# Investor Presentation – 9M Results 2016

Hapag-Lloyd


**14 November 2016**

# Disclaimer


## Forward-looking Statements

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# Opening remarks

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## 1 Introduction

- We continue to progress on our strategic initiatives and achieved a profit in Q3 2016 (after a disappointing H1)

## 2 Market Update

- The industry fundamentals are showing signs of improvement
- The sector is consolidating and approaching a turning point

## 3 HL Financials

- Rate levels have stabilized with some positive reactions lately
- We are delivering on our cost savings with top-tier unit costs

## 4 UASC Merger

- UASC merger is strategically and operationally highly attractive
- Combined Entity is very well positioned to benefit from upturn

## 5 Next Steps

- Main focus going forward on further cost optimization, start of THE Alliance and completion of the transaction with UASC

# Financial highlights: We delivered a positive operating result in 9M 2016 …

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| Transport volume | Freight rate | Transport expenses |
|---|---|---|
| +1.3% | -17.7% | -15.3% |
| 9M 2016: 5.7 TEU m | 9M 2016: 1,037 USD/TEU | 9M 2016: 941 USD/TEU |

| EBITDA | EBIT | Group profit / loss |
|---|---|---|
| USD 425 m | USD 29 m | USD -149 m |
| 6.7% EBITDA margin | Positive operating result | 0.2% ROIC annualized |

Q3 EBIT: USD 73 m

| Equity | Liquidity reserve[1)] | Net debt |
|---|---|---|
| USD 5.3 bn | USD 0.7 bn | USD 3.8 bn |
| 44.6% equity ratio | Solid liquidity | 72.2% gearing |

1) Including additional USD 60 m drawn from existing ABS program as of 31 October 2016 (after balance sheet date)

# Strategic highlights: … and continue to progress on our strategic initiatives



## Way Forward

**CUATRO and OCTAVE** are expected to deliver synergies and earnings improvements of **USD 600 m** by 2017 – based on current predictions, **more than 90%** will already be **implemented in 2016**

In Q1, further measures were added – called **OCTAVE II** – leading to add. efficiency improvements of a **high double-digit USD million** figure by 2017

## THE Alliance

**THE Alliance** plans to deploy a fleet of more than 240 modern ships in the **Asia / Europe, North Atlantic and Trans-Pacific** trade lanes including the Middle East and the Arabian Gulf / Red Sea

The start of THE Alliance as **the most integrated liner shipping consortia** is scheduled for April 2017 (subject to completion of all regulatory requirements)

## UASC Merger

With the UASC acquisition **Hapag-Lloyd** is consolidating its market position as **one of the TOP 5 container lines**

At the AGM **shareholders voted overwhelmingly for a new authorized capital** to issue up to 50 m new shares for completion of the deal

A **cash capital increase of USD 400 m within 6 months** of completion of the merger has been agreed

# In Q3 most liners will continue to post negative results but freight rates are slowly improving from Q2 lows

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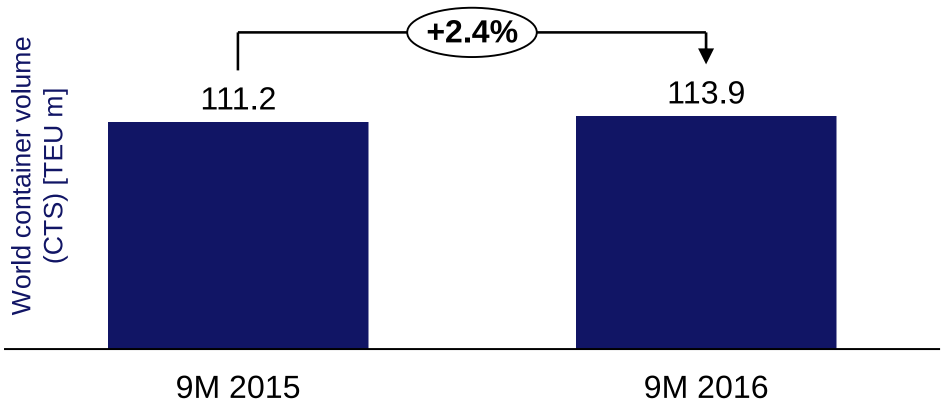
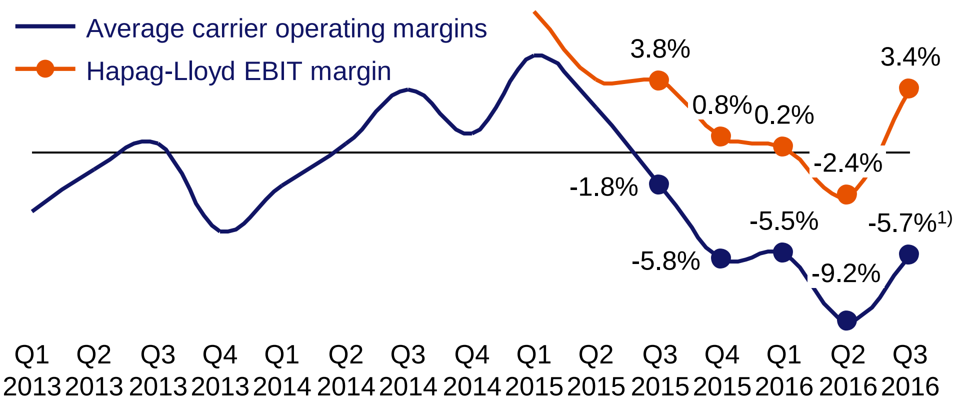
## Global volumes in line with expectations …

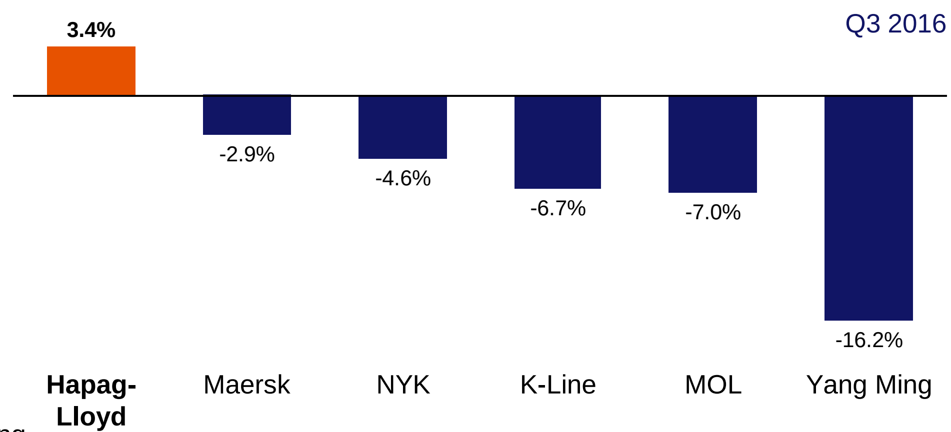



## … while rates slowly improve from Q2 lows


## Q3 average margins slightly improving …




## … but most carriers will still be negative




1) Calc. average EBIT margin of Hapag-Lloyd, Maersk, NYK, K-Line, MOL, Yang Ming



Source: Company information, Alphaliner, CTS, Drewry, SSE

# Demand: Container shipping remains an industry with healthy growth (and more balanced trade dynamics)

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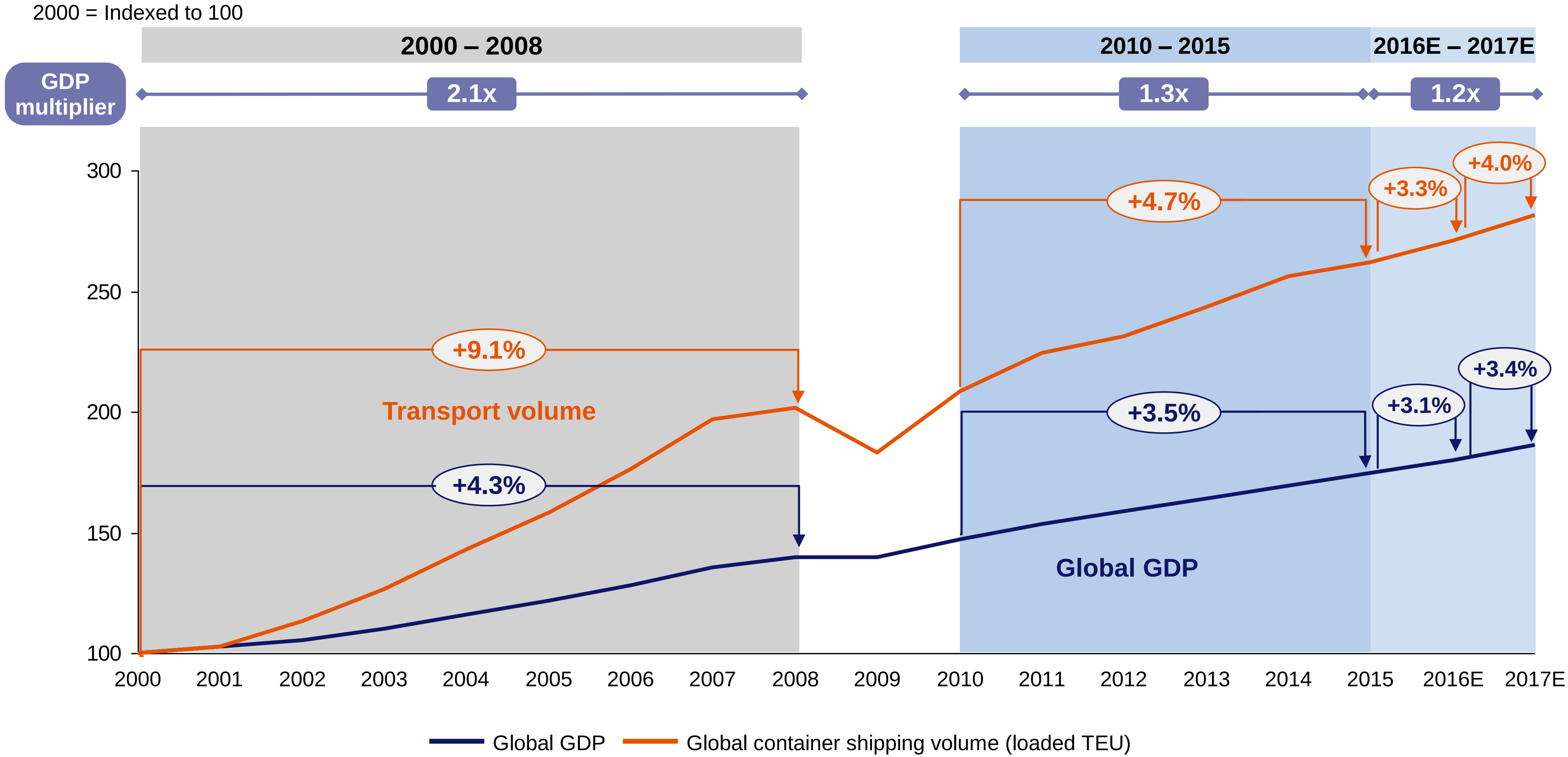
## Container shipping volume and global GDP growth




Source: Clarksons (November 2016), IMF WEO (October 2016)

# Supply: Capacity growth is slowing (as a result of decreasing incremental benefits of ever larger vessels)

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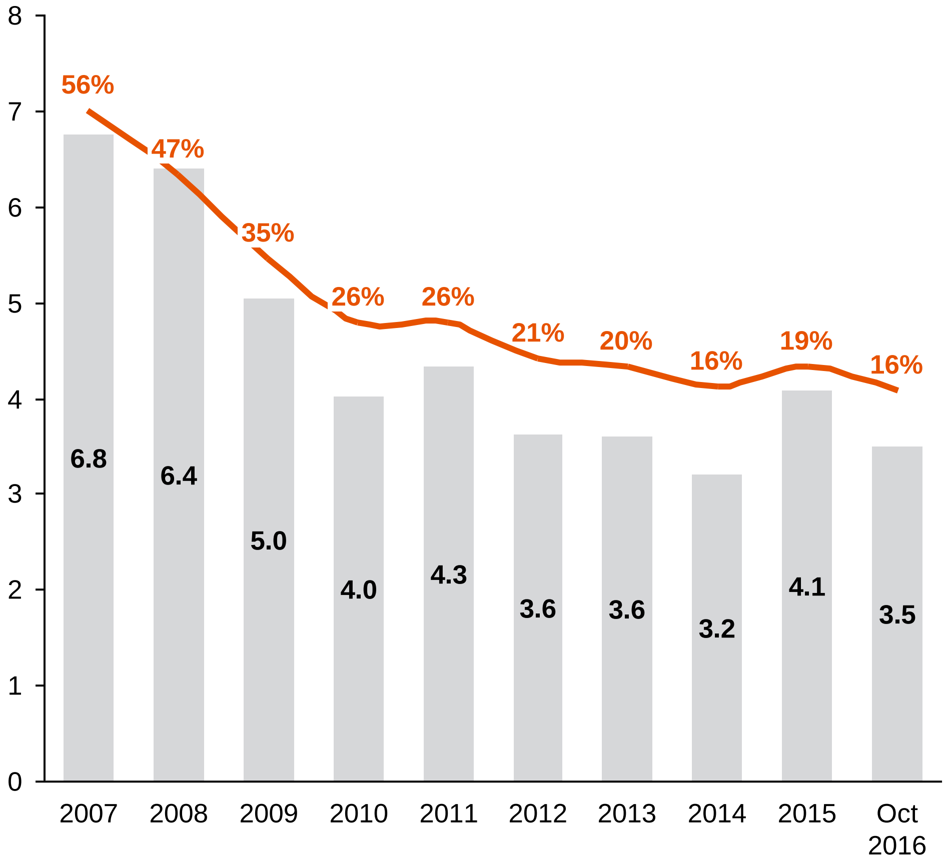
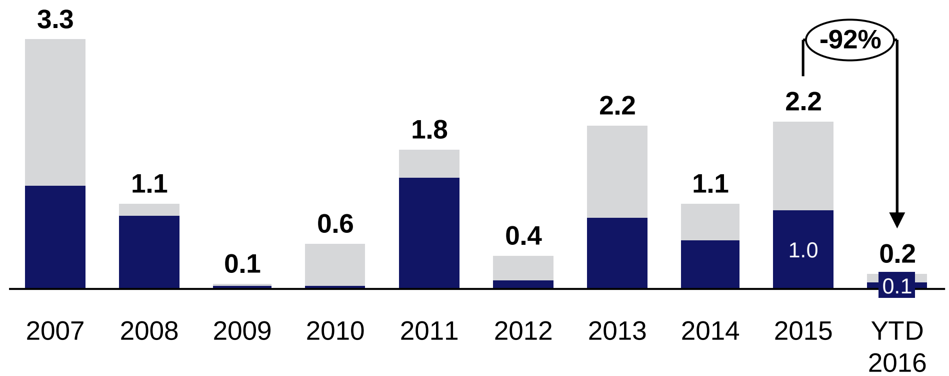
## Orderbook continues to deplete …

