Investor Presentation

Preliminary Financials 2017

Hapag-Lloyd

Hamburg, 28 February 2018

Disclaimer

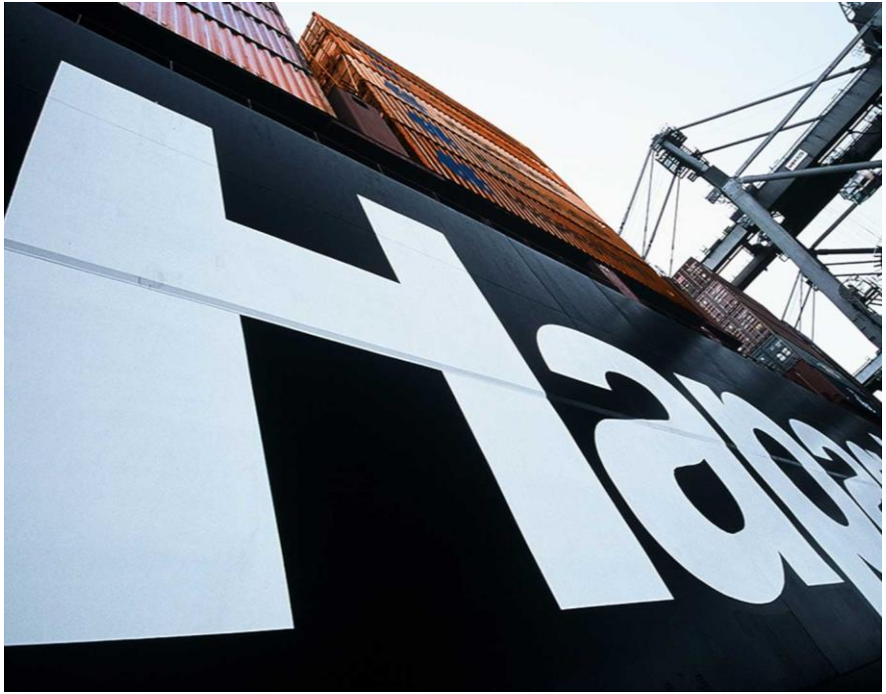
Forward-looking statements

This presentation contains forward-looking statements that involve a number of risks and uncertainties. Such statements are based on a number of assumptions, estimates, projections or plans that are inherently subject to significant risks, as well as uncertainties and contingencies that are subject to change. Actual results can differ materially from those anticipated in the Company's forward-looking statements as a result of a variety of factors, many of which are beyond the control of the Company, including those set forth from time to time in the Company's press releases and reports and those set forth from time to time in the Company's analyst calls and discussions. We do not assume any obligation to update the forward-looking statements contained in this presentation.

This presentation does not constitute an offer to sell or a solicitation or offer to buy any securities of the Company, and no part of this presentation shall form the basis of or may be relied upon in connection with any offer or commitment whatsoever. This presentation is being presented solely for your information and is subject to change without notice.

UASC's Ltd. and its subsidiaries have been included in the figures from the date control was transferred on 24 May 2017.The key figures used are therefore only comparable with the previous year to a limited extent.

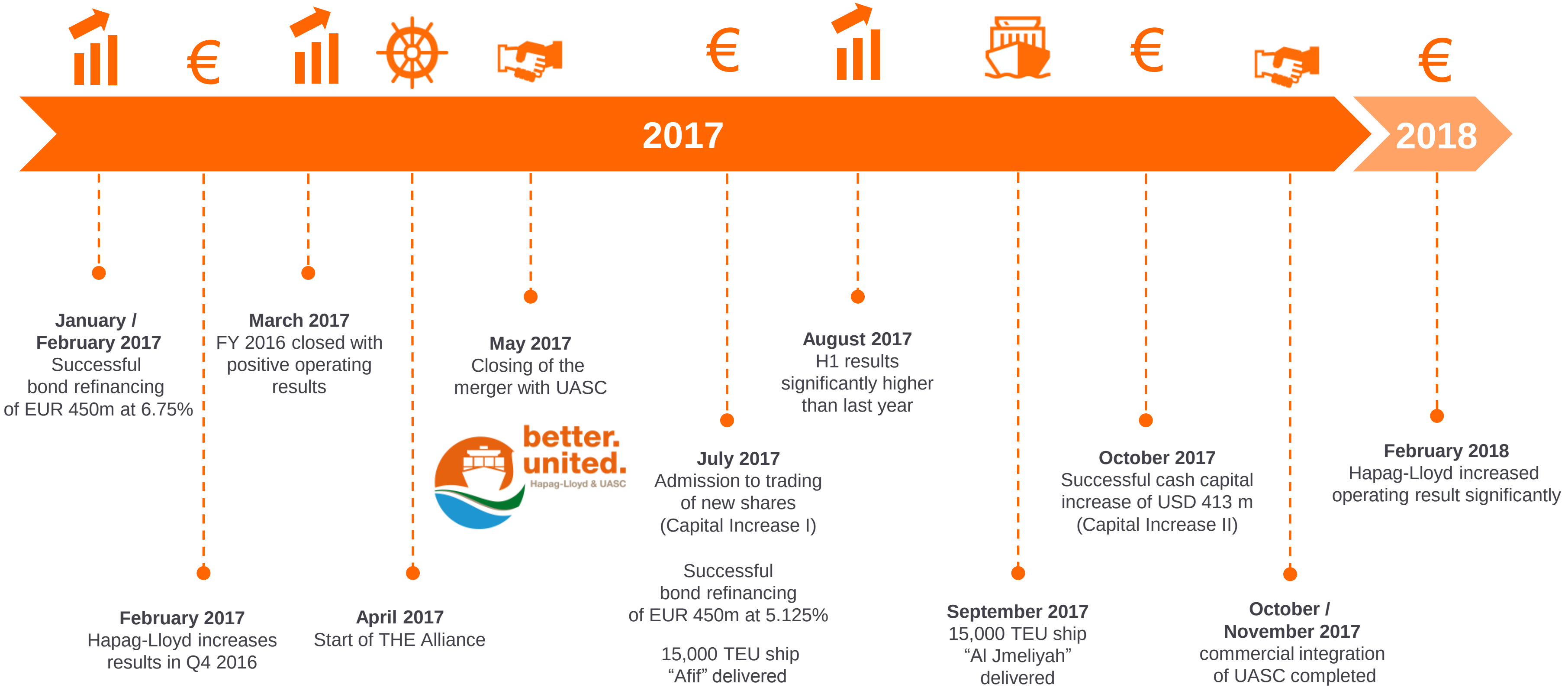
All information on FY 2017 financials is preliminary and unaudited.



