (Non-IFRS financial measure)

The Finnish Ports segment's Adjusted EBITDA increased by USD 0.5 million* or 14.7%* from USD 3.4 million* in 2013 to USD 3.9 million* in 2014 due to the factors described above.

The Adjusted EBITDA Margin of the Finnish Ports segment increased from 14.3%* in 2013 to 15.8%* in 2014 due to the factors described above.

Appendix 2: Unaudited Selected Illustrative Combined Financial Metrics

In December 2013 Global Ports Investments PLC (the Company, together with its subsidiaries and joint ventures, the Global Ports Group) acquired 100% of the share capital of NCC Group Limited (together with its subsidiaries, the NCC Group and, together with the Global Ports Group, the Enlarged Group).

The following unaudited selected Illustrative Combined financial performance and cash flows indicators (the “Illustrative Combined Financial Metrics” or “Illustrative Combined”) as of and for the year ended 31 December 2013 is presented to illustrate the effects of the following transactions:

- acquisition of NCC Group by Global Ports Group;
- the associated borrowings taken by Global Ports Group to fund the Transaction;

The Illustrative Combined Financial Metrics have been prepared to illustrate the effect that the acquisition of NCC Group would have had on the Global Ports Group’s combined consolidated extract of income statement and statement of cash flows for the year ended 31 December 2013 if that acquisition had taken place on 1 January 2013.

The Illustrative Combined Financial Metrics represent information prepared based on estimates and assumptions deemed appropriate by the Enlarged Group. The Illustrative Combined Financial Metrics presented are provided for illustrative purposes only. They do not purport to represent what the actual results of operations and cash flows of the Enlarged Group would have been had the Transaction occurred on the date specified below, nor is it necessarily indicative of the results of the Enlarged Group for any future periods. Because of its nature, the Illustrative Combined Financial Metrics are based on a hypothetical situation and, therefore, do not represent the actual results of operations or cash flows of the Enlarged Group. The actual results of operations and cash flows of the Enlarged Group may differ significantly from the Illustrative Combined amounts reflected herein.

An Illustrative Combined balance sheet is not presented as it would not be materially different from the balance sheet in the audited Consolidated Financial Statements of the Global Ports Group for the year ended 31 December 2013.

The Illustrative Combined Financial Metrics as of and for the year ended 31 December 2013 have been prepared based on the Global Ports Group’s and the NCC Group’s historical financial information, which have been extracted from, and should be read in conjunction with:

- the Consolidated Financial Statements of the Global Ports Group, prepared in accordance with International Financial Reporting Standards adopted by the European Union (“IFRS”) and the requirements of Cyprus Companies Law, Cap. 113, as of and for the year ended 31 December 2014; and
- the Consolidated Financial Statements of the Global Ports Group, prepared in accordance with International Financial Reporting Standards adopted by the European Union (“IFRS”) and the requirements of Cyprus Companies Law, Cap. 113, as of and for the year ended 31 December 2013; and
- the Consolidated Financial Statements of NCC Group, prepared in accordance with International Financial Reporting Standards adopted by the European Union (“IFRS”), as of and for the year ended 31 December 2013.

The unaudited Illustrative Combined consolidated income statement and extract of statement of cash flows for the year ended 31 December 2013 were prepared as if (i) the NCC Group acquisition had occurred on 1 January 2013, and (ii) the associated borrowings related to the Transaction were received on 1 January 2013.

The Illustrative Combined Financial Metrics have been prepared in a form consistent with the accounting policies adopted in the Consolidated Financial Statements of Global Ports Group. All illustrative adjustments are directly attributable to the Transaction, factually supportable and are expected to have a continuing impact on the Enlarged Group.

In order to be consistent with Global Ports Group’s accounting policies, certain adjustments have been

made to the NCC Group financial information included in the Illustrative Combined Financial Metrics.

**Unaudited Illustrative Combined Consolidated Income Statement for the Year Ended
31 December 2013**

(USD million)					
	Global Ports Group	NCC Group	Illustrative adjustments	Notes	Illustrative Combined
Revenue	332	257	-		589
Cost of sales	(137)	(116)	(32)	A	(285)
<i>incl. depreciation, amortisation and impairment</i>	(48)	(38)	(32)	A	(118)
Gross profit	195	141	(32)		304
Administrative, selling and marketing expenses	(46)	(16)	-		(62)
<i>incl. depreciation, amortisation and impairment</i>	(1)	(1)	-		(2)
Share of profit in joint ventures	17	-	-		17
Other gains/(losses) – net	3	5	-		8
Operating profit	169	130	(32)		266
Finance income/(costs) – net	(20)	(66)	(38)	B	(123)
Profit before income tax	149	64	(70)		143
Income tax expense	(35)	(26)	12	A,B	(49)
Profit for the year	114	38	(58)		94
Attributable to:					
Owners of the parent	114	47	(58)		104
Non-controlling interest	-	(9)	-		(9)
	114	38	(58)		94
Adjusted EBITDA	198	163	-		361

