



# Investor Presentation

Preliminary Results 2018

Hamburg, 25 February 2019

# 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.

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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 2018 financials is preliminary and unaudited.



# Opening Remarks

## 01 | Our Industry

- Stable demand despite recent downgrades and rising geopolitical risks
- Sector fundamentals remain favourable in the mid-term

## 02 | Our Position

- EBITDA of USD 1,345 m in 2018 (USD 1,199 m in 2017)
- Solid pro forma volume growth of 6% YoY and pro forma rate up by 2% YoY

## 03 | Our Objectives

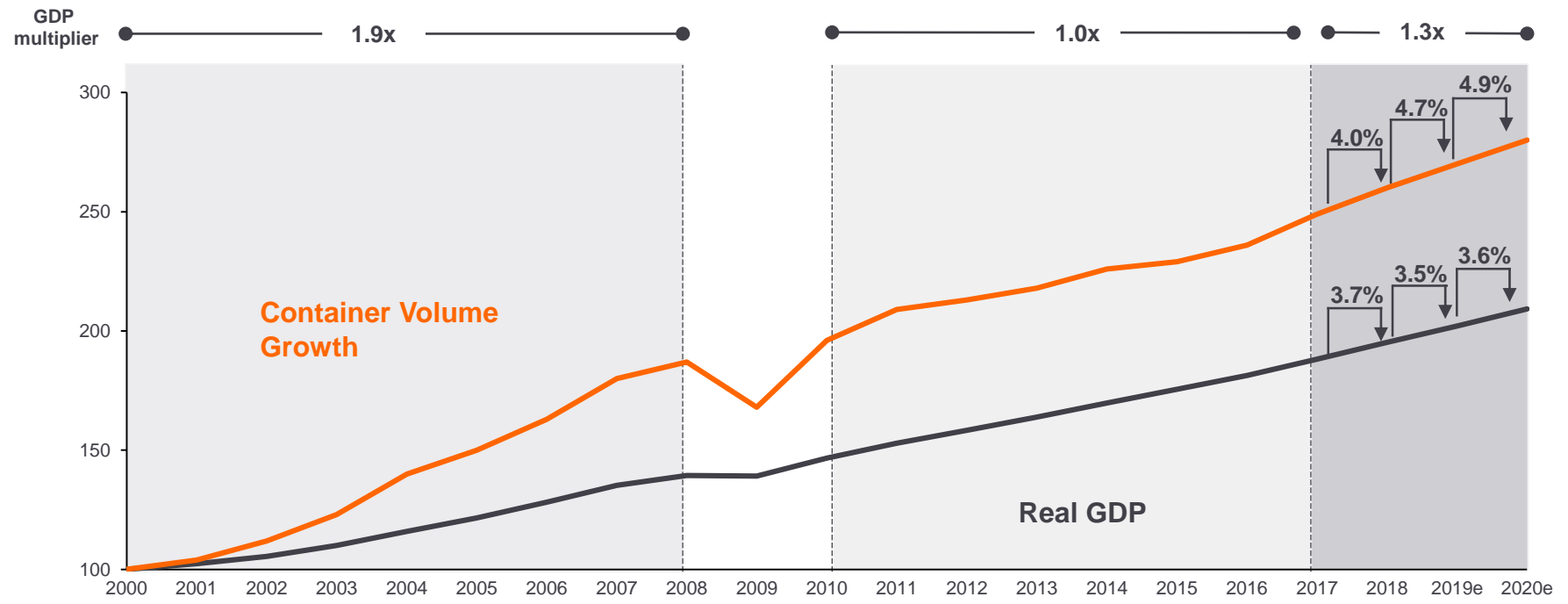
- Deliver on our financial and non-financial targets of our new mid-term strategy launched at the Capital Markets Day in November 2018



