

CONNECTION

YILPORT TURKEY Q2-2016 NEWSLETTER

2016-2



YILPORT HOLDING ACQUIRES THE LARGEST LIQUID TERMINAL IN TURKEY!



YILPORT HOLDING'S NEW CEO:
CHRISTIAN BLAUERT

EXCLUSIVE INTERVIEW :
ROBERT YUKSEL YILDIRIM

YILPORT GEBZE AND
GEMPORT ARE READY
FOR VGM-SOLAS

CEO Message



YILPORT Holding offers privilege to all of its customers, and makes exclusive service a standard. The company has an uncompromising view towards reaching the highest levels of customer satisfaction. Our strategic mission is to be an industry leader in all of our port operations and logistics services.

This mission is supported through integrated programs all over YILPORT organization and employee participation. We focus on continuous improvements in all operations to achieve and maintain operational excellence.

Furthermore, YILPORT provides sustainable value to its customers and stakeholders by conducting its operations in accordance with national and international standards. We identify and mitigate risks in our operations, and perform all our services in compliance with environmental legislation. Our organization promotes employee and stakeholder safety by maintaining a safe and healthy work environment, and by employing secure cargo handling procedures.

YILPORT currently owns and operates 23 terminals in total around the globe.

Our global reach offers unified services, resulting in large potential for horizontal integration via our growing footprint and vertical integration via our continuously improving hinterland transport and logistics facilities. What makes YILPORT unique among competition is the strong focus on growth for and together with our customers. The regional and international connected terminal portfolio makes YILPORT a unified hub for all customers to move goods, merchandise and commodities not only through our terminals and logistics services but also overseas in between our terminals. Our primary goal at YILPORT is unrivaled success in both domestic and international operations. To reach this goal we are committed to deliver the best service for our customers powered by streamlined processes, superior equipment, state-of-the-art technologies, and superlative talent.

YILPORT Holding Appoints Christian Blauert as New CEO

The only Turkish company to be listed among international port operators, Istanbul-based YILPORT Holding, a YILDIRIM Group subsidiary, announces the appointment of Christian Blauert as its new CEO, effective June 1, 2016.

Having a background of more than 20 years in the port industry, Christian Blauert's experience includes practical knowledge and leadership within the areas of automated and conventional terminal design and realization, operational efficiency and improvements as well as management of bigger business portfolios.

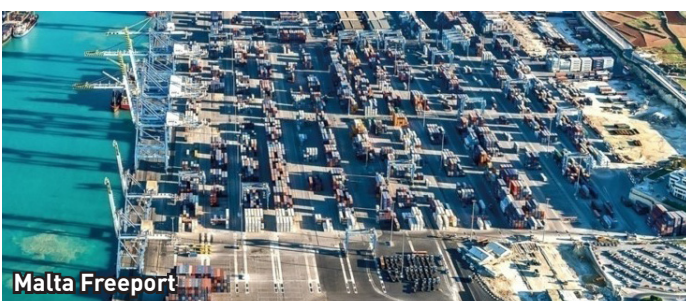
Some of the milestones within Mr. Blauert's career are the realization of the HHLA Container Terminal Altenwerder, the operational management of the HHLA Container Terminal Burchardkai (both in Hamburg) and the management of Terminal Link (CMA CGM's port and terminal operating unit) out of Marseilles. Mr. Blauert performed in top management

roles and positions nearly half the time he spent within the port business.

After YILPORT's announcement regarding former CEO Sean Pierce's resignation as of May 4, 2016, Robert Yuksel YILDIRIM, Chairman of YILPORT Holding wanted to give some additional color on this management change. Mr. YILDIRIM made the following remarks:

"The company's strategy and overall leadership has always been and remains with me. Both YILPORT and YILDIRIM Group of Companies have a deep and seasoned management team. We designated a strategy of solid growth and expansion at YILPORT until 2025. YILPORT's strategy has been established by me, and our port investments strategy committee. Therefore, my dream remains strong, and our journey to be one of the top 10 international terminal operators continue. I strongly believe that our new CEO, Christian Blauert will be the person

to support and assist us in achieving our goals. I personally know Mr. Blauert since 2011, when he was the Vice President of Terminals at CMA CGM. Mr. Blauert cooperated with YILPORT since then and joined in projects and tenders. Mr. Blauert joined with us in December 2015 as a consultant to set YILPORT's global logistics center up. In May 2016, he was promoted as our new COO to work together with former CEO Sean Pierce. Effective June 1, 2016, he is appointed to become our new CEO. Thus, YILPORT has started to look for a new COO and a Senior Terminal Execution Director besides a CIO. Christian Blauert is ready to take over from former CEO Sean Pierce in a smooth, fast and efficient manner. His technical, operational and leadership skills are a perfect fit for YILPORT to reach our goal of operational excellence within the existing portfolios throughout Turkey, Iberia, Scandinavia and South America, coupled with our push towards being a top ten port operator by 2025."



