EUROKAI

ANNUAL REPORT
2010

Abbreviated Version

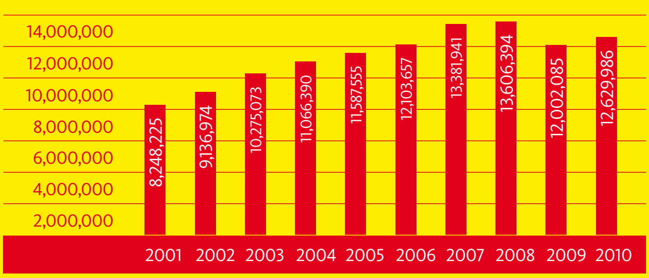
Balance Sheet Figures and Corporate Data

Figures in accordance with IFRS

	2010	2009
	EUR '000	EUR '000
Revenue	592,145	590,758
Net profit for the year	58,468	28,840
Total assets	908,333	955,792
Equity attributable to equity holders	434,890	408,508
Equity ratio	48 %	43 %
Investment in PPE and intangible assets	39,221	76,323
Depreciation, amortisation and write-downs	69,359	76,661
Cash flow from continuing operations	111,843	51,232
Personnel expenses	282,220	296,432
Employees	3,880	4,311
Earnings per share in EUR (under IAS 33)	2.49	1.11

Development of Eurokai Container Handling

TEU



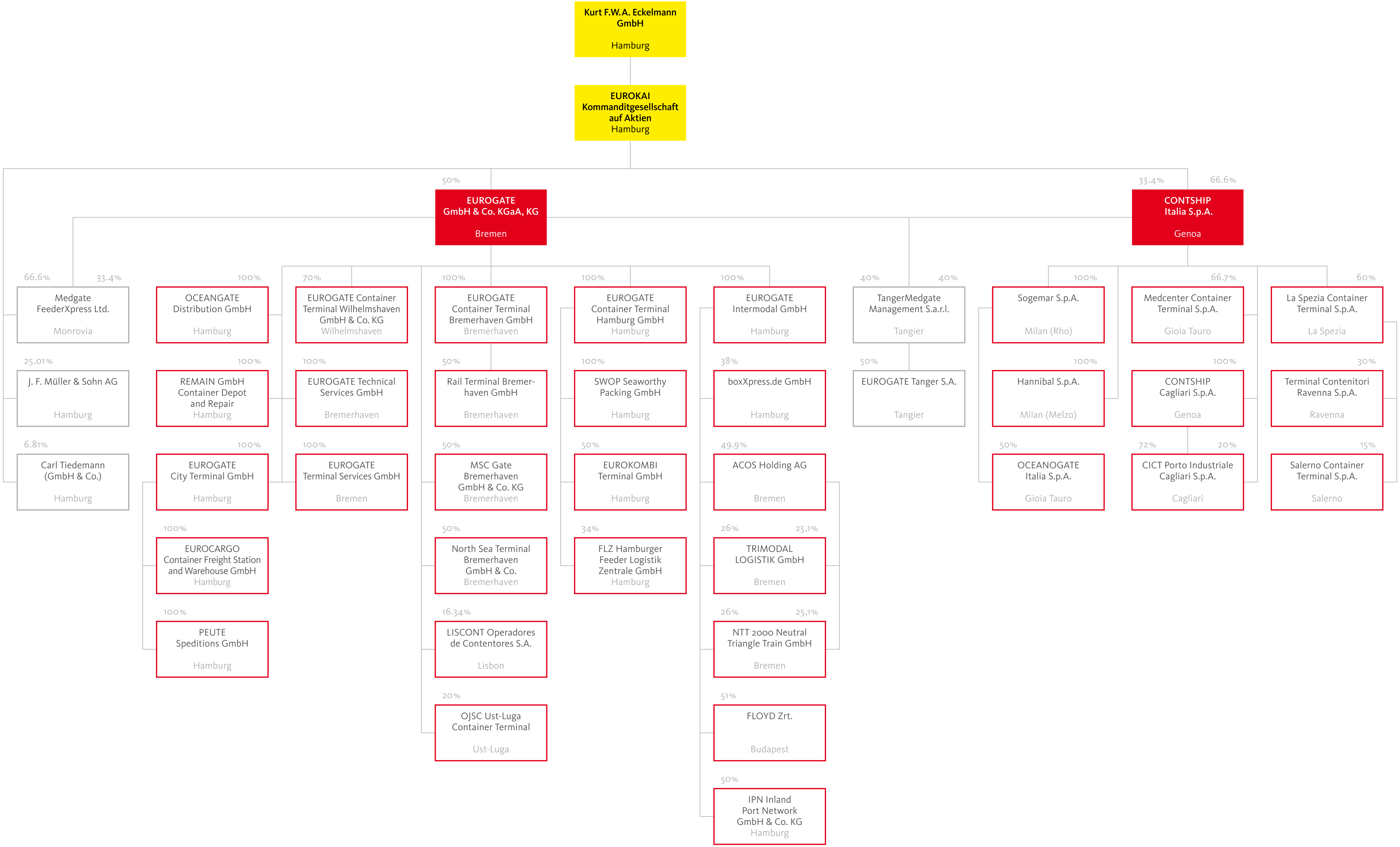
Europe, without Livorno.

Chart-development of EUROKAI Preference Shares

EUR

EUROKAI Group

Extract from the Organisational Diagram



As of April 2011

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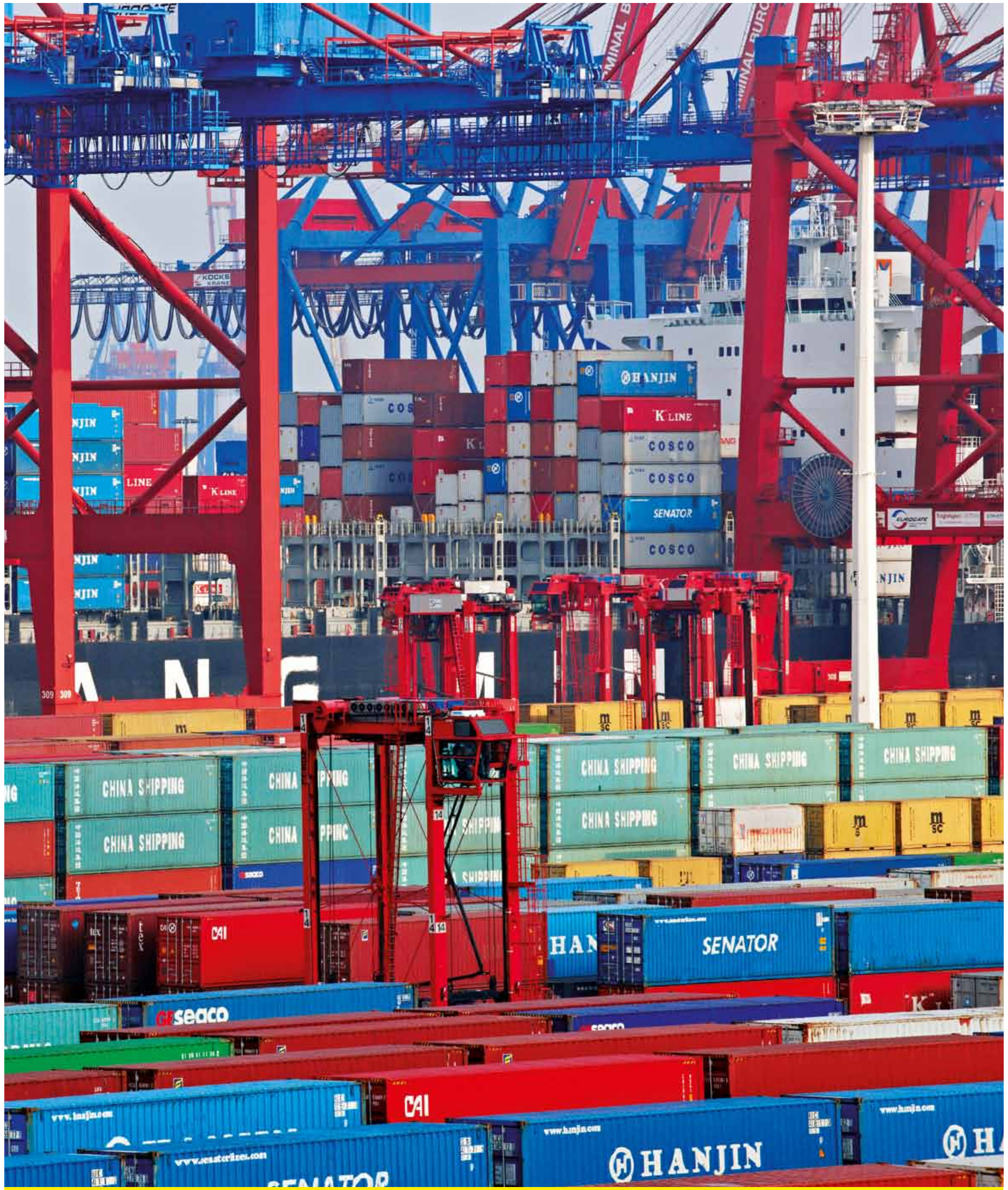


Straddle Carrier at the EUROGATE Container Terminal Hamburg

To all our shareholders,

Fiscal 2010 brought positive news compared to the previous crisis-hit year. World trade recovered, leading once again to a rise in container handling volumes. The economic environment, consistent cost management and various non-recurring events yielded excellent year-end results for the EUROKAI Group that greatly exceeded our original expectations. Nevertheless, despite the extremely positive earnings trend, there is no denying that the financial and economic crisis of 2009 has changed the market.

Consolidated revenue amounted to EUR 592.1 million in the 2010 fiscal year (previous year: EUR 590.8 million). Group profit for the year more than doubled to EUR 58.5 million compared to EUR 28.8 million in 2009.

Correspondingly, earnings per share under IAS 33 rose significantly from EUR 1.11 in the previous year to EUR 2.49 in 2010.

In view of the positive earnings trend and to mark the 50-year anniversary of EUROKAI KGaA on 16 March 2011, the Supervisory Board and Board of Management of the Personally Liable General Partner propose that for fiscal 2010 the Annual Meeting approve a dividend distribution of 30 % plus an anniversary bonus of 20 % – i.e. a total dividend of 50 % – on ordinary and preference shares.

The EUROKAI preference share price has remained stable in this environment, and at year's end 2010 had levelled out at EUR 33.35. Currently, shares are trading at approx. EUR 26.00.

Growth in the volume of trade expected to slow down again in 2011

Government economic stimulus programmes catapulted many countries out of the crisis in 2010. However, following a 3.9 % rise in the world trading volume in 2010, the World Bank is predicting that economic growth will slow down in 2011 (3.3 %) and pick up again in 2012 (3.6 %).[1] Economic growth is driven above all by the high demand in the emerging markets, which account for 46 % of world GDP. In the industrialised nations, growth will continue to be hampered by the challenges of restructuring the banking sector and consolidating national budgets.

In contrast to the euro zone and the United States, which emerged from the crisis with 2.7 and 2.8 % growth respectively, China was able to maintain its dynamic trend, recording growth of 10 %. This has an impact on the world trading volume and the market environment of the EUROKAI Group. In 2010 world trade increased by 15.7 % over the previous year. For 2011, the World Bank has forecast a slowdown to 8.3 %.[2]


Thomas H. Eckelmann,
Chairman of the Management Board

The positive figures cannot obstruct the fact that there has been a shift in the world economy since the crisis. A closer analysis shows that the upturn is far from stable and can easily be reversed by unforeseen events. Environmental disasters or political unrest, to mention just two factors, can have a lasting effect on world trade and hence on container traffic.

Pressure on costs and performance is growing

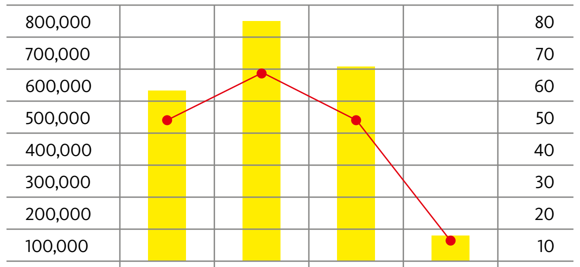
However, the global economic environment is not the only factor that has changed the market for the EUROKAI Group. While our container line customers have also managed to overcome the crisis and hold their own in the market, bigger ships and free terminal capacities mean that competition in the container market is on the whole more intense. Pressure on costs and performance is growing. Growth can no longer be taken for granted.

The majority of the many container vessels that were anchored in the roadstead in 2009 are meanwhile back in service. At the beginning of February, inoperative shipping capacities had fallen to 277,400 TEUs[3], compared to 1.18 million TEUs a good year ago. Above all large megavessels were quickly put back into service. The number of new builds is also on the up. Between 2011 and 2014, 154 container ships[4] with a load volume of over 10,000 TEUs will be launched. Not even the economic crash was able to halt this trend. In conjunction with the slowdown in world trade, these additional transport capacities put increasing pressure on sea freight rates. The development will produce a cascade effect. The Far East–Europe routes will in future for

[1] World Bank: The global outlook in summary, 2008–2012.
[2] World Bank: The global outlook in summary, 2008–2012.
[3] Alphaliner Weekly Newsletter, Volume 2011 Issue 7, 08.02.2011 to 14.02.2011.
[4] PR News Service, Dezember 2010.

2011–2014 Deliveries by Capacity

Delivery of 10,000+ ships from 2011 to 2014



	2011	2012	2013	2014
Total TEU	533,844	747,590	605,950	77,500
Number of ships	43	59	43	7

Source: PR News Service, April 2011.

ULCS Dimensions – Today and Tomorrow

	2006	2009	2014
Class	Mærsk „E"	MSC Danit	20k TEU*
HC (approx)	6,800 HC	6,200 HC	9,000 HC
Total TEU	15,212	14,000	20,250
Hold TEU	7,272	6,428	10,015
Deck TEU	7,940	7,572	10,235
Rows on Deck	22	20	23
Deadweight	175,000	165,000	220,000
Loa	397.00	366.00	440.00
Lbp	376.00	349.50	420.00
Breadth	56.40	51.20	59.00
Depth	30.20	29.90	34.00
Draught	16.00	16.00	16.50

* Estimated.

Source: Alphaliner.

the most part be serviced by ULCVs (ultra-large container vessels). Vessels in the 6,000 to 9,000 TEUs category will be taken off these routes and put into operation in other areas. And this trend looks set to continue. On 21 February 2011, A.P. Møller-Mærsk for example announced that it has placed orders for ten new builds with load volumes of 18,000 TEUs and has an option on another 20 vessels. The first ten container ships in the new Triple E Class are scheduled for delivery in 2013–2014.

Overcapacities are also recorded on the part of container handling facilities. Although improved world trade has caused container volumes to rise all over the world, the above-average declines at the end of 2008 and in 2009 have not yet been fully compensated. This means it will still be some time before container handling facilities once again reach full capacity utilisation. Moreover, in the next few years new handling capacities, for example Maasvlakte II in the port of Rotterdam and the EUROGATE Container Terminal Wilhelmshaven, will be added to those already available at existing container terminals, so that there is unlikely to be any change in the competitive situation in the foreseeable future.

The same applies to the terminal locations in the Mediterranean. Here, competition is traditionally high due to the large number of ports and is further intensified by the current trend.

Each of the seaports has its strengths and weaknesses

The new market situation harbours opportunities as well as risks. Thanks to the provision of corresponding terminal handling capacities at the new deepwater container terminal in Wilhelmshaven, EUROKAI will be in a position to keep up with the trend towards ever bigger container ships. The main sales argument in favour of the new EUROGATE Container Terminal Wilhelmshaven is its water depth of 18 metres, which will allow ULCVs unrestricted access to the port. Optimum handling quality at the container terminal will be ensured with the help of state-of-the-art handling equipment. For example, the container cranes on order for Wilhelmshaven are the biggest in the world with a jib length of 78 metres for servicing 25 rows on deck. EUROKAI sees this as an investment in the future.

The new container terminal will go into operation in one-and-a-half years. Preparatory work is running to schedule. From August 2012, Wilhelmshaven will join Hamburg and Bremerhaven as the third location in the EUROKAI network on the German North Sea coast. The distances between the locations are short, which from a shipping company's perspective has advantages. Each of the seaports has its strengths and weaknesses, which should be exploited to advantage. Together they form a strong entity that makes the German North Sea coast the gateway to the markets of central and eastern Europe as well as Russia.

EUROGATE Container Terminal in Wilhelmshaven for example has the requisite depth to provide the world's largest giant container ships with 16 metres' draught unrestricted nautical access. Hamburg is characterised by a high import/export rate and Bremerhaven not only lies geographically between the two. The location on the River Weser has been a port of call for large-scale container vessels >10,000 TEUs since 2006 and lies directly on the open sea.

