

Russia's Global Ports Posts 2014 Net Loss

By [The Moscow Times](#)

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Global Ports fell to a net loss last year as a fall of more than 40 percent in the ruble led to foreign exchange losses on its dollar-denominated debt.

Russia's Global Ports will scrap dividends and look to sell additional shares, the London-listed ports operator said Monday, reflecting economic turmoil that has crippled the freight market in Russia.

The company fell to a net loss last year as a fall of more than 40 percent in the ruble led to foreign exchange losses on its dollar-denominated debt and squeezed Russia's imports.

"The knock-on effect on imports has continued into 2015," Tiemen Meester, chairman of Global Ports, said in a statement.

"The tough and volatile market environment looks set to continue for some time yet... The board considered it appropriate in view of the broader context to suspend dividend payments

for the medium term," Meester said.

It will focus on reducing debt and also plans to issue additional shares to help the company "react quickly to potential business opportunities and to take advantage of market conditions to efficiently raise new capital," it said.

It could issue up to additional 318.9 million ordinary shares and 849.5 million ordinary non-voting shares that could be offered for cash as well as other shares or assets, it said.

Existing shareholders will not have preemptive rights to buy the new shares, the company said.

Global Ports made a net loss of \$193 million in 2014 after a profit of \$114 million in 2013 while revenues fell 4.5 percent, year-on-year, to \$562 million due to lower throughput in both container and bulk cargo.

The comparisons included the results of NCC Group, which Global Ports bought at the end of 2013, backdated to the beginning of 2013.

The company increased prices and cut costs which helped increase adjusted earnings before interest, taxes, depreciation and amortization by 4 percent to \$376 million, it said.

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