DP WORLD ANNOUNCES STRONG FINANCIAL RESULTS
Earnings grow by 27% in First Half of 2019

Dubai, United Arab Emirates, 22 August 2019. Global trade enabler DP World PLC today announces strong financial results for the six months to 30 June 2019 with reported adjusted EBITDA and attributable earnings growth of 21.9% and 26.8% respectively.

Results before separately disclosed items[1] unless otherwise stated	**1H2019**	**1H2018**	**As reported % change**	**Like-for-like at constant currency % change[2]**
USD million				
Gross throughput[3](TEU '000)	35,811	35,620	0.5%	0.5%
Consolidated throughput [4](TEU '000)	19,495	18,576	4.9%	(1.7%)
Revenue	3,463	2,626	31.9%	10.8%
Share of profit from equity-accounted investees	86	88	(1.6%)	(3.3%)
Adjusted EBITDA[5]	1,611	1,322	21.9%	9.9%
Adjusted EBITDA margin[6]	46.5%	50.3%	-	51.4%[7]
Profit for the period	753	629	19.9%	19.0%
Profit for the period attributable to owners of the Company	753	593	26.8%	22.2%
Profit for the period attributable to owners of the Company after separately disclosed items	681	642	6.1%	-
Basic earnings per share attributable to owners of the Company (US cents)	90.7	71.5	26.8%	22.2%
Basic earnings per share attributable to owners of the Company after separately disclosed items (US cents)	82.1	77.3	6.1%	-

Results Highlights

- **Revenue of $3,463 million (Revenue growth of 31.9% on reported and 10.8% on a like-for-like basis)**
  - Revenue growth of 31.9% supported by acquisitions and growth in non-containerized revenue.
  - Like-for-like revenue increased by 10.8% driven by growth in non-container revenue.

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1 Before separately disclosed items (BSDI) primarily excludes non-recurring items. DP World reported separately disclosed items of a loss of ($73.2 million).

2 Like-for-like at constant currency is without the new additions at Yiwu (China), Continental Warehousing Corporation (India), Winter Logistics (India), Cosmos Agencia Maritima (Peru), Aydi Manpower Company (UAE), Unifeeder (Denmark), Puertos y Logistica (Chile); the discontinuation of Surabaya (Indonesia), Doraleh (Djibouti), Antwerp East (Belgium), DP World Liege Antwerp (Belgium); consolidation of DPWA (Australia); and normalizes the impact of IFRS 16.

3 Gross throughput is throughput from all consolidated terminals plus equity-accounted investees.

4 Consolidated throughput is throughput from all terminals where the Group has control as per IFRS.

5 Adjusted EBITDA is Earnings before Interest, Tax, Depreciation & Amortisation including share of profit from equity-accounted investees before separately disclosed items.

6 The adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenue, including our share of profit from equity-accounted investees.

7 Like-for-like adjusted EBITDA margin.

- **Adjusted EBITDA of $1,611 million and adjusted EBITDA margin of 46.5%**
  - Adjusted EBITDA grew 21.9%, and EBITDA margin for the half-year stood at 46.5%. Like-for-like adjusted EBITDA increased by 9.9% with a margin of 51.4%.
  - EBITDA margin declined due to a change in mix with the consolidation of lower margin Logistics and Maritime services businesses.

- **Profit for the period attributable to owners of the Company increased by 26.8% to $753 million**
  - Profit attributable to owners of the Company before separately disclosed items rose 26.8% on a reported basis and grew 22.2% on a like-for-like basis.

- **Strong Cash Generation and Robust Balance Sheet**
  - Cash from operating activities remains strong at $1,046 million in 1H2019.
  - Leverage (Net debt to annualised adjusted EBITDA) increased to 3.0 times (Pre-IFRS16) from 2.8 times at FY2018. On a post-IFRS16 basis, net leverage stands at 3.7 times.
  - DP World credit rating was kept at BBB+ by Fitch with a stable outlook citing the resilient and diversified nature of the portfolio.

- **Bond Transaction Executed at Record Levels[8]**
  - Raised $1.3bn through the issuance of long-term bonds at record low rates.
  - Further strengthens the balance sheet and offers financial flexibility.

- **Continued Investment Across the Portfolio**
  - Ports & Terminals investments include two new assets in Chile, Fraser Surrey Docks[8] (Canada) and consolidation of assets in Australia.
  - Logistics & Maritime investment include acquisition of Pan-European logistics platform of P&O Ferries and marine logistics operator, Topaz Marine & Energy[8].
  - Capital expenditure of $636 million invested across the existing portfolio during the first half of the year.
  - Capital expenditure guidance for 2019 remains unchanged at up to $1.4 billion with investments planned into UAE, Posorja (Ecuador), Berbera (Somaliland), Sokhna (Egypt) and London Gateway (UK).
  - Posorja[8], the only deep-water port in Ecuador with a capacity of 750k TEU opened on time and budget.

- **Acquisitions performing in line with expectations and logistics solutions offering now established**
  - Unifeeder is delivering in line with expectations and continuing to benefit from structural changes in the market.
  - DP World now a significant operator of inland logistics in India, offering end-to-end solutions.

- **Global trade continues to grow, but outlook is uncertain**
  - The container trade grew by low single digits in the first half of 2019, but concerns around the trade war continue to weigh on the outlook.
  - We continue to focus on delivering operational excellence and maintaining our disciplined approach to investment to ensure we remain the trade partner of choice.

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[8] Post balance sheet event

DP World Group Chairman and CEO, Sultan Ahmed Bin Sulayem, commented:

"DP World is pleased to report like-for-like earnings growth of 22% in the first half of 2019 and attributable earnings of $753 million. This strong financial performance has been delivered in an uncertain trade environment, once again highlighting the strength of our portfolio.

We have continued to make progress on our strategy to become a trade enabler and solutions provider as we look to participate across a wider part of the supply chain. We have invested significantly across our Ports, Logistics & Maritime Services businesses. The aim is to connect directly with customers to offer logistics solutions and remove inefficiencies in the supply chain to accelerate trade. We are seeing positive signs of progress in our new businesses that give us encouragement for the future.

"Our balance sheet remains strong, and we continue to generate high levels of cash flow, which gives us the ability to invest in the future growth of our current portfolio. Going forward, we aim to integrate our new acquisitions and deliver synergies with the objective of providing smart end-to-end solutions, which will improve the quality of our earnings and drive returns.

"Whilst the near-term trade outlook remains uncertain with global trade disputes and regional geopolitics causing uncertainty to the container market, the strong financial performance of the first six months also leaves us well placed to deliver full-year results slightly ahead of market expectations.

- END –

Investor Enquiries

Redwan Ahmed
DP World PLC
Mobile: +971 50 554 1557
Direct: +971 4 808 0842
Redwan.Ahmed@dpworld.com

Amin Fikree
DP World PLC
Mobile: +971 56 6811553
Direct : +971 4 808 0923
Amin.Fikree@dpworld.com

22nd August 12:00pm UAE, 9:00am UK Call with Video Conference

1) Conference call for analysts and investors hosted by Redwan Ahmed.

2) A playback of the call will be available after the conference call concludes. For the dial in details and playback details please contact investor.relations@dpworld.com.

The presentation accompanying the conference call will be available on DP World's website within the investor centre under Financial Results on http://web.dpworld.com/investor-centre/financial-results/ from approximately 9am UAE time.

Forward-Looking Statements

This document contains certain "forward-looking" statements reflecting, among other things, current views on our markets, activities and prospects. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that may or may not occur and which may be beyond DP World's ability to control or predict (such as changing political, economic or market circumstances). Actual outcomes and results may differ materially from any outcomes or results expressed or implied by such forward-looking statements. Any forward-looking statements made by or on behalf of DP World speak only as of the date they are made and no representation or warranty is given in relation to them, including as to their completeness or accuracy or the basis on which they were prepared. Except to the extent required by law, DP World does not undertake to update or revise forward-looking statements to reflect any changes in DP World's expectations with regard thereto or any changes in information, events, conditions or circumstances on which any such statement is based.

Group Chairman and CEO Statement

2019 – Resilience Despite Trade Dispute

2019 has been dominated by the trade dispute between China and US, and while this has caused uncertainty, it is pleasing to see that container volumes are still expected to grow albeit in low-single digits. Furthermore, the outlook for the container market appears robust as Drewry expects growth rate of approximately 4% over the coming years with container capacity growth of 2%. This suggests the supply demand dynamics of the industry will remain favourable with relatively high utilisation.

DP World's container volume growth in the 1H2019 was broadly stable as robust growth in Asia Pacific, Indian Subcontinent and Africa was offset by weaker volumes in the UAE and Australia. However, our ports and terminals profitability remained strong and it is worth noting that despite weaker volumes at Jebel Ali, our like-for-like container revenues in the Europe Middle East and Africa region increased year-on-year as we focused on higher margin cargo, once again highlighting the strength of the portfolio.

We continued to make significant investment into our Ports and Terminals business as we acquired two modern terminals in Chile, which will allow us to serve our customers in five key gateway locations in the west coast of South America. More recently, we opened our terminal in Posorja[8] (Ecuador) which was delivered on time and on budget. Customer interest in the only deep-water port in Ecuador is positive and we are excited about the long-term prospects for this business. In Canada, we consolidated our position in Vancouver with our acquisition of Fraser Surrey Docks (FSD)[8]. Our customers in Vancouver require additional facilities for non-container activities and we believe FSD can offer this much needed capacity.