# Despite increasing geopolitical risks, container shipping volume growth expectation remains on a healthy level...

## Global Container Volume Growth & Real GDP Growth [%]

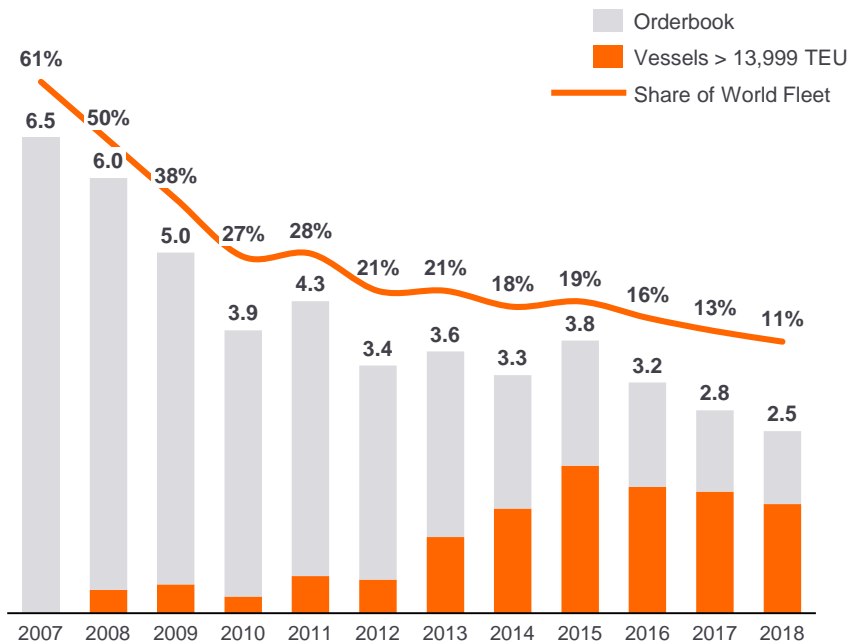
2000 = Indexed to 100



...which, combined with the historically low orderbook and reasonable new orders...

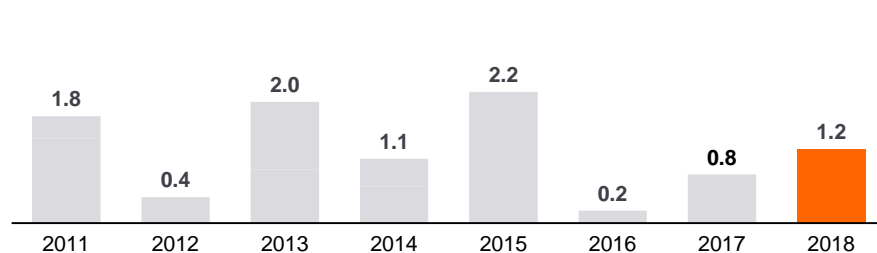
### Orderbook-to-fleet

[TEUm, %]



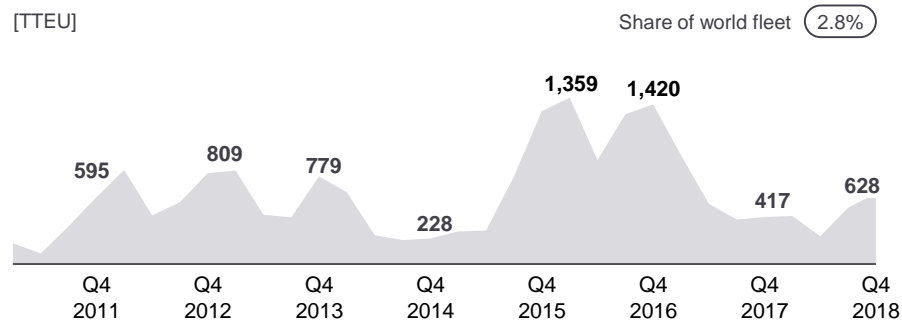
### Newly placed orders

[TEUm, %]