Opening Remarks

01	**Deliverables**	■ We continued to deliver on our initiatives (UASC integration, cash capital increase & continuous cost control) ■ **Operating result (EBIT) of USD 466 m** in FY 2017 (+234% YoY) in line with market expectation
02	**Sector Update**	■ Sector fundamentals remain favourable ■ Orderbook remains at low level despite recent new orders
03	**Financials**	■ Significantly improved **EBITDA of USD 1,198 m** in FY 2017 (USD 390 m in Q4 2017) ■ Further reduction of unit cost despite higher bunker prices
04	**Way Forward**	■ Main focus going forward is to realise the synergies of the UASC integration and further cost optimisation ■ Substantial deleveraging from the merger onwards

Throughout the year, we have continued to deliver on our initiatives…



Hapag-Lloyd

…and have further strengthened Hapag-Lloyd's position as one of the Top 5 global container carriers

At a glance

	Hapag-Lloyd 1)	UASC 1)	Combined Entity 4)
Corporate HQ	Hamburg	Dubai	**Hamburg**
Alliance membership	G6 (until 31 March 2017)	Ocean 3 (until 31 March 2017)	**The Alliance (since 1 April 2017)**
Services	118	45	**120**
Vessels [#]	172	58	**219**
Capacity [TEU m]	1.0	0.6	**1.6**
Container [TEU m]	1.6	0.7	**2.3**
Employees	9,413	3,534	**12,567**

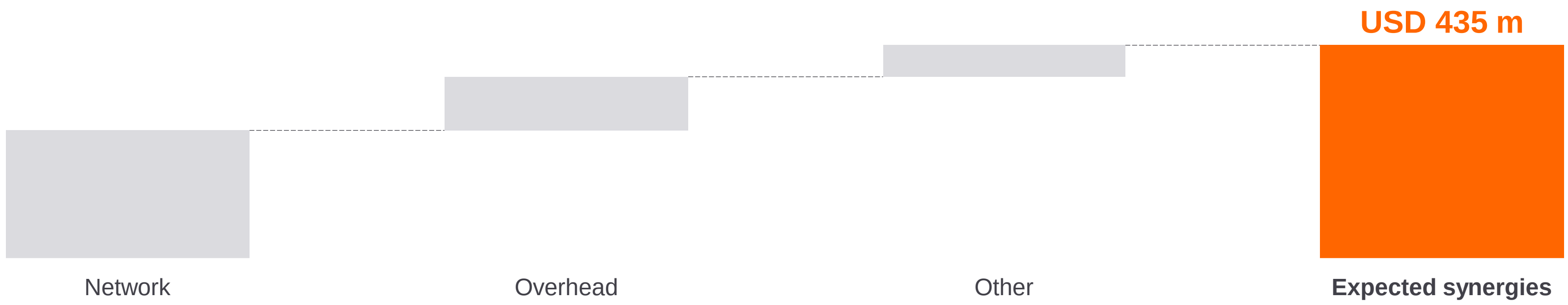
Deal rationale

- Strengthened market position
- Well-balanced trades
- better. united. Hapag-Lloyd & UASC
- Large, young fleet
- Significant synergy effects
- Strong partnerships

1) As of 31 March 2017; 4) Combined entity as of 31 December 2017

Total synergies of USD 435 m p.a. to be achieved from 2019 onwards – Significant synergy ramp-up in 2018 expected

Synergy potential, full run-rate [USD m]



Total transaction and integration related one-off costs are expected to amount to USD 130 m[1)]

Synergies

Network

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

Overhead

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

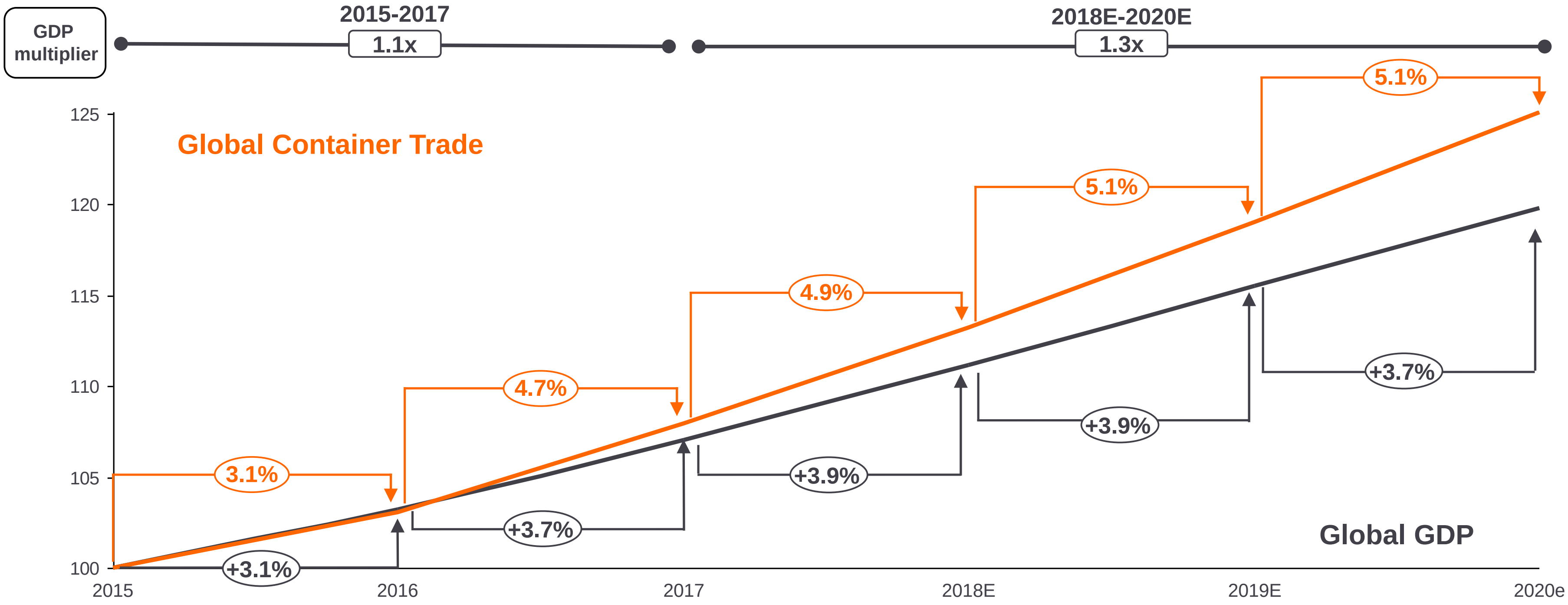
Other (terminals, equipment and intermodal)

- Lower container handling rates per vendor/location
- Imbalance reduction and leasing costs optimization
- Optimization of inland haulage network
- Best practice sharing

1) Including UASC as of date of first-time consolidation

Demand: Container shipping growth remains on a healthy and constant level driven by a solid global economic growth

Global Container Trade & Global GDP Growth [%]



