



Investor Presentation

9M 2019 Results





Agenda

1. Highlights
2. Market Overview
3. 9M 2019 Results
4. Outlook



Highlights

- CSAV reported net income of US\$ 91.5 M in 9M 2019 (YoY: Δ US\$ +86.1 M), mainly explained by the result of its associate Hapag-Lloyd AG (“HLAG”).
- Container transport services segment: For CSAV, this segment reported net income of US\$ 92.2 M in 9M 2019 (YoY: Δ US\$ +93.0 M), mainly explained by greater net income from HLAG.

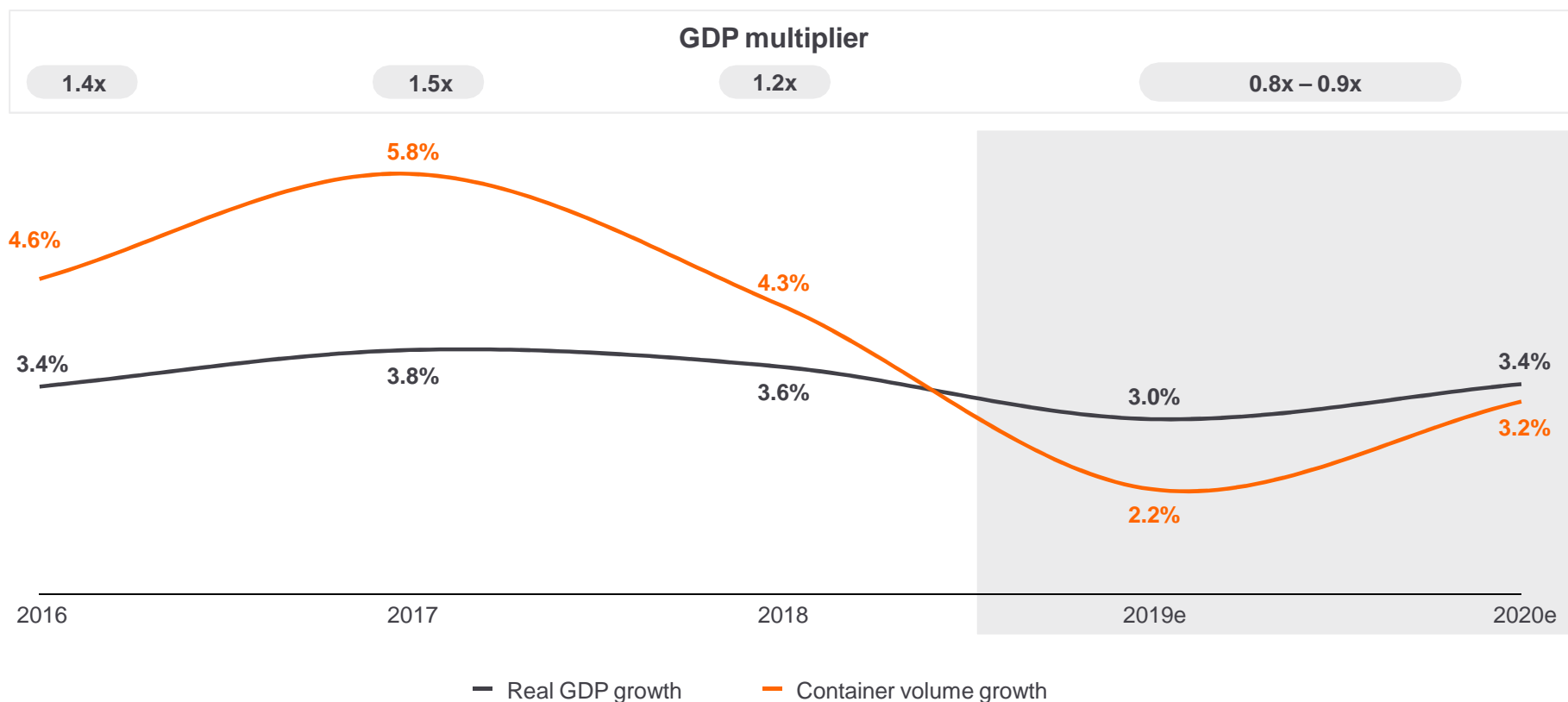
Hapag-Lloyd in 9M 2019:

- Net income of US\$ 333.3 M (YoY: Δ US\$ +318.4 M), explained by higher freight rates and increased business compared to prior 9M.
 - Improved financial results: EBITDA US\$ 1,697 M, EBIT US\$ 722 M (YoY: Δ EBITDA US\$ +344 M, Δ EBIT US\$ +339 M, excl. positive effect of IFRS 16 impact).
 - A positive operating cash flow of US\$ 1,7 Bn allowed HLAG to reduce its financial debt by US\$ 807 M (excl. IFRS 16 effect), including full redemption of EUR 450 M Bond due 2022.
 - Cost management program well on track for 2021 and further progress on implementation of Strategy 2023.
- The other transport services segment (car carrier and others): reported a loss of US\$ 0.7 M in 9M 2019, a decrease of US\$ 6.9 M compared to 9M 2018, mainly explained by the net income of US\$ 5.8 M generated by the sale of an investment property in 2018. Car Carrier business still affected by higher operating costs related to an increase in charter rates and bunker price compared to 2018.



