



## Thessaloniki Port Authority News Release

### First Semester 2019 Showed Volume and Revenue Increases

The first semester of 2019 has seen a satisfactory increase in volumes handled and revenues generated by the Port, compared to the same period of 2018.

The container volumes increased by 5,9% from 208.553 TEUs in the first semester of 2018, to 220.757 TEUs in the first semester of 2019. In the same period the conventional cargo volumes increased by 23,4%, from 1.847.744 tons to 2.280.915 tons.

The total sales revenue increase generated by the Port in the first six months of 2019 amounted to €3,8 mil. (13,0%) - from €29,15 mil. in the first semester of 2018, to €32,95 mil. in the first semester of 2019 - out of which, €1,9 mil. additional revenue generated by the container terminal, representing a 10,3% revenue increase and €1,8 mil. additional revenue generated by the conventional cargo terminal, representing a revenue increase of 18,4%.

During the first semester of 2019, measures were implemented to improve the performance and efficiency of the Port, which included a restructuring of the container tariff implemented with effect from June 1, 2019. The implemented measures had a minor positive impact on the revenue generation in the first semester of 2019 and are expected to continue to have a positive effect going forward.

Total Operating Cost has increased by 32,1% from the first semester of 2018 to the first semester of 2019. This increase in operating cost was not unexpected, as it primarily relates to increased concession fees – both in terms of an actual increase of the %-age to be paid, as well as a causal effect of the increased revenue – and to changes to the management structure, to the inclusion of technical management fees, to the payroll structure which now includes the 13<sup>th</sup> and 14<sup>th</sup> salaries, and other additional costs arising as a consequence of the transformation of the company. The total operating cost of the first semester of 2019 is on par with that of the second semester of 2018.

At the end of the first semester of 2019 (H1 2019), the operating profit was at an expected level of 35,5% compared to 48,5% for the first semester of 2018 (H1 2018) and 32,7% for the second semester of 2018.

ThPA S.A. - Port of Thessaloniki - pc 54625

Investor Relations and Company Announcements, T: 2310-593335, E: [Shares@thpa.gr](mailto:Shares@thpa.gr)

Gross Profits increased from €14,8 mil. in H1 2018, to €15,1 mil. in H1 2019, representing an increase of 2,3%.

Operational Profits (EBITDA) declined, from €16,5 mil. in H1 2018, to €14,6 mil. in H1 2019, representing a decrease of 11,2%, due to the parameters analyzed above for the total Operating Cost.

Net Profits after tax were also negatively impacted by the implementation of IFRS 16 and consequently, presented a decrease of 19,7%, from €10 mil. in H1 2018, to €8 mil. in H1 2019.

Furthermore, H1 2019 showed improved performance compared to H2 2018 on all profitability parameters.

The capital expenditure program was off to a relatively slow start in 2019 due to various delays, including procedural matters. However, an independent engineer was appointed in the first semester of 2019, the first investment period was kicked off, and 12 new straddle carriers were delivered and are now operational.