



H1 | 2015

INTERIM GROUP REPORT

HAPAG-LLOYD AG
1 JANUARY TO 30 JUNE 2015



SUMMARY OF HAPAG-LLOYD KEY FIGURES | INTERIM GROUP REPORT H1 2015

		1.4. – 30.6. 2015	1.4. – 30.6. 2014	1.1. – 30.6. 2015	1.1. – 30.6. 2014	Change absolute
KEY OPERATING FIGURES¹⁾						
Total vessels (as at 30 June)		188	154	188	154	+34
Aggregate capacity of vessels	TTEU	989	777	989	777	+212
Aggregate capacity of containers	TTEU	1,607	1,140	1,607	1,140	+467
Bunker price (MFO, average for the quarter)	USD/t	317	592	346	592	-246.0
Freight rate (average for the quarter)	USD/TEU	1,264	1,426	1,296	1,424	-128.0
Transport volume	TTEU	1,945	1,474	3,719	2,873	+846.0
Revenue	million EUR	2,367	1,660	4,669	3,214	+1,455.0
Transport expenses	million EUR	1,952	1,471	3,792	2,875	+917.0
EBITDA	million EUR	209.7	64.3	493.3	67.2	+426.1
EBIT	million EUR	93.4	-20.9	267.7	-101.5	+369.2
EBIT adjusted	million EUR	80.1	-10.5	240.6	-73.7	+314.3
Group profit/loss	million EUR	29.0	-54.2	157.2	-173.3	+330.5
Cash flow from operating activities	million EUR	128.8	8.9	324.1	73.3	+250.8
KEY RETURN FIGURES¹⁾						
EBITDA margin (EBITDA/revenue)	%	8.9	3.9	10.6	2.1	+8.5 ppt
EBIT margin (EBIT/revenue)	%	3.9	-1.3	5.7	-3.2	+8.9 ppt
EBIT margin adjusted (EBIT adjusted/revenue)	%	3.4	-0.6	5.2	-2.3	+7.5 ppt
KEY BALANCE SHEET FIGURES AS AT 30 JUNE²⁾						
Balance sheet total	million EUR	10,824	10,108	10,824	10,108	+716
Equity	million EUR	4,682	4,170	4,682	4,170	+512
Equity ratio (equity/balance sheet total)	%	43.3	41.2	43.3	41.2	+2.1 ppt
Borrowed capital	million EUR	6,143	5,939	6,143	5,939	+204
KEY FINANCIAL FIGURES AS AT 30 JUNE²⁾						
Financial debt	million EUR	3,954	3,717	3,954	3,717	+237
Cash and cash equivalents	million EUR	595	711	595	711	-116
Net debt (financial debt – cash and cash equivalents)	million EUR	3,359	3,006	3,359	3,006	+353
Gearing (net debt/equity)	%	71.7	72.1	71.7	72.1	+(0.4) ppt
NUMBER OF EMPLOYEES AS AT 30 JUNE¹⁾						
Marine personnel		1,516	1,328	1,516	1,328	+188
Shore-based personnel		8,608	5,643	8,608	5,643	+2,965
HAPAG-LLOYD TOTAL		10,124	6,971	10,124	6,971	+3,153

¹⁾ The comparison of key operating figures refers to the prior year period 1.1.–30.6.2014.

²⁾ The comparison of key balance sheet and key financial figures refers to the balance sheet date 31.12.2014.

Disclaimer: Unless stated otherwise, the figures for the second quarter of 2015 and the first half of 2015 relate to Hapag-Lloyd including the container shipping activities acquired from CSAV. The figures for the second quarter of 2014 and the first half of 2014 relate to Hapag-Lloyd only. The figures are therefore only comparable to a limited extent.

This interim report contains statements concerning future developments at Hapag-Lloyd. Due to market fluctuations, the development of the competitive situation, world market prices for commodities, and changes in exchange rates and the economic environment, the actual results may differ considerably from these forecasts. Hapag-Lloyd neither intends nor undertakes to update forward-looking statements to adjust them for events or developments which occur after the date of this report.

This report was published on 26 August 2015.

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HAPAG-LLOYD – CAPITAL MARKET ACTIVITIES

Interest rate uncertainties and Greek default hit stock markets at quarter end

The favourable mood on international stock markets continued in the first half of 2015. Germany's leading index, the DAX, and the Japanese stock market in particular recorded substantial share price gains compared with the previous year. However, expectations that the US Federal Reserve would increase key interest rates in the second half of 2015 and the possibility of Greece going bankrupt had a significant adverse effect on stock markets at the end of the second quarter of 2015. China's ongoing sluggish economic performance and heavy share price losses on the Shanghai stock exchange also impaired the performance of share prices on international stock markets at the end of the reporting period. Despite an agreement by eurozone member states on a further bailout package for Greece and government assistance for the Chinese stock exchanges, strong share price fluctuations and heavy losses, especially on the Chinese stock exchange, continue to determine events on international stock markets in July.

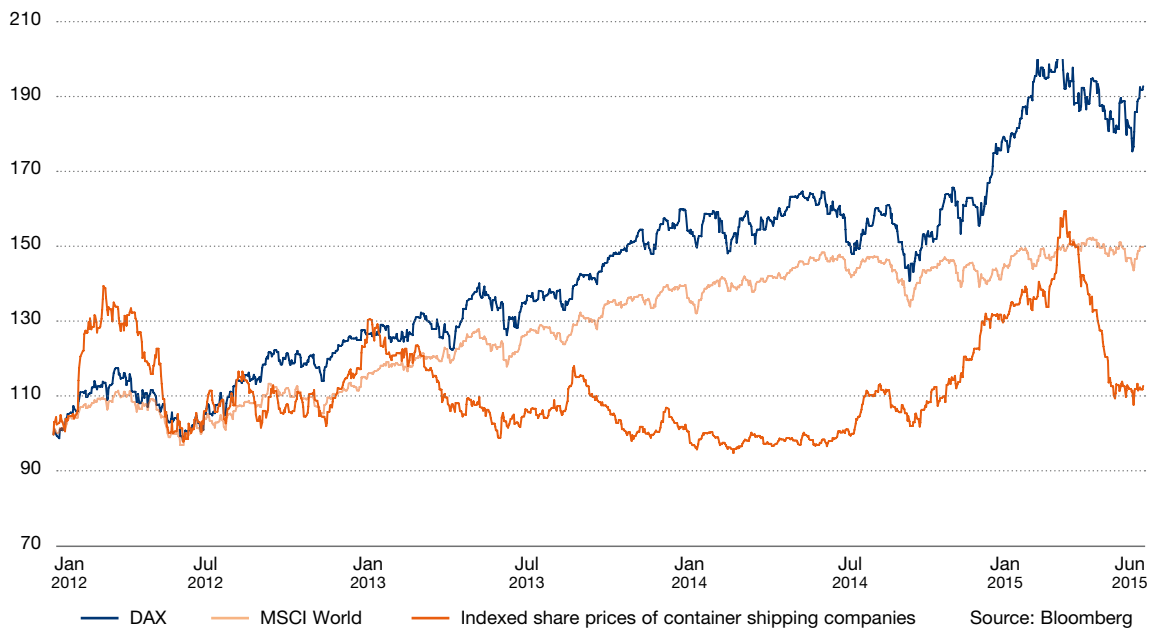
DEVELOPMENTS IN THE MOST IMPORTANT INDICES

Indices*	30.6.2015	31.12.2014	30.6.2014	Change (30.6.) 2015 vs 2014
Dow Jones Industrial	17,620	17,823	16,827	+ 4.7%
MSCI World	1,736	1,710	1,743	-0.4%
EuroStoxx 50	3,424	3,146	3,228	+ 6.1%
DAX Index	10,945	9,806	9,833	+ 11.3%
Nikkei 225	20,236	17,451	15,162	+ 33.5%

Source: Bloomberg; *Last trading day

The shares of listed container shipping companies likewise recorded price gains in the first half of 2015 thanks to oil prices remaining low and a significantly improved earnings position in the first quarter of 2015. Nevertheless, the ongoing pressure on freight rates, especially in Far East–Europe trade, and the sharp drop in the share prices of Chinese container liner companies led to much lower share prices at the end of the first half of the year.

Indexed share prices of container shipping companies (January 2012 to June 2015)



Volume of bonds issued remains high

Institutional and private investors continued to show a buoyant interest in high-yield corporate bonds. According to an analysis by the investment bank Société Générale, the volume of high-yield corporate bonds issued in Europe amounted to EUR 62.7 billion in the first half of 2015, compared with the EUR 74.9 billion in bonds issued by companies in the first half of 2014.

Hapag-Lloyd AG's bonds

As at 30 June 2015, Hapag-Lloyd AG's bonds traded at 104.60% (2018 EUR bond), 105.57% (2019 EUR bond) and 104.25% (2017 USD bond).

The Hapag-Lloyd Group still has robust balance sheet ratios. The equity ratio (equity/balance sheet total) as at 30 June 2015 amounted to 43.3%. Gearing was comparatively moderate at 71.7%. As at 30 June 2015, cash and cash equivalents accounted for approximately 5.5% of the balance sheet total. The agreed covenants were fulfilled as expected as at 30 June 2015.

In its rating update on 17 June 2015, the international rating agency Moody's confirmed its issuer rating of B2 for Hapag-Lloyd AG and revised its outlook upwards from negative to stable.

KEY BOND DATA					
	Issue volume (total)	Maturity*	Coupon	Initial offering price	Price on 30.6.2015
2018 EUR bond	EUR 400 million**	01.10.2018	7.75%	100.00%	104.60%
2019 EUR bond	EUR 250 million	15.10.2019	7.50%	100.00%	105.57%
2017 USD bond	USD 250 million	15.10.2017	9.75%	99.37%	104.25%

Price data: Bloomberg, Citigroup; * Callable; ** Increase of EUR 150 million to 101.75%

Open and transparent communication

The focus of Hapag-Lloyd's investor relations activities is on communicating promptly with all investors and capital market participants. In the first six months of 2015, Hapag-Lloyd held a large number of individual discussions with interested international analysts and investors.