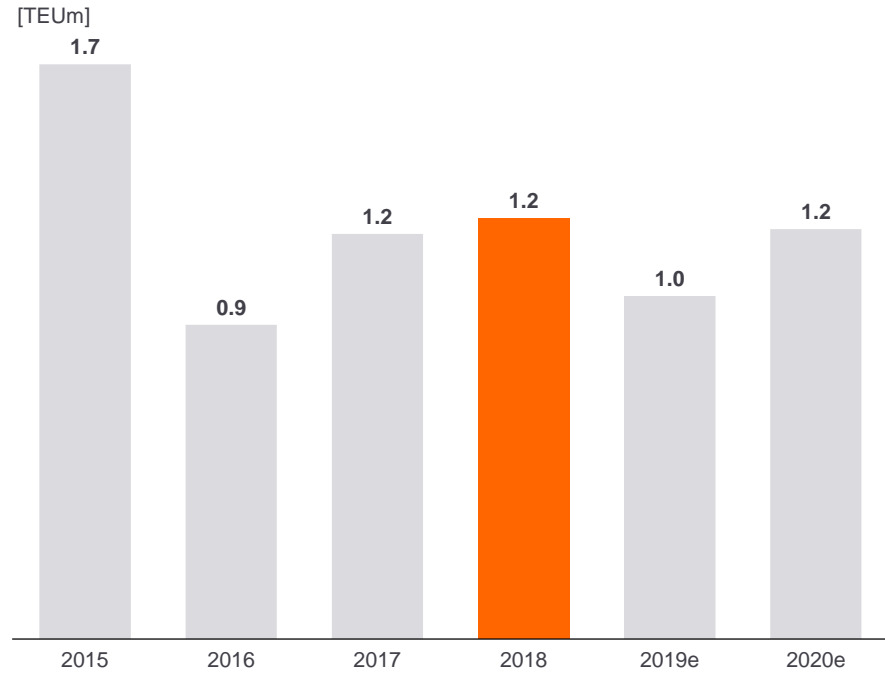
### Idle fleet

[TTEU]

