

EUROKAI GmbH & Co. KGaA

Interim Report for the first quarter of 2018

To all our shareholders:

In the first quarter of the 2018 business year the container terminals in the EUROKAI Group saw a total fall in their handling volumes of -4.0% compared with the same period of the previous year, to stand at 3.46 million TEUs (previous year: 3.61 million TEUs).

While handling volumes in Italy declined by -13.3%, in Germany they were -1.2% down. Handling volumes at the other terminals were up overall by 10.1%.

Given the overall fall in handling volumes and the positive special operating factors at work, particularly in the EUROGATE segment, in the previous year's result and comprised also in the first quarter, the Group result in the period under review is down as expected in comparison with the previous year.

The price of EUROKAI preference shares at the end of March 2018 stood at EUR 41.50 (previous year: EUR 39.05).

Handling figures and earnings

Handling figures for the container terminals in the EUROKAI Group are listed below:

Terminal	Jan. - March 2018 (in TEUs)	Jan. - March 2017 (in TEUs)	Change
Hamburg	384,442	475,157	-19.1%
Bremerhaven	1,354,545	1,367,170	-0.9%
Wilhelmshaven	159,270	79,746	99.7%
Total Germany	1,898,257	1,922,073	-1.2%
Gioia Tauro	571,489	665,614	-14.1%
Cagliari	58,732	148,182	-60.4%
La Spezia	320,110	312,313	2.5%
Salerno	84,071	72,045	16.7%
Ravenna	43,309	45,231	-4.2%
Total Italy	1,077,711	1,243,385	-13.3%
Tangier (Morocco)	335,851	308,884	8.7%
Limassol (Cyprus)	88,551	63,578	39.3%
Lisbon (Portugal)	38,925	47,474	-18.0%
Ust-Luga (Russia)	21,565	20,546	5.0%
Total other	484,892	440,482	10.1%
Total EUROKAI	3,460,860	3,605,940	-4.0%

Each of the volumes listed comprises total handling at the container terminals in question.

CONTSHIP Italia Group:

Handling volumes at the CONTSHIP Italia Group were -13.3% down in the first quarter of 2018 compared with the same period of the previous year, totalling 1.08 million TEUs (previous year: 1.24 million TEUs). Handling volumes at La Spezia Container Terminal stabilised further at a high level, with growth of 2.5%. The container terminal in Salerno likewise posted a rise, showing growth of 16.7%. Handling volumes at the transshipment hubs of Gioia Tauro (-14.1%) and Cagliari (-60.4%), on the other hand, continued to decline. Work is currently still proceeding on the changes targeted at these terminals.

Due to the overall decline in handling figures in Italy, the overall result for the CONTSHIP Italia Group was also slightly worse in the first quarter of 2018 compared with the same period of the previous year.

The deterioration in result was also influenced by temporary operating restrictions in the intermodal segment at Hannibal S.p.A. and the Rail Hub Milano. On 25 January 2018, on the route from Cremona to Milan, a passenger train was derailed in the Milan suburb of Pioltello. In the course of the subsequent investigations by the authorities the line was partially closed, so that until 12 February 2018 significant disruptions and restrictions occurred to incoming and outgoing goods traffic in the Greater Milan area, which in turn led to considerable losses of revenue at the companies in the CONTSHIP Italia Group engaged in intermodal business. On the grounds of a suspected structural failure on the rails, the loss incurred thereby will be claimed by CONTSHIP Italia from Rete Ferroviaria Italiana (RFI), the railway company responsible for the track.

EUROGATE Group:

Handling volumes for the EUROGATE Group at the German terminals of Hamburg, Bremerhaven and Wilhelmshaven fell slightly by -1.2% in the period under review compared with the same period of the previous year, to stand at 1.90 million TEUs (previous year: 1.92 million TEUs).

While handling volumes in Bremerhaven remained almost unchanged in the period under review compared with the same period of the previous year (-0.9%), the EUROGATE Container Terminal Hamburg posted, as expected, a volume decline of -19.1%. This decline in volume was due, along with the insolvency of the shipping line HANJIN, to the restructuring of the shipping-line consortia (merger of our customer China Shipping with the HHLA customer COSCO and the merger of our customer UASC with the HHLA customer Hapag-Lloyd) which has impacted on our handling volumes in Hamburg in favour of our competitor HHLA. This development has been unfortunate for our Hamburg terminal and beyond our management control.

At the Wilhelmshaven terminal handling volumes almost doubled in the first quarter of 2018 compared with the same period of the previous year, posting growth of 99.7%, from 79,746 TEUs to 159,270 TEUs, due to the OCEAN Alliance, which has been calling at the terminal since May 2017.

Handling volumes at EUROGATE Tangier (+8.7%) of Tangier (Morocco), Ust-Luga Container Terminal (+5.0%) of Ust-Luga (Russia), and EUROGATE Container Terminal Limassol (+39.3%) of Limassol (Cyprus) continued to show a welcome rise. Volumes at LISCONT of Lisbon (Portugal), on the other hand, fell by -18.0%, due to the loss of a service.

Overall the result for the EUROGATE Group in the first quarter of 2018 was down compared with the same quarter of the previous year, due particularly to the decline in

handling volumes at the Hamburg terminal, as well as the loss of positive operating factors comprised in the previous year's result.

Other news

On 11 March 2018 EUROKAI GmbH & Co. KGaA signed a Memorandum of Understanding (MoU) with SINA Port and Maritime Co. (SPMCO) of Teheran (Iran). The aim of the contracting parties is to found a joint-venture company to take over operation of Shahid Rajaei Container Terminals 2 (SRCT 2) in the southern Iranian port of Bandar Abbas, with a handling capacity of 4 million TEUs.

Following termination of the Nuclear Treaty by the USA, it will initially be necessary to await further political developments, including reaction by the European governments and that of Canada.

Outlook

In a current view the EUROKAI Group is expected to show unchanged a net Group profit for the whole year 2018 – which, reflecting a course of business unaffected by special factors of the kind characterising the business year 2017, will be normal and lie as anticipated between EUR 40 million and EUR 45 million.

Risks threatening the continued existence of the business

Apart from the risks set out in the Management Report as of 31 December 2017, no additional risks can be identified about which report should be made.

Addendum

There have been no other transactions of particular importance which have not already been listed in the Management Report as of 31 December 2017 or are a component part of this Interim Report.

Hamburg, 16 May 2018

The Personally Liable General Partner

Kurt F.W.A. Eckelmann GmbH

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Statistics on EUROKAI preference shares:

ISIN: DE 000 570653 5

Current price (15 May 2018): EUR 41.40

52-week high: EUR 45.90

52-week low: EUR 36.00

Share capital: EUR 13,468,494.00, of which preference shares: EUR 6,708,494.00