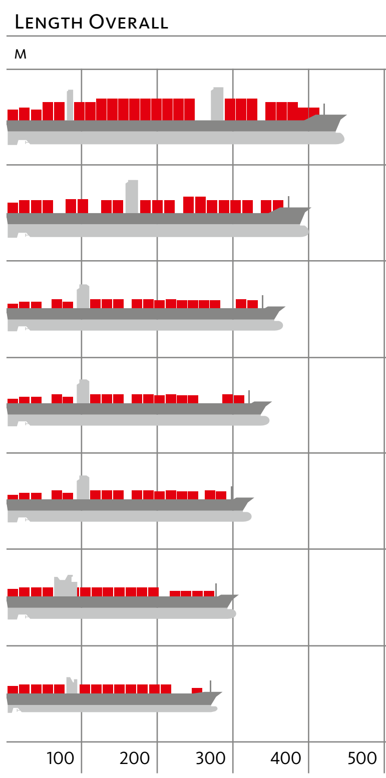
Ensuring EUROGATE Container Terminal Wilhelmshaven is used to adequate capacity at the start of operations in 2012 will be one of our biggest challenges in 2011 and 2012, especially in light of the intense competition that the Rotterdam Maasvlakte II expansion project will represent from 2013. For this reason, EUROGATE has already initiated a marketing campaign that was launched in February/March 2011 with a roadshow through nine Asian cities. The new container terminal was presented to customers and potential customers, as well as key decision-makers and opinion leaders from the fields of imports/exports, forwarding, logistics services, professional associations and politics.

In addition to Wilhelmshaven a second container terminal, the Ust-Luga Container Terminal, located 130 kilometres west of St. Petersburg in Russia will be integrated into the EUROKAI network in 2012. As a sister terminal to Wilhelmshaven, Ust-Luga, in which EUROGATE holds a 20 % stake, will be the logical extension of the Far East–Europe transport chain in the direction of Russia. Ust-Luga will allow us to offer our shipping line customers special value added, for example in the form of co-operation with Wilhelmshaven in the area of customs clearance.

Potential in the offshore wind energy market

In the current situation new solutions are called for. Temporarily freed-up terminal capacities can be put to excellent use for handling offshore wind energy turbines. Container terminals have sufficient space and handling equipment designed for moving heavy loads, allowing large-scale wind energy turbine components to be loaded with ease. This offers a lucrative market in which EUROGATE has a good chance of being the first terminal operator to participate. According to the Deutsche Energie-Agentur[5] (German Energy Agency), four wind farms are currently in operation in the North Sea and 22 wind farms have been approved. A further 53 wind farms are currently awaiting approval. Should all of these offshore wind farms be built, the operators will need efficient logistics. We see considerable potential for our terminals in this area.

Evolution of the world's largest containerships (1985–2011)



Name	Year	TDW	TEU	LOA m	Breadth m	Draught m
TBN	2014	< 220,000	< 20,200	440	59.0	16.5
Emma Mærsk	2006	175,000	15,200	397	56.4	16.0
Gudrun Mærsk	2005	115,700	9,500	367	42.8	15.0
Sovereign Mærsk	1997	105,000	8,200	347	42.8	15.0
Regina Mærsk	1997	90,500	7,403	318	42.8	14.5
Myk Altair	1994	63,000	4,953	300	37.1	13.0
President Truman	1988	55,500	4,538	275	39.4	12.5

Source: Alphaliner.

[5] At February 2011.

EUROGATE has already taken a first step in this direction. On 10 May 2010, EUROGATE Container Terminal Bremerhaven and RWE Innogy signed a contract for the use of free areas in terminal section CT I. RWE Innogy will use this site from the summer of this year as a basis for construction of its Nordsee Ost 1 offshore wind farm. The offshore wind farm is scheduled to go into operation in 2013 with an installed output of 295 megawatts.

Without political support challenges are difficult to master

The initially described market situation calls for shrewd political action. I should like to reiterate my plea to the political decision-makers in Italy as well as in Germany to improve the general conditions for the seaports. Competition among the seaports has increased both in the North Range and the Mediterranean. On their own, without political support, the port operating companies will find the challenges difficult to master. In Italy, distortion of competition vis-à-vis other Mediterranean ports continues to be a contentious issue, especially because costs at Italian ports are higher than in neighbouring ports. This is a question that can only be resolved by political means. In Germany, questions relating to important infrastructure measures still remain unsolved. The deepening of the shipping channels in the River Elbe and the Outer Weser are long in coming. A decision in favour of the deepening of the navigation channel in the River Weser is expected for the end of April. There is still no dependable schedule for the deepening of the navigation channel in the Elbe, however. Critics who believe that the deepening of the Elbe will no longer be necessary once the Wilhelmshaven deepwater port goes into operation fail to recognise that we already desperately need this infrastructure measure in order to cope with the size of today's ships. The latest generation of megavessels already experiences access restrictions when calling at our ports. Nevertheless, since 2006, as many as 190 ships with a load capacity in excess of 10,000 TEUs have docked at our North Sea terminals. Now that Germany's Social Democratic Party (SPD) has won the parliamentary elections in the Free and Hanseatic City of Hamburg with an absolute majority, it is to be hoped that the political disputes over Europe's third largest port will come to an end and that important decisions will be made with a view to the future.

The only way forward is change

The economic crisis has been overcome, but the challenges remain. Container handling volumes at the container terminals of the EUROKAI Group have increased by 5.2 % to 12.6 million TEUs compared to the previous period. The intermodal business segment exceeded all expectations. Intermodal transport operations grew by 20.3 % to 1.4 million TEUs and recorded a growth rate which far exceeds that of seaside container handling. Particularly noticeable is the increase in the river transport operations of our ACOS holding, which recorded growth of 57.7 %. Including feeder transport volumes, this business field recorded a total volume of 2.3 million TEUs.

In Bremerhaven, short-time work was discontinued, so that since January 2011 no more work restrictions have applied across the entire EUROKAI Group. The good year-end result can be attributed to the fact that we responded early on to the changes in the market. With a farsighted business policy and a consistent cost management programme, we have succeeded in weathering the storm. However, this also means we have had to make some adjustments in our corporate organisation. Because the only way forward is change. For example we have restructured parts of the cargomodal business segment or selectively discontinued certain business activities. EUROGATE IT Services GmbH, responsible as service provider for the IT infrastructure of the EUROGATE Group, will be integrated as a department into the EUROGATE holding in 2011. These organisational and structural changes are designed to streamline workflows within the company's organisation and to optimise costs. They result from the necessity to secure our own competitive position. We will continue to pursue our policy of self-criticism and to question our own action in the interests of securing the future success of our company.

Solidarity has led the way out of the crisis

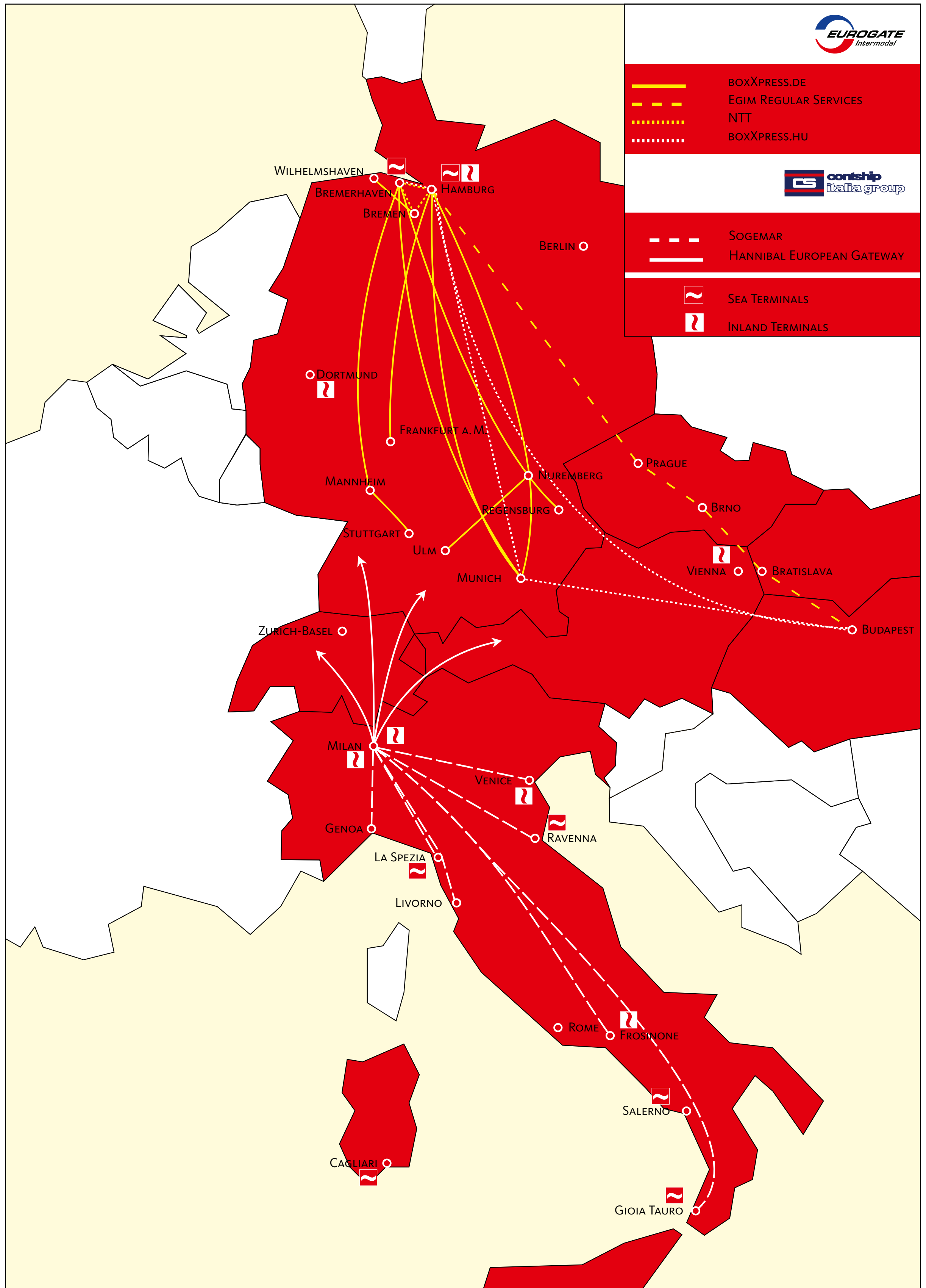
We are again back on an upward path and are proud of the excellent operating result achieved in 2010. This is in particular thanks to the commitment of all employees in the ECKELMANN-EUROKAI Group, who have held out with their full support over the past two difficult years. Without their solidarity and their loyalty we would not have succeeded in coping with the crisis as well as we have. Special thanks are due to them.

I would also like to express my thanks to the shareholders of EUROKAI KGaA for the trust they have placed in us.

Hamburg, April 2011

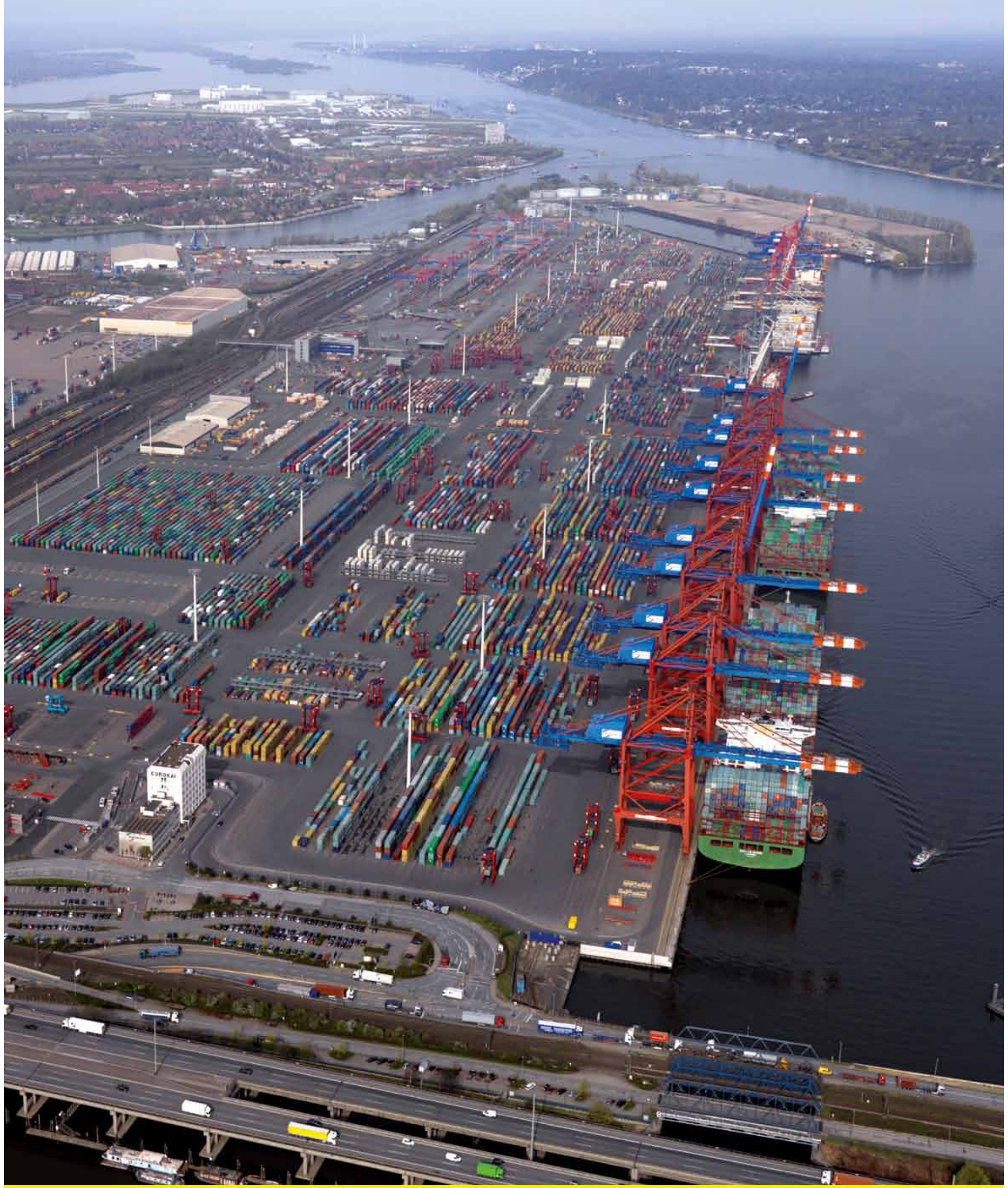
Yours sincerely,

Thomas H. Eckelmann
Chairman of the Management Board



Intermodal Transport

02 Management Commentary



EUROGATE Container Terminal Hamburg

1. Report on economic position

The main business of all entities incorporated in the EUROKAI Group is that of container handling on the continent of Europe. These companies, working partly with partners, operate container terminals in La Spezia, Gioia Tauro, Cagliari, Ravenna and Salerno (Italy), in Bremerhaven and Hamburg (Germany), in Lisbon (Portugal) and in Tangier (Morocco) and are additionally involved in terminal projects in Wilhelmshaven (Germany) and Ust-Luga (Russia). The EUROKAI Group also has ownership interests in a number of inland terminals and railway transport companies.

Secondary services are also available in the shape of intermodal services (carriage of sea containers to and from terminals), repair, storage of containers, their sale and purchase as well as cargomodal services, technical services and IT services.

EUROKAI Kommanditgesellschaft auf Aktien (hereinafter called "EUROKAI KGaA") has a 66.6 % interest in the CONTSHIP Italia Group via two intermediate holding companies, Borgo Supermercati S.r.l. of Genoa, Italy, and MIKA S.r.l. of Genoa, Italy, and a 16.7 % interest via EUROGATE GmbH & Co. KGaA, KG of Bremen. Thus EUROKAI KGaA has a total interest of 83.3 % in the CONTSHIP Italia Group.

EUROKAI KGaA has a 50 % interest in the EUROGATE Group via EUROGATE GmbH & Co. KGaA, KG and its subsidiaries and ownership interests.

Driven by a slight upturn in the economy, increasing container handling volumes again characterised the business development of the EUROKAI Group in the reporting period. The rising handling figures, together with the positive impact of extensive cost-cutting measures, also had a very positive impact on the earnings development.

EUROKAI Group container terminals – including the terminals in Italy, Portugal and Morocco – handled a total of 12.630 million TEUs (previous year: 12.002 million TEUs), which was an increase of 5.2 %. The table on page 10 shows the handling statistics for the container terminals in the EUROKAI Group. The figures include total handling at the terminal in question. The CONTSHIP Italia Group sold its interest in Terminal Darsena Toscana S.r.l., Livorno, in September 2010. Consequently, the handling volumes of this terminal are no longer included in this overview.