Published company reports are available on the Investor Relations pages of Hapag-Lloyd's website – www.hapag-lloyd.com/en/investor_relations/reports.html

Detailed information regarding Hapag-Lloyd's corporate bonds is available at www.hapag-lloyd.com/en/investor_relations/bonds.html

INTERIM GROUP MANAGEMENT REPORT

BASIC PRINCIPLES OF THE GROUP

GROUP STRUCTURE AND SHAREHOLDERS

The corporate merger of CSAV's container shipping activities with those of Hapag-Lloyd was completed on 2 December 2014 by means of a contribution in kind as part of a non-cash capital increase following approval from all the relevant competition authorities.

The Group's container shipping activities now comprise the activities of Hapag-Lloyd and the container shipping activities acquired from CSAV. The container shipping activities acquired from CSAV (hereinafter also referred to as "CCS", "CSAV business activities" or "CSAV container shipping activities") were conducted by CSAV Germany Container GmbH (CC Co) until the merger with Hapag-Lloyd AG. CSAV Germany Container GmbH merged with Hapag-Lloyd AG in the second quarter of 2015 with retroactive effect as at 1 January 2015. As a result, all of the container shipping activities are now directly held by Hapag-Lloyd AG. The merger of the container shipping activities means that, being one of the world's leading container liner shipping companies, Hapag-Lloyd's ability to compete has significantly improved. Hapag-Lloyd now has a much stronger market presence both in east-west and north-south trades.

At the balance sheet date (30 June 2015), a total of 117 direct and indirect subsidiaries and four equity-accounted investees belonged to the group of consolidated companies of Hapag-Lloyd AG. The equity-accounted investees include an investment in a container terminal in Hamburg.

With the addition of CSAV, Hapag-Lloyd was able to obtain another important anchor shareholder. By contributing its container shipping activities in exchange for shares and a stake in a subsequent capital increase in the amount of EUR 370 million in December 2014, CSAV became the largest single shareholder and thus also one of the anchor shareholders of Hapag-Lloyd AG, together with HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH and Kühne Maritime GmbH. CSAV, HGV and Kühne Maritime have pooled 51% of the Hapag-Lloyd voting rights and make key decisions together. The agreement has been concluded for a period of ten years.

The three anchor shareholders hold a total of 78% of Hapag-Lloyd's share capital. As at 30 June 2015, Hapag-Lloyd AG's shareholders were:

Shareholding in %	
CSAV Germany Container Holding GmbH	34.0%
HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH	23.2%
Kühne Maritime GmbH	20.8%
TUI AG/TUI-Hapag Beteiligungs GmbH	13.9%
SIGNAL IDUNA Gruppe	3.3%
M.M.Warburg & CO KGaA and other investors	1.9%
HSH Nordbank AG	1.8%
HanseMerkur Versicherungsgruppe	1.1%
Total	100.0%

Percentages have been rounded

Change in the Hapag-Lloyd Executive Board

In its meeting on 26 March 2015, the Supervisory Board of Hapag-Lloyd appointed two new members to the Executive Board. Nicolás Burr succeeded Peter Ganz as the Company's CFO. Peter Ganz stepped down from the Executive Board of Hapag-Lloyd AG with effect from 31 March 2015.

Thorsten Haeser will take up his position as Chief Commercial Officer (CCO) on 1 October 2015. As a result, the Executive Board of Hapag-Lloyd will have four members in future: Rolf Habben Jansen (Chief Executive Officer), Anthony J. Firmin (Chief Operating Officer), Nicolás Burr (Chief Financial Officer) and Thorsten Haeser (Chief Commercial Officer).

OPERATING ACTIVITIES

Hapag-Lloyd is Germany's largest container liner shipping company and is one of the world's leading liner shipping companies in terms of global market coverage. Its core business is the shipping of containers by sea, but also encompasses transport services from door to door.

Network of Hapag-Lloyd Services



The Hapag-Lloyd fleet comprises 188 container ships (30 June 2015). The Group currently has 349 sales offices in 116 countries and offers its customers worldwide access to a network of 128 liner services. In the first half of 2015, Hapag-Lloyd served approximately 20,000 customers around the world.

Hapag-Lloyd conducts its container liner shipping business in an international business environment in which transactions are invoiced mainly in US dollars and payment procedures are handled in US dollars. This relates not only to operating business transactions, but also to investment activities such as the acquisition and the corresponding financing of investments. The functional currency of Hapag-Lloyd AG and its subsidiaries is therefore the US dollar. The reporting currency of Hapag-Lloyd AG is, however, the euro. Assets and liabilities recognised in the consolidated financial statements of Hapag-Lloyd AG are translated into euros as at the balance sheet date (closing date rate) using the middle rate of that day. The transactions listed in the consolidated statement of cash flows and the expenses and income shown in the consolidated income statement are translated at the average exchange rate for the reporting period. The translation differences are recognised in the Group's other comprehensive income.

GROUP OBJECTIVES AND STRATEGY

The prime objective of the Hapag-Lloyd Group is to achieve long-term profitable growth measured on the basis of developments in the transport volume and the key performance indicators of EBITDA and adjusted EBIT. Increasing global demand for container shipping forms the basis for this targeted organic growth. Based on current forecasts (IHS Global Insight, July 2015), the volume of global container shipments should grow by 3.5% to around 132 million TEU in 2015 and by a further 5.4% to 139 million TEU in 2016.

The key internal performance indicators for the Company's operating activities are earnings before interest, taxes, depreciation and amortisation (EBITDA) and earnings before interest and taxes adjusted for special items (adjusted EBIT). The performance of these key financial indicators is outlined on page 16. The main factors influencing these are transport volume, freight rate, the US dollar exchange rate against the euro, and operating costs including bunker price. EBITDA is an important indicator of the achievement of sustainable company results and gross cash flows. It has a special significance for capital-intensive companies. Hapag-Lloyd – which has a balanced fleet structure, owning approximately 52% of its fleet (based on TEU capacity) – uses EBITDA as an important parameter for investment decisions.

The generation of sustainable cash flows, solid corporate financing, and therefore in particular a good liquidity and equity base, are once again key cornerstones of the corporate strategy in the 2015 financial year. As at 30 June 2015, Hapag-Lloyd had a liquidity reserve (consisting of cash, cash equivalents and unused credit facilities) totalling EUR 830.2 million (31 December 2014: EUR 921.9 million; 30 June 2014: EUR 497.2 million).

With demand for container shipping services continuing to rise, container shipping will remain a growth industry in the long term. Hapag-Lloyd will continue to invest in new ship systems in order to utilise the medium-term expansion opportunities resulting from market growth and to realise economies of scale in its ship operations.

The integration of CSAV's container ship activities (Project Cuatro) into the Hapag-Lloyd Group was largely complete as at 30 June as a result of "Voyage Cut-Over" – the consolidation of the services and ship systems in the various trades – which took place in the second quarter of 2015. This means that the integration happened more quickly than originally expected. Additional synergy potential was identified during the consolidation of the container ship activities, and the processes needed to realise this potential have largely been implemented already. The annual synergies created by the integration are targeted to increase to approximately USD 400 million by 2017, USD 100 million higher than the originally targeted amount of USD 300 million.

Additional cost savings in the amount of USD 200 million are expected to be realised by 2016 on an annual basis as part of the Octave project. A large volume of the synergies and cost savings from both projects are already expected to be reflected in earnings (on the basis of the operating result) in 2015.

IMPORTANT FINANCIAL PERFORMANCE INDICATORS

Important financial performance indicators for the Hapag-Lloyd Group include (adjusted) EBIT, EBITDA, the transport volume and freight rates. The development of the most important financial performance indicators in the first half of 2015 is presented in the section “Group earnings position”.

IMPORTANT NON-FINANCIAL PRINCIPLES

The optimum utilisation of the available ship and container capacities also has a substantial influence on whether Hapag-Lloyd achieves long-term profitable growth. Sustainable and quality-conscious corporate governance and highly qualified and motivated employees are also important principles for Hapag-Lloyd’s targeted profitable growth.

Efficient fleet

As at 30 June 2015, Hapag-Lloyd’s fleet comprised a total of 188 container ships, which are all certified in accordance with the ISM (International Safety Management) Code and have a valid ISSC (ISPS) certificate. The majority of the vessels are also certified as per ISO 9001 (quality management) and ISO 14001 (environmental management). The TEU capacity of the entire Hapag-Lloyd fleet amounted to 989,177 TEU. Hapag-Lloyd also owned or leased 1,000,415 containers with a capacity of 1,607,197 TEU for shipping cargo.

STRUCTURE OF HAPAG-LLOYD’S CONTAINER SHIP FLEET

	30.6.2015*	31.12.2014*	30.6.2014
Number of vessels	188	191	154
thereof			
Own vessels	66	77	61
Leased vessels	5	5	6
Chartered vessels	117	109	87
Aggregate capacity of vessels (TTEU)	989	1,009	777
Aggregate container capacity (TTEU)	1,607	1,619	1,140
Number of services	128	119	101

*The figures as at 30.6.2015 and 31.12.2014 relate to Hapag-Lloyd including the container shipping activities acquired from CSAV. The figures as at 30.6.2014 relate to Hapag-Lloyd only.

Hapag-Lloyd’s order book as at 30 June 2015 comprised five vessels, each with a capacity of 10,500 TEU as well as one remaining vessel of the seven 9,300 TEU vessels. The new Hapag-Lloyd ships will each have 2,100 slots for reefer containers. The ships are scheduled for delivery between October 2016 and April 2017. The financing banks have made initial commitments for the long-term financing of the newly built ships. By the end of the second quarter of 2015, all but one of the vessels to be decommissioned (“Old Ladies”) had been sold or given to a certified ship breaking yard.

Sustainability and quality management

The emission standards set by the International Maritime Organization (IMO), the US state of California and the EU provide for a further significant reduction in emissions. By law, particularly low-sulphur fuels have had to be used off the coast of California since January 2014 and in coastal trades in Europe since January 2015.

Consumption of low-sulphur marine diesel oil (MDO) amounted to approximately 222,000 metric tonnes in the first half of 2015 (H1 2014, Hapag-Lloyd only: approximately 48,000 metric tonnes). The average bunker consumption price for MDO stood at USD 573/tonne (previous year: USD 936/tonne).

The efficiency and sustainability of the Hapag-Lloyd fleet will be further improved by means of fleet modernisation. Calculated on the basis of a year, bunker consumption per container slot totalled 3.44 tonnes/container slot in the first six months of 2015 (H1 2014: 3.89 tonnes/container slot; Hapag-Lloyd stand-alone).