Orderbook-to-fleet [TEU m, %]



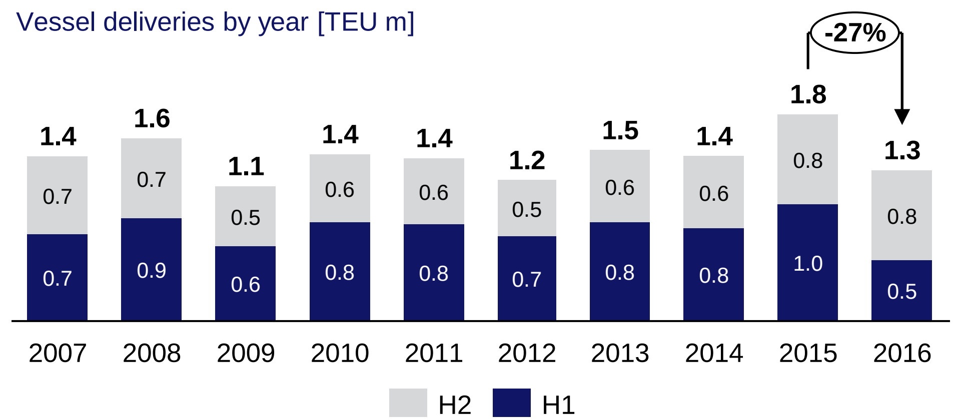

## … with decreasing new orders …

Orders placed by year [TEU m]




## … and vessel deliveries slowing down

Vessel deliveries by year [TEU m]

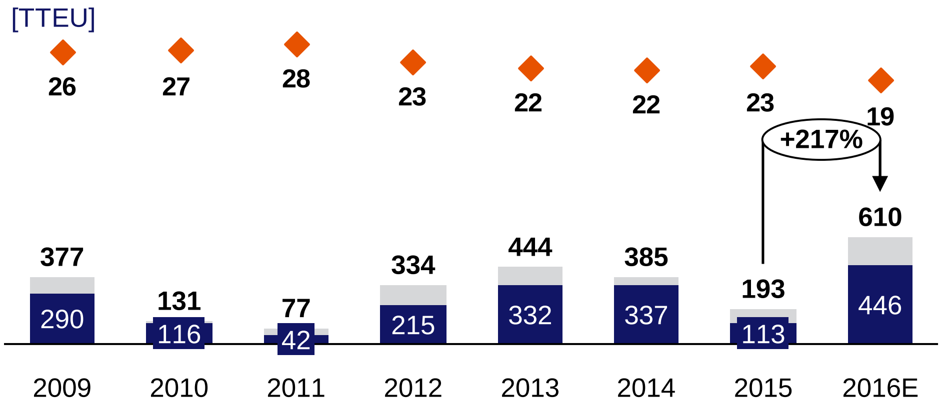



Source: Clarksons (November 2016), Transmodal (October 2016)

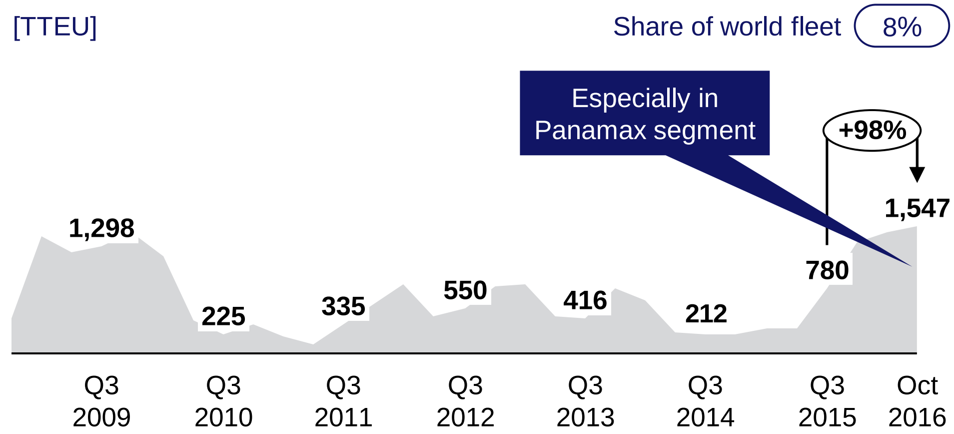
# Supply: Scrapping and idling help to further reduce effective supply growth

Hapag-Lloyd

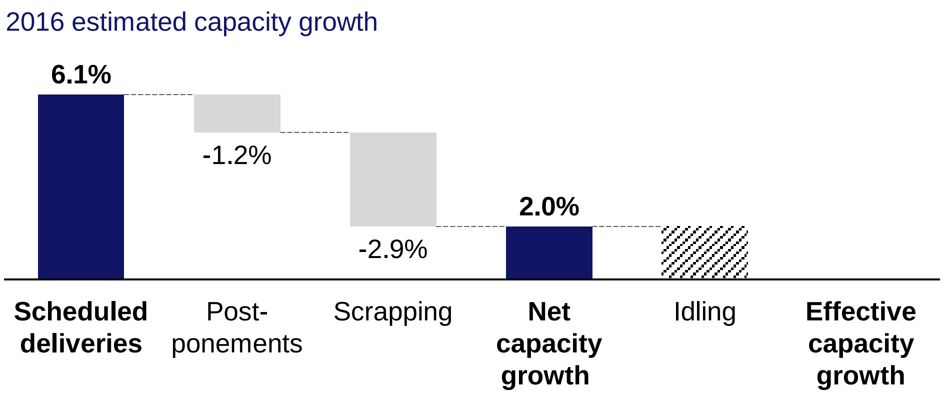
## Highest scrapping level ever …



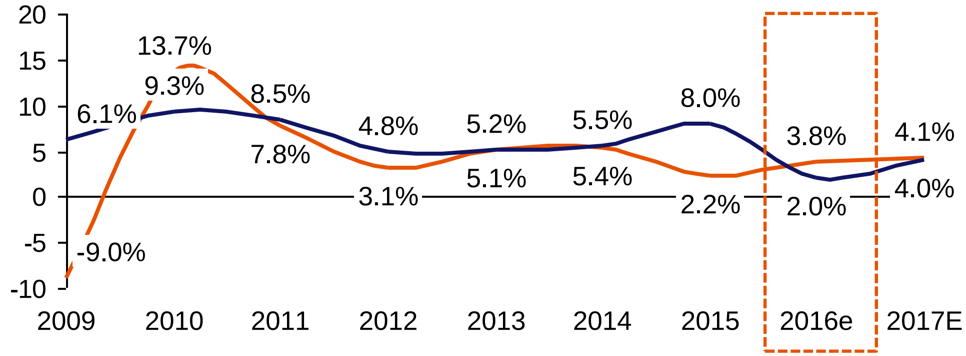

## … and idling remains high …




## … keeping effective supply growth low …




## … slowly reducing supply / demand gap




Average age   Q4   9M   Demand   Supply

Source: Alphaliner, MDS Transmodal, Clarksons, Drewry

# Freight rates have started to stabilize slowly

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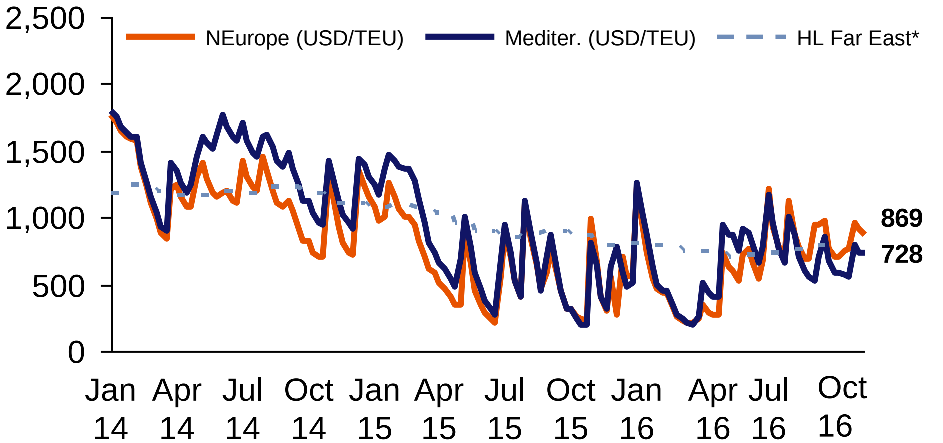
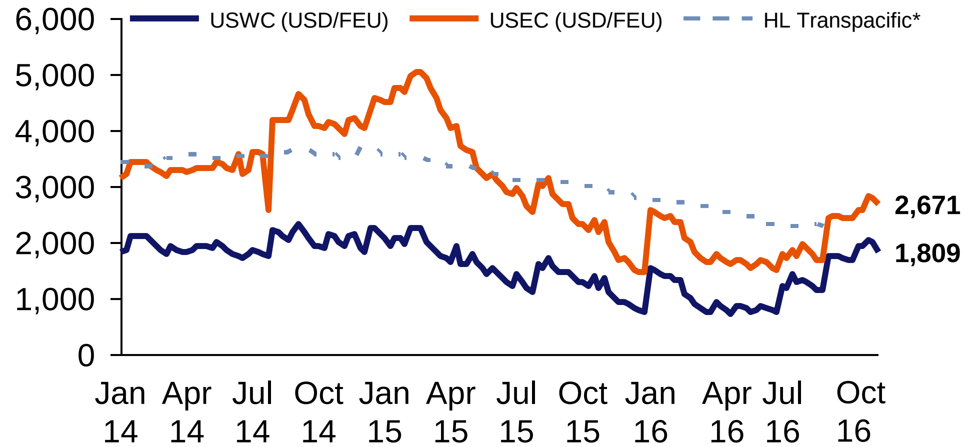
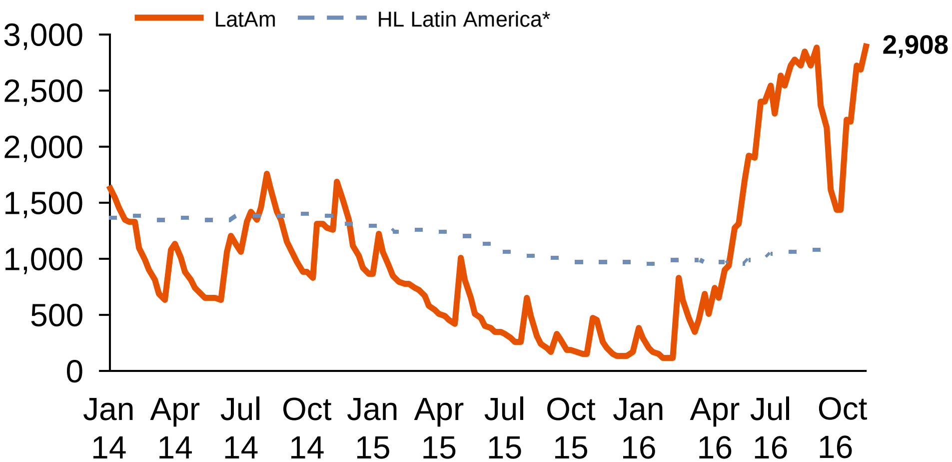
## Shanghai – Europe (SCFI)




## Shanghai – USA (SCFI)




## Shanghai – Latin America (SCFI)




## Comments

**Further freight rate increases** planned for 15 November and 1 December 2016 by various carriers, e.g.:[1)]

- **Transpacific** USD/TEU 630, effective December
- **Asia-LatAm** USD/TEU 750, effective December
- **Asia-ISC** USD/TEU 200, effective November

**Hanjin insolvency releases pressure on rates (temporarily)**

- Short term positive effect on Asia Europe
- Rate increase in Transpacific still holding
- Majority of Hanjin vessels will eventually reenter the market

 Source: Shanghai Shipping Exchange (11 November 2016)

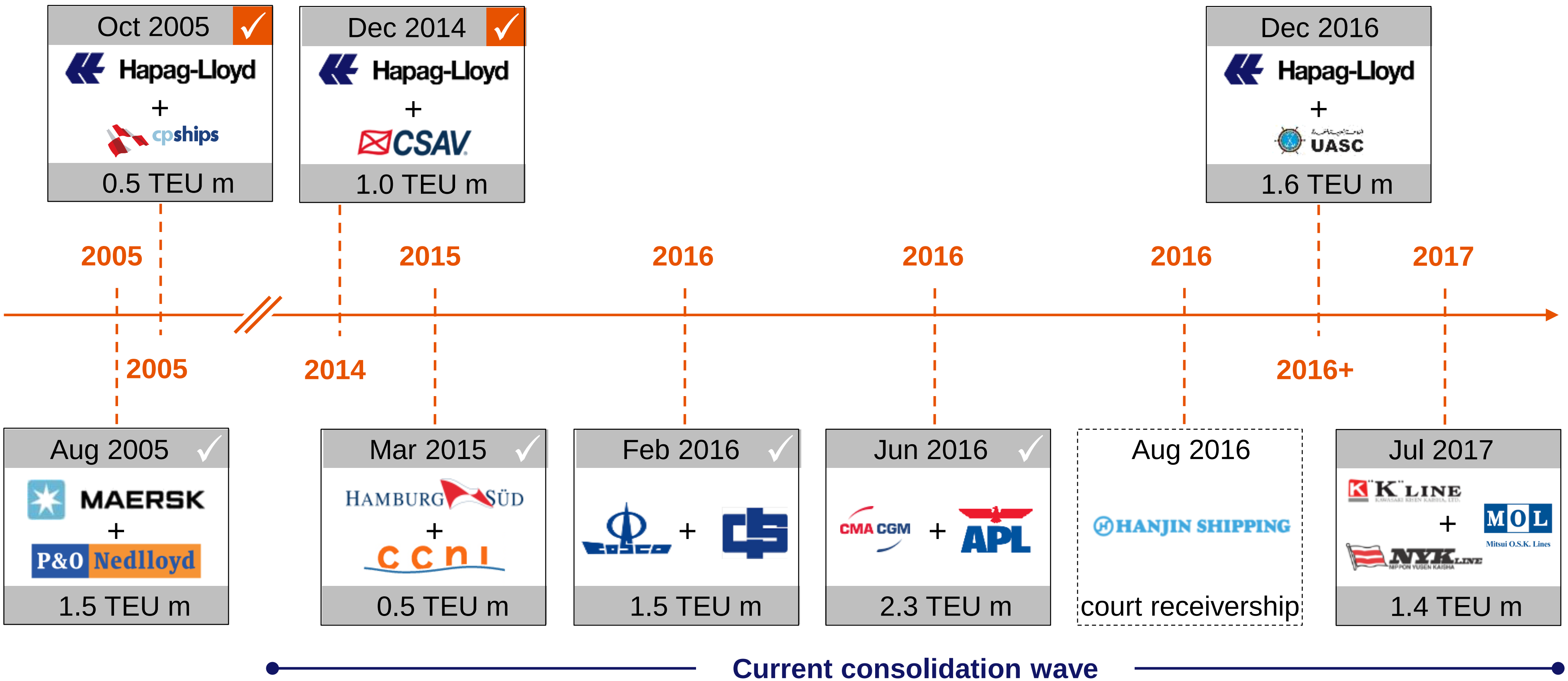
1) Based on peer and industry publications