Market Overview

Real GDP Growth vs. Global Container Volume Growth [%]



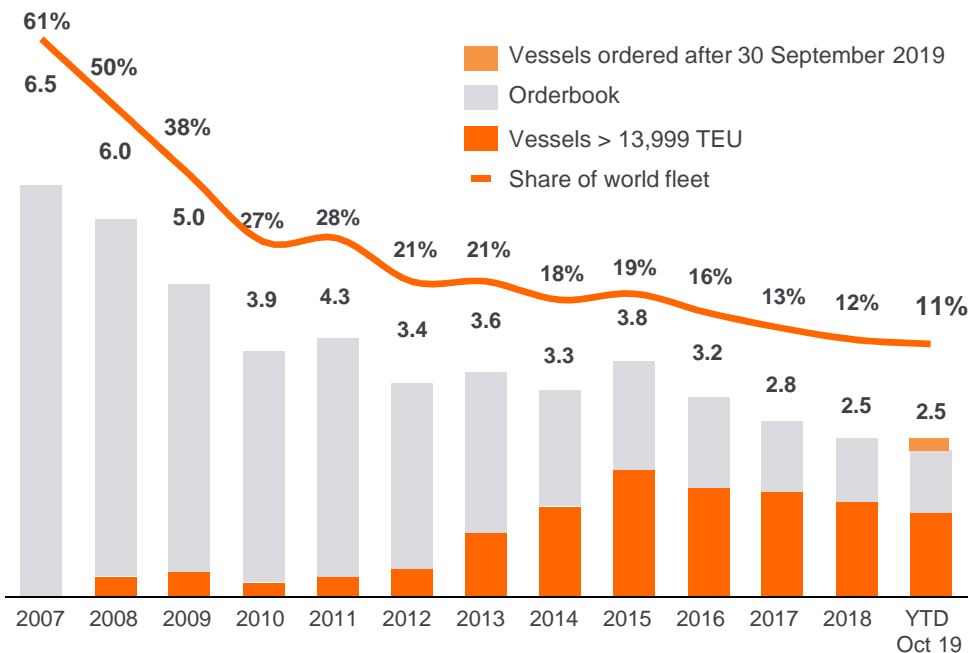
Source: IMF WEO (October 2019), Clarksons (October 2019)

Extracted from HLAG's Investor Presentation 9M 2019, available at <https://www.hapag-lloyd.com/en/ir.html>

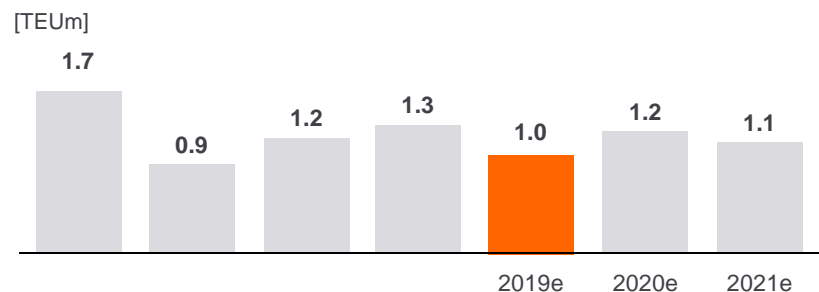


Market Overview

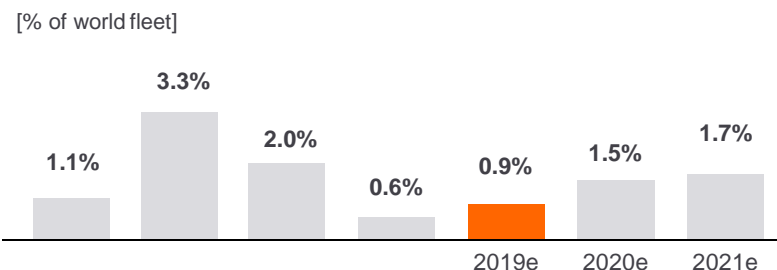
Orderbook-to-fleet [TEU m, %]



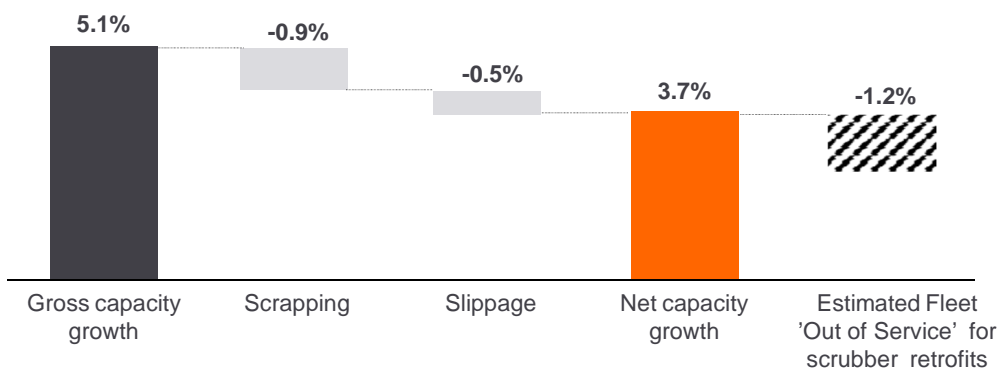
Scheduled vessel deliveries [TEUm]



