EUROKAI

ANNUAL REPORT 2012

Abbreviated Version

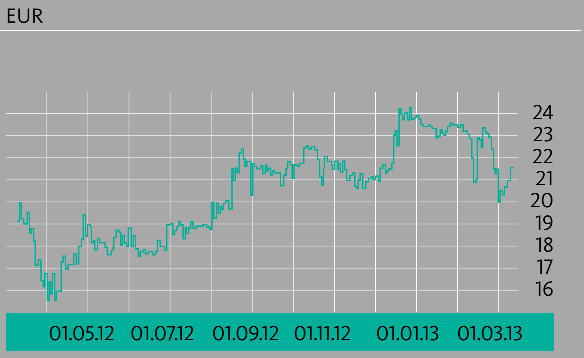
Balance Sheet Figures and Corporate Data

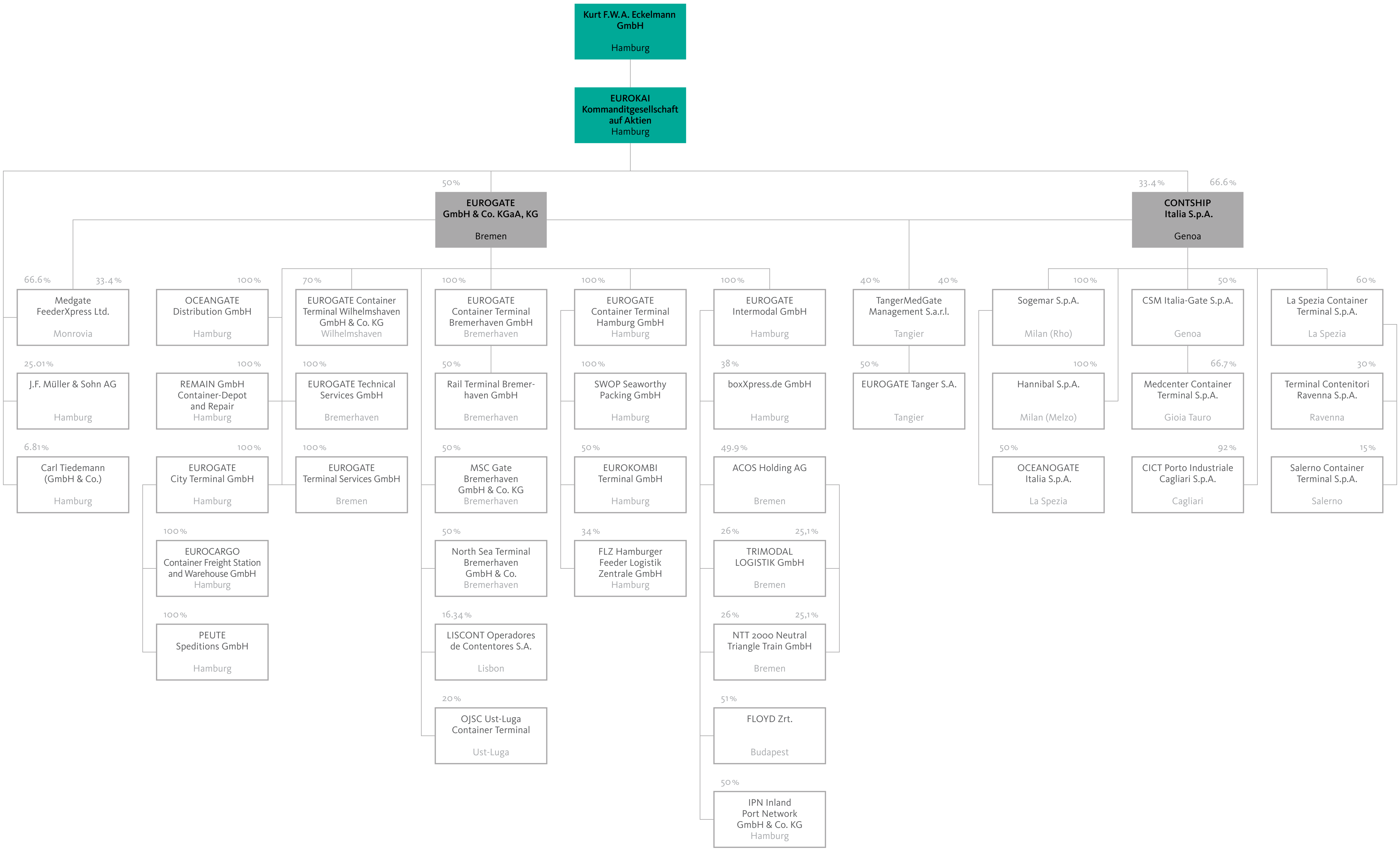
Figures in accordance with IFRS

	2012	2011
	EUR '000	EUR '000
Revenue	603,898	604,209
Net profit for the year	28,892	36,378
Total assets	1,059,355	959,652
Equity attributable to equity holders	470,220	451,100
Equity ratio	44 %	47 %
Investment in PPE and intangible assets	96,746	56,885
Depreciation, amortisation and write-downs	66,133	66,744
Cash flow from continuing operations	58,303	81,392
Personnel expenses	293,181	279,450
Employees	4,212	3,903
Earnings per share in EUR (under IAS 33)	1.25	1.80

Development of Eurokai Container Handling

Chart Development of EUROKAI Preference Shares





As of April 2013

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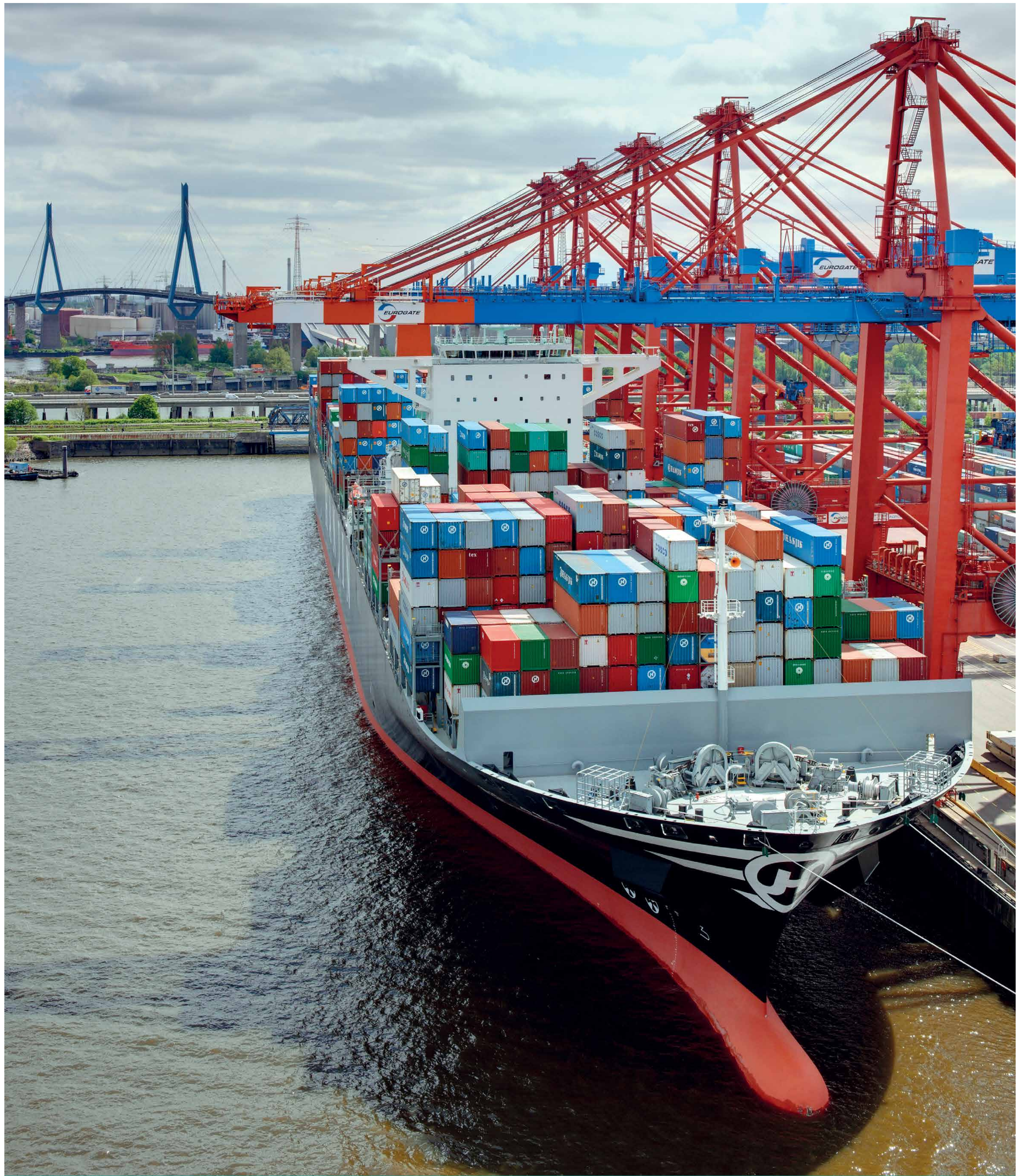


Important visitor at the EUROGATE Container Terminal Hamburg.
The megacarrier "Hanjin Sooho" with a load capacity of 13,100 TEUs called at the terminal on her maiden voyage in May 2012.

To all our shareholders,

The overall business development of the EUROKAI Group in fiscal 2012 was marked by the uncertainties surrounding the world economy and container shipping. Nevertheless the subsidiaries and holdings in the EUROKAI Group closed a successful year and kept container handling volumes stable in a market environment characterised by overcapacities. This success can be attributed to a cautious, risk-oriented and long-term corporate strategy. The main highlight in fiscal 2012 was the inauguration and start of operations of Germany's only deep-water container port, EUROGATE Container Terminal Wilhelmshaven.

Consolidated revenue in 2012 equalled the previous year's level at EUR 604 million (previous year: EUR 604 million). Group profit for the year declined by 19 % to EUR 29 million (previous year: EUR 36 million) due to increased upfront investments and the expected startup costs connected to the construction and start of operations of the EUROGATE Container Terminal Wilhelmshaven as well as lower net income on investments from associates.

By contrast, the year-end result in the single-entity financial statement of EUROKAI KGaA increased significantly by 50 % to EUR 45 million (previous year: EUR 30 million) in particular due to high investment income from CONTSHIP Italia S. p. A.

Against this background as well as the sound balance sheet structure with high net retained profits and a continued high Group equity ratio of over 44 % the Supervisory Board and Management Board of the Personally Liable General Partner propose that for fiscal 2012 the General Meeting approves a dividend distribution of 100 % (previous year: 100 %) on ordinary and preference shares, equivalent to a dividend distribution of EUR 1 per ordinary and preference share.

The market price of EUROKAI preference shares held up well in a difficult economic market environment. While the price at year's end 2011 was just below EUR 16.00, it has in the meantime recovered by around 25 % and shares are currently trading at over EUR 20.00.

Weak demand continues to be biggest challenge

The sluggish economic development felt in 2011 continued in 2012. Once again the shipping crisis and the European government debt crisis determined the general economic trend. Although the German economy managed to hold its own, the weak eurozone took its toll. Over the medium term we anticipate moderate growth.

Thomas H. Eckelmann,
Chairman of the Management Board

Weak demand continues to be one of the main challenges currently facing the European economy. As one consequence of this, the main Far East–Europe shipping route again recorded the weakest growth rates compared to the other operating areas. Cargo volumes grew at a disproportionately lower rate relative to the space available in ships' holds. Since 2010, the average capacity utilisation of an ultra-large container vessel on the Far East–Europe route has dropped from 93 % to 84 %.[1] Low capacity utilisation of container vessels coupled with rising operating costs and investments in new builds continued to put high economic pressure on the shipping lines, leading overall to rationalisations on some scheduled services. This development impacted the handling figures for the major northern European container ports. At the three largest ports of Rotterdam, Hamburg and Antwerp, container handling volumes stagnated and even showed a slightly negative trend. By contrast the Baltic ports of Gdansk and Gdynia showed strong growth rates of 35.5 % and 9.7 % respectively. St. Petersburg in Russia posted growth of 6.7 %. Bremerhaven reported a respectable growth of 3.4 %, just behind Le Havre (4.1 %).[2]

The pressure put on the market as a result of overcapacities still persists. According to Alphaliner, 51 megacarriers >10,000 TEUs will be delivered in 2013, many of which will be deployed on the on the Far East–Europe trade routes.[3] An additional factor is the highly uncertain outcome of the European sovereign debt crisis. For Germany, economic growth of 0.7 % is forecast for 2013.[4] However renewed economic momentum is likely to be slow in coming especially in southern European countries.

[1] Alphaliner Weekly Newsletter, volume 08, 12.02. to 18.02.2013, page 2.
[2] Alphaliner Weekly Newsletter, volume 08, 12.02. to 18.02.2013, page 3.
[3] Alphaliner Weekly Newsletter, volume 04, 15.01. to 21.01.2013, page 1.
[4] Ernst & Young Economic Forecast – Spring 2013.

Wilhelmshaven is Germany's container port of the future

In the midst of the market scenario described above, the EUROGATE Container Terminal Wilhelmshaven went into operation on 21 September 2012. This is the only German port accessible to the new generation of mega container vessels at all times independent of the tides. This port will significantly strengthen our market position in the future. Our objective in 2013 and subsequent years will be to position the container terminal in the global container freight market as an important hub for goods transports in the North Range. Currently, two Maersk Line scheduled services and a SEAGO feeder service call at the terminal. Our goal is to acquire a further shipping company for this location before the end of the current year. Given the prevailing uncertainties on the market, this is no easy task. The container lines are hesitant to add a new port to their itinerary in times of crisis. They first need to include the new location in their load forwarding flows and transportation routes. This takes a lot of convincing. We are, however, confident that the Wilhelmshaven deep-water container terminal will be accepted by the market alongside the traditional German container ports of Hamburg and Bremerhaven as the "third player in the league". The reason for this is the growing number of mega container carriers >10,000 TEUs. In some cases these ULCVs face severe restrictions when calling at the traditional ports due to their nautical constraints. For this reason alone we need Wilhelmshaven. In the last few years we have conducted intensive marketing with major roadshows in Asia and Europe as well as North and South America, which have attracted large numbers of potential consigners and shipping companies.

Significant advances have been made with respect to developing the hinterland connections to the EUROGATE Container Terminal Wilhelmshaven. The three rail operators TFG Transfracht, EUROGATE Intermodal and ACOS Group have included Wilhelmshaven in their route network and are offering freight services to/from Wilhelmshaven at the same fair rates as to/from the other German seaports. This is a success and, at the same time, an important impulse for our customers. Furthermore, ACOS, in which EUROGATE Intermodal holds a 49% stake, has established a direct link from Wilhelmshaven via Bremen to Hamburg. Containers can now be transported faster overland than via the time-consuming Elbe approach (estuary) route.