In Australia we consolidated our position by acquiring an additional 35% stake at an attractive valuation to take our ownership to 60%. We believe the new ownership structure is more optimal for its long-term growth prospects.

Smart Solutions Driven Trade Enabler

In 2019, we continued to make progress in our logistics solutions strategy to enable trade as we announced acquisitions including P&O Ferries (UK) and KRIL (India).

In Europe, our strategy is to provide efficient connectivity to and from hubs to end markets. P&O Ferries and Ferrymasters, which offer pan-European Ro-Ro (Roll-on Roll-off) short sea and landside connectivity will compliment Unifeeder which provides Lo-Lo (lift-on lift-off) short sea connectivity. The assets are highly complementary and combined with our significant port assets, it provides a platform to offer a compelling product to end cargo owners.

The early signs from Unifeeder are positive as the business is continuing to benefit from structural changes in the market and performing in line with our expectations. Unifeeder delivers an efficient service and is benefitting from greater feeder outsourcing. Longer-term we expect the short sea business to gain market share due to its ability to deliver a more sustainable product. Our aim is to scale Unifeeder and potentially replicate the model in new markets. Furthermore, we will begin to deliver potential revenue synergies with P&O Ferries, now that the transaction has closed.

In India, we have added KRIL, which is a sizeable rail logistic operator, and combined with our earlier acquisition of Continental Warehousing Corporation (CWC), a leading integrated multimodal logistics provider, it makes DP World a significant operator of inland logistics and container terminals in a fast-growing sizeable market. Our team has started gaining traction with end customers with an objective of delivering a solution that involves cross-selling our capabilities. The market remains fragmented and we believe we have the scale and the right product to deliver a compelling solution to our customers. The next stage of our logistics solutions evolvement is to deliver a digital overlay on our services and we continue to make progress on this front.

Adding Scale to P&O Maritime Services

We recently announced the acquisition of Topaz Marine and Energy[9] for $1.08 billion, which is a marine logistics solutions provider. We believe this acquisition offers greater scale for P&O Maritime services, a business which has delivered steady and growing EBITDA in recent years. Similarly, Topaz has long-term contracts with strong revenue visibility and we expect it to deliver consistent earnings in the coming years.

Importantly, Topaz brings strong relationships with major oil companies that we aim to cement further and a strong presence in the Caspian Sea which is strategically important for the Belt and Road initiative and we aim to develop trade in a market that will be a gateway that connects Europe to Asia.

The Dubai Drydocks has also continued to deliver a steady performance despite the challenging market conditions. We remain focused on servicing our existing customer while seeking new growth opportunities.

Our focus in the near term is to integrate the new acquisitions and explore revenue synergies to drive earnings growth. Being financially disciplined has served us well over the years and it remains a priority to manage the growth opportunities whilst retaining a strong balance sheet. A portfolio focused on high value cargo and faster growing markets has delivered consistent financial performance and we aim to retain the shape of our portfolio that has a 70% exposure to origin and destination cargo and 75% exposure to faster growing markets.

Group Chief Financial Officer's Review

DP World delivered a strong set of financial results in 1H2019 and continued solid cash generation with profit attributable to owners of the Company at $753 million, up 27% year on year. Our adjusted EBITDA increased by 22% year-on-year to $1,611 million, while our adjusted EBITDA margin was diluted to 46.5% due to a change in mix effect as lower margin businesses have now been consolidated into our portfolio. We expect this trend to continue as we add more relatively lower margin logistics businesses. Reported revenue grew by 31.9% to $3,463 million, aided by acquisitions and growth in non-container revenue.

[9] Topaz expected to close in 2H2019

While its been a busy year for investment, we continue to focus on maintaining a strong balance sheet. Post the half year, we successfully executed a bond and sukuk transaction, and raised $1.3bn of new long-term finances at unprecedented rates as we took advantage of attractive market conditions. Furthermore, Fitch has recently maintained our rating at BBB+ rating with stable outlook despite the challenging macro trade environment, citing diversified portfolio and ability to deliver stable cashflows.

Our leverage (Adjusted net debt to adjusted EBITDA) at 3.03x on a pre-IFRS16 basis remains well within the range of our guidance (ceiling of approximately 4x). Overall, the balance sheet remains strong with robust and consistent cash generation and our partnerships with Caisse de dépôt et placement du Québec (CDPQ) and the National Investment and Infrastructure Fund (NIIF) of India give us further financial flexibility.

Middle East, Europe and Africa

Results before separately disclosed items	**1H2019**	**1H2018**	**% change**	**Like-for-like at constant currency % change**
USD million				
Consolidated throughput (TEU '000)	11,662	12,158	(4.1%)	(3.5%)
Revenue	2,508	1,925	30.3%	17.1%
Share of profit from equity-accounted investees	9	19	(52.5%)	(46.9%)
Adjusted EBITDA	1,362	998	36.5%	26.4%
Adjusted EBITDA margin	54.3%	51.9%	-	59.2%[7]

Market conditions in the Middle East, Europe and Africa (EMEA) region, excluding UAE, remained steady with growth being driven by London Gateway (UK), Southampton (UK) and Sokhna (Egypt). Performance in the UAE was soft due to the loss of lower margin cargo.

Overall, revenue in the region grew 30.3% to $2,508 million on a reported basis, benefitting from the acquisition of Unifeeder and Mina Rashid transaction with Emaar Properties. Adjusted EBITDA was $1,362 million, up 36.5% driven by 71.2% growth in non-container revenues.

We invested $374 million in the region, mainly focused on capacity expansions in UAE, Sokhna (Egypt) and London Gateway (UK).

Asia Pacific and Indian Subcontinent

Results before separately disclosed items	**1H2019**	**1H2018**	**% change**	**Like-for-like at constant currency % change**
USD million				
Consolidated throughput (TEU '000)	4,685	4,425	5.9%	5.9%
Revenue	326	270	20.8%	7.0%
Share of profit from equity-accounted investees	67	65	4.0%	15.5%
Adjusted EBITDA	183	227	(19.2%)	(15.0%)
Adjusted EBITDA margin	56.2%	84.0%	-	65.6%[7]

Markets conditions in the Asia Pacific and Indian Subcontinent region were generally positive despite the trade war concerns. Growth in both Asia Pacific and Indian Subcontinent have been strong with like-for-like containerised revenues growing 7.6%. Reported revenue growth of 20.8% was aided by the acquisition of CWC in India. Share of profit from equity-accounted investees grew 15.5% on like-for-like basis mainly due to strong growth in Manila (Philippines).

Adjusted EBITDA of $183 million declined by 19.2% due to the non-recurrence of the release of one-off provision which boosted 2018 EBITDA.

Capital expenditure in this region during the year was $20 million, mainly focused on Pusan (South Korea).

Australia and Americas

Reported results before separately disclosed items	1H2019	1H2018	% change	Like-for-like at constant currency % change
USD million				
Consolidated throughput (TEU '000)	3,148	1,994	57.9%	(5.9%)
Revenue	629	430	46.1%	(8.2%)
Share of profit from equity-accounted investees	10	4	172.7%	(30.4%)
Adjusted EBITDA	188	166	13.1%	(21.6%)
Adjusted EBITDA margin	29.9%	38.7%	-	34.6%[7]

Market conditions in the Australia and Americas region were mixed. In Americas, strong volume growth in Prince Rupert (Canada) and Callao (Peru) was offset by weakness in Buenos Aires (Argentina). Volumes in Australia have been weak due to challenging market conditions. Overall, the reported strong volume growth is due to the acquisitions of terminals in Chile, Peru and consolidation of Australia.

Revenues rose 46.1% to $629 million and adjusted EBITDA increased by 13.1% to $188 million due to acquisitions and consolidation of Australia. On a like-for-like basis, adjusted EBITDA decreased 21.6% due to weaker volumes in Americas.

Profit from equity-accounted investees of $10 million was driven by consolidation of Australia. We invested $217 million capital expenditure in this region mainly focused in Posorja (Ecuador).

Cash Flow and Balance Sheet

The 2019 accounts are impacted by the adoption of IFRS 16. For example, adjusted gross debt has risen by $3.1billion since the year-end to $13.5 billion, with lease liabilities accounting for $2.4 billion of the increase. The balance of the increase is mainly due to debt acquired with acquisitions. Cash on balance sheet stood at $2.0 billion resulting in net debt of $11.5bn. Our net leverage (adjusted net debt to annualized adjusted EBITDA) stands at 3.7 times post IFRS16 and would be 3.0x on a pre-IFRS16 basis. Cash generation remained solid with cash from operations standing at $1,046 million in 1H2019.

Capital Expenditure

Consolidated capital expenditure in the first half of 2019 was $636 million, with maintenance capital expenditure of $90 million. We expect the full year 2019 capital expenditure to remain unchanged at up to $1.4 billion to be invested in UAE, Posorja (Ecuador), Berbera (Somaliland), Sokhna (Egypt) and London Gateway (UK).

Net finance costs before separately disclosed items

Net finance cost for the six months was higher than the prior period at $318 million (1H2018: $229 million) mainly due to higher debt and the impact of IFRS16.