Consolidated cost of sales, selling and administrative expenses for the year ended 31 December 2013 are as follows:

(USD million)

	Global Ports Group	NCC Group	Illustrative adjustments	Notes	Illustrative Combined
Staff costs	70	44	-		114
Depreciation of property, plant and equipment	43	35	8	A	86
Amortisation of intangible assets	6	-	24	A	30
Impairment of property, plant and equipment	-	4	-		4
Transportation services	13	0	-		13
Fuel, electricity and gas	8	7	-		15
Repair and maintenance of property, plant and equipment	9	5	-		14
Taxes other than on income	7	4	-		11
Legal, consulting, auditing and other professional services	5	2	-		7
Operating lease costs	2	7	-		9
Purchased services	7	5	-		12
Materials	1	1	-		2
Other expenses	12	19	-		31
Total cost of sales, selling and administrative expenses	183	133	32		348

Enlarged Russian Ports segment revenues, cost of sales, selling and administrative expenses and Adjusted EBITDA for the year ended 31 December 2013 are as follows:

(USD million)

	Russian ports as per GPI report	Contribution of NCC Group	Illustrative adjustments	Notes	Illustrative Enlarged Russian Ports
Total revenue	371	255	0		626
Cost of sales, administrative, selling and marketing expenses					
Depreciation of property, plant and equipment	52	35	8	A	95
Amortisation of intangible assets	6	-	24	A	30
Impairment of PPE	0	4	-		4
Staff costs	58	40	-		98
Transportation expenses	15	0	-		15
Fuel, electricity and gas	10	7	-		17
Repair and maintenance of property, plant and equipment	12	5	-		17
Other operating expenses	35	34	-		69
Total cost of sales, administrative, selling and marketing expenses	188	125	32		345
Adjusted EBITDA	241	169	0		410

NOTES TO THE ILLUSTRATIVE COMBINED FINANCIAL METRICS

Illustrative adjustments to the Consolidated Income Statement:

- A. **Additional depreciation and amortisation of property, plant and equipment and identified intangible assets:** on acquisition items of property, plant and equipment and identifiable intangible assets have been remeasured at fair value.

This adjustment is to record the additional amortisation expense in relation to the fair value of the contractual rights in the amount of USD 1.4 billion identified as a result of the purchase price allocation. The estimated useful life of these contractual rights is 59 years.

The increase in the carrying values of property, plant and equipment would cause an additional depreciation charge in the amount of approximately USD 8 million.

- B. **Finance income/(costs) – net:** Total adjustments to “Finance income/(costs) – net” are summarised as follows:

(USD million)	NCC Group long-term loan to a related party of the Sellers	NCC Group short-term loan to the Sellers	Roll-back of losses related to swap	Additional borrowings of NCC Group	Total
Notes	i	ii	iii	iv	
Interest income on loans to related parties	(32)	-	-	-	(32)
Interest expenses from bank borrowings	-	-	-	(13)	(13)
Foreign exchange gain on borrowings	-	-	-	(18)	(18)
Unrealised loss on interest and crosscurrency swap fair value	-	-	26	-	26
Finance charge on discounting	-	(1)	-	-	(1)
Net effect	(32)	(1)	26	(31)	(38)

- i. At the closing of the NCC Acquisition, the long-term loan receivable by the NCC Group from the immediate parent company of one of the Sellers has been assigned to the Global Ports Group. The amount of this loan was USD 603.6 million. On acquisition, this amount is then fully eliminated on consolidation of the Enlarged Group and does not affect the amount of the total consolidated debt. This adjustment represents the reversal of interest income related to this loan receivable accrued during 2013.
- ii. Prior to the closing of the NCC Acquisition, the dividends declared by NCC Group have been offset with a short-term loans receivable by NCC Group from the companies related to the Sellers, as a non-cash transaction. This adjustment represents the reversal of the discounting effect related to this short-term loan receivable accrued in 2013.
- iii. In 2013, the NCC Group entered into interest and cross-currency swap arrangement. Had the NCC acquisition occurred on 1 January 2013, this arrangement would have been accounted for using hedge accounting rules in the Global Ports Group Consolidated Financial Statements. According to these rules, the unrealised gains/losses are recorded in an equity reserve. This adjustment represents the reversal of the unrealised losses charged to the income statement in the Consolidated Financial Statements of NCC Group.
- iv. Interest expense on the long-term bank loan of USD 238.4 million to finance the acquisition of NCC Group. This adjustment is calculated by applying an interest rate of 5.25% per annum.