At this point I should like to express our sincere gratitude to everyone who has helped to plan, build and get the EUROGATE Container Terminal Wilhelmshaven off the ground. Following completion, the modern, state-of-the-art terminal facility is now fully operational and ready to compete for the highest productivities.

Charting the course for the future today

Taking a closer look at the market development, it becomes clear that EUROKAI has positioned itself judiciously in recent years. Today, we are already charting the course for the future. The fact that EUROKAI can build on an international network of 11 locations in five different countries creates stability in difficult markets and mitigates the risk for the Group. EUROGATE's decision to invest in the Russian market via a stake in ULCT Ust-Luga Container Terminal was also forward-looking. The positive development of handled freight at the Baltic ports indicates the existence of a large market with high potential. We forecast significant growth rates here in the future.

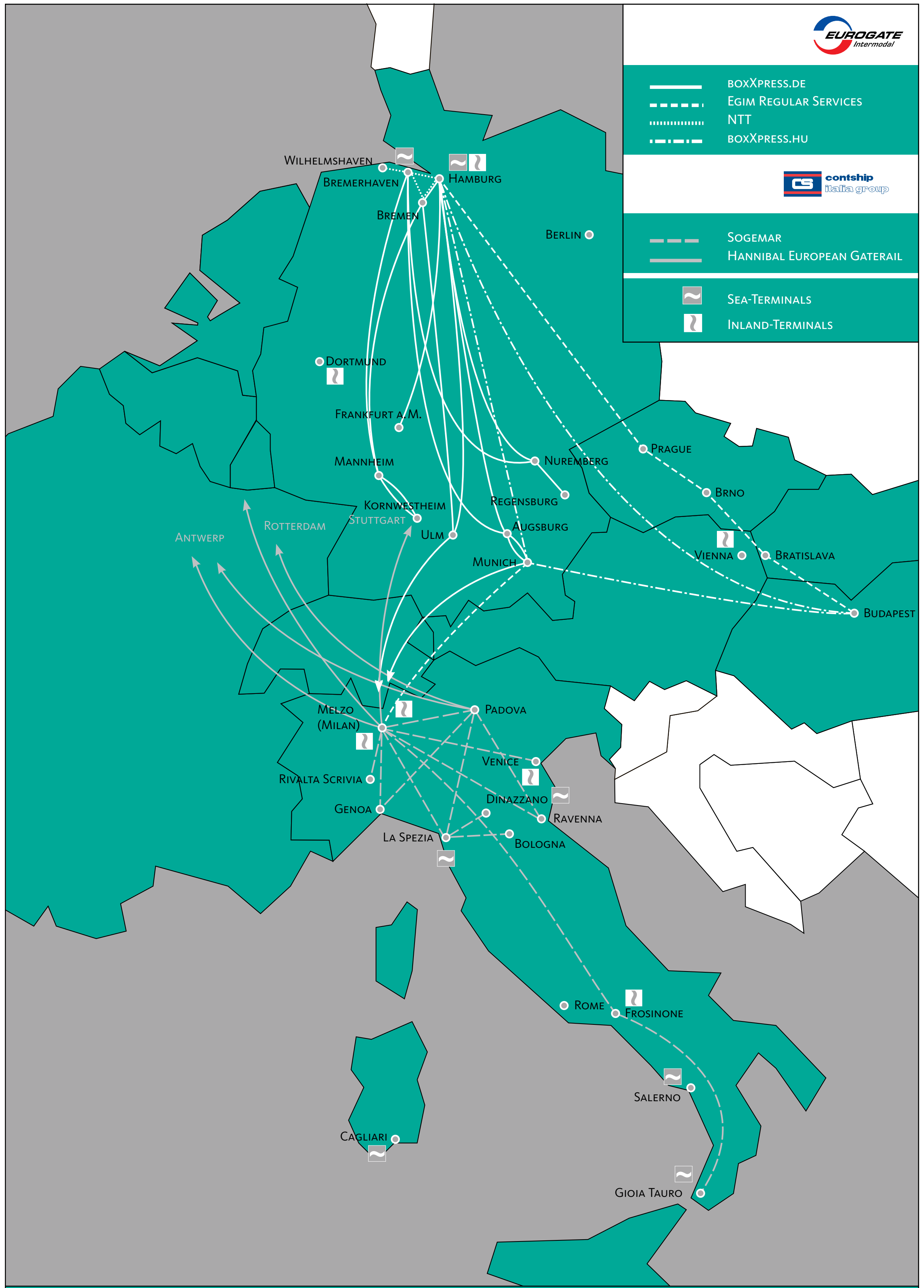
All EUROKAI container terminals recognised the need several years ago to adapt their terminal facilities in line with the market to the increasing sizes of vessels being built. Today the major sites are capable of clearing several megacarriers >10,000 TEUs at the same time to better meet customers' changing demands.

LSCT La Spezia Container Terminal completed an extensive modernisation programme of its container gantries in the course of the last year. This involved relocating and upgrading several container gantries on the terminal site. LSCT now has more and larger container gantries than any other container terminal on the North Tyrrhenian Sea, capable of handling container vessels with a breadth of 20 rows on deck.

Our strategy to upgrade our terminals for handling ULCVs early on proved to be right on track. MCT Medcenter Container Terminal in Gioia Tauro recorded a significant rise in handling volumes of 18% last year thanks to its major customer MSC Mediterranean Shipping Company. CICT Cagliari International Container Terminal showed a reassuringly stable development of earnings and freight handled thanks to its major customer Hapag Lloyd. The Sardinian terminal increased its volumes by 5%.

The CONTSHIP Italia Group was the all-round winner last year, with volume growth of 7% overall.

The EUROGATE Tanger container terminal experienced a difficult year in 2012. The dispute with the trade unions unfortunately led to a drop in handling volumes of 35%. Following successful conclusion of negotiations, we are hopeful that EUROGATE Tanger will get back on an even keel in 2013 and be able to follow on from the successes of the startup phase. For 2013 the handling volume is projected at 1 million TEUs, which is almost double that recorded in 2012.



The Intermodal Transport Network

The German seaports need a common policy

Via its EUROGATE holding, EUROKAI is active in global container traffic at all three German seaports. Therefore we support the German Ports initiative. We have invested heavily in all three locations in the past and will reap the benefit for many years to come. As recently as March 2013, EUROGATE Container Terminal Hamburg took delivery of two new container gantries, which will enhance the efficiency of the existing berths and facilitate clearance of ever larger container vessels. The planning approval decision for the westward expansion of the Hamburg terminal is expected to be reached by 30 June 2013. Implementation of the project will extend through to 2018/2019. The additional capacity will secure the future of the Hamburg container port over the long term.

The container terminals in Bremerhaven showed an encouraging development last year, with corresponding increases in container handling volumes. Reflecting the public discussion on the transition to sustainable energy, the decision to enter new business with storage and transhipment of on- and offshore wind turbines proved to be the right one.

However, urgently needed infrastructure projects continue to be put off: adjustments to the Elbe and Weser navigation channels, improvements to the Kiel Canal, construction of the A20 coastal motorway, just to mention the most important. The North German federal states need to consolidate their efforts in order to produce joint concepts for port policy and urgent infrastructure projects. This is instrumental for the success of the long-term business development of EUROKAI's companies in Germany.

Cost awareness is an integral component of the Group's corporate management

A prudent business approach calls for effective cost management. Cost awareness is an integral component of our corporate management – and not just since the major financial crisis of 2008/2009. In light of the ongoing uncertainties the management must continue to steer a safe course. Investments are carefully analysed and expenditures, wherever possible, curbed. In EUROKAI's current operating environment, our optimally equipped container terminals will enable us to keep investments to a minimum for some time to come, securing us high cash flow with high depreciation on property, plant and equipment.

In the course of the past year EUROKAI's CONTSHIP Italia holding adopted a leaner, more efficient organisational structure, thus responding proactively to the current challenges. As of 1 January 2013, the operational divisions of CONTSHIP Italia S.p.A. have been managed by two Executive Vice Presidents for the "Maritime Terminals" and "Logistics & Intermodal" business segments, thus enabling CONTSHIP Italia to concentrate on its core areas of business.

EUROGATE has lowered energy consumption by 12 % since 2008

To fulfil its corporate social responsibility as well as counter increasing diesel and energy prices, EUROGATE has decided to introduce an energy management system and has applied for certification in accordance with DIN EN ISO 50001. This process is being managed and monitored by Tom Eckelmann, who joined the EUROGATE holding company on 1 September 2012. He is in charge of the corporate strategy and environmental management divisions and is the first member in the sixth generation of the Eckelmann family to join the company.

Introduction of an energy management system is a central aspect in our efforts towards sustainability and quality. Protecting the environment and the world's resources not only makes sense from an economic point of view. Our customers are increasingly investing in green transport chains and are similarly requiring their partners to think and act in a socially responsible and environmentally friendly manner. A new EU Directive will require all major companies to perform an energy audit from 2015. Through foresighted action, we shall be able to meet all the necessary requirements when this comes into force. EUROGATE already has an impressive track record when it comes to energy management. This year, the Hamburg container terminal will be the first to receive its own wind turbine. Since we began systematically recording energy consumption values in 2008, energy consumption per container has been reduced by 12 %. This has brought us another important step closer to our goal to reduce the number of kilowatt hours by 20 % by the year 2020.

EUROKAI will maintain a vigilant course

EUROKAI is excellently positioned for the future. We have made sustained investments in the past in order to remain competitive in the present and the future. Although the outlook for 2013 is unstable, we will maintain a steady course. It is not the first time in our company's history that we are having to navigate "by sight". Given the present situation in global container transport and the global economy no one can currently predict with certainty what tomorrow will bring. We are in a position to react flexibly to changing market conditions.

I thank all employees of the ECKELMANN-EUROKAI Group, without whose commitment we would not have been able to keep up the continuing positive results of the past few years.

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

Hamburg, April 2013

Yours sincerely

Thomas H. Eckelmann
Chairman of the Management Board

02 Management Commentary

The first container handled at the EUROGATE Container Terminal Wilhelmshaven was loaded onto a freight train on the very first day.

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 Hamburg, Bremerhaven and Wilhelmshaven (Germany), in Lisbon (Portugal), in Tangier (Morocco) and in 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”) in the past held 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. By contract of September 2012 and effective retroactively from 1 January 2012, EUROKAI KGaA merged the Italian intermediate holding companies with CONTSHIP Italia S.p.A. in order to simplify the Group structure. Thus EUROKAI KGaA now directly holds 66.6% of the shares in CONTSHIP Italia S.p.A. and an indirect 16.7% interest via EUROGATE GmbH & Co. KGaA, KG of Bremen. Thus EUROKAI KGaA continues to hold a stake 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 subsidies and ownership interests. It also has a 50% shareholding in the Personally Liable General Partner of EUROGATE GmbH & Co. KGaA, KG, Bremen, EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen, as well as its Personally Liable General Partner, EUROGATE Beteiligungs-GmbH, Bremen.

2012 continued to be characterised by the economic and financial crisis. For 2013, the OECD is forecasting economic growth in the OECD states of 1.4%. Especially in the eurozone the impacts of the crisis can be clearly felt, whereby Germany is one of the few positive exceptions.

With respect to transport services in general and corresponding transport volumes the effects of international growth were only slightly perceptible. At the ports in the North Range (Hamburg, Bremerhaven, Antwerp, Rotterdam) container handling volumes more or less stagnated compared to the previous year.

The structurally weaker countries of southern Europe further suffered as a result of the strict austerity programmes imposed by their governments. Despite this difficult environment, the recession-plagued Italian economy declined less sharply than expected. In this context it must be noted that due to the high level of transhipment traffic, much of the handling volume of the CONTSHIP Italia Group is not directly dependent on the general economic trend in the country.

At 13.268 million TEUs, handling volumes at the container terminals of the EUROKAI Group in Italy, Germany, Portugal, Morocco and Russia were overall on the same level as the previous year (13.286 million TEUs/−0.1%).

The following table on page 10 shows the handling statistics for the container terminals in the EUROKAI Group.

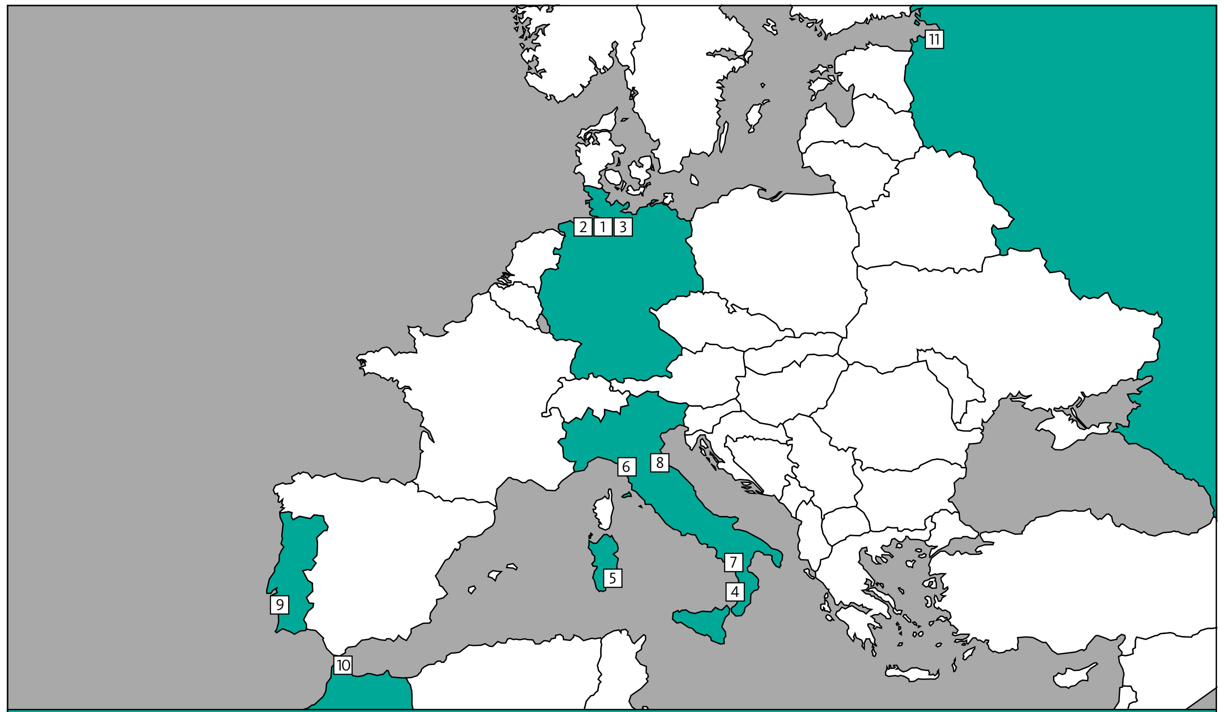
CONTSHIP Italia Group

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 di Cagliari S.p.A. of Cagliari as well as Sogemar S.p.A. of Lucernate di Rho/Milan, Hannibal S.p.A. of Melzo/Milan and OCEANOGATE Italia S.p.A, La Spezia, which are engaged in intermodal business (all in Italy).