Taxation

DP World is not subject to income tax on its UAE operations. The tax expense relates to the tax payable on the profit earned by overseas subsidiaries, as adjusted in accordance with the taxation laws and regulations of the countries in which they operate. For the first six months 2019, DP World's income tax expense before separately disclosed items was $88 million (1H2018: $106 million).

Profit attributable to non-controlling interests (minority interest)

Profit attributable to non-controlling interests (minority interest) before separately disclosed items was $0.8 million against 1H2018 of $35.0 million due to discontinuation of our operations in Djibouti and consolidation of Australia assets.

Separately disclosed items

DP World reported a loss in separately disclosed items of $73 million, mainly explained by the expiration of concession in Surabaya (Indonesia) and consolidation of Australia assets.

Earnings per share (EPS)

As at 30 June 2019, basic EPS before separately disclosed items was 90.7 US cents, representing a 26.8% increase year-on-year.

Dividends

It is our current dividend policy that not less than 20% of our profit for the year attributable to owners
of the Company (after separately disclosed items) will be distributed as dividends.

Dividends in respect of the full year 2019 will be proposed at the time of the preliminary results in March 2020.

Sultan Ahmed Bin Sulayem **Group Chairman and Chief Executive Officer**	**Yuvraj Narayan** **Group Chief Financial Officer**

DP World PLC
and its subsidiaries

Condensed consolidated interim financial statements
30 June 2019

DP World PLC and its subsidiaries

Condensed consolidated interim financial statements
for the six months ended 30 June 2019

Contents

Independent Auditors' report on review of condensed consolidated interim financial statements

The Shareholders
DP World PLC

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of DP World PLC ("the Company") and its subsidiaries (collectively referred to as "the Group") at 30 June 2019, the condensed consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the six month period then ended, and notes, comprising significant accounting policies and other explanatory information ("the condensed consolidated interim financial statements").

Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at 30 June 2019 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG LLP
Richard Ackland
Dubai, United Arab Emirates

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DP World PLC and its subsidiaries

Condensed consolidated statement of profit or loss (unaudited)

		Period ended 30 June 2019			Period ended 30 June 2018		
	Note	**Before separately disclosed items**	**Separately disclosed items (Note 8)**	**Total**	Before separately disclosed items	Separately disclosed items (Note 8)	Total
		USD'000	**USD'000**	**USD'000**	USD'000	USD'000	USD'000
Revenue	*6*	**3,463,246**	**-**	**3,463,246**	2,625,599	-	2,625,599
Cost of sales		**(1,920,386)**	**-**	**(1,920,386)**	(1,411,079)	-	(1,411,079)
Gross profit		**1,542,860**	**-**	**1,542,860**	1,214,520	-	1,214,520
General and administrative expenses		**(487,076)**	**(12,561)**	**(499,637)**	(364,228)	-	(364,228)
Other income		**17,575**	**-**	**17,575**	24,701	-	24,701
Loss on disposal and change in ownership of business		**-**	**(55,622)**	**(55,622)**	-	-	-
Share of profit/ (loss) from equity-accounted investees (net of tax)	*15*	**86,490**	**-**	**86,490**	87,853	(5,744)	82,109
Results from operating activities		**1,159,849**	**(68,183)**	**1,091,666**	962,846	(5,744)	957,102
Finance income		**54,202**	**13,953**	**68,155**	63,729	65,017	128,746
Finance costs		**(372,627)**	**(18,975)**	**(391,602)**	(292,264)	(10,906)	(303,170)
Net finance costs		**(318,425)**	**(5,022)**	**(323,447)**	(228,535)	54,111	(174,424)
Profit before tax		**841,424**	**(73,205)**	**768,219**	734,311	48,367	782,678
Income tax expense	*7*	**(88,016)**	**-**	**(88,016)**	(105,722)	-	(105,722)
Profit for the period		**753,408**	**(73,205)**	**680,203**	628,589	48,367	676,956
Profit attributable to:							
Owners of the Company		**752,619**	**(71,477)**	**681,142**	593,444	48,367	641,811
Non-controlling interests		**789**	**(1,728)**	**(939)**	35,145	-	35,145
		753,408	**(73,205)**	**680,203**	628,589	48,367	676,956
Earnings per share							
Basic earnings per share – US cents	*10*	**90.68**		**82.07**	71.50		77.33
Diluted earnings per share – US cents	*10*	**87.81**		**79.28**	69.50		69.10

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

DP World PLC and its subsidiaries

Condensed consolidated statement of other comprehensive income (unaudited)

		30 June 2019	30 June 2018
	Note	**USD’000**	USD’000
Profit for the period		**680,203**	676,956
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign exchange translation differences – foreign operations*		**(7,738)**	(290,574)
Reclassification of foreign currency differences on disposal and change in ownership business		**38,277**	-
Share of other comprehensive income of equity-accounted investees	*15*	**(3,041)**	(641)
Cash flow hedges – effective portion of changes in fair value		**(20,427)**	7,369
Related tax on changes in fair value of cash flow hedges		**2,250**	(3,102)
Items that will never be reclassified to profit or loss:			
Equity instruments at fair value through other comprehensive income – net change in fair value		**-**	(21,885)
Re-measurements of post-employment benefit obligations		**(4,478)**	21,099
Related tax		**956**	(2,984)
Other comprehensive income for the period, net of tax		**5,799**	(290,718)
Total comprehensive income for the period		**686,002**	386,238
Total comprehensive income attributable to:			
Owners of the Company		**690,145**	371,320
Non-controlling interests		**(4,143)**	14,918
		686,002	386,238

* A significant portion of this includes foreign exchange translation differences arising from the translation of goodwill and purchase price adjustments which are denominated in foreign currencies at the Group level. The translation differences arising on account of translation of the financial statements of foreign operations whose functional currencies are different from that of the Company's presentation currency are also reflected here. There are no differences on translation from functional to presentation currency as the Company’s functional currency is pegged to the presentation currency.

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

DP World PLC and its subsidiaries

Condensed consolidated statement of financial position (unaudited)

		30 June 2019	31 December 2018
	Note	**USD'000**	USD'000
Assets			
Non-current assets			
Property, plant and equipment	*11*	**9,931,531**	8,960,782
Right-of-use asset	*12*	**1,956,210**	-
Investment properties	*13*	**1,678,389**	1,622,130
Intangible assets and goodwill	*14*	**9,886,485**	8,833,151
Investment in equity-accounted investees	*15*	**2,067,514**	2,101,425
Other investments		**185,163**	51,078
Accounts receivable and prepayments		**646,366**	574,570
Total non-current assets		**26,351,658**	22,143,136
Current assets			
Inventories		**134,086**	115,590
Properties held for development and sale	*16*	**263,343**	261,724
Accounts receivable and prepayments		**1,566,183**	1,378,179
Cash and cash equivalents	*17*	**2,049,806**	2,614,710
Total current assets		**4,013,418**	4,370,203
Total assets		**30,365,076**	26,513,339
Equity			
Share capital	*20*	**1,660,000**	1,660,000
Share premium	*20*	**2,472,655**	2,472,655
Shareholders' reserve		**2,000,000**	2,000,000
Retained earnings		**7,639,914**	7,712,784
Translation reserve		**(1,945,787)**	(1,976,051)
Other reserves	*21*	**(579,451)**	(558,190)
Total equity attributable to equity holders of the Company		**11,247,331**	11,311,198
Non-controlling interests		**880,759**	687,720
Total equity		**12,128,090**	11,998,918
Liabilities			
Non-current liabilities			
Interest bearing loans and borrowings	*22*	**12,363,645**	10,065,388
Loans from non-controlling shareholders	*23*	**487,981**	132,236
Accounts payable and accruals		**355,913**	345,467
Deferred tax liabilities		**947,118**	886,173
Employees' end of service benefits		**168,297**	159,233
Pension and post-employment benefits		**162,172**	157,082
Total non-current liabilities		**14,485,126**	11,745,579
Current liabilities			
Interest bearing loans and borrowings	*22*	**1,130,179**	354,375
Loans from non-controlling shareholders	*23*	**1,000**	1,000
Accounts payable and accruals		**2,476,898**	2,305,727
Income tax liabilities		**68,621**	100,674
Pension and post-employment benefits		**75,162**	7,066
Total current liabilities		**3,751,860**	2,768,842
Total liabilities		**18,236,986**	14,514,421
Total equity and liabilities		**30,365,076**	26,513,339

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

The condensed consolidated interim financial statements were authorised for issue on 22 August 2019.