Malta Freeport



HHLA Container Terminal Burchardkai

**Throughput:
YILPORT Gebze
Container Terminal**



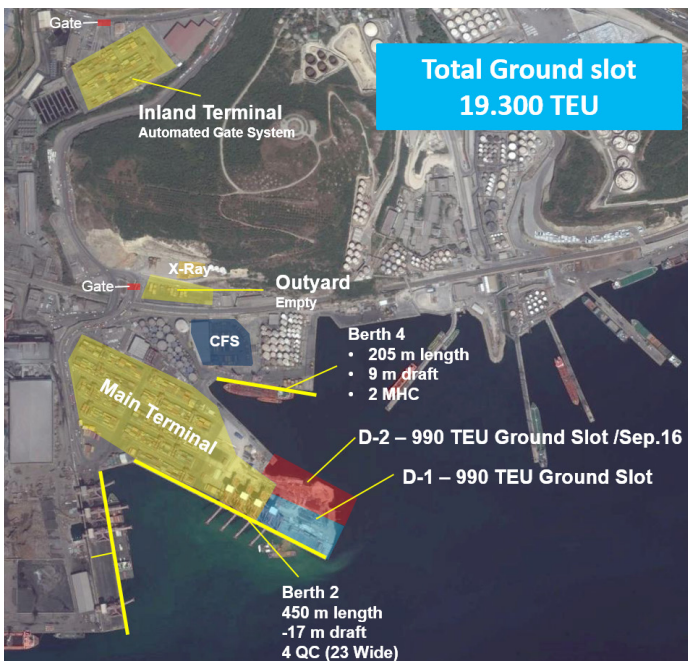
**108.977 TEU
handled at
YILPORT Gebze
by Q2**

**Throughput:
YILPORT Gebze
General Cargo**



**458.919 TONS
handled at
YILPORT Gebze
by Q2**

YILPORT Gebze is Expanding



**Total Ground slot
19.300 TEU**

**90% OF PHASE 2 AT
GEBZE COMPLETED**

We are proud to announce that D-1 Yard is completed and operational as of June 16. More than USD 450 million is invested in YILPORT Gebze and we are close to concluding Phase 2. Phase 2 includes a 450 meter berth with 17 meters draft and 4 new Mitsui 23 wide STS gantry cranes.

New berth became operational in the first days of 2016 together with 3 new RTG cranes. The construction at the back part of the berth is still ongoing. D-1 is ready for service and operations started.

With this new yard total ground slot at YILPORT Gebze reaches up to 18,310 TEU. Work is underway at D-2 yard, planned to be completed by September 2016. After D-2 service, total ground slot at the yard will reach up to 19,300 TEU.

YILPORT Volunteers Staged Improvisational Play



YILPORT Volunteers realized their first social responsibility project, "Improvisational Theatre" specifically devoted to the April 23 Children's Day. YILPORT Theatre Club formed with a perfect team spirit and motivation, and performed its first play at Kocaeli Yahya Kaptan Kassel Child Protection Institute on April 29. In a very tight period, YILPORT volunteers have completed 50 training hours at the workshops such as basic stage training, character-emotion exercises, improvisational sense, short form rounds and team working activities.

30 YILPORT Volunteers started this journey to put a smile on children's face. More than 100 people including the children and YILPORT employees were present at this special event. Besides the performance, YILPORT Volunteers also organized a series of games and spent time with the children while serving popcorn and cotton candies to them. YILPORT Volunteers will continue to support volunteering programs in order to contribute to the society that we live in.

YILPORT Gebze Sets a New Record with Peak Performance



YILPORT Gebze set a new record for TEU numbers. Following 38,500 TEU on a monthly basis and breaking a productivity record with 130.2 mph on Northwest Continental service of MSC, YILPORT Gebze shattered a new record for total handled TEU in a month. An all-time high number of moves were recorded within 8 hours during 16.00-00.00 shift on May 2. 1055 container moves in total was completed as the record shift performance of all-time. YILPORT Gebze handled 39,379 TEU with 59 vessels during May.

Not only the effective work of Customer Services, Planning, Planning Reporting departments within the Global Logistics Center but also integrated operations and shift supervision with Eti Logistics team shine out for operational progress of YILPORT Gebze, who excels beyond expectations.

YILPORT Gebze Welcomes New Equipment



YILPORT Gebze continues operations by increasing its equipment inventory, all of which are certified according to national and international regulations.

Sennebogen 5500 Crawler Crane was rented from Ruzgar Crane and included in the operations in pursuit of being certified and tested by accredited corporations. The crane is capable of lifting from 3 tons to 160 tons within various radii. Moreover, radius could be increased up to 80 meters by additions to crane boom. In addition to the Sennebogen crane, MECLIFT steel roll attachment that will enable faster and safer operations at CFS was included in the operations as well. The attachment is certified by due corporations. On the other hand, 2 new equipment are to be delivered to YILPORT Gebze soon: A lifting beam with 80 tons of capacity to be used for heavy project cargo, and C-Hook with 30 tons of capacity to be used for handling steel rolls.

In house Maritime Training at YILPORT Gebze



A maritime training was held for operations and GLC/vessel planners at YILPORT Gebze and Yarımca terminals. The training included technical information about vessels, facts that effect yard planning and operations, berthing and unberthing maneuvers, tugboat and pilot maneuvers, general maritime terminology, vessel demurrage/dispatch calculation. The training aimed to deliver necessary maritime and port information to GLC/vessel planning and operations supervisors who are planning quays and operations at our ports. YILPORT aimed for minimizing errors this way.

YILPORT Gebze Operations Director, Ali Ekber Simsek who was the trainer himself noted that it is not common in the industry for this type of training, and YILPORT is leading the sector. He further stated that training will continue further detailed and branched at the next level.

Split Happens



As an annual gathering, YILPORT Business Development Team organizes a Bowling Tournament to build bridges and create a common synergy with line agency employees in Gebze terminal. The event does not only reinforce the relations between two groups that work together frequently, but also triggers the exuberance of team spirit.

This year's tournament was held in Izmit with agency employees of Gebze Terminal and YILPORT Gebze Team. The teams were formed as a combination of YILPORT and agency employees.