The Italian terminals of the CONTSHIP Italia Group recorded an inecrease in handling volumes of 7.3% to 4.551 million TEUs (previous year: 4.234 million TEUs) mainly due to the rise in handling volumes at the Medcenter Container Terminal in Gioia Tauro.

The CONTSHIP Italia Group generated revenue of EUR 271.9 million in fiscal 2012 (previous year: EUR 271.0 million). Net profit for the year showed an encouraging trend particularly as a result of the positive handling and earnings development of the Medcenter Container Terminal and increased in the reporting period by +58.7% to EUR 10.0 million (previous year: EUR 6.3 million).

At 2.674 million TEUs, handling figures at Medcenter Container Terminal S.p.A. in fiscal 2012 recorded an increase of 18.1% (previous year: 2.265 million TEUs). The year-end result was correspondingly higher, although it was still not possible to reach a break-even result.



Throughput figures of the EUROKAI container terminals

Site	**2012**	**2011**	**Change**
	TEUs	TEUs	%
Germany			
Bremerhaven (1)	6,095,773	5,900,341	+3.3
Wilhelmshaven (2)	26,045	0	–
Hamburg (3)	1,806,914	2,054,421	–12.0
Total Germany	**7,928,732**	**7,954,762**	–0.3
Italy			
Gioia Tauro (4)	2,673,752	2,264,798	+18.1
Cagliari (5)	564,830	539,840	+4.6
La Spezia (6)	976,074	1,069,274	–8.7
Salerno (7)	147,491	170,961	–13.7
Ravenna (8)	189,264	198,410	–4.6
Total Italy	**4,551,411**	**4,243,283**	**+7.3**
Other			
Lisbon (9)	225,820	244,002	–7.4
Tangier (10)	551,312	844,007	–34.7
Ust-Luga (11)	11,169	0	–
Total Other	**788,301**	**1,088,009**	**–27.5**
Total EUROKAI	**13,268,444**	**13,286,054**	**–0.1**

The figures include total handling at the terminal in question.

La Spezia Container Terminal S.p.A. is a 60% holding of CONTSHIP Italia S.p.A. Showing an 8.7% decrease in handling volumes to 0.976 million TEUs (previous year: 1,069 million TEUs), the Company recorded a lower, yet still positive, year-end result year-over-year.

With a total of 0.565 million TEUs, Cagliari International Container Terminal – CICT Porto Industriale Cagliari S.p.A. – handled 4.6% more containers in fiscal 2012 (previous year: 0.540 million TEUs), and posted a correspondingly higher 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 decrease in imports and corresponding increase in the number of empty containers both the transport volume and handling volume at the inland terminals declined. Against this background the Company once again recognised positive, albeit declining comprehensive income year-over-year.

Due to stagnating intermodal transport volumes combined with a slight decrease in specific revenue from inland terminal handling, Hannibal S.p.A. posted a slightly degressive positive year-end result.

With its transport activities as a rail operator OCEANOGATE Italia S.p.A., in which Sogemar S.p.A. holds a 50% stake, ran container trains covering a total distance of 817,000 rail kilometres in fiscal 2012 and thus posted a degressive negative operating result compared to the previous reporting period.

The market share of the CONTSHIP Italia Group in container handling in Italy rose in fiscal 2012 to 48.5% (previous year: 43.8%). The CONTSHIP Italia Group thus clearly defended its market leadership among Italy's container handling companies.

EUROGATE Group

Handling figures at the German container terminals again developed inconsistently in the 2012 fiscal year. While the container terminals in Bremerhaven showed a rise of 3.3% to 6.096 million TEUs (previous year: 5.900 million TEUs), handling volumes at EUROGATE Container Terminal Hamburg declined by 12.0% and at 1.807 million TEUs fell short of the previous year's figure of 2.054 million TEUs. The container terminals in Germany thus handled a total of 7.929 million TEUs, corresponding to the previous year's level (7.955 million TEUs/–0.3%).

In fiscal 2012, with stagnating Group revenue of EUR 654.1 million (previous year: EUR 656.8 million) the EUROGATE Group achieved a lower operating result (EBIT) year-over-year of EUR 79.8 million (previous year: EUR 99.3 million) due to the scheduled upfront investments and expected startup losses connected to the construction and start of operations of the EUROGATE Container Terminal Wilhelmshaven, the handling-related drop in earnings of the EUROGATE Container Terminal Hamburg, the handling-related rise in earnings of the EUROGATE Container Terminal Bremerhaven as well as the degressive and negative investment result of the foreign investments OJSC Ust-Luga Container Terminal, Ust-Luga, Russia, and EUROGATE Tanger S.A., Tangier, Morocco. Consolidated profit for the year fell in line with the forecast in fiscal 2012 to EUR 54.6 million (previous year: EUR 78.0 million).

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

With a handling figure of 1.807 million TEUs, EUROGATE Container Terminal Hamburg GmbH recorded a drop in handling volumes of 12%. The regressive volume development is explained to a large degree by the fact that part of the cargo on the Far East route handled by MSC shipping line was transferred to a common service with CMA CGM from April 2012, which is operated by a Hamburg rival. Due to this drop in handling volumes, the Company's year-end result before profit transfer to EUROGATE GmbH & Co. KGaA, KG ("EUROGATE Holding") was down on the previous year.

EUROGATE Container Terminal Bremerhaven GmbH recorded a growth of 11.1% with a handling figure of 1.043 million TEUs (previous year: 0.938 million TEUs). Due to the positive handling trend in conjunction with the continued positive results from the wind power business segment (leasing of space as well as transhipment and handling of wind turbine components), the Company again posted an improved year-end result compared to the prior period before profit transfer to the EUROGATE Holding.

North Sea Terminal Bremerhaven GmbH & Co., a dedicated terminal for Mærsk Line, once again posted a volume figure slightly above the good result of the previous year (3.337 million TEUs/+1.1%) in fiscal 2012, with 3.375 million TEUs handled. Thus the profit for the period once again reached the previous year's high level.

With a handling volume of 1.678 million TEUs (+3.3%), MSC Gate Bremerhaven GmbH & Co. KG, a joint venture between EUROGATE GmbH & Co. KGaA, KG and Terminal Investment Ltd., Luxembourg, a related company to Mediterranean Shipping Company S.A. ("MSC"), Geneva, Switzerland, recorded a further rise in volume over and above the already significant increase to 1.625 million TEUs in the previous year. Thus the Company's year-end result fell compered to the previous year primarily due to increased costs.

On 21 September 2012 the EUROGATE Container Terminal Wilhelmshaven took up operations. Since then, customers of the EUROGATE Group can benefit from 1,000 m of quayside with two berths for the handling of ultra-large container ships. APM

Terminals Wilhelmshaven GmbH, an indirectly fully-owned subsidiary of the A.P. Møller Mærsk Group, Copenhagen, Denmark, has a 30% stake in EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG. Due to upfront and startup costs the Company's year-end result at the start of operations is negative in line with expectations.

LISCONT Operadores de Contentores S.A., Lisbon, Portugal, recorded a decline in handling volume over 2011 of 7.4% with a total of 0.226 million TEUs handled. The Company's net earnings also dipped slightly compared to the previous year due to the declining volume trend.

Handling volumes of EUROGATE Tanger S.A., Tangier, Morocco, decreased in the reporting year by 34.7% to 0.551 million TEUs (previous year: 0.844 million TEUs) due to strikes resulting from collective bargaining disputes. This is reflected in a lower and correspondingly negative result compared to the previous year.

The OJSC Ust-Luga Container Terminal, Ust-Luga, Russia, in which the EUROGATE Group holds a 20% stake, recorded a handling volume of 11,169 TEUs in its first year of operation. Due to inadequate capacity utilisation rates in the reporting period, the year-end result was correspondingly clearly negative.

Key events in the course of the fiscal year

CONTSHIP Italia Group

In January 2012, through the disposal of 50% of the shares in CSM Italia-Gate S.p.A. (formerly: CSM Italia-Gate S.r.l.) the CONTSHIP Italia Group indirectly sold 33.35% of the ownership shares in Medcenter Container Terminal S.p.A. to Gitaurco Ltd. (Limassol, Cyprus), an indirect investment holding of Mediterranean Shipping Company S.A. ("MSC"), Geneva. The disposal of the shares and the resulting long-term association of the world's second-largest container shipping line with the Medcenter Container Terminal in Gioia Tauro is a positive development for the CONTSHIP Italia Group.

Under an agreement dated 29 October 2012 the port authority of La Spezia extended the operator licence for La Spezia Container Terminal S.p.A. by 53 years, i.e. until the end of 2065. On the basis of this agreement it is aimed to increase the capacities of La Spezia container terminal in the coming seven to eight years from the present approx. 1 million TEUs p.a. to 1.8 million TEUs p.a.

EUROGATE Group

EUROGATE Container Terminal Bremerhaven GmbH expanded its activities in the wind power business segment in fiscal 2012. In this context additional space has been leased since mid-2012 to a major customer in this business segment. Furthermore, via a working group set up in the previous year with a heavy lift company a contract was concluded with a major customer for the handling of wind turbine components for a wind park in the North Sea.

At the end of August 2009, the planning approval procedure was 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. The expansion westward will increase the current 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.

Another major goal of the measures being pursued with the planning approval procedure is the enlargement of the turning basin at the Waltershof Harbour to provide a turning radius of 600 m. Initial partial areas of the expansion westward were supposed to be available from 2014, but from the present-day perspective the project is not expected to be fully completed before 2018/2019 due to the complex processing of objections, anticipated legal actions and the expected duration of necessary court proceedings.

2. Earnings

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

	2012		2011		Change	
	EUR '000	%	EUR '000	%	EUR '000	%
Revenue	603,898		604,209		–311	0
Other operating income	48,921		41,927		6,994	17
Total operating income	**652,819**	**100**	**646,136**	**100**	**6,683**	**1**
Cost of materials	–187,367	–29	–186,692	–29	–675	0
Personnel expenses	–293,181	–45	–279,450	–43	–13,731	5
Depreciation/amortisation/write-downs	–66,133	–10	–66,744	–11	611	–1
Other operating expenses	–52,457	–8	–52,892	–8	435	–1
Operating expenses	**–599,138**	**–92**	**–585,778**	**–91**	**–13,360**	**2**
Net operating income	**53,681**	**8**	**60,358**	**9**	**–6,677**	**–11**
Interest and investment income/expense	–12,999		–9,683		–3,316	
Earnings before taxes (EBT)	40,682		50,675		–9,993	
Current tax payables	**–14,804**		**–17,214**		**2,410**	
Deferred taxes	3,014		2,917		97	
Consolidated profit for the year	**28,892**		**36,378**		**–7,486**	
Thereof attributable to:						
Equity holders of the parent	19,800		28,597			
Hybrid capital holders	4,995		4,995			
Non-controlling interests	4,097		2,786			
	28,892		**36,378**			

External revenue of the EUROKAI Group amounted to EUR 603.9 million (previous year: EUR 604.2 million). EUR 271.9 million (previous year: EUR 271.0 million) of this was generated by the CONTSHIP Italia Group and EUR 327.1 million (previous year: EUR 328.4 million) by the 50% of the EUROGATE Group included in the consolidated financial statements.

Operating income (EBIT) for the fiscal year 2012 amounts to EUR 53.7 million (previous year: EUR 60.4 million), which shows a decrease of 11% (EUR 6.7 million) over the previous year. This results principally from the anticipated increase in upfront investments and expected startup losses connected with the construction and start of operations of the EUROGATE Container Terminal Wilhelmshaven.

Interest and investment income fell by EUR 3.3 million to EUR 13.0 million. The main reasons for this are on the one hand a lower result from investments in associates and other investors and investees and coupled on the other hand with higher interest income.

Correspondingly, pre-tax profit (EBT) showed a downturn of 20% to EUR 40.7 million year-over-year (previous year: EUR 50.7 million).

With a reduction in tax expenses of EUR 2.5 million to EUR 11.8 million, consolidated profit for the year declined compared to the previous year by EUR 7.5 million from EUR 36.4 million to EUR 28.9 million (–21%).

3. Financial position

The following cash flows were posted in 2012 and 2011:

	2012	2011
	EUR '000	EUR '000
Net cash flows from operating activities	58,303	81,392
Cash flows used in investing activities	–83,783	–40,634
Cash infows/outflows from financing activities	–14,070	1,811
Net increase/decrease in cash and cash equivalents	**–39,550**	**42,569**
Cash and cash equivalents at 1 January	**105,799**	**63,230**
Cash and cash equivalents at end of period	**66,249**	**105,799**

Composition of cash and cash equivalents		
Cash and cash equivalents	103,930	108,109
Bank liabilities/overdrafts due on demand	–37,681	–2,310
Cash and cash equivalents at the end of the period	**66,249**	**105,799**

Based on the pre-tax profit for 2012 of EUR 40.7 million (previous year: EUR 50.7 million), cash flows from ordinary operating activities of EUR 58.34 million (previous year: EUR 81.4 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 increased compared to the previous year and amounted in 2012 to EUR 96.7 million (previous year: EUR 56.9 million).

Investments by the CONTSHIP Italia Group of EUR 17.3 million (previous year: EUR 19.0 million) mainly covered the procurement and modernisation of giant equipment as well as the purchase and rehabilitation of land.

Pro rata investments by the EUROGATE Group amounted to EUR 79.4 million in 2012 (previous year: EUR 37.9 million). These mainly included investments in surfacing terminal areas, rebuilding and upgrading of buildings, software, technical plant, container cranes, straddle carriers and various items of handling equipment. This item also includes capitalised future financial commitments related to the operation of container terminals.

Financing of investments in giant handling equipment as well as fixtures and fittings and office equipment partly carried out in preceding years was secured in 2012 by new borrowings from banks totalling EUR 43.6 million. During the same period the Company made scheduled amortisation bank loan repayments of EUR 19.0 million.

Furthermore due to the favourable interest rate giant handling equipment purchased by the Group in preceding years (straddle carriers) and pre-financed from cash flow was financed at matching maturities in the amount of EUR 12,469,000 via sale-and-lease-back agreements. For newly purchased equipment (reach stackers, lift trucks, chassis) and cars, new leasing agreements were concluded in a volume of EUR 967,000.