CONTSHIP Italia Group

CONTSHIP Italia S.p.A. of Genoa, Italy, is the CONTSHIP Italia Group's holding company; it determines corporate strategy and coordinates operating activities. Its main ownership interests continue to be La Spezia Container Terminal S.p.A. of La Spezia, Medcenter Container Terminal S.p.A. of Gioia Tauro, CICT Porto Industriale Cagliari S.p.A. of Cagliari as well as Sogemar S.p.A. of Lucernate di Rho, Milan, and Hannibal S.p.A. of Melzo, Milan, which are engaged in intermodal business (all in Italy).

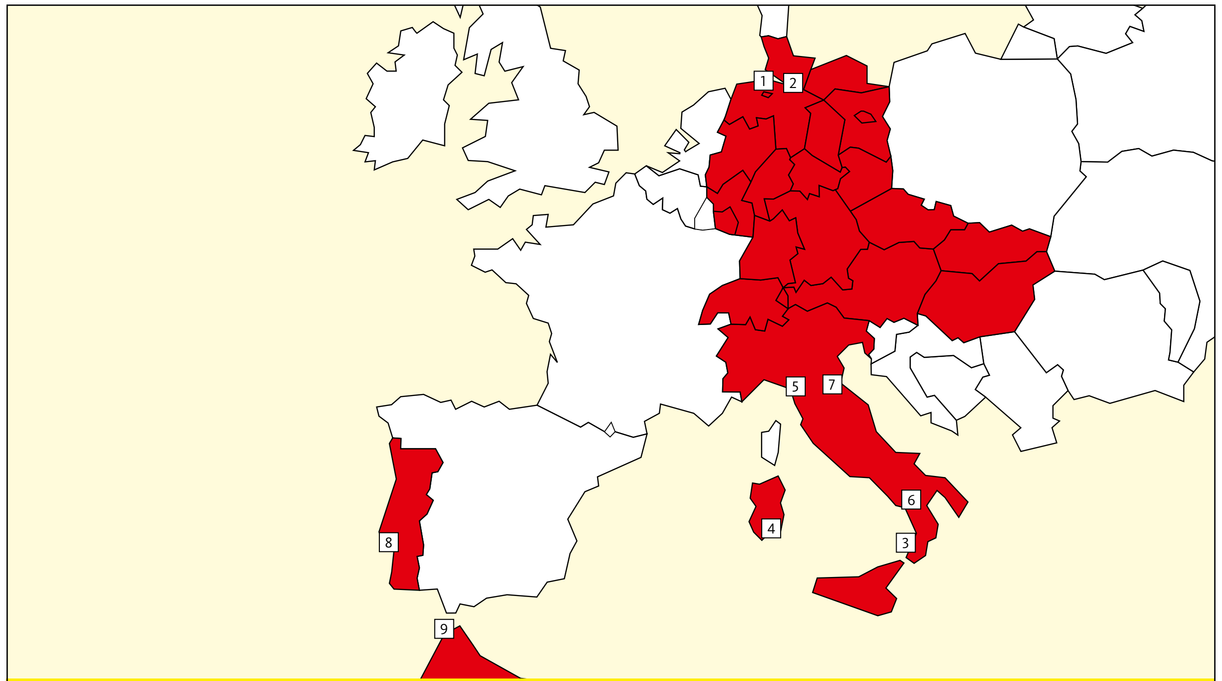
In the reporting period the container terminals of the CONTSHIP Italia Group recorded an increase in handling volumes compared to the previous year to 4.728 million TEUs (previous year: 4.688 million TEUs). This earnings trend was positively affected primarily by growth of La Spezia Container Terminal S.p.A., La Spezia, which recorded a 22.3 % rise in handling volumes to 1.041 million TEUs (previous year: 0.852 million TEUs), in conjunction with a significantly improved year-end result. Due to the disposal of the investment in Livorno in the course of the year, the CONTSHIP Italia Group's market share fell slightly to 48.8 % (previous year: 54.9 %). The CONTSHIP Italia Group nevertheless continued to defend its market leadership among Italy's container handling companies.

At 2.788 million TEUs, handling figures at Medcenter Container Terminal S.p.A. in fiscal 2010 almost equalled the previous year's figure of 2.799 million TEUs with a deviation of −0.4 %. A rise in handling volumes of the MSC shipping line from Geneva compensated for the drop in handling volumes of Mærsk Line; however due to declining average container handling revenues and positive non-recurring events in the prior period, the Company posted degressive, negative net profit for the year on a year-over-year basis.

With a total of 0.553 million TEUs, Cagliari International Container Terminal – CICT Porto Industriale Cagliari S.p.A. – handled 19.8 % fewer containers in fiscal 2010 (previous year: 0.689 million TEUs), which represents a declining but nevertheless clearly positive operating result year-over-year.

Sogemar S.p.A. provides rail and road carriage and operates inland terminals with in-and-out container storage, container repair, customs handling and warehousing. Due to a rise in the transport volume compared to the previous year, the Company showed a significant increase in profits and once again disclose positive comprehensive income year-over-year.

Hannibal S.p.A. again posted a further improved and positive year-end result owing to a much higher intermodal transport volume compared to the previous year.



Throughput figures of the EUROKAI container terminals

Site	2010*	2009*	Change
	TEUs	TEUs	%
Germany			
Bremerhaven (1)	4,871,297	4,535,842	7.4
Hamburg (2)	2,119,628	2,138,103	−0.9
Total Germany	**6,990,925**	**6,673,945**	**4.7**
Italy			
Gioia Tauro (3)	2,788,039	2,799,035	−0.4
Cagliari (4)	552,557	688,969	−19.8
La Spezia (5)	1,041,483	851,558	22.3
Salerno (6)	171,473	170,833	0.4
Ravenna (7)	174,073	177,575	−2.0
Total Italy	**4,727,625**	**4,687,970**	**0.8**
Other			
Lisbon (8)	230,641	204,595	12.7
Tangier (9)	680,795	435,575	56.3
Total Other	**911,436**	**640,170**	**42.4**
Total EUROKAI	**12,629,986**	**12,002,085**	**5.2**

* Figures excluding Livorno.

Year-over-year the CONTSHIP Italia Group posted a significantly improved overall year-end result for the reporting period. Consolidated profit for the year amounted to EUR 27.1 million, which is more than double the previous year's result of EUR 11.1 million. This figure includes a significant book gain of EUR 10.6 million on the disposal of the 50 % interest in Terminal Darsena Toscana S.r.l., Livorno in the course of the year.

EUROGATE Group

The business performance of the EUROGATE Group was also characterised by a significant rise in handling volumes in the fiscal year 2010. Consequently, the EUROGATE Group saw its revenue and the comprehensive income of the Group increase again compared with the previous year. Consolidated profit for the year (proportionately) was EUR 30.8 million compared to EUR 23.9 million in the previous year.

Handling figures at the German locations developed inconsistently in the 2010 fiscal year. While the container terminals in Bremerhaven showed a rise of 7.4 % to 4.871 million TEUs (previous year: 4.536 million TEUs), handling volumes at EUROGATE Container Terminal Hamburg declined by 0.9 % and at 2.2120 million TEUs fell slightly short of the previous year's figure of 2.138 million TEUs. The container terminals in Germany thus handled a total of 6.991 million TEUs (previous year: 6.674 million TEUs), corresponding to a rise of 4.7 %.

Handling volumes of EUROGATE Tanger in Morocco showed a particularly encouraging development. given the difficult prevailing economic climate with 0.436 million TEUs (previous year: 0.064 million TEUs). In operation for only two years, the container terminal increased its container handling volume by 53 % to 0.681 million TEUs (previous year: 0.436 million TEUs).

LISCONT Operadores de Contentores S.A., Lisbon, Portugal, recorded a rise in handling volume of 12.7 % with a total of 0.231 million TEUs handled and consequently posted a clearly improved net profit over 2009.

The comprehensive income of the companies in Germany that operate container terminals developed as follows:

With a handling figure of 2.120 million TEUs, EUROGATE Container Terminal Hamburg GmbH recorded a slight drop in handling volumes of −0.9 %. Despite the slightly regressive volume development, the Company's year-end result before profit transfer to EUROGATE Holding was nevertheless slightly up on the previous year as a result of strict cost management and impairments recognised in the previous year. EUROGATE Container Terminal Hamburg GmbH thus continues to have the highest profit contribution within the EUROGATE Group.

EUROGATE Container Terminal Bremerhaven GmbH recorded a growth of 15.4 % with a handling figure of 0.721 million TEUs (previous year: 0.625 million TEUs). Due to the positive handling trend in conjunction with the effects of the implemented flexibilisation and cost saving measures, the Company posted a significantly higher and once again positive year-end result compared to the prior period before profit transfer to EUROGATE GmbH & Co. KGaA, KG ("EUROGATE Holding").

North Sea Terminal Bremerhaven GmbH & Co., a dedicated terminal for Mærsk Line, posted a volume figure slightly below that of the previous year (2,981 million TEUs) in the fiscal year 2019, with 2.960 million TEUs handled. Due to enhanced productivity and positive effects from reorganisation of operational processes, the profit for the period has nevertheless improved compared to the previous year.

With a handling volume of 1.190 million TEUs (previous year 0.930 million TEUs; +28.0 %), MSC Gate Bremerhaven GmbH & Co. KG, a joint venture between EUROGATE GmbH & Co. KGaA, KG and Terminal Investment Ltd., St. Peter Port, Guernsey, UK, an affiliate of Mediterranean Shipping Company S.A., Geneva, recorded a significant rise compared to the previous year. After the previous year's loss, the Company once again posted a clearly positive operating profit for the year.

Key events in the course of the fiscal year

CONTSHIP Italia Group

In April 2010, the share capital of OCEANOGATE Italia S.p.A., Gioia Tauro, previously held 100 % by Sogemar S.p.A., was raised from EUR 1.0 million to EUR 2.0 million. The newly created 50 % of the shares were acquired by Ferrovie Emiglia Romagna S.r.l., Bologna, Italy, a private railway transport company.

The CONTSHIP Italia Group sold its 50 % interest in Terminal Darsena Toscana S.r.l., Livorno, to the previous co-partner in September 2010, which led to gains on disposal of EUR 10.6 million.

In December 2010, La Spezia Container Terminal S.p.A., La Spezia, acquired a 22.5 % interest in Speter S.p.A., La Spezia, from its 50 % holding company Spedemar S.r.l., La Spezia, as well as a further 22.5 % interest from external third parties. La Spezia Container Terminal S.p.A. thus now directly holds a total 45 % interest in Speter S.p.A.

EUROGATE Group

In March 2010, EUROGATE Intermodal GmbH in a joint venture with HHLA Intermodal GmbH, Hamburg, founded IPN Inland Port Network GmbH & Co KG, Hamburg. This joint venture is intended to examine and develop terminal concepts and locations for the joint development of hinterland terminals and depots. The goal is to improve the transport and logistics chains in the hinterland.

In May 2010, after intensive negotiating, EUROGATE reached an agreement with JadeWeserPort Realisierungsgesellschaft mbH & Co. KG to postpone the start of operations of the EUROGATE Container Terminal Wilhelmshaven by nine months to 5 August 2012.

EUROGATE Container Terminal Bremerhaven GmbH began in the fiscal year 2010 to utilise free area capacities for storage of wind turbine components. Moreover, the Company succeeded in attracting the commitment of another renowned wind turbine manufacturer from mid-2011 for two to four years for the handling and storage of wind turbine components, before they can be moved to the offshore terminal to be built south of Bremerhaven. Thus the Company has succeeded in gaining a foothold in the wind turbine segment – one of the key markets of the future – for handling and storage, with a long-term perspective.

At the end of August 2009, the planning approval procedure was already initiated for the expansion westward of the EUROGATE Container Terminal Hamburg. In addition to the complete filling of the Petroleumhafen, the project foresees the direct extension of the Predöhlkai by some 650 m as well as the creation of an additional 400 m of berths at the Bubendey waterside. This will provide an additional area of approx. 400,000 m². It is also planned to enlarge the turning basin at the Waltershof Harbour to provide a turning radius of 600 m. Initial partial areas were supposed to be available from 2014, but from the present-day perspective the project is not expected to be fully completed before 2017/2018. The expansion westward will increase the handling capacity of the EUROGATE Container Terminal Hamburg by 1.9 million TEUs from its current 4.1 million TEUs to almost 6 million TEUs.

In 2010 construction work was completed on the extension of Berth 3. The first areas went into operational use from Q2 2010 and the overall project was wrapped up in August 2010.

With completion of the modernisation work at Berths 1 to 3, the potential at the EUROGATE Container Terminal in Hamburg is for the time being exhausted. Therefore the further concrete implementation of the expansion westward in the direction of the Petroleumhafen is now needed.

The temporarily postponed construction work on the OJSC Ust-Luga Container Terminal, Ust-Luga, Russia, in which EUROGATE International GmbH has a 20 % interest, was resumed in fiscal 2010. The start of operation of the first construction phase of the container terminal with a handling capacity of approx. 500,000 TEUs p.a. is now scheduled for the Q1 2012. However, trial operation is already scheduled for Q4 2011.

2. Earnings

To show earnings, the following table uses an earnings statement based on operational management:

	2010		2009		Change	
	EUR '000	%	EUR '000	%	EUR '000	%
Revenue	592,145		590,758		1,387	0
Other operating income	37,411		41,610		–4,199	–10
Total operating income	**629,556**	**100**	**632,368**	**100**	**–2,812**	**0**
Cost of materials	–165,728	–26	–148,682	–24	–17,046	11
Personnel expenses	–282,220	–45	–296,432	–47	14,212	–5
Depreciation/amortisation/write-downs	–69,359	–11	–76,661	–12	7,302	–10
Other operating expenses	–47,799	–8	–57,473	–9	9,674	–17
Operating expenses	**–565,106**	**–90**	**–579,248**	**–92**	**14,142**	**–2**
Net operating income	**64,450**	**10**	**53,120**	**8**	**11,330**	**21**
Proceeds from the disposal of ownership interests in consolidated companies	10,598		0		10,598	
Profit/loss from interest and investments	–1,313		–12,889		11,576	
Earnings before taxes (EBT)	**73,735**		**40,231**		**33,504**	
Income tax	–15,698		–13,754		–1,944	
Deferred tax charges	431		2,363		–1,932	
Consolidated profit for the year	**58,468**		**28,840**		**29,628**	
Thereof attributable to:						
Equity holders of the parent	39,463		17,662			
Hybrid capital holders	4,995		5,060			
Other shareholders	14,010		6,118			
	58,468		**28,840**			

External revenue of the EUROKAI Group amounted to EUR 592.1 million (previous year: EUR 590.8 million). EUR 287.6 million (previous year: EUR 290.5 million) of this was generated by the CONTSHIP Italia Group and EUR 299.8 million (previous year: EUR 295.7 million) by the 50 % of the EUROGATE Group included in the consolidated financial statements.

The operating income (EBIT) for the fiscal year 2010 amounts to EUR 64.5 million (previous year: EUR 53.1 million), which shows an increase of 21 % (EUR 11.3 million) over the previous year. This results principally from the rise in handling volumes in conjunction with cost savings and flexibilisation measures.

Income from interest and investments rose significantly by EUR 11.6 million to EUR –1.3 million. The main reason for this is the pro rata improvement in earnings of EUROGATE Tanger S.A. as well as a non-recurring event in the amount of EUR 10.1 million from the associate J.F. Müller & Sohn AG, Hamburg, which realised a significant book gain from the disposal of a financial investment.

Pre-tax profit (EBT) showed a corresponding upturn, increasing by 83 % on a year-over-year basis to EUR 73.7 million (previous year: EUR 40.2 million).

As a consequence of the general positive trend in handling volumes in conjunction with cost savings, as well as the aforementioned non-recurring events, consolidated profit for the year grew compared to the previous year by EUR 29.6 million, more than doubling from EUR 28.8 million to EUR 58.5 million (+103 %).

3. Financial position

The following cash flows were posted in 2010 and 2009:

	2010	2009
	EUR '000	EUR '000
Net cash flows from operating activities	111,843	51,232
Cash flows used in investing activities	–17,216	–51,688
Cash infows/outflows from financing activities	–67,115	16,600
Net increase (decrease) in cash and cash equivalents	27,512	16,144
Cash and cash equivalents at 1 January	35,718	19,574
Cash and cash equivalents at the end of the period	**63,230**	**35,718**

Composition of cash and cash equivalents		
Cash and cash equivalents	67,649	50,194
Bank liabilities/overdrafts due on demand	–4,419	–14,476
Cash and cash equivalents at the end of the period	**63,230**	**35,718**

Based on the pre-tax profit for 2010 of EUR 73.7 million (previous year: EUR 40.2 million), cash flows from ordinary operating activities of EUR 111.8 million (previous year: EUR 51.2 million) were generated.

Unless stated otherwise, the figures given in the following paragraphs refer to the CONTSHIP Italia Group as a whole (100 %) and to the 50 % interest in the EUROGATE Group held by the EUROKAI Group.

Investment and finance

Investments by the Group in intangible assets and property, plant and equipment were once again significantly reduced and amounted in 2010 to only EUR 39.2 million (previous year: EUR 76.3 million).

Investments by the CONTSHIP Italia Group of EUR 27.2 million (previous year: EUR 28.1 million) mainly covered the procurement of giant equipment.