On May 16, the teams gathered for lunch. The best team is selected as – YILPORT & MSC Combination. Best 5 players have won supermarket gift cards and best team players received a medal. Congratulations to all Bowlers.

**Throughput:
YILPORT Gemlik
Container Terminal**



**Throughput:
YILPORT Gemlik
Ro-Ro Terminal**



**Need a car park?
Come and see our Ro-Ro Terminal at Gemlik...**



Turkey's first private terminal YILPORT Gempport keeps providing storage yard for automotive industry at its unique Ro-Ro Terminal.

Together with Gemlik Gubre Inc., YILDIRIM Group assigns more than 1,000,000 square meter of land dedicated to port operations at Gemlik. The port is built on a Multi-purpose Terminal Operating concept, and serves container, CFS, bulk, general cargo, liquid and ro-ro customers.

The multi-storey car park facility is built 50 meter from the berth. The facility provides 800,000 CEU capacity at Gempport Ro-Ro Terminal, mainly for the export operations

of Fiat and Renault. Daily storage capacity is over 9000 CEU at the terminal and fully dedicated to daily loading and discharging operations. The terminal is inside the semi-bonded custom area.

According to the production increase at Tofas Plant, Gempport started to provide an out yard car park area to Tofas-Fiat, starting with 20,000 square meters. The ramp up period will extend capacity close to 100,000 square meters. In June 2016 YILPORT has welcomed the first 600 cars to the car park.

This new service model strengthen the relation between Gempport and Tofas-

Fiat. The best location for a car park at automotive supply chains are at their own plants or at the terminals. Tofas reaches up to 385,000 units of annual car production, and this represents a record for Tofas especially after the 2008 crisis. With its proven production quality, Fiat is now more focused on Tofas Plant and production of new models for the next 8 years.

Gempport is the closest terminal to Tofas by 17 kilometers. YILPORT Gempport provides the best cost efficient solution with the highest service quality level, and offers the lowest damage ratio in the industry at Marmara Region.

**SERVICE FOR
MINE &
BULK
CARGO**
marketing@gempport.com.tr



Gempport To Handle Hatchback Egeas



Gempport succeeds in yet another car-handling activity with its dedicated Ro-Ro facility. Exporting its new Egea model from

YILPORT Gempport Terminal since 2015, Fiat has begun to export its hatchback version since February 2016. One of the biggest automotive exporters of Turkey, Fiat is planning to export 700,000 cars in collaboration with Gempport during the year.

With 3-years in development and USD 520 million in investment, first Egeas were loaded into Grande Italia vessel and sent to European markets on 18 November 2015, operated by Gempport. The export numbers will significantly improve Ro-Ro volumes of Gempport, and will further consolidate our mutually beneficial partnership with Fiat.

YILPORT Gemlik terminal made a history at Gemlik!



Gemlik Gulf welcomed a research vessel in its history for the first time. French petroleum giant "Total" had chosen YILPORT Gemlik terminal for disassembly operation of Noble Corporation's vessel named Noble Globetrotter II which is 189m high with its 75 m high oil rig, which will be used for oil research in The Black Sea. There are important articles among the docking conditions of

vessel in our port (Phase 1) between 5-12 April like number of windy days, minimum 14 meters docking draft, certificated bollards and fenders, transshipment from PSV and advent docking, large amount of waste reception daily, safe and rapid personnel transferring services and reserved area that they could conduct hot/cold operation.

As YILPORT Gemlik, we had reached agreement and gained competitive advantage by owing to our berth which offers high quality and standards.

Noble Corporation Company project manager Roberto Gonzales remarked that they lived the advantage of finding a port which offers service in world standards and quality and pleased working with a professional team which highly caters their expectations at Gemlik Gulf. He also mentioned that their choice will be YILPORT Gemlik terminal when they return.

YILPORT Gemlik delivers the privilege to bulk customers at Gemlik region...



YILPORT Gemlik provides world-class service and the customers are happy to work with the biggest terminal in Gemlik. By having over 2 kilometers of berth, vessels are berthing on arrival and this reduces costs of customers. Also with the experience of fertilizer, coal and coke, grain and pulse, minerals and different type of bulk materials, the terminal has a high level of loading and unloading productivity. On average daily productivity per vessel is between 7000 and 15,000 tons regarding product type.

Mr. Antonio Barbara, the general manager of YILPORT Gemlik and YILPORT Gempport says, "Multi-Port model of YILPORT is working well at Gemlik. While we are operating container and ro-ro operations on one side of the terminal, at the other side, more than 1.5 kilometers m away we are providing service to our bulk customers together with liquid and project-general cargo." Mr. Barbara continued: "YILPORT Gemlik and YILPORT Gempport is one of a good sample of our 'one-stop-shop' concept as we are providing all types of terminal services to our customers. So our customers can easily find a solution for their supply chain."

YILPORT Gemlik and YILPORT Gempport are two neighboring terminals at Gemlik inside the YILDIRIM facility. The land covers more than 1 million square meters, and several types of terminals are inside the port facility. The capacity of General & Bulk terminals are 6.000.000 (mt/yr).

Volumes are Increasing at Gempport Warehouse



Elkem is one of the world's leading companies for environmentally responsible production of materials. Its principal products are silicon, silicones, ferrosilicon, foundry alloys, carbon materials and microsilica.

The Norwegian company has locations in Brazil, China, South Africa, Canada and Iceland.

It is providing products for iron, steel and automotive industry in Turkey. The company has been importing sub foundry products with big bags at our Gemlik warehouses. Each container contains 18 pallets. The company started with 4 containers in a month initially but volume is expected to grow gradually during the year.