4. Net assets

The structure of assets and equity in 2012 was as follows:

Assets	2012		2011		Change
	EUR '000	%	EUR '000	%	EUR '000
Intangible assets	75,110	7	60,747	7	14,363
Property, plant and equipment	551,138	52	536,043	56	15,095
Financial assets	76,334	7	50,848	5	25,486
Deferred tax assets	13,957	1	11,725	1	2,232
Other assets	26,651	3	18,812	2	7,839
Non-current assets	**743,190**	**70**	**678,175**	**71**	**65,015**
Inventories	17,425	2	16,647	2	778
Trade receivables	119,182	11	93,591	10	25,591
Other current non-financial assets and current tax receivables	75,628	6	62,624	6	13,004
Assets classified as held for sale	0	0	506	0	–506
Cash and cash equivalents	103,930	10	108,109	11	–4,179
Current assets	**316,165**	**30**	**281,477**	**29**	**34,688**
Total assets	**1,059,355**	**100**	**959,652**	**100**	**99,703**

Equity and Liabilities	2012		2011		Change
	EUR '000	%	EUR '000	%	EUR '000
Issued capital	13,468	1	13,468	1	0
Capital and reserves attributable to the Personally Liable General Partner	294	0	294	0	0
Capital reserves	1,801	0	1,801	0	0
Retained earnings	75,557	7	68,057	7	7,500
Other reserves	–535	0	–800	0	265
Net retained profits	219,539	21	227,905	24	–8,366
Equity attributable to hybrid capital holders	77,010	7	77,010	8	0
Equity attributable to non-controlling interests	83,086	8	63,365	7	19,721
Equity and liabilities	**470,220**	**44**	**451,100**	**47**	**19,120**
Non-current financial liabilities net of current portion	157,024	15	125,579	13	31,445
Non-current portion of deferred government grants	40,891	4	43,090	4	–2,199
Other non-current liabilities	75,466	7	59,276	6	16,190
Deferred tax liabilities	15,888	1	16,710	2	–822
Provisions	59,894	6	56,368	6	3,526
Non-current liabilities	**349,163**	**33**	**301,023**	**31**	**48,140**
Current portion of non-current financial liabilities	31,786	3	38,683	4	–6,897
Trade payables	60,421	6	62,937	7	–2,516
Current portion of deferred government grants	3,754	0	3,434	0	320
Other current liabilities and current tax payables	133,719	13	93,115	10	40,604
Provisions	10,292	1	9,360	1	932
Current liabilities	**239,972**	**23**	**207,529**	**22**	**32,443**
Total equity and liabilities	**1,059,355**	**100**	**959,652**	**100**	**99,703**

With depreciation of EUR 66.1 million and disposals to residual book values of EUR 1.1 million, as well as investments amounting to EUR 96.7 million, intangible assets and property, plant and equipment increased by EUR 29.5 million to EUR 626.2 million.

The financial assets of the Group increased by EUR 25.5 million to EUR 76.3 million as a result of loans to associates.

As in the previous year, non-current assets were covered in full by equity and non-current financial liabilities at the balance sheet date.

The rise in trade receivables of EUR 25.6 million accounted for by higher receivables at the balance sheet date.

The increase in other current non-financial assets and current tax receivables of EUR 75.6 million is attributable on the one hand to a deferred payment resulting from the sale of 50 % of the shares in CSM Italia-Gate S. p. A., higher input tax reimbursement claims, a tax credit claim resulting from investments, and on the other hand to the payment of claims for government grants during the financial year.

Cash and cash equivalents at EUR 103.9 million reflects the continued positive liquidity position of the Group at the balance sheet date.

The change in net retained 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 18.0 million to the shareholders, as well as the profit of EUR 19.8 million earned by the Group in 2012 and attributable to the equity holders of the parent.

Equity and liabilities increased in fiscal 2012 by EUR 19.1 million to EUR 470.2 million (previous year: 451.1 million), a rise of 4.2 %. The equity ratio of the EUROKAI Group thus remained highly stable at 44 % (previous year: 47 %).

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 change in non-current financial liabilities, including current portion, resulted from the balance between the take-up of new loans to finance investments and scheduled repayments already made.

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 increase in other non-current liabilities by EUR 16.0 million to EUR 75.3 million results principally from future financial commitments related to the operation of container terminals.

The change in other current liabilities and current tax payables of EUR 40.6 million to EUR 133.7 million is primarily due to the current portion of liabilities to banks in the CONTSHIP Italia Group.

5. Personnel and welfare

Once again in 2012, 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:

	2012	2011
Industrial workers	3,008	2,729
Office staff	1,204	1,174
	4,212	3,903

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

For the EUROGATE Group's new Wilhelmshaven location, company agreements were concluded in the 2012 calendar year for the commercial staff of EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG and EUROGATE Technical Services GmbH, Wilhelmshaven location. These collective bargaining agreements contain the flexibility necessary to implement the new location, including the related service areas.

The outlook for the 2013 calendar year will be based on staff qualification within the scope of the specific job-related requirements as well as on questions of workflow organisation aimed at increasing competitiveness.

Should the development of handling volumes make it necessary and they not develop in line with capacities or decline at individual locations, personnel measures above and beyond the existing flexibilisation possibilities are indispensable. Due to current below-capacity employment the bargaining partners agreed in March 2013 to introduce short-time work at EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG.

6. Report on post-balance sheet date events

No events of material importance occurred after the balance sheet 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 and a long tradition within the EUROKAI Group. For us this is not merely a question of corporate responsibility; successful environmental protection 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 the introduction of an energy management system in compliance with DIN EN 16001 from the 2012 fiscal year, EUROGATE has committed to steadily rationalising specific energy utilisation at the EUROGATE container terminals. With these basic principles in mind, additional measures were taken in 2012 to further reduce our ecological footprint.

Maximum efficiency

One central focus lies in systematically improving energy efficiency. The Group Management Board has set itself the clear target by 2020 to utilise 20 % less energy per container and to reduce CO_2 emissions by 25 % compared to 2008. EUROKAI came an important step closer to achieving this goal in 2012. Compared to 2011, energy consumption per container handled was lowered by 7 %.

This was accomplished primarily by technically and operationally reducing the fuel consumption of straddle carriers. The container gantries also underwent thorough examination and the operating duration of many peripherals was reduced. This brought an overall energy saving per container handled of 6 %.

A further improvement in the terminal lighting controls also produced a significant energy reduction of 13 %.

Minimum emissions

With an efficiency factor of over 90 % CHP units are prime examples of efficiency. However, the combined production of heat and power above all lowers CO_2 emissions. EUROGATE has operated such a power plant at its Bremerhaven location since 1987. In 2012, the foundation stone was laid for two additional plants in Hamburg and Wilhelmshaven. After commissioning, the three power plants will generate a total of 10.8 million kilowatt hours of eco-friendly electricity and 12.4 million kilowatt hours of heat annually.

Since 2006 and 2008, two wood chip plants have contributed to low-emission heat production at the EUROGATE terminals. They produce 4 million kilowatt hours of CO_2-neutral thermal energy annually from motorway dunnage and cuttings.

A further contribution towards reducing emissions are the photovoltaic plants installed at all EUROGATE sites. With a total connected power output of 73 kWp the 352 modules generate just under 70,000 kWh of electricity a year from solar energy and thus help to reduce CO_2 emissions by an additional 40,000 kg per year.

EUROGATE is also currently working on erecting a wind turbine in Hamburg and testing feasibility at the Bremerhaven and Wilhelmshaven sites. Wind turbines in coastal regions can produce up to 9 million kWh CO_2-free electricity a year.

At the Hamburg location, work started on construction of a CHP unit that from 2013 is to supply operations at the Hamburg facility with heat and power. A district heating line will feed surplus heat into the local district heating grid. By meeting the facilities own needs for heat and power produced through cogeneration it is aimed to reduce CO_2 emissions by 2,800 tonnes/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. Our container terminals in Bremerhaven and Hamburg are environmental partners to the Free Hanseatic City of Bremen and the Free and Hanseatic City of Hamburg. In 2011, EUROGATE Container Terminal Hamburg GmbH was also project partner to the “Environment Capital Hamburg 2011”.

Since 2007, EUROGATE has systematically recorded and balanced its energy consumption and CO_2 emissions across the Group. In 2012, we integrated this recording and analysis into our controlling software to enable the figures to be more easily analysed and clearly presented.

Outlook 2013–2020

To increase energy efficiency we will continue to rely in coming years on the best available technology and thus with the help of an efficient vehicle and equipment pool further reduce energy consumption per container handled. However, we will also leverage route planning and staff training to further optimise energy efficiency.

In an effort to further lower emissions we will continue to test, and where appropriate implement, the innovations available on the market for utilisation in port applications. This for example includes:

- Testing alternative fuels for handling vehicles, e.g. liquid natural gas (LNG)
- Investigating emission and noise reduction through shore-side power sources
- Observing the development of wave and tidal power plants for electricity production

Overall it is of course becoming more difficult each year to further improve the Company's energy balance and environmental footprint. We therefore intend to more clearly differentiate the way we record and analyse our energy data over the next few years. This will allow us to monitor more closely what savings can be achieved through technical or operational measures and subsequently transfer the findings to other areas of application.

8. Risk report and report on expected developments

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.

On 17 October 2012, the Federal Administrative Court decided to grant an injunction lodged by nature conservation and environmental protection groups against the planning approval decision by the Wasser- und Schifffahrtsdirektion Nord (Waterways and Shipping Directorate North) endorsing the adjustment of the navigation channel of the Lower and Outer Elbe River. First, open questions relating to water pollution control and protection of biodiversity need to be resolved. This could postpone implementation of the measure by two to three years. The court has explicitly emphasised that the outcome of the proceedings is open.

The Federal Administrative Court announced in early 2013 that intends to conduct the public hearing by the end of 2013. A court ruling on the matter is therefore not expected to be taken before 2014. Although an improvement to the draught can be expected approximately six to nine months into the project, the project developer needs 21 months altogether to complete the extension of the draught by 1 metre over the entire length. Completion of the project and full extension of the draught is therefore not likely before 2016.

The planned deepening of the River Weser has also been delayed due to legal disputes. The Waterways and Shipping Directorate in Aurich has suspended the planning approval decision for the adjustment of the Weser and put a stop to excavation work following a Federal Administrative Court recommendation. The suspension means work will not recommence until a final court decision is taken. However, it was also made clear that this would not have any bearing on the principal proceedings.

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 so that ever larger container vessels can operate without problems into and out of Hamburg and Bremerhaven. In fiscal 2012, the nautical problems encountered by the ever-growing number of mega container ships further intensified. 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.

The EUROKAI Group can, however, offer its customers an excellent alternative for the handling of megacarriers with corresponding draughts at Germany's first and only deep-water container terminal in Wilhelmshaven and the facilities of the EUROGATE Container Terminal Wilhelmshaven which went into operation at the end of September 2012.

Furthermore, the modernisation of the existing locks, construction of the fifth lock chamber and 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.

The new build of the fifth lock chamber in Brunsbüttel got under way in April 2012. As things currently stand, construction time for the new build is estimated at five to six years. Only after that can the two old locks in Brunsbüttel be upgraded.

From today's perspective, completion of the final upgrading of the Kiel Canal is still open because the necessary funds have neither been earmarked in the Federal Transport Infrastructure Plan nor in the German government's medium-term financial planning.

In addition to general economic trends, the Group is exposed to other factors and risks associated with future transhipment and transport demand and corresponding handling volumes at our container terminals. These include:

- completion and start of operations of additional (terminal) port handling capacities in the North Range, which can lead to further excess capacities, unabated high competition and corresponding pressure on transhipment rates
- the commissioning of more ultra-large container vessels and their deployment especially on the Far East–Europe services
- possible further shifts in consortium structures as well as the scheduled services of the container lines (among others direct calls to Baltic ports) and the resulting potential impact on freight rates

On the customer side, possible insolvencies could negatively impact the shipping line consortiums as well as the structure of services and handling volumes. This would particularly affect those Group entities that are more heavily dependent on individual shipping lines. In such a case, the financial position of the respective entity concerned as well as of the Group would be significantly impaired.

The consolidation in the container shipping industry through new cooperations and the formation of new consortiums is expected to persist. Since there are 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 implement sustainable cost reductions.

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 37 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 37 of the Notes to the consolidated financial statements for 2012.

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 or the granting of foreign currency loans. 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 as well as loans to joint ventures. 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 reduces the exposure of the Group 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 material 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. Furthermore the respective IT processes are subject to external reviews.

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 results of the Company's associates and thus reflects all operating activities of the EUROKAI Group.

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 Corporation 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:

- Familie Thomas Eckelmann GmbH & Co. KG, Hamburg
- Familie Thomas Eckelmann Verwaltungsgesellschaft mbH, Hamburg
- Eckelmann GmbH, Hamburg
- Thomas H. Eckelmann GmbH, 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 Section 27 of the Notes to the consolidated financial statements.

The General Meeting of 12 June 2012 authorised the Personally Liable General Partner, subject to the consent of the Supervisory Board, to increase the share capital of the Company up to 19 June 2017

- by EUR 3,240,520.00 through the single or multiple issue of ordinary voting bearer shares and/or
- by EUR 3,290,986.00 through the single or multiple issue of non-voting berarer preference shares

each with a nominal value of EUR 1,00 against cash. The shareholders are to be granted a subscription right.

The Personally Liable General Partner is authorised, subject to the consent of the Supervisory Board,

- to exclude pre-emptive rights of shareholders to eliminate fractions
- in the case of a simultaneous issuance of ordinary and preference shares, to exclude the pre-emptive right of bearers of shares of one class to shares of the other class insofar as the subscription ratio is set at the same level for both classes
- to allow a bank to be determined by the Personally Liable General Partner to acquire the new shares with the obligation to offer them to the shareholders for subscription (indirect subscription right)

The Personally Liable General Partner is authorised, subject to the consent of the Supervisory Board, to determine the further details of the capital increases and their implementation.

The Supervisory Board is authorised to adapt the version of Section 5 of the Articles of Association in line with the respective utilisation of the authorised capital and if the authorised capital is not called up or not fully called up by 19 June 2017 to adapt the authorisation after expiry of the deadline.

Capital attributable to the Personally Liable General Partner

As at 31 December 2012, the Personally Liable General Partner, Kurt F.W.A. Eckelmann GmbH, 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 Corporation 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, 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. Expected developments

Global economic growth slowed significantly in 2012. Continued uncertainties exist with respect to the overall economic outlook and the market trend in the container handling industry consequently remains difficult to predict.

Furthermore, as expected the successively growing number of megacarriers (>10,000 TEUs) entering service is gaining importance in terms of the disproportionately increasing transport capacities in relation to the intermittently developing load volumes in the individual operating areas, as well as the resulting sustained pressure on sea freight rates for the container shipping companies. This trend is aggravated by the increasing nautical difficulties encountered by these ULCVs in calling at and departing from the German North Sea ports of Hamburg and Bremerhaven, especially against the back ground of the ongoing postponement of the adjustment of the navigation channel of the Elbe and Outer Weser rivers.