* Hapag-Lloyd trade definition

# Consolidation has accelerated as scale is important – Hapag-Lloyd is actively participating in that process

Hapag-Lloyd

## Consolidation in container shipping industry




*Note: Diagram assuming that all currently announced mergers (Hapag-Lloyd & UASC; NYK & MOL & K-Line) will receive regulatory approvals and are executed as announced. Simple sum of stand-alone operating capacity.*

# Gap between TOP 6 and the rest is widening rapidly

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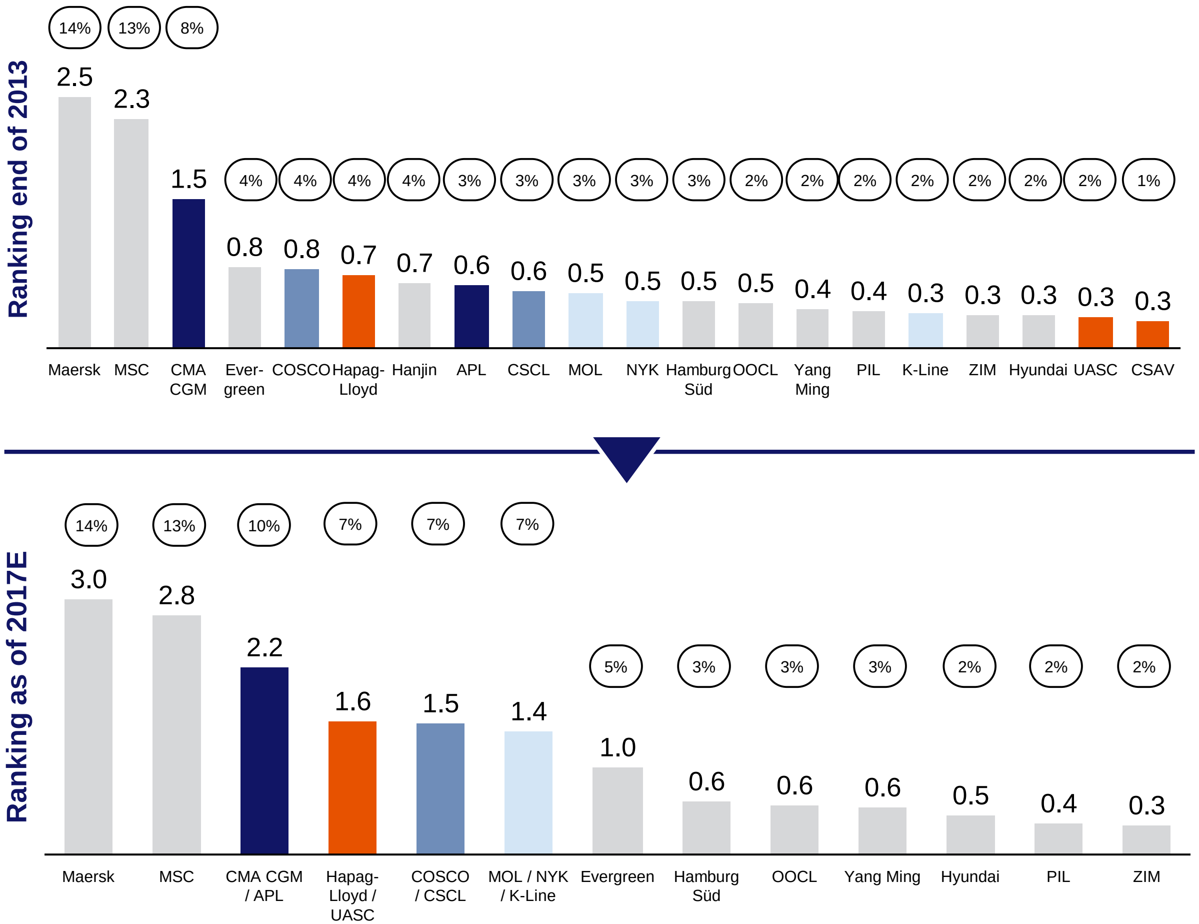
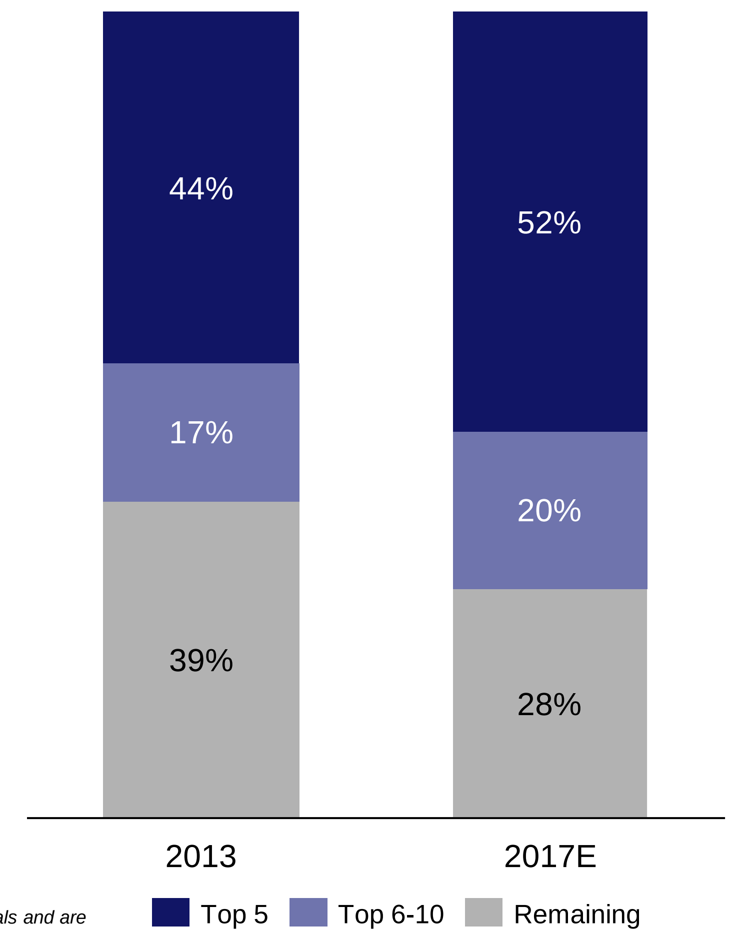
## Current consolidation wave …

Carrier capacity [TEU m] and global capacity share [%]




## … leads to higher concentration

Global capacity share [%]




*Note: Diagram assuming that all currently announced mergers (Hapag-Lloyd & UASC; NYK & MOL & K-Line) will receive regulatory approvals and are executed as announced. Simple sum of stand-alone operating capacity. Source: MDS Transmodal (October 2016, October 2013), Company data*

# On the back of this consolidation, alliances have been re-shaped with start of operations in April 2017

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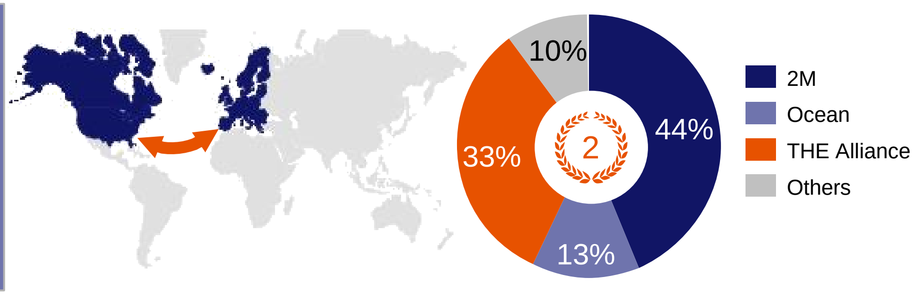
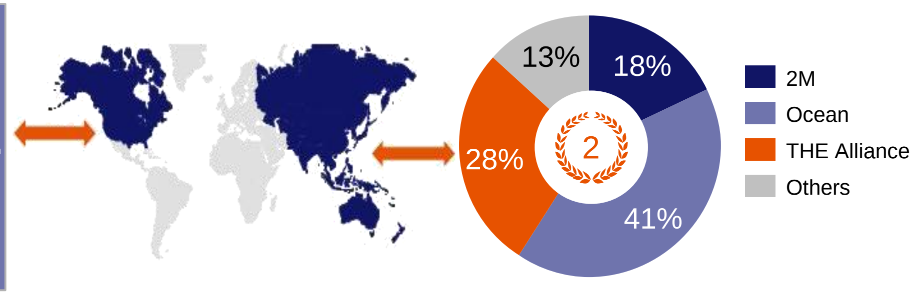
## THE Alliance competitive on all trades

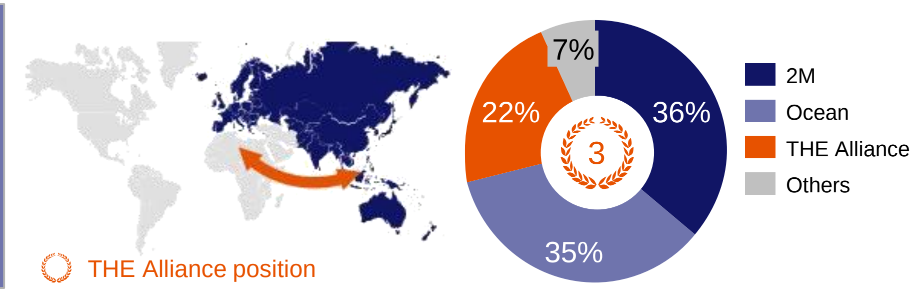
**Atlantic**




**Transpacific**

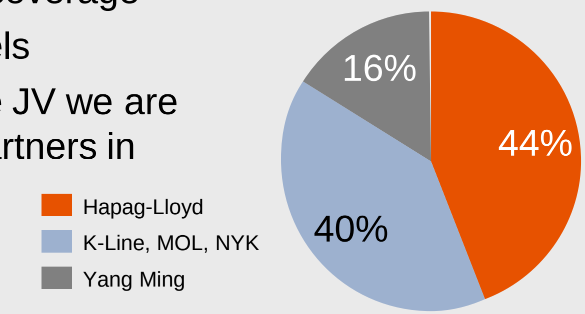



**Far East**




## Strong partners in THE Alliance

- THE Alliance covers all East-West trades
  - Comprehensive network of 31 services will connect more than 75 major ports
- Binding agreement signed by all partners
  - Begin of operation in April 2017
  - The initial period will be 5 years
- Combined capacity of ~3.4 m TEU or around 17% of world fleet[1] – vessel pool of more than 240 ships
- Leading product characterized by
  - fast transit times
  - broad port coverage
  - latest vessels
- After Japanese JV we are three strong partners in THE Alliance[1]:




1) Total operating capacity of THE alliance partners, not all to be deployed in alliance (Hapag-Lloyd including UASC)

Source: Alphaliner (October 2016), MDS Transmodal (October 2016)