In July 2015, the quality and environmental management certificates ISO 9001 and ISO 14001 were renewed by the certification company DNV GL (Det Norske Veritas) and are valid for another three years until June 2018.

Customers

Long-term, close business relations with customers are also important in driving value for corporate development. Relationships with major customers are managed by a global key account team. This enables the Company to establish and maintain sustainable customer relationships. In the first six months of the 2015 financial year, Hapag-Lloyd (including the container shipping activities acquired from CSAV) completed shipping contracts for approximately 20,000 customers (prior year period: approximately 15,600 for Hapag-Lloyd stand-alone).

Employees

Together with CSAV's container shipping activities, the Hapag-Lloyd Group employed 10,124 people as at 30 June 2015 (previous year, Hapag-Lloyd only: 6,971). The number of shore-based employees as at 30 June 2015 was 8,499 (previous year, Hapag-Lloyd only: 5,561). 1,421 people were employed in the marine division as at 30 June 2015 (previous year, Hapag-Lloyd only: 1,256). Hapag-Lloyd employed 204 apprentices as at 30 June 2015.

NUMBER OF EMPLOYEES*			
	30.6.2015	31.12.2014	30.6.2014
Marine personnel	1,421	1,408	1,256
Shore-based personnel	8,499	8,901	5,561
Apprentices	204	214	154
Total	10,124	10,523	6,971

*The figures as at 30 June 2015 and 31 December 2014 relate to the Hapag-Lloyd Group including the container shipping activities acquired from CSAV. The figures as at 30.6.2014 relate to the Hapag-Lloyd Group only.

ECONOMIC REPORT

GENERAL ECONOMIC CONDITIONS

More than 90% of goods transported around the world are carried by ship. Container ships play a significant role in handling the global transport volume. The pace at which the global economy grows and, by extension, at which global trade expands is a significant factor that influences demand for container shipping services and the development of the container shipping companies' cargo volumes.

American economic growth was weak in the first quarter of 2015 for weather-related reasons, prompting the International Monetary Fund's (IMF) economic experts to revise forecasts slightly for global economic growth in 2015 by 0.2 percentage points to 3.3%. Global economic prospects have further strengthened overall. As a result, the IMF's current economic outlook (July 2015) continues to predict a 3.8% increase in global growth for 2016.

Despite weakening, especially in China, the pace of economic growth in the emerging markets of Asia and Latin America will continue to comfortably outstrip growth rates in the established industrialised nations in 2015 and 2016. The further slowdown in growth in China (the world's second-largest economy is set to grow by a mere 6.8% in 2015 and 6.3% in 2016), the still very muted growth in Latin America and the risk of Greek insolvency are currently the main threats to global economic developments in 2015.

According to the IMF, the volume of global trade, which is key to the demand for container shipping services, is forecast to increase by 4.1% in the current year – slightly more than the IMF's previous prediction (3.7%, April 2015). Growth of 4.4% is expected in 2016. This means that global trade is expected to grow faster than the global economy in both years.

DEVELOPMENTS IN GLOBAL ECONOMIC GROWTH (GDP) AND WORLD TRADING VOLUME

%	2016e	2015e	2014	2013
Global economic growth	3.8	3.3	3.4	3.4
Industrialised countries	2.4	2.1	1.8	1.4
Developing and newly industrialised countries	4.7	4.2	4.6	5.0
World trading volume (goods and services)	4.4	4.1	3.2	3.3

Source: IMF, July 2015

SECTOR-SPECIFIC CONDITIONS

In the medium term, demand for container shipping services should continue to rise in tandem with expected ongoing growth in global trading volume.

In its current forecast (July 2015) for 2015, IHS Global Insight anticipates a 3.5% rise in global cargo volumes to around 132 million TEU. Due to the somewhat lower than expected global economic growth, IHS Global Insight has cut its forecasts for 2015 (compared with the level forecast in April 2015) by around TEU 1.0 million. The growth in global cargo volumes may reach 5.4% in the coming year. This means global container shipping volumes would increase more strongly again in 2016 than the forecast rate of growth for global trade. For the period 2015 to 2020, the average annual growth rate of the global container shipping volume is expected to be 5.2%.

With the total capacity of the global container ship fleet estimated at 19.4 million TEU at the beginning of 2015 (MDS Transmodal, July 2015), based on the container ships on order and planned deliveries, the supply capacity should see increases totalling 1.9 million TEU in 2015 and 1.0 million TEU in 2016. Due to the sharp fall in orders for new vessels, the tonnage of commissioned container ships is currently equivalent to approximately 17% of the global container fleet's capacity. It is therefore at its lowest since the fourth quarter of 2002 and still well below the highest level seen to date, which was approximately 56% in 2008.

DEVELOPMENT OF GLOBAL CONTAINER FLEET CAPACITY

million TEU	2016e	2015e	2014	2013	2012
Total capacity (start of year)	21.3	19.4	18.4	17.6	16.8
Planned and effective deliveries*	1.0	1.9	1.0	0.8	0.8

Source: MDS Transmodal, Drewry Maritime Research. Only vessels > 399 TEU. Figures rounded. Based on existing orders and planned deliveries * For 2015 and 2016 excluding scrapings and postponed deliveries

In the future as well, the actual growth in the global container ship fleet's transport capacity is expected to be lower than the projected nominal increase, as old and inefficient vessels are scrapped, deliveries of newbuilds are postponed and slow steaming (reducing the speed at which services operate) is used. According to data provided by the information platform Clarksons Shipping Intelligence Network (April 2015), the scrapping of container ships in 2014 equated to approximately 0.4 million TEU. Current predictions for the scrapping of inefficient container ships in 2015 and 2016 are around 220,000 TEU (Clarkson Research July 2015).

Based on existing orders and predictions for scrappings, the capacity growth of the global container ship fleet would be around 0.8 million TEU in 2016.

Although the prospects for growth remain positive in the medium term, there may be temporary imbalances in supply and demand, which could have a substantial impact on the respective transport volumes and freight rates. As competitive pressure has remained high and the bunker price has fallen, it has only been possible to implement the necessary freight rate increases to a very limited degree. Once again in 2015, freight rates in the various trades are likely to fluctuate considerably in some cases.

With pressure on freight rates continuing, there was a slight increase in what remains a relatively low level of idle ships at the end of the first half of the year. At around 297,600 TEU (Alphaliner, July 2015), the laid-up capacity at the end of June 2015 still only corresponded to approximately 1.6% of the global container fleet's total tonnage, although this means that it was above the approximately 255,000 TEU in the first half of 2014. The majority of idle ships have a tonnage of up to 3,000 TEU.

GROUP EARNINGS POSITION

The respective reporting periods' earnings positions are only comparable with the corresponding prior year period to a limited degree, as CSAV's container shipping activities were included in the consolidated financial statements of Hapag-Lloyd for the first time from 2 December 2014. Unless stated otherwise, the figures for the first half of 2014 relate to Hapag-Lloyd not including CSAV's container shipping activities.

For the Hapag-Lloyd Group, the first half of the 2015 financial year was largely characterised by a decline in economic growth in China and continued economic stagnation in Latin America. The risk of Greek insolvency also affected economic developments. Sustained competitive pressure in container shipping and the falling bunker price continued to heavily influence the development of freight rates. By contrast, initial synergy effects and cost savings as well as a stronger US dollar against the euro and a drop in the bunker price compared with the previous year had a positive impact on the Group's earnings position. At USD 1.12/EUR, the average US dollar/euro exchange rate was significantly stronger than in the prior year period (USD 1.37/EUR).

GROUP INCOME STATEMENT				
million EUR	Q2 2015	Q2 2014	H1 2015	H1 2014
Revenue	2,366.7	1,659.7	4,669.0	3,213.7
Other operating income	4.1	13.8	103.6	26.3
Transport expenses	1,952.4	1,471.4	3,791.9	2,874.9
Personnel expenses	134.6	87.8	253.8	184.5
Depreciation, amortisation and impairment	116.3	85.2	225.6	168.7
Other operating expenses	79.7	59.7	243.5	128.5
Operating result	87.8	-30.6	257.8	-116.6
Share of profit of equity-accounted investees	5.5	9.7	13.7	17.4
Other financial result	0.1	0.0	-3.8	-2.3
Earnings before interest and tax (EBIT)	93.4	-20.9	267.7	-101.5
Interest result	-60.9	-31.2	-99.2	-68.8
Income taxes	3.5	2.1	11.3	3.0
Group profit/loss	29.0	-54.2	157.2	-173.3
EBITDA	209.7	64.3	493.3	67.2
EBITDA margin (%)	8.9	3.9	10.6	2.1
EBIT adjusted	80.1	-10.5	240.6	-73.7
EBIT margin adjusted (%)	3.4	-0.6	5.2	-2.3
EBIT	93.4	-20.9	267.7	-101.5
EBIT margin (%)	3.9	-1.3	5.7	-3.2

The figures for second quarter and the first half of 2014 relate to Hapag-Lloyd only and do not include the container shipping activities acquired from CSAV.

Including CSAV's container shipping activities, the average freight rate in the first six months of 2015 was USD 1,296/TEU and was therefore USD 128/TEU down on the prior year period (USD 1,424/TEU). Besides the initial inclusion of CSAV's container shipping activities, which have a lower freight rate level overall, the main reason for the decline was the ongoing difficult market environment with increased pressure on freight rates in the second quarter 2015. On a comparable basis (if the CSAV's container shipping activities were already included in H1 2014) the average freight rate would have been USD 1,366/TEU. Therefore, the decline of the average freight rate on a comparable basis would amount to 5% respectively USD 70/TEU.

FREIGHT RATES PER TRADE*				
USD/TEU	Q2 2015	Q2 2014	H1 2015	H1 2014
Atlantic	1,500	1,569	1,505	1,572
Transpacific	1,651	1,770	1,700	1,745
Far East	966	1,176	1,027	1,188
Latin America	1,185	1,354	1,220	1,356
Intra Asia	678	802	709	781
EMAO (Europe, Mediterranean, Africa, Oceania)	1,219	1,425	1,244	1,413
Total (weighted average)	1,264	1,426	1,296	1,424

* The trades have been restructured and the assignment of individual services amended as part of the CSAV Integration. The prior period figures have been amended accordingly.