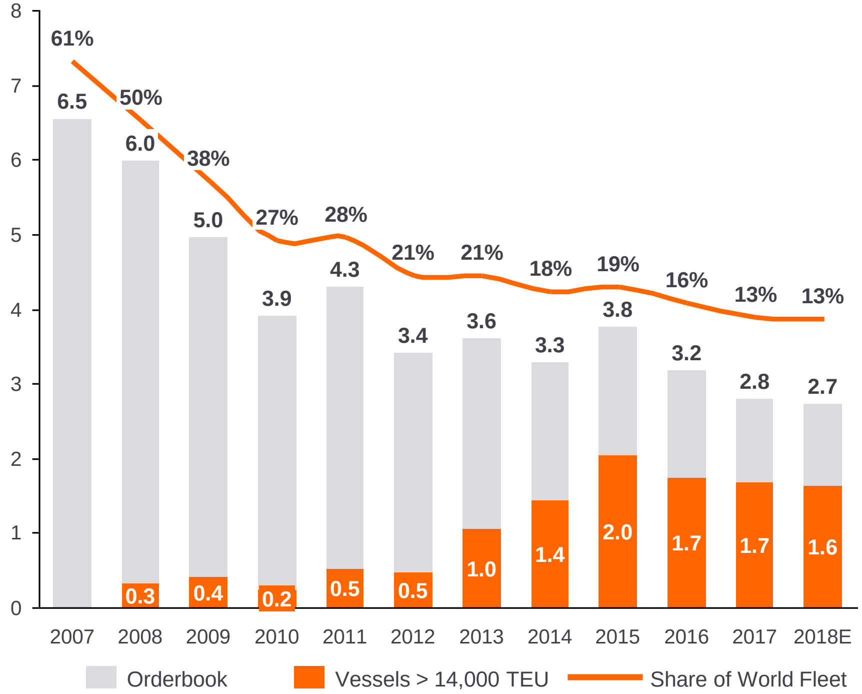
 Source: Global Insight (November 2017), IMF WEO (January 2018)

Hapag-Lloyd

Supply: Orderbook remains at a historically low level, while almost no idle capacity is available

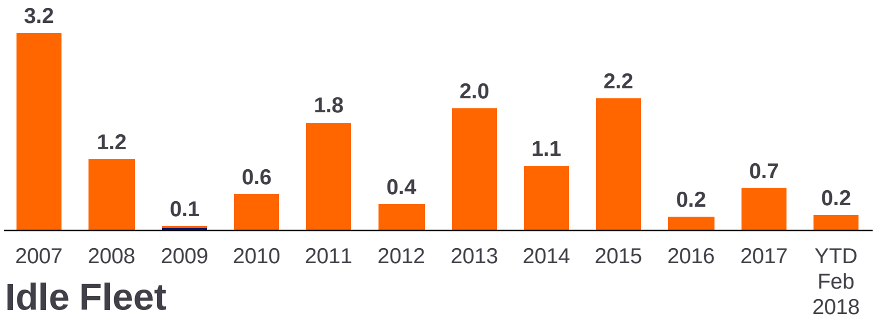
Orderbook-to-fleet

[TEU m, %]



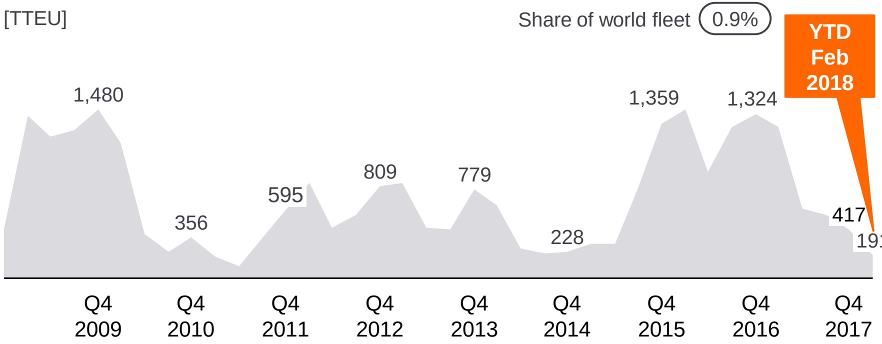
Orders placed

[TEU m]



Idle Fleet

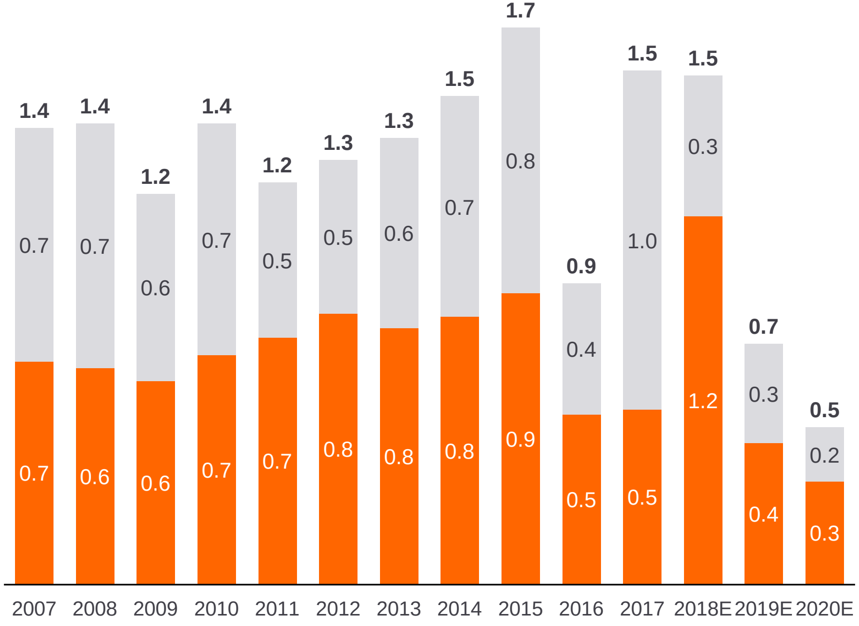
[TTEU]



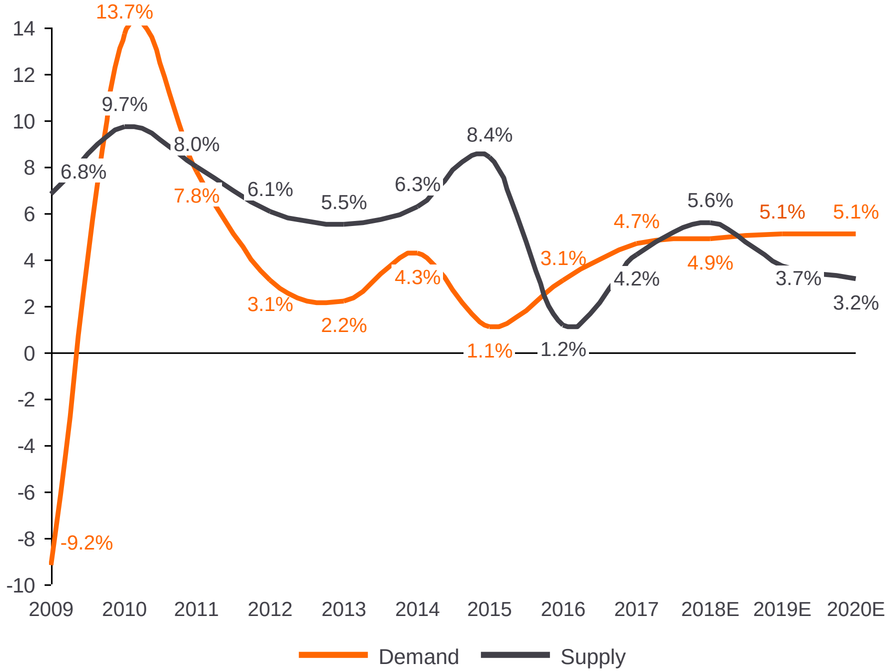
Source: MDS Transmodal (February 2018), Drewry (4Q), Clarksons (Q4), Alphaliner weekly (February 2018)

Even though, short term supply pressure will most likely persist, mid-term supply/demand gap is further closing