# Hapag-Lloyd achieved a profit in the third quarter – Positive operating result after nine months

Hapag-Lloyd

## Hapag-Lloyd Results 9M 2016

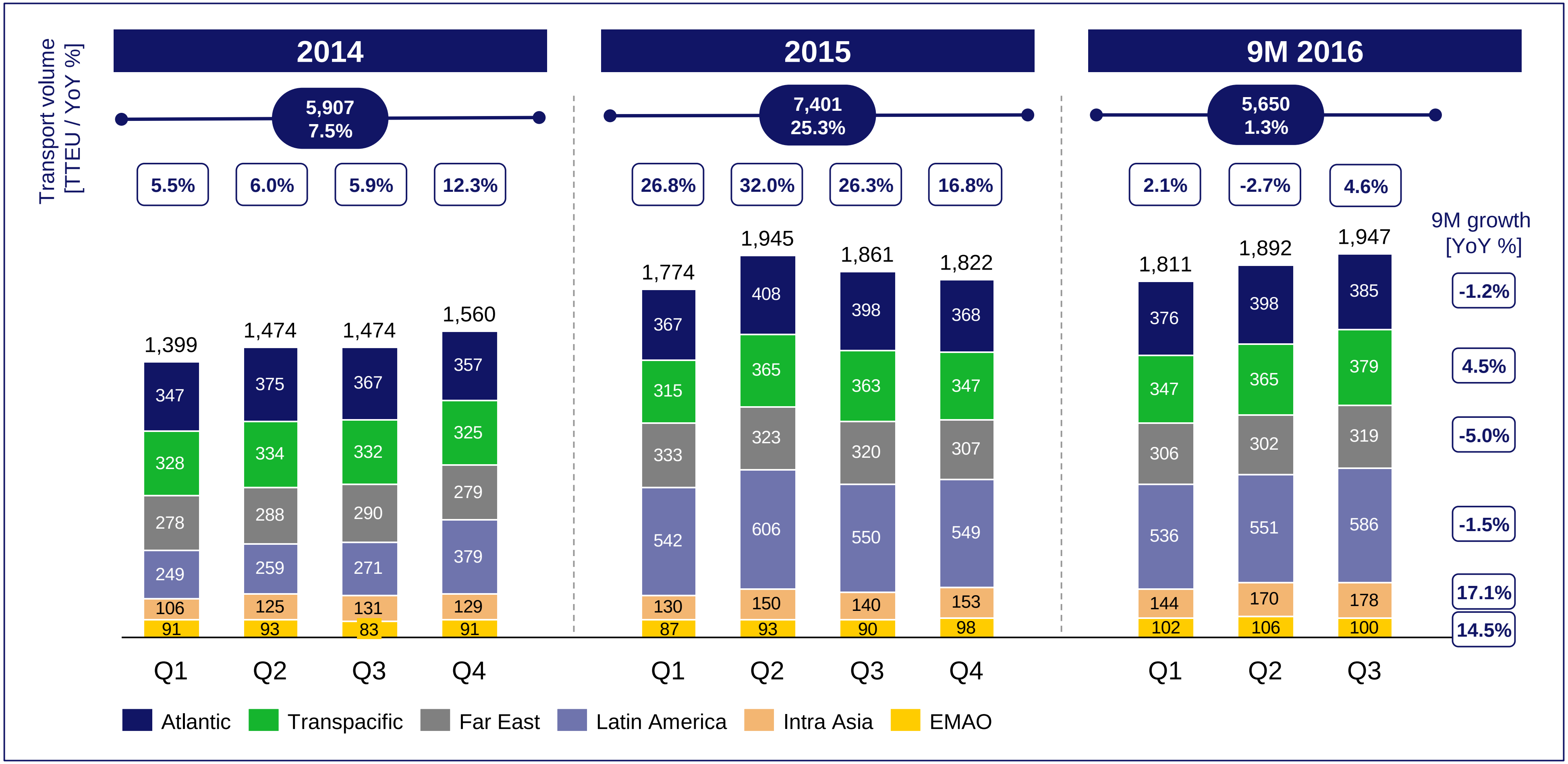
| | Q1 2016 | Q2 2016 | Q3 2016 | 9M 2016 | 9M 2015 | YoY ∆ / % |
|---|---|---|---|---|---|---|
| Transport volume [TTEU] | 1,811 | 1,892 | 1,947 | 5,650 | 5,579 | 71 / 1.3% |
| Freight rate [USD/TEU] | 1,067 | 1,019 | 1,027 | 1,037 | 1,260 | -223 / -17.7% |
| Bunker price [USD/t] | 178 | 182 | 224 | 195 | 333 | -138 / -41.5% |
| Exchange rate [EUR/USD] | 1.10 | 1.12 | 1.13 | 1.12 | 1.12 | -0.00 / -0.2% |
| **Revenue [USD m]** | 2,124 | 2,088 | 2,152 | 6,364 | 7,598 | -1,225 / -16.1% |
| **EBITDA [USD m]** | 136 | 83 | 206 | 425 | 770 | -345 / -44.8% |
| **EBIT [USD m]** | 5 | -50 | 73 | 29 | 389 | -360 / -92.5% |
| **EAT [USD m]** | -47 | -111 | 9 | -149 | 179 | -328 / n.m. |
| **Investments [USD m][1)]** | 105 | 115 | 44 | 264 | 791 | -527 / -66.6% |

1) Balance sheet investments in PPE

# Transport volume up 1.3% to 5.7 TEU m in 9M 2016

Hapag-Lloyd

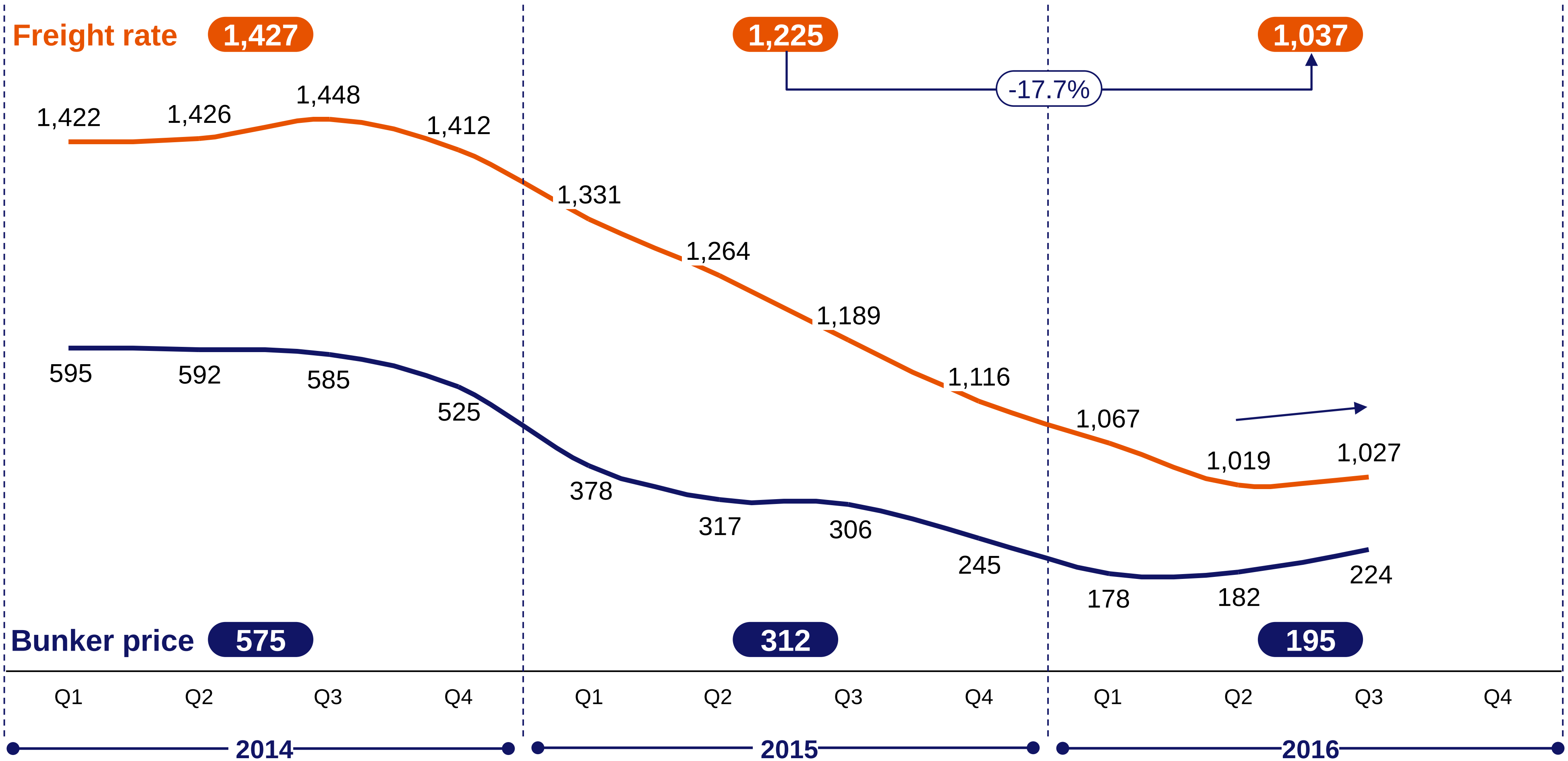
## Transport volume [TTEU]



# 9M average freight rate decreased by 17.7% – But Q3 freight rate slight up vs. Q2 (first time after 2 years)

Hapag-Lloyd

## Freight rate[1)] [USD/TEU] vs. bunker price[2)] [USD/t]

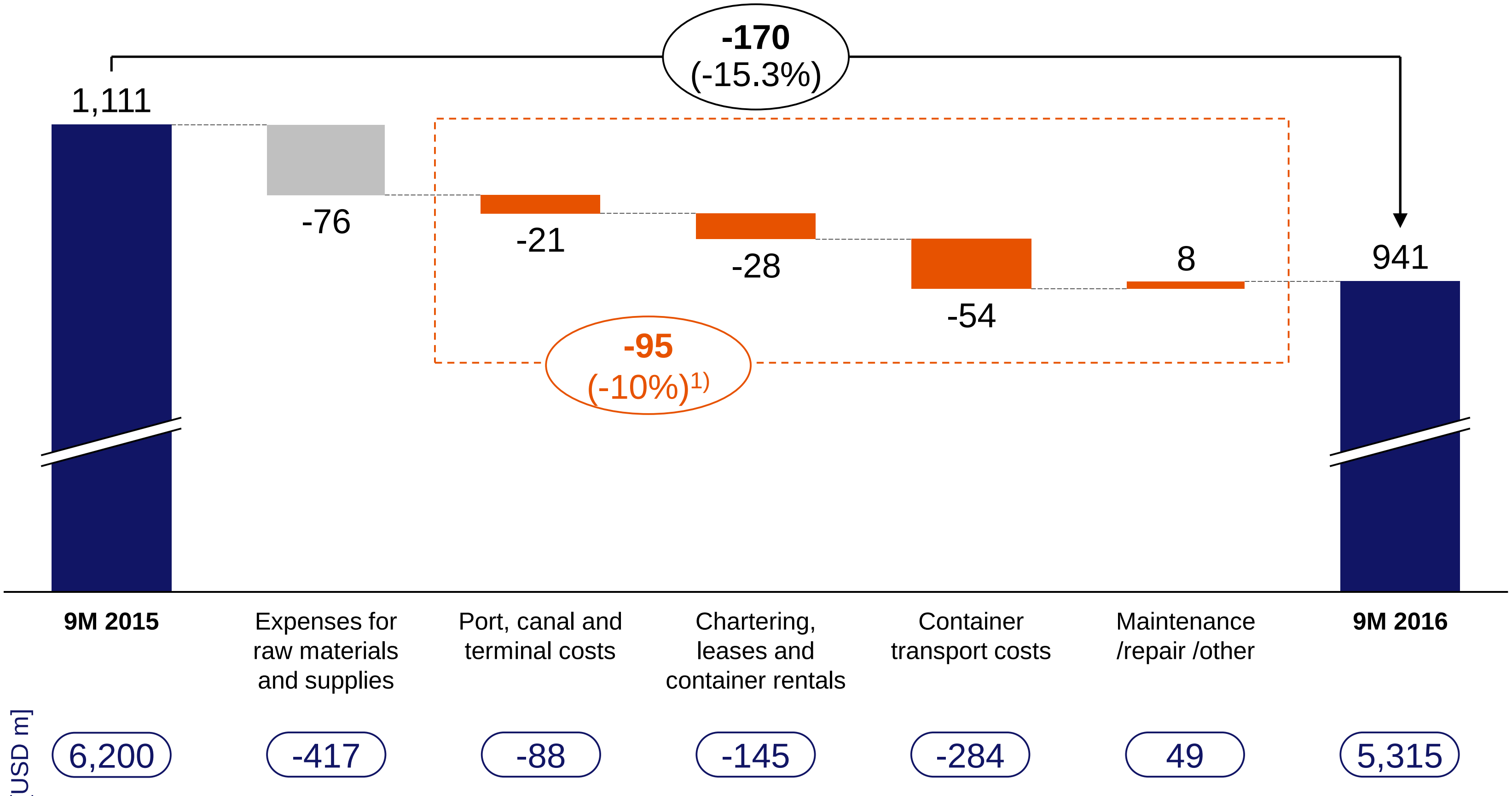



1) Hapag-Lloyd average freight rate for the period 2) Hapag-Lloyd average (MFO) consumption price for the period

# Transport expenses reduced by USD 885 m thanks to bunker, synergies and efficiency programs

Hapag-Lloyd

## Transport expenses per TEU [USD/TEU]




5 Compete to Win

4 Close the Cost Gap

3 Structural Improvements

2 OCTAVE

1 CUATRO

1) Cost of purchased services 9M 2016: 847 USD/TEU

# The effects of our further cost savings are clearly visible when looking at the relative performance

Hapag-Lloyd

| Company | FY 2015 EBIT [USD m] | EBIT margin |
|---|---|---|
| Maersk Line | 1,431 | 6.0% |
| CMA CGM | 894 | 5.9% |
| **Hapag-Lloyd** | **407** | **4.1%** |
| OOCL | 294 | 5.0% |
| COSCO | 167 | 2.3% |
| Wan Hai | 127 | 6.3% |
| Hanjin | 112 | 1.8% |
| ZIM | 98 | 3.3% |
| NYK | 38 | 0.6% |
| K-Line | -15 | (0.3)% |
| APL | -83 | (1.5)% |
| Evergreen | -121 | (2.9)% |
| MOL | -201 | (3.2)% |
| Yang Ming | -203 | (5.1)% |
| CSCL | -396 | (8.7)% |

| Company | H1 2016 EBIT [USD m] | EBIT margin |
|---|---|---|
| Wan Hai | 21 | 2.4% |
| **Hapag-Lloyd** | **-44** | **(1.0)%** |
| OOCL | -66 | (2.9)% |
| ZIM | -71 | (5.7)% |
| NYK | -89 | (3.3)% |
| CMA CGM | -97 | (1.4)% |
| Maersk Line | -107 | (1.1)% |
| Evergreen | -160 | (9.0)% |
| K-Line | -162 | (7.1)% |
| MOL | -207 | (7.6)% |
| Hanjin | -233 | (9.8)% |
| Yang Ming | -250 | (14.9)% |
| Hyundai | -278 | (18.5)% |
| COSCO | -539 | (12.6)% |

| Company | Q3 2016 EBIT [USD m] | EBIT margin |
|---|---|---|
| **Hapag-Lloyd** | **73** | **3.4%** |
| NYK | -63 | (4.6%) |
| K-Line | -85 | (6.7%) |
| MOL | -95 | (7.0%) |
| Yang Ming | -148 | (16.2%) |
| Maersk | -153 | (2.9%) |

Note: For selected peers including terminals and other business if no liner figure available. Translation into USD based on average FX rates for individual periods.