The transport volume rose year-on-year from 2,873 TEU to 3,719 TEU in the first six months. The increase resulted from the inclusion of CSAV's container shipping activities. Overall, transport volumes did not develop as well as expected, mainly due to economic developments in Latin America and China. On a comparable basis (if the CSAV's container shipping activities were already included in H1 2014) the transport volume would have been 3,822 TTEU. Therefore, the transport volume would have declined lightly by 3%.

TRANSPORT VOLUME PER TRADE*				
TTEU	Q2 2015	Q2 2014	H1 2015	H1 2014
Atlantic	408	375	775	722
Transpacific	365	334	680	662
Far East	323	288	656	566
Latin America	606	259	1,148	508
Intra Asia	150	125	280	231
EMAO (Europe, Mediterranean, Africa, Oceania)	93	93	180	184
Total	1,945	1,474	3,719	2,873

* The trades have been restructured and the assignment of individual services amended as part of the CSAV Integration. The prior period figures have been amended accordingly.

Revenue increased by EUR 1,455.3 million year-on-year in the first six months of the 2015 financial year, from EUR 3,213.7 million to EUR 4,669.0 million. This was due to the growth in transport volumes following the incorporation of CSAV's container shipping activities and also to the considerably stronger US dollar.

REVENUE PER TRADE*				
million EUR	Q2 2015	Q2 2014	H1 2015	H1 2014
Atlantic	552.7	428.8	1,044.8	827.4
Transpacific	543.6	432.3	1,035.6	843.3
Far East	282.4	247.8	603.6	490.9
Latin America	647.6	256.0	1,253.8	502.4
Intra Asia	92.2	72.8	177.9	131.5
EMAO (Europe, Mediterranean, Africa, Oceania)	101.7	95.9	199.9	189.6
Others	146.5	126.1	353.4	228.6
Total	2,366.7	1,659.7	4,669.0	3,213.7

* The trades have been restructured and the assignment of individual services amended as part of the CSAV Integration. The prior period figures have been amended accordingly.

Transport expenses rose by EUR 917.0 million to EUR 3,791.9 million in the first half of 2015 (prior year period: EUR 2,874.9 million). This development was primarily attributable to the increase in transport volumes caused by the acquisition of CSAV's container shipping activities, which in particular pushed the cost of purchased services up. Overall the increase in transport expenses (+31.9%) in the first six months of 2015 was however proportionately lower than the rise in revenue (+45.3%). Along with the fall in bunker prices, this was above all due to the realisation of initial synergy effects from the merger with CSAV's container shipping activities. In addition, the cost reduction measures initiated last year were already having an impact in the first six months. This was offset by the continuing high loading costs due to delays at certain terminals on the US west coast as a result of ongoing industrial disputes. Expenses for raw materials and supplies fell by EUR 88.3 million compared with the prior year period, despite the incorporation of CSAV's container shipping activities. This decline was due primarily to an approximately 42% drop in bunker consumption prices and the cost savings achieved from greater bunker efficiency. At USD 346 per tonne, the average bunker price in the first six months of the current financial year was USD 248 below the level of the corresponding prior year period (USD 592 per tonne).

TRANSPORT EXPENSES				
million EUR	Q2 2015	Q2 2014	H1 2015	H1 2014
Expenses for raw materials and supplies	310.3	342.7	587.6	675.9
Cost of purchased services	1,642.1	1,128.7	3,204.3	2,199.0
thereof				
Port, canal and terminal costs	745.7	490.2	1,427.2	963.2
Chartering, leases and container rentals	290.5	154.0	551.3	301.5
Container transport costs	566.6	447.9	1,142.0	863.8
Maintenance/repair/other	39.3	36.6	83.8	70.5
Transport expenses	1,952.4	1,471.4	3,791.9	2,874.9

The figures for the second quarter and the first half of 2014 relate to Hapag-Lloyd only and do not include the container shipping activities acquired from CSAV. The breakdown of the cost of purchased services as part of transport expenses has been adjusted for the second quarter and the first half of 2015 as a result of an allocation correction.

The gross profit margin (ratio of revenue less transport expenses to revenue) was up 8.3 percentage points as a result of improved cost structures and savings compared with the corresponding prior year period and came to 18.8% in the first half of 2015 (prior year period: 10.5%).

Changes in the US dollar/euro exchange rate caused period-specific exchange rate gains and losses to increase in the period under review. This was reflected in other operating income and other operating expenses. Netted, this resulted in an exchange rate gain of EUR 5.7 million in the first half of 2015 (prior year period: exchange rate loss of EUR 2.3 million).

Depreciation and amortisation totalled EUR 225.6 million in the first half of 2015 (prior year period: EUR 168.7 million). The year-on-year increase in depreciation and amortisation was in particular due to the initial inclusion of CSAV's container shipping activities and scheduled depreciation of the acquired newbuilds and containers.

Due to the integration of CSAV's container shipping activities training expenses, travel expenses and relocation expenses were incurred. Additionally, in the first half of 2015 restructuring provision in the amount of EUR 20.4 million was reversed due to individual measures being performed for a lower cost than originally planned.

The Group's earnings before interest and taxes (EBIT) amounted to EUR 267.7 million in the reporting period. They were therefore well above the corresponding figure in the prior year period of EUR –101.5 million. The Group's earnings before interest, taxes, depreciation and amortisation (EBITDA) came to EUR 493.3 million in the first six months of the financial year (prior year period: EUR 67.2 million).

Having been adjusted for special items (in H1 2015 only purchase price allocation) amounting to EUR –27.1 million (prior year period: EUR 27.8 million), the Group's adjusted earnings before interest and taxes (adjusted EBIT) totalled EUR 240.6 million in the first six months of the 2015 financial year (prior year period: EUR –73.7 million).

KEY EARNINGS FIGURES

million EUR	Q2 2015	Q2 2014	H1 2015	H1 2014
Revenue	2,366.7	1,659.7	4,669.0	3,213.7
EBIT	93.4	–20.9	267.7	–101.5
Purchase price allocation	–13.3	5.5	–27.1	12.7
Transaction and restructuring costs	0.0	4.9	0.0	15.1
EBIT adjusted	80.1	–10.5	240.6	–73.7
EBITDA	209.7	64.3	493.3	67.2
EBIT margin (%)	3.9	–1.3	5.7	–3.2
EBIT margin adjusted (%)	3.4	–0.6	5.2	–2.3
EBITDA margin (%)	8.9	3.9	10.6	2.1

The figures for the second quarter and the first half of 2014 relate to Hapag-Lloyd only and do not include the container shipping activities acquired from CSAV.

The interest result for the first half of 2015 was EUR –99.2 million (prior year period: EUR –68.8 million).

The Group recorded a profit of EUR 157.2 million in the first six months of 2015 (prior year period: loss of EUR –173.3 million).

GROUP FINANCIAL POSITION

The respective reporting periods' financial positions are only comparable with the corresponding prior year period to a limited degree, as CSAV's container shipping activities were included in the consolidated financial statements of Hapag-Lloyd for the first time from 2 December 2014. Unless stated otherwise, the figures for the first half of 2014 relate to Hapag-Lloyd not including CSAV's container shipping activities.

CONDENSED STATEMENT OF CASH FLOWS

million EUR	Q2 2015	Q2 2014	H1 2015	H1 2014
Cash flow from operating activities	128.8	8.9	324.1	73.3
Cash flow from investing activities	–152.4	–30.8	–331.6	–104.6
Free cash flow	–23.6	–21.9	–7.5	–31.3
Cash flow from financing activities	–126.5	–15.6	–171.0	–3.7
Changes in cash and cash equivalents	–150.1	–37.5	–178.5	–35.0

The figures for the second quarter and the first half of 2014 relate to Hapag-Lloyd only and do not include the container shipping activities acquired from CSAV.

Cash flow from operating activities

The Group generated a positive operating cash flow of EUR 324.1 million in the first half of the 2015 financial year (prior year period: EUR 73.3 million).

Cash flow from investing activities

The cash outflow from investing activities amounted to EUR 331.6 million in the first six months of the 2015 financial year (prior year period: EUR 104.6 million). This mainly consisted of payments for investments in ship newbuilds and containers totalling EUR 345.2 million. Furthermore, prepayments amounting to EUR 83.6 million were made for additional newbuilds. In particular, proceeds from the disposals of the vessels to be decommissioned (“Old Ladies”) had an offsetting effect in the amount of EUR 71.0 million. For existing operating lease contracts for containers in the amount of EUR 29.0 million (USD 32,4 million), a commitment was made to exercise the purchase option included in the contracts at the end of the financial year, and by March and June 2017 respectively, without impacting the cash flow from investing activities. The corresponding container lease contracts were therefore recognised as finance lease contracts as at 30 June 2015.

Cash flow from financing activities

Financing activities resulted in a net cash outflow of EUR 171.0 million in the reporting period (prior year period: EUR 3.7 million). Cash inflows from new borrowing in the amount of EUR 220.9 million were essentially offset by interest and capital repayments of EUR 373.9 million. New borrowing primarily related to payments received for the financing of ship newbuilds placed into service and the financing of containers.

CHANGES IN CASH AND CASH EQUIVALENTS				
million EUR	Q2 2015	Q2 2014	H1 2015	H1 2014
Cash and cash equivalents at beginning of period	774.9	466.2	711.4	464.8
Changes due to exchange rate fluctuations	-29.9	-1.1	62.0	-2.2
Net changes	-150.1	-37.5	-178.5	-35.0
Cash and cash equivalents at end of period	594.9	427.6	594.9	427.6

The figures for the second quarter and the first half of 2014 relate to Hapag-Lloyd only and do not include the container shipping activities acquired from CSAV.

Overall, the aggregate cash outflow totalled EUR 178.5 million in the first half of 2015, such that after accounting for exchange rate effects in the amount of EUR 62.0 million, cash and cash equivalents of EUR 594.9 million were reported at the end of the reporting period (30 June 2015) (previous year: EUR 427.6 million). The cash and cash equivalents dealt with in the statement of cash flows correspond to the balance sheet item "Cash and cash equivalents". In addition, the Company has unused credit facilities of EUR 235.3 million.

Net debt

At EUR 3,358.8 million, the Group's net debt had increased as at 30 June 2015 from the end of 2014, when it stood at EUR 3,005.7 million. This rise was caused in particular by exchange rate effects on the reporting date relating to the change in the US dollar/euro exchange rate from USD 1.22 to USD 1.12 in the amount of EUR 193.6 million.

