

EUROKAI GmbH & Co. KGaA

Interim Report for the Third Quarter 2018

To all our shareholders:

In the first three quarters of 2018 the container terminals in the EUROKAI Group handled 10.5 million TEUs (previous year: 10.9 million TEUs), thus posting a slight reduction in handling volumes. Handling volumes in Italy declined by -7.6% and in Germany by -2.3%. Handling volumes at the other terminals fell slightly by -0.2%.

Consequent upon the overall decline in handling volumes, and given the positive special operating factors comprised particularly in the EUROGATE segment in the previous year's result, the Group result for the period under review is down on the previous year in accordance with expectations.

As of the end of September 2018 EUROKAI preference shares stood at EUR 34.20 (previous year: EUR 41.99).

Handling trends and earnings

The following list shows the handling figures for the container terminals in the EUROKAI Group:

Terminal	Jan. - Sept. 2018 (in TEUs)	Jan. - Sept. 2017 (in TEUs)	Change
Bremerhaven	4,094,999	4,162,631	-1.6%
Hamburg	1,220,653	1,347,674	-9.4%
Wilhelmshaven	447,328	388,277	15.2%
Total Germany	5,762,980	5,898,582	-2.3%
Gioia Tauro	1,732,282	1,840,841	-5.9%
Cagliari	164,386	350,131	-53.1%
La Spezia	1,008,855	1,003,372	0.5%
Salerno	249,231	230,960	7.9%
Ravenna	137,681	137,288	0.3%
Total Italy	3,292,435	3,562,592	-7.6%
Lisbon	118,339	152,915	-22.6%
Tangier	1,010,869	1,017,544	-0.7%
Ust-Luga	56,687	56,201	0.9%
Limassol	293,587	256,208	14.6%
Total other	1,479,482	1,482,868	-0.2%
Total EUROKAI	10,534,897	10,944,042	-3.7%

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

CONTSHIP Italia Group:

Handling volumes for the CONTSHIP Italia Group over the first nine months of the business year 2018, totalling 3.3 million TEUs, were -7.6% down compared with the equivalent period of the previous year (3.6 million TEUs). While handling volumes at the container terminals in La Spezia (+0.5%) and Ravenna (+0.3%) were more or less unchanged, Salerno recorded growth of 7.9%. Handling volumes declined at the transshipment terminals in Gioia Tauro (-5.9%) and Cagliari (-53.1%). The strong falling trend in handling figures in Cagliari was due to the fact that our principal customer Hapag-Lloyd has shifted a part of its handling volumes to our terminal in Tangier.

Given the overall decline in handling volumes in Italy, the overall result for the CONTSHIP Italia Group has also slightly worsened compared with the equivalent period of the previous year. This worse result was due primarily to the downward trend in handling and results in Cagliari.

EUROGATE Group:

Handling volumes for the EUROGATE Group at the German terminals in Hamburg, Bremerhaven and Wilhelmshaven fell by a total of -2.3% in the period under review compared with the equivalent period of the previous year, to stand at 5.8 million TEUs (previous year: 5.9 million TEUs).

While handling volumes in Bremerhaven in the period under review fell only slightly (-1.6%) compared with the equivalent period of the previous year, the EUROGATE Container Terminal Hamburg posted a volume decline of -9.4%. Taking into account the basic effect of the loss of handling volumes of China Shipping and UASC, still handled until May 2017 and which, in the wake of the restructuring undergone by the shipping-line consortia, were merged with the HHLA-clients COSCO and Hapag-Lloyd respectively, handling volumes at EUROGATE in Hamburg improved again from May 2018. This volume growth resulted on the one hand from the successful acquisition of a Far Eastern service of the Korean Hyundai Merchant Marine Line and the integration of the services of Hamburg Süd into Maersk Line.

At the Wilhelmshaven terminal handling volumes in the third quarter of 2018 continued to grow strongly compared with the equivalent period of the previous year, recording increase of 15.2% which is in line with the expectation.

Handling volumes at EUROGATE Tangier (-0.7%) of Tangier (Morocco) and Ust-Luga Container Terminal (+0.9%) of Ust-Luga (Russia) were more or less unchanged, while those at EUROGATE Container Terminal Limassol (+14.6%) of Limassol (Cyprus) have continued on a satisfactory upward course. Handling volumes at LISCONT of Lisbon (Portugal), on the other hand, fell once again, due to strike action and the loss of a service, by -22.6%.

Overall, the result for the EUROGATE Group in the third quarter of 2018 is down, within the parameters anticipated, compared with the equivalent period of the previous year, due to the decline in handling volumes at the Hamburg terminal and the lapse of the positive special operating factors comprised in the previous year's result.

Miscellaneous

On Friday 19 October 2018 Hapag-Lloyd announced that it and its partners in "The Alliance" had decided to handle four Transatlantic services at the Hamburg Altenwerder Container Terminal and no longer, as previously, at the EUROGATE Container Terminal Bremerhaven. This transfer will take effect from the second calendar week of 2019.

New business gained by the EUROGATE Group with several shipping lines in 2018 and for 2019 mean, however, that the loss of the Hapag-Lloyd services will be probably counterbalanced in the German EUROGATE container terminals.

On 1 January 2019 Tom Eckelmann will take over the management of the EUROGATE Container Terminal Hamburg from Wolfgang Schiemann, who in future will advise the management of the EUROGATE Group as senior consultant. Tom Eckelmann has been in charge of strategy and of environmental and sustainability management at EUROGATE since September 2012. Through various strategic projects which he initiated in this capacity he has already contributed to the development of the EUROGATE container terminals in Germany. Since April 2015 he has also been a member of the Board of Directors of Contship Italia S.p.A.

Outlook

For 2018 as a whole, on the present analysis, expectations are unchanged of an annual net profit for the EUROGATE Group in the region of EUR 50 million to EUR 55 million (previous year: 65 million).

Risks threatening the continued existence of the firm

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

Addendum

There have been no other transactions of particular importance which were nor already set out in the Management Report as of 31 December 2017 or in the Interim Report for the 1st half year 2018 or which are a part of this Interim Report.

Hamburg, 14 November 2018

The Personally Liable General Partner

Kurt F.W.A. Eckelmann GmbH

Thomas H. Eckelmann

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EUROKAI preference shares - statistics:

ISIN: DE 000 570653 5

Current price (13 November 2018): EUR 33.00

52-week high: EUR 45.90

52-week low: EUR 29.60

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