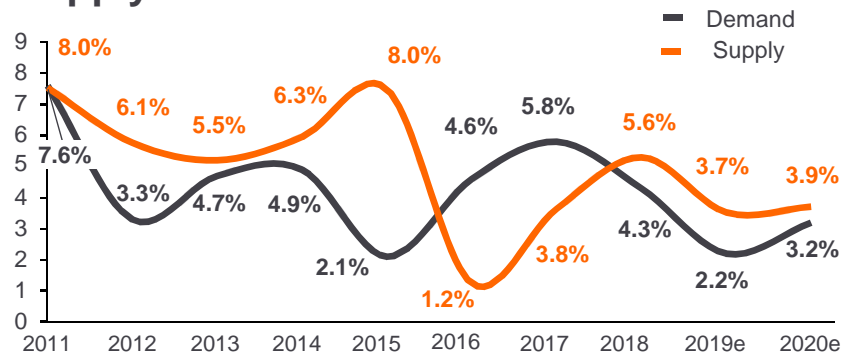
Scrapping [% of world fleet]



Net capacity growth in 2019e



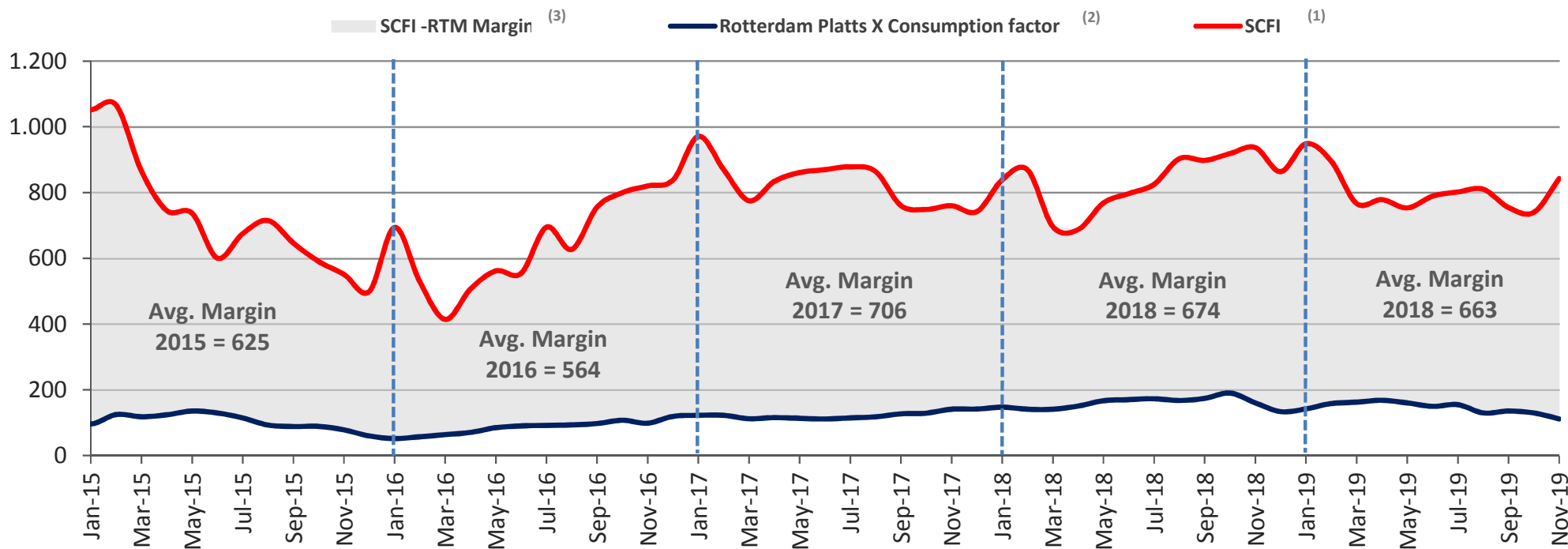
Supply / demand balance





Market Overview

SCFI vs Bunker Consumption (Nov 2019)



Notes:

- (1) The SCFI index includes: spot rates for main haul trade exports from Shanghai.
- (2) The Rotterdam Platts: spot bunker price per metric ton. Includes a consumption factor of 0.4 ton per TEU.
- (3) SCFI – RTM margin is only referential.

Margin	Jan-Sep
2018	650
2019	660

Margin	Monthly	Margin	Monthly
Jan 19	807	Jul 19	647
Feb 19	737	Ago	681
Mar 19	605	Sep	619
Apr 19	610	Oct	610
May 19	593	Nov	731
Jun 19	639		