FINANCIAL SOLIDITY		
million EUR	30.6.2015	31.12.2014
Cash and cash equivalents	594.9	711.4
Financial debt	3,953.7	3,717.1
Net debt	3,358.8	3,005.7
EBITDA	493.3	98.9
Gearing (%)*	71.7	72.1
Unused credit lines	235.3	210.5
Equity ratio (%)	43.3	41.2

* Net debt/Equity

GROUP NET ASSET POSITION

CHANGES IN THE NET ASSET STRUCTURE		
million EUR	30.6.2015	31.12.2014
Assets		
Non-current assets	9,199.8	8,303.0
of which fixed assets	9,133.6	8,246.2
Current assets	1,624.6	1,805.4
of which cash and cash equivalents	594.9	711.4
Total assets	10,824.4	10,108.4
Equity and liabilities		
Equity	4,681.9	4,169.6
Borrowed capital	6,142.5	5,938.8
of which non-current liabilities	3,874.0	3,733.2
of which current liabilities	2,268.5	2,205.6
of which financial debt	3,953.7	3,717.1
of which non-current financial debt	3,478.4	3,309.1
of which current financial debt	475.3	408.0
Total equity and liabilities	10,824.4	10,108.4
Asset coverage ratio I (%)	51.3	50.6
Asset coverage ratio II (%)	93.7	95.8
Liquidity ratio I (%)	26.2	32.3
Net debt	3,358.8	3,005.7
Equity ratio (%)	43.3	41.2

As at 30 June 2015, the Group's balance sheet total was EUR 10,824.4 million, which is EUR 716.0 million higher than the figure at year-end 2014. This was due in particular to exchange rate effects. While non-current assets grew by EUR 896.8 million, current assets shrank by EUR 180.8 million.

Within non-current assets, there was a particularly marked rise in the carrying amounts of property, plant and equipment. This resulted from investments of EUR 251.3 million in ocean-going vessels, payments on account of EUR 83.6 million for ships under construction and investments of EUR 108.1 million in containers, which were made as part of the scheduled renewal of container stocks. Exchange rate effects of EUR 443.0 million as at the reporting date caused property, plant and equipment to significantly increase. The US dollar/euro exchange rate was quoted at 1.12 on 30 June 2015 (prior year's closing date rate: 1.22). Offsetting this, scheduled depreciation in the amount of EUR 185.7 million reduced the carrying amount of property, plant and equipment.

The change in current assets in the first half of 2015 resulted essentially from the sale of a portfolio of ocean-going vessels recognised as assets held for sale as at 31 December 2014.

Cash and cash equivalents declined due to cash outflows totalling EUR 178.5 million, in particular for investments and also interest and capital repayments. This was offset by an increase in cash and cash equivalents caused by exchange rate effects totalling EUR 62.0 million. Cash and cash equivalents totalled EUR 594.9 million as at 30 June 2015 (31 December 2014: EUR 711.4 million).

On the liabilities side, the Group's equity increased by EUR 512.3 million to EUR 4,681.9 million. This increase is mainly due to the balance of unrealised gains and losses from currency translation recognised in other comprehensive income and amounting to EUR 336.4 million and also the Group profit of EUR 157.2 million. Additionally, the change in the reserve for the remeasurement of defined benefit pension plans also increased equity (EUR 20.7 million). The equity ratio was approximately 43% as at 30 June 2015 (31 December 2014: approximately 41%).

The Group's borrowed capital rose by EUR 203.7 million to EUR 6,142.5 million compared with the end of 2014. This increase includes a EUR 236.6 million rise in financial debt relating in particular to exchange rate effects of EUR 255.6 million as at the reporting date. Capital repayments of EUR 274.5 million and loans of EUR 220.9 million for ship and container financing also had an impact on the level of financial debt in the first half of 2015. The decrease in non-current liabilities, especially for pensions, had an offsetting effect.

For further information on significant changes to specific balance sheet items and on the scope of investment commitments, please refer to the Notes to the consolidated statement of financial position, which can be found in the condensed Notes to the interim consolidated financial statements.

EVENTS AFTER THE BALANCE SHEET DATE

The last of a total of seven new ships, each with a capacity of 9,300 TEU, entered service in July 2015. As well as that, the last of the 16 vessels to be decommissioned ("Old Ladies") was dispensed.

At present, arrangements have been concluded with a syndicate of international banks for the long-term financing of the five newbuild vessels already ordered, each with a capacity of 10,500 TEU, as well as for the increase of the existing revolving credit facility from USD 95.0 million to USD 200.0 million to strengthen the liquidity reserve. The binding loan agreements are due to be signed in September 2015. Hapag-Lloyd has already received commitment letters from the financing banks for the relevant loan agreements. Furthermore, a loan agreement in the form of a credit line to finance investments in containers of USD 135.0 million was concluded at the beginning of August 2015. This credit line has not yet been used.

RISK AND OPPORTUNITY REPORT

Please refer to the 2014 annual report for details of specific opportunities and risks. At the time of reporting, there were no risks which threatened the continued existence of the Hapag-Lloyd Group.

The current weak economic growth in Latin America and the clear slowdown in growth in China are affecting the development of transport volumes in portions of key trades at present. The merging of Hapag-Lloyd's services and the container shipping activities acquired from CSAV have also led to a lower transport volume than originally expected in the first six months of 2015. Due to the present subdued economic development in China, it is not currently known whether this drop in volume can be fully recovered over the course of the year.

From today's perspective, we do not anticipate any further changes to the risk position.

In its rating update on 17 June 2015, the international rating agency Moody's confirmed its issuer rating of B2 for Hapag-Lloyd AG and revised its outlook upwards from negative to stable. As explained in the risk and opportunity report included in the 2014 Group management report, the downgrading of Hapag-Lloyd AG's rating and that of the bonds it issues could result in less favourable conditions for raising new funds and could adversely affect the price and the fungibility of the securities.

OUTLOOK

The forecast below for the Company's anticipated development includes the container shipping activities acquired from CSAV. The forecast made here thus relates to the extended Group (including CSAV's container shipping activities) and cannot therefore be compared to the forecast in the interim Group reports for 2014 with regard to the methodology used. For this reason, one-off transport volume and freight rate effects from this inclusion are not taken into account in the forecast. In 2014, CSAV container ships transported a total volume of 1,924 TTEU. The average freight rate of CSAV's container shipping activities in the course of 2014 was USD 1,174/TEU. CSAV's container shipping activities are only included in the 2014 consolidated financial statements from the time at which they were consolidated (2 December 2014) and are thus prorated for the month of December 2014.

The statements made in the "Outlook" section of the Group management report for 2014 generally remain valid as regards the medium-term growth prospects for container shipping. In the medium term, demand for container shipping services should continue to rise in tandem with expected ongoing growth in global trading volume.

A summary of the most important external influencing factors is given below. In its latest economic outlook (July 2015), the International Monetary Fund (IMF) expects global economic growth to reach 3.3% in the current year. This means that the global economy is set to grow at a slightly weaker rate in 2015 than in the previous year (+3.4%).

According to the IMF, the volume of global trade, which is key to the demand for container shipping services, is forecast to increase by 4.1% in the current year (2014: +3.2%). IHS Global Insight (July 2015) expects the global container shipping volume to increase by 3.5% to approximately 132 million TEU in 2015 (2014: +4.6%).

Once again, growth in the capacity of the global container fleet, largely as a result of the commissioning of very large container ships in Asia-related trades, is expected to outpace demand for container shipping services in 2015. For example, the MDS Transmodal industry experts are anticipating an increase of up to 10% in transport capacities to around 21.3 million TEU this year on the basis of existing orders for container ships and planned deliveries. Continued growth in capacity and the currently relatively low number of idle vessels could again make it difficult to push through freight rate increases in 2015.

For 2015 as a whole, Hapag-Lloyd plans to significantly improve its operating result (adjusted EBIT), taking into account the persistently challenging industry environment. This should be achieved, in particular, by the synergy effects (project Cuatro) that can be realised in 2015 as well as additional cost savings (project Octave). Due to the comprehensive cost optimisation, it should be possible to achieve a clearly positive operating result (adjusted EBIT) in 2015. Earnings before interest, taxes, depreciation and amortisation (EBITDA) are also expected to increase significantly.

Key benchmark figures for the 2015 outlook

Global economic growth	+3.3%
Increase in global trade	+4.1%
Increase in global container transport volume (IHS)	+3.5%
Transport volume, Hapag-Lloyd Group	Largely unchanged
Average freight rate, Hapag-Lloyd Group	Decreasing moderately
Group net result before interest, taxes, depreciation and amortisation (EBITDA)	Clearly increasing
Group net result before interest and taxes (EBIT adjusted)	Clearly positive

As a result of the ongoing difficulties in the market environment in particular in the Far East trade and the resulting reduced transport capacity offered by the G6 alliance, uncertainties remain in particular with respect to the visibility of the important peak season 2015 as well as the development of the transport volume and of the average freight rate. Due to a volume growth which is below expectations in the first six months of 2015 and the present uncertain growth prospects in Asia in particular, Hapag-Lloyd plans a largely unchanged transport volume for 2015 as a whole.