Throughput: YILPORT Yarimca Terminal



Pet Coke Solution Station at Izmit Bay



“YILPORT” your “one stop shopping” service provider is now offering a combination of bulk terminal services of YILPORT Yarimca and trucking service of Eti Lojistik as a full package service for Petcoke exports.

Turkey’s leading petroleum refinery Tupras has started to produce petcoke with its new developed production plant. The shippers-traders of the Tupras petcoke are looking for an export gate in Izmit Bay. YILPORT Yarimca with its strategic location, 7 km to Tupras in the middle of Izmit Bay, becomes the export gate of the shippers-traders of petcoke. Also Eti Lojistik is providing trucking between Tupras and YILPORT Yarimca, with the coordination of YILPORT sales team and centralized operations of terminal planning and Eti Lojistik, traders are satisfied with the excellence job of YILPORT.

Having the deepest berth and largest vessel capacity operation licence at the region “+90k grt vessels”, YILPORT Yarimca is providing highest productivity at the loading operations by far from the competition with a figure of 300 tonnes per hour.

YILPORT Holding Turkey Sales Director Serhan Cilengir mentioned that petcoke traders were looking for a fast, smooth and a cost efficient solution for the export operations of petcoke, which we are offering with a standard to the market. Mr. Cilengir stated “it wasn’t hard to deal with the customers as we are offering one stop shopping package where the traders just focus on their trades and we do the rest”.

YILPORT Yarimca offers excellent bulk service with 1 million tons annual capacity



YILPORT Yarimca, the leading bulk terminal at the Gulf of Izmit is providing vessel and terminal services for grain and pulse products, powered by its unique silos and Siwertell bulk cranes. Silos of the terminal have been built in cooperation with Cargill back in 2006 with 120,000 tons of capacity. These are the largest silos in the region, accumulating 1 million tons in total annual capacity.

YILPORT Holding acquired the terminal in 2013, and annual contracts of customers Cargill and Bunge provided 400,000 tons of annual volume. Three years of the total 5-year contract has expired, and YILPORT Yarimca is looking forward to expanding its portfolio.

Erhan Ciloglu, YILPORT Holding CMO said that they are confident to bring in new grain customers to the terminal. YILPORT Yarimca offers services to the end customers with a focus on excellency in operations.

The terminal is mainly serving poultry customers based in the Bolu Province. YILPORT Yarimca is able to operate more than 90,000 grt vessels. The conveyor system built between cranes and silos offers a daily discharge rate of 15,000 tons.

YILPORT Turkey



YILPORT Holding Acquires The Largest Liquid Terminal In Turkey!



YILPORT Dilovasi Liquid Terminal

YILDIRIM Group's subsidiary YILPORT Holding acquired 100% shares of Turkey's largest liquid terminal Solventas Technical Storage Co. Inc., operating in Kocaeli Province. The signing ceremony took place in Istanbul, Turkey on 14 June 2016. YILPORT Gebze Port and Solventas Terminal will be consolidated into the largest and the most advanced liquid terminal, operational in Dilovasi District in Gulf of Izmit.

YILPORT Holding continues its growth towards its goal to be ranked among top 10 international port operators by 2025. As part of this objective, YILPORT acquired 100% shares of Solventas Technical Storage Co. Inc. on 14 June 2016. Solventas joined YILPORT's global fleet as the 23rd terminal. The handover is expected to commence following the Turkish Competition Authority's approval.

The merger will contribute to growth of the chemical industry, a vital segment in Turkey's 2023 vision. The terminal is also significant as the first specialized port of YILPORT Holding, exclusively dedicated to handling and storing chemicals and liquid cargo.

Founded in Kocaeli's Dilovasi District in 1967, Solventas houses 217 chemical tanks with a storage capacity of 333,000 cubic meters. The liquid terminal serves tankers and vessels

on 2 quays, 273 and 235 meters in length. More than 70 types of products, chemicals, petrochemicals, mineral and vegetable oils can be stored and handled at the facilities.

Following YILPORT takeover, Solventas will be integrated into YILPORT Gebze's liquid terminal to form "YILPORT Dilovasi Liquid Terminal".

The new establishment will be the leader of Turkish chemical industry with state-of-the-art technology, and the most advanced storing and handling capabilities. YILPORT Gebze currently houses 85 chemical tanks with 120,000 cubic meters of storage capacity. After the consolidation and new investments, "YILPORT Dilovasi Liquid Terminal" will serve the industry with more than 300 tanks and over 450,000 cubic meters of liquid storage.



Exclusive Interview With Robert Yuksel YILDIRIM

YILPORT is interested in acquiring Ports America terminals portfolio. Can you tell us about the story so far?

Ports America is the largest terminal operator and stevedore in the United States, operating in more than 42 ports and 80 locations. We presented our tender offer for Ports America in December 2015, and are in the second tour of offers. The company was on our radar for the last two years. If purchased, Ports America portfolio will elevate YILPORT Holding closer to its target of being ranked among top 10 global terminal operators by 2025. YILPORT will rapidly but steadily rise to the list, and in Ports America case, be ranked at the 8th place.

How do investments in the US market fit in YILPORT's overall growth strategy?

YILPORT holding has two separate growth strategies. One is for developing and emerging countries, and one is reserved for already developed countries. We are constantly looking for new opportunities in both of those two markets. Since we observe the ever-increasing consolidation and new alliances among liners, we believe consolidation must take place in the port and container terminal industries as well. Single-terminal port operators have no power to negotiate with the big monster container lines. In order to be in the game, you need to be an international terminal operator. We believe potential mergers and acquisitions in the United States will provide an extra boost.