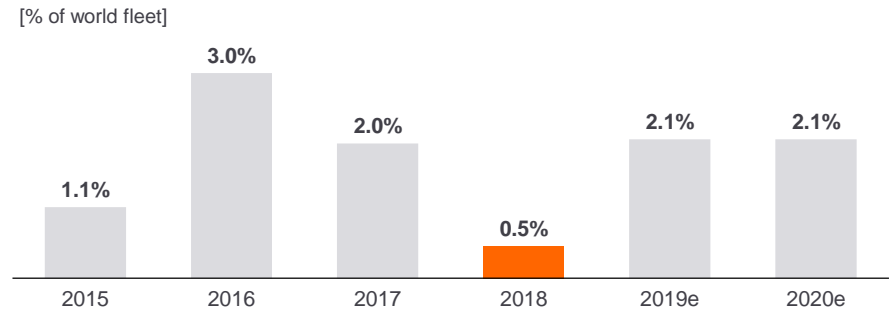


# ...will lead to a further improving supply / demand balance in the years to come

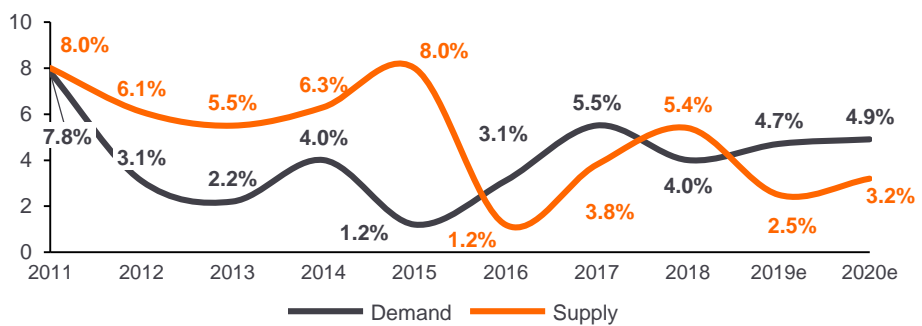
## Scheduled vessel deliveries



## Scrapping

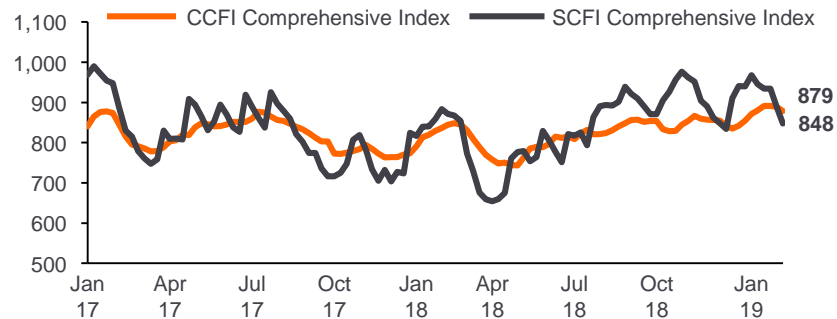


## Supply / Demand Balance

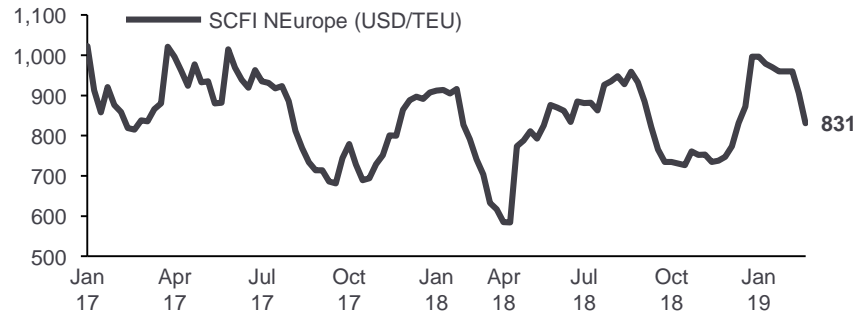


# In nearly all trades, spot rates have shown a positive trend towards the end of 2018

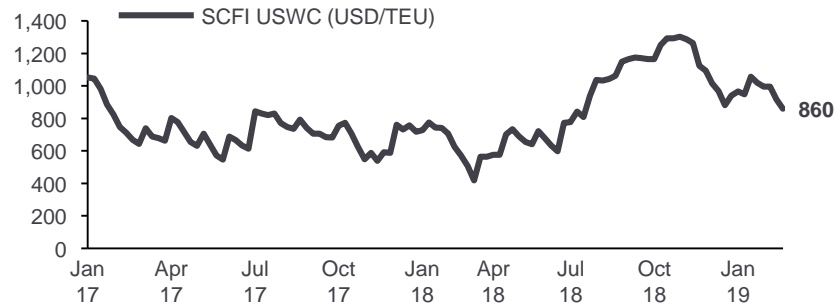
## Comprehensive Index (CCFI/SCFI)



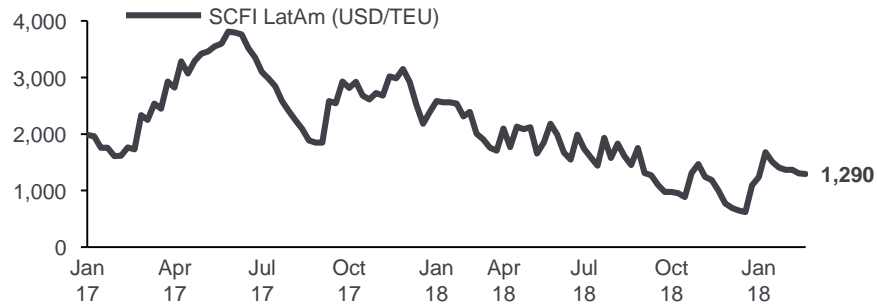
## Shanghai – North Europe (SCFI)