This adjustment also reflects the estimated accounting foreign exchange loss of USD 18 million for year ended 31 December 2013 resulting from translation of this loan into the local subsidiaries' functional currency.

This negative impact on the profit for the year would be partly offset by an income tax gain of USD 6 million for the year ended 31 December 2013 (at a 20% income tax rate).

Unaudited Illustrative Combined Consolidated Statement of Cash Flows for the year ended 31 December 2013

(USD million)

	Global Ports Group	NCC Group	Illustrative adjustments	Notes	Illustrative Combined
Cash flows from operating activities					
Cash generated from operations	219	175	-		394
Dividends received from joint ventures	70	-	-		70
Tax paid	(37)	(26)	6	C	(57)
Net cash from operating activities	252	149	6		407
Cash flows from investing activities					
Acquisition of subsidiary - net of cash acquired	(178)	-	-		(178)
Purchases of property, plant and equipment	(63)	(7)	-		(70)
Proceeds from sale of property, plant and equipment	1	-	-		1
Loans granted to related parties	(20)	(18)	-		(38)
Loan repayments received from related parties	1	-	-		1
Interest received from third parties, bank balances and deposits	1	1	-		2
Net cash used in investing activities	(258)	(24)	-		(282)
Cash flows from financing activities					
Proceeds from borrowings	283	538	-		821
Repayments of borrowings	(55)	(580)	-		(635)
Finance lease principal payments to third parties	(18)	-	-		(18)
Interest paid	(15)	(65)	(13)	D	(93)
Expenses in relation to issued shares	(1)	-	-		(1)
Dividends paid to the owners of the Company	(150)	(3)	-		(153)
Net cash used in financing activities	44	(111)	(13)		(79)
Net increase in cash and bank overdrafts	38	15	(7)		46
Cash and bank overdrafts at beginning of the period	78	37	-		115
Exchange losses on cash and bank overdrafts	(3)	-	-		(3)
Cash and bank overdrafts at end	113	52	(7)		158

of the period

- C. Adjustment to reflect the income tax effect of the accrued interest on the USD 238.4 million long-term loan, less the tax deductible foreign exchange impact on revaluation of the loan payable, assuming an applicable tax rate of 20% (see (B)(iv) above)
- D. Adjustment to reflect the payment of the accrued interest on the USD 238.4 million long-term loan (see (B)(iv) above). Due to the grace period no principal payments are reflected

Appendix 3: Definitions and Presentation of Information

DEFINITIONS

Terms that require definitions are marked with capital letters in this announcement and definitions of which are provided below in alphabetical order.

Adjusted EBITDA (a non-IFRS financial measure) for Global Ports Group is defined as profit for the period before income tax expense, finance income/(costs)-net, share of profit/(losses) of joint ventures accounted for using equity method, depreciation of property, plant and equipment, amortisation of intangible assets, other gains/(losses)-net, impairment charge of property, plant and equipment, and impairment charge of goodwill.

Adjusted EBITDA Margin (a non-IFRS financial measure) is calculated as Adjusted EBITDA divided by revenue, expressed as a percentage.

Average Storage Capacity is a storage capacity available at Vopak E.O.S. oil products terminals, averaged for the beginning and end of the year.

Baltic Sea Basin is the geographic region of northwest Russia, Estonia and Finland surrounding the Gulf of Finland on the eastern Baltic Sea, including St. Petersburg, Tallinn, Helsinki and Kotka.

Container Throughput in the Russian Federation Ports is defined as total container throughput of the ports located in the Russian Federation, excluding half of cabotage cargo volumes. Respective information is sourced from ASOP (“Association of Sea Commercial Ports”, www.morport.com).

Cash Costs of Sales (a non-IFRS financial measure) are defined as cost of sales, adjusted for depreciation and impairment of property, plant and equipment, amortisation and impairment of intangible assets.

Cash Administrative, Selling and Marketing expenses (a non-IFRS financial measure) are defined as administrative, selling and marketing expenses, adjusted for depreciation and impairment of property, plant and equipment, amortisation and impairment of intangible assets.