Vessel deliveries by year [TEU m]



Supply / demand balance

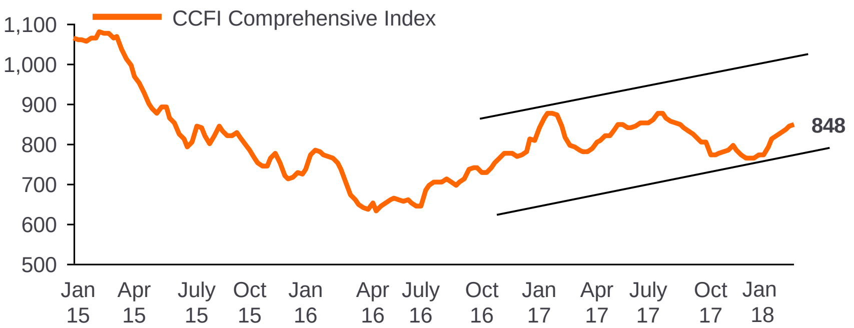


Note: Vessel deliveries 2018E-2020E based on MDS Transmodal data including slippage; Supply based on Drewry data including slippage and scrapping

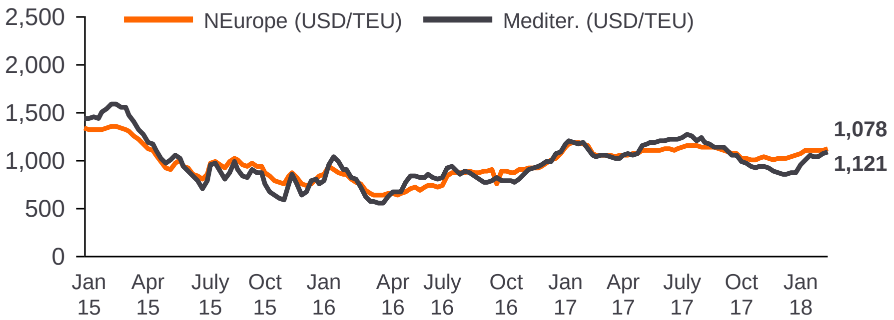
Source: Drewry (4Q), MDS Transmodal (February 2018), IHS Global Insight (November 2017))

Contracted freight rates have shown continuous recovery and slightly less volatility

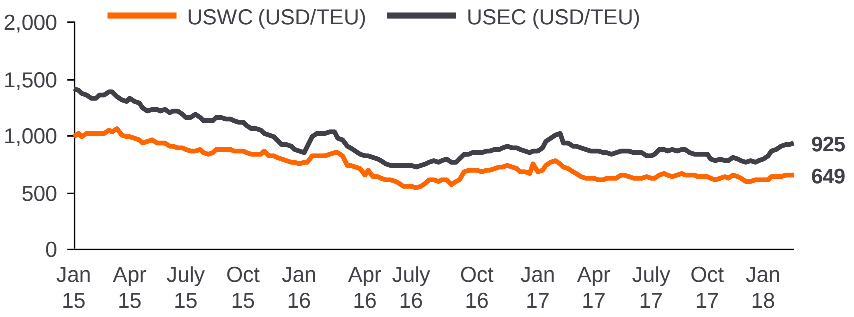
Comprehensive Index (CCFI)



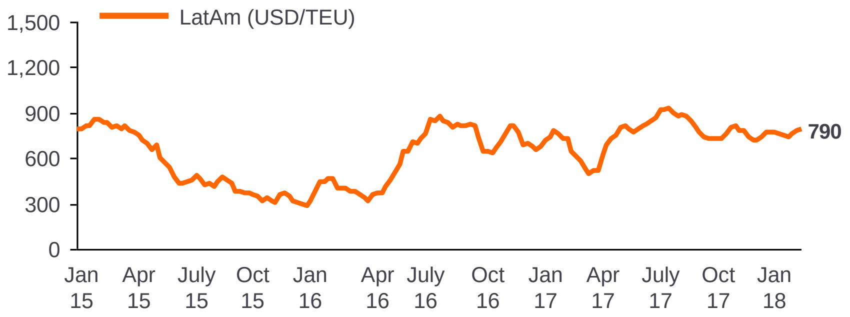
Shanghai – Europe (CCFI)



Shanghai – USA (CCFI)



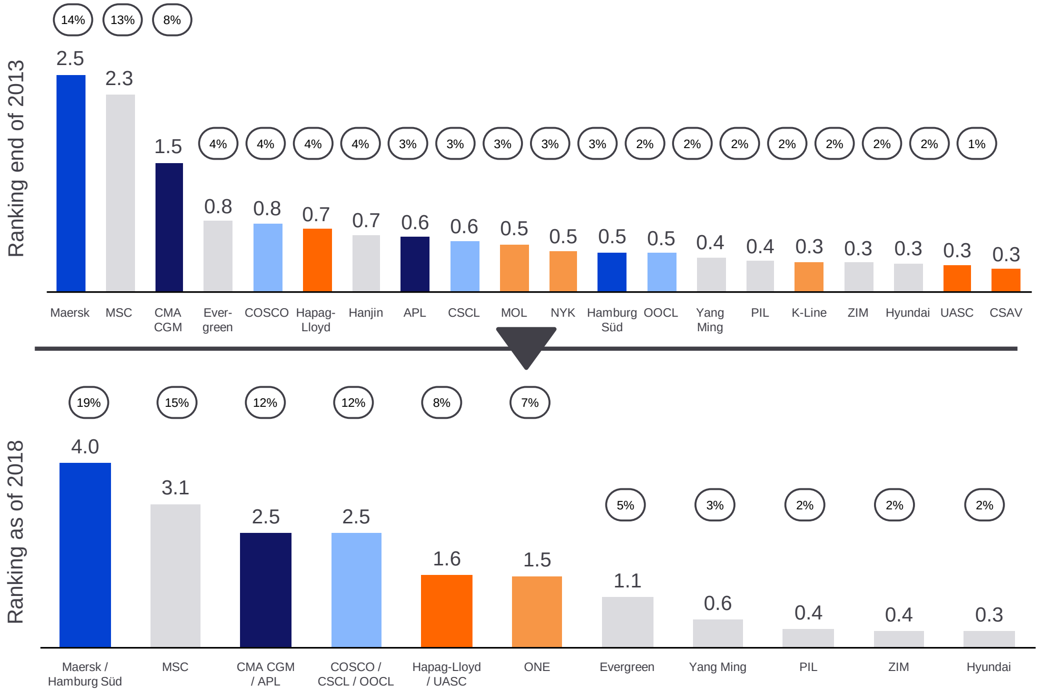
Shanghai – Latin America (CCFI)