....
Sultan Ahmed Bin Sulayem
Chairman and Chief Executive Officer

....
Yuvraj Narayan
Group Chief Financial Officer

DP World PLC and its subsidiaries

Condensed consolidated statement of changes in equity (unaudited)

	Attributable to equity holders of the Company							
	Share capital and premium	**Shareholders' reserve**	**Retained earnings**	**Translation reserve**	**Other reserves**	**Total**	**Non-controlling interests**	**Total equity**
	USD'000	**USD'000**	**USD'000**	**USD'000**	**USD'000**	**USD'000**	**USD'000**	**USD'000**
Balance as at 1 January 2018	4,132,655	2,000,000	6,759,367	(1,503,980)	(573,881)	10,814,161	811,201	11,625,362
Profit for the period	-	-	641,811	-	-	641,811	35,145	676,956
Other comprehensive income, net of tax	-	-		(270,989)	498	(270,491)	(20,227)	(290,718)
Transactions with owners, recognised directly in equity								
Dividends paid (refer to note 9)	-	-	(340,300)	-	-	(340,300)	-	(340,300)
Transactions with non-controlling interests, recognised directly in equity								
Contributions by non-controlling interests	-	-	-	-	-	-	110,625	110,625
Non-controlling interests created on acquisition of subsidiaries	-	-	-	-	-	-	19,464	19,464
Dividends paid	-	-	-	-	-	-	(25,125)	(25,125)
Non-controlling interests derecognised on deconsolidation of subsidiaries	-	-	-	-	-	-	(266,593)	(266,593)
Balance as at 30 June 2018	4,132,655	2,000,000	7,060,878	(1,774,969)	(573,383)	10,845,181	664,490	11,509,671
Balance as at 1 January 2019	**4,132,655**	**2,000,000**	**7,712,784**	**(1,976,051)**	**(558,190)**	**11,311,198**	**687,720**	**11,998,918**
Adjustment on initial application of IFRS 16 (net of tax)	-	-	**(396,652)**	-	-	**(396,652)**	**(16,399)**	**(413,051)**
Adjusted balance as at 1 January 2019	**4,132,655**	**2,000,000**	**7,316,132**	**(1,976,051)**	**(558,190)**	**10,914,546**	**671,321**	**11,585,867**
Profit for the period	-	-	**681,142**	-	-	**681,142**	**(939)**	**680,203**
Other comprehensive income, net of tax	-	-	-	**30,264**	**(21,261)**	**9,003**	**(3,204)**	**5,799**
Transactions with owners, recognised directly in equity	-	-	-	-	-	-	-	-
Dividends paid (refer to note 9)	-	-	**(356,900)**	-	-	**(356,900)**	-	**(356,900)**
Change in ownership of subsidiaries without loss of control (refer to note 27)	-	-	**(460)**	-	-	**(460)**	**227,993**	**227,533**
Transactions with non-controlling interests, recognised directly in equity								
Non-controlling interests created on acquisition of subsidiaries (refer to note 27)	-	-	-	-	-	-	**3,469**	**3,469**
Dividends paid	-	-	-	-	-	-	**(17,881)**	**(17,881)**
Balance as at 30 June 2019	**4,132,655**	**2,000,000**	**7,639,914**	**(1,945,787)**	**(579,451)**	**11,247,331**	**880,759**	**12,128,090**

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

DP World PLC and its subsidiaries

Condensed consolidated statement of cash flows (unaudited)

		30 June 2019	30 June 2018
	Note	**USD'000**	USD'000
Cash flows from operating activities			
Gross cash flows from operations	*17*	**1,518,733**	1,234,198
Changes in:			
Inventories		**(14,339)**	(5,070)
Accounts receivable and prepayments		**(370,411)**	(66,858)
Accounts payable and accruals		**(10,737)**	(174,911)
Properties held for development and sale		**(1,619)**	(6,791)
Provisions, pensions and post-employment benefits		**51,240**	(1,370)
Cash generated from operating activities		**1,172,867**	979,198
Income taxes paid		**(127,267)**	(109,246)
Net cash from operating activities		**1,045,600**	869,952
Cash flows from investing activities			
Additions to property, plant and equipment	*11*	**(556,284)**	(420,948)
Additions to investment properties	*13*	**(75,484)**	(14,299)
Additions to port concession rights	*14*	**(3,942)**	(3,518)
Additions to other investments		**(52,500)**	(15,000)
Proceeds from other investments		**13,495**	-
Proceeds from disposal of property, plant and equipment and port concession rights		**15,006**	17,992
Proceeds from disposal of stake in equity-accounted investee		**41,337**	-
Proceeds from disposal of stake in a subsidiary without change in control		**227,533**	-
Net cash paid on acquisition of subsidiaries		**(646,026)**	(569,034)
Cash outflow on deconsolidation of a subsidiary		**-**	(112,500)
Interest received		**34,210**	23,730
Dividend received from equity-accounted investees	*15*	**37,481**	89,229
Net loans given to equity-accounted investees		**-**	(3,407)
Net cash used in investing activities		**(965,174)**	(1,007,755)
Cash flows from financing activities			
Repayment of interest bearing loans and borrowings	*22*	**(174,708)**	(295,392)
Redemption of sukuk	*22*	**(232,014)**	-
Drawdown of interest bearing loans and borrowings	*22*	**389,770**	975,489
Interest paid		**(249,032)**	(235,762)
Dividend paid to the owners of the Company	*9*	**(356,900)**	(340,300)
Contribution from non-controlling interests		**-**	110,625
Dividend paid to non-controlling interests		**(17,881)**	(25,125)
Net cash (used in)/ from financing activities		**(640,765)**	189,535
Net (decrease)/ increase in cash and cash equivalents		**(560,339)**	51,732
Cash and cash equivalents as at 1 January		**2,614,710**	1,483,679
Effect of exchange rate fluctuations on cash held		**(4,565)**	(23,248)
Cash and cash equivalents as at 30 June	*17*	**2,049,806**	1,512,163

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

1. Corporate information

DP World PLC ("the Company") was incorporated on 9 August 2006 as a Company Limited by Shares with the Registrar of Companies of the Dubai International Financial Centre ("DIFC") under the Companies Law, DIFC Law No. 3 of 2006. These financial statements comprise the Company and its subsidiaries (collectively referred to as "the Group") and the Group's interests in equity-accounted investees. The Group is engaged in the business of development and management of international marine and inland terminal operations, maritime services, maritime transport, industrial parks, economic zones, logistics, associated land development and ancillary services to technology-driven trade solutions.

Port & Free Zone World FZE ("the Parent Company"), which originally held 100% of the Company's issued and outstanding share capital, made an initial public offering of 19.55% of its share capital to the public and the Company was listed on the Nasdaq Dubai with effect from 26 November 2007. The Company was further admitted to trade on the London Stock Exchange with effect from 1 June 2011 and voluntarily delisted from the London Stock Exchange on 21 January 2015.

Port & Free Zone World FZE is a wholly owned subsidiary of Dubai World Corporation ("the Ultimate Parent Company").

The Company's registered office address is P.O. Box 17000, Dubai, United Arab Emirates.

2. Basis for preparation of the condensed consolidated interim financial statements

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. These condensed consolidated interim financial statements do not include all of the information required for full annual consolidated financial statements prepared in accordance with International Financial Reporting Standards. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 31 December 2018.

The condensed consolidated interim financial statements were approved by the Board of Directors on 22 August 2019.

3. Changes in significant accounting policies

Except as described below, the accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2018.

The changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending 31 December 2019.

The Group has adopted *IFRS 16 Leases* from its effective date 1 January 2019.

3. Changes in significant accounting policies (continued)

IFRS 16 Leases

IFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the Group, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. Lessor accounting remains same as earlier.

The Group has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019. Accordingly, the comparative information presented for 2018 has not been restated. The details of the changes in accounting policies are disclosed below.

(a) Definition of lease

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under IFRIC 4 Determining whether an arrangement contains a Lease. The Group now assesses whether a contract is or contains a lease based on the new definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

On transition to IFRS 16, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.

(b) Group as a lessee

The Group leases mainly include concession rights to operate port terminals and related properties.

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under IFRS 16, the Group recognises right-of-use assets and lease liabilities for all leases – i.e. these leases are on-balance sheet.

The Group presents right-of-use assets separately on its statement of financial position and includes related lease liabilities under interest bearing loans and borrowings.

3. Changes in significant accounting policies (continued)

IFRS 16 Leases (continued)

(b) Group as a lessee (continued)

i. Significant accounting policies

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated amortisation and impairment losses, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

ii. Transition

Previously, the Group classified concession agreements as operating leases under IAS 17. These leases typically run for a period of 25 - 99 years. Some leases include an option to renew the lease for an additional period after the end of the non-cancellable period. Some leases provide for additional rent payments that are based on changes in local price indices.

At transition, for leases classified as operating leases under IAS 17, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 January 2019. Right-of-use assets are measured at either:

- their carrying amount as if IFRS 16 had been applied since the commencement date, discounted using the lessee's incremental borrowing rate at the date of initial application; or
- an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The Group also used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17.

- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

3. Changes in significant accounting policies (continued)

IFRS 16 Leases (continued)

(c) Group as a lessor

The Group leases out its investment property. The Group has classified these leases as operating leases.

The accounting policies applicable to the Group as a lessor are not different from those under IAS 17. The Group is not required to make any adjustments on transition to IFRS 16 for leases in which it is a lessor.

(d) Transition impacts on financial statements

i. Impacts on transition

On transition to IFRS 16, the Group recognised additional right-of-use assets, including investment property and additional lease liabilities, recognising the difference in retained earnings. The impact on transition is summarised below:

	1 January 2019
	USD'000
Right-of -use asset	**1,527,761**
Deferred tax asset/ current tax	**22,293**
Retained earnings	**396,652**
Non-controlling interests	**16,399**
Investment in equity-accounted investees	**(47,574)**
Lease liabilities	**(1,915,531)**

For measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate at 1 January 2019 which were in the range of 4% per annum to 12% per annum.