What is the current situation of ports management business in the US?

The ports are not so profitable in the United States right now. This is due to lack of new investments in infrastructure, superstructure, automation, and new technology. As far as we can see, there is a great growth potential in the United States terminals, only after making necessary investments in the ports. That will trigger profitability. YILPORT is very active in Europe and Latin America, continuously investing in ports, and we observe that ports in the United States are unfortunately 20 years behind in technology, compared to major ports in Europe or Asia.

How would you reverse that and what would be the first line of investments in the current US terminals?

Productivity, equipment, terminal operating systems, crane technology, gate information a lot of things are lacking in the US. To improve conditions, the US terminals have to invest in infrastructure and technology.

What kind of a deal would suit YILPORT's growth in the US ports managements industry?

I want to be in the driving seat so that I can make all the necessary investments in terms of equipment, infrastructure, software and business relationships. In order to do that, I need to have majority control. I would not accept anything less than a 51% shareholding in Ports America, and could be willing to buy 100% control if the price were right.

The unions in the US are providing a challenge for terminal operators. How do you see the situation of labor unions?

We are ready for the challenge, and I believe YILPORT's operational experience is an asset for the US market. If I compare YILPORT with financial investors, I can say that we have the upper hand because we come from the industrial side. Most of our ports are unionized, so we have more experience working with the unions. It is a difficult challenge in the US, but we are always cooperative with the unions. I am not looking forward to cutting jobs, or taking anything away from the unions.

What is next for YILPORT after finalizing acquisitions?

We are always looking for new projects. We welcome new terminals in our portfolio towards our goal to be ranked among top 10 international port operators by 2025. As part of this objective, we strive to enhance our global presence further. Our mergers and acquisitions team at YILDIRIM Group consists of 40 colleagues, and they evaluate around 200-300 projects annually. The number of port and terminal projects are about 10-15, and we aim to realize only 1-3 brownfield terminal deals per year.

Will growth by acquisitions be the case for YILPORT in the upcoming years?

Acquisitions will be on our radar for the time being. To reach 2025 goals, YILPORT Holding has to perform continuous organic and inorganic growth. To accomplish that goal, we are conducting talks with tens of ports. These are in Europe, North America, Latin America and Africa regions. On the other hand, we plan to offer 20% to 30% shares of YILPORT Holding to foreign investors as minority shareholders and change partnership structure in order to finance our growth strategy in a healthy manner. Funding from the initial offering will be rerouted to acquisition of new ports.

Finally, how do you evaluate YILPORT's long-term business strategy?

Our seasoned management team designated a strategy of solid growth and expansion at YILPORT for the next 10 years. My dream remains strong, and our journey to be one of the top 10 international terminal operators continue. YILPORT will reach its goal of operational excellence within the existing portfolios throughout Turkey, Iberia, Scandinavia and Americas coupled with our push towards being a top ten port operator by 2025.

Robert Yuksel YILDIRIM
Chairman of YILPORT Holding Inc.



YILPORT Taking Over All Operations in Port Of Gävle



May 2nd 2016, YILPORT has been awarded a 30-year concession with the Port of Gävle for the rights to operate the port related terminal services; including containers, bulk, general cargo, rail, and CFS. In the deal, YILPORT will acquire the Gävle Municipality company Baltic Sea Gateway (BSG), the remaining 20% shares in Gävle Container Terminal (GCT), which have been combined to form a unitary 30-year concession for exclusive quay wall services and logistic operations. This concession also covers the operations at the Granudden facility, which currently serves one of the biggest paper mills in the region, and holds options for

expansion in the area. In the deal, YILPORT is committed to invest in the port and will deliver vital superstructure and IT systems to enable a platform for further growth.

Robert Yuksel YILDIRIM, Chairman (COB) YILPORT Holding: "I am very delighted to enter into a 30-year concession agreement with the Port of Gävle. While global market conditions are still expected to be sluggish in the near future, I am confident with our position in Gävle. I truly believe in Gävle's ability to foster growth in the region, and our ability to make that happen. In 2014 when we first entered Gävle with the acquisition of 80% shares of Gävle Container Terminal, people thought I was crazy. Today, we continue to spot opportunities where others cannot. With Baltic Sea Gateway's wide range of services and our Stockholm Nord rail terminals, we can offer end-to-end cargo solutions. Sweden needs investments in its supply chain, and with this concession, we now have the means to provide that."

Huelva Container Terminal reaches 50,000 TEU capacity...



YILPORT has started to invest in Tertir Terminals from the day one. New 2 Gantry cranes are now up and running at Huelva. With this new investment terminal capacity reaches 50,000 TEU.

Huelva is a gateway to multiple continents just as Europe, Africa, the Canary Island and America. With its connections to

Extremadura and Seville through A-49, CN-431 high capacity roads and its closeness to national railway line; Huelva is a major center for privileged experience. Huelva is a best choice with its 30.000 m2 plot surface for reefer container stevedoring operations where the sectorial allocation is primarily based on green cultivation, fishing and frozen fishing. Our wide range state of the art technological equipment and robust yard infrastructure is providing service both for Panamax and Post Panamax sized vessels.

Mr. YILDIRIM stated that with this first investment at our new acquisition Tertir portfolio, we are happy to be a part of the regional developments at South of Spain.