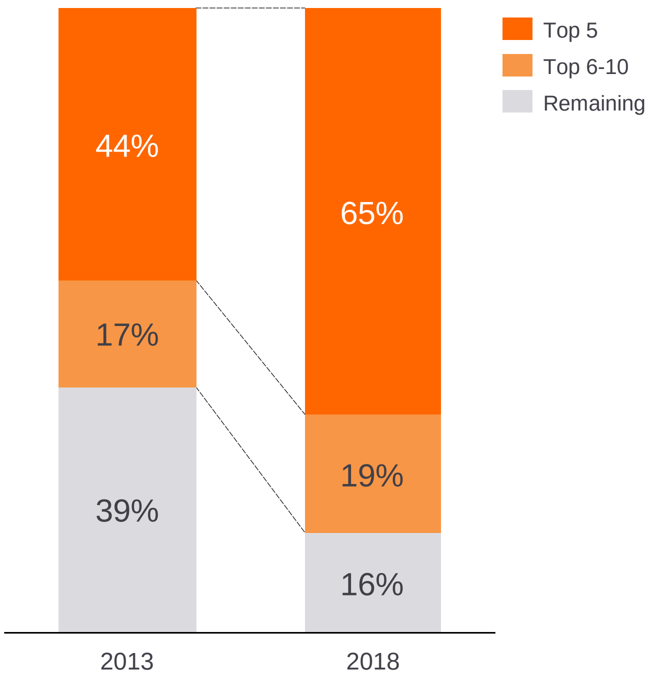
Source: Shanghai Shipping Exchange (23 February 2018)

Current consolidation wave leads to higher concentration

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



Global capacity share [%]



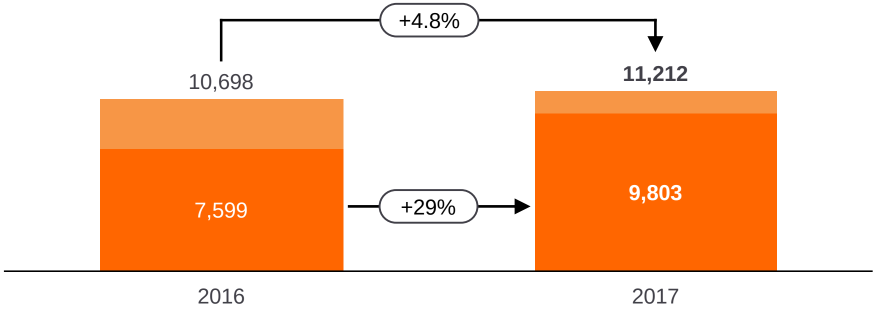
 Source: Drewry (4Q17), MDS Transmodal (January 2018, October 2013)

Note: Diagram assuming that all currently announced mergers (NYK & MOL & K-Line, COSCO & OOCL) will receive regulatory approvals and are executed as announced. Simple sum of stand-alone operating capacity as of January 2018.

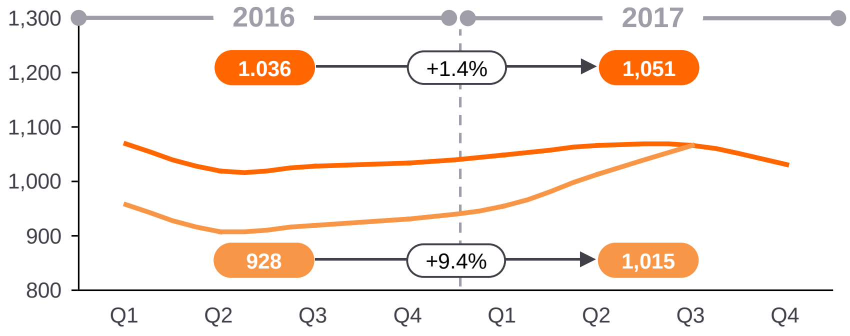
Hapag-Lloyd

On a pro-forma basis: Transport volume was up by 4.8% YoY, while freight rates have exceeded previous year's level by 9.4%

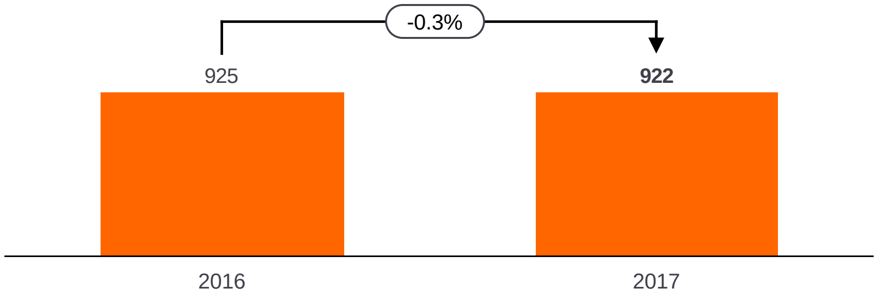
Transport volume [TEU m]



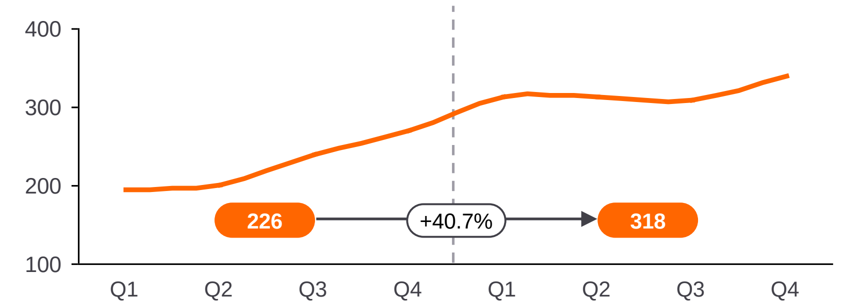
Freight rate [USD/TEU]



Transport expenses per TEU [USD/TEU]



Bunker price [USD/mt]



Pro forma figures Reported figures

Note: UASC's Ltd. and its subsidiaries have been included in the figures from the date control was transferred on 24 May 2017. The key figures used are therefore only comparable with the previous year to a limited extent. All information on FY 2017 financials is preliminary and unaudited.

We have achieved a significantly improved EBIT of USD 466 m while EBITDA almost doubled to USD 1,198 m in 2017

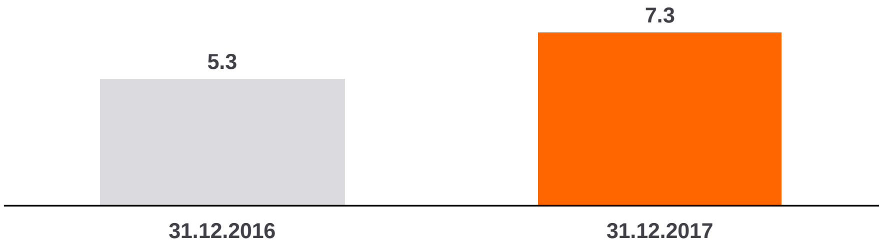
Operational KPIs

	Q4 2017	Q4 2016	Δ%	FY 2017	FY 2016	Δ%
Transport volume [TTEU]	**2,774**	1,949	+42%	**9,803**	7,599	+29%
Freight rate [USD/TEU]	**1,030**	1,033	0%	**1,051**	1,036	+1%
Revenue [USD m]	**3,119**	2,182	+43%	**11,286**	8,546	+32%
EBITDA [USD m]	**390**	246	+56%	**1,198**	671	+79%
EBITDA margin	***12.5%***	*11.3%*	*+1.2 ppt*	***10.6%***	*7.9%*	*+2.7 ppt*
EBIT [USD m]	**167**	111	+51%	**466**	140	+234%
EBIT margin	***5.4%***	*5.1%*	*+0.3 ppt*	***4.1%***	*1.6%*	*+2.5 ppt*