	1 January 2019
	USD'000
Operating lease commitments at 31 December 2018	**7,816,542**
Discounted using the lessee's incremental borrowing rate at 1 January 2019	**1,915,531**
Add: finance lease liabilities recognised as at 31 December 2018	**23,207**
Total lease liability recognised as at 1 January 2019	**1,938,738**

ii. Impacts for the interim period

Due to application of IFRS 16, the Group has recognised amortisation and interest costs, instead of operating lease expense. During the six months ended 30 June 2019, the Group recognised USD 60,357 thousand of amortisation charge and USD 66,740 thousand of interest costs from these leases.

4. Use of estimates and judgements

The preparation of the condensed consolidated interim financial statements, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of income, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2018, except for new significant judgements and key sources of estimation uncertainty related to the application of IFRS 16 which are described in Note 3.

5. Segment information

The Group has identified the following geographic areas as its basis of segmentation. The Group measures segment performance based on the earnings before separately disclosed items, interest, tax, depreciation and amortisation ("Adjusted EBITDA").

- Asia Pacific and Indian subcontinent
- Australia and Americas
- Middle East, Europe and Africa

Each of these operating segments have an individual appointed as Segment Director responsible for these segments, who in turn reports to the Chief Operating Decision Maker. In addition to the above reportable segments, the Group reports unallocated head office costs, finance costs, finance income and tax expense under the head office segment.

The Group measures segment performance based on Adjusted EBITDA.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, investment properties, and port concession rights other than goodwill.

Information regarding the results of each reportable segment is included below.

DP World PLC and its subsidiaries

Notes to the condensed consolidated interim financial statements *(continued)*

5. Segment information (continued)

The following table presents certain results, assets and liabilities information regarding the Group's segments as at the reporting date:

	Asia Pacific and Indian subcontinent		**Australia and Americas**		**Middle East, Europe and Africa**		**Head office**		**Inter-segment**		**Total**	
	30 June 2019	30 June 2018	**30 June 2019**	30 June 2018	**30 June 2019**	30 June 2018	**30 June 2019**	30 June 2018	**30 June 2019**	30 June 2018	**30 June 2019**	30 June 2018
	USD'000	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000
Revenue	**326,019**	269,958	**628,938**	430,467	**2,508,289**	1,925,174	**-**	-	**-**	-	**3,463,246**	2,625,599
Adjusted EBITDA	**183,367**	226,884	**188,178**	166,444	**1,362,316**	998,270	**(122,586)**	(70,083)	**-**	-	**1,611,275**	1,321,515
Finance income	**-**	-	**-**	-	**-**	-	**54,202**	63,729	**-**	-	**54,202**	63,729
Finance costs	**-**	-	**-**	-	**-**	-	**(372,627)**	(292,264)	**-**	-	**(372,627)**	(292,264)
Tax expense	**-**	-	**-**	-	**-**	-	**(88,016)**	(105,722)	**-**	-	**(88,016)**	(105,722)
Depreciation and amortisation	**(46,782)**	(45,303)	**(95,681)**	(57,841)	**(304,494)**	(250,535)	**(4,469)**	(4,990)	**-**	-	**(451,426)**	(358,669)
Adjusted net profit/ (loss) for the period before separately disclosed items	**136,585**	181,581	**92,497**	108,603	**1,057,822**	747,735	**(533,496)**	(409,330)	**-**	-	**753,408**	628,589
Adjusted for separately disclosed items	**(31,112)**	-	**(31,072)**	-	**(6,000)**	(5,744)	**(5,021)**	54,111	**-**	-	**(73,205)**	48,367
Profit/ (loss) for the period	**105,473**	181,581	**61,425**	108,603	**1,051,822**	741,991	**(538,517)**	(355,219)	**-**	-	**680,203**	676,956

The balances pertaining to 31 December 2018 for Asia Pacific and Indian subcontinent segment has been restated due to internal restructuring and accordingly a subsidiary has moved from Asia Pacific and Indian subcontinent segment to Middle East, Europe and Africa segment during the period. However, this does not have an impact on the previously reported net assets, total equity, and the profit or loss and other comprehensive income.

Net finance cost and tax expense from various geographical locations and head office have been grouped under head office.

DP World PLC and its subsidiaries

Notes to the condensed consolidated interim financial statements *(continued)*

5. Segment information (continued)

	Asia Pacific and Indian subcontinent		**Australia and Americas**		**Middle East, Europe and Africa**		**Head office**		**Inter-segment**		**Total**	
	30 June 2019	31 December 2018	**30 June 2019**	31 December 2018	**30 June 2019**	31 December 2018	**30 June 2019**	31 December 2018	**30 June 2019**	31 December 2018	**30 June 2019**	31 December 2018
	USD'000	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000
Segment assets	**4,250,182**	4,306,520	**5,813,922**	2,935,015	**22,109,113**	19,485,462	**13,846,605**	14,063,935	**(15,654,746)**	(14,277,593)	**30,365,076**	26,513,339
Segment liabilities	**467,323**	436,646	**2,478,827**	725,366	**8,469,447**	6,424,168	**12,077,692**	11,345,791	**(6,272,042)**	(5,404,397)	**17,221,247**	13,527,574
Tax liabilities *	**-**	-	**-**	-	**-**	-	**1,015,739**	986,847	**-**	-	**1,015,739**	986,847
Total liabilities	**467,323**	436,646	**2,478,827**	725,366	**8,469,447**	6,424,168	**13,093,431**	12,332,638	**(6,272,042)**	(5,404,397)	**18,236,986**	14,514,421
	30 June 2019	30 June 2018	**30 June 2019**	30 June 2018	**30 June 2019**	30 June 2018	**30 June 2019**	30 June 2018	**30 June 2019**	30 June 2018	**30 June 2019**	30 June 2018
	USD'000	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000
Capital expenditure	**20,145**	23,318	**216,613**	108,193	**373,623**	276,124	**25,329**	31,130	**-**	-	**635,710**	438,765
Depreciation	**23,066**	21,568	**61,117**	42,852	**197,580**	188,763	**4,380**	4,990	**-**	-	**286,143**	258,173
Amortisation and impairment	**23,716**	30,638	**34,564**	14,989	**113,914**	54,869	**89**	-	**-**	-	**172,283**	100,496
Share of profit of equity-accounted investees before separately disclosed items	**67,422**	64,849	**9,865**	3,617	**9,203**	19,387	**-**	-	**-**	-	**86,490**	87,853
Tax expense *	**-**	-	**-**	-	**-**	-	**88,016**	105,722	**-**	-	**88,016**	105,722
Revenue consists of:												
Revenue from ports and terminals	**251,401**	256,224	**508,861**	384,122	**1,560,876**	1,299,803	**-**	-	**-**	-	**2,321,138**	1,940,149
Drydocking, maritime and logistics services	**74,618**	13,734	**120,077**	46,345	**656,086**	333,416	**-**	-	**-**	-	**850,781**	393,495
Lease rentals and services from economic zones	**-**	-	**-**	-	**291,327**	291,955	**-**	-	**-**	-	**291,327**	291,955
Total revenue	**326,019**	269,958	**628,938**	430,467	**2,508,289**	1,925,174	**-**	-	**-**	-	**3,463,246**	2,625,599

*Tax liabilities and tax expenses from various geographical locations have been grouped under head office.

6. Revenue

	Six months ended 30 June 2019	Six months ended 30 June 2018
	USD'000	USD'000
Revenue consists of:		
Revenue from ports and terminals *	**2,321,138**	1,940,149
Drydocking, maritime and logistics services	**850,781**	393,495
Lease rentals and services from economic zones	**291,327**	291,955
Total	**3,463,246**	2,625,599

* This includes sale of plot of land to Emaar Development PJSC ("Emaar") for a development project in Port Rashid in Dubai. Emaar will utilise this land for developing the Mina Rashid area and the Group will receive USD 450,000 thousand between the fourth and ninth year after commencement of operations in six equal instalments of USD 75,000 thousand. The transaction was completed in June 2019 with the transfer of control of land to Emaar and accordingly the Group has recorded a revenue of USD 300,829 thousand (at discounted value of the deferred sales consideration).

7. Income tax

The Group's effective tax rate is as below:

	Six months ended 30 June 2019	Six months ended 30 June 2018
Before separately disclosed items	**13.32%**	16.89%
Including separately disclosed items	**13.60%**	15.88%

8. Separately disclosed items

	Six months ended 30 June 2019	Six months ended 30 June 2018
	USD'000	USD'000
General and administrative expenses		
Acquisition costs	**(5,561)**	-
Impairment of asset	**(7,000)**	-
Share of loss from equity-accounted investees	**-**	(5,744)
Loss on disposal and change in ownership of business	**(55,622)**	-
Finance income		
Change in fair value of convertible bond option	**13,953**	62,733
Ineffective interest rate swap gain	**-**	2,284
Finance costs		
Interest accretion on convertible bond	**(11,424)**	(10,906)
Ineffective interest rate swap loss	**(7,551)**	-
Total	**(73,205)**	48,367

8. Separately disclosed items

General and administrative expenses represent advisory, legal, valuation, professional consulting, general and administrative costs directly related to various business acquisitions in the Group and impairment of an asset in the 'Middle East, Europe and Africa' region.

Share of loss from equity-accounted investees in 2018 related to the transaction costs written off in an equity-accounted investee in the 'Middle East, Europe and Africa' region due to extinguishment of debt.

Loss on disposal and change in ownership of business relates to the loss on disposal of equity-accounted investees in the 'Asia Pacific and Indian subcontinent' region and the loss on re-measurement to fair value of the existing stake resulting from the acquisition of a controlling stake in an equity-accounted investee in the 'Australia and Americas' region.