x% EBIT margin

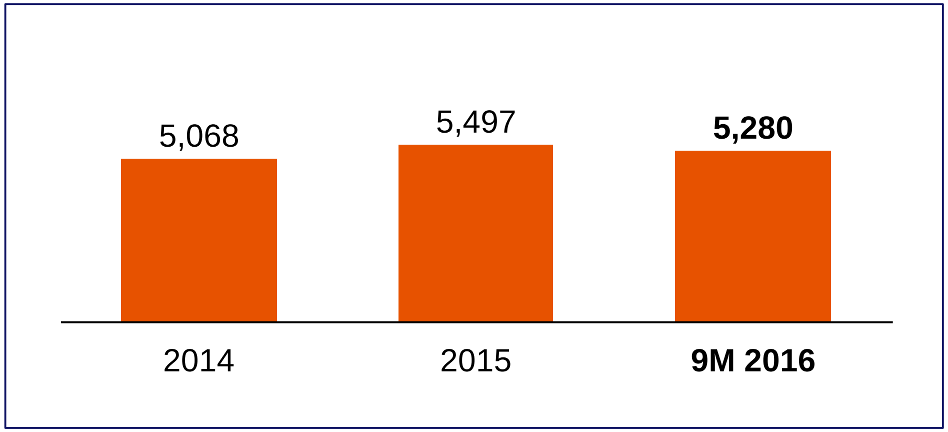


Source: Company information (11 November 2016)

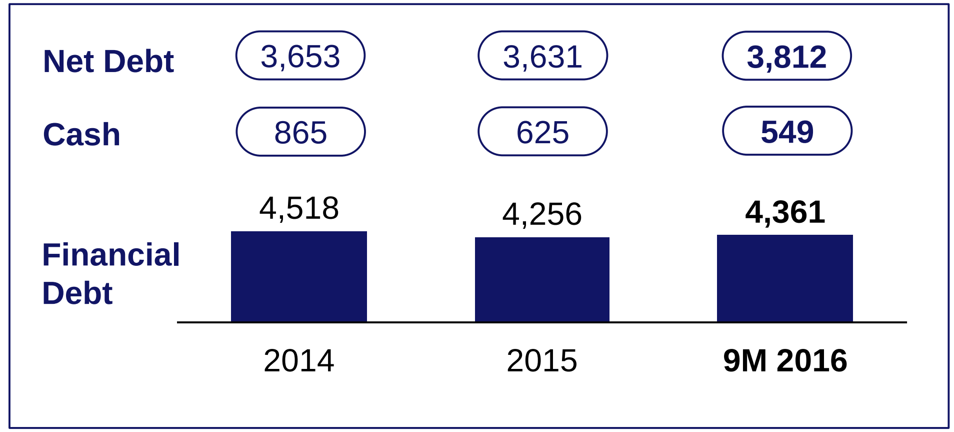
# Equity at USD 5.3 bn and liquidity at USD 0.7 bn – Capital increase of USD 400 m post Closing

Hapag-Lloyd

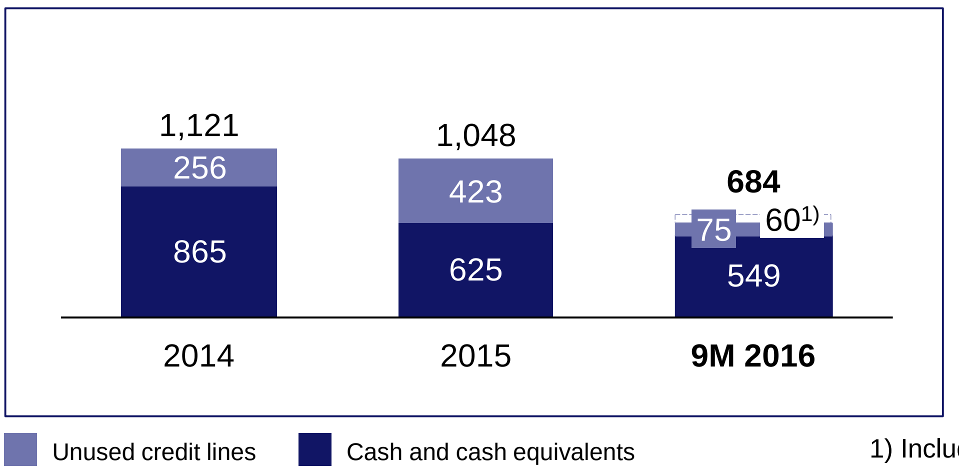
## Strong equity base [USD m]




## Stable financial debt [USD m]




## Solid liquidity position [USD m]




## UASC Merger implications

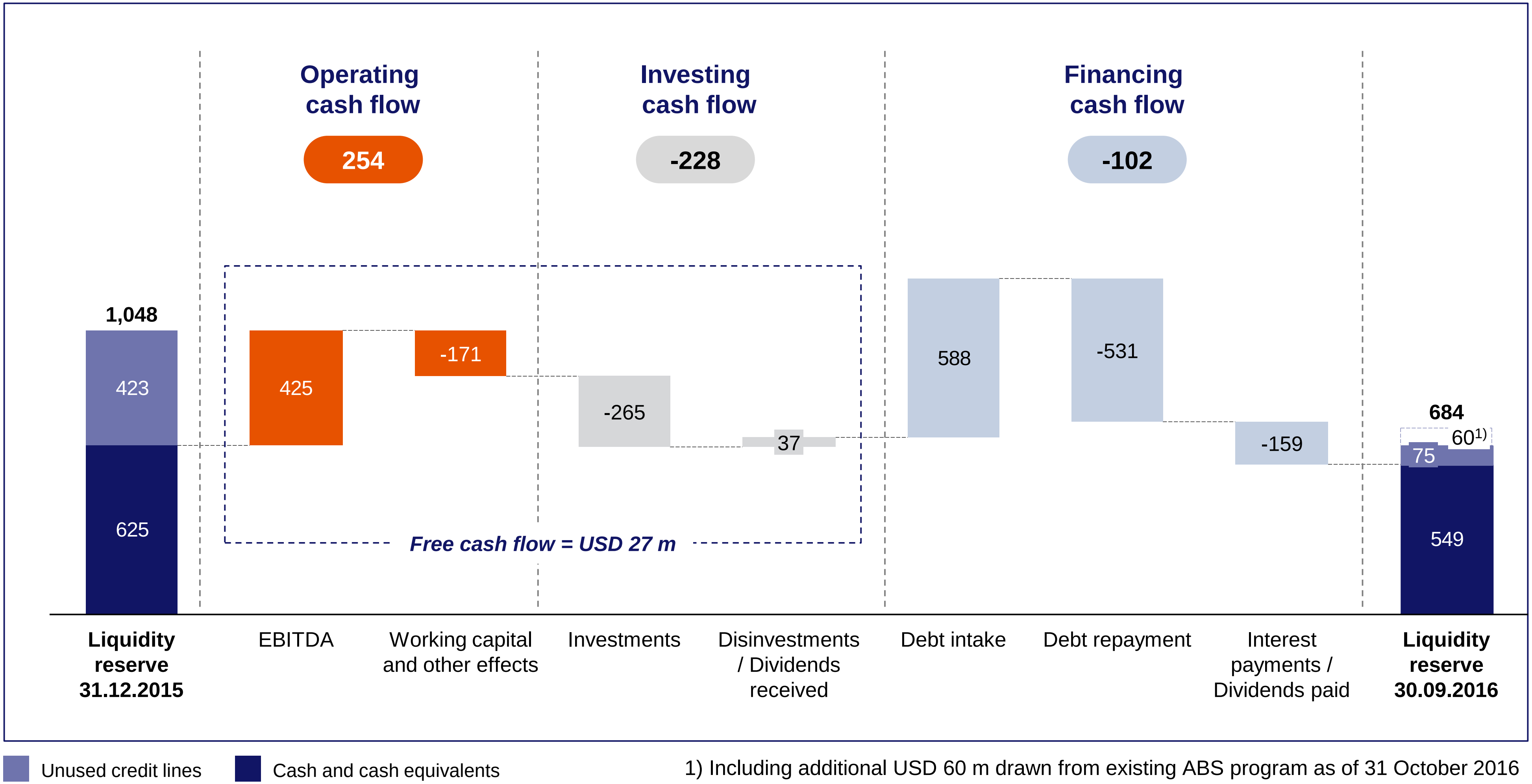
- **Cash capital increase of USD 400 m** (equivalent) to be executed within six months after closing (backstopped by certain core shareholders)
- **Strengthening of shareholder base** with the new key shareholders Qatar Holding LLC and the Public Investment Fund of the Kingdom of Saudi Arabia
- **Value protection** via guaranteed equity, cash and debt covenants (as of certain Relevant Dates)

1) Including additional USD 60 m drawn from existing ABS program as of 31 October 2016

# Positive free cash flow of USD 27 m in 9M 2016

Hapag-Lloyd

## Cash flow 9M 2016 [USD m]




1) Including additional USD 60 m drawn from existing ABS program as of 31 October 2016

# Hapag-Lloyd / UASC merger creates a top tier pure-play carrier

Hapag-Lloyd

## At a glance

| | Hapag-Lloyd | UASC | Combined Entity[1)] |
|---|---|---|---|
| Corporate HQ | Hamburg | Dubai | **Hamburg** |
| Alliance membership | G6 | Ocean 3 | **THE Alliance** |
| Ships [#] | 166 | 61 | **227** |
| Capacity [TEU m] | 1.0 | 0.6 | **1.6** |
| Container [TEU m] | 1.5 | 0.7 | **2.2** |

1) Sum of stand-alone figures

## Deal rationale

**Scale**
- Combination assures **top 5 position** globally and on key trades in a consolidating market

**Network**
- Further balancing of trade portfolio with leadership on **Middle East Trades**

**Fleet**
- Access to **young** and **fuel-efficient fleet with large share of ULCVs**
- Sustainable market position **without further short-term fleet investments**

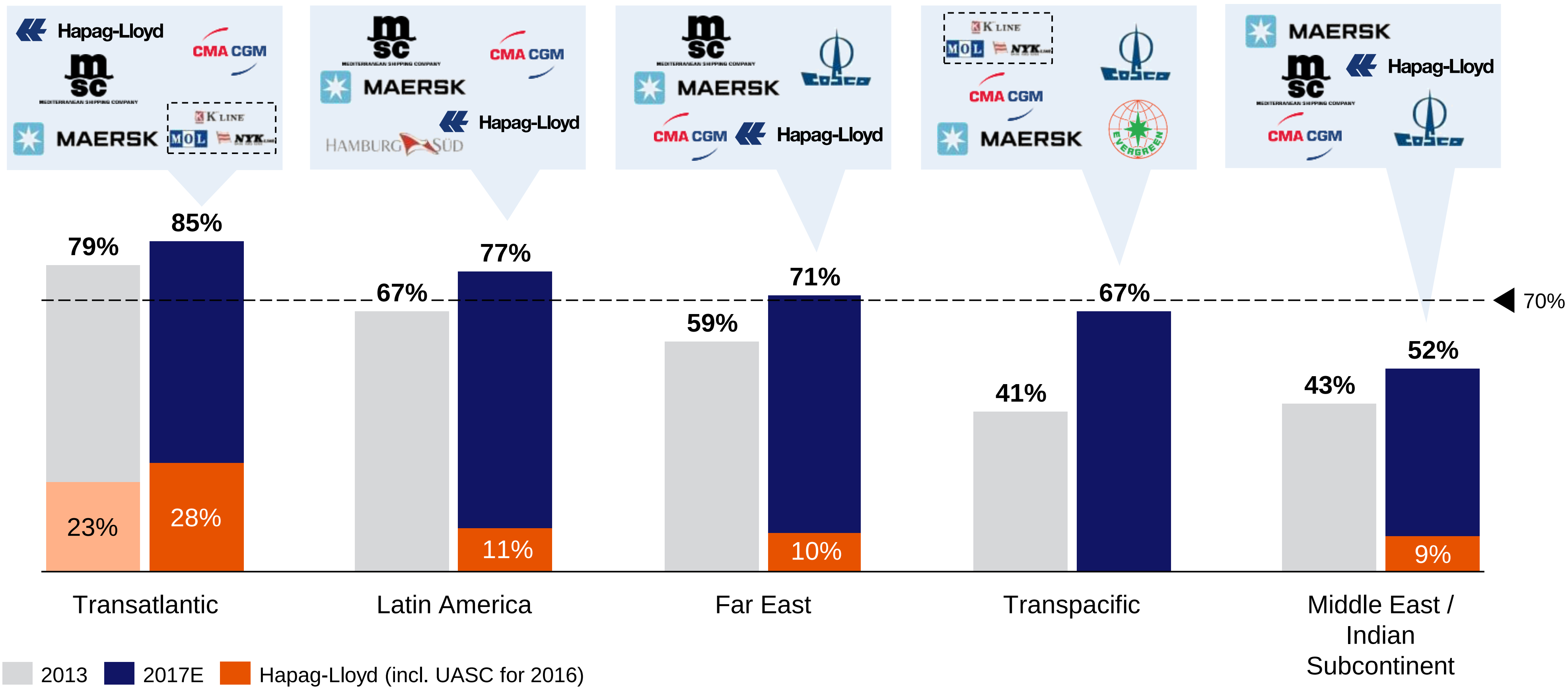
**Synergies**
- Significant value creation through expected run-rate **synergies of USD 435 m** p.a.