YILPORT Holding is Sponsor of Yeditepe University Logistics Forum'16



Yeditepe University Logistics Student Club is one of the most highlighted events of the university as well as being the most known and recognized student event of the logistics sector. Between 22-24 April, 2016, this prestigious event brought the sector leaders, executives, students and the faculty members together at the main campus of Yeditepe University. As a tradition

for four years, YILPORT Holding takes a leading role as a sponsor of the Logistics Forum. During the forum, students had the opportunity to learn about the sector trends and dynamics.

YILPORT Holding CMO, Erhan CİLOGLU, gave an interactive speech on "Optimization in Ports" and informed the future's logistics specialists about port operation processes, the impact of the technology to the processes, optimization practices and methods via talking about real life cases and examples in detail. The presentation that also reflects the trends and dynamics of the port industry attracted the students in a great deal. At the end of the panel, YILPORT Holding CMO, Erhan CİLOGLU and the HR Team answered the students' questions about career and internship opportunities at YILPORT Holding.

Transitex at APAS 2016



YILPORT's brand new dynamic member, worldwide transporter Transitex participated in APAS related to its food-chain

transportations. From the 2nd to 5th May, Transitex presented with its own stand.

Transitex team have presented with its employees from Brazil, Peru, Portugal and Spain, to receive all of their visitors and in the best way. The company had a collective stand, same as 2015, with various Portuguese and Spanish companies: New Mop SL, Extrafrutas, Cooperfrutas, Vineves, Lacto Sierra, Sierra Morena and Sabor Mediterráneo.

YILPORT Gebze And Gempport Are Ready For VGM-Solas



Starting 1 July 2016, the International Maritime Organization (IMO) will enforce "Safety of Life at Sea Convention (SOLAS)" requirements regarding the verification of gross mass of packed containers.

"A packed container will not be allowed to be loaded on board vessels to which the SOLAS Convention applies unless the Verified Gross Mass (VGM) of the container has been provided to the ship's master or his representative and to the terminal or its representative sufficiently in advance to allow for the edition of the loading plan."

The responsibility for obtaining and documenting the Verified Gross Mass of a packed container lies with the shipper.

The Verified Gross Mass, also known as the VGM, means the total gross mass of a packed container, which can be obtained by one of the two methods described below :

- Method #1 – Using calibrated and certified equipment, the shipper or a third party duly appointed by the shipper weighs the packed container at the end of the stuffing operation once the seal is affixed.

- Method #2 – The shipper or a third party, by arrangement of the shipper, weighs all packages, cargo items, pallets, dunnage and other packing and securing material and adds the tare mass of the container. The total sum finally obtained is the weight to be provided. This method is subject to certification and approval by the competent authority of the State in which the packing and sealing of the container was completed.

Please also be reminded of this regulation: If the Verified Gross Mass is not provided to us as your terminal operator, we are not allowed to load the container onto your vessel.

» WHO

Shipper's responsibility

The shipper is responsible... **not** the one who physically transports the goods.

Actions:

- ✓ Obtain
- ✓ Document
- ✓ Declare the Verified Gross Mass of a packed container

» WHAT

Verified Gross Mass (VGM)

Total gross mass of the cargo and packaging + *Container tare weight*

YILPORT GEBZE AND YILPORT GEMPORNT TERMINALS ARE READY TO PROVIDE VGM DATA

Please send your requests to;

Gebze :
musterihizmetleri@yilport.com.tr

Gempport :
talep@gempport.com.tr

Also see our tariffs at our website;
www.yilport.com

» HOW

Two methods to calculate:

Declaration may vary from port to port.

1. Actual weighing

Total weight
Truck, fuel, chassis -
VGM

2. Virtual weighing

Packages
Pallets
Cargo items
Packing
Securing material
Container
+
VGM

» WHEN

VGM needs to be provided to the Carrier and Terminal, **sufficiently in advance.**

NO VGM? The packed container will **not be loaded** on board the vessel!

ETI Logistics

Launched in 2011, Eti Logistics was originally established to transport raw materials and end products from Elazig in the eastern region of Turkey to the port cities of Mersin and Iskenderun on the Mediterranean coast.

Eti Logistics has since experienced exponential growth to become a complete logistics service provider in the Turkish market, offering unimodal, intermodal and multimodal rail, trucking and vessel transport for containers as well as indoor and outdoor bonded/non-bonded storage, project cargo, stevedoring, labor management, maintenance, car handling, ro-ro operation and vehicle PDI services.

Eti Logistics operates with a well-defined strategy; to provide quality, cost-effective logistics services for YILDIRIM Group subsidiaries as well as third parties in order to support their domestic and global expansion plans. In all of its operations, Eti Logistics seeks to develop strategies that suit the growth and changes of the market. With its customer oriented solution approach, the company provides highly diversified services in order to become its customers' best logistics solutions partner.

1 | Railway

Railway transportation service to entire Turkey with its custom-engineered **150 wagons** and **1 manoeuvred locomotif** with its railway connected logistics yard.

- Marble warehousing service at Turkey's only block based addressing marble open yard with **9,600 m²**.
- Marble warehousing yard is able to store 20,000 tonnes block marble at the same time with 24 hours monitoring security cameras.

Promoted port operations service with qualified labor recruitment, inland transportation and warehouse/yard management.



+ | Port Sector

+ | Agency
24/7 nonstop entire required agency services for vessels.

+ | Warehouse

Value added solutions with inland and outyard area to customers for bonded and non-bonded, single customer, multiple customers.

2 | Seaway

Rapid, cost saving, qualified and secured service for transportation to entire ports of the world.

- Marmara Feeder Line is established to make transportation between Turkish ports and provide better service to YILPORT and Eti Logistics customers.
- Marmara Feeder Line provides cost effective, efficient, qualified and responsive service by taking into consideration entire security standards and regulations.