Risks that may have an impact on the forecast for business development are described in detail in the risk report in the Group management report of the 2014 annual report (page 82 ff.). Significant risks include the possibility of a further slowdown in global economic and trade volume growth, a significant and lasting rise in bunker prices (MFO) extending beyond the average level in 2014 and a further significant reduction in freight rates. The occurrence of one or more of these risks could have a significant negative impact on the industry in 2015 and on the business development of Hapag-Lloyd in the current financial year.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT OF HAPAG-LLOYD AG FOR THE PERIOD 1 JANUARY TO 30 JUNE 2015				
million EUR	Q2 2015	Q2 2014*	H1 2015	H1 2014*
Revenue	2,366.7	1,659.7	4,669.0	3,213.7
Other operating income	4.1	13.8	103.6	26.3
Transport expenses	1,952.4	1,471.4	3,791.9	2,874.9
Personnel expenses	134.6	87.8	253.8	184.5
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	116.3	85.2	225.6	168.7
Other operating expenses	79.7	59.7	243.5	128.5
Operating result	87.8	-30.6	257.8	-116.6
Share of profit of equity-accounted investees	5.5	9.7	13.7	17.4
Other financial result	0.1	0.0	-3.8	-2.3
Earnings before interest and tax (EBIT)	93.4	-20.9	267.7	-101.5
Interest income	1.5	1.5	2.9	3.0
Interest expenses	62.4	32.7	102.1	71.8
Earnings before income taxes	32.5	-52.1	168.5	-170.3
Income taxes	3.5	2.1	11.3	3.0
Group profit/loss	29.0	-54.2	157.2	-173.3
thereof profit/loss attributable to shareholders of Hapag-Lloyd AG	28.4	-54.6	156.3	-173.9
thereof profit/loss attributable to non-controlling interests	0.6	0.4	0.9	0.6

* The figures for the second quarter and the first half of 2014 relate to Hapag-Lloyd only and do not include the container shipping activities acquired from CSAV.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF HAPAG-LLOYD AG FOR THE PERIOD 1 JANUARY TO 30 JUNE 2015				
million EUR	Q2 2015	Q2 2014*	H1 2015	H1 2014*
Group profit/loss	29.0	-54.2	157.2	-173.3
Items which will not be reclassified to profit and loss:	54.8	-13.1	20.7	-22.7
Remeasurements from defined benefit plans after tax	54.8	-13.1	20.7	-22.7
Remeasurements from defined benefit plans before tax	55.1	-13.2	20.4	-22.8
Tax effect	-0.3	0.1	0.3	0.1
Items which may be reclassified to profit or loss:	-181.0	25.9	336.8	16.4
Cash flow hedges (no tax effect)	0.0	-0.6	0.0	-5.1
Changes in fair values recognised in cumulative other equity	1.2	-1.1	1.2	17.9
Release from cumulative other equity	-1.2	0.5	-1.2	-23.0
Currency translation (no tax effect)	-181.0	26.5	336.8	21.5
Other comprehensive income after tax	-126.2	12.8	357.5	-6.3
Total comprehensive income	-97.2	-41.4	514.7	-179.6
thereof attributable to shareholders of Hapag-Lloyd AG	-97.7	-41.8	513.4	-180.2
thereof attributable to non-controlling interests	0.5	0.4	1.3	0.6

* The figures for the second quarter and the first half of 2014 relate to Hapag-Lloyd only and do not include the container shipping activities acquired from CSAV.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF HAPAG-LLOYD AG AS AT 30 JUNE 2015		
million EUR	30.6.2015	31.12.2014
Assets		
Goodwill	1,495.6	1,375.6
Other intangible assets	1,385.9	1,309.7
Property, plant and equipment	5,882.0	5,176.0
Investments in equity-accounted investees	370.1	384.9
Other assets	12.2	13.1
Derivative financial instruments	27.2	15.8
Deferred tax assets	26.8	27.9
Non-current assets	9,199.8	8,303.0
Inventories	156.3	152.1
Trade accounts receivable	704.3	716.0
Other assets	129.4	134.3
Derivative financial instruments	0.4	3.8
Income tax receivables	36.9	28.6
Cash and cash equivalents	594.9	711.4
Assets classified as held for sale	2.4	59.2
Current assets	1,624.6	1,805.4
Total assets	10,824.4	10,108.4

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF HAPAG-LLOYD AG
AS AT 30 JUNE 2015**

million EUR	30.6.2015	31.12.2014
Equity and liabilities		
Subscribed capital	104.9	104.9
Capital reserves	1,651.9	1,651.9
Retained earnings	2,442.1	2,286.1
Cumulative other equity	478.5	121.4
Equity attributable to the shareholders of Hapag-Lloyd AG	4,677.4	4,164.3
Non-controlling interests	4.5	5.3
Equity	4,681.9	4,169.6
Provisions for pensions and similar obligations	192.7	208.4
Other provisions	193.2	207.0
Income tax liabilities	0.2	0.0
Financial debt	3,478.4	3,309.1
Trade accounts payable	0.3	0.5
Other liabilities	5.6	6.7
Deferred tax liabilities	3.6	1.5
Non-current liabilities	3,874.0	3,733.2
Provisions for pensions and similar obligations	5.2	6.5
Other provisions	301.3	385.4
Income tax liabilities	12.9	18.3
Financial debt	475.3	408.0
Trade accounts payable	1,292.5	1,232.3
Other liabilities	143.9	131.3
Derivative financial instruments	37.4	23.8
Current liabilities	2,268.5	2,205.6
Total equity and liabilities	10,824.4	10,108.4

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY OF HAPAG-LLOYD AG FOR THE PERIOD 1 JANUARY TO 30 JUNE 2015									
million EUR	Equity attributable to shareholders of Hapag-Lloyd AG						Total equity	Non-controlling interests	Total equity
	Subscribed capital	Capital reserves	Retained earnings	Remeasurements from defined benefit plans	Reserve for cash flow hedges	Translation reserve			
As per 1.1.2014	66.1	935.3	2,045.8	-46.6	6.4	-94.6	2,912.4	2.7	2,915.1
Total comprehensive income	-	-	-173.9	-22.7	-5.1	21.5	-6.3	0.6	-179.6
thereof									
Group profit/loss	-	-	-173.9	-	-	-	-173.9	0.6	-173.3
Other comprehensive income	-	-	-	-22.7	-5.1	21.5	-6.3	-	-6.3
Transactions with shareholders	-	-	-	-	-	-	-	-0.9	-0.9
thereof									
Distribution to non-controlling interests	-	-	-	-	-	-	-	-0.9	-0.9
As per 30.6.2014*	66.1	935.3	1,871.9	-69.3	1.3	-73.1	2,732.2	2.4	2,734.6
As per 1.1.2015	104.9	1,651.9	2,286.1	-104.8	-	226.2	4,164.3	5.3	4,169.6
Total comprehensive income	-	-	156.3	20.7	0.0	336.4	513.4	1.3	514.7
thereof									
Group profit/loss	-	-	156.3	-	-	-	156.3	0.9	157.2
Other comprehensive income	-	-	-	20.7	0.0	336.4	357.1	0.4	357.5
Transactions with shareholders	-	-	-	-	-	-	-	-2.1	-2.1
thereof									
Distribution to non-controlling interests	-	-	-	-	-	-	-	-2.1	-2.1
Deconsolidation	-	-	-0.3	-	-	-	-0.3	-	-0.3
As per 30.6.2015	104.9	1,651.9	2,442.1	-84.1	0.0	562.6	4,677.4	4.5	4,681.9

* The figures for the half of 2014 relate to Hapag-Lloyd only and do not include the container shipping activities acquired from CSAV.

CONSOLIDATED STATEMENT OF CASH FLOWS

CONSOLIDATED STATEMENT OF CASH FLOWS OF HAPAG-LLOYD AG FOR THE PERIOD 1 JANUARY TO 30 JUNE 2015				
million EUR	Q2 2015	Q2 2014*	H1 2015	H1 2014*
Group profit/loss	29.0	-54.2	157.2	-173.3
Depreciation, amortisation and impairment (+)/write-backs (-)	116.3	85.2	225.6	168.7
Other non-cash expenses (+)/income (-)	4.6	3.9	-54.1	13.4
Interest expenses (excl. interest expenses relating to pension obligations)	60.2	30.3	97.8	67.1
Profit (-)/loss (+) from hedges if financial debt	15.9	0.0	15.9	0.0
Profit (-)/loss (+) from disposals of non-current assets	-8.2	-0.1	-9.4	-0.1
Income (-)/expenses (+) from equity-accounted investees and dividends	-5.4	-9.8	-13.7	-17.5
Increase (-)/decrease (+) in inventories	-9.9	-3.7	9.1	-7.7
Increase (-)/decrease (+) in receivables and other assets	19.1	-55.7	82.2	-67.8
Increase (+)/decrease (-) in provisions	-103.3	-19.4	-150.4	-4.6
Increase (+)/decrease (-) in liabilities (excl. financial debt)	10.5	32.4	-36.1	95.1
Cash inflow (+)/outflow (-) from operating activities	128.8	8.9	324.1	73.3
Payments received from disposals of property, plant and equipment and intangible assets	1.0	3.5	1.3	3.7
Payments from dividends	33.5	33.9	33.6	34.0
Payments received (+) from the disposal of assets held for sale	30.9	0.0	71.0	0.0
Payments made for investment in property, plant and equipment and intangible assets	-217.5	-68.2	-437.2	-142.3
Payments made for investment in financial assets	-0.3	0.0	-0.3	0.0
Cash inflow (+)/outflow (-) from investing activities	-152.4	-30.8	-331.6	-104.6
Payments made for dividends	-1.8	-0.9	-2.1	-0.9
Payments received from the issuance of financial debt	66.9	172.4	220.9	331.5
Payments made for the redemption of financial debt	-129.0	-144.8	-274.5	-260.8
Payments made for interest	-46.7	-42.3	-99.4	-73.5
Payments received (+) and made (-) from hedges for financial debt	-15.9	0.0	-15.9	0.0
Cash inflow (+)/outflow (-) from financing activities	-126.5	-15.6	-171.0	-3.7
Net change in cash and cash equivalents	-150.1	-37.5	-178.5	-35.0
Cash and cash equivalents at beginning of period	774.9	466.2	711.4	464.8
Change in cash and cash equivalents due to exchange rate fluctuations	-29.9	-1.1	62.0	-2.2
Net change in cash and cash equivalents	-150.1	-37.5	-178.5	-35.0
Cash and cash equivalents at end of period	594.9	427.6	594.9	427.6

* The figures for the second quarter and the first half of 2014 relate to Hapag-Lloyd only and do not include the container shipping activities acquired from CSAV.

CONDENSED NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

NOTES ON THE PRINCIPLES AND METHODS UNDERLYING THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

General Notes

These condensed interim consolidated financial statements of Hapag-Lloyd AG and its subsidiaries, hereinafter referred to as the Hapag-Lloyd Group, were prepared for the interim report according to the International Financial Reporting Standards (IFRS) and the relevant interpretations by the International Accounting Standards Board (IASB) as they are to be applied in the European Union (EU). Therefore, these financial statements within the interim report in accordance with IAS 34 do not contain all information and notes that are necessary according to IFRS for complete consolidated financial statements to the end of a financial year.

These interim consolidated financial statements cover the period 1 January to 30 June 2015. The accounting and measurement principles applied in the interim consolidated financial statements are the same as those used for the last consolidated financial statements at the end of the financial year, with the exception of the necessary adoption of new standards since 1 January 2015.