The strong competitive pressure among container shipping lines, caused not least by the high number of new container vessels being built, continues to create considerable uncertainties for the container terminals. However, all in all competitive pressure on the container terminals is likely to increase, so that slightly declining revenue and volume levels cannot be ruled out.

Globalisation and world trade continue to offer good medium- and long-term prospects for logistics companies and container terminal operators. As a result of stronger global economic integration of the emerging economies in Asia and central and eastern Europe, as well as globalisation, we are confident that we are in an excellent position to profit more than most from an upturn in the economy in the medium term.

The focus for the CONTHSIP Italia Group is on the further strengthening of the Medcenter Container Terminal in Gioia Tauro. An important milestone in this direction has already been reached with the indirect investment in the Mediterranean Shipping Company S. A. (“MSC”). The start of expansion of the capacities of La Spezia Container Terminal is also of particular importance for the Italian group.

For the EUROGATE Group 2013 will see the first full operating year of the first construction phase of the EUROGATE Container Terminal Wilhelmshaven and a focus on securing adequate and profitable capacity utilisation at the EUROGATE Container Terminal Hamburg.

Against the background of a negative economic development coupled with anticipated changes in the structures of scheduled container services and the possible repercussions this may have for individual terminals within our corporate Group, a decline in handling volumes for the fiscal year 2013 cannot be ruled out. Taking into account the prospects described above in conjunction with anticipated planned startup losses of the EUROGATE Container Terminal in Wilhelmshaven and the corresponding impact on Group earnings, for 2013 we are currently anticipating a decline in consolidated net profit for the year compared to 2012. For 2014 we are currently expecting an improved result over 2013.

Based on continued sound balance sheet ratios and with an equity ratio of 44 %, the EUROKAI Group is well prepared to field the challenges still to come.

Unforeseen developments may cause the actual business trend to deviate from expectations, which are based on assumptions and estimates made by the Group Management Board. We undertake no obligation to revise our forward-looking statements in the light of either new information or unexpected events.

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, 26 March 2013

The 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

CONTSHIP Italia founded a company-owned traction company for seaport hinterland rail transport in 2012: OCEANOGATE.

Once again in 2012 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 2012 fiscal year, the Supervisory Board was informed regularly, promptly and comprehensively 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 the Company and the Group, as well as joint enterprises included in the consolidated Group. This information related in particular to all major business transactions and ventures, corporate strategy, business policy, corporate planning (in particular financial, investment and personnel planning), as well as the business development. The Management Board also reported on revenue, the position of the Company, the financial and earnings situation, as well as profitability. It also detailed deviations from the budget – stating reasons, the risk situation, especially transactions having a possible material impact on the profitability or liquidity of the Company, and finally risk management, the internal control system, internal auditing including compliance.

The key focuses of extensive information and discussion in 2012 were in particular

- the progress of construction of the terminal-related superstructure and start of operations of the EUROGATE Container Terminal Wilhelmshaven
- the development of the Ust-Luga Container Terminal in Ust-Luga, Russia
- the development of the EUROGATE Tanger Container Terminal in Tangier, Morocco
- the report on the risk management system and internal auditing activities within the EUROKAI Group
- the indirect disposal of 33.35 % of the shares in Medcenter Container Terminal S.p.A. by the CONTSHIP Italia Group
- the restructuring of the ownership interest of EUROKAI KGaA in CONTSHIP Italia S.p.A.
- the strategic orientation of the EUROKAI Group and
- the competitive position of the subsidiaries and holdings in the relevant markets

Dr Winfried Steeger,
Chairman of the Supervisory Board

The Supervisory Board consulted in-depth with the Management Board of the Persponally Liable General Partner on the economic slowdown in Europe resulting from the difficult economic environment and the eurozone crisis, as well as the possible repercussions for the world economy due to the ongoing global financial crisis and the ripple effect for the EUROKAI Group. In-depth consideration was also given to the consequences of the increasing deployment of ever-larger container vessels (ULCS) as well as the development of terminal capacities by competitors of the Group entities, the development of the flows of forwarding loads in the North Range and the Mediterranean, the resulting sea-side and shore-side consequences as well as any einsuing ramifications and necessary consequences.

With its decision of 16 October 2012, the Federal Constitutional Court in Leipzig granted an injunction against the planning approval decision for the deepening of the navigation channel of the Lower and Outer Elbe and thus with the explicit exception of preparatory measures effectively blocked continuation of the expansion for the time being. The Supervisory Board for its part expressly points out that the delay in the execution of the project will have serious negative impacts on the logistics sector and on Hamburg as a business location. Further, the Supervisory Board continues to view the deepening of the Outer Weser and the increase in the capacity of the Kiel Canal to be absolutely imperative.

The Supervisory Board approved and monitored adherence to the Management Board's 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 subject to its approval by law or under the Company's Articles of Association relating to corporate strategy and its implementation, business deviations from the plans and targets, as well as material business transactions based on the written and verbal reports. 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.

The results of the self-evaluation performed in compliance with the provisions of the German Corporate Governance Code were also the subject of the discussions of the Supervisory Board.

On appointing the auditor, the Supervisory Board further defined the main focuses for the audit of the 2012 annual financial statements as well as the audit fee.

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 Supervisory Board is of the opinion that it has a sufficient number of independent members. Care is taken to ensure that the Supervisory Board is composed of members who have the knowledge, skills and professional experience to properly exercise their mandate.

Four regular meetings were held altogether, two per half-year. Mr Rickmers and Mr Döhle were each unable to attend one meeting. Thus no member of the Supervisory Board attended fewer than half of the sessions. The Management Board of the Personally Liable General Partner was represented at all the meetings. Furthermore, the Chairman of the Supervisory Board remained in continuous contact with the Management Board of the Personally Liable General Partner and was informed regularly between meetings about the current business situation and development, as well as important business transactions and significant upcoming decisions.

In order to perform its duties more effectively, the Supervisory Board has set up a Financial Audit Committee and a Human Resources Committee. Chairman of the Financial Audit Committee since his appointment to the Supervisory Board on 20 June 2012 is Dr Sebastian Biedenkopf, who meets the requirements of an independent financial expert pursuan to Sections 100 (5), 107 (4) of the Joint Stock Corporation Act (AktG). The Financial Audit Committee held two meetings during the 2012 fiscal year and discussed in particular the annual and consolidated financial statements as well as monitoring of the financial reporting process, the effectiveness of the internal control and auditing system, the audit and compliance. The Financial Audit Committee discussed the half-yearly financial report with the Management Board of the Personally Liable General Partner. The Human Resources Committee, whose Chairman is the Chairman of the Supervisory Board, 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 2012 have been examined by the auditor, Ernst & Young AG Wirtschaftsprüfungsgesellschaft, Hamburg, in accordance with German auditing regulations and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) (IDW PS 450) and each been issued an unqualified audit opinion. The auditors also confirmed that the Management Board of the Personally Liable General Partner has installed an appropriate monitoring system as required pursuant to Section 91 (2) of the Joint Stock Corporation Act (AktG), which is suitable in its design and handling to identify at an early stage developments which could place the continued existence of the EUROKAI Group at risk.

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 Corporation 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 in good time to all the members of the Supervisory Board.

Following a detailed preliminary assessment by the Financial Audit Committee, in the presence of the auditor and the Management Board of the Personally Liable General Partner, the Supervisory Board at its meeting of 16 April 2013 examined the annual financial statements of the Company and the consolidated financial statements of the Group as at 31 December 2012, 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 2012 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. 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 the comprehensive examination by the Financial Audit Committee and the Supervisory Board, 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 2012. The Supervisory Board agrees to the proposed appropriation of profits.

Based on the recommendation of the Audit Committee, the Supervisory Board proposes that Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Hamburg be appointed as auditor for the 2013 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 Declaration of Conformity, pursuant to Section 161 of the Joint Stock Corporation Act (AktG) for the 2012 financial year.

Pursuant to Section 11 of the Articles of Association, the Supervisory Board is composed of six members. With the end of the 2012 General Meeting, Dr Hans-Joachim Röhler stepped down from the Supervisory Board. Dr Sebastian Biedenkopf, solicitor, individual lawyer, Hamburg, was appointed to the Supervisory Board as his successor until the end of the 2016 General Meeting. Dr Winfried Steeger and Mr Max M. Warburg were reelected at the 2012 General Meeting until the end of the 2016 General Meeting. The period of office of Mr Jochen Döhle and Mr Lic. oec. Raetke Müller terminates with the end of the 2015 General Meeting, that of Mr Bertram Rickmers with the end of the 2013 General Meeting. Dr Röhler was appointed Honorary Chairman by special resolution of the Supervisory Board.

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 2012. Through their commitment they made a valuable contribution to successfully overcoming the challenges in the just completed financial year.

Hamburg, Germany, 16 April 2013

The Chairman of the Supervisory Board
Dr Winfried Steeger

04 Corporate Governance Report

The world's biggest container ship, the "CMA CGM Marco Polo" has a transport capacity of 16,600 TEUs.
On 14 December 2012 the mega container vessel called at Bremerhaven on her maiden voyage.

Management Statement including Corporate Governance Report and Declaration of Conformity

Joint report of the Personally Liable General Partner and the Supervisory Board pursuant to Section 289 a of the German Commercial Code (HGB) and Section 3.10 of the German Corporate Governance Code in the amended version of 15 May 2012.

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, the Articles of Association and the German Corporate Governance Code (the "Code"). Apart from justified exceptions, EUROKAI KGaA complies with the 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 Corporation 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 Mr Thomas H. Eckelmann (Chairman) and Ms Cecilia Eckelmann-Battistello. The Managing Directors of Kurt F. W. A. Eckelmann GmbH are appointed and dismissed by its Administrative Board. 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 66.6% holding in the share capital of CONTSHIP Italia S. p. A., Genoa, Italy, 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 effectively 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 General Meeting

The shareholders of EUROKAI KGaA exercise their rights at the General Meeting, in particular 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 Corporation 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.

A nominal value of EUR 1 for each voting share entitles its holder to one vote.

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 convening of 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.

Tasks and responsibilities of the Personally Liable General Partner

The Management Board of the Personally Liable General Partner is composed of two Managing Directors, Mr Thomas H. Eckelmann and Ms Cecilia Eckelmann-Battistello. Mr Thomas H. Eckelmann is Chairman. Under the rules of procedure for the Management Board, he is responsible for coordinating the activities of the Management Board, representing the company in the public domain, overseeing business communications with the Administrative Board constituted in this Company and with the shareholders. Notwithstanding the fact that the Managing Directors are jointly responsible for the management, they carry out independently the duties assigned to them in the schedule of responsibilities. Mr Thomas H. Eckelmann is specifically responsible for the EUROGATE holding company, of which he is Chairman of the Management Board and Ms Cecilia Eckelmann-Battistello is specifically responsible for the CONTSHIP

Italia Group, of which she is President. Under the rules of procedure, the authorisation to conduct independently the duties assigned to them reaches its limits where, for example, both duties or transactions are materially affected, or in the case of measures requiring the approval of the Administrative Board. These and other cases set forth in the rules of procedure require a joint resolution to be adopted by both Managing Directors. Under the provisions set out in the rules of procedure the Managing Directors reach their decisions in meetings that – based on the needs of this pure financial holding company – are held regularly at least twice per month and additionally on a case-by-case basis as required. These are chaired by the Chairman of the Management Board. Use is made of the possibilities to adopt resolutions outside meetings in written or text form. Should the Managing Directors not be able to come to an agreement, the Chairman of the Administrative Board shall be responsible for arbitration.

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. There are no conflicts of interest.

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.

As regards its election recommendations to the General Meeting and hence in particular Sections 5.4.1, 5.4.2 and 5.4.5 of the Code, we refer to the Declaration of Conformity with the Code set out below on page 33 of this statement.

Committees of the Supervisory Board

The Supervisory Board of EUROKAI KGaA has set up a Financial Audit Committee and a Human Resources 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 discuss the half-yearly financial report with the Management Board of the Personally Liable General Partner, 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 the net retained 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 the independence of the auditor and any services additionally provided by the auditor.

The Chairman of the Audit Committee, who shall not be identical with the Chairman of the Supervisory Board, is independent and has gained extensive professional know-how and experience in the application of accounting principles and internal control procedures.

Tasks and responsibilities of the Supervisory Board

The tasks and responsibilities of the six-member Supervisory Board are based on the rules of procedure for the Supervisory Board. The Supervisory Board usually convenes at four ordinary meetings during the year, the dates of which are determined annually in advance. In addition the Supervisory Board where necessary adopts resolutions outside meetings using modern means of communication, so that resolutions in written or text form are sufficient. The Supervisory Board has a Chairman, Dr Winfried Steeger, who invites members to the meetings, chairs meetings and is responsible for adoption of the resolutions passed. As provided for by law, resolutions require a simple majority and may only be passed on items of the agenda announced beforehand in due form in the convention documents, unless all members of the Supervisory Board consent to the passing of a resolution. The work of the Supervisory Board in the meetings is intensive and characterised by the specialist expertise of its members. The Supervisory Board has set up two committees, the Human Resources Committee and the Audit Committee; however the Human Resources Committee has not developed any active role since 1999 since due to its exclusive function as a holding company the Company does not employ any staff of its own and the appointment and dismissal of the Management Board of the Personally Liable General Partner is the responsibility of its Administrative Board. The Audit Committee, which fulfils statutory duties and of which under the rules of procedure the Chairman of the Supervisory Board is an "automatic" member has a Chairman, Dr Sebastian Biedenkopf, who has the requisite specialist knowledge (financial expert). The Audit Committee usually convenes twice a year. The Chairman of the Supervisory Board regularly maintains contact with the Management Board, and consults with it on an ongoing basis on the course of business. The Supervisory Board is also kept regularly informed by the Management Board about the development of the Company through legally stipulated reports and, where required, special reports.

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 8,000.00. The Deputy Chairman of the Supervisory Board shall receive 1.5 times and the Chairman of the Supervisory Board three times this amount."

Each member of the Audit Committee shall additionally receive annual compensation of EUR 2,000.00. The Chairman of the Audit Committee shall receive double this amount.

For information regarding the remuneration of the statutory organs of the company, we refer to No. 39 and No. 45 of the Notes to the Consolidated Financial Statements.

Cooperation between Personally Liable General 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, (in particular financial, investment and Human Resources planning), the development of business, especially of revenue, the situation of the Company, the financial and earnings position, and profitability, planning deviations stating reasons, the risk situation, in particular transactions that may materially affect the Company's profitability or liquidity, as well as 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 Corporation 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 examines and approves the financial statements and the management report of the Company as well as the consolidated financial statements and Group management commentary and management's proposal on the appropriation of net retained profits.