**Partner**
- Strong partner in light of the **ongoing alliance reshuffling**
- **Supportive core shareholders** and capital market investors

# Scale: On important trades TOP 5 players now make up ~70% capacity share after current consolidation wave

## TOP 5 concentration on individual trades (2013 versus 2017E)

Capacity share of TOP 5 container shipping lines




Source: Alphaliner monthly newsletter (June 2013 / October 2016) assuming Japanese merger

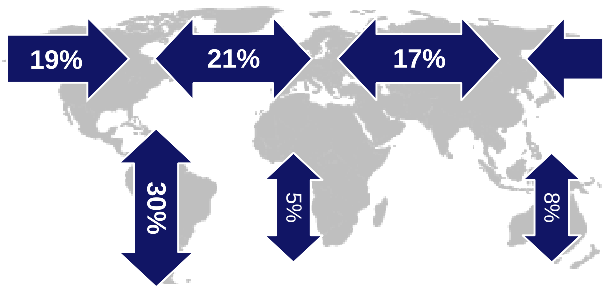
*Note: Diagram assuming that all currently announced mergers (Hapag-Lloyd & UASC; NYK & MOL & K-Line) will receive regulatory approvals and are executed as announced. Simple sum of stand-alone operating capacity.*

# Network: Balanced trade portfolio – More than any TOP 5 liner – Further improved through merger with UASC

Hapag-Lloyd

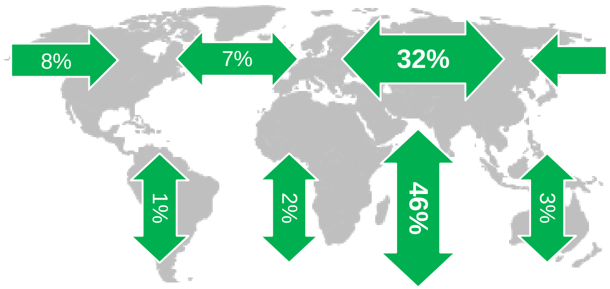
## Transport volume by trade, 2015 (indicative)

### Hapag-Lloyd



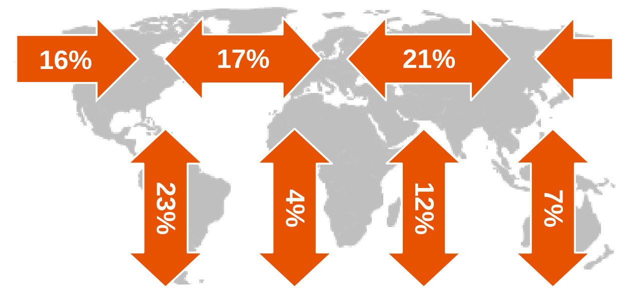

| Trade | TEU m |
|---|---|
| **Atlantic** | **1.5** |
| Transpacific | 1.4 |
| Far East[1)] | 1.3 |
| **Latin America** | **2.2** |
| Intra Asia[1)] | 0.6 |
| EMAO | 0.4 |
| **Total** | **7.4** |

### UASC




| Trade[2)] | TEU m |
|---|---|
| Atlantic | 0.2 |
| Transpacific | 0.2 |
| **Far East** | **0.9** |
| Latin America | 0.0 |
| **Middle East** | **1.2** |
| Intra Asia | 0.1 |
| EMAO | 0.1 |
| **Total** | **2.6** |

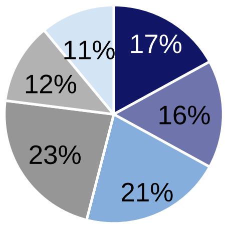
### Combined Entity



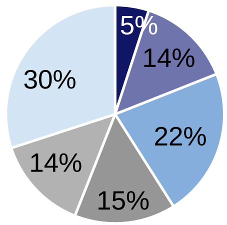

| Trade[2)] | TEU m |
|---|---|
| **Atlantic** | **1.7** |
| **Transpacific** | **1.6** |
| **Far East** | **2.1** |
| **Latin America** | **2.3** |
| **Middle East[3)]** | **1.2** |
| Intra Asia | 0.7 |
| EMAO | 0.4 |
| **Total** | **10.0** |

## Breakdown of capacity operated by trade[4)]

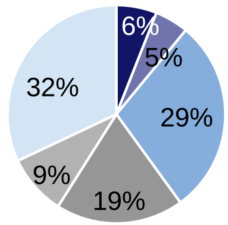
### Hapag-Lloyd



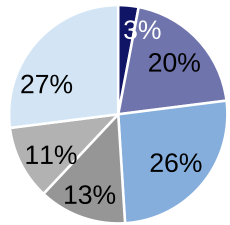

### Maersk



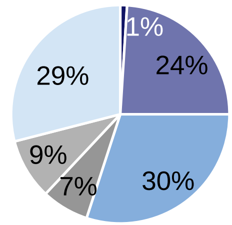

### MSC




### CMA CGM



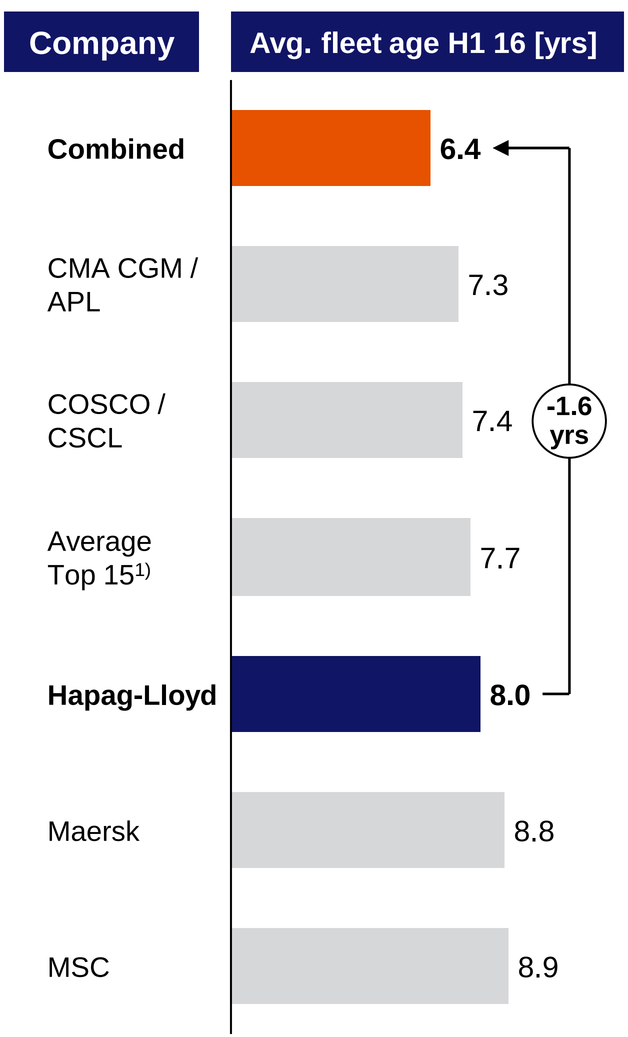

### COSCON

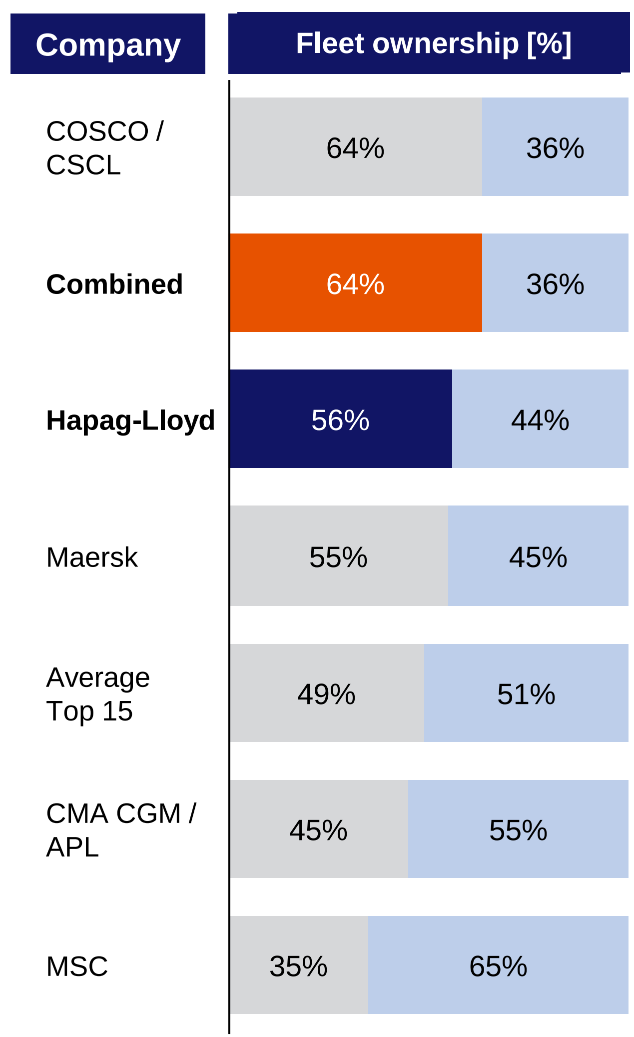


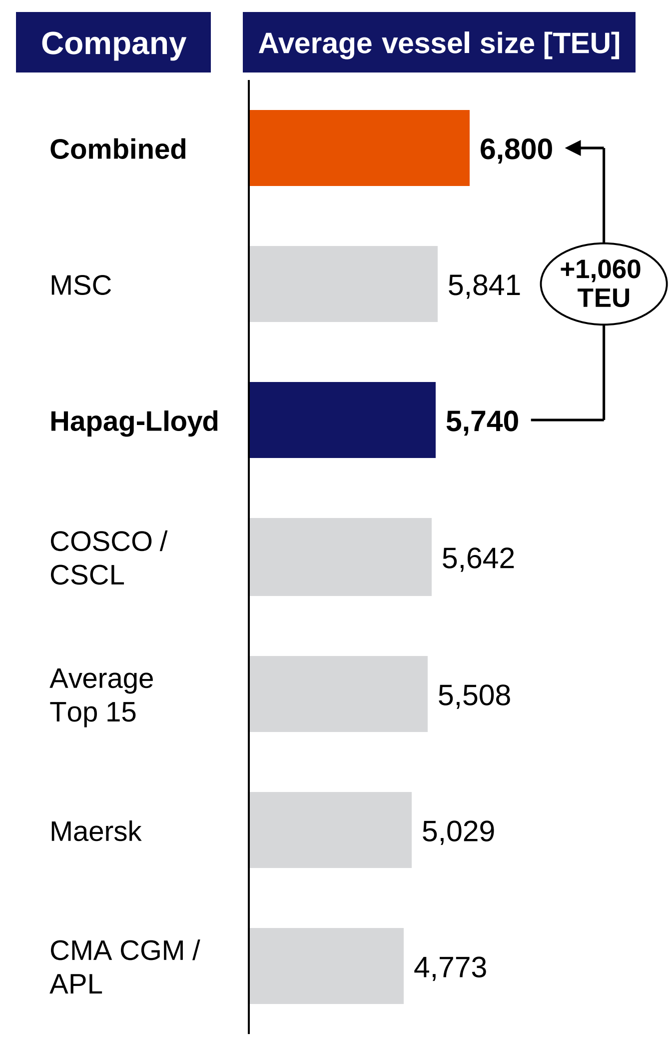

Atlantic | Transpacific | Far East | Latin America | Middle East | Other[5)]

1) Including Middle East volume as Middle East is no reported Hapag-Lloyd trade 2) Allocation of UASC volume according to Hapag-Lloyd trade definition plus Middle East trade based on assumptions and not necessarily final 3) Middle East is no reported Hapag-Lloyd trade 4) As of October 2016. Breakdown based on capacity deployed by individual carriers on direct services only. Excl. wayport capacity, transshipment services, slot exchange arrangements and cross-trade intra-alliance arrangements; numbers for Hapag-Lloyd based on exposure to global trades 5) Includes EMAO, Intra Asia trades and idle fleet Source: Alphaliner monthly newsletter (October 2016)

# Fleet: Access to young and fuel-efficient fleet with large share of ULCVs …




1) Weighted by carrier capacities

Source: MDS Transmodal September 2016 plus HL internal data (HL Fleet as of 30.09.2016, Combined as of 30.09.2016), only vessels >399 TEU

# Fleet: … with no need to further invest in the next years due to complimentary ship newbuildings

Hapag-Lloyd

## Vessel delivery schedule 2015-2017

| VESSEL | | | 2015 | | 2016e | | 2017e |
|---|---|---|---|---|---|---|---|
| | | | H1 | H2 | H1 | H2 | H1 |
| **18,000 TEU Vessels** | | | | | | | |
|  | | Capacity [TEU] | 18,000 | 54,000 | 36,000 | - | - |
| | | Vessels | 1 | 3 | 2 | - | - |
| **15,000 TEU Vessels** | | | | | | | |
|  | | Capacity [TEU] | 45,000 | 15,000 | 60,000 | - | 30,000 |
| | | Vessels | 3 | 1 | 4 | - | 2 |
| **10,500 TEU Vessels** | | | | | | | |
|  | | Capacity [TEU] | - | - | - | 21,000 1) | 31,500 |
| | | Vessels | - | - | - | 2 1) | 3 |
| **9,300 TEU Vessels** | | | | | | | |
|  | | Capacity [TEU] | 37,200 | 9,300 | - | - | - |
| | | Vessels | 4 | 1 | - | - | - |
| **3,500 TEU Vessels** | | | | | | | |
|  | | Capacity [TEU] | - | - | 7,000 | - | - |
| | | Vessels | - | - | 2 | - | - |
| **TOTAL** | | Capacity [TEU] | 100,200 | 78,300 | 103,000 | 21,000 1) | 61,500 |
| | | Vessels | 8 | 5 | 8 | 2 1) | 5 |