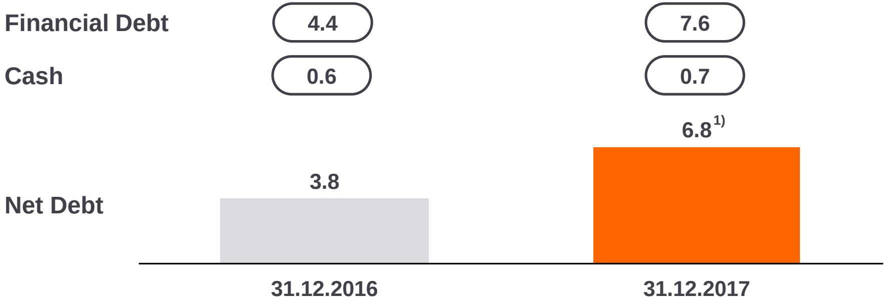
Note: UASC's Ltd. and its subsidiaries have been included in the figures from the date control was transferred on 24 May 2017. The key figures used are therefore only comparable with the previous year to a limited extent. All information on FY 2017 financials is preliminary and unaudited.

Solid equity at USD 7.3 bn and strong liquidity reserve at USD 1.3 bn as well as higher net debt as a result of the merger with UASC

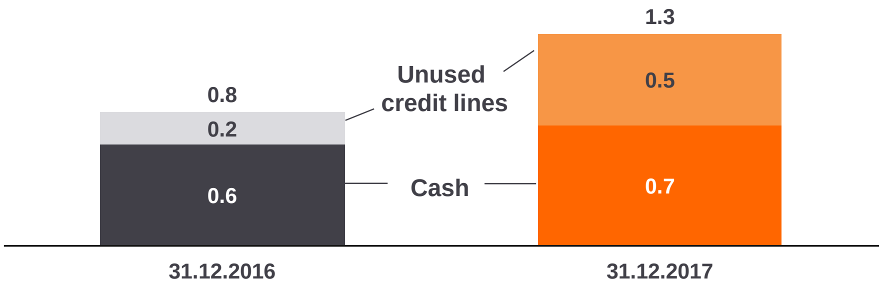
Equity base [USD bn]



Net debt [USD bn]



Liquidity position [USD bn]



Comments

- **Strong liquidity reserve of USD 1.3 bn**
- Capital Increase of USD 413.4 m in October has strengthened **equity**
- **Net debt** increased compared to 31.12.2016 as a result of first time consolidation of UASC Group

Note: UASC's Ltd. and its subsidiaries have been included in the figures from the date control was transferred on 24 May 2017. The key figures used are therefore only comparable with the previous year to a limited extent. All information on FY 2017 financials is preliminary and unaudited.

1) incl. Restricted Cash

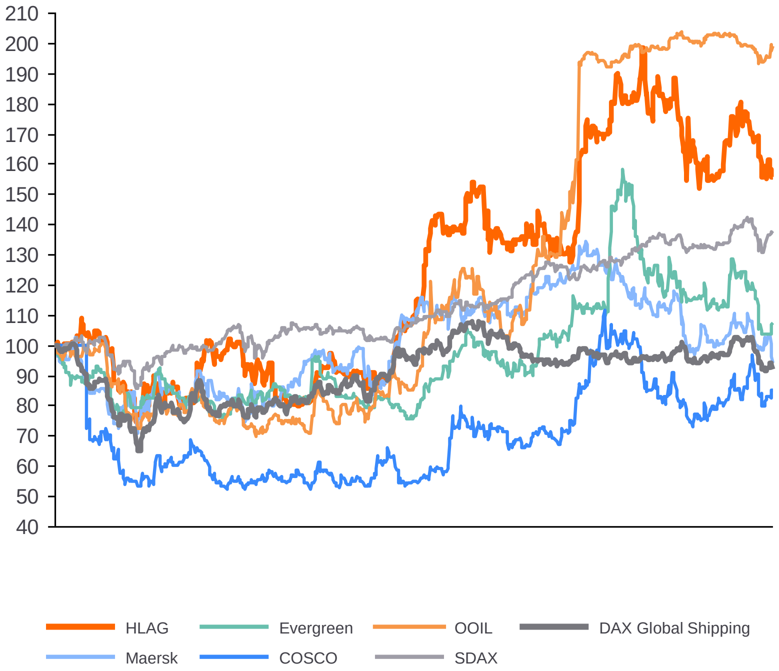
Hapag-Lloyd with clearly defined financial policy

Profitability	Profitability going forward supported by improved fleet ownership structure and synergy realization
Investments	No planned new vessel investments in next years – Maximize free cash flow
Deleveraging	Clear target to significantly deleverage over time
Liquidity	Maintain an adequate liquidity reserve for the Combined Entity


NAVIGATION ROOM
KEEP SHUT

Convincing equity story resulted in higher share price…

Share trading

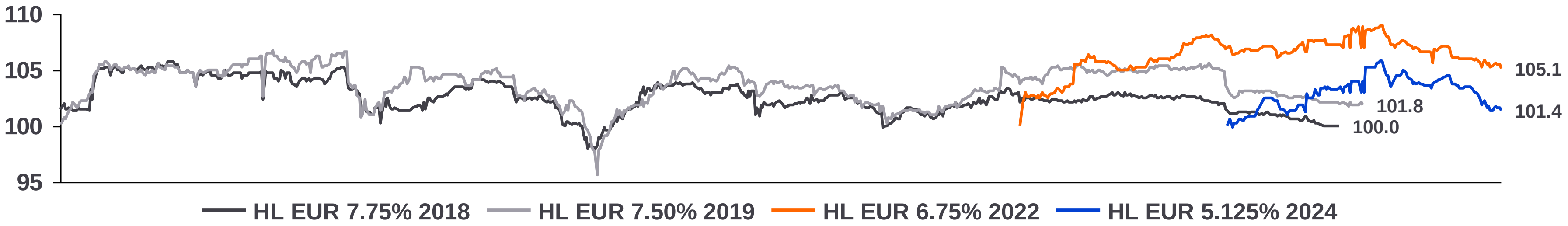


Stock Exchange	Frankfurt Stock Exchange / Hamburg Stock Exchange
Market segment / Index	Regulated market (Prime Standard) / SDAX
ISIN / WKN	DE000HLAG475 / HLAG47
Ticker Symbol	HLAG
Primary listing	6 November 2015
Number of shares	175,760,293

Source: Bloomberg (23 February 2018)

…and lower bond yields

Bonds trading



	EUR Bond 2024	EUR Bond 2022	EUR Bond 2019	EUR Bond 2018
Listing	Open market of the Luxembourg Stock Exchange (Euro MTF)			
Volume	EUR 450 m	EUR 450 m	EUR 250 m2)	EUR 200 m1)
ISIN / WKN	XS1645113322	XS1555576641 / A2E4V1	XS1144214993 / A13SNX	XS0974356262 / A1X3QY
Maturity Date	Jul 15, 2024	Feb 1, 2022	Oct 15, 2019	Oct 1, 2018
Redemption Price	as of July 15, 2020:102.563%; as of July 15, 2021:101.281%; as of July 15, 2022:100%	as of Feb 1, 2019:103.375%; as of Feb 1, 2020:101.688%; as of Feb 1, 2021:100%	as of Oct 15, 2016:103.750%; as of Oct 15, 2017:101.875%; as of Oct 15, 2018:100%	as of Oct 1, 2015:103.875%; as of Oct 1, 2016:101.938%; as of Oct 1, 2017:100%
Coupon	5.125%	6.75%	7.50% repaid	7.75% repaid