CD Holding group consists of Yanino Logistics Park (an inland terminal in the vicinity of St. Petersburg), CD Holding and some other entities. The results of CD Holding group are accounted in the Global Ports’ financial information using equity method of accounting (proportionate share of net profit shown below EBITDA).

Far East Basin is the geographic region of southeast Russia, surrounding the Peter the Great Gulf, including Vladivostok and the Nakhodka Gulf, including Nakhodka on the Sea of Japan.

First Container Terminal (FCT) is located in the St. Petersburg harbour, Russia’s primary gateway for container cargo and is one of the first specialised container terminals to be established in the USSR. The Global Ports Group owns a 100% effective ownership interest in FCT. The results of FCT are fully consolidated.

Finnish Ports segment consists of two terminals in Finland, MLT Kotka and MLT Helsinki (in the port of Vuosaari), in each of which Container Finance currently has a 25% effective ownership interest. The results of the Finnish Ports segment are accounted in the Global Ports’ financial information using equity method of accounting (proportionate share of net profit shown below EBITDA).

Fuel Oil Export Market is defined as the export of fuel oil from ports located in the Former Soviet Union countries.

Functional Currency is defined as the currency of the primary economic environment in which the entity operates. The functional currency of the Company and certain other entities in the Global Ports Group is US dollars. The functional currency of the Global Ports Group’s operating companies for the

years under review was (a) for the Russian Ports segment, the Russian rouble, (b) for Oil Products Terminal segment, and for the Finnish Ports segment, the Euro.

Gross Container Throughput represents total container throughput of a Group's terminal or a Group's operating segment shown on a 100% basis. For the Russian Ports segment it excludes the container throughput of the Group's inland container terminals – Yanino and Logistika Terminal.

Logistika Terminal (LT) is an inland container terminal providing a comprehensive range of container freight station and dry port services at one location. The terminal is located to the side of the St. Petersburg - Moscow road, approximately 17 kilometres from FCT and operates in the Shushary industrial cluster. The Global Ports Group owns a 100% effective ownership interest in LT. The results of LT are fully consolidated.

MLT Group consists of Moby Dik (a terminal in the vicinity of St. Petersburg) and Multi-Link Terminals Oy (terminal operator in Vuosaari (near Helsinki, Finland) and Kotka, Finland). The results of MLT group are accounted in the Global Ports' financial information using equity method of accounting (proportionate share of net profit shown below EBITDA).

Moby Dik (MD) is located on the St. Petersburg ring road, approximately 30 kilometers from St. Petersburg, at the entry point of the St. Petersburg channel. It is the only container terminal in Kronstadt. The Global Ports Group owns a 75% effective ownership interest in MD, Container Finance LTD currently has a 25% effective ownership interest. The results of MD are accounted in the Global Ports' financial information using equity method of accounting (proportionate share of net profit shown below EBITDA).

Net Debt (a non-IFRS financial measure) is defined as a sum of current borrowings and non-current borrowings, derivative financial instruments less cash and cash equivalents and bank deposits with maturity over 90 days.

Oil Products Terminal segment consists of the Group's 50% ownership interest in Vopak E.O.S. (in which Royal Vopak currently has a 50% effective ownership interest). The results of the Oil Products Terminal segment are consolidated in the Global Ports' financial information using equity method of accounting (proportionate share of net profit shown below EBITDA).

Operating Cash Costs of Russian Ports (a non-IFRS measure) are defined as total Russian Ports segment's cost of sales and administrative, selling and marketing expenses, less segment's depreciation and impairment of property, plant and equipment, less amortisation and impairment of intangible assets.

Operating Cash Costs of Oil Products Terminal segment (a non-IFRS measure) are defined as total Oil Products Terminal segment's cost of sales and administrative, selling and marketing expenses, less segment's depreciation and impairment of property, plant and equipment, less amortisation and impairment of intangible assets.

Operating Cash Costs of Finnish Ports (a non-IFRS measure) are defined as total Finnish Ports segment's cost of sales and administrative, selling and marketing expenses, less the segment's depreciation and impairment of property, plant and equipment, less amortisation and impairment of intangible assets.

Petrolsport (PLP) is located in the St. Petersburg harbour, Russia's primary gateway for container cargo. The Group owns a 100% effective ownership interest in PLP. The results of PLP are fully consolidated.

Ro-Ro, roll on-roll off is cargo that can be driven into the belly of a ship rather than lifted aboard. Includes cars, buses, trucks and other vehicles.

