



## Interim report

First half-year 2008

### Recent developments

- HCI HAMMONIA SHIPPING AG is fully financed only six months after the IPO.
- Currently there are eight container vessels in service, with a total capacity in excess of 41,000 TEU.
- Structured company financing through ship mortgage loans concluded successfully.

## Welcome

Dear shareholders and business associates,

your company, HCI HAMMONIA SHIPPING AG, has set the right course.

Contrary to the general stock market trend, the share price of HCI HAMMONIA SHIPPING AG showed a positive performance. The share managed in the first half-year 2008 to disconnect from the insecurities on the capital and stock markets caused by the subprime crisis. Since the beginning of the year, the share price gained more than 8%. This development confirms our assessment that the share is an attractive investment which can contribute to the portfolio diversification in the long term.

In the first half-year 2008 three additional container vessels were acquired. These are 7,400 TEU capacity ships of the Post-Panamax class built in 1996 in Odense, Denmark. The ships were chartered upon acquisition to the largest shipping firm in the world, A.P. Moeller-Maersk, for 10 years each. The vessels were initially built at a Maersk-owned shipyard in compliance with Maersk's high technical specifications. The realization of this business transaction and the long-term charter to a first-class charterer with high credit ratings will make a contribution to the stabilization of the earnings of HCI HAMMONIA SHIPPING AG in the long term.

Thus HCI HAMMONIA SHIPPING AG is already fully financed within six months of the IPO in November 2007.

For the current financial year we continue to anticipate an improvement of the operating business. By commissioning the three above-mentioned 7,400 TEU ships, the handover of the two 2,546 TEU ships HAMMONIA TEUTONICA and HAMMONIA HOLSATIA on schedule, and the delivery of two more container vessels (HAMMONIA ROMA and HAMMONIA MASSILIA) planned for 2008, the contributions to revenues and earnings for the whole year will increase further.

With the delivery of the most recent new container vessel scheduled for the beginning of 2009 (HAMMONIA BAVARIA), HCI HAMMONIA SHIPPING AG will be under full steam.

Not later than the time all ships projected today are commissioned, HCI HAMMONIA SHIPPING AG will be able to tap the full potential for revenues and earnings in the year 2009.

HCI HAMMONIA SHIPPING AG is therefore on the right track for the achievement of the targeted continuous growth and the planned minimum return of 6.5 % p.a. on raised equity capital.

Hamburg, August 2008



Dr. Karsten Liebing  
Member of the  
Management Board



Jens Burgemeister  
Member of the  
Management Board

## The share

The share of HCI HAMMONIA SHIPPING AG showed a positive performance in the first half-year 2008, contrary to the general trend on the stock markets, and closed on 30 June 2008 with a price of EUR 1,200.00, roughly 8.1 % over the closing price of the first trading day in 2008. The share price reached its 26-week low of EUR 1,110.00 on 2 January 2008 and its 26-week high of EUR 1,200.00 on 13 June 2008, for the first time. This performance confirms our expectations that the share of HCI HAMMONIA SHIPPING AG will prove to be an attractive investment that can contribute to an optimisation of the portfolio.



— Last: 1,195 (28 Aug 2008)

### Share price development of HCI HAMMONIA SHIPPING AG

Due to the large denomination of shares and the predominant placement with institutional investors with long-term investment horizons, the share of HCI HAMMONIA SHIPPING AG has shown a low level of liquidity in stock exchange trading so far. 19 % of the shares of HCI HAMMONIA SHIPPING AG are held by savings banks, Raiffeisen cooperative banks and Volksbank cooperative banks, 23 % are held by insurance companies, 32 % are held by other banking institutes, and 26 % are held by other investors, for the most part institutional ones. The marginal free float of shares held by minor shareholders comes to less than 1%.

HCI HAMMONIA SHIPPING AG does not hold any number of its own shares.

WKN / ISIN	A0MPF5 / DE000A0MPF55
Exchange mnemonic / Reuters / Bloomberg	HHX.HAM / HHX.DE / HHX: GR
Stock category	no-par-value bearer ordinary shares
No. of shares	136,414
Designated Sponsors	HSH Nordbank AG, Nord/LB
Share price:	
highest price (13 Jun 2008)	EUR 1,200.00
lowest price (2 Jan 2008)	EUR 1,110.00
last price (28 Aug 2008)	EUR 1,195.00
Market capitalisation (28 Aug 2008)	EUR 163.00 million

# Interim group management report

## 1. Key business conditions and general conditions

As a listed shipping company, HCI HAMMONIA SHIPPING AG has the legal form of a joint stock company. Its business objective is the development of a fleet of up-to-date seagoing vessels and its operation in fast-growing shipping segments in order to generate a sustained return on our shareholders' investments. The focus is set on the dynamically growing segment of container vessels.