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. Between meetings he maintains regular contact to the Management Board of the Personally Liable General Partner.

For more information we refer to the Report of the Supervisory Board on page 24 of our Annual Report. The Annual Report is also published on our website www.eurokai.de.

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"). The legally stipulated reports, documents and information required for the General Meeting are published on the Internet together with the agenda of the General Meeting and any counter-motions or nominations on the part of the shareholders that the Company is obliged to make accessible to the public.

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, in particular of the manual pertaining to the early risk identification system of the EUROGATE and the CONTSHIP Italia Group, 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 WirtschaftsprüfungsCompany, Hamburg, who were appointed by the 2012 General Meeting.

Declaration of Conformity of EUROKAI KGaA with the German Corporate Governance Code

The Management Board of Kurt F.W.A. Eckelmann GmbH, Hamburg, as Personally Liable General Partner and the Supervisory Board of EUROKAI KGaA have issued a Declaration of Conformity with the German Corporate Governance Code as required by Section 161 of the Joint Stock Corporation Act (AktG). In this document – taking into account the specific organisational distinctions of the legal form of a partnership limited by shares (KGaA) as set out in the following and the structuring of this legal form through the Articles of Association – they declare that with the exceptions set out below, EUROKAI KGaA (hereinafter the "Company")

- since the last Declaration of Conformity was submitted in April 2012 up to the present complied with the recommendations of the German Corporate Governance Code (hereinafter the "Code") in the version dated 26 May 2010 up to the publication of the new version dated 15 May 2012, and
- currently complies with or in future will comply with the recommendations of the Code in the version dated 15 Mai 2012 as amended.

A. Specific organisational distinctions of the legal form of a partnership limited by shares (KGaA)

- The Company is a Kommanditgesellschaft auf Aktien – KGaA (partnership limited by shares). In a KGaA, the duties of the management board of a joint stock company ("AG") are the responsibility of the personally liable general partner. The sole Personally Liable General Partner of the Company is Kurt F.W.A. Eckelmann GmbH, Hamburg, whose managing directors ("Managing Directors") are thus responsible for conducting the business of the Company.
- In comparison with the supervisory board of a German joint stock corporation, the role of a supervisory board of a KGaA is limited. In particular, the Supervisory Board is not responsible for appointing or dismissing general partners or for regulating the terms and conditions of their contracts, issuing rules of procedure for the Management Board or a determining business transactions requiring approval. For this reason, Section 7 of the Company's Articles of Association requires that the Personally Liable General Partner obtain the prior approval of the Supervisory Board for all extraordinary transactions. To this end Section 7 of the Articles of Association contains a catalogue of business transactions requiring approval.
- The general meeting of a KGaA fundamentally has the same rights as the general meeting of an AG; it additionally resolves on the adoption of the annual financial statements of the Company. Many of the resolutions made by the General Meeting require the consent of the Personally Liable General Partner; particularly the adoption of the Company's annual financial statements.
- Although the concrete wording of the recommendations of the Code does not in all instances take into account the specific organisational distinctions of the legal form of a KGaA, the sole Personally Liable General Partner, Kurt F.W.A. Eckelmann GmbH, and the Supervisory Board have agreed to currently and in future comply with the recommendations of the Code with the exceptions stated in Section C below.

B. Exceptions to the recommendations of the Code in the version of 26 May 2010 up to publication of the new version dated 15 May 2012, since the last Declaration of Conformity was submitted in April 2012 up to the present

In the past, i.e. since the last Declaration of Conformity was submitted in April 2012, to which reference is made, up to the present, the Company has complied with the recommendations of the Code in the version dated 26 May 2010, with the following exceptions.

Where in the following reference is made to provisions of the Code, this shall relate to the Code in the version dated 26 May 2010.

2.3.1 and 2.3.3
Postal Vote

The Company has not offered a postal vote. Given the high level of attendance of the shareholders at General Meetings in the past, the Company did not anticipate any rise in attendance through the introduction of a postal vote.

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

No deductible was agreed upon in the D&O policy for the Supervisory Board because neither the Personally Liable General Partner nor the Supervisory Board believed that the motivation and responsibility which the Supervisory Board brings to the fulfilment of its duties can be improved by any such deductible.

4.1.5
Managerial Positions in the Enterprise, Diversity

Deviating from this recommendation, the Personally Liable General Partner and the Supervisory Board were of the opinion that while diversity should be taken into account in personnel decisions, when filling executive positions the election bodies must be free in their decision to select whoever is personally and professionally the most suitable candidate.

4.2.2 and 4.2.3
Compensation of the Management Board, Compensation Structure

The Personally Liable General Partner and the Supervisory Board did not consider the recommendations of the Code to be applicable and therefore did not follow them since, as in previous years, the Management Board of the Personally Liable General Partner Kurt F.W.A. Eckelmann GmbH did not receive any compensation for its work from the Company. However it does receive remuneration at the expense of the respective subsidiaries for duties performed there.

5.1.2
Diversity on the Management Board

This recommendation was considered as not being applicable because the Management Board of the Personally Liable General Partner is not appointed by the Supervisory Board of the Company, but by the Administrative Board of Kurt F.W.A. Eckelmann GmbH. The Management Board of the Personally Liable General Partner was composed of one female member (British citizen) and one male member.

5.2
Supervisory Board Committees

Pursuant to Section 5.2 (2) of the Code, the Chairman of the Supervisory Board shall also chair the committee that handles contracts with members of the Management Board.

This committee did not exist in the Company because the contracts with the Managing Directors of the Personally Liable General Partner are the responsibility of its Administrative Board and not of the Supervisory Board.

5.3.3
Nomination Committee

The Company did not set up a Nomination Committee because the Supervisory Board is composed of only six representatives of the shareholders and in the opinion of the Personally Liable General Partner and the Supervisory Board is in a position to directly and efficiently make election recommendations to the General Meeting.

5.4.1, 5.4.2 and 5.4.5
Composition of the Supervisory Board

The recommendations under these Sections of the Code were not applied. While the Supervisory Board took the selection criteria of Subsections 5.4.1, 5.4.2 and 5.4.5 of the Code into account in its decisions, it shared the opinion of the Personally Liable General Partner that the Supervisory Board and the General Meeting should be free in their decision to propose and ultimately appoint the most suitable candidate to perform the duties of a member of the Supervisory Board. For this reason, the Supervisory Board also refrained from specifying an age limit for its members.

5.4.6
Compensation of the Members of the Supervisory Board

This recommendation was not applied because in the opinion of the Personally Liable General Partner and the Supervisory Board compensation for the chairmanship or simple membership on a committee could be waived due to the fact that meetings of the Supervisory Board and its committees are usually held close together. However, this was made subject to the proviso that a proposal for the remuneration of the chairmanship and membership on the Audit Committee was to be submitted to the then pending General Meeting of 20 June 2012, which was the case. At its session of 20 June 2012, the General Meeting agreed on a new compensation system.

6.6
Disclosure of the Ownership of Shares

Deviating from this recommendation, the Personally Liable General Partner and the Supervisory Board considered the statutory obligation to report and disclose dealings in shares of the Company without delay or the ownership of shares in the Company or related financial instruments to be adequate.

7.1.2
Reporting
This recommendation was not applied; the consolidated financial statements and interim reports were published pursuant to the statutory requirements.

C. Current and future exceptions to the recommendations of the Code in the current version dated 15 May 2012

Currently and in the future the Company complies and will comply with the recommendations in the Code in the version dated 15 May 2012, with the following exceptions.

Where in the following reference is made to provisions of the Code, this shall relate to the Code in the current version dated 15 May 2012.

3.8 (3)
Deductible in the D&O (directors' and officers' liability insurance) policy for the Supervisory Board
No deductible has been agreed upon in the D&O policy for the Supervisory Board because neither the Personally Liable General Partner nor the Supervisory Board believed that the motivation and responsibility which the Supervisory Board brings to the fulfilment of its duties can be improved by any such deductible.

5.2
Supervisory Board Committees
Pursuant to Section 5.2 (2) of the Code, the Chairman of the Supervisory Board shall also chair the committee that handles contracts with members of the Management Board.

This committee does not exist in the Company because the contracts with the Managing Directors of the Personally Liable General Partner are the responsibility of its Administrative Board and not of the Supervisory Board.

5.3.3
Nomination Committee
Pursuant to Section 5.3.3 of the Code, the Supervisory Board is to form a nomination committee composed exclusively of shareholder representatives which proposes suitable candidates to the Supervisory Board for recommendation to the General Meeting.

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 representatives of the shareholders and is therefore in a position to directly and efficiently make election recommendations to the General Meeting.

5.4.1
Composition of the Supervisory Board
Pursuant to Section 5.4.1 (1 to 3) of the Code, the Supervisory Board shall specify concrete objectives regarding its composition which shall, in particular, stipulate an appropriate degree of female representation.

Deviating from this recommendation, the Supervisory Board has not specified any concrete objectives regarding its composition because it was and is of the opinion that while the selection criteria presented in Section 5.4 of the Code should be taken into account, ultimately the Supervisory Board and the General Meeting should be free in their decision to propose and ultimately appoint the most suitable candidate to perform the duties of a member of the Supervisory Board. This has been intensively discussed by the Supervisory Board. The Board will deal with this issue again at its next meetings and will probably deviate from its current practice and in future follow the recommendation to state concrete objectives regarding its composition.

6.6
Disclosure of the Ownership of Shares
Pursuant to Section 6.6 of the Code, beyond the statutory obligation to report and disclose dealings in shares of the company without delay, 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.

Both the Personally Liable General Partner and the Supervisory Board consider the relevant statutory obligation to report and disclose dealings in shares of the Company without delay to be adequate. It therefore does not apply this recommendation.

7.1.2
Reporting
Pursuant to Section 7.1.2 of the Code, the consolidated financial statements shall be publicly accessible within 90 days of the end of the financial year; interim reports (half-yearly and any quarterly reports) shall be publicly accessible within 45 days of the end of the reporting period.

The Company does not apply this recommendation, and is practically not in a position to do so. The Company is a pure financial holding company and therefore relies on the figures provided by its investment holdings, which it regularly does not receive in time to comply with the recommendation. 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).

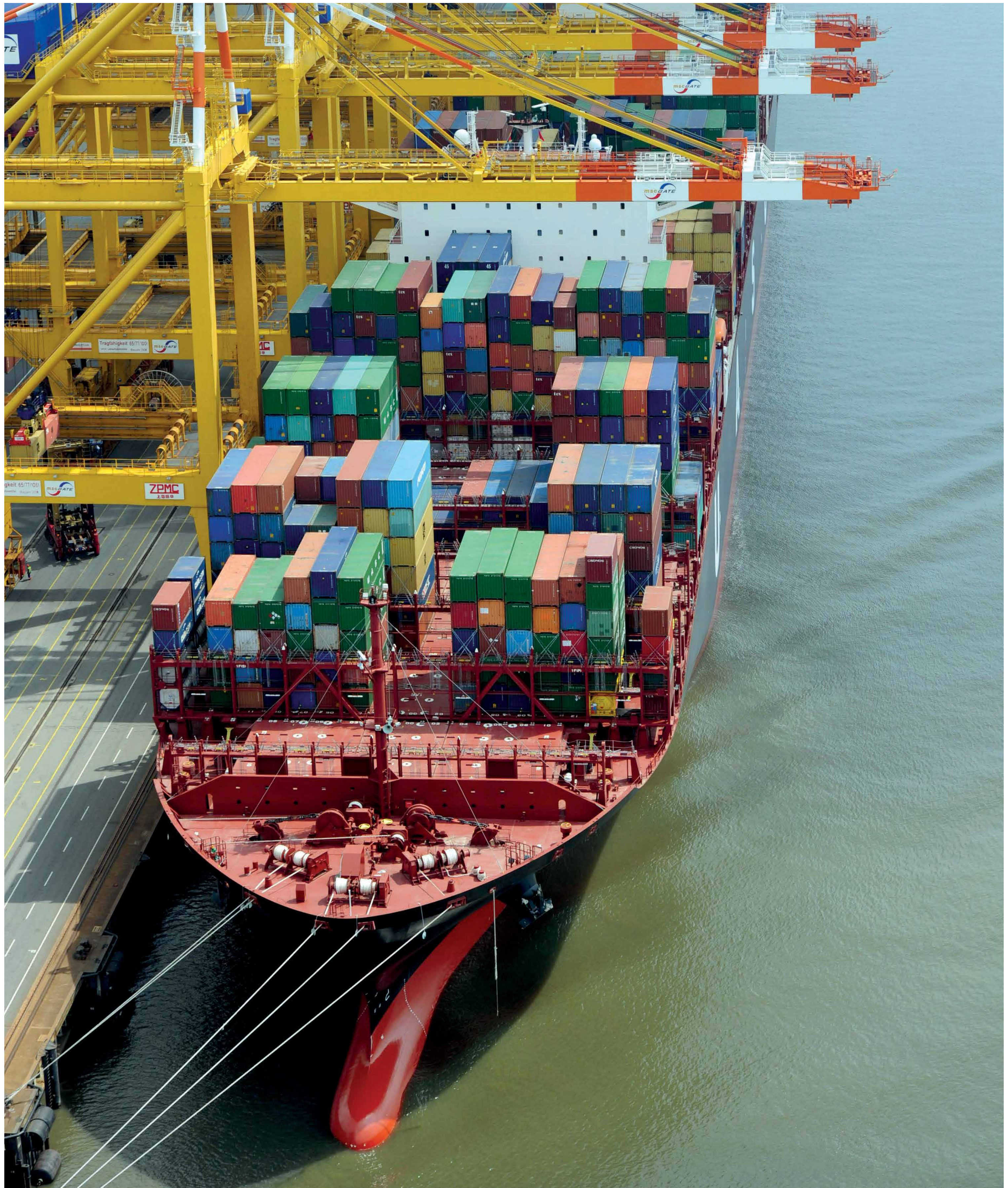
Hamburg, Germany, April 2013

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

Thomas H. Eckelmann (Chairman)
Cecilia E. M. Eckelmann-Battistello

Supervisory Board

05 Consolidated Financial Statements in accordance with IFRS



The megacarrier "Jebel Ali" (13,500 TEUs) belonging to the UASC shipping line called at MSC GATE Bremerhaven in June 2012.