Pro rata investments by the EUROGATE Group amounted to EUR 12.1 million in 2010 (previous year: EUR 48.2 million). These mainly included investments in extending and surfacing terminal areas, power supply systems, rebuilding and upgrading of buildings and sheds, container cranes, straddle carriers, reach stackers and various items of handling equipment.

Financing of investments in giant handling equipment as well as fixtures and fittings and office equipment in 2010 was secured by new borrowings from banks totalling EUR 15.2 million.

During the same period, the Group made amortisation bank loan repayments of EUR 29.2 million and additionally made extraordinary loan redemption payments amounting to EUR 28.0 million from surplus cash.

4. Net assets

The structure of assets and equity in 2010 was as follows:

Assets	2010		2009		Change
	EUR '000	%	EUR '000	%	EUR '000
Intangible assets	63,092	7	69,187	7	–6,095
Property, plant and equipment	551,633	61	624,182	65	–72,549
Financial assets	48,551	5	32,868	4	15,683
Deferred income tax assets	9,284	1	10,369	1	–1,085
Other assets	20,017	2	20,254	2	–237
Non-current assets	**692,577**	**76**	**756,860**	**79**	**–64,283**
Inventories	15,991	2	16,917	2	–926
Trade receivables	96,776	11	94,892	10	1,884
Other assets and recoverable income taxes	35,340	4	36,929	4	–1,589
Cash and cash equivalents	67,649	7	50,194	5	17,455
Current assets	**215,756**	**24**	**198,932**	**21**	**16,824**
Total assets	**908,333**	**100**	**955,792**	**100**	**–47,459**

Equity and Liabilities	2010		2009		Change
	EUR '000	%	EUR '000	%	EUR '000
Issued capital	13,468	1	13,468	1	0
Personally Liable General Partner's capital and reserves	294	0	294	0	0
Capital reserves	1,801	0	1,801	0	0
Reserves from fair-value accounting	–753	0	–1,308	0	555
Retained earnings	60,557	7	53,057	6	7,500
Accumulated profits	217,139	24	191,836	20	25,303
Reserve of exchange differences on translation	–12	0	0	0	–12
Equity attributable to hybrid capital holders	77,010	9	77,010	8	0
Equity attributable to minority interest	65,386	7	72,350	8	–6,964
Equity and liabilities	**434,890**	**48**	**408,508**	**43**	**26,382**
Non-current financial liabilities net of current portion	90,375	10	133,479	13	–43,104
Non-current portion of deferred government grants	35,098	4	33,939	4	1,159
Other liabilities	68,299	8	78,499	9	–10,200
Deferred income tax liabilities	17,186	2	18,544	2	–1,358
Provisions	59,333	6	60,428	6	–1,095
Non-current liabilities	**270,291**	**30**	**324,889**	**34**	**–54,598**
Current portion of non-current financial liabilities	41,720	5	61,247	6	–19,527
Trade payables	57,543	6	55,248	6	2,295
Current portion of deferred government grants	3,333	0	4,408	0	–1,075
Other liabilities and income tax charges	88,027	10	88,674	10	–647
Provisions	12,529	1	12,818	1	–289
Current liabilities	**203,152**	**22**	**222,395**	**23**	**–19,243**
Total equity and libilities	**908,333**	**100**	**955,792**	**100**	**–47,459**

With depreciation of EUR 65.1 million and retirements at residual book value of EUR 6.6 million, retirements due to changes in the companies included in the consolidation, as well as investments amounting to EUR 37.3 million, property, plant and equipment decreased by EUR 72.5 million to EUR 551.6 million.

Changes in fixed assets result primarily from the higher valuation of the J.F. Müller & Sohn AG, Hamburg, interest as well as the acquisition of an interest in Speter S.p.A., La Spezia, by La Spezia Container Terminal S.p.A., La Spezia.

Non-current assets were covered at 98% (previous year: 97%) as of the balance sheet date by equity and non-current financial liabilities.

The change in accumulated profits is accounted for largely by the appropriation based on resolutions of the General Meeting of EUR 7.5 million to retained earnings and the dividend distribution of EUR 6.7 million to the shareholders, as well as the profit of EUR 39.5 million earned by the Group in 2010 and attributable to the equity holders of the parent.

Equity and liabilities increased in the fiscal year 2010 by EUR 26.4 million to EUR 434.9 million (previous year: 408.5 million), a rise of 6.5%. This represents a significant increase in the equity ratio of the Group, bringing it to a very respectable 48% (previous year: 43%).

Equity attributable to hybrid capital holders relates to the 50% pro rata interest apportionable to the EUROKAI Group of a subordinated, undated loan issued by EUROGATE GmbH & Co. KGaA, KG in the fiscal year 2007 with a total nominal amount of EUR 150 million, including the remaining entitlement to profits of the hybrid capital holders.

The decline in non-current financial liabilities, including current portion, resulted from the balance between the take-up of new loans to finance investments and amortisation payments already made, as well as extraordinary redemption payments.

The change in government grants is mainly due to grant approval notices from the German Federal Railway Authority under the funding directive for intermodal transport, less the pro rata reversal of the special reserve for government grants related to non-current assets over the period of use of the assets for which the grant had been received.

The decrease in other non-current liabilities results principally from the change in liabilities arising from financial leasing.

The rise in trade payables results from high liabilities at the balance sheet date on account of investments in giant equipment.

5. Personnel and welfare

Once again in 2010, Group companies provided their staff with further training courses, both internal and external, in order to further increase their standard of qualification.

The following shows average employee numbers in the Group:

	2010	2009
Industrial workers	2,701	3,004
Office staff	1,179	1,307
	3,880	4,311

These figures contain 50% of staff belonging to the EUROGATE Group.

6. Addendum

No events of particular significance occurred after the reporting date.

7. Sustainability report

Sustainable thinking and action are fundamental principles within the EUROKAI Group. Every container crane, every straddle carrier and every new building is a long-term investment in which energy efficiency, occupational safety and workplace convenience play an important role.

For many years, beyond the scope of its social responsibility, EUROKAI has gone that extra mile for the staff employed in our Group companies, as well as for the Company as a whole. A wide range of training and advanced training courses or various health programmes are just some examples of this.

Conserving the environment and resources has high priority within the EUROKAI Group. For us this is not merely a question of corporate responsibility, it is also an elementary component of our long-term corporate success. It is our declared goal through MAXIMUM EFFICIENCY, MINIMUM EMISSIONS and MAXIMUM SAFETY AND PRECAUTIONS to make protecting the environment a central mark of quality. With these basic principles in mind, additional measures were taken in 2010 to further reduce our ecological footprint.

Maximum efficiency

The EUROGATE Group has operated a CHP unit with an efficiency rating of 90.6% at the terminal in Bremerhaven since 1987. This company-own generation is a textbook example of efficiency, since conventional power plants operate with heat losses of over 50%. Another example of efficient utilisation of energy and resources are the woodscrap-fired heating stations built in 2006 and 2008, which convert shredded dunnage scrap to heat.

Once again in fiscal 2010 we worked in technical and organisational projects on further enhancing efficiency. By optimising the illumination controls, for example, it was possible to save more than one quarter of the required illumination energy.

In a joint organisational project, the EUROGATE container terminals and EUROGATE Technical Services examined whether the driving behaviour of straddle carrier drivers affects fuel consumption. First test drivers were trained accordingly. The results showed that trained drivers drive faster and more fuel-efficiently. Integrating these findings into day-to-day driving practice and making them measurable over the long term is one of the challenges we will have to overcome in the coming years.

Minimum emissions

As the main handling vehicles, straddle carriers have for decades undergone continuous technological improvement. While earlier carriers emitted high levels of nitrogen oxides and fine particulate matter, modern equipment produces barely more than a third of the former values. Currently, the companies in the EUROKAI Group are participating actively in technical research into how future equipment can store braking and lowering energy and operate with significantly smaller engines.

A further step towards reducing emissions was achieved in 2010 with completion of the first regenerative electricity generating plants. Through three photovoltaic plants with a total output of 43 kWp, we utilise our roof areas to produce 40,000 kWh of environmentally friendly electricity a year. This is utilised directly at our terminals with very low energy loss, and translates into CO_2 savings of 22 tonnes per year.

Maximum safety and precautions

Sustainability is not a coincidence. It is the consequence of targeted, future-oriented planning and action. This includes systematic analysis and regular implementation of improvements. EUROGATE Container Terminal Bremerhaven GmbH and EUROGATE Technical Services GmbH have already successfully realised this principle. EUROGATE Container Terminal Bremerhaven GmbH has already engaged an interdisciplinary team to identify potential for ecological improvement across all divisions and initiated measures that have produced not unsubstantial savings effects.

EUROGATE Technical Services GmbH successfully participated in the ÖKOPROFIT environmental management project of the Free and Hanseatic City of Hamburg and in addition to savings also achieved improved legal security.

EUROKAI began in 2010 to balance energy consumption in a structured way across the Group and with the help of detailed performance ratios identify and pursue optimisation approaches. We will derive binding targets from this in 2011, which will be a benchmark for our performance.

8. Risk report and outlook

Risk management system

Risk management is regarded within the EUROKAI Group as a permanent task of management and is practised in all the Group's companies and organisational units as an "experiential" system. As such, risk management has for years been an integral part of management control. The main aims of risk management within the Group are to recognise and identify critical developments – as well as opportunities – at any early stage, to take measures to remove such risks, and to promote risk-aware and opportunity-led thinking at all levels within the Group. In general, the risk policy is characterised by a conservative approach.

Risk positions

Via the CONTSHIP Italia Group as well as the EUROGATE Group, the EUROKAI Group is principally exposed to strategic risks, market risks, financial risks and operational risks.

Strategic risks, market risks and operational risks

As a financial holding company, EUROKAI Holding is exposed via its subsidiaries to the individual risks of the various business fields. Risks are identified and inventoried as part of the process of preparing the annual financial statements and report. The subsequent assessment of the impact of these risks on the overriding corporate objectives defined for EUROKAI, combined with an estimate of their probability of occurrence, is condensed into a risk portfolio for each undertaking. The risks documented therein encompass the entire spectrum of operational activities, especially those arising from the operation of several container terminals.

The EUROKAI Group continues to hold that a deepening of the Outer Weser and Elbe is urgently necessary to secure and position the German seaports in the North Range. Should either of these schemes – or both – fail to materialise, or should they be seriously delayed, this may have a highly adverse effect on future developments in handling volumes.

Furthermore, completion of the modernisation of the Kiel Canal (Nord-Ostsee-Kanal) (deepening by one metre along the entire length, modifications at the berthing places, bends and locks) is of key importance. Due to the geographical proximity of the port of Hamburg to the Baltic, a high proportion of the container flows to and from the neighbouring Baltic states is handled as transhipment traffic via Hamburg. Because of the advantages it offers in terms of time, costs and distance, this traffic as a rule passes through the Kiel Canal. However, due to the growing size of the feeder ships serving the Baltic, the Kiel Canal is rapidly reaching the limits of its capacity. If feeder services can no longer be directed through the Kiel Canal, however, they must sail the much longer route via Skagen. This leads to a loss of the natural competitive advantages of the German ports compared to the West Ports and consequently the risk of volume losses. Given these considerations, increasing the capacity of the Kiel Canal is urgently necessary so that traffic flows between the North Sea and the Baltic can continue to be handled efficiently via the Canal in the future. According to current redevelopment plans, the Canal should be cleared for traffic by early 2018.

The degressive handling volumes during the financial and economic crisis have given rise to overcapacities at the North Range container terminals. Combined with the nautical problems resulting from ever larger container vessels, this already led to changes in load flows and to the customer structure in the fiscal year 2009.

A cumulative factor in terms of market risk is the fact that in the next three to four years additional port capacities will become available in the North Range (EUROGATE Container Terminal Wilhelmshaven, Maasvlakte II Rotterdam, Port 2000 Le Havre). These and other terminal capacity expansions may lead to changes in load flows and customer structure with a negative impact on the structure and level of freight rates. This applies in particular to feeder traffic.

The consolidation in the container shipping industry is expected to persist. Since the economic crisis has also resulted in free capacities at the container terminals – at least in the medium term – the consolidation is increasing the market power of the remaining consortiums/shipping lines, and consequently the earnings pressure, as well as the need for the container terminals to further reduce costs.

On the whole, on the basis of the above risks, we currently cannot identify any trends that point to sustained negative developments.

Financial risks

Financial risk management objectives and policies

The Group's principal financial instruments, other than derivatives, comprise loans, finance leases and hire purchase contracts, as well as cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial instruments, such as trade receivables and payables, which arise directly from its operations.

Derivatives for hedging interest rates are only used for the purposes of hedging open risks. Interest derivatives are used exclusively to optimise loan terms and minimise interest rate risks as part of matching-maturity financing strategies. Derivatives are not used for trading or speculation.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, foreign currency risk and credit risk. The Management Board reviews and agrees policies for managing each of these risks, and they are summarised below. The market price risk is also monitored for all financial instruments at Group level. The Group's accounting and valuation policies in relation to financial instruments, as well as quantitative details relating to the financial instruments used within the Group, are set out in Sections 3 and 36 of the Notes to the consolidated financial statements.

Interest rate risk

The Group's exposure to interest rate risks relates primarily to the Group's non-current loans and non-current financial liabilities.

The Group's policy is to manage its interest rate risks using a mix of fixed and floating rate debt. The vast majority of the liabilities to banks are non-current, i.e. interest rates have been fixed up to the end of the financing period. Furthermore, interest rates were and are to a certain extent hedged for loans to be taken up in the future by agreement of forward interest rate swaps.

Values relating to financial instruments are presented in Section 36 of the Notes to the consolidated financial statements for 2010.

Foreign currency risk

All Group entities – with the exception of FLOYD ZRt., which is recorded in Hungarian forint (HUF) – currently invoice exclusively in EUR. Consequently, currency risks can only arise in specific cases, e.g. as a result of foreign dividend income or purchase of goods and services abroad. Currently there are no noteworthy currency risks in the Group arising from such specific cases.

Credit risk

The Group's credit risk principally results from trade receivables. The amounts disclosed in the balance sheet exclude bad debt allowances for expected uncollectible receivables estimated on the basis of past experience and the current economic environment. Ongoing monitoring of receivables by the Management Board prevents the Group from being currently exposed to any significant credit risk.

Credit risk is limited for cash and cash equivalents and derivatives, as these are held at banks or transacted with banks which are awarded a high credit rating by international rating agencies.

The Group's maximum credit risk for financial assets corresponds to the carrying amount for these financial instruments disclosed in the balance sheet.

Liquidity risk

EUROKAI Group's liquidity is ensured by autonomous and independent cash pooling of the subsidiaries with the respective holding companies of the sub-groups, both within CONTSHIP Italia Group and EUROGATE Group, as well as by centralised cash management functions within the respective corporate groups.

Centralised investment control and credit management at holding level also ensure the timely provision of funds (loans/leases/rent) to meet all payment obligations.

There are currently no significant concentrations of financial risk within the Group.

No risks currently exist which would have the capacity to place the Company in financial jeopardy, such as overindebtedness, insolvency or other risks with particular effect on its net assets, financial position and income from operations.

Reporting-related internal control system

The objective of the internal control system (ICS) for the reporting process is to guarantee with reasonable certainty that the financial statements are drawn up in compliance with the applicable regulations.

With respect to the reporting process, the following structures and processes are implemented within the EUROKAI Group:

- The principles, operational and organisational structure, as well as processes underlying the reporting-related internal control and risk management system are laid down in directives and operating procedures that are adapted to reflect ongoing internal and external developments.
- The EUROKAI Group has a clear management and corporate structure.
- The functions of the main divisions involved in the reporting process – finances, accounting and controlling – are clearly separated. The spheres of responsibility are clearly allocated. The separation of functions and the two-man rule are key principles of control in the reporting process.
- The IT systems used for financial reporting are protected against unauthorised access by means of corresponding security systems.
- Uniform reporting practice is guaranteed in particular through Group-wide terms of reference (e.g. investment guideline, purchasing guideline, travel expenses guideline). These are regularly updated.
- Reporting-relevant processes are regularly reviewed by external auditors.

The Management Board of the Personally Liable General Partner bears overall responsibility for the internal control and risk management system with respect to the reporting process within the company. This integrates all divisions via a predetermined management and reporting organisation.

To enable a rapid response to unexpectedly arising negative developments, regular – at least once monthly – reports to the Management Board form part of the control and risk management system.

The expectations and goals form the basis of annual medium-term planning, which is presented to the Supervisory Board. Reporting also covers the operating income of the Company's investees.

9. Disclosure requirements pursuant to Section 315 (4) of the German Commercial Code (HGB) and explanatory report

Issued capital

The issued capital of EUR 13,468,494.00 has been fully paid up. It is divided into 6,759,480 ordinary voting shares with a nominal value of EUR 1.00 each, 6,708,494 non-voting preference shares with a nominal value of EUR 1.00 each, and one preference voting share with a nominal value of EUR 520.00.