As the controlling Group company and managing holding, HCI HAMMONIA SHIPPING AG manages the respective subsidiaries' individual ship investments.

As of 30 June 2008, HCI HAMMONIA SHIPPING AG has direct interests in altogether twelve companies, with the following compulsory contributions of capital according to the respective articles of partnership:

■ MS „SAXONIA“ Schiffahrts GmbH & Co. KG	(EUR 10,226 thousand)
■ MS „WESTPHALIA“ Schiffahrts GmbH & Co. KG	(EUR 10,226 thousand)
■ MS „HAMMONIA POMERENIA“ Schiffahrts GmbH & Co. KG	(EUR 11,126 thousand)
■ MS „HAMMONIA HOLSATIA“ Schiffahrts GmbH & Co. KG	(EUR 11,176 thousand)
■ MS „HAMMONIA MASSILIA“ Schiffahrts GmbH & Co. KG	(EUR 11,326 thousand)
■ MS „HAMMONIA TEUTONICA“ Schiffahrts GmbH & Co. KG	(EUR 11,226 thousand)
■ MS „HAMMONIA BAVARIA“ Schiffahrts GmbH & Co. KG	(EUR 11,726 thousand)
■ MS „HAMMONIA ROMA“ Schiffahrts GmbH & Co. KG	(EUR 11,326 thousand)
■ MS „HAMMONIA FIONIA“ Schiffahrts GmbH & Co. KG	(EUR 17,000 thousand)
■ MS „HAMMONIA DANIA“ Schiffahrts GmbH & Co. KG	(EUR 17,000 thousand)
■ MS „HAMMONIA HAFNIA“ Schiffahrts GmbH & Co. KG	(EUR 17,000 thousand)
■ Verwaltung HCI HAMMONIA Schiffahrts GmbH	(EUR 25 thousand)

The mentioned investments and HCI HAMMONIA SHIPPING AG itself form the group of companies included in the consolidated financial statements. The companies, set up in the legal form of “GmbH & Co. KG“ (limited partnership with a limited liability company as general partner), are civil-law owners and operators of each individual ship as so-called single-ship limited partnerships.

Verwaltung HCI HAMMONIA Schiffahrts GmbH serves as the limited partnerships' personally liable partner (general partner).

The Group generates earnings with the operation of the ships. As of 30 June 2008 altogether eight seagoing vessels were in service.

## 2. Business development

In addition to the three seagoing vessels already in service since November or rather December 2007 (SAXONIA, WESTPHALIA, HAMMONIA POMERENIA), HCI HAMMONIA SHIPPING AG was able to acquire three used 7,400 TEU container vessels of the Post-Panamax class from the shipping company A.P. Moeller-Maersk A/S, Copenhagen, in April 2008, thus expanding the portfolio of HCI HAMMONIA SHIPPING AG and diversifying it with regard to size and capacity of the vessels in operation. These newly acquired ships are up-to-date full container ships built in 1996 at the Maersk-owned shipyard in Odense, with a length of 318.24 m, a width of 42.80 m, and a draught of 14.52 m. These

so-called Maersk K-class vessels were the largest container ships worldwide at the time of their completion. The inspectors of the contractual ship managing company, HAMMONIA Reederei GmbH & Co. KG, were able to assure themselves of the good technical condition of the roughly twelve-year-old ships on location in Singapore and Shanghai.

At the beginning of April 2008, both the acquisition of the three ships and the conclusion of a fixed 10-year charter with A.P. Moeller-Maersk A/S were agreed on. The takeover of the first ship, MS "HAMMONIA FIONIA", took place on 29 April 2008 as scheduled. In May 2008 the other two seagoing vessels, MS "HAMMONIA DANIA" and MS "HAMMONIA HAFNIA", were received by the charterer, overhauled successfully in the dry dock in Dubai under supervision of the inspection division of HAMMONIA Reederei GmbH & Co. KG, and supplied with new classification documents by Germanischer Lloyd. Docking costs stayed within the scheduled budget and docking periods were undercut by one and two days, respectively.

External financing of the acquisition of the three Maersk vessels was provided by a large and reputable Norwegian banking institute, DnB NOR.