1) One vessel has already been delivered in November 2016

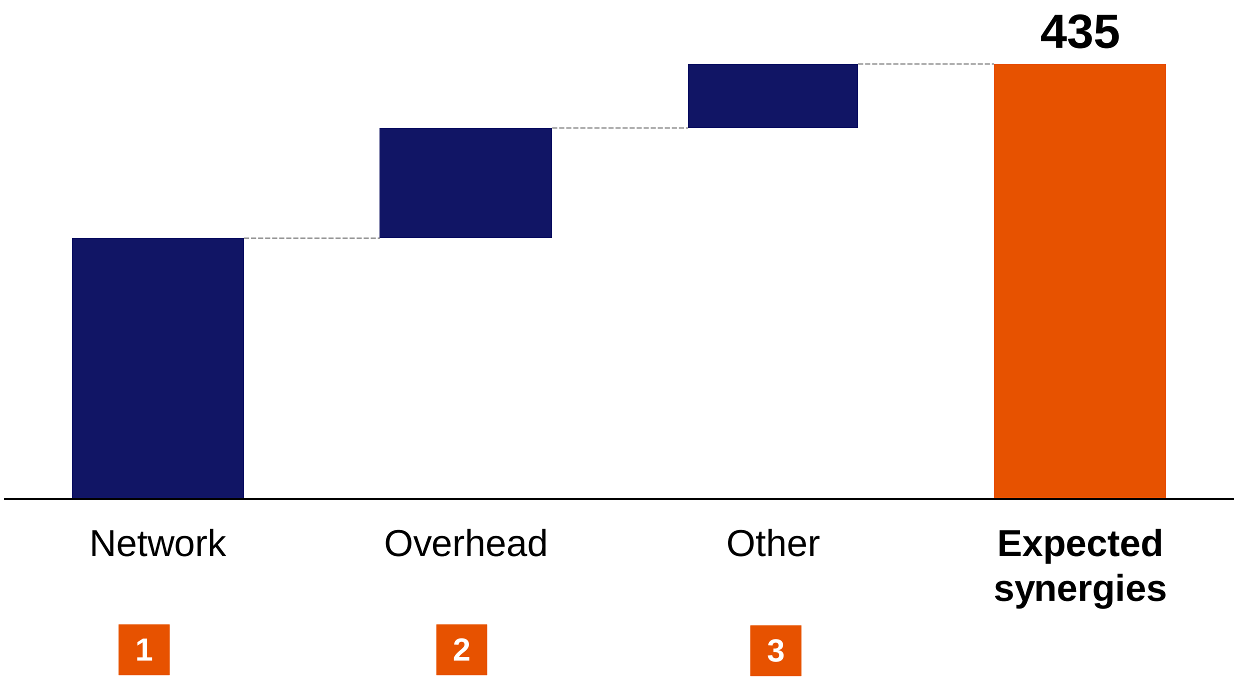
## No further investments needed

- In order to be competitive mid-term, **Hapag-Lloyd would have needed significant investments** in ultra-large container vessels in upcoming years (as envisaged in IPO process)
- **UASC had recently ordered 17 big ships** (6x 18,000 TEU and 11x 15,000 TEU) with an investment amount of c. USD 2.3 bn most of them delivered in 2015/2016
- The Combined Entity will thereby operate **one of the youngest and most efficient fleets** in the industry
- Hence, no need for new vessel investment in next years – the **fleet expenditures have been basically "pulled forward"**
- The Combined Entity will **focus on maximizing free cash flow to deleverage quickly**

# Synergies: Synergies of USD 435 m expected mainly in network and overhead

Hapag-Lloyd

## Synergy potential, full run-rate [USD m]




**Synergies of USD 435 m per year from 2019 onwards – approx. 1/3 to be achieved in 2017 already**
**One-off costs of approx. USD 150 m largely payable in 2016/2017**

### Comments

**1 Network**
- Optimized new vessel deployment / network
- Slot cost advantages
- Efficient use of new fleet

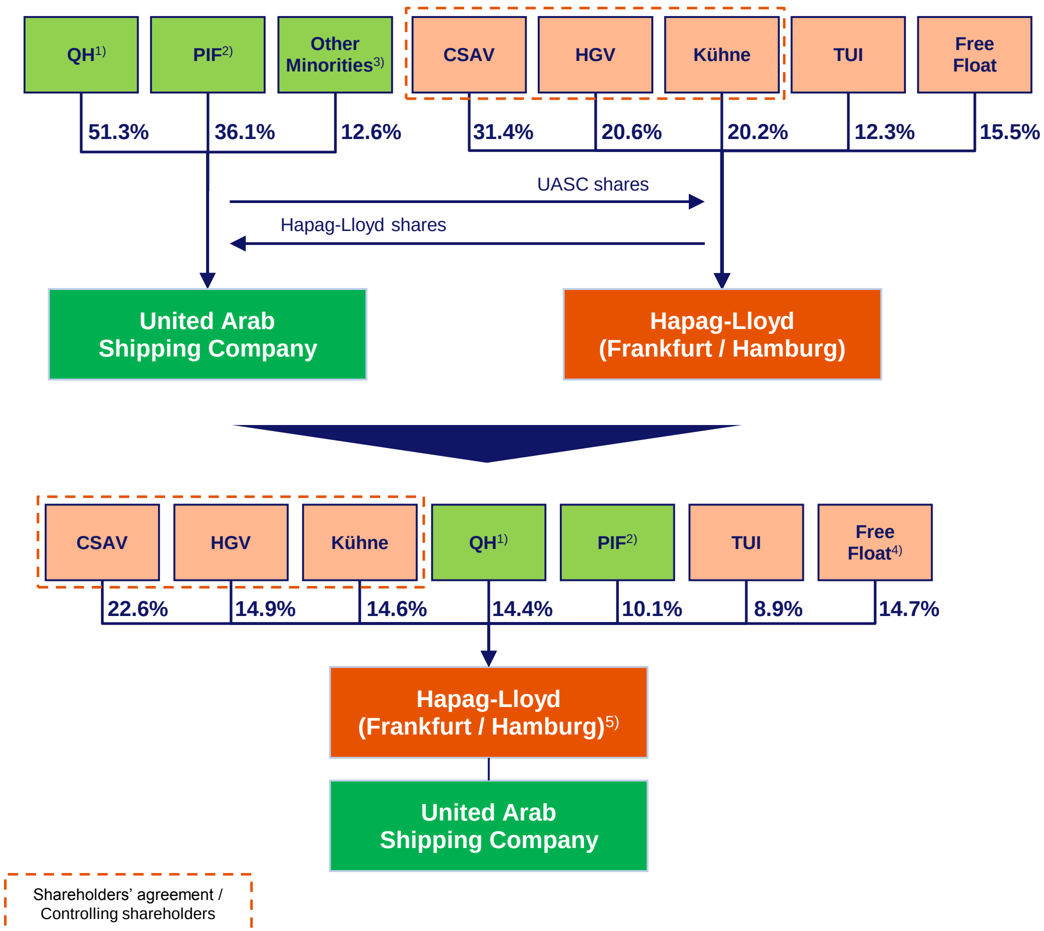
**2 Overhead**
- Consolidation of Corp. and Regional HQs
- Consolidation of country organizations
- Other overhead reductions (e.g. marketing, consultancy, audit)

**3 Other (terminals, equipment and intermodal)**
- Lower container handling rates per vendor/location
- Imbalance reduction and leasing costs optimization
- Optimization of inland haulage network
- Best practice sharing

# Partner: New core shareholders with strategic interest in the Combined Entity

Hapag-Lloyd

## Transaction overview



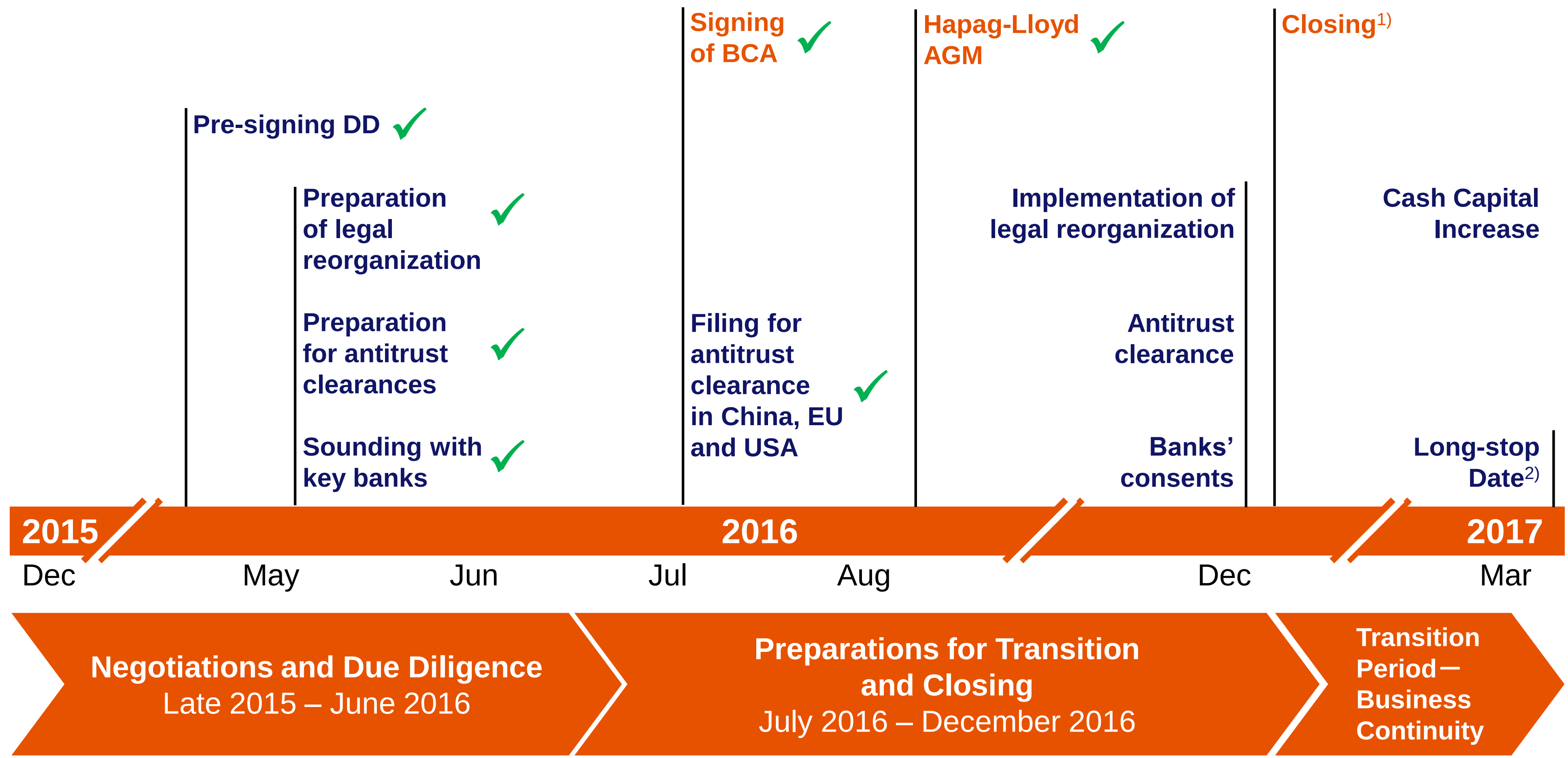

- UASC shares contributed to Hapag-Lloyd in exchange for newly issued Hapag-Lloyd shares
- Continued investment of sovereign wealth funds QIA and PIF highlight continued strategic importance of HL for the region
- C. 39% of shareholders representing governmental bodies and interests
- C. 37% of shareholders backed by wealthy entrepreneurs with focus on and long experience in logistics
- Planned cash capital increase of USD 400 m 50/50 backstopped by incumbent and new key shareholders within six months post closing

1) "QH" refers to Qatar Holding LLC on behalf of the State of Qatar 2) "PIF" refers to The Public Investment Fund on behalf of the Kingdom of Saudi Arabia 3) Other UASC Shareholders include Kuwait Investment Authority on behalf of the state of Kuwait (5.1%), Republic of Iraq (5.1%), United Arab Emirates (2.1%) and Bahrain (0.4%) 4) Including 3.6% Other UASC Shareholders (KIA, Iraq, UAE and Bahrain) 5) Shareholding structure prior to cash capital increase

# Closing expected by the end of the year depending on approvals of competition authorities and banks

Hapag-Lloyd

## Indicative timeline




1) Subject to necessary approvals 2) Long stop date for closing conditions

# Hapag-Lloyd with a clearly defined financial policy



| | |
|---|---|
| **Profitability** | **Based on improved fleet ownership structure and synergy realization the EBITDA margin will increase significantly** |
| **Investments** | **No new vessel investments in next years – Maximize free cashflow** |
| **Deleveraging** | **Clear deleveraging target: Reduce net leverage to ~3.5x by 2018** |
| **Liquidity** | **Committed to an adequate liquidity reserve (USD 1.1-1.2 bn)[1)]** |
| **Capital Increase** | **Cash capital increase backstopped by certain key shareholders[2)]** |

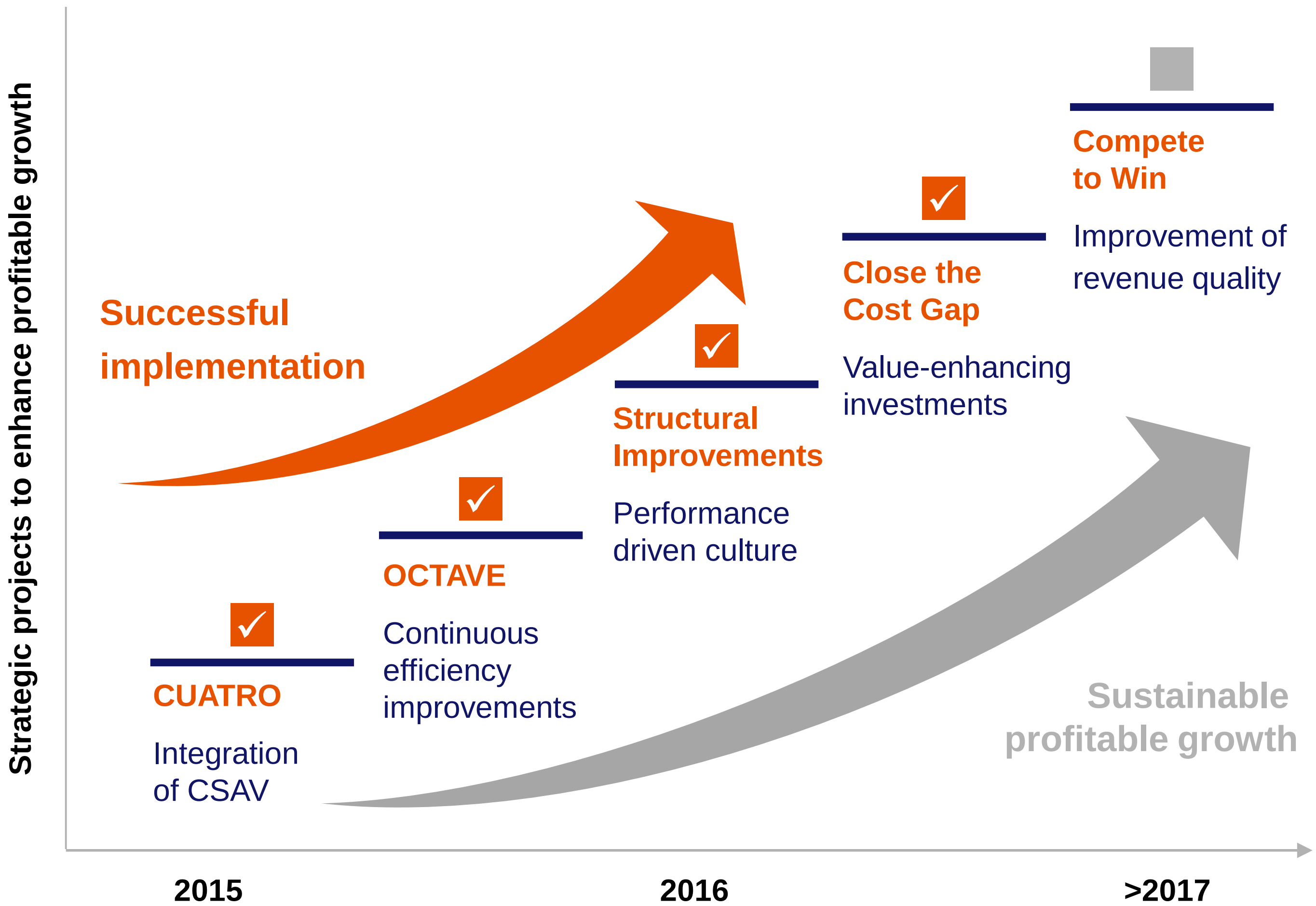
1) Cash and cash equivalents plus undrawn credit lines 2) 50% backstopped by QH and PIF, 50% backstopped by CSAV and Kühne