The ordinary voting shares are made out to bearer.

The preference voting share is registered and carries a preference dividend of 15 % of the residual profit for the year in accordance with the internal balance sheet pursuant to Section 16 of the Articles of Association, which ranks above dividends from other share classes.

A nominal value of EUR 1.00 of the voting shares confers a single vote.

The non-voting preference shares are made out to bearer and are endowed with a preference profit participation within the scope of Section 139 of the German Joint Stock Companies Act (AktG), which comprises an advance dividend of 5 % (Section 5 (1) of the Articles of Association).

The following entities directly or indirectly hold more than 10 % of the voting shares:

- Eighteen Sixty five Beteiligungs GmbH, Hamburg
- Nineteen Sixty one GmbH, Hamburg
- Thomas H. Eckelmann GmbH, Hamburg
- Twenty two Eleven Beteiligungs GmbH & Co. KG, Hamburg
- J.F. Müller & Sohn AG, Hamburg

For disclosures relating to the shareholders of the Company pursuant to the provisions of the German Securities Trading Act (WpHG) we refer to the information contained in the Notes to the consolidated financial statements.

Capital attributable to the Personally Liable General Partner

As at 31 December 2010, the Personally Liable General Partner, Kurt F.W.A. Eckelmann GmbH (formerly: Waltershof Peute Hafen Betriebs G.m.b.H.), Hamburg, made a capital contribution of EUR 294,083.65 pursuant to Section 5 of the Articles of Association. The participating share of the fixed deposit amounting to EUR 282,321.38 participates in the profit for the year proportional to the fixed contribution to the share capital of EUROKAI KGaA, which is calculated on the basis of an internal balance sheet prepared in accordance with Section 16 of the Articles of Association. In the case of future increases in share capital, under Section 5 of the Articles of Association the Personally Liable General Partner is authorised at any time to raise the fixed contribution by up to 20 % of the respective amount of the capital increase.

The Personally Liable General Partner may instead of or in addition to the fixed capital contribution also acquire preference shares of the Company or convert the already paid in contribution wholly or in part into preference shares of the Company.

Appointment and termination of management mandates and amendment to the Articles of Association

In the case of a Kommanditgesellschaft auf Aktien (partnership limited by shares), the duties of the Management Board of a joint stock company are incumbent upon the Personally Liable General Partner. In accordance with Section 278 (2) of the Joint Stock Companies Act (AktG) in conjunction with Section 164 HGB, and lacking any specific provisions in the Articles of Association of EUROKAI KGaA, management is thus incumbent upon the Personally Liable General Partner, Kurt F.W.A. Eckelmann GmbH, Hamburg, represented by its management. The appointment and termination of management mandates is governed by Section 6 of the Articles of Association of the Personally Liable General Partner. Under these provisions, the Administrative Board of the Personally Liable General Partner appoints the management for a maximum period of five years. Reappointments or extensions of the term of office – in each case for a maximum of five years – are also permitted. In the case of extraordinary business acts, the Personally Liable General Partner must seek the prior endorsement of the Supervisory Board.

Amendments to the Articles of Association affecting the organisational framework of the Company are made in accordance with Sections 285 and 179 AktG in conjunction with Sections 161 and 119 HGB. Pursuant to Section 179 AktG in conjunction with Section 19 of the Articles of Association, the Supervisory Board has the powers to decide on amendments and additions to the Articles of Association provided these affect this version only.

10. Outlook

Despite increased signs of a sustained recovery in handling volumes, the economic outlook for the fiscal years 2011 and 2012 continues to be characterised by high uncertainties. This still makes it very difficult to predict what the short-term economic trend is likely to be and how it will impact the development of container handling operations.

Based on our present estimates, we expect a further stabilisation of handling volumes in fiscal 2011 and 2012. Provided the price structure and specific revenue from handling volumes do not change significantly, we are anticipating a further increase in the Group operating result for the fiscal years 2011 and 2012 – without taking into account the non-recurring events included in 2010.

We showed an early reaction to the crisis-induced drop in handling volumes by initiating extensive measures to reduce costs and by gearing investment activities to current developments, which was very positively reflected in the 2010 earnings trend. Globalisation and world trade are likely to feel the impact of the recession in the short and medium term, but over the long term the prospects continue to be good.

The fiscal year 2011 will be dominated by construction of the superstructure of the EUROGATE Container Terminal Wilhelmshaven, the first deepwater port in Germany with a draught of 18 metres. The start of operations is scheduled for August 2012. The operating company, EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG, has already placed orders for delivery of eight Super Post-Panamax container cranes, for production of the land-based crane beam, the electricity supply as well as the dyke systems and site preparation in a total amount in excess of EUR 100 million.

The further marketing of the new German deepwater port location was launched in February/March 2011 with a roadshow through Asia.

Based on continued sound balance sheet ratios and with an equity ratio of more than 40 %, the EUROKAI Group is well prepared to field the challenges still to come.

11. Management Statement pursuant to Section 289 a of the German Commercial Code (HGB)

The Management Statement is published on our website at www.eurokai.de.

12. Closing remarks

The Personally Liable General Partner has drawn up a Dependency Report on legal and business relations with affiliated companies, containing the following closing remarks:

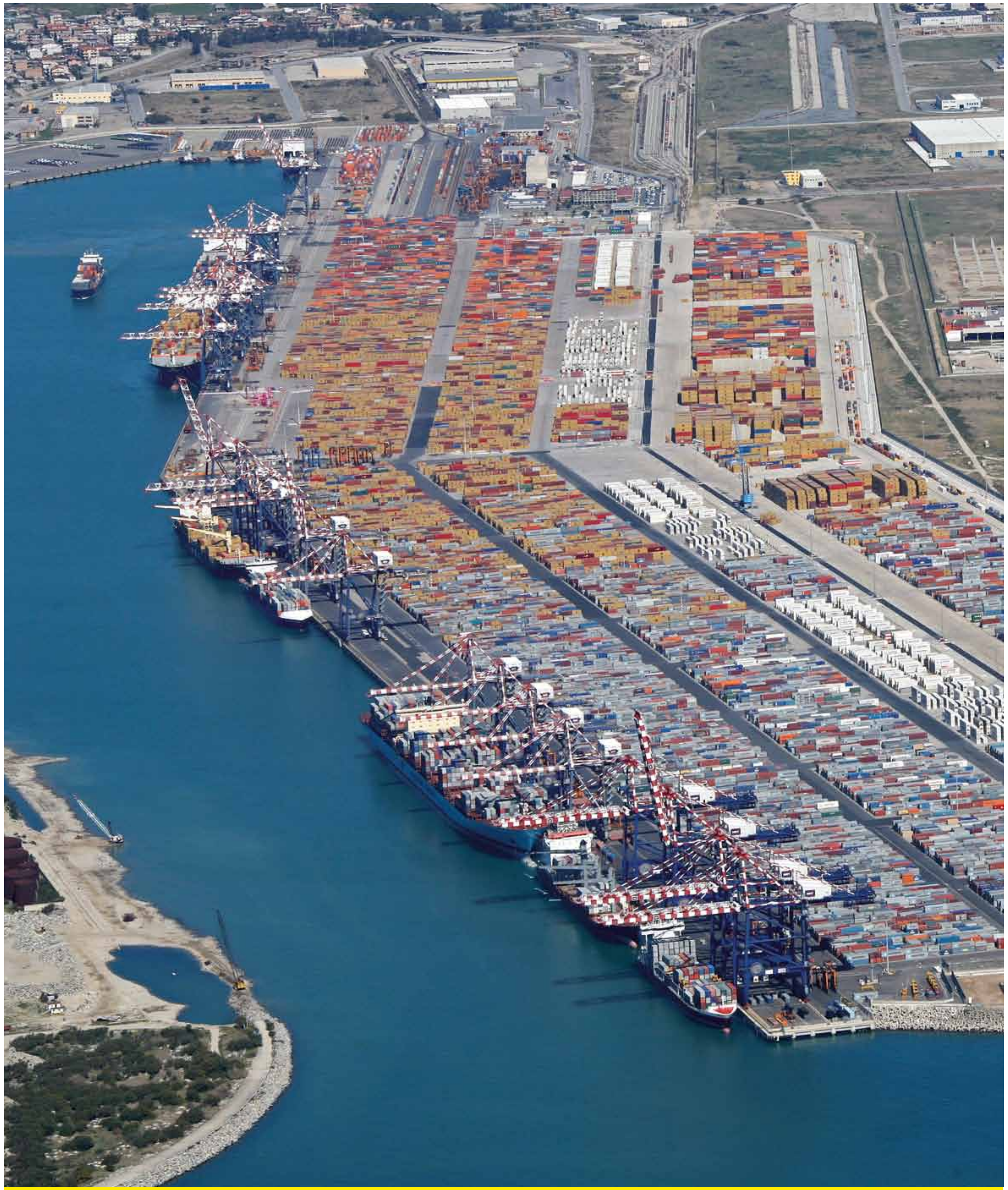
"Our Company received due and proper remuneration for all legal transactions listed in the report on relations with affiliated companies, as far as we were aware at the time when said transactions were made. No other transactions to the debit or credit of our Company have been either undertaken or omitted."

Hamburg, Germany, 18 March 2011

Personally Liable General Partner
Kurt F.W.A. Eckelmann GmbH, Hamburg

Thomas H. Eckelmann
Cecilia E. M. Eckelmann-Battistello

03 Report of the Supervisory Board



Medcenter Container Terminal in Gioia Tauro

Once again in 2010 the Supervisory Board carried out the duties required of it by law, by the Company's Articles of Association, and by the German Corporate Governance Code. It monitored the conduct of the Management Board of the Personally Liable General Partner and acted in an advisory capacity.

In the course of the 2010 fiscal year, the Supervisory Board was regularly informed by the Management Board of the Personally Liable General Partner, through both written and verbal reports, about the current situation and all matters relating to EUROKAI KGaA and its subsidiaries, as well as joint enterprises included in the consolidated group, with respect to corporate planning, the financial, earnings and risk situation, risk management, internal auditing including compliance, strategic development, as well as major business transactions and business projects. The key focuses of extensive information and discussion in 2010 were in particular

- the development of the EUROGATE Container Terminal in Wilhelmshaven,
- the development of the Ust-Luga Container Terminal in Ust-Luga, Russia,
- the report on internal auditing activities within the EUROKAI Group,
- the planned restructuring and merger of EUROGATE IT Services GmbH with EUROGATE GmbH & Co. KGaA, KG,
- the introduction of standard software for the management of the operational workflows of the EUROGATE Container Terminals in Germany,
- the restructuring of the cargomodal segment within the EUROGATE Group
- the disposal of the ownership interest in Terminal Darsena Toscana S.r.L., Livorno, by CONTSHIP Italia S.r.L., Genoa.

The Supervisory Board also consulted in-depth with the Management Board on the positive development of world trade resulting from the successful crisis management, the development of vessel sizes and the markets, container handling volumes and the flows of forwarding loads in the North Range and the Mediterranean, the resulting sea-side and shore-side consequences as well as the conclusions to be drawn. The Supervisory Board continues to view the deepening of the Outer Weser and the Elbe rivers, as well as an increase in the capacity of the Kiel Canal, to be absolutely imperative for securing the competitiveness of the Bremerhaven and Hamburg locations.

The Supervisory Board monitored adherence to corporate planning and to the actions and objectives contained therein. It held detailed consultative discussions with the Management Board of the Personally Liable General Partner and took decisions on such business actions of the Management Board as

Dr Hans-Joachim Röhler,
Chairman of the Supervisory Board

required of it by law or under the Company's Articles of Association relating to corporate strategy and its implementation, medium-term corporate planning, the written and verbal reports of the Management Board as well as important business concerns. The Supervisory Board gave its approval on all actions and all business requiring its authorisation, following joint examination and discussion with the Management Board of the Personally Liable General Partner.

Based on the comprehensive reporting on the internal control system, risk management and internal auditing system, including compliance, the Supervisory Board is of the opinion that these systems are applied within the EUROKAI Group in a reliable and efficient manner.

By reason of the dissolution of Kurt F.W.A. Eckelmann (GmbH & Co.) KG – which was reported at the last General Meeting on 18 August 2010 – and the withdrawal on the same grounds of J.F. Müller & Sohn AG from the former limited partner Eckelmann GmbH, the Supervisory Board at its meeting of 13 December 2010 empowered EUROKAI KGaA to grant Thomas H. Eckelmann GmbH – the sole current shareholder of Eckelmann GmbH – which holds 75.47% of the share capital of EUROKAI KGaA, a credit line of up to EUR 20 million at terms usual for third parties (interest rate, collateral). A corresponding loan contract was signed on 5 January 2011. The loan is being used to finance the severance payment to J.F. Müller & Sohn AG; it was taken up for the first time on 5 January 2011 and has been disbursed in the amount of EUR 8 million. Eckelmann GmbH holds 38.76% of the preference shares of EUROKAI KGaA as well as the voting preference share no. 00001.

The Supervisory Board performed a self-evaluation.

On appointing the auditor, the Supervisory Board further defined the main focuses for the audit of the 2010 annual financial statements.

Members of the Supervisory Board and members of the Management Board of the Personally Liable General Partner were involved in no conflicts of interest.

The Management Board of the Personally Liable General Partner kept the Chairman of the Supervisory Board constantly informed of all business actions and pending decisions of material importance, also between meetings of the Supervisory Board.

Four regular meetings were held altogether. Two resolutions were passed by written procedure. No member participated at less than half of the sessions.

In order to perform its duties more effectively, the Supervisory Board has set up a Financial Audit Committee and a Human Resources Committee. The Financial Audit Committee held one meeting during the 2010 fiscal year. The Human Resources Committee did not meet during the reporting period.

The financial statements and the management report of the Company for the last fiscal year were drawn up in accordance with the requirements of the German Commercial Code (HGB) and the consolidated financial statements and Group management commentary were prepared in accordance with International Financial Reporting Standards (IFRS), as applied in the EU, in conjunction with the supplementary requirements pursuant to the provisions of Section 315a (1) of the German Commercial Code (HGB) and the supplementary provisions of the Articles of Association. The financial statements and management report of the Company and the consolidated financial statements and management commentary of the EUROKAI KGaA Group, including the accounts on which they are based, for the fiscal year 2010 have been examined by the auditor, Ernst & Young AG Wirtschaftsprüfungsgesellschaft, Hamburg, and each been issued an unqualified audit opinion.

The auditor has issued the following unqualified opinion for the report by the Management Board on relations with affiliated companies (Dependency Report) in accordance with Section 312 of the Joint Stock Companies Act (AktG):

"After due and proper examination and assessment, we hereby confirm that

1. all information contained in the report is correct,
2. payment made by the Company for all legal transactions stated in the report was not inappropriately high."

Immediately following preparation, the annual financial statements and the management report of the Company, the consolidated financial statements and Group management commentary, the proposal for the distribution of profits, the report on relations with affiliated companies and the auditors' reports were submitted to all the members of the Supervisory Board.

Following a detailed preliminary inspection by the Financial Audit Committee in the presence of the auditor, the Supervisory Board at its meeting of 19 April 2011 examined the annual financial statements of the Company and the consolidated financial statements of the Group as at 31 December 2010, as well as the management report/commentary, the proposal for the distribution of profits, the report on relations with affiliated companies for the fiscal year 2010 and the results of the audit of the annual financial statements and the report on relations with affiliated companies by the auditors. At this meeting, the above documents were discussed in detail with the Management Board of the Personally Liable General Partner in the presence of the auditor.

Ernst & Young AG Wirtschaftsprüfungsgesellschaft, Hamburg, reported to the Supervisory Board on the course of its audits and on their main results. The auditor also reported on the main focal points of its audit. In its audit, the auditor detected no impairments in the internal control system and the risk management system as relating to the financial reporting process. Following this report, all the Supervisory Board's questions were answered in full by the Management Board of the Personally Liable General Partner and the auditor.

Following its comprehensive examination, the Supervisory Board concurred with the financial statements and management report of the Company, the consolidated financial statements and Group management commentary, the proposal for the distribution of profits, the report on relations with affiliated companies, including the closing remarks of the Management Board of the Personally Liable General Partner contained therein and the results and report of the auditors.

It approves the financial statements of EUROKAI KGaA and of the Group drawn up by the Management Board as at 31 December 2010. The Supervisory Board agrees to the proposed appropriation of profits.

Based on the recommendation of the Financial Audit Committee, the Supervisory Board proposes that Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Hamburg be appointed as auditor for the 2011 fiscal year. To this end, the auditor issued a declaration of autonomy.

The Supervisory Board, jointly with the Management Board of the Personally Liable General Partner, resolved upon the text and issue of the Management Statement pursuant to Section 289 a HGB (German Commercial Code) including the Statement of Compliance, pursuant to Section 161 of the Joint Stock Companies Act (AktG) for the 2010 financial year.

The Supervisory Board would like to thank the Management Board of the Personally Liable General Partner and all employees in the affiliated companies of EUROKAI KGaA in Germany and abroad for their work in 2010, which was the basis for the Company's success over the completed fiscal year.