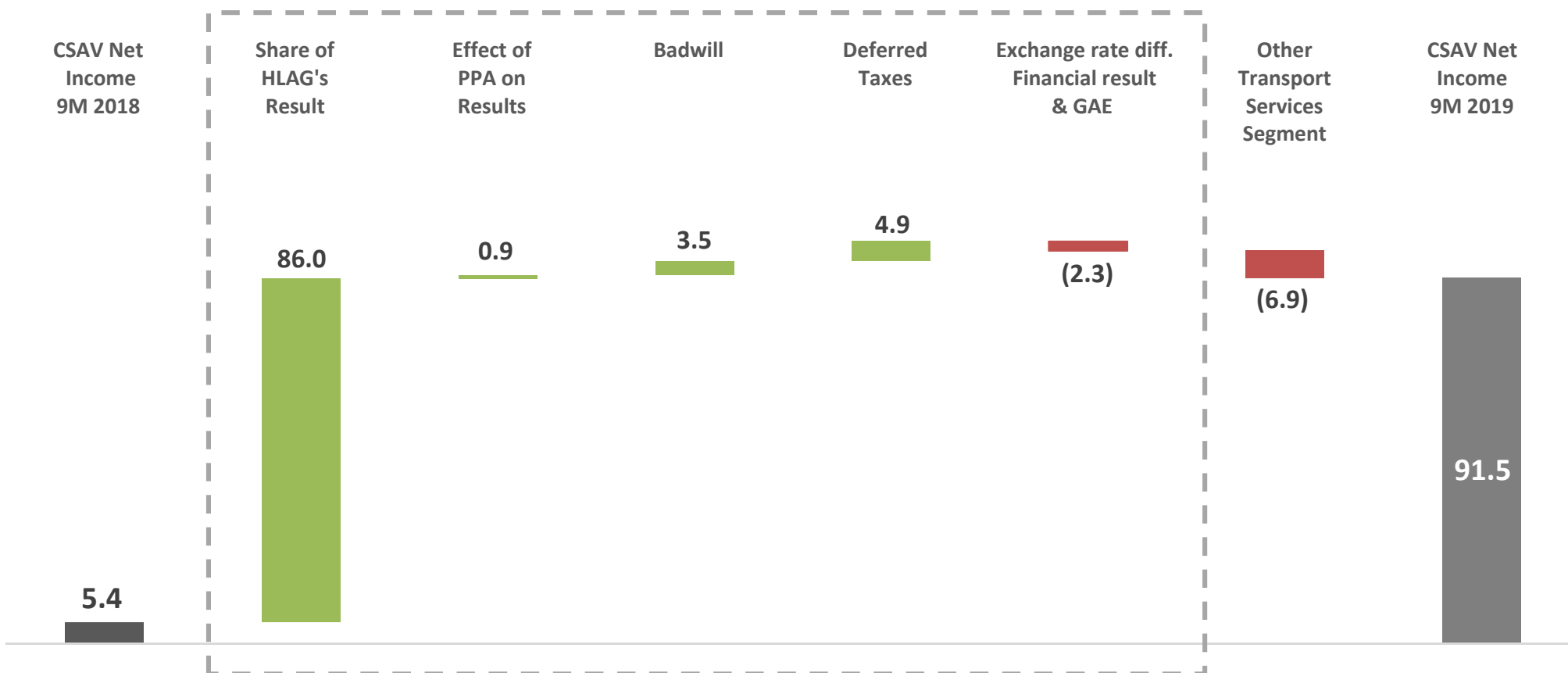


9M 2019 Results: CS&A

CS&A Net Income 9M 2018 vs 9M 2019

Figures in USD million

Container Transport Segment





9M 2019 Results: CS&AV

Figures in USD million

	9M 2019	9M 2018	YoY	Q3 2019	Q3 2018	QoQ
Operating revenue	67.2	69.0	(1.8)	21.0	24.4	(3.4)
Operating expenses	(65.5)	(65.1)	(0.4)	(20.1)	(23.6)	3.5
SG&A	(7.5)	(7.5)	0.0	(2.6)	(2.6)	0.0
Others incomes	1.9	9.0	(7.1)	0.2	8.2	(8.0)
Operating income (loss)	(3.9)	5.4	(9.3)	(1.5)	6.4	(7.9)
<i>EBITDA (w/o equity-accounted investees)</i>	<i>17.1</i>	<i>5.5</i>	<i>11.6</i>	<i>6.4</i>	<i>6.5</i>	<i>(0.1)</i>
Equity-accounted investees	94.1	3.7	90.4	46.9	35.6	11.3
Financial result & ex. rate diff.	(7.2)	(4.4)	(2.8)	(3.5)	(1.3)	(2.2)
Taxes	8.7	1.0	7.7	11.0	(2.9)	13.9
Discontinued operations	(0.2)	(0.3)	0.1	(0.1)	(0.3)	0.2
Net income	91.5	5.4	86.1	52.8	37.5	15.3

Note: EBITDA = Operating income (loss) + Depreciation + Amortization. EBITDA includes depreciation of right-of-use assets associated to the application of IFRS 16 as of January 1, 2019.



