

EUROKAI GmbH & Co. KGaA

Interim Report for the First Quarter 2019

To all our shareholders:

In the first quarter of the 2019 business year the container terminals in the EUROKAI Group recorded handling volumes of 3.48 million TEUs, representing a slight rise of 0.6% compared with the same period of the previous year (3.46 million TEUs).

While handling volumes in Italy, due to the continued decline in handling at the transshipment terminals in Gioia Tauro and Cagliari, fell by 10.0%, they rose in Germany by 5.1%. Handling volumes at the other terminals rose by a total of 6.6%, due in particular to the increase in handling volumes in Tangier.

The Group result in the first quarter, reflecting both the poor result at Gioia Tauro – the shareholding in which has meanwhile been sold – and the result for Cagliari, was still down on the previous year. As a result of the earnings from the sale of the shareholding in Gioia Tauro, the EUROKAI Group is expected to show a better result for 2019 as a whole than in the previous year.

At the end of March 2019 the list price for EUROKAI preference shares stood at EUR 34.00 (previous year: EUR 41.50).

Handling figures and earnings

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

Terminal	Jan. - March 2019 (in TEUs)	Jan. - March 2018 (in TEUs)	Change
Hamburg	542,083	384,442	41.0%
Bremerhaven	1,249,044	1,354,545	-7.8%
Wilhelmshaven	204,789	159,270	28.6%
Total Germany	1,995,916	1,898,257	5.1%
Gioia Tauro	476,176	571,489	-16.7%
Cagliari	30,200	58,732	-48.6%
La Spezia	328,020	320,110	2.5%
Salerno	92,572	84,071	10.1%
Ravenna	42,939	43,309	-0.9%
Total Italy	969,907	1,077,711	-10.0%
Tangier (Morocco)	378,119	335,851	12.6%
Limassol (Cyprus)	93,440	88,551	5.5%
Lisbon (Portugal)	30,290	38,925	-22.2%
Ust-Luga (Russia)	14,933	21,565	-30.8%
Total other	516,782	484,892	6.6%
Total EUROKAI	3,482,605	3,460,860	0.6%

The volumes shown comprise total handling at each of the container terminals in question.

CONTSHIP Italia segment:

Handling volumes for the CONTSHIP Italia Group in the first quarter of 2019 were a total of 10.0% under those for the same period of the previous year, standing at 0.97 million TEUs (previous year: 1.08 million TEUs). Handling volumes at the La Spezia Container Terminal stabilised further at a high level, showing growth of 2.5%. The container terminal in Salerno likewise saw an upward trend, with growth of 10.1%. Handling volumes declined further, however, at the transshipment terminals of Gioia Tauro (-16.7%) and Cagliari (-48.6%).

Given the overall decline of handling in Italy, the overall result for the CONTSHIP Italia Group worsened in the first quarter of 2019 compared with the same period of the previous year.

EUROGATE segment:

Handling volumes for the EUROGATE Group at the German terminals in Hamburg, Bremerhaven and Wilhelmshaven rose by 5.1% in the period under review compared with the same period of the previous year, to stand at 2.0 million TEUs (previous year: 1.9 million TEUs).

While handling volumes in Bremerhaven fell by 7.8% in the period under review compared with the same period of the previous year, EUROGATE Container Terminal Hamburg saw a volume rise of 41.0%.

The decline in handling volumes at Bremerhaven was due to the fact that the Hapag-Lloyd line, with effect from January 2019, shifted four Transatlantic services, which until the end of 2018 had still been handled at EUROGATE Container Terminal Bremerhaven GmbH, to HHLA Containerterminal Altenwerder.

The significant rise in handling volumes at the Hamburg terminal is related to the FAL Far Eastern service of OCEAN Alliance, operated by CMA CGM and acquired from January 2019, to the Far Eastern service of the Hyundai Merchant Marine line, acquired in the course of 2018, and to growth figures at Hamburg Süd.

At the Wilhelmshaven terminal handling volumes rose further in the first quarter of 2019 by 28.6% compared with the same period in the previous year.

Handling volumes at EUROGATE Tangier (+12.6%) of Tangier (Morocco), and EUROGATE Container Terminals Limassol (+5,5%) of Limassol (Cyprus) continued to show a satisfying rise. Volumes at LISCONT of Lisbon (Portugal), however, were down by 22.2% due to strike action, and at the UST-Luga Container Terminal in Ust-Luga (Russia) by 30.8% due to sanctions.

Overall, as anticipated, the result for the EUROGATE Group showed a fall in the first quarter of 2019 compared with the same period of the previous year. This decline in result is connected with the fall in handling at Bremerhaven, a rise in start-up costs for the STRADegy automation project, and initially negative impacts on interest results connected with the first application of IFRS 16 (leasing).

Risks threatening the continued existence of the business

Apart from the risks set out in the Management Report as of 31 December 2018, no additional risks can be identified which it would be necessary to report.

Addendum

With effect from 18 April 2019 Contship Italia S.p.A. sold the 50% shareholding which it held in CSM Italia-Gate S.p.A. of Gioia Tauro, the holding company of Medcenter Container Terminal S.p.A. of Gioia Tauro, to Itaterminaux Sàrl of Luxembourg, a 100% subsidiary of Terminal Investment Limited Sàrl of Geneva. From this transaction the EUROKAI Group drew a result of between EUR 25 million and EUR 30 million, which will impact positively on the Group result correspondingly.

There have been no other transactions of particular importance which were not already set out in the Management Report as of 31 December 2018 or which are not already a part of this Interim Report.

Outlook

Despite the weaker result anticipated from the EUROGATE segment, the EUROKAI Group – given the better result from the CONTSHIP Italia segment – is expecting a better Group result in 2019 compared with the previous year.

Hamburg, 15 May 2019

The Personally Liable General Partner

Kurt F.W.A. Eckelmann GmbH

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EUROKAI preference shares – key statistics:

ISIN: DE 000 570653 5

Current share price (14 May 2019): EUR 37.00

52-week high: EUR 42.00

52-week low: EUR 29.00

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