Furthermore, the newly built 2,546 TEU container vessels of the Sub-Panamax class, MS "HAMMONIA TEUTONICA" and "MS HAMMONIA HOLSATIA", were delivered and commissioned on schedule in the second quarter 2008.

As of 30 June 2008, HCI HAMMONIA SHIPPING AG has a fleet of eight vessels in service. An additional three new ships will be ready for delivery by the end of 2008 and early 2009, respectively. By then the targeted investment volume will be achieved so that the company will probably reach the full scale of its planned business activity in the 2009 financial year for the first time.

By shareholders' resolution passed at the Annual General Meeting on 11 June 2008 with almost 100 % of the votes and without a single dissentient vote, the authorization for the creation of an authorized capital of EUR 68.2 million (plus a share premium of EUR 6.8 million to be allocated to capital reserve) was granted. With more than 99 % consentient votes, the shareholders also confirmed Andreas Uibeisen and Michael Hummel as successors of Kai-Kristian Meyer and Christian Kuppig on the Supervisory Board; Mr. Meyer and Mr. Kuppig had retired from the Board in April 2008 according to schedule.

### 3. Market development

The charter market for medium-sized contained vessels showed a sideways movement in the first half-year 2008 and was slightly weaker than at the beginning of the year, yet at a comfortable level for shipping companies.

The future development of charter rates for container vessels is expected by experienced market experts to be positive in the long run. For the short term, however, a collapse in transportation demand and therefore in charter rates due to the financial crisis and resulting consumer effects cannot be ruled out.

The slightly weaker current market situation for container ships of less than 3,000 TEU nominal capacity shows in the declining charter rates of recent closings. However, the impact of these weaker closings on the pool rates of the pools the ships of HCI HAMMONIA SHIPPING AG operate in are marginal in the short term.

For the long term a growing volume of containers handled worldwide can be expected, and rising demand for up-to-date container vessels is anticipated in the course of increasing globalization. This

demand will be carried in particular by the dynamically growing economies in China, India, and Latin America.

The expected dynamic development of container shipping markets is also reflected by the ordering activity with respect to new container vessels. Ordering activity focuses especially on large container vessels of the Post-Panamax class starting at 5,000 TEU. This leads to an increasing number of container vessels of this size in the medium term, ships operated primarily on the long intercontinental East-West and North-South routes in order to make the best possible use of the economies of scale. In this context the demand for small to medium-sized ships between 1,700 and 4,000 TEU will continue to rise as well in order to safeguard the feeder services of the ports

This will be necessary as vessels of the Post-Panamax class do not call at smaller ports. This cascading effect is noticeable in the business of container shipping today already, and it will further increase in the future. Yet it cannot be ruled out that charter rates in the segment relevant to HCI HAMMONIA SHIPPING AG might continue to drop until the end of the year or remain static at the level reached today.

## 4. Financial position, assets and liabilities, and profit and loss

### 4.1 Profit and loss

A comparison with the prior-year period is possible only to a limited degree as the Group started its operations in November 2007, initially with 3 seagoing vessels.

Subsequent to commissioning the first 3 seagoing vessels in November/December 2007, profit/loss of the first half-year 2008 is characterized by revenues of the seagoing vessels generated from time charter agreements and time charter pool investments.

The Group thus generated revenues of roughly EUR 14,046 thousand in the reporting period from 1 January to 30 June 2008.

In the reporting period, revenues were generated by the seagoing vessels MS "WESTPHALIA" and MS "SAXONIA" (pool revenues from the 3,100 TEU pool of Peter Döhle Schiffahrts-KG in both cases), the MS "HAMMONIA POMERENIA", the MS "HAMMONIA TEUTONICA", and the MS "HAMMONIA HOLSATIA" (pool revenues all, 2,500 TEU pool of Peter Döhle Schiffahrts-KG), as well as the MS "HAMMONIA DANIA", the MS "HAMMONIA HAFNIA", and the MS "HAMMONIA FIONIA" (all time charter A.P. Moeller) and can be broken down as follows:

Seagoing vessels in service during reporting period	Time charter/pool revenues from – to*	Revenues 1 Jan – 30 Jun 2008
WESTPHALIA	1 Jan – 30 Jun 2008	EUR 3,264 thousand
SAXONIA	1 Jan – 30 Jun 2008	EUR 3,267 thousand
HAMMONIA POMERENIA	1 Jan – 30 Jun 2008	EUR 2,796 thousand
HAMMONIA FIONIA	30 Apr – 30 Jun 2008	EUR 1,654 thousand
HAMMONIA DANIA	6 May – 30 Jun 2008	EUR 1,201 thousand
HAMMONIA HAFNIA	16 May – 30 Jun 2008	EUR 929 thousand
HAMMONIA HOLSATIA	22 May – 30 Jun 2008	EUR 608 thousand
HAMMONIA TEUTONICA	9 Jun – 30 Jun 2008	EUR 327 thousand
<b>Total</b>		<b>EUR 14,046 thousand</b>

\* The period stated for revenues varies according to the time of delivery of the individual ships

At about 20 days, the off-hire periods scheduled due to class docking of the MS "HAMMONIA DANIA" and the MS "HAMMONIA HAFNIA" remained below the initially budgeted number of days.

The Group achieved other operating income in the amount of EUR 1,183 thousand as a result of exchange rate gains for the most part.

The company's expenses primarily include running vessel operating costs and personnel expense, interest paid on ship mortgage loans, and p.r.t. depreciation of the seagoing vessels put into service in the previous year or in the reporting period. Depreciation of the new 2,500 TEU ships is carried out over total useful lives of 25 years in applying the straight-line method. The seagoing vessels MS "SAXONIA" and MS "WESTPHALIA", acquired as used ships, are depreciated over a remaining useful life of 21 years each. The three used 7,400 TEU ships (MS "HAMMONIA FIONIA", MS "HAMMONIA HAFNIA", MS "HAMMONIA DANIA") acquired in the second quarter 2008 are depreciated in consideration of remaining useful lives of 19 years under the straight-line method. Expenses can be broken down as follows:

Expenses	1 Jan – 30 June 2008
Vessel operating costs	EUR 4,394 thousand
Other operating expenses	EUR 3,248 thousand
Depreciation, amortisation and impairment of property, plant and equipment (vessels) and intangible assets	EUR 3,774 thousand
<b>Total</b>	<b>EUR 11,416 thousand</b>

Earnings before interest and taxes (EBIT) altogether amount to EUR 3,813 thousand in the reporting period. Taking up ship mortgage loans in the reporting period resulted in an interest expense of approx. EUR 1,731 thousand, contrasted by interest income from fixed deposit investments and other sources in the amount of EUR 828 thousand. Taxes of EUR 44 thousand included, the consolidated net income for the period from 1 January to 30 June 2008 comes to EUR 2,866 thousand.

#### 4.2 Financial position and assets and liabilities

In the reporting period, borrowed capital in the shape of ship mortgage loans for seven of the eight seagoing vessels in service was acquired in the amount of roughly 70 % of the vessels' acquisition costs while the remaining 30 % share was financed from the AG's equity. Borrowed capital of altogether USD 373,083 thousand was acquired in the reporting period (USD 329,667 thousand of fixed and USD 43,416 thousand of variable ship mortgage loans).

Redemption payments of USD 1,214 thousand on the fixed loans and of USD 4,616 thousand on the variable loans were made in the reporting period. As of balance sheet date 30 June 2008, the account balances of the ship mortgage loans amount to altogether USD 328,453 thousand and USD 38,800 thousand, respectively. In addition, there are corresponding loan commitments for the seagoing vessels not yet delivered, so that the entire credit limit comes to roughly USD 438 million.

Assets essentially include intangible assets capitalised in the previous year and developed accordingly (EUR 3,670 thousand), and assets in the shape of the 8 seagoing vessels in service (EUR 345,647 thousand). Another material item is composed by cash and cash equivalents of EUR 34,660 thousand. The change of cash and cash equivalents in comparison to the closing date of 31 December 2007 results from the five ship acquisitions financed to roughly 30 % from equity in the reporting period.

The most substantial item recognized in equity and liabilities is the equity of EUR 150,272 thousand, comprising subscribed capital (EUR 136,414 thousand), capital reserve (EUR 9,772 thousand), retained earnings (EUR 7,347 thousand), and accumulated other comprehensive income (EUR -3,261 thousand).

Under non-current liabilities, the ship mortgage loans with respect to the eight seagoing vessels in service in the amount of EUR 216,313 thousand are also noteworthy.

As shown by the consolidated cash flow statement, the Group generated a cash flow from operating activities of EUR 8,984 thousand in the reporting period 1 January to 30 June 2008. At a cash flow from investing activities of EUR -253,291 thousand, the resulting total financial resources come to EUR 34,660 thousand.