	2012	2011
	EUR '000	EUR '000
Revenue	603,898	604,209
Other operating income	48,921	41,927
Cost of materials	–187,367	–186,692
Personnel expenses	–293,181	–279,450
Deprecation, amortisation and write-downs	–66,133	–66,744
Other operating expenses	–52,457	–52,892
Profit before realised investment gains (losses, interest and taxes (EBIT))	**53,681**	**60,358**
Interest and similar income	3,953	2,194
Finance costs – net	–14,522	–14,954
Income from associates	–2,922	1,140
Income from other investees	640	1,927
Other financial income (costs)	–148	10
Profit before income tax (EBT)	**40,682**	**50,675**
Income tax expense	–11,790	–14,297
Consolidated profit for the year	**28,892**	**36,378**
Profit attributable to:		
Equity holders of the parent	19,800	28,597
Hybrid capital holders	4,995	4,995
Non-controlling interests	4,097	2,786
	28,892	**36,378**
Diluted and basic earnings per share (in EUR)	**1.25**	**1.80**

	2012	2011
	EUR '000	EUR '000
Consolidated net profit for the year	**28,892**	**36,378**
Income and expense directly recognised in equityt		
Valuation adjustments of financial instruments	–175	82
Valuation adjustments of available-for-sale financial assets	83	–120
Exchange differences on translation	10	–7
of which in respect of non-controlling interests	0	0
Deferred tax on valuation adjustments of available-for-sale financial assets directly recognised in equity	–26	38
Deferred tax on valuation adjustments of financial instruments directly recognised in equity	60	35
Total comprehensive income directly recognised in equity	**–48**	**28**
Total recognised income and expense	**28,844**	**36,406**
Attributable to:		
Equity holders of the parent	19,701	28,562
Hybrid capital holders	4,995	4,995
Non-controlling interests	4,148	2,849
	28,844	**36,406**

On 21 September 2012, EUROGATE inaugurated Germany's only deep-water container terminal.
The "Mærsk Laguna" was the first container ship to be officially cleared.

Assets	31.12.12	31.12.11
	EUR '000	EUR '000
Non-current assets		
Intangible assets		
Goodwill	512	512
Other intangible assets	74,598	60,235
	75,110	**60,747**
Property, plant and equipment		
Land, land rights and buildings including buildings on third-party land	205,883	175,122
Plant and machinery	316,315	308,679
Other equipment, furniture and fixtures	13,265	11,673
Prepayments and assets under construction	15,675	40,569
	551,138	**536,043**
Financial assets		
Investments in associates	32,186	39,057
Long-term investors and investees	3,847	3,854
Other financial assets	40,301	7,937
	76,334	**50,848**
Deferred tax assets	13,957	11,725
Other non-current financial assets	15,217	423
Other non-current non-financial assets	11,434	18,389
Total Non-current assets	**743,190**	**678,175**
Current assets		
Inventories	17,425	16,647
Trade receivables	119,182	93,591
Other current financial assets	33,860	29,293
Other current non-financial assets	35,728	30,764
Current tax receivables	6,040	2,567
Cash and cash equivalents	103,930	108,109
Total Current assets	**316,165**	**280,971**
Assets classified as held for sale	**0**	**506**
Total Assets	**1,059,355**	**959,652**

Equity and Liabilities	31.12.12	31.12.11
	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	–1,160	–994
Foreign currency reserves	–9	–19
Reserve from the fair-value measurement of available-for-sale financial assets	270	213
Reserve from other changes in equity of associates	364	0
Retained earnings	75,557	68,057
Net retained profits	219,539	227,905
Equity attributable to equity holders of the parent	**310,124**	**310,725**
Equity attributable to the hybrid capital holders	77,010	77,010
Equity attributable to non-controlling interests	83,086	63,365
Total Capital and reserves	**470,220**	**451,100**
Liabilities and provisions		
Non-current liabilities and provisions		
Non-current liabilities, net of current portion	157,024	125,579
Government grants	40,891	43,090
Other non-current financial liabilities	71,057	54,378
Other non-current non-financial liabilities	4,409	4,898
Deferred tax liabilities	15,888	16,710
Provisions		
Provisions for pensions and other post-employment benefits	38,425	38,624
Other non-current provisions	21,469	17,744
	349,163	**301,023**
Current liabilities and provisions		
Current portion of non-current financial liabilities	31,786	38,683
Trade payables and other liabilities	60,421	62,937
Government grants	3,754	3,434
Other current financanl liabilities	111,287	69,052
Other current non-financial liabilities	17,243	14,113
Current tax payables	5,189	9,950
Provisions		
Provisions for employee benefits	4,379	4,730
Other current provisions	5,913	4,630
	239,972	**207,529**
Total Liabilities and provisions	**589,135**	**508,552**
Total Equity and Liabilities	**1,059,355**	**959,652**

	2012	2011
	EUR '000	EUR '000
1. Cash flows from operating activities		
Profit before income tax	40,682	50,675
Depreciation, amortisation and impairment losses	66,133	66,744
Gain/loss on disposals of intangible assets and PPE	–210	–485
Forgeign exchange loss/gain	192	1
Non-cash acquisition/disposal of shares in associates	2,922	–1,140
Gain/loss on long-term investments including other financial assets	–640	–1,927
Interest	10,569	12,760
Operating profit before changes in assets carried as working capital	**119,648**	**126,628**
Change in trade receivables	–25,591	3,185
Net change in other financial and non-financial assets	–8,120	–22,439
Change in inventories	–778	–805
Increase in government grants	–3,438	–3,268
Change in provisions which affects income excluding addition of accrued interest and additions from capitalised demolition costs	–2,297	–4,938
Change in trade payables including other financial assets and non-financial assets	9,073	10,669
Cash outflows from changes in assets carried as working capital	**–31,151**	**–17,596**
Interest received	2,728	1,896
Interest paid	–11,602	–11,726
Income taxes paid/received	–21,320	–17,810
Interest and income taxes paid	**–30,194**	**–27,640**
Net cash generated from operating activities	**58,303**	**81,392**

	2012	2011
	EUR '000	EUR '000
2. Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment and intangible assets	1,348	4,073
Investments in property, plant and equipment and intangible assets	–75,729	–55,529
Proceeds from disposals of available-for-sale assets	506	0
Proceeds from government grants	11,890	6,965
Loans granted to third parties	–1,044	–114
Loans granted to associates and joint undertakings	–22,499	0
Dividends received	1,745	3,971
Net cash used in investing activities	**–83,783**	**–40,634**
3. Cash flows from financing activities		
Dividends paid to equity holders	–17,961	–10,331
Dividends paid to hybrid capital holders	–4,995	–4,995
Dividends paid to non-controlling interests	–7,552	–4,870
Proceeds from repayments/payments from the granting of shareholder loans	1,665	–1,665
Proceeds from issuance of shareholder loans	13,400	0
Proceeds from issuance of non-current financial liabilities	20,210	62,617
Repayment of non-current financial liabilities	–21,777	–30,559
Increase in finance lease liabilities	12,930	110
Repayment of finance lease liabilities	–8,550	–7,056
Deferred supplier payments	–1,440	–1,440
Net cash used in financing activities	**–14,070**	**1,811**
Net increase/decrease in cash and cash equivalents (subtotal of 1 to 3)	–39,550	42,569
Cash and cash equivalents at 1 January	105,799	63,230
Cash and cash equivalents at end of period	**66,249**	**105,799**
Composition of cash and cash equivalents		
Cash and cash equivalents	103,930	108,109
Bank liabilities/overdrafts due on demand	–37,681	–2,310
Cash and cash equivalents at end of period	**66,249**	**105,799**

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 investments 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.

Inter-segment revenues are recognised at prices corresponding to fair market prices.

At 31 December 2012 the segments were broken down as follows:

31.12.2012	EUROKAI	CONTSHIP Italia	EUROGATE	Consolidation	Total
	EUR ’000	EUR ’000	EUR ’000	EUR ’000	EUR ’000
Revenue	9,628	271,890	327,067	–4,687	603,898
thereof with other segments	4,687	0	0	–4,687	0
thereof with other customers	4,941	271,890	327,067	0	603,898
Interest revenue	451	1,129	2,449	–76	3,953
Interest expense	–316	–3,779	–10,436	9	–14,522
Comprehensive income from entities accounted for using the equity method	287	–107	–3,102	0	–2,922
EBT	210	12,679	29,330	–1,537	40,682
Segment assets	43,622	364,607	453,626	–17,737	844,118
Segment liabilities	3,254	220,709	342,853	–1,979	564,837
Depreciation, amortisation and write-downs	–2	–28,867	–37,242	–22	–66,133
Investments	0	17,365	79,381	0	96,746

At 31 December 2011 the segments were broken down as follows:

31.12.2011	EUROKAI	CONTSHIP Italia	EUROGATE	Consolidation	Total
	EUR ’000	EUR ’000	EUR ’000	EUR ’000	EUR ’000
Revenue	9,521	271,012	328,407	–4,731	604,209
thereof with other segments	4,731	0	0	–4,731	0
thereof with other customers	4,790	271,012	328,407	0	604,209
Interest revenue	585	711	966	–68	2,194
Interest expense	–533	–3,572	–10,840	–9	–14,954
Comprehensive income from entities accounted for using the equity method	–358	1,568	–70	0	1,140
EBT	–483	11,310	40,718	–870	50,675
Segment assets	44,865	332,419	417,249	–18,226	776,307
Segment liabilities	3,000	192,815	301,003	–17,688	479,130
Depreciation, amortisation and write-downs	–2	–29,861	–36,859	–22	–66,744
Investments	3	19,042	37,840	0	56,885

								Generated equity					
	Issued capital	Capital attributable to Personally Liable General Partner	Capital reserves	Reserve from the fair value measurement of financial derivatives	Foreign currency reserves	Reserve from the fair value measurement of available-for-sale financial assets	Reserve from other changes in equity of associates	Retained earnings	Net retained profits	Equity attributable to equity holders of the parent	Equity attributable to the hybrid capital holders	Equity attributable to non-controlling interests	Total equity
	EUR '000	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 2010	**13,468**	**294**	**1,801**	**–1,048**	**–12**	**295**	**0**	**60,557**	**217,139**	**292,494**	**77,010**	**65,386**	**434,890**
Changes in 2011 fiscal year													
Income and expense directly recognised in equity	0	0	0	54	–7	–82	0	0	0	–35	0	63	28
Consolidated profit for the year	0	0	0	0	0	0	0	0	28,597	28,597	4,995	2,786	36,378
Net profit for the period	**0**	**0**	**0**	**54**	**–7**	**–82**	**0**	**0**	**28,597**	**28,562**	**4,995**	**2,849**	**36,406**
Dividends paid to equity holders	0	0	0	0	0	0	0	0	–10,331	–10,331	0	0	–10,331
Dividends paid to non-controlling interests	0	0	0	0	0	0	0	0	0	0	0	–4,870	–4,870
Appropriations to retained earnings	0	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	0	–4,995	0	–4,995
Balance at 31 December 2011	**13,468**	**294**	**1,801**	**–994**	**–19**	**213**	**0**	**68,057**	**227,905**	**310,725**	**77,010**	**63,365**	**451,100**
Changes in 2012 fiscal year													
Income and expense directly recognised in equity	0	0	0	–166	10	57	0	0	0	–99	0	51	–48
Consolidated profit for the year	0	0	0	0	0	0	0	0	19,800	19,800	4,995	4,097	28,892
Net profit for the period	**0**	**0**	**0**	**–166**	**10**	**57**	**0**	**0**	**19,800**	**19,701**	**4,995**	**4,148**	**28,844**
Dividends paid to equity holders	0	0	0	0	0	0	0	0	–17,961	–17,961	0	0	–17,961
Dividends paid to non-controlling interests	0	0	0	0	0	0	0	0	0	0	0	–7,552	–7,552
Appropriations to retained earnings	0	0	0	0	0	0	0	7,500	–7,500	0	0	0	0
Changes in other equity transactions of associates	0	0	0	0	0	0	364	0	0	364	0	0	364
Changes in ownership interests without loss of control	0	0	0	0	0	0	0	0	–2,705	–2,705	0	23,125	20,420
Compensation for the holders of hybrid capital	0	0	0	0	0	0	0	0	0	0	–4,995	0	–4,995
Balance at 31 December 2012	**13,468**	**294**	**1,801**	**–1,160**	**–9**	**270**	**364**	**75,557**	**219,539**	**310,124**	**77,010**	**83,086**	**470,220**

	Historical costs					Accumulated amortisation and impairment losses				Carrying amounts	
	1.1.2012	Additions	Disposals	Reclassifications	31.12.2012	1.1.2012	Additions	Disposals	31.12.2012	31.12.2012	31.12.2011
	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	109,630	18,525	–70	247	128,332	–49,395	–4,342	3	–53,734	74,598	60,235
	110,142	**18,525**	**–70**	**247**	**128,844**	**–49,395**	**–4,342**	**3**	**–53,734**	**75,110**	**60,747**
Property, plant and equipment											
Land, land rights and buildings	310,962	28,049	–176	17,228	356,063	–135,840	–14,353	13	–150,180	205,883	175,122
Machinery	676,030	32,419	–13,107	19,806	715,148	–367,351	–43,746	12,264	–398,833	316,315	308,679
Other equipment, furniture and fixtures	64,876	5,073	–2,308	293	67,934	–53,203	–3,692	2,226	–54,669	13,265	11,673
Prepayments and assets under construction	40,569	12,680	0	–37,574	15,675	0	0	0	0	15,675	40,569
	1,092,437	**78,221**	**–15,591**	**–247**	**1,154,820**	**–556,394**	**–61,791**	**14,503**	**–603,682**	**551,138**	**536,043**
Financial assets											
Investments in associates	39,196	689	–7,560	0	32,325	–139	0	0	–139	32,186	39,057
Investments	4,304	0	–7	0	4,297	–450	0	0	–450	3,847	3,854
Other financial assets	7,937	35,045	–2,681	0	40,301	0	0	0	0	40,301	7,937
	51,437	**35,734**	**–10,248**	**0**	**76,923**	**–589**	**0**	**0**	**–589**	**76,334**	**50,848**
Total non-current assets	**1,254,016**	**132,480**	**–25,909**	**0**	**1,360,587**	**–606,378**	**–66,133**	**14,506**	**–658,005**	**702,582**	**647,638**

06 Financial Statements of EUROKAI KGaA, Hamburg

The naming ceremony of the ULCV "Ain Snan" (13,500 TEUs) belonging to the UASC shipping line took place at the EUROGATE Container Terminal Hamburg on 24 May 2012. Godfather was Emanuel Schiffer, Chairman of the EUROGATE Group Management Board.

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 2012, for which Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft issued an unqualified opinion, and the management report of EUROKAI KGaA for 2012 are published in the electronic version of the Federal Gazette (Bundesanzeiger) and deposited in the Commercial Register.