Hamburg, Germany, 19 April 2011
Chairman of the Supervisory Board

Dr. Röhler

Dr Hans-Joachim Röhler

04 Corporate Governance Report

Container terminals in Bremerhaven

Management Statement including Corporate Governance Report and Statement of Compliance

Joint report of the Personally Liable General Partner and the Supervisory Board pursuant to Section 289 a of the German Commercial Code (HGB) and Figure 3.10 of the German Corporate Governance Code.

As a company listed on the German stock exchange and having its head office in Germany, the general Corporate Governance framework for EUROKAI KGaA is governed by the applicable laws and the German Corporate Governance Code. Apart from justified exceptions, EUROKAI KGaA complies with the main recommendations of the Corporate Governance Code.

EUROKAI KGaA is a partnership limited by shares and as such an independent legal entity pursuant to Section 278, (1) of the German Joint Stock Companies Act (AktG), in which at least one partner is generally liable with the entirety of its assets vis-à-vis the company's creditors (Personally Liable General Partner) and the others have a stake in the authorised capital, which is divided into shares, without being personally liable for the Company's liabilities (partnership shareholders).

The Personally Liable General Partner of EUROKAI KGaA responsible for running the business of the KGaA is Kurt F.W.A. Eckelmann GmbH, Hamburg. It is represented by the Managing Directors Ms Cecilia Eckelmann-Battistello and Mr Thomas H. Eckelmann. The Managing Directors are appointed and withdrawn by the Administrative Board of Kurt F.W.A. Eckelmann GmbH. The Administrative Board also concludes the senior executive agreements with the Managing Directors and determines the assignment of duties/rules of procedure of the Management Board.

EUROKAI KGaA is a financial holding company. Its principal ownership interests are the indirect 66.6% holding in the share capital of CONTSHIP Italia S.p.A., Genoa, Italy, via the intermediate holding companies Borgo Supermercati S.r.l., Genoa, and MIKA S.r.l., Genoa, as well as the 50% interest in the joint venture EUROGATE GmbH & Co. KGaA, KG, Bremen, the holding company of the EUROGATE Group, in which BLG Logistics Group AG & Co. KG, Bremen also holds 50%. The EUROGATE Group, in turn, has a 33.4% stake in CONTSHIP Italia S.p.A. Thus EUROKAI KGaA holds a total 83.3% interest in the CONTSHIP Italia Group. Ms Cecilia Eckelmann-Battistello is CEO of CONTSHIP Italia S.p.A. and Mr Thomas H. Eckelmann is Chairman of the Group Management Board of EUROGATE GmbH & Co. KGaA, KG as well as a member of the Board of Directors of CONTSHIP Italia S.p.A.

EUROKAI KGaA has no employees of its own. Tasks not related to the management structure of EUROKAI KGaA, such as finances, controlling and accounting are handled by EUROGATE GmbH & Co. KGaA, KG within the scope of a service agreement.

Shareholders and the General Meeting

The shareholders of EUROKAI KGaA exercise their rights at the annual General Meeting. This decides on all matters determined by law and the Articles of Association. Thus, pursuant to Section 286, (1) of the Joint Stock Companies Act (AktG), the General Meeting rules on the approval of the annual financial statements. This ruling requires the approval of the Personally Liable General Partner. Under the provisions of Section 285, (2) AktG, resolutions of the General Meeting also require the approval of the Personally Liable General Partner.

In voting procedures each voting share is entitled to one vote per share.

Every shareholder who registers in due time is eligible to attend the General Meeting. Provided they have registered in due time and have a participation card, shareholders who are unable to personally attend the General Meeting may assign their voting rights by proxy to a chosen representative, for example a bank, a shareholders' association or the company's nominated proxy, to vote on their behalf.

The invitation to the General Meeting as well as the reports and information required for the passing of resolutions are published in compliance with the requirements under stock corporation law and made available on the EUROKAI KGaA website.

Cooperation between Personally Liable Partner and Supervisory Board

The Personally Liable General Partner and the Supervisory Board of EUROKAI KGaA give high priority to responsible and transparent management committed to corporate responsibility and geared towards long-term success, as well as to the appropriate management of risks. The Personally Liable General Partner informs the Supervisory Board regularly, promptly and comprehensively regarding all matters relevant to the Company relating to the corporate strategy, business policy, planning, business development, financial position and financial performance, planning deviations, the risk situation, risk management, the internal control and auditing system and compliance. Furthermore, it ensures compliance with legal requirements; in particular the measures stipulated in Section 91, (2) of the German Joint Stock Companies Act (AktG), and uses its influence to ensure their compliance within the Group companies.

The Supervisory Board advises and supervises the Personally Liable General Partner in the running of the Company. In the case of exceptional business transactions, the Personally Liable General Partner must obtain the prior approval of the Supervisory Board pursuant to Section 7 of the Articles of Association. Furthermore, it must submit a budget plan/earnings statement as well as an annual investment and financial plan to the Supervisory Board for approval and report on their implementation on a three-monthly basis.

The Supervisory Board has drawn up internal rules of procedure to govern its work. The Chairman of the Supervisory Board coordinates work performed by the Board, chairs its meetings and represents the Board's interests vis-à-vis third parties.

For more information we refer to the Report of the Supervisory Board on page 22 of our Annual Report. The Annual Report is also published on our website www.eurokai.de.

Composition of the Supervisory Board

Pursuant to Section 11 of the Articles of Association, the Supervisory Board of EUROKAI KGaA is composed of six members, who are elected by the shareholders. They are appointed for a term of four years. In compliance with the recommendations of the German Corporate Governance Code, Supervisory Board members are elected individually.

Former managing directors of the Personally Liable General Partner of EUROKAI KGaA whose appointed term ended less than two years ago are not represented on the Supervisory Board. In its own estimation, the Supervisory Board has a sufficient number of independent and internationally experienced members.

Based on its self-evaluation, the Supervisory Board believes that as a group it possesses the necessary integrity, commitment and professionalism as well as the knowledge, ability and expert experience required to properly complete its tasks in a company operating at an international level.

Recommendations by the Supervisory Board to the General Meeting shall take the Diversity objective into account in its decisions. However, the Supervisory Board and the General Meeting must continue to be free in their decision to select whoever is personally and professionally the most suitable candidate.

Committees of the Supervisory Board

The Supervisory Board of EUROKAI KGaA has set up a Balance Sheet/Audit Committee and an HR Committee, which are each composed of three members of the Supervisory Board. The committees prepare decisions that are deliberated at the meetings of the Supervisory Board and complement the work of the Supervisory Board. The Supervisory Board can, in as far as the law and the Articles of Association permit, form additional advisory and decision-making committees as and where necessary.

The principal tasks of the Audit Committee are to audit the disclosures included in the annual financial statements and consolidated financial statements, management commentaries, Dependency Report and – in consultation with the auditor – the auditors' findings and reports; additionally to prepare the decision of the Supervisory Board on the approval of the annual financial statements and the consolidated financial statements, the appointment of the auditor, as well as the proposal of the Personally Liable General Partner for the distribution of accumulated profits. Furthermore, the Audit Committee monitors the accounting process, the effectiveness of the internal control system, the risk management system, the auditing system and the annual audit, and in particular determination of the focal points of the audit.

The Chairman of the Audit Committee is independent and has gained extensive professional know-how and experience in the application of accounting principles and internal control procedures.

Compensation of the Supervisory Board

The compensation of the Supervisory Board is specified in Section 13 (1) of the Articles of Association, which has the following wording:

"In addition to reimbursement of all necessary expenses and an attendance fee of EUR 500.00 for each meeting attended, every member of the Supervisory Board shall receive annual compensation in the amount of EUR 3,000.00. The Deputy Chairman of the Supervisory Board shall receive 1.5 times and the Chairman of the Supervisory Board three times this amount."

For information regarding the remuneration of the statutory organs of the company, we refer to No. 38 and No. 44 of the Notes to the Consolidated Financial Statements.

Transparency

EUROKAI KGaA informs the general public regularly and promptly about the economic situation of the Group. The Annual Report, half-yearly financial report as well as the first- and third-quarterly interim statements are published within the statutory periods (www.eurokai.de under the heading "Financial Reports"). Newsworthy events and new developments are reported in press releases and, where necessary, ad-hoc announcements (www.eurokai.de under the heading "Investor Relations"). Information with reference to 2010 published in compliance with certain securities-related regulations can be found on the website under "Annual Documents in Compliance with Section 10 WpPG" (German Securities Prospectus Act).

The planned dates for the main recurring events and publications – such as General Meeting, Annual Report, half-yearly financial report and interim statements – are listed in a financial calendar which is published sufficiently in advance and made permanently available on the EUROKAI KGaA website.

Risk Management

EUROKAI KGaA regards the responsible management of business risks as an important principle of good and sustainable corporate governance. Early identification of risks and minimisation of risk positions form an integral part of this. EUROKAI KGaA employs an internal control system, a risk management system and an internal auditing system, which identify, assess and control risks. Continuous adaptation of the systems to changed general conditions as well as monitoring their effectiveness is a permanent task for the Personally Liable General Partner and the Supervisory Board.

The Personally Liable General Partner informs the Supervisory Board regularly and promptly of existing risks and their development.

For further details, we refer to the risk report and outlook under No. 8 of the Group management commentary.

Reporting and Audit of the Annual Financial Statements

EUROKAI KGaA prepares its consolidated annual financial statements in accordance with International Financial Reporting Standards (IFRS) as applied in the EU. The single-entity annual financial statements are prepared according to the requirements of the German Commercial Code (HGB). They are audited by the auditor as well as by the Supervisory Board. The half-yearly financial report is examined by the Audit Committee together with the Personally Liable General Partner prior to being published.

The consolidated financial statements and single entity financial statements of EUROKAI KGaA were audited and each issued an unconditional audit certificate by the auditors Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, who were appointed by the 2010 General Meeting.

Statement of Compliance of EUROKAI KGaA under the Terms of the German Corporate Governance Code

The Personally Liable General Partner and the Supervisory Board of EUROKAI KGaA hereby declare, in accordance with Section 161, (1) of the Joint Stock Companies Act (AktG), that the recommendations of the Government Commission on the German Corporate Governance Code in the version of 18 June 2009, as published in the electronic version of the Federal Gazette (Bundesanzeiger), have in general been followed.

The following recommendations are not and have not been applied:

Shareholders and General Meeting

2.3.1 and 2.3.3 Postal Vote

Opinion: No postal vote is offered. In light of the high level of attendance of the shareholders at the General Meeting, the Company does not anticipate any rise in attendance through the introduction of a postal vote. The appointment of a nominated company proxy some time ago facilitates the personal exercising of shareholders' rights.

Cooperation between Management Board and Supervisory Board

3.8 Deductible for D&O (directors and officers' liability insurance) policy for the Management Board and Supervisory Board.

Opinion: The KGaA does not have a Management Board. The Personally Liable General Partner, Kurt F.W.A. Eckelmann GmbH, appoints the Managing Directors and concludes their senior executive agreements.

Neither the Personally Liable General Partner nor the Supervisory Board believe that the motivation and responsibility which the Supervisory Board brings to the exercise of its duties can be improved by any such deductible.

Management Board

4.1.5 When filling managerial positions in the enterprise the Management Board shall take diversity into consideration and, in particular, aim for an appropriate consideration of women.

Opinion: The Personally Liable General Partner shall take diversity into account in its personnel decisions. However, the Personally Liable General Partner must continue to be free in their decision to select whoever is personally and professionally the most suitable candidate.

4.2.2 At the proposal of the committee dealing with Management Board contracts, the full Supervisory Board determines the total compensation of the individual Management Board members and shall resolve and regularly review the Management Board compensation system.

4.2.3 The compensation structure must be oriented toward sustainable growth of the enterprise.

Opinion on 4.2.2 and 4.2.3: Since the Management Board of the Personally Liable General Partner Kurt F.W.A. Eckelmann GmbH does not receive any compensation for its work from EUROKAI KGaA, there is no need for consideration of a compensation system and a compensation structure.

4.2.4 The total compensation of each one of the members of the Management Board is to be disclosed by name, divided into fixed and variable compensation components. The same applies to promises of benefits that are granted to a Management Board member in case of premature or statutory termination of the function of a Management Board member or that have been changed during the financial year. Disclosure may be dispensed with if the General Meeting has passed a resolution to this effect by three-quarters majority.

Opinion: The members of the Management Board of the Personally Liable General Partner receive no remuneration from EUROKAI KGaA for their work, fringe benefits or benefits granted to a Management Board member in case of premature or statutory termination of the function of a Management Board member. Furthermore, a resolution was passed by the Annual General Meeting of 7 June 2007 pursuant to Section 286, (5) of the German Commercial Code (HGB), which was renewed at the General Meeting of 18 August 2010.

Supervisory Board

5.1.2 When appointing the Management Board, the Supervisory Board shall also respect diversity and, in particular, aim for an appropriate consideration of women.

Opinion: The appointment of Managing Directors is the responsibility of the Administrative Board of Kurt F.W.A. Eckelmann GmbH. The Supervisory Board has no influence over the appointment of Managing Directors of the Personally Liable General Partner. The Management Board of the Personally Liable General Partner is currently composed of one male and one female member. The female member is an Italian national.

5.3.3 The Supervisory Board shall form a nomination committee composed exclusively of shareholder representatives which proposes suitable candidates to the Supervisory Board for recommendation to the General Meeting.

Opinion: The Personally Liable General Partner and the Supervisory Board are of the opinion that a nomination committee is not required since the Supervisory Board is composed of only six members and is therefore in a position to directly, competently and efficiently make election recommendations to the General Meeting.

5.4.1 Taking account of diversity in the composition of the Supervisory Board

Opinion: Recommendations by the Supervisory Board to the General Meeting shall take diversity into account. However, the Supervisory Board and the General Meeting must continue to be free in their decision to select whoever is personally and professionally the most suitable candidate.

5.4.1 Specifying an age limit for members of the Supervisory Board

Opinion: The Personally Liable General Partner and the Supervisory Board consider such a fixed limit to be an unwelcome infringement of the rights of the shareholders to elect the members of the Supervisory Board.

5.4.6 Compensation of the members of the Supervisory Board

Opinion: The compensation of the Supervisory Board is determined in Section 13 of the Articles of Association of EUROKAI KGaA. It is not performance-related.

Neither the Personally Liable General Partner nor the Supervisory Board believe that the motivation and responsibility which the members of the Supervisory Board bring to the exercise of their duties can be improved by performance-related compensation.

Compensation for the chairmanship or simple membership on a committee may be waived. The practical activities of the Supervisory Board have shown that committee meetings are usually held close together with the actual meetings of the Supervisory Board.

Transparency

6.6 The ownership of shares in the company or related financial instruments by Management Board and Supervisory Board members shall be reported if these directly or indirectly exceed 1% of the shares issued by the company. If the entire holdings of all members of the Management Board and Supervisory Board exceed 1% of the shares issued by the company, these shall be reported separately according to Management Board and Supervisory Board.

The aforesaid disclosures shall be included in the Corporate Governance Report.

Opinion: Both the Personally Liable General Partner and the Supervisory Board consider the regulations contained in Section 20 of the Joint Stock Companies Act (AktG), Section 315 (4) No. 3 of the German Commercial Code (HGB) and Sections 15a and 21 ff. of the German Securities Trading Act (WpHG) to be adequate. A separate declaration has not been made in the Corporate Governance Report.

Reporting and Audit of the Annual Financial Statements

7.1.2 The Consolidated Financial Statements shall be publicly accessible within 90 days of the end of the financial year; interim reports shall be publicly accessible within 45 days of the end of the reporting period.

Opinion: The consolidated financial statements are published pursuant to the requirements in Section 15 of the Company Disclosure Act (PublG) and Section 325 (4) of the German Commercial Code (HGB) and the interim reports pursuant to the requirements in Sections 37 w f. of the German Securities Trading Act (WpHG).