Financial position, assets and liabilities, and profit and loss can be regarded as altogether orderly and favourable.

Subsequent to the closing date for interim reporting, events carrying a potential impact on the Group's financial position, assets and liabilities, and profit and loss have not occurred.

## 5. Risk report

The Management Board of HCI HAMMONIA SHIPPING AG considers systematic and efficient risk management a dynamic task under constant development. The Group has implemented an elaborate DP-supported risk management system. Systematic risk identification and assessment are this system's integral components, as are measures for avoiding, reducing, and limiting risks. Special emphasis is placed on the early detection of risks that could jeopardise the Group's continued existence. Material risks result from the operation of ships, from financing activities, and from the legal form and the listing on the stock exchange.

The task of managing the risks associated with shipping operations and financing activities is the responsibility of HAMMONIA Reederei GmbH & Co. KG, operating all ships of HCI HAMMONIA SHIPPING AG as contractual ship manager. Alongside the Management Board, HCI Hanseatische Schiffsconsult GmbH assumes particular responsibility for providing advice on commercial, share and capital market-related issues.

For a reduction of the risks involved in chartering the fleet in service, HCI HAMMONIA SHIPPING AG operates the vessels MS "SAXONIA", MS "WESTPHALIA", MS "HAMMONIA POMERENIA", MS "HAMMONIA HOLSATIA", and MS "HAMMONIA TEUTONICA" in size-specific pools, thus reducing the risk of ships not being deployed or being deployed at inadequate charter rates, as well as the individual counterparty risks of the separate charterers. Peter Döhle Schiffahrts-KG, one of the most widely known and most reputable privately owned German shipping companies and brokerage houses, serves as pool manager.

The ships not yet delivered, HAMMONIA BAVARIA, HAMMONIA MASSILIA, and HAMMONIA ROMA, are subject to a binding agreement on the inclusion in one of the pools managed by Peter Döhle Schiffahrts-KG.

The purchased three new 7,400 TEU container vessels, HAMMONIA FIONIA, HAMMONIA DANIA, and HAMMONIA HAFNIA, have been chartered by the largest shipping company worldwide, A.P. Moeller-Maersk, for a binding term of at least 10 years, safeguarding a stabilisation of the profit situation in the long term.

In order to reduce risks relating to exchange rate and interest rate changes, HCI HAMMONIA SHIPPING AG has implemented an active interest and currency management. The ships are financed on the basis of matched currencies to the greatest possible extent, and remaining exchange rate risks are hedged in close cooperation with the Supervisory Board insofar as corresponding payment transactions are established already. The risk of interest rate changes is limited by the conclusion of derivative interest rate hedging transactions.

Potential for jeopardising the company's continued existence such as over-indebtedness, insolvency, or other risks with a particular or profound impact on the financial position, assets and liabilities, and profit and loss does not exist.

## 6. Opportunities for future development

Opportunities for future development arise particularly from the predictions of a dynamically growing volume of containers handled and the corresponding increased demand for up-to-date shipping tonnage.

Other aspects in support of a relatively stable demand for transportation capacity are the increasing dead time periods in the ports due to capacity bottleneck in ship cargo processing and the reduction of ship speed (so-called slow steaming) in order to save fuel costs. To be able to maintain their scheduled services, shipping companies must consequently operate a larger number of ships.

If the USD to EUR exchange rate should recover, this would probably lead to an improvement of the financial position, assets and liabilities, and profit and loss of HCI HAMMONIA SHIPPING AG.

## 7. Outlook

A vastly improved Group result from operations can be expected for the whole 2008 financial year. This assessment is supported by the year-round operation of the MS "SAXONIA", the MS "WEST-PHALIA", and the MS "HAMMONIA POMERENIA", the new ships MS "HAMMONIA HOLSATIA" and MS "HAMMONIA TEUTONICA" commissioned in the first half-year 2008, and the three purchased 7,400 TEU vessels MS "HAMMONIA FIONIA", MS "HAMMONIA DANIA", and MS "HAMMONIA HAFNIA". On the whole, a significant increase of the vessel operating result is anticipated due to the higher number of ships in service. However, proportionate expenses will increase at the same time.

The Group's investment programme will be executed until the end of the year 2008 and at the beginning of 2009 according to schedule. Delivery and commissioning of the two new 2,546 TEU Sub-Panamax vessels MS "HAMMONIA ROMA" and MS "HAMMONIA MASSILIA" are scheduled for the year 2008. The MS "HAMMONIA BAVARIA" will probably be put into service in January 2009.