	2012		2011	
	EUR '000	%	EUR '000	%
Income statement				
Sales	9,628		9,521	
Other operating income	635		105	
Operating income	**10,263**	**100**	**9,626**	**100**
Cost of materials	–9,432	–92	–9,327	–97
Personnel expenses	–135	–1	–43	–2
Depreciation/amortisation/write-downs	–2	0	–2	0
Other operating expenses	–2,176	–21	–1,366	–23
Other taxes	–4	0	–6	0
Operating expenses	**–11,749**	**–114**	**–10,744**	**–116**
Operating income/loss	**–1,486**	**–14**	**–1,118**	**–16**
Financial result	139		48	
Investment result	51,552		37,692	
Taxes on income	–5,179		–6,665	
Net income for the year	**45,026**		**29,957**	
Balance sheet				
Assets				
Fixed assets	175,727	70	165,900	73
Receivables from long-term investees and investors	34,282	14	35,360	15
Other assets, prepaid expenses and deferred income and liquid funds	40,106	16	26,920	12
	250,115		**228,180**	
Equity and liabilities				
Equity	246,525	99	219,460	96
Provisions	2,418	1	7,875	3
Other liabilities	1,172	0	845	0
	250,115		**228,180**	

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 9.6 million (previous year: EUR 9.5 million) – which, however, is counterbalanced by almost equal initial rental expenses. The fiscal year 2012 showed income from investments of EUR 51.6 million (previous year: EUR 37.7 million) which with EUR 34.5 million (previous year: EUR 35.5 million) in the fiscal year 2012 relates to profit attributable to EUROGATE GmbH & Co. KGaA, KG, Bremen. In addition, EUROKAI KGaA reoprted dividends from CONTSHIP Italia S.p.A. in the amount of EUR 15.2 million (previous year: EUR 0.0 million). Taking administrative costs, net interest income and taxes on income into account, EUROKAI KGaA showed net income for the year of EUR 45.0 million (previous year: 30.0 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 dividend distribution included in the single-entity financial statements of EUROKAI KGaA for the first time in the 2012 fiscal year of CONTSHIP Italia S.p.A., Genoa, of EUR 15,152,000 (previous year: EUR 0,000), in which following internal Group restructuring EUROKAI KGaA now directly holds 66.6% of the shares. Income from investments additionally includes dividends from Borgo Supermercati S.r.l., Genoa, amounting to EUR 1,420,000 (previous year: EUR 0,000) and from J.F. Müller & Sohn AG, Hamburg, amounting to EUR 450,000 (previous year: EUR 1,148,000).

Financial position

Based on the results of EUR 45,026,000 posted in 2012 (previous year: EUR 29,957,000) a cash flow was generated from ordinary operations of EUR 40,404,000 (previous year: EUR 24,667,000).

Net assets

The increase in fixed assets at EUR 10,662,000 results mainly from the reinvestment of previously withdrawn profits in EUROGATE GmbH & Co. KGaA, KG, Bremen.

Receivables from long-term investees and investors are almost exclusively accounted for by the profit share attributable to EUROGATE GmbH & Co. KGaA, KG, Bremen, for the respective fiscal year.

Other assets, prepaid expenses and deferred income and liquid funds mainly include receivables from the tax authority of EUR 1,120,000 from income taxes (previous year: EUR 547,000) as well as call and fixed-term deposits and bank balances amounting to EUR 38,986,000 (previous year: EUR 26,372,000).

The Company's equity ratio at the end of the fiscal year 2012 was 99% (previous year: 96%).

Proposed appropriation of profits

The Personally Liable General Partner will propose to the Supervisory Board and the General Meeting that for 2012 a 100% dividend payment (previous year: 100%) be made from the net retained profits of EUROKAI KGaA of EUR 141,941,000 on the nominal value of ordinary and non-voting preference shares and an amount of EUR 7,500,000 be allocated to other revenue reserves.

At the TCR Terminal Contenitori Ravenna a container ship belonging to the MSC shipping line is cleared at night.

07 Other Disclosures

Other Disclosures

Personally Liable General Partner

Personally Liable General Partner of EUROKAI is Kurt F.W.A. Eckelmann GmbH, Hamburg with a share capital of EUR 100,000. 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 2012:

Dr Winfried Steeger, Hamburg, Germany
Chairman, from 20 June 2012
- Managing Director Jahr Holding GmbH & Co. KG, Hamburg, Germany

Dr Hans-Joachim Röhler, Burgwedel, Germany
Chairman, until 20 June 2012
Honorary Chairman, from 20 June 2012
- Lawyer, sole lawyer

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

Jochen Döhle, Hamburg, Germany
- Personally liable general partner Peter Döhle Schiffahrts KG, Hamburg, Germany

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

Max M. Warburg, Hamburg, Germany
- Personally liable general partner M.M. Warburg & CO Gruppe KGaA, Hamburg, Germany

Dr Sebastian Biedenkopf, Hamburg, Germany, from 20 June 2012
- General manager BIEDENKOPF & ASSOCIATES Strukturierungsberatung GmbH, Hamburg, Germany, lawyer

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, Member of the Supervisory Board
- EUROGATE Container Terminal Hamburg GmbH, Hamburg, Germany, Member of the Supervisory Board
- EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG, Wilhelmshaven, Germany, Member of the Advisory Board
- J.F. Müller & Sohn AG, Hamburg, Germany, Member of the Supervisory Board
- CONTSHIP Italia S.p.A., Genoa, Italy, Member of the Board of Directors
- Medcenter Container Terminal S.p.A., Gioia Tauro, Italy, Member of the Board of Directors (until 27 April 2012)
- Sogemar S.p.A., Lucernate di Rho (Mi), Italy, Chairman of the Board of Directors
- boxXpress.de GmbH, Hamburg, Germany, until 30 June 2012 Deputy Chairman of the Advisory Board, from 1 July 2012 Chairman of the Advisory Board

Cecilia E.M. Eckelmann-Battistello
- CONTSHIP Italia S.p.A., Genoa, Italy, Chairwoman of the Board of Directors
- Medcenter Container Terminal S.p.A., Gioia Tauro, Italy, Chairwoman of the Board of Directors
- La Spezia Container Terminal S.p.A., La Spezia, Italy, Deputy Chairwoman of the Board of Directors
- Sogemar S.p.A., Lucernate di Rho (Mi), Italy, Member of the Board of Directors
- CICT Porto Industriale Cagliari S.p.A., Cagliari, Italy, Chairwoman of the Board of Directors
- Terminal Contenitori Ravenna S.p.A., Ravenna, Italy, Member of the Board of Directors

Dr Winfried Steeger
- Druck und Verlagshaus Gruner + Jahr AG, Hamburg, Germany, Deputy Chairman of the Supervisory Board
- Verwaltungsgesellschaft Otto mbH (co-determined GmbH of the Otto Group), Hamburg, Germany, Member of the Supervisory Board
- Hemmoor Zement AG i.L., Hemmoor, Germany, Member of the Supervisory Board
- August Prien Verwaltung GmbH, Hamburg, Germany, Chairman of the Supervisory Board
- Symrise AG, Holzminden, Germany, Member of the Supervisory Board (from 16 May 2012)
- Kurt F.W.A. Eckelmann GmbH, Hamburg, Germany, Deputy Chairman of the Administrative Board
- Familie Eckelmann GmbH & Co KG, Hamburg, Germany, Deputy Chairman of the Administrative Board

Bertram R.C. Rickmers
- EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen, Germany, Member of the Supervisory Board
- Kurt F.W.A. Eckelmann GmbH, Hamburg, Germany, Member of the Administrative Board
- Familie Eckelmann GmbH & Co KG, Hamburg, Germany, Member of the Administrative Board
- Mankiewicz Gebr. & Co., Hamburg, Germany, Member of the Advisory Board
- Hellmann Worldwide Logistics GmbH & Co. KG, Osnabrück, Germany, Member of the Advisory Board
- Rickmers Maritime Trust (RMT), Singapore, Chairman of the Board of Directors

Jochen Döhle
- EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen, Germany, Member of the Supervisory Board
- Kurt F.W.A. Eckelmann GmbH, Hamburg, Germany, Member of the Administrative Board
- Familie Eckelmann GmbH & Co KG, Hamburg, Germany, Member of the Administrative Board
- Deutsche Schiffsbank AG, Bremen, Germany, Member of the Advisory Board (until 31 May 2012)
- HCI Capital AG, Hamburg, Germany, Member of the Supervisory Board
- J.J. Sietas Schiffswerft GmbH & Co., Hamburg, Germany, Member of the Advisory Board (until May 2012)
- Splosna Plovba, Portoroz, Slovenia, Member of the Supervisory Board

Raetke H. Müller
- KBH-Kommunikations-Beteiligungs-Holdings-GmbH, Wedemark-Bissendorf, Germany, Chairman of the Advisory Board
- Intelligent Apps GmbH, Hamburg, Germany, Member of the Advisory Board (until 13 November 2012)
- vevention GmbH, Hamburg, Germany, Member of the Advisory Board
- Metechon AG, Munich, Germany, Deputy Chairman of the Supervisory Board
- Impreglon SE, Lüneburg, Germany, Member of the Administrative Board (from 25 June 2012)
- DRSdigital AG, Zug, Switzerland, Member of the Administrative Board (from 16 August 2012)

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 & Co. KG, Hanover, Germany, Deputy Chairman of the Supervisory Board
- Private Life BioMed AG, Hamburg, Germany, Deputy Chairman of the 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, Hamburg, Germany, Chairman of the Administrative Board
- Familie Eckelmann GmbH & Co KG, 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 Board

Retired Supervisory Board member 2012:

Dr Hans-Joachim Röhler
- EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen, Member of the Supervisory Board
- Kurt F.W.A. Eckelmann GmbH, Hamburg, Germany, Member of the Administrative Board
- Familie Eckelmann GmbH & Co KG, Hamburg, Germany, Member of the Administrative Board

Supervisory Board remuneration amounted to EUR 58,291.65 in fiscal year 2012. Dr Röhler received EUR 5,000 thereof, Mr Rickmers EUR 9,125, Mr Müller EUR 7,083.33, Mr Biedenkopf EUR 7,000, Mr Döhle EUR 6,583.33, Dr Steeger EUR 15,583.33 and Mr Warburg EUR 7,916.66.

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 155,000 for the audit of the single entity and consolidated financial statements, EUR 303,000 for tax consulting services and EUR 141,000 for other services.

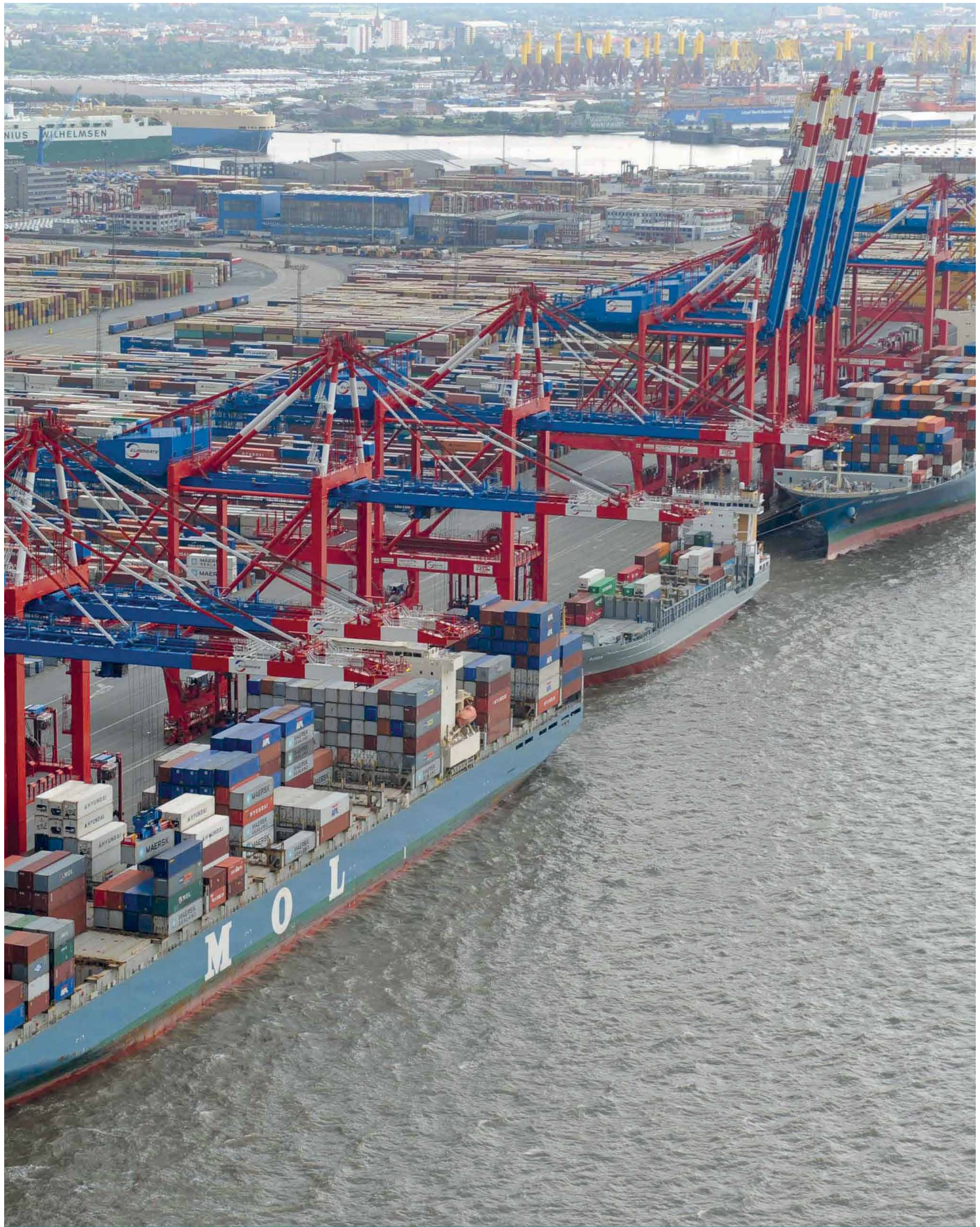
Corporate Governance

The Declaration of Conformity with the recommendations of the “Government Commission on the German Corporate Governance Code” as required pursuant to Section 161 of the Joint Stock Corporation 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, 26 March 2013

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

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



At the container terminal in Bremerhaven several ULCVs can be cleared simultaneously.
On 20 September 2012 two MOL main ships and two feeder ships were tied up alongside one another at the Bremerhaven quayside.

08 Auditor's Report, Affirmation of the Statutory Agent

Auditor's Report

We have issued the following opinion on the consildated financial statements and Group management commentary:

"We have audited the Group financial statements drawn up by EUROKAI Kommanditgesellschaft auf Aktien, Hamburg – which comprise consolidated income statement, statement of comprehensive income, consolidated statement of financial position, consolidated cash flow statement, statement of changes in equity and notes – and the Group management commentary for the fiscal year from 1 January to 31 December 2012. 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 315 a (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 315 a (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, 26 March 2013

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Ludwig
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, 26 March 2013

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 – from:

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