9M 2019 Results: CSAV Segment Results

Figures in USD million

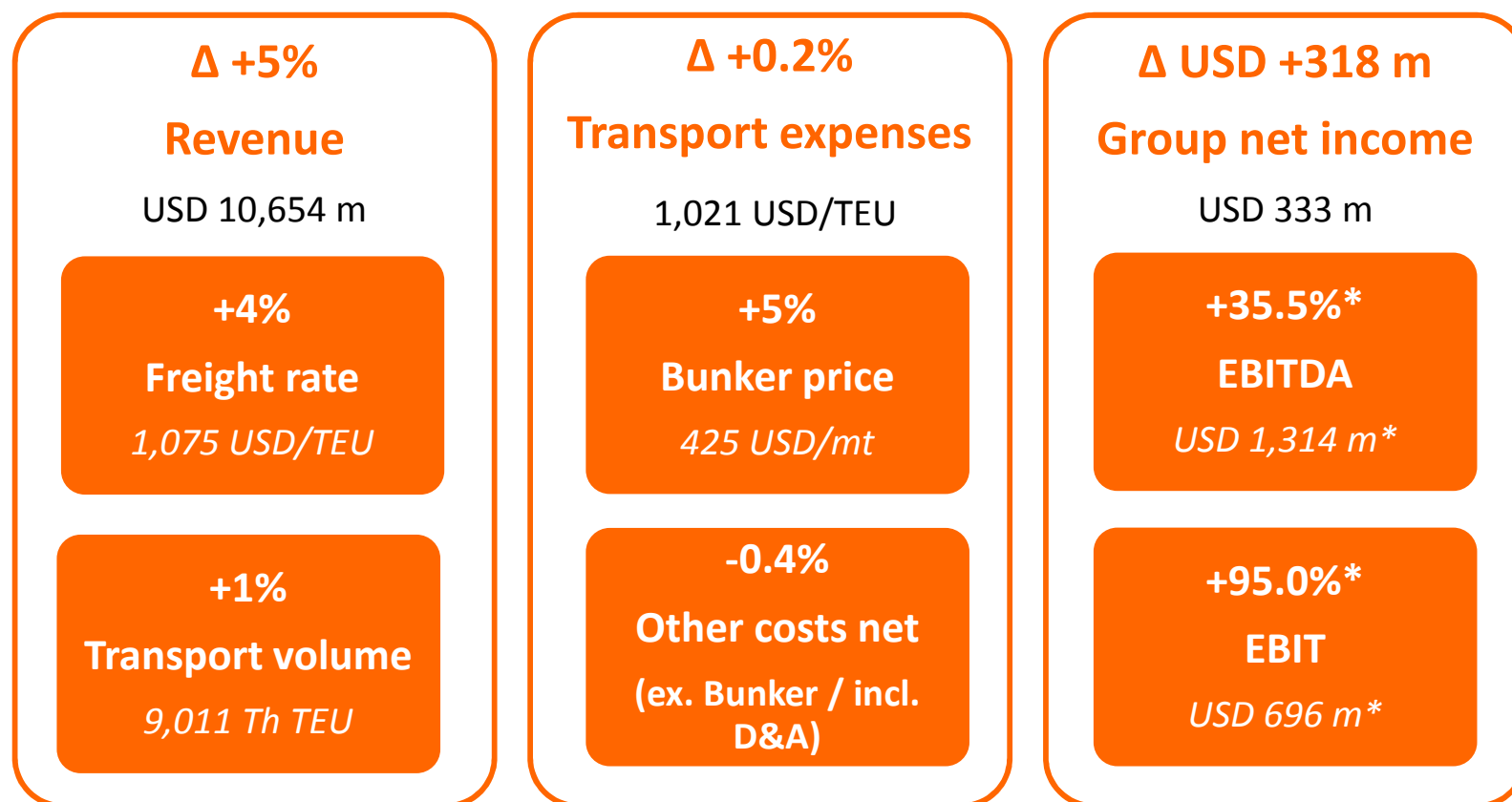
Container transport services	9M 2019	9M 2018	YoY	Q3 2019	Q3 2018	QoQ
Equity-accounted investees	94.1	3.7	90.4	46.9	35.6	11.3
SG&A	(3.3)	(3.1)	(0.2)	(1.2)	(1.4)	0.2
Financial result & Ex. rate diff	(7.0)	(4.9)	(2.1)	(3.3)	(1.7)	(1.6)
Taxes	8.4	3.5	4.9	10.8	(0.7)	11.5
Net income (loss)	92.2	(0.8)	93.0	53.2	31.8	21.4

Other transport services	9M 2019	9M 2018	YoY	Q3 2019	Q3 2018	QoQ
Operating revenue	67.2	69.0	(1.8)	21.0	24.4	(3.4)
Operating expenses	(65.5)	(65.1)	(0.4)	(20.1)	(23.6)	3.5
SG&A	(4.2)	(4.4)	0.2	(1.4)	(1.2)	(0.2)
Other incomes	1.9	9.0	(7.1)	0.2	8.2	(8.0)
Operating income (loss)	(0.6)	8.5	(9.1)	(0.3)	7.8	8.1
Financial result & Ex. rate diff	(0.2)	0.5	(0.7)	(0.2)	0.4	(0.6)
Taxes	0.3	(2.5)	2.8	0.2	(2.2)	2.4
Discontinued operations	(0.2)	(0.3)	0.1	(0.1)	(0.3)	0.2
Net income (loss)	(0.7)	6.2	(6.9)	(0.4)	5.7	6.1



9M 2019 Results: Hapag-Lloyd

Evolution of Revenue, Transport Expenses and Group Net Income



* EBITDA and EBIT excludes depreciation of right-of-use assets associated to the application of IFRS 16 as of January 1, 2019.



HLAG 9M 2019: Improved results, EBITDA and EBIT compared to 2018

Operational KPIs

	9M 2019	9M 2018	YoY
Transport volume [TTEU]	9,011	8,900	+1%
Freight rate [USD/TEU]	1,075	1,032	+4%
Bunker [USD/mt]	425	406	+5%
Exchange rate ¹⁾ [USD/EUR]	1.12	1.20	n.m.