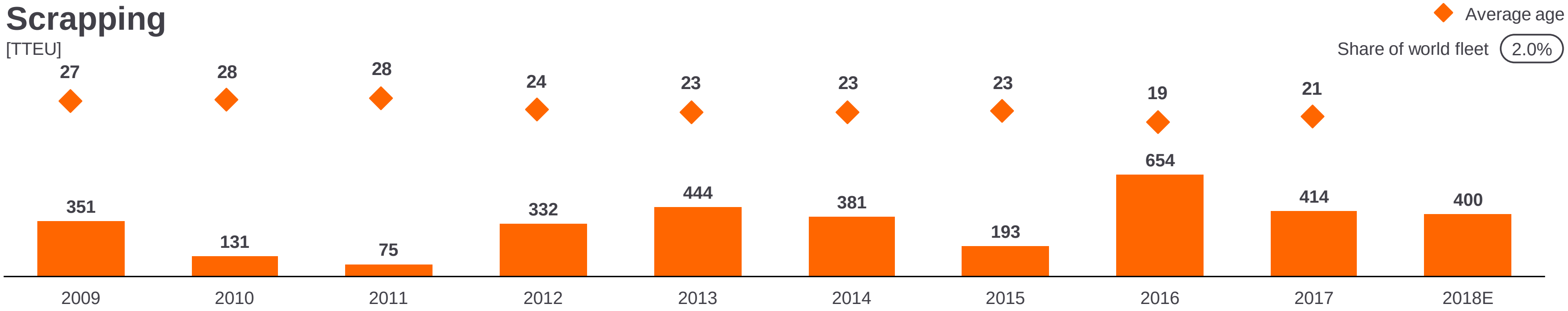
1) Full redemption on 1 October 2017; 2) Full Redemption on 15 October 2017

 Source: Citi (23 February 2018)

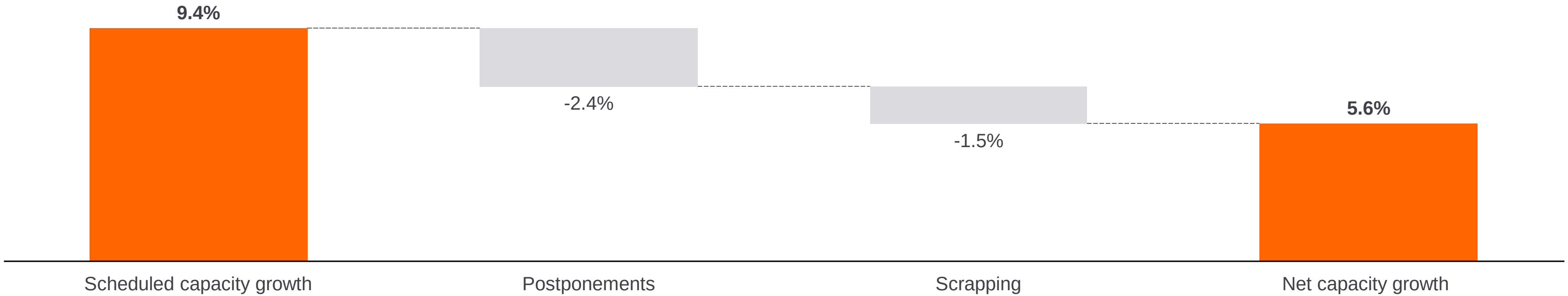
Supply: Scrapping expected to stay at previous year's level, while net capacity growth slightly exceeds last year's growth

Scrapping

[TTEU]



Net Capacity Growth 2018E

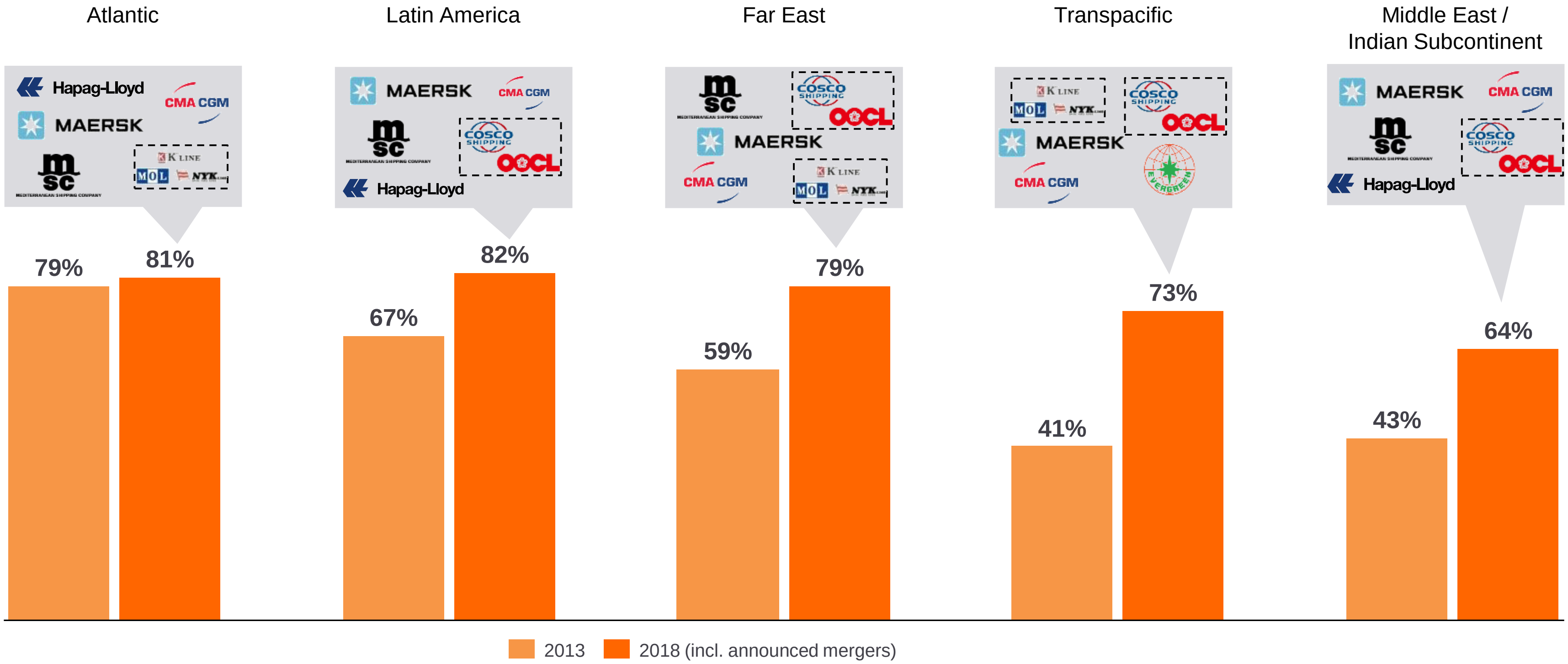


Source: Drewry (Forecaster 4Q17), Alphaliner Weekly (October 2017)