Hamburg, April 2011

Personally Liable General Partner
Kurt F.W.A. Eckelmann GmbH, Hamburg

Thomas H. Eckelmann
Cecilia E. M. Eckelmann-Battistello

Supervisory Board

05 Consolidated Financial Statements in accordance with IFRS

La Spezia Container Terminal

Consolidated Income Statement

	2010	2009
	EUR '000	EUR '000
Revenue	592,145	590,758
Other operating income	48,009	41,610
Cost of materials	–165,728	–148,682
Personnel expenses	–282,220	–296,432
Deprecation, amortisation and write-downs	–69,359	–76,661
Other operating expenses	–47,799	–57,473
Profit before realised investment gains (losses, interest and taxes (EBIT))	**75,048**	**53,120**
Interest and similar income	1,548	1,751
Net finance costs	–15,025	–15,892
Income from associates	10,203	–1,692
Income from other investees	2,306	3,048
Other financial income (costs)	–345	–104
Profit before income tax (EBT)	**73,735**	**40,231**
Income tax expense	–15,267	–11,391
Consolidated profit for the year	**58,468**	**28,840**
Profit attributable to:		
Equity holders of the parent	39,463	17,662
Hybrid capital holders	4,995	5,060
Non-controlling interest	14,010	6,118
	58,468	**28,840**
Diluted and basic earnings per share (in EUR)	**2.49**	**1.11**

	2010	2009
	EUR '000	EUR '000
Consolidated net profit for the year	**58,468**	**28,840**
Income and expense directly recognised in equity		
Valuation adjustments of financial instruments	675	350
Valuation adjustments of available-for-sale financial assets	255	180
Exchange differences on translation	6	0
Deferred tax on valuation adjustments of available-for-sale financial assets directly recognised in equity	–82	–58
Deferred tax on valuation adjustments of financial instruments directly recognised in equity	–210	–164
Total comprehensive income directly recognised in equity	**644**	**308**
Total recognised income and expense	**59,112**	**29,148**
Attributable to:		
Equity holders of the parent	39,935	18,132
Hybrid capital holders	4,995	5,060
Non-controlling interest	14,182	5,956
	59,112	**29,148**

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ASSETS	31.12.2010	31.12.2009
	EUR '000	EUR '000
Non-current assets		
Intangible assets		
Goodwill	512	512
Other intangible assets	62,580	68,675
	63,092	**69,187**
Property, plant and equipment		
Land, land rights and buildings including buildings ond third-party land	187,997	201,231
Plant and machinery	344,487	384,846
Other equipment, furniture and fixtures	11,594	15,225
Prepayments and assets under construction	7,555	22,880
	551,633	**624,182**
Financial assets		
Investments in associates	36,590	21,541
Long-term investors and investees	3,804	3,859
Other financial assets	8,157	7,468
	48,551	**32,868**
Deferred income tax assets	9,284	10,369
Other non-current financial assets	948	625
Other non-current non-financial assets	19,069	19,629
Total non-current assets	**692,577**	**756,860**
Current assets		
Inventories	15,991	16,917
Trade receivables	96,776	94,892
Other current financial assets	21,562	19,629
Other current non-financial assets	11,421	13,664
Current recoverable income taxes	2,357	3,636
Cash and cash equivalents	67,649	50,194
Total current assets	**215,756**	**198,932**
Total Assets	**908,333**	**955,792**

EQUITY AND LIABILITIES	31.12.2010	31.12.2009
	EUR '000	EUR '000
Capital and reserves		
Issued capital	13,468	13,468
Capital attributable to the Personally Liable General Partner	294	294
Capital reserves	1,801	1,801
Reserve from the fair-value measurement of financial derivatives	–1,048	–1,430
Reserve from the fair-value measurement of available-for-sale financial assets	295	122
Reserve of exchange differences on translation	–12	0
Retained earnings	60,557	53,057
Accumulated profit	217,139	191,836
Equity attributable to equity holders of the parent	**292,494**	**259,148**
Equity attributable to the hybrid capital holders	77,010	77,010
Equity attributable to non-controlling shareholders	65,386	72,350
Total capital and reserves	**434,890**	**408,508**
Liabilities and provisions		
Non-current liabilities and provisions		
Non-current liabilities, net of current portion	90,375	133,479
Government grants	35,098	33,939
Other non-current financial liabilities	62,932	72,682
Other non-current non-financial liabilities	5,367	5,817
Deferred income tax liabilities	17,186	18,544
Provisions		
Provisions for employee benefits	39,208	39,654
Other provisions	20,125	20,774
	270,291	**324,889**
Current liabilities and provisions		
Current portion of non-current financial liabilities	41,720	61,247
Trade payables and other liabilities	57,543	55,248
Government grants	3,333	4,408
Other current financal liabilities	63,404	63,530
Other current non-financial liabilities	13,745	14,876
Current tax payables	10,878	10,268
Provisions		
Provisions for employee benefits	8,114	9,507
Other provisions	4,415	3,311
	203,152	**222,395**
Total liabilities and provisions	**473,443**	**547,284**
Total equity and liabilities	**908,333**	**955,792**

	2010	2009
	EUR '000	EUR '000
1. Cash flows from operating activities		
Profit before income tax	73,735	40,231
Depreciation, amortisation and impairment losses	69,359	76,867
Gains (losses) on disposals of intangible assets and PPE	–206	–2,243
Forgeign exchange gain (loss)	410	77
Profit (loss) on the disposal of fully (prev. year: proportionately) consolidated subsidiaries	–10,598	–566
Non-cash acquisition/disposal of shares in associates	–10,203	1,692
Gains (losses) on long-term investments and other financial assets	–2,306	–3,254
Interest	13,477	14,141
Operating profit before changes in assets carried as working capital	**133,668**	**126,945**
Increase (decrease) in trade accounts receivable	–10,529	–5,225
Net change in other financial and non-financial assets	–3,828	19,980
Increase (decrease) in inventories	302	–2,070
Increase (decrease) in government grants	–4,617	–4,268
Increase (decrease) in provisions which affects income excluding addition of accrued interest and additions from capitalised demolition costs	–3,319	3,608
Increase (decrease) in trade accounts payable and other financial assets and non-financial assets	24,745	–58,348
Cash flows from changes in assets carried as working capital	**2,754**	**–46,323**
Interest received	1,232	1,395
Interest paid	–12,562	–12,697
Income taxes paid/received	–13,249	–18,088
Interest and income taxes paid	**–24,579**	**–29,390**
Net cash generated from operating activities	**111,843**	**51,232**

	2010	2009
	EUR '000	EUR '000
2. Cash flows from investing activities		
Proceeds from sales of property, plant and equipment and intangible assets	6,808	6,961
Cash outflows for investments in property, plant and equipment and intangible assets	–36,531	–73,127
Proceeds from the disposal of investments in fully (prev. year proportionately) consolidated subsidiaries less liquid assets	8,595	679
Proceeds from disposals of long-term investments and other non-current financial assets	0	94
Proceeds from government grants	6,900	10,710
Cash outflows for long-term investments and other non-current financial assets	–20	0
Cash outflows for investments in and capital contributions to associates	–6,750	–1,565
Dividends received	3,782	4,560
Net cash used in investing activities	**–17,216**	**–51,688**
3. Cash flows from financing activities		
Proceeds from capital contributions from non-controlling interests	0	1,520
Dividends paid to equity holders	–6,660	–10,600
Redemption of hybrid capital	0	–500
Deferred supplier payments	–1,440	0
Dividends paid to hybrid capital holders	–4,995	–5,060
Proceeds from issuance of non-current financial liabilities	15,164	44,964
Repayment of non-current financial liabilities	–57,170	–29,748
Increase in lease liabilities	222	27,500
Repayment of finance lease liabilities	–6,437	–6,407
Dividends paid to non-controlling interests	–5,799	–5,069
Net cash used in financing activities	**–67,115**	**16,600**
Net increase/decrease in cash and cash equivalents (subtotal of 1 to 3)	27,512	16,144
Cash and cash equivalents at 1 January	35,718	19,574
Cash and cash equivalents at the end of the period	**63,230**	**35,718**
Composition of cash and cash equivalents		
Cash and cash equivalents	67,649	50,194
Bank liabilities/overdrafts due on demand	–4,419	–14,476
Cash and cash equivalents at the end of the period	**63,230**	**35,718**

Segment Reporting

For purposes of corporate management, the Group is organised into business units according to services and geographical segments and has the following three business segments that are subject to segment reporting:

- The “EUROKAI” business segment includes the EUROKAI KGaA business entity, whose focus is on the leasing of operating areas in Germany.
- The “CONTSHIP Italia” business segment comprises the business entities of the Italian CONTSHIP Group.
- The “EUROGATE” business segment comprises the pro rata (50 %) EUROGATE Group.

The operating result of the business units is monitored separately by the management to enable it to take decisions relating to the distribution of resources and determine the profitability of the units. Profitability of the segments is assessed on the basis of the operating result. Inter-segment transfers between business segments are accounted for at competitive market prices.

Segment assets and liabilities include all operating assets and liabilities that are used by or result from a segment’s operating activities and whose positive or negative balance determines the operating result. Segment assets include principally intangible assets, property, plant and equipment and interests in companies shown using the equity method, as well as trade and other receivables and inventories. Segment liabilities principally consist of liabilities to banks, government grants, trade and other payables as well as provisions. Segment investments comprise additions to intangible assets and property, plant and equipment.

On consolidation, eliminations of intra-group transactions across segments are adjusted.

31.12.2010	CONTSHIP Italia	EUROGATE	EUROKAI	Reconciliation	Total
	EUR ’000	EUR ’000	EUR ’000	EUR ’000	EUR ’000
Revenue	287,641	299,775	9,382	–4,653	592,145
thereof with other segments	0	0	4,653	–4,653	0
thereof with other customers	287,641	299,775	4,729	0	592,145
Interest revenue	621	677	250	0	1,548
Interest expense	–3,275	–11,407	–307	–36	–15,025
Comprehensive income from entities accounted for using the equity method	1,024	–946	10,125	0	10,203
Depreciation, amortisation and write-downs	–32,346	–36,990	–1	–22	–69,359
EBT	33,476	31,034	10,903	–1,678	73,735
Segment assets	349,724	412,019	39,797	–14,949	786,591
Segment liabilities	181,487	273,486	2,492	–14,659	442,806
Investments	27,161	12,058	3	0	39,222

31.12.2009	CONTSHIP Italia	EUROGATE	EUROKAI	Reconciliation	Total
	EUR ’000	EUR ’000	EUR ’000	EUR ’000	EUR ’000
Revenue	290,517	295,699	8,972	–4,430	590,758
thereof with other segments	0	0	4,430	–4,430	0
thereof with other customers	290,517	295,699	4,542	0	590,758
Interest revenue	818	729	203	1	1,751
Interest expense	–5,007	–10,741	–144	0	–15,892
Comprehensive income from entities accounted for using the equity method	–10	–1,820	138	0	–1,692
Depreciation, amortisation and write-downs	–35,844	–40,794	–1	–22	–76,661
EBT	17,177	23,046	1,920	–1,912	40,231
Segment assets	395,503	440,312	22,179	–11,020	846,974
Segment liabilities	232,721	290,619	2,303	–10,610	515,033
Investments	28,128	48,195	0	0	76,323

	Issued capital	Personally Liable General Partner's Capital	Share Premium	Reserve from the fair value measurement of financial derivates	Reserve of Exchange differences through translation	Reserve from the fair value measurement of available-for-sale financial assets	Generated equity		Equity attributable to equity holders of the parent	Equity attributable to the hybrid capital Holders	Equity attributable to non-controlling interests	Total Equity
							Retained earnings	Accumulated profit				
	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
Balance at 31 December 2008	**13,468**	**294**	**1,801**	**–1,778**	**0**	**0**	**45,557**	**191,774**	**251,116**	**78,010**	**69,943**	**399,069**
Changes in 2009 fiscal year												
Income and expense directly recognised in equity	0	0	0	348	0	122	0	0	470	0	–162	308
Consolidated profit for the year	0	0	0	0	0	0	0	17,662	17,662	5,060	6,118	28,840
Net profit for the period	**0**	**0**	**0**	**348**	**0**	**122**	**0**	**17,662**	**18,132**	**5,060**	**5,956**	**29,148**
Dividends paid to equity holders	0	0	0	0	0	0	0	–10,600	–10,600	0	0	–10,600
Dividends paid to non-controlling interests	0	0	0	0	0	0	0	0	0	0	–5,069	–5,069
Transfer to retained earnings	0	0	0	0	0	0	7,500	–7,500	0	0	0	0
Capital contribution of non-controlling interests	0	0	0	0	0	0	0	0	0	0	1,520	1,520
Redemption of hybrid capital	0	0	0	0	0	0	0	500	500	–1,000	0	–500
Compensation for the holders of hybrid capital	0	0	0	0	0	0	0	0	0	–5,060	0	–5,060
Balance at 31 December 2009	**13,468**	**294**	**1,801**	**–1,430**	**0**	**122**	**53,057**	**191,836**	**259,148**	**77,010**	**72,350**	**408,508**
Changes in 2010 fiscal year												
Income and expense directly recognised in equity	0	0	0	311	–12	173	0	0	472	0	172	644
Consolidated profit for the year	0	0	0	0	0	0	0	39,463	39,463	4,995	14,010	58,468
Net profit for the period	**0**	**0**	**0**	**311**	**–12**	**173**	**0**	**39,463**	**39,935**	**4,995**	**14,182**	**59,112**
Dividends paid to equity holders	0	0	0	0	0	0	0	–6,660	–6,660	0	0	–6,660
Dividends paid to non-controlling interests	0	0	0	0	0	0	0	0	0	0	–5,799	–5,799
Transfer to retained earnings	0	0	0	0	0	0	7,500	–7,500	0	0	0	0
Compensation for the holders of hybrid capital	0	0	0	0	0	0	0	0	0	–4,995	0	–4,995
Changes in the composition of the Group	0	0	0	71	0	0	0	0	71	0	–15,347	–15,276
Balance at 31 December 2010	**13,468**	**294**	**1,801**	**–1,048**	**–12**	**295**	**60,557**	**217,139**	**292,494**	**77,010**	**65,386**	**434,890**

	Historical costs					Accumulated amortisation and impairment losses				Carrying amounts	
	1.1.2010	Additions	Disposals	Reclassifications	31.12.2010	1.1.2010	Additions	Disposals	31.12.2010	31.12.2010	31.12.2009
	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
Intangible assets											
Goodwill	512	0	0	0	512	0	0	0	0	512	512
Concessions, software, rights and prepayments	115,653	1,881	–7,922	22	109,634	–46,978	–4,280	4,204	–47,054	62,580	68,675
	116,165	**1,881**	**–7,922**	**22**	**110,146**	**–46,978**	**–4,280**	**4,204**	**–47,054**	**63,092**	**69,187**
Property, plant and equipment											
Land, land rights and buildings	321,120	5,958	–16,925	1,350	311,503	–119,889	–14,179	10,562	–123,506	187,997	201,231
Machinery	731,683	19,833	–90.033	14.416	675.899	–346,837	–46,576	62,001	–331,412	344,487	384,846
Other equipment, furniture and fixtures	74,085	1,988	–9.320	58	66.811	–58,860	–4,326	7,969	–55,217	11,594	15,225
Prepayments and assets under construction	22,880	9,561	–9.040	–15.846	7.555	0	0	0	0	7,555	22,880
	1,149,768	**37,340**	**–125,318**	**–22**	**1,061,768**	**–525,586**	**–65,081**	**80,532**	**–510,135**	**551,633**	**624,182**
Financial assets											
Investments in associates	21,680	16,918	–1,869	0	36,729	–139	0	0	–139	36,590	21,541
Investments	4,309	19	–74	0	4,254	–450	0	0	–450	3,804	3,859
Other financial assets	7,468	689	0	0	8,157	0	0	0	0	8,157	7,468
	33,457	**17,626**	**–1,943**	**0**	**49,140**	**–589**	**0**	**0**	**–589**	**48,551**	**32,868**
Total non-current assets	**1,299,390**	**56,847**	**–135,183**	**0**	**1,221,054**	**–573,153**	**–69,361**	**84,736**	**–557,778**	**663,276**	**726,237**

06 Financial Statements of EUROKAI KGaA, Hamburg

EUROGATE Container Terminal Hamburg

Abbreviated version in accordance with the German Commercial Code (HGB)

The following disclosures are based on the single-entity financial statements of EUROKAI KGaA, which have been prepared according to the requirements of the German Commercial Code (HGB), as opposed to the consolidated financial statements, which are based on IFRS.

The detailed financial statements as at 31 December 2010, for which Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft issued an unqualified opinion, and the management report of EUROKAI KGaA for 2010 are published in the electronic version of the Federal Gazette (Bundesanzeiger) and deposited in the Commercial Register.

	2010		2009	
	EUR '000	%	EUR '000	%
Income statement				
Sales	9,382		8,972	
Other operating income	227		538	
Operating income	**9,609**	**100**	**9,510**	**100**
Cost of materials	–9,190	–96	–8,706	–92
Personnel expenses	–49	–1	–125	–2
Depreciation/amortisation/write-downs	–1	0	–207	0
Other operating expenses	–1,320	–14	–1,488	–23
Other taxes	–5	0	–7	0
Operating expenses	**–10,565**	**–110**	**–10,533**	**–116**
Operating income/loss	**–956**	**–10**	**–1,023**	**–16**
Financial result	19		154	
Investment result	30,762		23,885	
Extraordinary result	–267		0	
Taxes on income	–5,576		–5,554	
Net income for the year	**23,982**		**17,462**	
Balance sheet				
Assets				
Fixed assets	155,562	75	149,188	79
Recievables from long-term investees and investors	28,788	14	21,116	11
Other assets, prepaid expenses and deferred income and liquid funds	23,358	11	18,396	10
	207,708		**188,700**	
Equity and liabilities				
Equity	199,835	96	182,513	97
Provisions	7,217	3	5,556	3
Other liabilities	656	0	631	0
	207,708		**188,700**	

Results of operations

EUROKAI KGaA is a financial holding company and, as such, no longer carries on any operating activities, but restricts itself to the administration of its financial holdings and to the subletting of quay walls and properties leased from the Free and Hanseatic City of Hamburg/Hamburg Port Authority.