Change in fair value of convertible bond option relates to the movement in fair value of the embedded derivative liability of the convertible bonds.

Interest accretion on convertible bond represents the accretion of the liability component as at the reporting date representing an amount that will be payable on redemption of the convertible bond.

Ineffective interest rate swap relates to ineffective element of derivatives in subsidiaries in the 'Asia Pacific and Indian subcontinent' region and 'Middle East, Europe and Africa' region.

9. Dividend paid

Dividends relating to 2018 amounting to USD 356,900 thousand were paid during the period ended 30 June 2019 (30 June 2018: USD 340,300 thousand).

10. Earnings per share

The calculation of basic and diluted earnings per share is based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding.

	30 June 2019	**30 June 2019**	30 June 2018	30 June 2018
	Before separately disclosed items	**Adjusted for separately disclosed items**	Before separately disclosed items	Adjusted for separately disclosed items
	USD'000	**USD'000**	USD'000	USD'000
Profit attributable to the ordinary shareholders of the Company (a)	**752,619**	**681,142**	593,444	641,811
Add/ (deduct): costs/ (income) related to convertible bonds saved as a result of the conversion	**9,488**	**6,959**	9,428	(42,399)
Profit attributable to the ordinary shareholders of the Company after conversion (b)	**762,107**	**688,101**	602,872	599,412
Weighted average number of basic shares outstanding as at 31 December (c)	**830,000**	**830,000**	830,000	830,000
Weighted average numbers of shares due to conversion of convertible bond	**37,930**	**37,930**	37,476	37,476
Total weighted average number of ordinary shares (diluted) outstanding – (d)	**867,930**	**867,930**	867,476	867,476
Basic earnings per share US cents – (a/c)	**90.68**	**82.07**	71.50	77.33
Diluted earnings per share US cents – (b/d)	**87.81**	**79.28**	69.50	69.10

11. Property, plant and equipment

During the six month period ended 30 June 2019, the Group added property, plant and equipment amounting to USD 556,284 thousand (30 June 2018: USD 420,948 thousand) and acquired through business combination property, plant and equipment of USD 707,149 thousand (30 June 2018: 273,339).

The depreciation on property, plant and equipment during the six month period ended 30 June 2019 amounted to USD 262,915 thousand (30 June 2018: USD 233,882 thousand).

Assets with a net carrying amount of USD 14,515 thousand were disposed by the Group during the six month period ended 30 June 2019 (30 June 2018: USD 18,528 thousand), resulting in a profit on disposal of USD 491 thousand (30 June 2018: loss of USD 536 thousand).

12. Right-of-use assets

On 1 January 2019, the adoption of IFRS 16 has resulted in recognition of right-of-use assets amounting to USD 1,527,761 thousand. The Group has also acquired right-of-use assets through business combinations of USD 469,526 thousand.

During the six month period ended 30 June 2019, the Group has incurred an amortisation charge of USD 60,357 thousand (30 June 2018: Nil).

13. Investment properties

During the six month period ended 30 June 2019, the Group added investment properties amounting to USD 75,484 thousand (30 June 2018: USD 14,299 thousand). The Group acquired investment properties through business combinations of USD 3,594 thousand (30 June 2018: 408,491).

During the six month period ended 30 June 2019, the Group has incurred a depreciation charge of USD 23,228 thousand (30 June 2018: USD 24,291 thousand).

14. Intangible assets and goodwill

Port concession rights

During the six month period ended 30 June 2019, the Group acquired port concession rights amounting to USD 3,942 thousand (30 June 2018: USD 3,518 thousand). The Group has also acquired intangible assets which mainly comprises of port concession rights of USD 909,372 thousand from business combinations (30 June 2018: USD 533,215 thousand).

The amortisation of port concession rights during the six month period ended 30 June 2019 amounted to USD 90,344 thousand (30 June 2018: USD 85,915 thousand).

Goodwill

During the six month period ended 30 June 2019 the reduction in goodwill represents the impact of foreign currency translation of USD 2,655 thousand (30 June 2018: USD 52,812 thousand).

The Group recognised goodwill through business combinations of USD 273,456 thousand (30 June 2018: Nil).

Land-use rights

The amortisation of land-use rights during the six months period ended 30 June 2019 amounted to USD 14,582 thousand (30 June 2018: USD 14,582 thousand).

15. Investment in equity-accounted investees

The following table summarises the segment wise financial information for equity-accounted investees, adjusted for fair value adjustments (using income approach model) at acquisition together with the carrying amount of the Group's interest in equity-accounted investees as included in the condensed consolidated interim statement of financial position:

	Asia Pacific and Indian subcontinent		**Australia and Americas**		**Middle East, Europe and Africa**		**Total**	
	30 June 2019	31 December 2018	**30 June 2019**	31 December 2018	**30 June 2019**	31 December 2018	**30 June 2019**	31 December 2018
	USD'000	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000
Cash and cash equivalents	**583,432**	528,727	**91,688**	172,335	**238,955**	308,196	**914,075**	1,009,258
Other current assets	**355,488**	283,398	**80,074**	142,351	**269,406**	256,118	**704,968**	681,867
Non-current assets	**5,830,176**	6,006,312	**656,855**	1,798,701	**3,401,656**	2,710,080	**9,888,687**	10,515,093
Total assets	**6,769,096**	6,818,437	**828,617**	2,113,387	**3,910,017**	3,274,394	**11,507,730**	12,206,218
Current financial liabilities	**48,732**	30,912	**2,138**	2,016	**60,500**	33,438	**111,370**	66,366
Other current liabilities	**432,580**	469,995	**49,264**	191,520	**312,378**	316,002	**794,222**	977,517
Non-current financial liabilities	**970,384**	731,162	**330,499**	1,485,084	**1,422,958**	742,111	**2,723,841**	2,958,357
Other non-current liabilities	**461,981**	571,602	**36,181**	43,289	**389,585**	400,004	**887,747**	1,014,895
Total liabilities	**1,913,677**	1,803,671	**418,082**	1,721,909	**2,185,421**	1,491,555	**4,517,180**	5,017,135
Net assets (100%)	**4,855,419**	5,014,766	**410,535**	391,478	**1,724,596**	1,782,839	**6,990,550**	7,189,083
Group's share of net assets in equity-accounted investees							**2,067,514**	2,101,425
	30 June 2019	30 June 2018	**30 June 2019**	30 June 2018	**30 June 2019**	30 June 2018	**30 June 2019**	30 June 2018
	USD'000	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000
Revenue	**698,692**	734,504	**103,248**	310,384	**421,174**	436,792	**1,223,114**	1,481,680
Depreciation and amortisation	**(134,712)**	(144,550)	**(12,248)**	(34,724)	**(61,279)**	(59,049)	**(208,239)**	(238,323)
Other expenses	**(261,658)**	(286,860)	**(43,448)**	(226,319)	**(298,389)**	(308,010)	**(603,495)**	(821,189)
Finance costs	**(41,001)**	(34,273)	**(19,639)**	(73,110)	**(35,542)**	(42,823)	**(96,182)**	(150,206)
Finance income	**14,937**	9,092	**1,390**	1,299	**310**	567	**16,637**	10,958
Income tax expense	**(66,486)**	(68,484)	**(1,269)**	2,927	**(7,275)**	1,955	**(75,030)**	(63,602)
Net profit/ (loss)	**209,772**	209,429	**28,034**	(19,543)	**18,999**	29,432	**256,805**	219,318
Group's share of profit (before separately disclosed items)	**67,422**	64,849	**9,865**	3,617	**9,203**	19,387	**86,490**	87,853
Dividends received							**37,481**	89,229
Group's share of other comprehensive income							**(3,041)**	(641)

16. Properties held for development and sale

During the six month period ended 30 June 2019, the Group added assets amounting to USD 1,619 thousand (30 June 2018: USD 6,790 thousand).

17. Cash and cash equivalents

	30 June 2019	31 December 2018
	USD'000	USD'000
Cash at banks and in hand	**1,109,383**	713,083
Short-term deposits	**890,063**	1,862,758
Deposits under lien	**50,360**	38,869
Cash and cash equivalents for consolidated statement of cash flows	**2,049,806**	2,614,710

Short-term deposits are made for varying periods between one day and three months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit market rates.

The deposits under lien are placed to collateralise some of the borrowings of the Company's subsidiaries. The fair value of cash and cash equivalents approximates to the carrying value due to the short-term maturity of these instruments.

