

1.6.1. Revenue

The following factors had an impact on NCSP Group's revenue by cargo in 2018 (compared to 2017):

- > Decrease of crude oil handling by 8.5 million tonnes or 11.4% due to redirection of cargo to eastern route
- > Growth of diesel fuel and gasoline handling by 4.3 million tonnes or 18.5%, as well as adjustment of rates for these categories of cargo
- > Growth of UAN handling by 201,000 tonnes or 33.7% amid favorable market environment
- > Growth of grain handling by 1.6 million tonnes or 14.3%, as well as rate adjustment
- > Growth of container handling by 24,000 TEU or 4%
- > Growth of ferrous metals and pig iron handling by 1.5 million tonnes or 14.3%
- > Decline of revenue from iron ore products handling by \$0.8 million as volume decreased by 202,000 tonnes or 6.7%
- > Decline of revenue from coal handling by \$2.3 million as volume decreased by 550,000 tonnes or 27.6%

REVENUE BREAKDOWN BY TYPE OF ACTIVITY

('000 USD)	2018	2017	Change	Change, %
Revenue	951,253	899,831	51,422	5.7
Stevedoring services	732,604	709,592	23,012	3.2
Additional port services	197,030	110,152	86,878	78.9
Fleet services	13,292	69,081	-55,789	-80.8
Ship repair	272	0	272	-
Other	8,055	11,006	-2,951	-26.8

1.6.2. Operating expenses

BREAKDOWN OF OPERATING EXPENSES BEFORE DEPRECIATION AND AMORTIZATION IN 2018 AND 2017

Operating expenses by item, '000 USD	2018	Share of total expenses, %	2017	Share of total expenses, %	Change	Change, %
Remuneration of employees	83,656	28.6	86,753	33.8	-3,097	-3.6
Leasing	45,104	15.4	47,402	18.5	-2,298	-4.8
Services of third-party organizations related to transshipment support	40,776	13.9	12,572	4.9	28,204	224.3
Fuel for resale and in-house use	39,869	13.6	24,823	9.7	15,046	60.6
Insurance contributions on payroll	20,513	7.0	20,398	7.9	0,115	0.6
Repair and maintenance services	19,077	6.5	20,124	7.8	-1,047	-5.2
Materials	8,572	2.9	8,292	3.2	280	3.4
Tax on property and other taxes other than profit tax	7,776	2.7	5,350	2.1	2,426	45.3
Electricity and other utilities	6,658	2.3	6,776	2.6	-0,118	-1.7
Charitable donations	5,228	1.8	4,994	1.9	0,234	4.7
Security services	4,092	1.4	3,195	1.2	0,897	28.1
Professional services	1,840	0.6	2,828	1.1	-0,988	-34.9
Insurance	1,439	0.5	1,683	0.7	-0,244	-14.5
Other expenses	8,317	2.8	11,654	4.5	-3,337	-28.6
Operating expenses before depreciation and amortization	292,917	100.0	256,844	100.0	36,073	14.0