Overview of IFRS 16 Effects on P&L Accounts

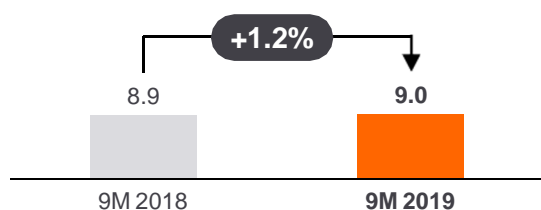
[USD m]	9M 2019	9M 2018	Δ	Thereof IFRS 16	Δ ex. IFRS 16
Revenue	10,654	10,141	+513	0	+513
Operating expenses (before D&A)	-8,957	-9,171	+214	+383	-169
EBITDA	1,697	970	+727	+383	+344
Depreciation & Amortization	-975	-613	-362	-358	-4
EBIT	722	357	+365	+26	+339
Interest result	-357	-311	-46	-56	+10
Income tax / other financial items	-32	-31	-1	0	-1
EAT	333	15	+318	-30	+348

1) Average rate for the period. Note: Figures as stated in the Investor Report Q3/9M 2019. Rounding differences may occur. Due to the first-time application of IFRS 16 "Leases" as at 1 January 2019, the presentation of the group earnings, financial and net asset positions is only comparable with that of the corresponding prior year period to a limited degree. Unless stated otherwise, the figures for Q3/9M 2018 refer to the provisions for leases pursuant to IAS 17.1

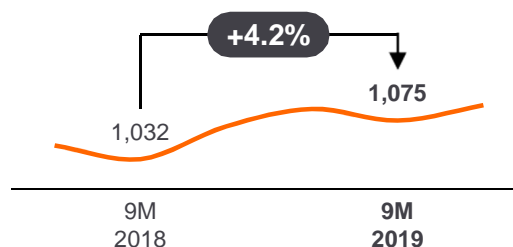


HLAG 9M 2019: Clearly improved financial results compared to previous

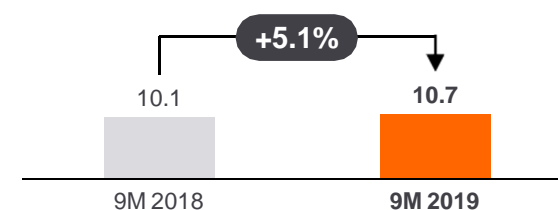
Transport volume [TEU m]



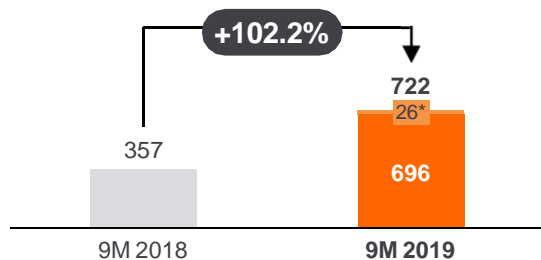
Freight rate [USD/TEU]



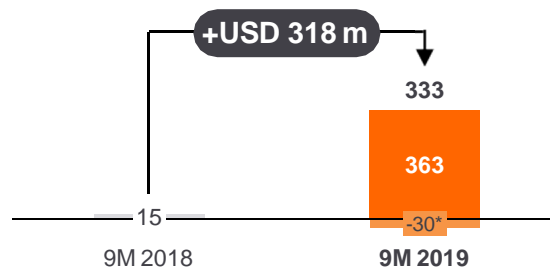
Revenue [USD m]



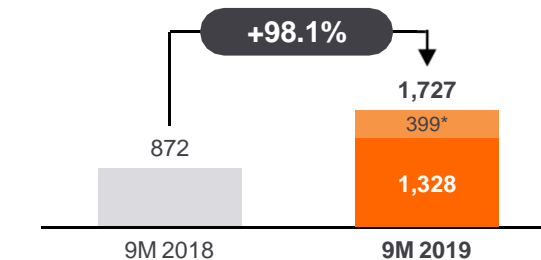
EBIT [USD m]



EAT [USD m]



