

Corporate Credit &
 Issue Rating

New Update

Sector: Port Management
 Publishing Date: Oct. 22, 2018

Head of Group

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RATINGS

		LT	ST	
International	Foreign Currency	BBB-	A-3	
	Local Currency	BBB-	A-3	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
	Issue Rating	BBB-	A-3	
National	Local Rating	A(Trk)	A-1(Trk)	
	Outlook	Stable	Stable	
	Issue Rating	A(Trk)	A-1(Trk)	
Sponsor Support		1	-	
Stand-Alone		AB	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Negative	-
LC		Negative	-	

*Assigned by JCR on August 14, 2018

GLOBAL LİMAN İŞLETMELERİ A.Ş.

Financial Data	1H2018**	2017*	2016*	2015*	2014*
Total Assets (000 USD)	697,517	700,632	701,040	769,833	707,503
Total Assets (000 TRY)	3,214,368	2,669,688	2,475,933	2,238,366	1,640,630
Equity (000 TRY)	911,158	804,383	788,594	807,801	557,064
Net Profit (000 TRY)	-7,926	-49,387	15,558	47,222	52,600
Net Sales (000 TRY)	260,627	443,401	405,694	286,907	198,280
Net Profit Margin (%)	-3.04	-11.14	3.83	16.46	26.53
ROAA (%)	n.a	-1.39	0.80	3.90	4.23
ROAE (%)	n.a	-4.48	2.36	11.20	11.27
Equity / Total Assets (%)	28.35	30.13	31.85	36.09	33.95
NWC / T. Assets (%)	5.82	3.27	7.10	12.78	11.54
Net Debt / EBITDA (X)	n.a	3.83	3.89	3.84	5.90
Asset Growth Rate (%)	20.40	7.83	10.61	36.43	56.50

*End of year **End of period

Company Overview

Global Liman İşletmeleri A.Ş. (hereafter referred to as “Global Liman” or “the Company”) was established in 2004 as an affiliate of Global Yatırım Holding A.Ş. which operates in 6 main sectors (Port Management, Electricity Generation, Gas, Mining, Real Estate Investment Trust and Financial Services) through 65 subsidiaries and 6 associates. Global Liman İşletmeleri A.Ş. operates primarily in commercial port operations including containers, bulk cargo and general cargo operations as well as cruise line operations serving cruise line, ferries, yachts and mega yachts.

In the first half of 2017, Global Ports Holding Plc (GPH), which owns Global Liman İşletmeleri A.Ş., was established in England and has proven its success in the international market with its public offering on the London Stock Exchange, one of the most important global financial centers.

Global Liman has presence in the Caribbean, Mediterranean and Asia-Pacific regions including extensive commercial port operations in Turkey and Montenegro. The Company has become one of Europe’s largest cruise operators with the management of 17 ports in 9 countries providing services for 7.3 million passengers. Owing to the services provided to cruise ships and passengers and high market share expanding its activities on a wide geography, the Company has gained flexibility against fluctuations stemming from geopolitical risks. Company headquarters are located in Istanbul with a staff force of 649 as at June-end 2018 (FYE2017:635).

Strengths

- EBITDA generation converging to desired level supporting sustainability and expansion
- Strong market influence particularly through strategic acquisitions of ports with long concession periods
- Ongoing international investments in ports underlying growth and promising progressive income generation
- Successful IPO on the London Stock Exchange
- Long-term maturity structure of financial borrowings partly mitigating financial risk metrics albeit contracting average maturity
- Maintained liquidity strength through NWC indicators yielding positive values
- Continuation of strong parental support through the ultimate shareholder’s track record and diversified business activities
- Natural hedging through service revenues denominated to a large extent in foreign currencies
- Enhanced implementations of corporate governance principles following the IPO process

Constraints

- Financial risk indicators requiring improvement to converge to references corresponding its current notching category given magnitude of external resource usage
- Regular dividend distributions curtailing the contributions of internally generated funds to equity base
- Revenue concentration still lacking granularity despite strengthened geographic diversification & coverage
- Rapid expansion through acquisitions having heightened dependency on external resources
- Growing uncertainties through aggravating geopolitical tension & persisting adversities on debt-servicing