3 | Land Route

As well as **30** self-owned vehicles , with **250** contracted carrier infrastructure all manner of transportation is provided domestically according to needs of customers.

A Port Operation's Backbone Marine Pilots



“Safe Ports and Safe Port Management”

The history of using marine vessels is almost ancient as human history. One of the oldest occupations is maritime pilotage. The leader of Araganots which is a nationality of ancient ages, Jason needed to pass through Bosphorus Bridge to outstand to Black Sea while he was seeking “Golden Fur” and Captain Itzo navigated his ship as maritime pilot. Representative of this lofty profession in our terminals have celebrated “Marine Pilots Week”.

Following the first realized in 2009, 8th of Marine Pilots Week was celebrated on 17th of May at Gemlik Bay. The actual aim of Marine Pilots Week is to gain awareness to Occupational Safety of marine pilots.

It was first proposed by Turkish maritime pilots at the meeting of EMPA (European Maritime Pilots Association) in Antalya on 2009.

Many meetings, panels and commemorative ceremonies for martyrs are being held with participation of maritime pilots serving Turkish ports at pilotage stations in order to create an awareness and prevent accidents and fatalities of maritime pilots which are increased in recent years.

The leader of its hinterland, YILPORT Gempport Tugs and Pilotage

Services have held a commemorative event for the red letter day.

A vessel is a must for our ports. The vessels are brought to ports safely by their captain and crew and those vessels need to be berthed. This service are being provided by our experienced, safety oriented and qualified maritime pilots.

Gempport Tugs and Pilotage Services Manager, Hakan Isicki said; “Each and every employee has an outstanding contribution for our 7/24 alive terminals. Port management is supposed to be named as “Safe Ports and Safe Port Management” within our era.

Because, an unsafe transportation is not sustainable.

A port operation start with maritime pilot that goes aboard the ship to sidle, ends by the pilot’s getting off the ship while leaving the port. Therefore, maritime pilot is supposed to represent his country’s enlightened face as the one that first to get on and last to get off a foreign ship.”



**GLOBAL REACH,
LOCAL STRENGTH**
TUGBOAT & PILOTAGE SERVICES
pilotage@gempport.com.tr

The Impossible was Accomplished Navis Upgrade in 4 Hours



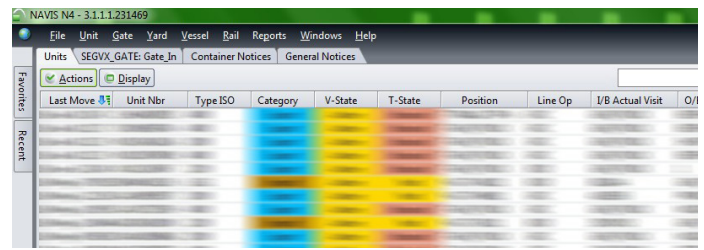
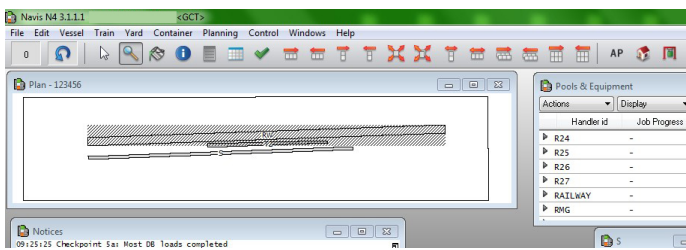
The software being used at YILPORT Holding container terminals, Navis needs to be upgraded to increase functionality due to requirements from new regulations and new technologies. But each version upgrade takes tremendous amount of time and effort for our teams.

NAVIS version upgrade works were performed at Oslo, Gebze and Gemlik terminals in sequence due to SOLAS and Crane OCR Project requirements. The version upgrade was smoothly completed right on time in coordination with IT, GLC and PMO teams. The upgrade was carried out in a very short time by virtue of strong collaboration among Sener Gerceker, Kemal Yavuz and Nurullah Bakan from IT; R. Cem Göktaş, Ali Evcime, Orkun Çakır,

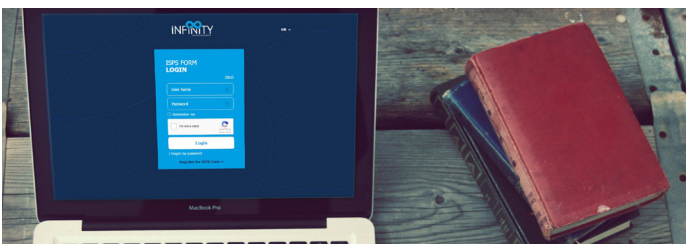
Canturk Sabaner from GLC and PMO.

A fantastic team including Elif Hudekoglu, IT Business Analyst; Berker Derindere, PMO Specialist; Burhan Ersoy, IT Chief and IT Specialists Ersan Colak, Recep Sümer and Burak Eser completed the project. Our Customer Services Specialist, Deniz Aslan made a significant contribution and took a big part on the success. The team gears up to announce their new product, Infinity. Our Planning Chief, Mr. Ali Evcime stated; "It was foreseen that vessels were coming during the upgrade period and all necessary precautions were ensured to prevent any possible operational problems. With the support of Customer Services Department, after successfully upgrading to newest version of Navis, the 120 CFS moves were completed within the remaining operational time."