This subletting brings rental income from quay walls and other premises of EUR 9.4 million (previous year: EUR 9.0 million) – which, however, is counterbalanced by almost equal initial rental expenses. The fiscal year 2010 showed income from investments of EUR 30.8 million (previous year: EUR 23.9 million) which with EUR 28.9 million (previous year: EUR 21.2 million) in the fiscal year 2010 principally relates to profit attributable to EUROGATE GmbH & Co. KGaA, KG, Bremen. Taking administrative costs, net interest income, the extraordinary result and taxes on income into account, EUROKAI KGaA showed net income for the year of EUR 24.0 million (previous year: 17.5 million).

Other operating expenses mainly cover the passing on of recovered rental and lease costs, the profit share attributable to the Personally Liable General Partner, legal and consulting fees, administrative costs and compensation of the Supervisory Board and Administrative Board.

The rise in income from investments is principally accounted for by the higher profit share attributable to EUROGATE GmbH & Co. KGaA, KG, Bremen, for the year under review of EUR 28,904,000 (previous year: EUR 21,243,000). Income from investments once again includes the dividend paid by Medgate FeederXpress Ltd., Monrovia, Liberia, of EUR 1,678,000 (previous year: EUR 2,529,000).

Financial position

Based on the results of EUR 24,249,000 (before extraordinary result) posted in 2010 (previous year: EUR 17,462,000) a cash flow was generated from ordinary operations of EUR 17,819,000 (previous year: EUR 52,098,000).

Net assets

The increase in fixed assets at EUR 6,373,000 results mainly from the reinvestment of previously withdrawn profits in EUROGATE GmbH & Co. KGaA, KG, Bremen.

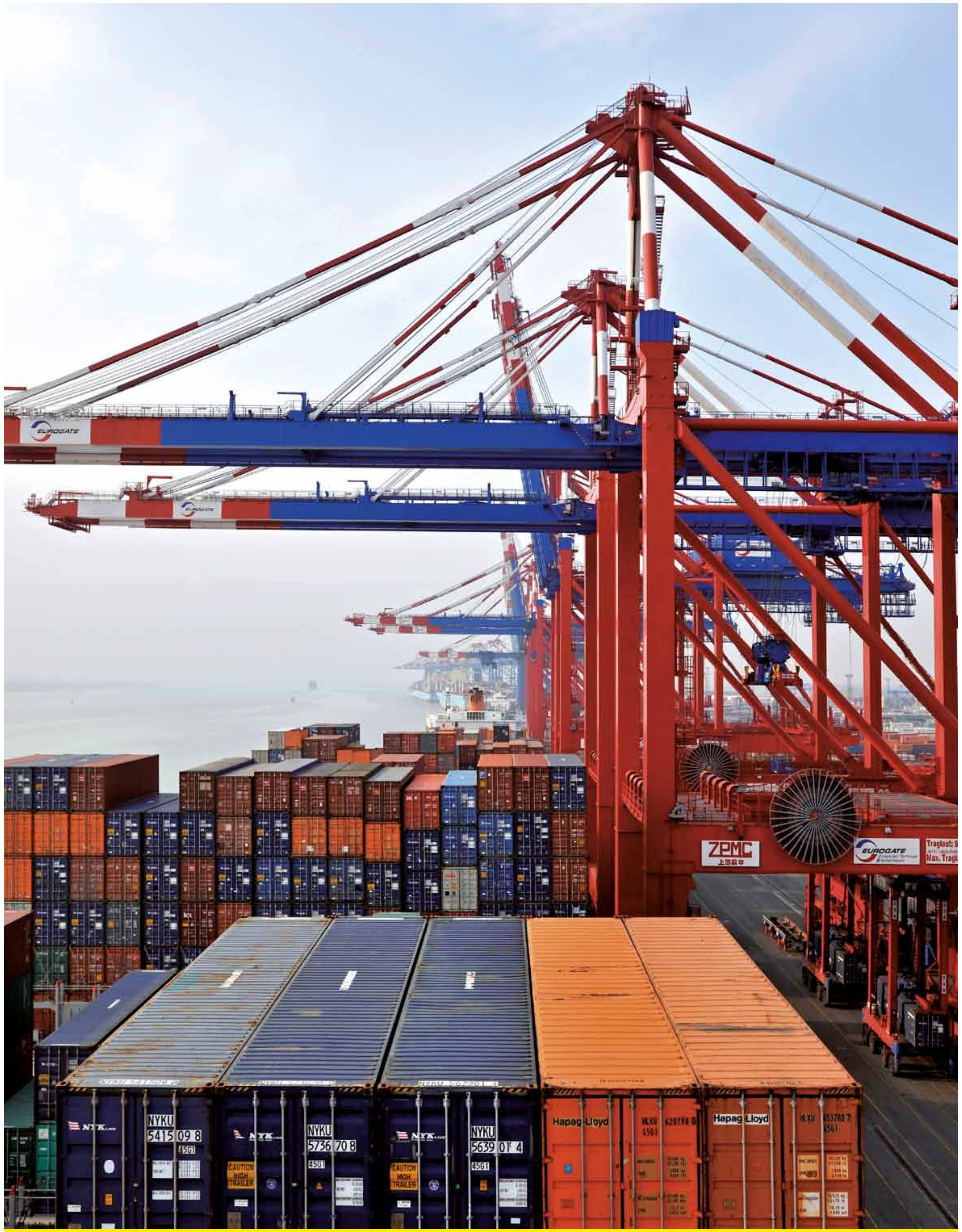
The increase in receivables from long-term investees and investors is principally accounted for by the higher profit share attributable to EUROGATE GmbH & Co. KGaA, KG, Bremen, for the 2010 fiscal year.

Other assets, prepaid expenses and deferred income and liquid funds mainly include receivables from the tax authority of EUR 960,000 (previous year: EUR 779,000) as well as money at call and bank balances amounting to EUR 22,376,000 (previous year: EUR 17,592,000).

The Company's equity ratio at the end of the fiscal year 2010 was 96 % (previous year: 97 %).

Proposed appropriation of profits

The Personally Liable General Partner will propose to the Supervisory Board and the General Meeting that for 2010 a 30 % dividend payment plus an anniversary bonus of 20 % – i.e. a total dividend of 50 % – (previous year: 30 %) be made from the net retained profits of EUROKAI KGaA of EUR 110,251,000 on the nominal value of ordinary and non-voting preference shares for 2011 and an amount of EUR 7,500,000 be allocated to other revenue reserves.



EUROGATE Container Terminal Bremerhaven

07 Other disclosures

Other disclosures

Personally Liable General Partner

Personally Liable General Partner of EUROKAI up until 30 September 2010 (day of entry in the Commercial Register) was Kurt F.W.A. Eckelmann (GmbH & Co.) KG, Hamburg. Since 30 September 2010, Personally Liable General Partner is Kurt F.W.A. Eckelmann GmbH (formerly: Waltershof-Peute Hafen Betriebs G.m.b.H.), Hamburg, with a share capital of EUR 100,000. The Annual General Meeting of 18 August 2010 approved the change. Managing Directors of the Personally Liable General Partner are:

Thomas H. Eckelmann, Hamburg, Germany
Chairman

Cecilia E. M. Eckelmann-Battistello, Limassol, Cyprus

Supervisory Board

The following persons were members of the Supervisory Board during the fiscal year 2010:

Dr Hans-Joachim Röhler, Burgwedel, Germany
Chairman
– Lawyer, sole lawyer

Bertram R. C. Rickmers, Hamburg, Germany
Deputy Chairman
– General manager Rickmers Reederei GmbH & Cie., Hamburg, Germany

Jochen Döhle, Hamburg, Germany
– General partner Peter Döhle Schiffahrts KG, Hamburg, Germany

Dr Claus Gerckens, Augsburg, Germany
– Managing director GVG Industrieverwaltungs-GmbH, Augsburg, Germany

Raetke H. Müller, Hamburg, Germany
– Management Board member J.F. Müller & Sohn AG, Hamburg, Germany

Max M. Warburg, Hamburg, Germany
– General partner M.M. Warburg & CO Gruppe KGaA, Hamburg, Germany

The members of the Personally Liable General Partner's Management Board and the Supervisory Board are also members of the following supervisory boards:

Thomas H. Eckelmann
– EUROGATE Container Terminal Bremerhaven GmbH, Bremerhaven, Germany
– EUROGATE Container Terminal Hamburg GmbH, Hamburg, Germany
– EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG, Wilhelmshaven, Germany
– J. F. Müller & Sohn AG, Hamburg, Germany
– CONTSHIP Italia S.p.A., Genoa, Italy, Germany
– Medcenter Container Terminal S.p.A., Gioia Tauro, Italy
– Sogemar S.p.A., Luzernate di Rho (Mi), Italy

Cecilia E. M. Eckelmann-Battistello
– CONTSHIP Italia S.p.A., Genoa, Italy
– Medcenter Container Terminal S.p.A., Gioia Tauro, Italy
– La Spezia Container Terminal S.p. A., La Spezia, Italy
– Sogemar S.p.A., Luzernate di Rho (Mi), Italy
– CICT Porto Industriale Cagliari S.p.A., Cagliari, Italy
– CONTSHIP Cagliari S.p.A., Genoa, Italy
– Terminal Contenitori Ravenna S.p.A., Ravenna, Italy

Dr. Hans-Joachim Röhler
– EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen, Germany
– Kurt F.W.A. Eckelmann GmbH (formerly: Waltershof-Peute Hafen Betriebs G.m.b.H.), Hamburg, Germany, Member of the Administrative Board

Bertram R.C. Rickmers
– EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen, Germany
– Kurt F. W. A. Eckelmann GmbH (formerly: Waltershof-Peute Hafen Betriebs G.m.b.H.), Hamburg, Germany, Member of the Administrative Board
– Rickmers Maritime Trust, Singapore, Chairman of the Board
– Mankiewicz Gebr. & Co., Hamburg, Germany, Member of the Advisory Council
– Hafen-Klub Hamburg, Chairman of the Advisory Council
– Hellmann Worldwide Logistics GmbH & Co. KG, Member of the Advisory Council

Jochen Döhle
– EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen, Germany, Member of the Supervisory Board
– Kurt F. W. A. Eckelmann GmbH (formerly: Waltershof-Peute Hafen Betriebs G.m.b.H.), Hamburg, Germany, Member of the Administrative Board
– Deutsche Schiffsbank AG, Bremen, Germany, Member of the Advisory Council
– ICL – Independent Container Lines, Richmond, USA, Member of the Supervisory Board
– HCI Capital AG, Hamburg, Germany, Member of the Supervisory Board
– J.J. Sietas Schiffswerft GmbH & Co., Hamburg, Germany, Member of the Advisory Council

Dr. Claus Gerckens
– Kurt F. W. A. Eckelmann GmbH (formerly: Waltershof-Peute Hafen Betriebs G.m.b.H.), Hamburg, Germany, Deputy Chairman of the Administrative Board
– Francotyp-Postalia Holding AG, Birkenwerder, Germany, Member of the Supervisory Board

Raetke H. Müller
– KBH-Kommunikations-Beteiligungs-Holdings-GmbH, Hanover, Germany, Chairman of the Advisory Council
– Intelligent Apps GmbH, Hamburg, Germany, Member of the Advisory Council
– (since 18 November 2010)
– Vevention GmbH, Hamburg, Germany, Member of the Advisory Council (since 11 November 2010)
Metechon AG, Munich, Germany,
Member of the Supervisory Board (since 20 August 2010)

Max M. Warburg
– Warburg Invest Kapitalanlageges. mbH, Frankfurt am Main, Germany, Chairman of the Supervisory Board
– EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen, Germany, Second Deputy Chairman of the Supervisory Board
– Bankhaus Hallbaum AG, Hanover, Germany, Deputy Chairman of the Supervisory Board
– Private Life BioMed AG, Hamburg, Germany, Deputy Chairman Supervisory Board
– M.M. Warburg & Co. Luxembourg S.A., Luxembourg, Chairman of the Administrative Board
– M.M. Warburg Bank (Schweiz) AG, Zurich, Switzerland, Member of the Administrative Board
– Kurt F. W. A. Eckelmann GmbH (formerly: Waltershof-Peute Hafen Betriebs G.m.b.H.), Hamburg, Germany, Chairman of the Administrative Board
– Warburg Alternative Investments AG, Zurich, Switzerland, Chairman of the Administrative Board
– Robert Vogel GmbH & Co., Hamburg, Germany, Member of the Advisory Council

Supervisory Board remuneration amounted to EUR 36,000 in fiscal year 2010. Dr Röhler received EUR 11,000 thereof, Mr Rickmers EUR 6,500, Mr Müller EUR 5,000, Dr Gerckens EUR 4,000, Mr Döhle EUR 4,500 and Mr Warburg EUR 5,000.

Audit and consulting fees

The Group auditor's fees, which are recognised as an expense and relate to the parent and subsidiaries as well as the proportionately consolidated entities, amounted to EUR 306,000 for the audit of the single entity and consolidated financial statements, EUR 126,000 for tax consulting services and EUR 73,000 for other services.

Corporate Governance

The declaration of compliance with the recommendations of the "Government Commission on the German Corporate Governance Code" as required pursuant to Section 161 of the Joint Stock Companies Act (AktG) was issued by the Management Board and the Supervisory Board of the Personally Liable General Partner and made accessible to the shareholders in the electronic version of the Federal Gazette (Bundesanzeiger) and on EUROKAI KGaA's website (www.eurokai.de).

Hamburg, Germany, 18 March 2011

Personally Liable General Partner
Kurt F. W. A. Eckelmann GmbH, Hamburg, Germany

Thomas H. Eckelmann
Cecilia E. M. Eckelmann-Battistello

08 Auditor's Report, Affirmation of the Statutory Agent

Auditor's Report

We have audited the Group financial statements drawn up by EUROKAI Kommanditgesellschaft auf Aktien, Hamburg, which comprise consolidated income statement, other comprehensive income, consolidated statement of financial position, consolidated cash flow statement, statement of changes in equity – and the Group management commentary for the fiscal year from 1 January to 31 December 2010. Responsibility for the preparation and fair presentation of the consolidated financial statements and Group management commentary in accordance with IFRS rules as applied in the EU in conjunction with the supplementary requirements under commercial law set out in Section 315a (1) of the German Commercial Code (HGB), lies with the legal representatives of the Company. Our responsibility is to express an opinion on the consolidated financial statements and Group management commentary based on our audit.

We conducted our audit of the consolidated financial statements in accordance with the provisions of Section 317 of the German Commercial Code and the generally accepted auditing principles as laid down by the Institut der Wirtschaftsprüfer (Institute of German Independent Auditors). Those standards require that we plan and perform the audit such that misstatements and violations having a material effect on the presentation of the net assets, financial position and results of operations as conveyed by the consolidated financial statements in compliance with German accepted accounting principles and by the Group management commentary can be detected with reasonable assurance. In determining audit procedures, the auditor is guided by his understanding of the business activities concerned, of the commercial and legal environment in which the Group operates and his assessment of the risks of material misstatements. The auditor considers, primarily on a random basis, the effectiveness of internal control relevant to the entity's preparation and fair presentation of the financial statements and evidence supporting the amounts and disclosures in the consolidated year-end financial statements and the Group management commentary. The audit includes assessing the annual financial statements of the companies included in the consolidated financial statements, the definition of the reporting entity structure, the appropriateness of the accounting and consolidation policies applied and the reasonableness of the material estimates made by the legal representatives of the Company, as well as evaluating the overall presentation of the consolidated financial statements and the Group management commentary. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

Our audit did not lead to any objections.

In our opinion, based on the information obtained in our audit, the consolidated financial statements comply with the IFRS as applied in the EU and the supplementary requirements under commercial law set out in Section 315a (1) of the German Commercial Code and provide a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these provisions. The Group management commentary is consistent with the consolidated financial statements and on the whole provides a true and fair view of the Group's position and accurately presents the significant risks and opportunities of future development.

Hamburg, Germany, 25 March 2011
Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Jöns
Auditor

Borghaus
Auditor

Affirmation of the statutory agent

We hereby affirm that to the best of our knowledge the consolidated financial statements pursuant to the applicable accounting standards present a true and fair view of the net assets, financial position and results of operations of the Group and that the Group management commentary presents a true and fair view of the course of business, including the business performance and the situation of the Group, as well as a description of the key opportunities and risks affecting the projected development of the Group.

Hamburg, Germany, 21 March 2011

The Personally Liable General Partner
Kurt F. W. A. Eckelmann GmbH, Hamburg

Thomas H. Eckelmann
Cecilia E. M. Eckelmann-Battistello

This annual report contains an abbreviated version of the Consolidated Financial Statements.

The full version can be obtained – in German language – from:

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