Cash flow information

		30 June 2019	30 June 2018
	Note	**USD'000**	USD'000
Cash flows from operating activities			
Profit for the period		**680,203**	676,956
Adjustments for:			
Depreciation and amortisation	*5*	**451,426**	358,669
Impairment loss	*8*	**7,000**	-
Share of profit from equity-accounted investees (net of tax)		**(86,490)**	(82,109)
Finance costs		**391,602**	303,170
(Gain)/ loss on sale of property, plant and equipment and port concession rights	*11*	**(491)**	536
Loss on disposal and change in ownership of business	*8*	**55,622**	-
Finance income		**(68,155)**	(128,746)
Income tax expense		**88,016**	105,722
Gross cash flows from operations		**1,518,733**	1,234,198

18. Related party transactions

Transactions with related parties included in the condensed consolidated interim financial statements are as follows:

	Ultimate Parent Company	**Equity-accounted investees**	**Other related parties**	**30 June 2019 Total**	Ultimate Parent Company	Equity-accounted investees	Other related parties	30 June 2018 Total
	USD’000	**USD’000**	**USD’000**	**USD’000**	USD’000	USD’000	USD’000	USD’000
Expenses charged:								
Concession fee*	**-**	**-**	**4,113**	**4,113**	-	-	25,245	25,245
Shared services	**-**	**-**	**157**	**157**	-	-	280	280
Marine services fee	**-**	**-**	**6,316**	**6,316**			6,471	6,471
IT services fee	**-**	**-**	**2,184**	**2,184**			3,128	3,128
Other services	**-**	**-**	**1,496**	**1,496**	-	-	1,387	1,387
Finance costs	**-**	**-**	**29,054**	**29,054**	1,238	-	-	1,238
Revenue earned:								
Revenue	**-**	**-**	**7,151**	**7,151**	-	22	6,870	6,892
Management fee income	**-**	**7,000**	**8,720**	**15,720**	-	7,839	9,497	17,336
Finance income	**-**	**5,869**	**-**	**5,869**	1,799	15,565	-	17,364

* In the current period, this represents amortisation charge in relation to right-of-use asset pertaining to concession agreement.

18. Related party transactions (continued)

The balances with related parties included in the condensed consolidated statement of financial position are as follows:

	Due from related parties		Due to related parties	
	30 June 2019	30 December 2018	**30 June 2019**	30 December 2018
	USD'000	USD'000	**USD'000**	USD'000
Ultimate Parent Company	**2,396**	2,383	**1,509**	1,605
Parent Company	**-**	-	**5**	565
Equity-accounted investees	**133,380**	375,751	**3,078**	2,067
Other related parties	**34,920**	24,872	**12,923**	11,663
	170,696	403,006	**17,515**	15,900

The Group has issued guarantees on behalf of equity-accounted investees which are disclosed in note 26.

Compensation of key management personnel

The remuneration of directors and other key members of the management during the period were as follows:

	30 June 2019	30 June 2018
	USD'000	USD'000
Short-term benefits and bonus	**12,031**	12,558
Post-retirement benefits	**218**	194
	12,249	12,752

19. Financial instruments

Fair value versus carrying amount

The fair values of financial assets and liabilities, together with the carrying amounts shown in the condensed consolidated statement of financial position are as follows:

		30 June 2019	**30 June 2019**	31 December 2018	31 December 2018
	Fair value hierarchy	**Carrying amount**	**Fair value**	Carrying amount	Fair Value
		USD’000	**USD’000**	USD’000	USD’000
FVOCI – Equity instrument	**2**	**19,555**	**19,555**	48,050	48,050
Financial assets at FVTPL					
Equity securities	**2**	**165,608**	**165,608**	3,028	3,028
Convertible debt instrument	**2**	**-**	**-**	90,000	90,000
Derivative instruments for hedging	**2**	**-**	**-**	8,735	8,735
Financials assets carried at amortised cost					
Trade and other receivables *		**1,863,404**	**-**	1,637,101	-
Cash and cash equivalents **		**2,049,806**	**-**	2,614,710	-
Financial liabilities carried at fair value					
Derivative instruments for hedging	**2**	**(91,437)**	**(91,437)**	(61,021)	(61,021)
Embedded derivative option	**2**	**(119,087)**	**(119,087)**	(133,040)	(133,040)
Financial liabilities carried at amortised cost					
Issued bonds	**1**	**(6,696,912)**	**(7,596,324)**	(6,937,592)	(7,185,042)
Convertible bonds	**2**	**(861,027)**	**(868,614)**	(848,865)	(821,910)
Bank loans **		**(3,536,778)**	**-**	(2,610,099)	-
Loans from non-controlling shareholders **		**(488,981)**	**-**	(133,236)	-
Lease liabilities **		**(2,399,107)**	**-**	(23,207)	-
Trade and other payables *		**(2,199,182)**	**-**	(1,964,732)	-

Fair value hierarchy

The table above analyses assets and liabilities that require or permits fair value measurements or disclosure of fair value measurements.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

* These financial assets and liabilities have short term maturity and thus, the fair values reported approximate carrying values.

** These financial assets and liabilities carry a variable rate of interest and hence, the fair values reported approximate carrying values.

19. Financial instruments (continued)

Fair value hierarchy (continued)

The fair value of the convertible debt instrument approximates its carrying amount.

The fair value of foreign currency forward exchange contracts and interest rate swaps is based on the bank quotes at the reporting dates. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.

The embedded derivative option liability of the convertible bond is fair valued at each reporting date based on the Black and Scholes option pricing model adjusted with market assumptions. The fair value of the host liability component in the convertible bond is arrived at after deducting the fair value of the embedded derivative option liability from the stock exchange quoted closing bid price of the convertible bond as at the reporting date.

The fair value for quoted bonds is based on their market price (including unpaid interest) as at the reporting date. Other loans include term loans and finance leases. These are largely at variable interest rates and therefore, the carrying value normally equates to the fair value.

20. Share capital and premium

The share capital of the Company comprises 830,000,000 fully paid shares of USD 2.00 each.

Share premium represents surplus received over and above the nominal cost of the shares issued.

21. Other reserves

The following is the breakdown of 'Other reserves' and the movements in these reserves during the period:

	Actuarial reserve	**Hedging and other reserves**	**Total**
	USD'000	**USD'000**	**USD'000**
Balance as at 1 January 2018	(611,724)	37,843	(573,881)
Other comprehensive income, net of tax	18,115	(17,617)	498
Balance as at 30 June 2018	(593,609)	20,226	(573,383)
Balance as at 1 January 2019	**(585,662)**	**27,472**	**(558,190)**
Other comprehensive income, net of tax	**(3,563)**	**(17,698)**	**(21,261)**
Balance as at 30 June 2019	**(589,225)**	**9,774**	**(579,451)**

22. Interest bearing loans and borrowings

	30 June 2019	31 December 2018
	USD'000	USD'000
Issued bonds	**6,696,912**	6,937,592
Convertible bonds	**861,027**	848,865
Bank loans	**3,536,778**	2,610,099
Lease liabilities	**2,399,107**	23,207
Total	**13,493,824**	10,419,763
of which:		
Classified as non-current	**12,363,645**	10,065,388
Classified as current	**1,130,179**	354,375
of which:		
Secured interest bearing loans and borrowings	**2,730,732**	2,078,666
Unsecured interest bearing loans and borrowings	**10,763,092**	8,341,097

The below table provides movement of interest bearing loans and borrowings:

	30 June 2019	30 June 2018
	USD'000	USD'000
Balance at 1 January	**10,419,763**	7,738,978
Cash flow items		
Acquired through business combinations	**1,064,156**	647,204
Additional borrowings	**389,770**	975,489
Repayment of borrowings	**(174,708)**	(295,392)
Redemption of issued bonds (JAFZ Sukuk)	**(232,014)**	-
Other non-cash items		
Initial recognition of IFRS 16 lease liabilities	**1,915,531**	-
Interest accretion on convertible bonds (refer to note 8)	**11,424**	10,906
Interest on lease liabilities	**66,740**	-
Transaction cost on convertible bonds amortised	**738**	678
Fair value changes and transaction cost amortised on convertible bonds	**3,454**	(9,224)
Translation adjustments	**28,970**	(92,516)
Total	**13,493,824**	8,976,123

23. Loans from non-controlling shareholders

	2019	**2019**	2018	2018
	Non-current	**Current**	Non-current	Current
	USD’000	**USD’000**	USD’000	USD’000
Loans from non-controlling shareholders	**487,981**	**1,000**	132,236	1,000

These loans mainly include USD 470,240 thousand (2018: USD 104,177 thousand) granted by non-controlling shareholders of subsidiaries in the ‘Australia and Americas’ region. These loans are repayable between 2023 and 2037 at commercial rates.

24. Operating leases

Operating lease commitments – Group as a lessor

Future minimum rentals receivable under non-cancellable operating leases at the reporting date:

	30 June 2019	31 December 2018
	USD’000	USD’000
Within one year	**364,268**	361,105
Between one to five years	**839,790**	854,514
More than five years	**1,070,324**	1,010,247
	2,274,382	2,225,866

The above operating leases (Group as a lessor) mainly consist of commercial properties leased consisting of land, office accommodation, warehouses and staff accommodation. Besides these, certain property, plant and equipment are also leased out by the Group. The leases contain renewal options for additional lease periods and at rental rates based on negotiations or prevailing market rates.

25. Capital commitments

	30 June 2019	31 December 2018
	USD’000	USD’000
Estimated capital expenditure contracted at the reporting date	**515,243**	649,201

26. Contingencies

(a) The Group has the following contingent liabilities at the reporting date:

	30 June 2019	31 December 2018
	USD’000	USD’000
Performance guarantees	**122,476**	113,872
Payment guarantees	**54,203**	35,903
Letters of credit	**3,229**	6,821
Guarantees issued on behalf of equity-accounted investees	**40,303**	42,762

The Group has entered into certain agreements with landlords and port authorities which may contain specific volume or payment commitments that could result in minimum concession/lease fees being payable on failure to meet these targets.