Our IT Manager, Mr. Sener Gerceker stated; "We have continuously been studying to improve test systems after each upgrades as a team, and therefore, we minimized our operational waiting time for the next version upgrade. It generally takes 8 hours to upgrade a Navis version at one of our terminals but we accomplished the upgrade at Gemlik terminal within 4 hours through our improvements." With our self-sufficient expert team, we achieved to upgrade the new version without any Navis support.



Infinity ISPS Form Goes Live



As the container transportation industry continues to evolve, the need for innovative, technology and practice in terminal operations has become an increasingly important challenge to the port and terminal operating industry. YILPORT remains at the forefront in innovative research, design and operations to provide the most efficient, cost-effective service to our customers throughout the YILPORT network, and around the world.

As part of our continuing effort to provide new tools and services to our customers, we are proud to announce that the "Infinity

ISPS Form" is ready and will GO LIVE in YILPORT Oslo!

The new "Infinity ISPS Form" is a platform where loading facilities can prepare and submit an electronic ISPS compliance form (thus replacing the hard-copy sikkerhetserklæring). The data received via the form will be transferred to our Terminal Operating System (Navis). The information received will also serve as a pre-advise of the containers arrival, thus facilitating an efficient transaction for the truck driver via our automated in-gate. ISPS declarations will be stored in Data base at least for 5 years according to rules and regulation, and will be available for the appropriate authorities should they require access for investigations or in the course of routine ISPS audits.

Infinity ISPS Form is a critical tool as we move into the automated gate process. We are confident that this form and the related procedures will provide our customers with a coherent and paperless operation for "Gate IN" activities at the YILPORT Oslo Container Terminal.

LCL CARGO SERVICE AT YOUR
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marketing@yilport.com.tr



Global Safety Day



YILPORT initiated a safety campaign within the company, involving employees in an integrated focus on the importance of safety. To encourage participation of the employees, while at the same time raising awareness of safety within the company, YILPORT presented Safety Awards at the Global Safety Day.

opportunity in 2015.

According to the terminals' incredible efforts and focus on improving the safety this past year, terminals were rewarded for their successful performance in 3 categories. Mr. Mustafa Erkanat, Vice President for Operations of YILDIRIM Group has delivered his speech full of emotion while mentioning his first day in YILPORT Gebze Terminal.

28 April has also long been associated with the world's trade union movement's commemoration of the victims of occupational accidents and diseases. Every year some two million men and women lose their lives through accidents and diseases linked to their work. In addition, there are 270 million occupational accidents and 160 million occupational diseases each year in the world, incurring US\$ 2.8 trillion in costs for lost working time and expenses for treatment, compensation and rehabilitation. Fatalities and accidents at work are highly preventable and we have an obligation to act.

Global Safety Day is introduced by the UN's International Labour Organization in 2003 to promote occupational safety and health at work – was observed on 28 April by YILPORT Holding.

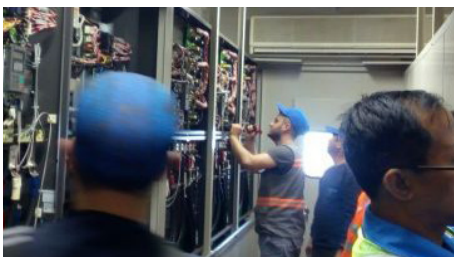
“Safety by Choice, Not By Chance”

For the first time within YILPORT terminals, “Global Safety Day” was observed YILPORT at Gebze Terminal at the same time with the world's terminals. Employees in Europe, Turkey and North America can make their own contributions, participate in workshops and exchange information on the topic of safety. Around 1,000 employees in Nordic and Turkey terminals used this



- Lowest HSSE Related Incident Rate Award to Mr. Efe Hatay, General Manager of YILPORT Gebze
- Lowest Damage Ratio Award to Mr. Efe Hatay, General Manager of YILPORT Gebze
- Most Improved Terminal for HSSE award to Mr. Antonio Barbara, General Manager of Gempport

Cranes Health Check Completed in YILPORT Gebze



Our crane maintenance team have executed a workshop with contribution of MES and FUJI engineers to the sequential inspection for preventive maintenance action for electrical INVERTERS and CONVERTERS of QC & RTG due to almost 10 years life from manufacturing period.

According to their target line of preventive maintenance, the maintenance team have completed health check of PWMs, inverters and equipments that are electronic devices used for adjusting speed control and power out-put of motors for driverbility QC and RTG. Their monetary value is quite high and delivery time would be so long when a temporary solution is needed. They call it “Heart of Cranes”.



**SAFETY BY CHOICE
NOT BY CHANCE**



- Terminals
- ▲ Transitex Branches
- ▲ Transitex Agents

GLOBAL REACH

YILPORT Holding was established in August 2011 to combine the port and container terminal operations of **YILDIRIM** Group under one roof.

The Holding has a portfolio of 6 terminals in Turkey, 8 in Portugal, 2 in Spain, 1 in Peru, 1 in Malta, 1 in Norway, 3 in Sweden and 1 in Ecuador.

Also Transitex, a global forwarding and support services company specialized in refrigerated cargo is part of YILPORT portfolio.

TERMINALS IN OPERATION

Turkey
Gebze , Yarimca, Gemlik, Gempport, Gebze E-5

Malta
Malta Freeport

Norway
Oslo

Sweden
Gavle, Stockholm Nord, Baltic Sea Gateways

Portugal
Liscont, Figuera Da Foz, Leixoes, Socarpor, Sotagus, Sadoport, Tersado

Spain
Huelva, Ferrol

Peru
Paita

Ecuador
Puerto Bolivar

Contact Us:

YILPORT HOLDING Inc.



YILDIRIM Group