Russian Ports segment consists of the Global Ports Group's interests in PLP (100%), VSC (100%), FCT (100%), ULCT (80%) (in which Eurogate currently has a 20% effective ownership interest), Moby Dik (75%), Yanino (75%) (in each of Moby Dik and Yanino Container Finance currently has a

25% effective ownership interest), and Logistika Terminal (100%). The results of Moby Dik and Yanino are accounted in the Global Ports' consolidated financial information using equity method of accounting (proportionate share of net profit shown below EBITDA).

TEU is defined as twenty-foot equivalent unit, which is the standard container used worldwide as the uniform measure of container capacity; a TEU is 20 feet (6.06 metres) long and eight feet (2.44 metres) wide and tall.

Total Operating Cash Costs (a non-IFRS financial measure) is defined as Global Ports Group's cost of sales, administrative, selling and marketing expenses, less depreciation and impairment of property, plant and equipment, less amortisation and impairment of intangible assets.

Transaction is the acquisition of 100% of the share capital of NCC Group Limited, announced on 2 September 2013 and completed on 27 December 2013.

Ust Luga Container Terminal (ULCT) is located in the large multi-purpose Ust-Luga port cluster on the Baltic Sea, approximately 100 kilometres westwards from St. Petersburg city ring road. ULCT began operations in December 2011. The Global Ports Group owns an 80% effective ownership interest in ULCT, Eurogate, the international container terminal operator, currently has a 20% effective ownership interest. The results of ULCT are fully consolidated.

Vopak E.O.S. includes AS V.E.O.S. and various other entities (including an intermediate holding) that own and manage an oil products terminal in Muuga port near Tallinn, Estonia. The Group owns a 50% effective ownership interest in Vopak E.O.S.. The remaining 50% ownership interest is held by Royal Vopak. The results of Vopak E.O.S. are accounted in the Global Ports' financial information using equity method of accounting (proportionate share of net profit shown below EBITDA).

Vostochnaya Stevedoring Company (VSC) is located in the deep-water port of Vostochny near Nakhodka on the Russian Pacific coast, approximately eight kilometers from the Nakhodka-Vostochnaya railway station, which is connected to the Trans-Siberian Railway. The Group owns a 100% effective ownership interest in VSC. The results of VSC are fully consolidated.

Weighted average effective interest rate is the average of interest rates weighted by the share of each loan in the total debt portfolio.

Yanino Logistics Park (YLP) is the first terminal in the Group's inland terminal business and is one of only a few multi-purpose container logistics complexes in Russia providing a comprehensive range of container and logistics services at one location. It is located approximately 70 kilometres from the Moby Dik terminal in Kronstadt and approximately 50 kilometres from PLP. The Global Ports Group owns a 75% effective ownership interest in YLP, Container Finance LTD currently has a 25% effective ownership interest. The results of YLP are accounted in the Global Ports' financial information using equity method of accounting (proportionate share of net profit shown below EBITDA).

Appendix 4: Investor Presentation

An investor presentation is available at www.globalports.com.

PRESENTATION OF INFORMATION

Unless stated otherwise, financial information presented in this announcement is derived from the consolidated financial statements of Global Ports Investments PLC (“the Company” and, together with its subsidiaries and joint ventures, “Global Ports” or “the Global Ports Group”) for the twelve months period ended 31 December 2014 prepared in accordance with International Reporting Standards (“IFRS”), as adopted by the European Union and the requirements of Cyprus Companies Law, Cap. 113. The Global Ports Group’s consolidated financial statements for the twelve months period ended 31 December 2014 is available at the Global Ports Group’s corporate website (www.globalports.com).

The financial information is presented in US dollars, which is also the functional currency of the Company and certain other entities in the Global Ports Group. The functional currency of the Global Ports Group’s operating companies for the periods under review was (a) for the Russian Ports segment, the Russian Ruble, (b) for Oil Products Terminal segment and for the Finnish Ports segment, the Euro.

Certain financial information which is derived from management accounts is marked in this announcement with an asterisk {*}.

In this announcement, the Global Ports Group has used certain non-IFRS financial information as supplemental measures of the Global Ports Group’s operating performance.

Information (including non-IFRS financial measures) requiring additional explanation or defining is marked with initial capital letters and the explanations or definitions are provided at the end of this announcement.

Rounding adjustments have been made in calculating some of the financial and operational information included in this announcement. As the result, numerical figures shown as totals in some tables may not be exact arithmetic aggregations of the figures that precede them.

Market share data has been calculated using the information published by the Association of Sea Commercial Ports (“ASOP”), www.morport.com.

-----END-----