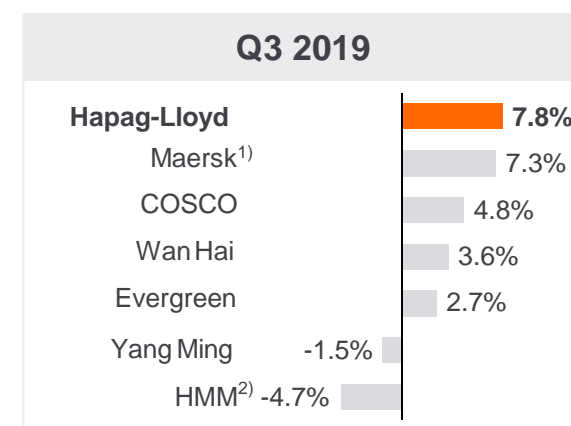
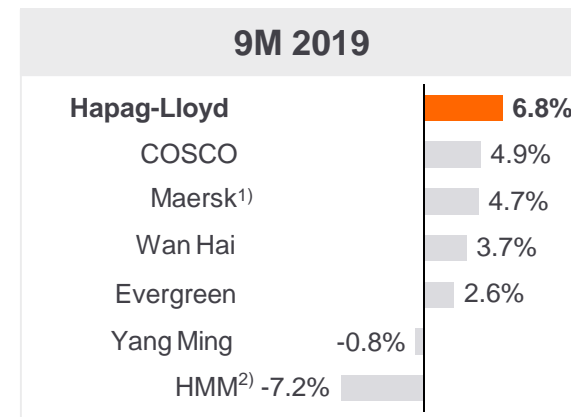
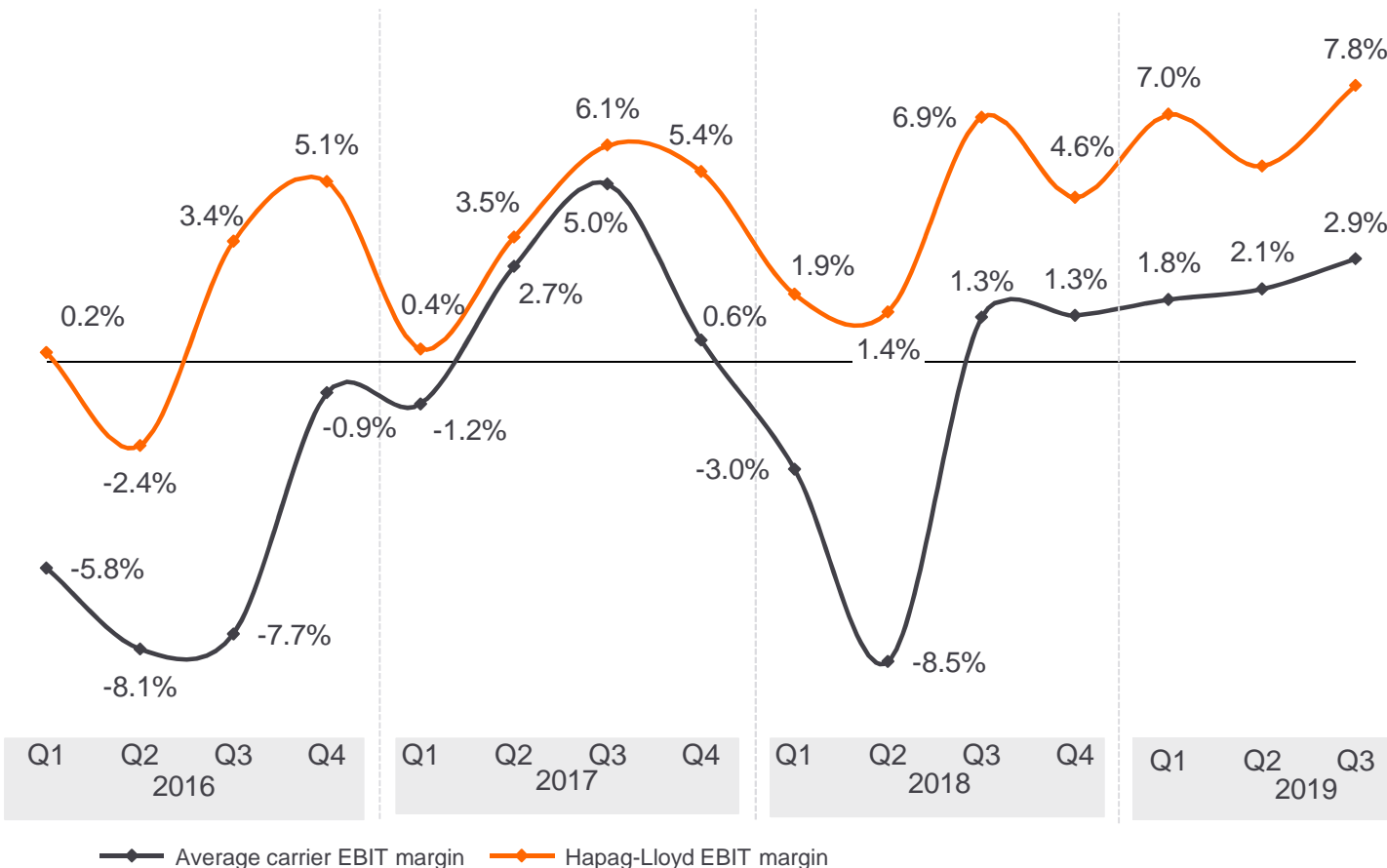
Operating CF [USD m]



* IFRS 16 impact



HLAG 9M 2019: Hapag-Lloyd has consistently achieved one of the industry's highest EBIT-margin