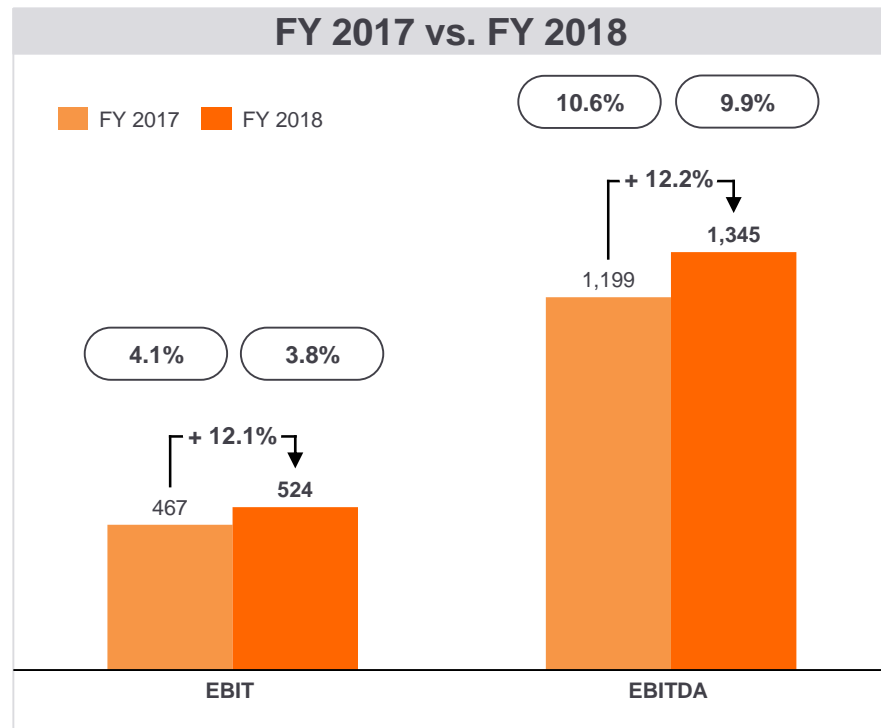
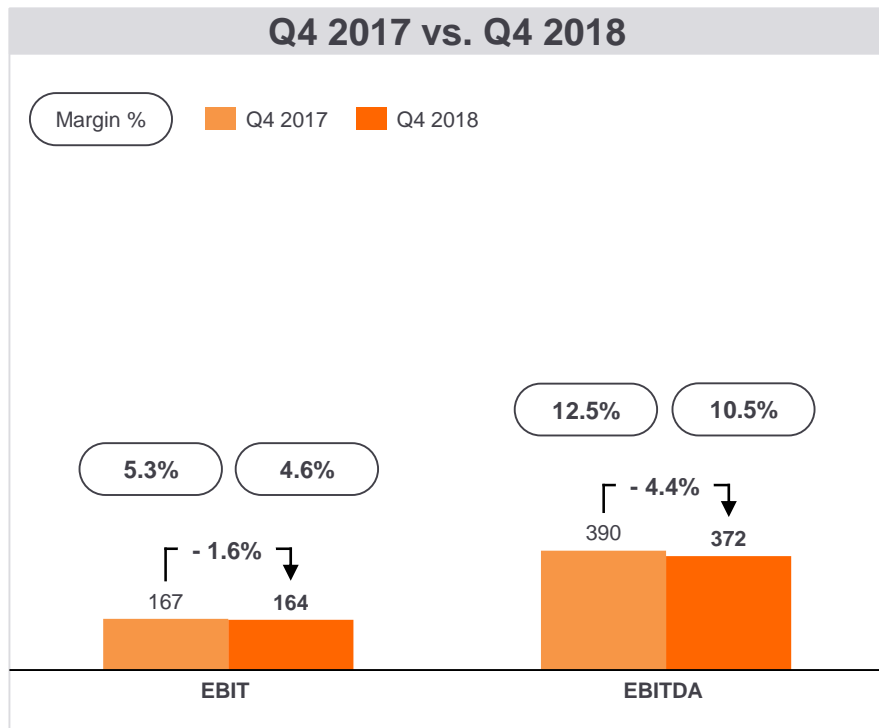
## Shanghai – USA (SCFI)



## Shanghai – Latin America (SCFI)



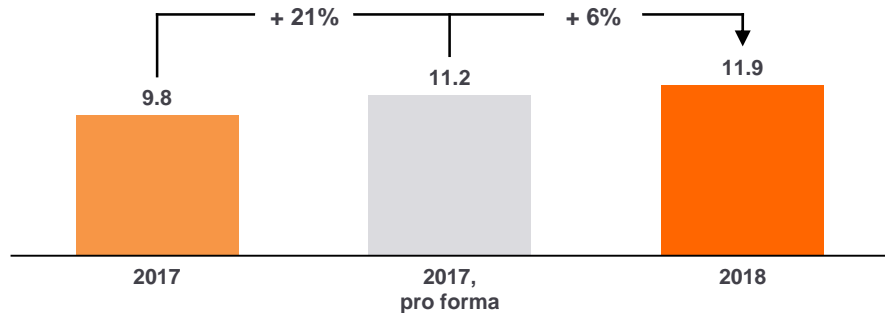
# We have achieved a strong positive EBITDA of USD 1,345 m in 2018