Results of interim periods are not necessarily indicative of results that can be expected for future periods or the entire financial year. The earnings position of the Hapag-Lloyd Group is principally shaped by the seasonality of transport volumes and freight rates in the container shipping business. Fluctuations result from the usually higher demand for transport services in the container shipping business during the second and, in particular, the third quarter.

The functional currency of Hapag-Lloyd AG and its subsidiaries is the US dollar. The reporting currency of Hapag-Lloyd AG is, however, the euro. All amounts recognised for the financial year are reported in million euros (EUR million) unless otherwise stated. For the purpose of integrating Hapag-Lloyd AG and its subsidiaries into the financial statements of the Hapag-Lloyd Group, balance sheet assets and liabilities are translated into euros as at the balance sheet date (closing date rate) using the middle rate of that day. The transactions listed in the statement of cash flows and the expenses and income as well as the result shown in the consolidated income statement are translated at the average exchange rate for the reporting period. The resulting differences are recognised in other comprehensive income.

As at 30 June 2015, the closing US dollar/euro exchange rate stood at USD/EUR 1.1180 (31 December 2014: USD/EUR 1.2155). The strength of the dollar in comparison to the prior year period resulted in an average dollar/euro exchange rate in the first half of 2015 of USD/EUR 1.1166 (prior year period: USD/EUR 1.3709).

The incorporation of CSAV's container shipping activities into the Hapag-Lloyd Group on 2 December 2014 means that the figures in the consolidated income statement, the consolidated statement of comprehensive income and the consolidated statement of cash flows for the first half of 2015 can only be compared with those of the previous year to a limited extent.

Segment reporting

The Hapag-Lloyd Group is managed by the Executive Board as a single, global business unit with one sphere of activity. The primary performance indicators are freight rates and transport volume by geographic region as well as EBITDA and adjusted EBIT at the overall Group level. Decisions regarding the allocation of resources (use of vessels and containers) are made on the basis of the entire liner service network and deployment of the entire fleet. The Group generates its revenue solely through its activities as a container liner shipping company. The revenue comprises income from transporting and handling containers and from related services and commissions, all of which are generated globally. As the Hapag-Lloyd Group operates with the same product around the world via a complete liner service network, the Executive Board has decided that there is no appropriate measure for internal reporting with which assets, liabilities, EBITDA and adjusted EBIT as the key performance indicators can be allocated to multiple geographic regions. All of the Group's assets, liabilities, income and expenses are thus only allocable to the one segment, container shipping. The figures given per trade are the transport volume and freight rate, as well as the revenue allocable to said trade.

TRANSPORT VOLUME PER TRADE*				
TTEU	Q2 2015	Q2 2014**	H1 2015	H1 2014**
Atlantic	408	375	775	722
Transpacific	365	334	680	662
Far East	323	288	656	566
Latin America	606	259	1,148	508
Intra Asia	150	125	280	231
EMAO (Europe, Mediterranean, Africa, Oceania)	93	93	180	184
Total	1,945	1,474	3,719	2,873

* The trades have been restructured and the assignment of individual services amended as part of the CSAV Integration. The prior period figures have been amended accordingly.

** The disclosures for the first quarter 2014 relate only to Hapag-Lloyd.

FREIGHT RATES PER TRADE*				
USD/TEU	Q2 2015	Q2 2014**	H1 2015	H1 2014**
Atlantic	1,500	1,569	1,505	1,572
Transpacific	1,651	1,770	1,700	1,745
Far East	966	1,176	1,027	1,188
Latin America	1,185	1,354	1,220	1,356
Intra Asia	678	802	709	781
EMAO (Europe, Mediterranean, Africa, Oceania)	1,219	1,425	1,244	1,413
Total (weighted average)	1,264	1,426	1,296	1,424

* The trades have been restructured and the assignment of individual services amended as part of the CSAV Integration. The prior period figures have been amended accordingly.

** The disclosures for the first quarter 2014 relate only to Hapag-Lloyd.

REVENUE PER TRADE*				
million EUR	Q2 2015	Q2 2014**	H1 2015	H1 2014**
Atlantic	552.7	428.8	1,044.8	827.4
Transpacific	543.6	432.3	1,035.6	843.3
Far East	282.4	247.8	603.6	490.9
Latin America	647.6	256.0	1,253.8	502.4
Intra Asia	92.2	72.8	177.9	131.5
EMAO (Europe, Mediterranean, Africa, Oceania)	101.7	95.9	199.9	189.6
Others	146.5	126.1	353.4	228.6
Total	2,366.7	1,659.7	4,669.0	3,213.7

* The trades have been restructured and the assignment of individual services amended as part of the CSAV Integration. The prior period figures have been amended accordingly.

** The disclosures for the first quarter 2014 relate only to Hapag-Lloyd.

Adjusted EBIT (operating earnings before interest and taxes adjusted for special items) is calculated on the basis of the Group's earnings before interest and taxes as follows:

million EUR	Q2 2015	Q2 2014**	H1 2015	H1 2014**
EBIT	93.4	-20.9	267.7	-101.5
Purchase price allocation	-13.3	5.5	-27.1	12.7
Transaction and restructuring costs	-	4.9	-	15.1
EBIT adjusted	80.1	-10.5	240.6	-73.7

** The figures for the second quarter and the first half of 2014 relate only to Hapag-Lloyd.

EBITDA (operating earnings before interest, taxes, depreciation and amortisation) is calculated on the basis of the Group's earnings before interest and taxes as follows:

million EUR	Q2 2015	Q2 2014**	H1 2015	H1 2014**
EBIT	93.4	-20.9	267.7	-101.5
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	116.3	85.2	225.6	168.7
EBITDA	209.7	64.3	493.3	67.2

** The figures for the second quarter and the first half of 2014 relate only to Hapag-Lloyd.

New accounting standards

The following changes to existing standards published by the IASB, which have already been endorsed, had to be applied for the first time in the 2015 financial year. Unless stated otherwise, their first-time application did not have a significant effect on the net asset, financial and earnings position of the Hapag-Lloyd Group:

- Amendment to IAS 19: *Employee Contributions*
- IFRIC 21: *Levies*
- Various: *Annual Improvements to IFRS (2010–2012)*
- Various: *Annual Improvements to IFRS (2011–2013)*

The amendment to IAS 19 *Employee Contributions* clarifies that contributions paid by employees themselves (or by third parties) can be recognised simply by an approving company in such a way that the principal amount of the employee contributions is deducted from the service costs for the period in which the corresponding term of service is provided. This is subject to the contributions being independent of the number of service years, e.g. contributions which are set as a fixed percentage of the annual salary. This amendment has no impact on the net asset, financial and earnings position of the Hapag-Lloyd Group.

Interpretation IFRIC 21 *Levies* clarifies how and when levies charged by a level of government and not covered by another IFRS standard are to be recognised as liabilities pursuant to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*. According to the current interpretation, an obligation is to be recognised in the financial statements as soon as the obligating event which triggers the obligation to pay pursuant to the legislation underpinning the levy occurs. This interpretation has no impact on the net asset, financial and earnings position of the Hapag-Lloyd Group.

Amendments were made to seven standards as part of the *Annual Improvements to IFRS (2010–2012)* process. The aim of making amendments to the wording of particular IFRS standards is to clarify the existing set of regulations. In addition, there are amendments that have an effect on the disclosures made in the Notes. The standards in question are IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24 and IAS 38.

Amendments were made to four standards as part of the *Annual Improvements to IFRS (2011–2013)* process. Here, too, the aim of making amendments to the wording of particular IFRS standards is to clarify the existing set of regulations. The standards in question are IFRS 1, IFRS 3, IFRS 13 and IAS 40.

With regard to the new standards and interpretations which were adopted, amended or newly issued by the IASB and which were not yet mandatory in the first half of 2015, we refer to the Notes to the consolidated financial statements as at 31 December 2014.

Group of consolidated companies

The consolidated financial statements include all significant subsidiaries and investments accounted for using the equity method. Hapag-Lloyd AG and 117 companies were fully consolidated within the interim financial statements as at 30 June 2015, with four additional equity-accounted investees. One company was removed from the group of consolidated companies as a result of liquidation.

Impairment of non-current assets

Based on the fact that the long-term growth forecast for container shipping remains unchanged, there was no indication of any impairment.

SELECTED NOTES TO THE CONSOLIDATED INCOME STATEMENT

Revenue is primarily generated from the rendering of transport services. Revenue includes proportional income from unfinished voyages as at the balance sheet date.

Transport expenses mainly comprise fuel costs, port, canal and terminal costs, expenditure for container transport services, chartering, leases and container rental expenses, maintenance and repair costs, and charges for other services.

The interest result in the amount of EUR –99.2 million (prior year period: EUR –68.8 million) essentially comprises interest expenses for bank loans and bonds, fees for guarantees and interest from finance leases.

SELECTED NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Goodwill and other intangible assets

The increase in goodwill and other intangible assets compared with 31 December 2014 is primarily due to translation effects.

Property, plant and equipment

PROPERTY, PLANT AND EQUIPMENT		
million EUR	30.6.2015	31.12.2014
Vessels	4,746.7	4,185.7
Container, chassis	911.4	784.7
Other equipment	132.1	127.4
Prepayments on account and assets under construction	91.8	78.2
Total	5,882.0	5,176.0

The change in property, plant and equipment relates primarily to the addition of ocean-going vessels and containers totalling EUR 359.3 million and exchange rate effects in the amount of EUR 443.0 million. Offsetting this, scheduled depreciation in the amount of EUR 185.7 million reduced the carrying amount of property, plant and equipment.

The vessels recognised in conjunction with existing finance lease contracts had a net carrying amount of EUR 187.7 million as at 30 June 2015 (31 December 2014: EUR 179.5 million). The finance lease containers were recognised with a total of EUR 96.4 million as at 30 June 2015 (31 December 2014: EUR 66.5 million).

Non-current assets held for sale

15 vessels which, in view of the intention to sell them, were reported as non-current assets held for sale in accordance with IFRS 5 as at 31 December 2014 were sold in the first half of 2015. The disposals resulted in gains totalling EUR 9.0 million. In this context, the Company reported additional early repayments of EUR 59.6 million (USD 66.6 million) on associated loans.

The carrying amount of the remaining vessel which was sold in July 2015 amounts to EUR 2.4 million.

Equity

Cumulative other equity comprises the reserve for remeasurements relating to defined benefit plans, the reserve for cash flow hedges and the translation reserve.