Hapag-Lloyd

Scale: On important trades TOP 5 players now make up more than 64% capacity share

TOP 5 concentration on individual trades (2013 versus 2018)

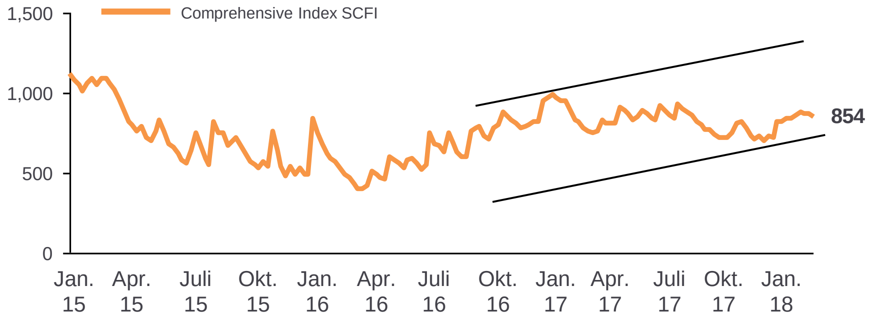


Source: Alphaliner monthly newsletter (June 2013 / February 2018)

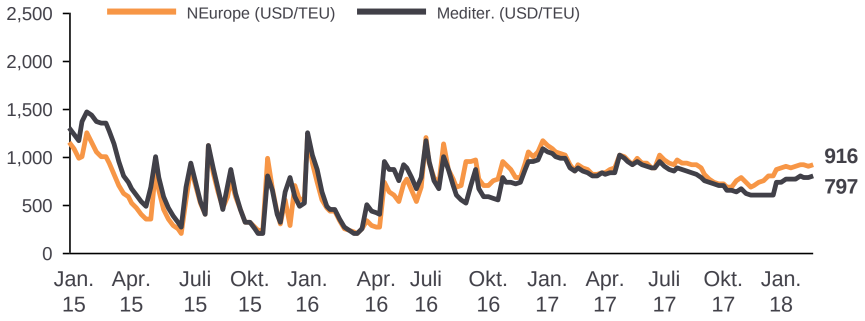
Note: Diagram assuming that all currently announced mergers (COSCO & OOCL; NYK & MOL & K-Line) will receive regulatory approvals and are executed as announced. Simple sum of stand-alone operating capacity as of February 2018.

Spot rates with continued recovery since historic low in Q2 2016

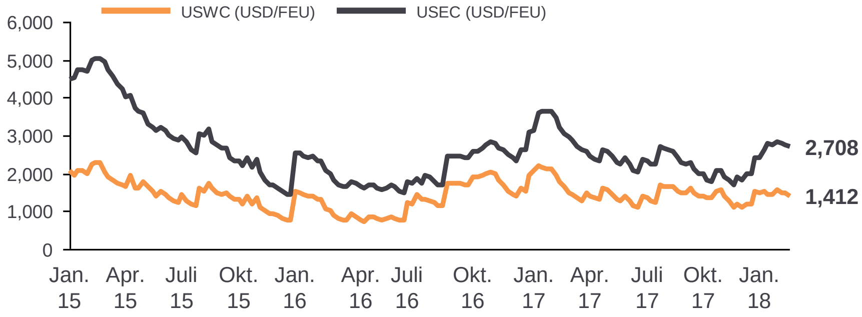
Comprehensive Index (SCFI)



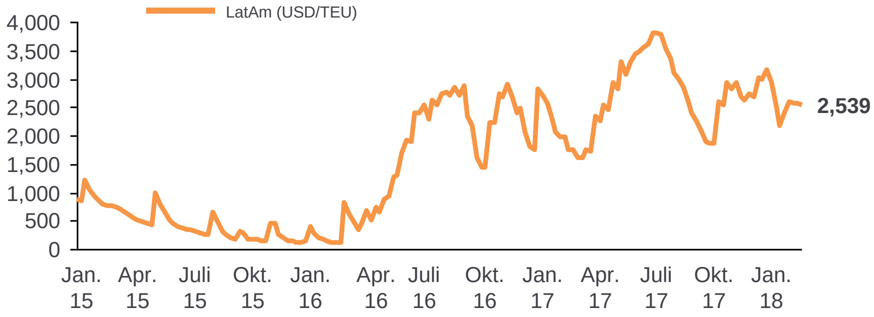
Shanghai – Europe (SCFI)



Shanghai – USA (SCFI)



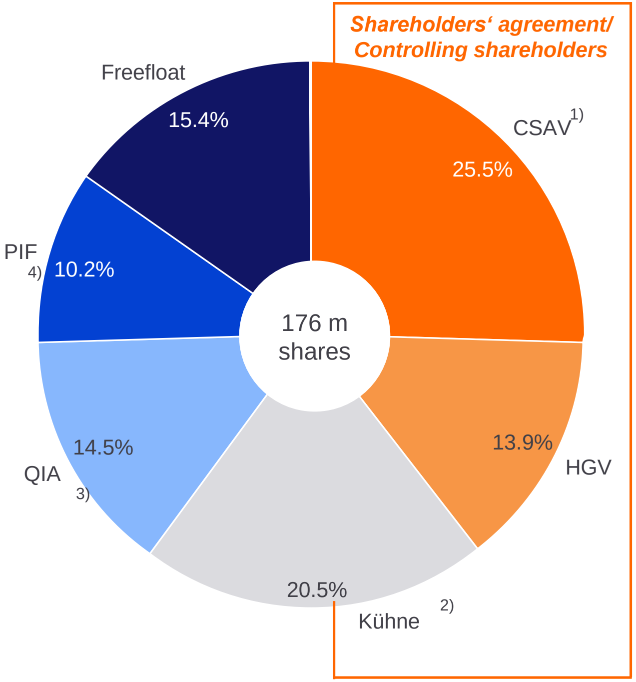
Shanghai – Latin America (SCFI)



Source: Shanghai Shipping Exchange (23 February 2018)

Capital increase successfully completed – Key terms of the rights issue

Offer size	– 11,717,353 new shares (c. 7.1 % of current share capital), resulting in EUR 351.5 m of gross proceeds
Subscription price	– EUR 30 per share (17.8 % discount to XETRA closing price as of 27 September 2017, 16.8 % discount to TERP)
Use of proceeds	– Repayment of existing indebtedness, with any remainder to be used for general corporate purposes
Listing	– Regulated market of Frankfurt Stock Exchange (Prime Standard) and the regulated market of the Hamburg Stock Exchange
Distribution	– Public offer in Germany and Luxembourg – Offering in the US to QIBs under Rule 144A – Private placement to institutional investors outside the US in reliance on Reg S
Take-up ratio	– 96%



 1) CSAV Germany Container Holding GmbH 2) Kühne Maritime GmbH 3) Qatar Holding Germany GmbH 4) The Public Investment Fund of the Kingdom of Saudi Arabia

Hapag-Lloyd Investor Relations
Tel +49 40 3001-2896
Fax +49 40 3001-72896
ir@hlag.com
https://www.hapag-lloyd.com/en/ir.html