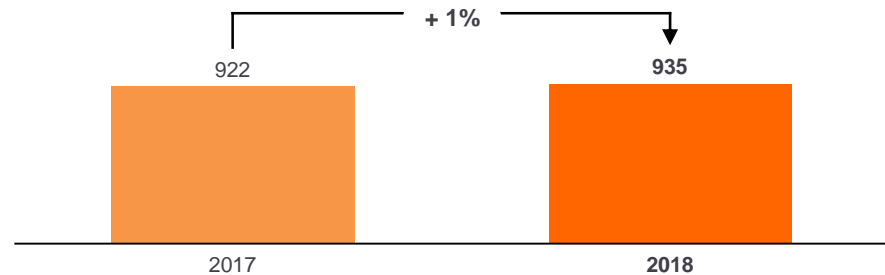


# Solid pro forma transport volume growth of 6%, while pro forma freight rates have increased by 2%

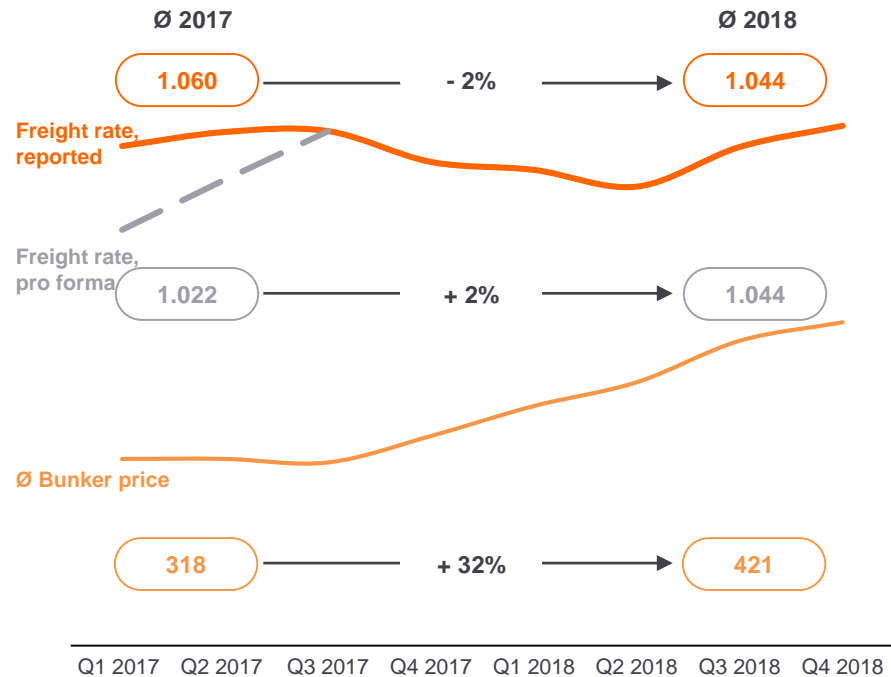
Transport volume [TEUm]



Transport expenses per TEU [USD/TEU]



Freight rate [USD/TEU] vs. Bunker price [USD/mt]



# Hapag-Lloyd has a clearly defined policy to create shareholder value...

## Financial Targets to be achieved until 2023

Profitability	ROIC (throughout the cycle) > WACC [This implies an EBITDA-margin of ~ 12%]
Deleveraging	Net Debt / EBITDA ≤ 3.0x
Equity	Equity ratio > 45%
Liquidity	Adequate liquidity reserve of ~ USD 1.1 bn

## ...as well as customer value

### Non-Financial Targets to be achieved until 2023

Quality	Achieve best in class <b>Net Promoter Score</b> (NPS) Measure and improve <b>On Time Delivery</b>
Superior landside capabilities	Increase share of <b>door-to-door business</b> to <b>over 40%</b> of total by 2023
Attractive Markets	Grow volume in selected attractive markets and achieve a <b>market share of ~10%</b> (excl. Intra Asia) in reefer market by 2023
Environmental	Comply with or exceed all IMO environmental regulations
Web Channel	Grow <b>volume booked</b> via Web Channel to <b>15% by 2023</b>

## Hapag-Lloyd Investor Relations

Ballindamm 25

20095 Hamburg

Tel: +49(40) 3001-2896

ir@hlag.com

<https://www.hapag-lloyd.com/en/ir.html>