The item for remeasurements from defined benefit plans (30 June 2015: EUR –84.1 million; 31 December 2014: EUR –104.8 million) results from income and expenses in connection with the valuation of pension obligations and the associated fund assets, recognised in other comprehensive income.

The differences from currency translation of EUR 336.4 million in the first half of 2015 (prior year period: EUR 21.5 million) were due to the translation of the financial statements prepared in foreign currency. The translation reserve as at 30 June 2015 amounted to EUR 562.6 million (31 December 2014: EUR 226.2 million).

Other provisions

In relation to the incorporation of CSAV's container shipping business into the Hapag-Lloyd Group with effect from 2 December 2014, the Hapag-Lloyd Group's Executive Board approved a comprehensive restructuring plan to implement the Group's new organisational structure directly caused by this integration. Following the announcement of the plan, the Group recognised provisions for the expected restructuring costs, including estimated costs incurred for closing and merging offices, IT modifications, discontinuing and restructuring services, agent terminations, consultancy costs and employee termination costs, amounting to EUR 59.0 million as 30 June 2015 (31 December 2014: EUR 88.2 million). In the first half of 2015 restructuring provision in the amount of EUR 20.4 million was reversed due to individual measures being performed for a lower cost than originally planned.

It is expected that the restructuring measures will be largely completed by the end of 2015.

Financial debt

FINANCIAL DEBT		
million EUR	30.6.2015	31.12.2014
Liabilities to banks	2,624.8	2,489.1
Bonds	890.1	869.3
Liabilities from finance lease contracts	240.3	206.3
Other financial debt	198.5	152.4
Total	3,953.7	3,717.1

FINANCIAL DEBT BY CURRENCY		
million EUR	30.6.2015	31.12.2014
Financial debt denoted in USD (excl. transaction costs)	3,213.5	2,970.1
Financial debt denoted in EUR (excl. transaction costs)	785.7	786.5
Financial debt denoted in CLP (excl. transaction costs)	0.0	12.2
Interest liabilities	38.2	29.8
Transaction costs	-83.7	-81.5
Total	3,953.7	3,717.1

Liabilities to banks increased, largely as a result of the drawdown of loans totalling EUR 177.4 million (USD 198.3 million) in connection with the delivery of four newbuilds in the first half of 2015.

Leasing contracts with repurchase agreements were concluded with various international leasing companies for investments in new containers, which are classified according to SIC 27 as loan contracts. These transactions increased financial debt by a total of EUR 41.9 million as at 30 June 2015.

Hapag-Lloyd committed to purchasing the containers leased on the basis of existing operating lease contracts for containers at the end of the financial year and by March and June 2017. The agreements are therefore now classified as finance lease contracts. The containers were capitalised with a total carrying amount of EUR 29.0 million (USD 32.4 million). Legal title will be transferred to Hapag-Lloyd upon acquisition of the containers. The resulting liabilities amounted to EUR 28.6 million as at June 2015.

Financial instruments

The carrying amounts and fair values of the financial instruments as at 31 December 2014 are presented in the table below.

million EUR	Carrying amount		Fair value
	Total	thereof financial instruments	Financial instruments
Assets			
Trade accounts receivable	716.0	716.0	716.0
Other assets	147.6	59.1	59.1
Derivative financial instruments	19.6	19.6	19.6
Cash and cash equivalents	711.4	711.4	711.4
Liabilities			
Financial debt	3,510.8	3,510.8	3,796.4
Liabilities from financial lease contracts ¹⁾	206.3	206.3	216.2
Trade accounts payable	1,232.8	1,232.8	1,232.8
Derivative financial instruments	23.8	23.8	23.8
Other liabilities	138.0	38.0	38.0

¹⁾ Part of financial debt in statement of financial position

The carrying amounts and fair values of the financial instruments as at 30 June 2015 are presented in the table below.

million EUR	Carrying amount		Fair value
	Total	thereof financial instruments	Financial instruments
Assets			
Trade accounts receivable	704.3	704.3	704.3
Other assets	141.6	63.9	63.9
Derivative financial instruments	27.6	27.6	27.6
Cash and cash equivalents	594.9	594.9	594.9
Liabilities			
Financial debt	3,713.4	3,713.4	3,786.6
Liabilities from financial lease contracts ¹⁾	240.3	240.3	249.2
Trade accounts payable	1,292.8	1,292.8	1,292.8
Derivative financial instruments	37.4	37.4	37.4
Other liabilities	149.5	39.7	39.7

¹⁾ Part of financial debt in statement of financial position

Derivative financial instruments include positive and negative market values from currency and commodity options and currency forward contracts. This item also contains embedded derivatives for early buy-back options for issued bonds. The derivative financial instruments are shown at fair value.

All reported fair values are assigned to level two of the fair value hierarchy.

The fair values of currency and commodity options are calculated using the Black & Scholes model or the modified Turnbull & Wakeman model and are based on the current exchange rates, commodity prices, currency and commodity price volatility, yield curves and forward prices. Currency forward contracts are measured on the basis of their market-traded forward price as at the reporting date.

The fair values of the embedded derivatives are calculated using the Hull-White model together with a trinomial decision tree based on current market values.

For financial debt to banks and other non-current financial liabilities, the fair value is determined as the net present value of the future cash flows taking account of yield curves and the relevant credit spreads. Traded bonds are measured at the market price as at the balance sheet date.

The carrying amounts of all other financial instruments are a suitable approximation of the fair values.

SELECTED NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Ordinary business activities resulted in an inflow of cash and cash equivalents totalling EUR 324.1 million in the first half of 2015 (prior year period: EUR 73.3 million).

The cash outflow from investing activities amounted to EUR 331.6 million in the first half of the 2015 financial year (prior year period: EUR 104.6 million). EUR 437.5 million was paid for investments in property, plant and equipment, intangible assets and financial assets (prior year period: EUR 142.3 million). These payments mainly relate to the delivery of four newbuilds and to the acquisition of new containers. They were essentially offset by incoming payments from the sale of non-current assets held for sale (EUR 71.0 million; prior year period: EUR 0.0 million) as well as dividends received (EUR 33.6 million; prior year period: EUR 34.0 million).

Financing activities generated an outflow of cash and cash equivalents totalling EUR 171.0 million in the first half of 2015 (prior year period: EUR 3.7 million). This primarily resulted from interest and capital repayments (EUR 373.9 million; prior year period: EUR 334.3 million), and dividends paid to subsidiaries' non-controlling interests (EUR 2.1 million; prior year period: EUR 0.9 million). Payments of EUR 15.9 million were also made from hedges for financial debt (prior year period: EUR 0.0 million). Offsetting this, cash inflows of EUR 220.9 million (prior year period: EUR 331.5 million) occurred primarily resulting from the financing of the delivered ship newbuilds and of containers.

OTHER NOTES

Legal disputes

There have been no significant changes regarding legal disputes in comparison with the 2014 consolidated financial statements.

Obligations from operating lease contracts

The Group's obligations from operating lease contracts above all relate to charter and lease agreements for vessels and containers, and rental agreements for business premises. The agreements have terms of between one year and 16 years, with the majority of them maturing after a term of up to five years. A number of the agreements include prolongation and purchase options. Some of the rental agreements for business premises include conditional rental payments based on the consumer price index for Germany.

Charter agreements for ships are always structured as time charter contracts, i.e. in addition to the capital costs, the charterer bears part of the ship operating costs, which are reimbursed as part of the charter rate. In the existing charter agreements, these operating cost refunds account for around 50% of the charter expenses.

In the first half of 2015, lease payments of EUR 581.8 million were posted to expenses (prior year period: EUR 323.9 million), of which EUR 342.3 million were charter expenses (prior year period: EUR 163.5 million).

Total future minimum lease payments from non-cancellable operating lease contracts consist of the following:

million EUR	30.6.2015	31.12.2014
Vessels and containers	1,064.7	1,082.1
Administrative buildings	112.1	104.9
Other	168.4	177.9
Total	1,345.2	1,364.9
Fair value	1,321.2	1,340.1

The fair value was ascertained by discounting the future minimum lease payments using a market interest rate of 0.77% p.a. (31 December 2014: 0.67% p.a.).

Other financial obligations

The Group's other financial obligations as at 30 June 2015 refer to a purchase obligation for investments in container ships amounting to EUR 450.8 million (31 December 2014: EUR 276.1 million), of which EUR 202.1 million is for a term of up to one year (31 December 2014: EUR 276.1 million). There are no other financial obligations with a term of more than five years.

Related party disclosures

In carrying out its ordinary business activities, the Hapag-Lloyd Group maintains indirect or direct relationships with related companies and individuals and with its own subsidiaries included in the consolidated financial statements. Further information on related parties is included in the Notes to the consolidated financial statements for 2014 under "Other notes".

In the first half of 2015, payments of EUR 1.3 million (prior year period: EUR 0.9 million) resulting from the termination of employment contracts were made to Executive Board members. In the same context, changes in the actuarial calculations resulted in an additional increase of pension provisions in the amount of the amount of EUR 1.9 million.

SIGNIFICANT TRANSACTIONS AFTER THE BALANCE SHEET DATE

The last of a total of seven new ships, each with a capacity of 9,300 TEU, entered service in July 2015. As well as that, the last of the 16 vessels to be decommissioned (“Old Ladies”) was dispensed.

At present, arrangements have been concluded with a syndicate of international banks for the long-term financing of the five newbuild vessels already ordered, each with a capacity of 10,500 TEU, as well as for the increase of the existing revolving credit facility from USD 95.0 million to USD 200.0 million to strengthen the liquidity reserve. The binding loan agreements are due to be signed in September 2015. Hapag-Lloyd has already received commitment letters from the financing banks for the relevant loan agreements. Furthermore, a loan agreement in the form of a credit line to finance investments in containers of USD 135.0 million was concluded at the beginning of August 2015. This credit line has not yet been used.

Hamburg, 26 August 2015

Hapag-Lloyd AG
Executive Board

Rolf Habben Jansen

Nicolás Burr

Anthony J. Firmin

FINANCIAL CALENDAR 2015

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Hapag-Lloyd AG
Ballindamm 25
20095 Hamburg

Investor Relations
Phone: +49 40 3001-2896
Fax: +49 40 3001-72896

Corporate Communications
Phone: +49 40 3001-2529
Fax: +49 40 335360

www.hapag-lloyd.com