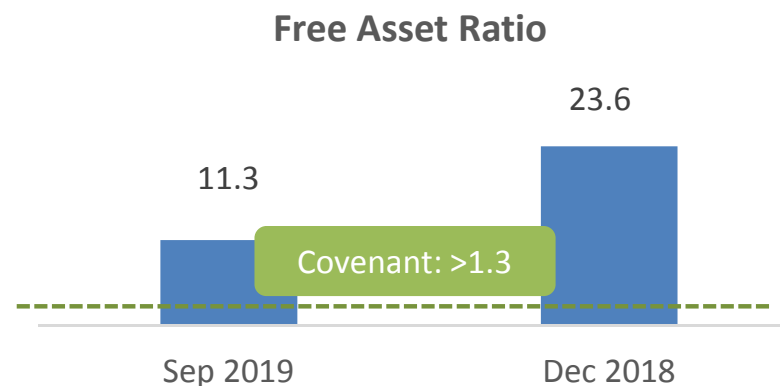
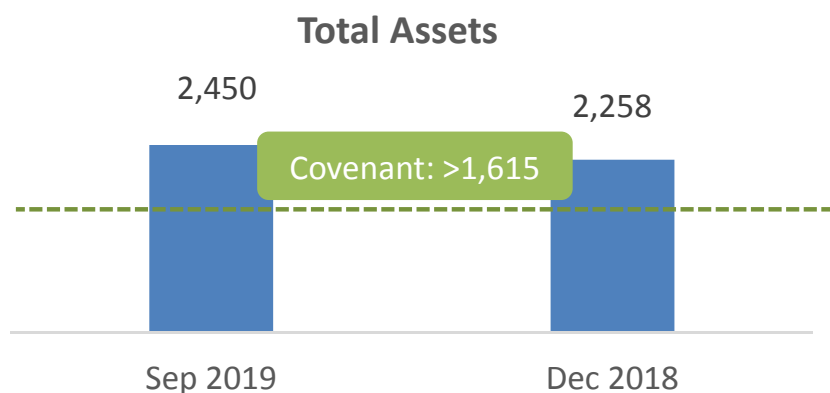
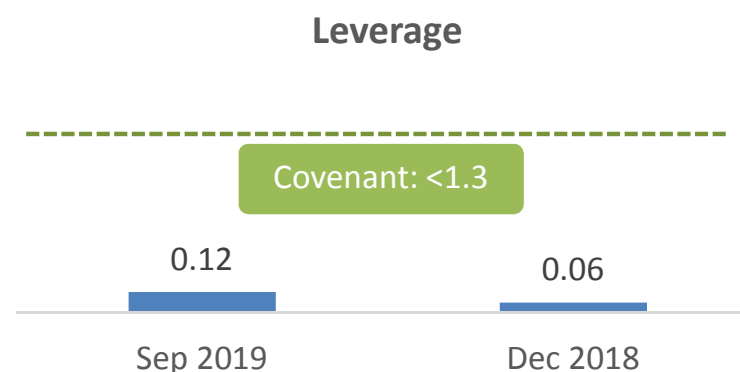
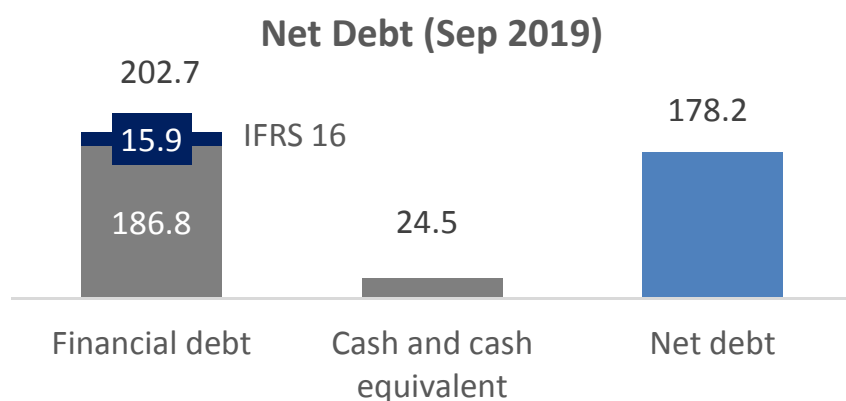
Average values are based on a varying number of carriers due to differences in data availability in the respective quarters
 1) Based on Maersk Group as Maersk has stopped to publish a liner EBIT in Q1 2018 2) HMM incl. Bulk business due to unavailability of liner business only



Financial Position: CS&V

A new private corporate bond successfully placed for USD 100 million, fully complying with all covenants, and an upgraded corporate and bond rating, from BBB- to BBB/Stable.

(Figures in USD million)





Outlook

HLAG's Guidance 2019

	FY 2018	Outlook 2019 (incl. IFRS 16)	Sensitivities for 2019 ¹⁾	
Transport volume	11,874 TTEU	On previous years level	+/- 300 TTEU	+/- USD ~0.2 bn
Average freight rate	1,044 USD/TEU	Slightly increasing	+/- 50 USD/TEU	+/- USD ~0.6 bn
Average bunker price	421 USD/mt	On previous years level	+/- 50 USD/mt	+/- USD ~0.2 bn
EBITDA	EUR 1,138 m	EUR 1.6 – 2.0 bn (upper part)	Thereof IFRS 16 Impact	EUR 370 – 470 m (upper part)
EBIT	EUR 443 m	EUR 0.5 – 0.9 bn (upper part)		EUR 10 – 50 m (upper part)



Outlook

- Earnings outlook for HLAG 2019: EBITDA and EBIT now expected to be in the upper part of the guided ranges (EBITDA: EUR 1.6 – 2.0 bn; EBIT: EUR 0.5 – 0.9 bn).
- HLAG's new cost management program and strategy will give run-rate savings of US\$ 350-400 M p.a. and will create more value for customers, improving its performance and profitability in upcoming years, making it number one in quality.
- HLAG will continue with deleverage over next years, reducing its net financial debt.
- The incorporation of HMM as a full member of The Alliance from 2021 will strengthen the alliance's competitiveness.
- About IMO 2020, HLAG is prepared and has based its compliance plan mainly on the utilization of compliant fuels.
- Container business: transport volumes expected to increase in 2019 but less than previous years, due to the global growth projections and geopolitical risks, keeping a tight supply/demand balance.
- Car carrier business: volume projections for 2019 are expected to be lower than 2018, with pressure on the cost structure coming from bunker and charter rates.



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