# Q&A

# We delivered on our defined initiatives

Hapag-Lloyd

## Tangible results and further upside




**CUATRO synergies:**

- Initial target: USD 300 m
- Revised target: USD 400 m

**OCTAVE programs:**

- OCTAVE I: USD 200 m
- OCTAVE I+II: USD 200 m plus high double-digit USD m

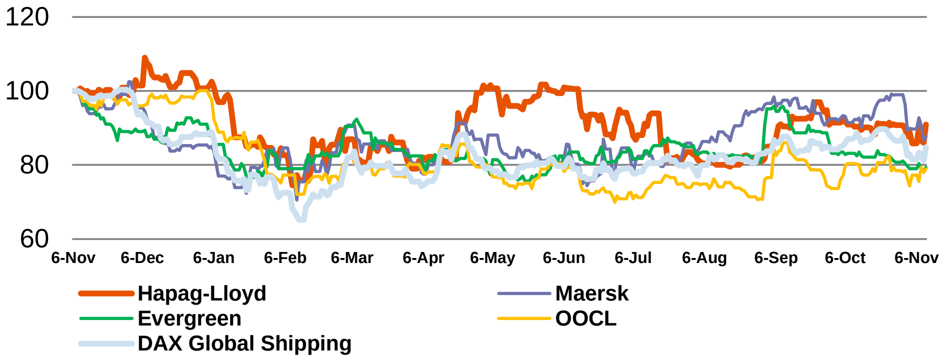
**Further measures:**

- Close the Cost Gap: 9.3k, 10.5k, Old Ladies, container and now UASC
- Compete to Win: Improvement of revenue quality

# Hapag-Lloyd stock in SDAX since March 2016 – New bond call dates from October 2016

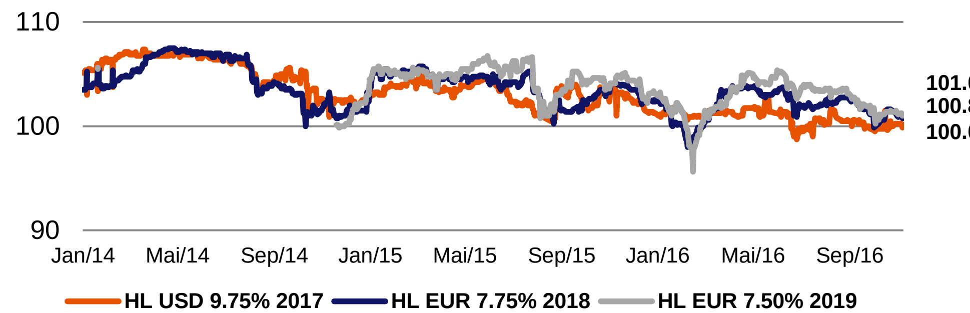
Hapag-Lloyd

## Share trading




| | |
|---|---|
| **Stock exchange** | Frankfurt Stock Exchange / Hamburg Stock Exchange |
| **Market segment / Index** | Regulated market (Prime Standard) / SDAX |
| **ISIN / WKN / Ticker Symbol** | DE000HLAG475 / HLAG47 / HLAG |
| **Primary listing** | 6 November 2015 |
| **Number of shares** | 118,110,917 |
| **Lock-up** | 4 May 2016 |

## Bonds trading




| | EUR Bond 2019 | EUR Bond 2018 | USD Bond 2017 |
|---|---|---|---|
| **Listing** | Open market of the Luxembourg Stock Exchange (Euro MTF) | | |
| **Volume** | EUR 250 m | EUR 400 m | USD 125 m[1)] |
| **ISIN / WKN** | XS1144214993 / A13SNX | XS0974356262 / A1X3QY | USD33048AA36 / A1E8QB |
| **Maturity date** | Oct 15, 2019 | Oct 1, 2018 | Oct 15, 2017 |
| **Redemption price** | **as of Oct 15, 2016:103.750%**<br>as of Oct 15, 2017:101.875%<br>as of Oct 15, 2018:100% | as of Oct 1, 2015:103.875%<br>**as of Oct 1, 2016:101.938%**<br>as of Oct 1, 2017:100% | as of Oct 15,2015:102.4375%<br>**as of Oct 15, 2016:100%** |
| **Coupon** | 7.50% | 7.75% | 9.75% |

1) Partially redeemed by nominal USD 125 m on 30 Dec 2015



Source: Bloomberg (11 November 2016); Citi (10 November 2016)

# Hapag-Lloyd with positive EBITDA of USD 425 m

Hapag-Lloyd

## Income statement [USD m]

| | 9M 2016 | 9M 2015 | % change |
|---|---|---|---|
| **Revenue** | **6,364.0** | **7,589.4** | **-16%** |
| Other operating income | 100.7 | 162.7 | -38% |
| Transport expenses | -5,315.1.1 | -6,199.6 | -14% |
| Personnel expenses | -420.6 | -401.6 | 5% |
| Depreciation, amortization and impairment | -395.8 | -381.4 | 4% |
| Other operating expenses | -324.6 | -401.0 | -19% |
| **Operating result** | **8.6** | **368.5** | **-98%** |
| Share of profit of equity-acc. investees | 21.8 | 25.1 | -13% |
| Other financial result | -1.6 | -4.9 | -67% |
| **Earnings before interest and tax (EBIT)** | **28.8** | **388.7** | **-93%** |
| **EBITDA** | **424.6** | **770.1** | **-45%** |
| Interest result | -161.5 | -188.5 | -14% |
| Income taxes | -16.4 | -21.3 | -23% |
| **Group profit/loss** | **-149.1** | **178.9** | **n.m.** |

## Transport expenses [USD m]

| | 9M 2016 | 9M 2015 | % change |
|---|---|---|---|
| Expenses for raw materials and supplies | 531.4 | 948.0 | -44% |
| Cost of purchased services | 4,783.7 | 5,251.6 | -9% |
| **Thereof** | | | |
| Port, canal and terminal costs | 2,209.8 | 2,297.7 | -4% |
| Chartering, leases and container rentals | 823.8 | 968.9 | -15% |
| Container transport costs | 1,568.4 | 1,852.5 | -15% |
| Maintenance/repair/other | 181.7 | 132.5 | 37% |
| **Transport expenses** | **5,315.1** | **6,199.6** | **-14%** |

## Transport expenses per TEU [USD/TEU]

| | 9M 2016 | 9M 2015 | % change |
|---|---|---|---|
| Expenses for raw materials and supplies | 94.1 | 169.9 | -45% |
| Cost of purchased services | 846.7 | 941.3 | -10% |
| **Thereof** | | | |
| Port, canal and terminal costs | 391.1 | 411.8 | -5% |
| Chartering, leases and container rentals | 145.8 | 173.7 | -16% |
| Container transport costs | 277.6 | 332.0 | -16% |
| Maintenance/repair/other | 32.2 | 23.8 | 35% |
| **Transport expenses** | **940.7** | **1,111.2** | **-15%** |

# Hapag-Lloyd with equity ratio of 44.6%

Hapag-Lloyd

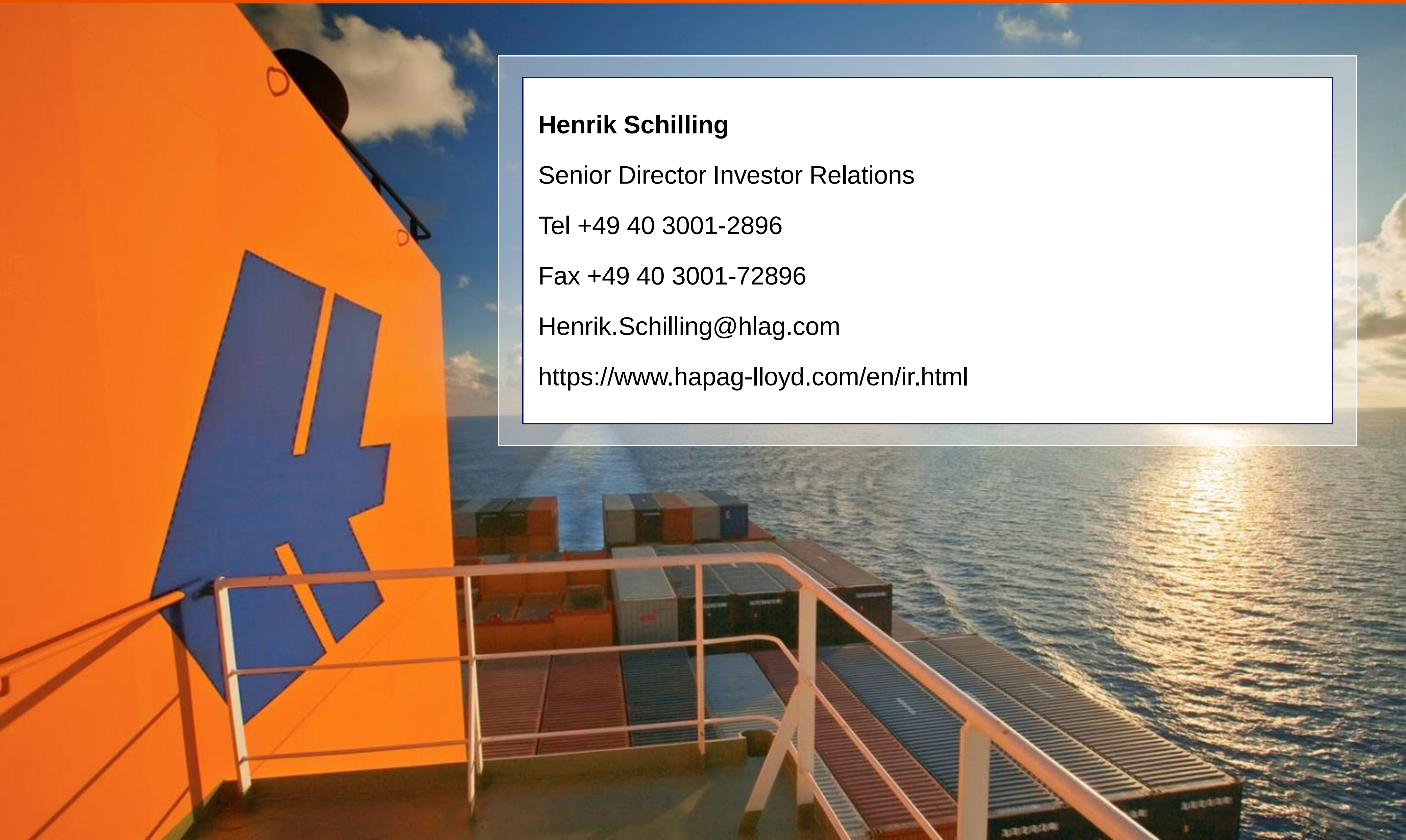
## Balance sheet [USD m]

| | 30.09.2016 | 31.12.2015 | 30.09.2015 |
|---|---|---|---|
| **Assets** | | | |
| Non-current assets | **10,241.0** | 10,363.7 | 10,442.8 |
| Of which fixed assets | **10,169.0** | 10,301.7 | 10,381.0 |
| Current assets | **1,586.2** | 1,704.8 | 1,613.0 |
| Of which cash and cash equivalents | **549.3** | 625.0 | 542.8 |
| **Total assets** | **11,827.2** | 12,068.5 | 12,055.8 |
| **Equity and liabilities** | | | |
| Equity | **5,280.1** | 5,496.8 | 5,240.6 |
| Borrowed capital | **6,547.1** | 6,571.7 | 6,815.2 |
| Of which non-current liabilities | **3,875.9** | 3,958.4 | 4,275.1 |
| Of which current liabilities | **2,671.2** | 2,613.3 | 2,540.1 |
| Of which financial debt | **4,360.9** | 4,256.3 | 4,362.0 |
| thereof | | | |
| Non-current financial debt | **3,449.9** | 3,591.7 | 3,857.7 |
| Current financial debt | **911.0** | 664.6 | 504.3 |
| **Total equity and liabilities** | **11,827.2** | 12,068.5 | 12,055.8 |

## Financial position [USD m]

| | 30.09.2016 | 31.12.2015 | 30.09.2015 |
|---|---|---|---|
| Cash and cash equivalents | **549.3** | 625.0 | 542.8 |
| Financial debt | **4,360.9** | 4,256.3 | 4,362.0 |
| **Net debt** | **3,811.6** | **3,631.3** | **3,819.2** |
| Unused credit lines | **75.0** | 423.4 | 486.4 |
| **Liquidity reserve** | **624.3** | **1,048.4** | **1,029.2** |
| Equity | **5,280.1** | 5,496.8 | 5,240.6 |
| **Gearing (net debt/equity) (%)** | **72.2%** | **66.1%** | **72.9%** |
| **Equity ratio (%)** | **44.6%** | **45.5%** | **43.5%** |

Hapag-Lloyd

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