(b) On 22 February 2018, the Government of Djibouti illegally seized physical control of Doraleh Container Terminal S.A ("DCT") from the Group, who designed, built and operated the terminal following a concession awarded in 2006.

The Group commenced arbitration proceedings before the London Court of International Arbitration (“LCIA”) to protect its rights, and/ or to secure damages and compensation for breach or expropriation. In its arbitration award dated 31 July 2018, the LCIA confirmed that the 2006 concession agreement remains valid and binding notwithstanding the laws and decrees subsequently adopted by the Government of Djibouti.

In a further arbitral award on 29 March 2019, the LCIA confirmed that Government of Djibouti must pay to DCT an amount of: (a) USD 88 million (plus compound interest at 3 per cent. per annum) for non-payment of royalties for traffic not transferred to DCT once it became operational; (b) USD 385.7 million (plus simple interest at 3 per cent. per annum) for breach of exclusivity by developing container facilities at Doraleh Multipurpose Terminal, with further damages possible if Doraleh International Container Terminals is built by Government of Djibouti; and (c) reimbursement of legal costs incurred by the Group.

As at the reporting date, the Group will continue to pursue all legal means to defend its right as a shareholder.

27. Business combinations

Acquisition of new subsidiaries

(a) On 28 February 2019, the Group acquired additional 35.25% ownership in DP World Australia (Holding) Pty Ltd ('acquiree'). As a result of this transaction, the Group's equity interest increased from 25% to 60.25%, obtaining control of this entity. The additional 35.25% ownership is acquired by purchasing equity of the acquiree for a nominal value, directly and through a trust and by purchasing loan notes of USD 276,003 thousand from the exiting shareholder's loan.

Taking control of DP World Australia (Holding) Pty Ltd will enable the Group to develop its container terminal operations and ports logistics services across Australia region. The acquisition is also expected to provide reduction in overall operating costs through economies of scale.

The carrying value and fair value of the identifiable assets and liabilities on the date of the acquisition were as follows:

	Acquiree's carrying amount	**Fair value recognised on acquisition**
	USD'000	**USD'000**
Assets		
Property, plant and equipment	**462,882**	**462,882**
Port concession rights	**456,949**	**472,329**
Right-of-use asset	**468,468**	**468,468**
Investment in equity-accounted investees	**31,167**	**31,167**
Inventories	**4,933**	**4,933**
Accounts receivables and prepayments	**63,060**	**63,060**
Bank balances and cash	**67,806**	**67,806**
Liabilities		
Pension and post-employment benefits	**(68,353)**	**(68,353)**
Interest bearing loans and borrowings	**(785,960)**	**(785,960)**
Accounts payable and accruals	**(92,886)**	**(92,886)**
Deferred tax liabilities	**-**	**(4,614)**
Net assets acquired	**608,066**	**618,832**
Less: non-controlling interest recognised on acquisition including shareholder loans		**(337,845)**
Goodwill arising on acquisition		**207,504**
Total purchase consideration including existing and assumed new shareholder loans*		**488,491**
For cash flow statement:		
Cash paid for settlement of existing shareholder loans		**(276,003)**
Cash acquired on acquisition		**67,806**
Net cash paid on acquisition		**(208,197)**

* This also includes fair value of existing loans amounting to USD 212,488 thousand.

27. Business combinations (continued)

Acquisition of new subsidiaries (continued)

The goodwill is attributable mainly to the skills and technical talent of acquiree's work force, and the synergies expected to be achieved from integrating the company into the Group's existing business. None of the goodwill recognised is expected to be deductible for tax purposes.

The remeasurement to fair value of the Group's existing 25% interest in DP World Australia (Holding) Pty Ltd has resulted in a loss of USD 25,510 thousand which includes derecognition of carrying amount of the existing equity-accounted investee at the date of acquisition and recycling of translation reserve to the statement of profit or loss (refer to note 8).

Acquisition related costs of USD 2,511 thousand were expensed and included in general and administrative expenses. The deferred tax liability relates to fair value adjustments on port concession rights.

The Group has elected to measure the non-controlling interest in the acquiree at fair value. The fair value was arrived using income approach model.

27. Business combinations (continued)

Acquisition of new subsidiaries (continued)

(b) On 5 April 2019, the Group acquired 99.2% stake in Puertos y Logistica S.A. (Pulogsa) in Chile for a purchase consideration of USD 498,898 thousand. Pulgosa is a multipurpose terminal which has long term maritime concessions with freehold land ownership, which handles containers, break-bulk and dry bulk. The port is strategically positioned to benefit from the well-established pulp and lumber industry in Southern Chile, next to the country's second largest city and industrial hub Concepción. This acquisition will allow the Group to serve cargo owners and shipping lines at five key gateways on the west coast of South America in Posorja (Ecuador), Callao and Paita (Peru) and San Antonio and Lirquen (Chile).

The carrying value and fair value of the identifiable assets and liabilities on the date of the acquisition were as follows:

	Acquiree's carrying amount	**Fair value recognised on acquisition**
	USD'000	**USD'000**
Assets		
Property, plant and equipment, net	**244,267**	**244,267**
Other intangible assets	**221,843**	**221,843**
Port concession rights	**-**	**215,200**
Investment properties	**3,594**	**3,594**
Right-of-use asset	**1,058**	**1,058**
Deferred tax asset	**3,804**	**3,804**
Accounts receivables and prepayments	**108,434**	**108,434**
Inventories	**1,374**	**1,374**
Bank balances and cash	**61,069**	**61,069**
Liabilities		
Interest bearing loans and borrowings	**(278,196)**	**(278,196)**
Pension and post-employment benefits	**(2,677)**	**(2,677)**
Accounts payable and accruals	**(55,514)**	**(55,514)**
Deferred tax liabilities	**(29,737)**	**(87,841)**
Net assets acquired	**279,319**	**436,415**
Less: non-controlling interest recognised on acquisition		**(3,469)**
Goodwill arising on acquisition		**65,952**
Total purchase consideration		**498,898**
For cash flow statement:		
Cash paid on acquisition		**(498,898)**
Cash acquired on acquisition		**61,069**
Net cash paid on acquisition		**(437,829)**

The goodwill is attributable mainly to the skills and technical talent of acquiree's work force, and the synergies expected to be achieved from integrating the company into the Group's existing business. None of the goodwill recognised is expected to be deductible for tax purposes.

Acquisition related costs of USD 3,050 thousand were expensed and included in general and administrative expenses.

27. Business combinations (continued)

Acquisition of new subsidiaries (continued)

The deferred tax liability relates to fair value adjustments on port concession rights. The Group has elected to measure the non-controlling interests in the acquiree at the proportionate shares of its interest in the acquiree's identifiable net assets.

On 8 May 2019, Caisse de dépôt et placement du Québec (CDPQ) acquired an effective ownership of 44.64% in Puertos y Logistica S.A. for a consideration of USD 227,993 thousand and as a result Group's effective ownership is reduced to 54.56%.

From the acquisition date, these acquisitions have contributed a combined revenue of USD 158,260 thousand and combined operating profit of USD 32,336 thousand to the Group's results. If the acquisition had occurred on 1 January 2019, management estimates that consolidated revenue would have increased by USD 84,954 thousand and consolidated operating profit for the period would have increased by USD 20,827 thousand. In determining these amounts, management has assumed that the fair value adjustments, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2019.

28. Subsequent events

(a) On 20 February 2019, the Group announced the acquisition of 100% ownership in the holding company of P&O Ferries and P&O Ferrymasters (together P&O Ferries) for a purchase consideration of USD 409 million. P&O Ferries is a pan-European integrated logistics business consisting of: (a) a market leading roll-on roll-off ferries operation; and (b) a European transportation and logistics solutions provider, P&O Ferrymasters. The transaction was completed in July 2019 and the related acquisition accounting is in the process of being completed.

(b) On 9 May 2019, the Group announced the acquisition of Fraser Surrey Docks from Macquarie Infrastructure Partners (MIP). Fraser Surrey Docks is a large, multi-purpose marine terminal located in the greater Vancouver area of British Columbia, Canada. The acquisition will be affected through DP World's Canadian subsidiary, DP World Canada Investment Inc. which is owned 45% by Caisse de dépot et placement du Québec (CDPQ) and is subject to customary completion conditions. The acquisition is expected to close before the end of 2019.

(c) On 23 May 2019, Hindustan Infralog Private Limited (which is a joint venture between the Group and the National Investment and Infrastructure Fund) announced the acquisition of a 76 per cent. stake in KRIBHCO Infrastructure Limited ("KRIL"). KRIL operates three major inland container depots/ private freight terminals at Pali in Haryana (India), Modinagar in Uttar Pradesh (India) and Hazira in Gujarat (India). KRIL also has a strong presence in India's National Capital Region, including a terminal located on a notified double stack route. The transaction is subject to customary completion conditions and is expected to close in the second half of 2019.

(d) On 1 July 2019, the Group announced the acquisition of 100% of Topaz Energy and Marine Limited ("Topaz") from Renaissance Services SAOG and Standard Chartered Private Equity/ Affirma Capital for an enterprise value of USD 1,079 million. Topaz is a leading international provider of critical marine logistics and solutions to the global energy industry. It operates a modern and versatile fleet of 117 vessels, predominantly in the Caspian Sea, MENA and West Africa regions. The transaction is subject to customary completion conditions and regulatory approvals and is expected to close in the second half of 2019.