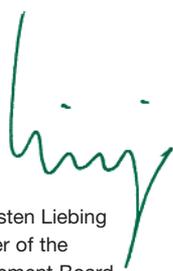
Further investments beyond the vessels already contracted are not planned at present.

## 8. Statutory Declaration

"To the best of our knowledge, and in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the company."

Hamburg, August 2008

HCI HAMMONIA SHIPPING AG



Dr. Karsten Liebing  
Member of the  
Management Board



Jens Burgemeister  
Member of the  
Management Board



## Group Interim Financial Statements

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## Income statement first half 2008

EUR	1 Jan – 30 Jun 2008	1 Jan – 30 June 2007*
Revenues	14,045,837.71	0.00
Vessel operating costs	-4,394,377.86	0.00
<b>Vessel operating result</b>	<b>9,651,459.85</b>	<b>0.00</b>
Personnel expenses	0.00	0.00
Other operating income	1,182,953.67	0.00
Other operating expenses	-3,248,115.54	-42,832.27
<b>Result from shipping operations</b>	<b>7,586,297.98</b>	<b>-42,832.27</b>
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	-3,773,700.87	0.00
<b>Earnings before interest and taxes (EBIT)</b>	<b>3,812,597.11</b>	<b>-42,832.27</b>
Interest income	827,864.58	84.48
Interest expenses	-1,730,538.63	0.00
<b>Earnings before taxes (EBT)</b>	<b>2,909,923.06</b>	<b>-42,747.79</b>
Income taxes	-44,192.62	0.00
<b>Consolidated net income</b>	<b>2,865,730.44</b>	<b>-42,747.79</b>
Earnings per share (basic) (EUR)	21.01	-854.96
Earnings per share (diluted) (EUR)	21.01	-854.96

## Income statement second quarter 2008

EUR	1 Apr – 30 Jun 2008	1 Apr – 30 June 2007*
Revenues	9,281,426.75	0.00
Vessel operating costs	-3,054,151.02	0.00
<b>Vessel operating result</b>	<b>6,227,275.73</b>	<b>0.00</b>
Personnel expenses	0.00	0.00
Other operating income	893,221.63	0.00
Other operating expenses	-1,578,992.66	-32,556.44
<b>Result from shipping operations</b>	<b>5,541,504.70</b>	<b>-32,556.44</b>
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	-2,800,515.49	0.00
<b>Earnings before interest and taxes (EBIT)</b>	<b>2,740,989.21</b>	<b>-32,556.44</b>
Interest income	379,760.98	54.45
Interest expenses	-1,611,692.91	0.00
<b>Earnings before taxes (EBT)</b>	<b>1,509,057.28</b>	<b>-32,501.99</b>
Income taxes	-44,148.02	0.00
<b>Consolidated net income</b>	<b>1,464,909.26</b>	<b>-32,501.99</b>
Earnings per share (basic) (EUR)	10.74	-650.04
Earnings per share (diluted) (EUR)	10.74	-650.04

\*As the operating business, the acquisition and operation of container vessels, was started only after the successful realization of the capital increase and the IPO of HCI HAMMONIA SHIPPING AG in the fourth quarter 2007, no significant figures can be presented for the purpose of comparison with the first three quarters of the 2008 financial year.

## Balance sheet

### Assets

EUR	30 June 2008	31 Dec 2007
<b>Non-current assets</b>	<b>352,162,353.41</b>	<b>106,239,030.45</b>
Intangible assets	3,669,644.28	9,227,256.81
Property, plant and equipment	345,646,898.10	96,684,874.08
Other financial assets	2,845,811.03	326,899.56
<b>Current assets</b>	<b>36,839,812.45</b>	<b>49,461,086.86</b>
Inventories	1,197,689.41	333,500.27
Trade receivables	278,762.71	80,818.61
Receivables from related parties	0.00	2,546.77
Income tax receivables	59,410.34	57,837.18
Other assets	644,083.58	503,938.97
Other financial assets	19,561.49	27,639.86
Other miscellaneous assets	624,522.09	476,299.11
Cash and cash equivalents	34,659,866.41	48,482,445.06
<b>Total assets</b>	<b>389,002,165.86</b>	<b>155,700,117.31</b>

### Equity and liabilities

EUR	30 June 2008	31 Dec 2007
<b>Equity</b>	<b>150,271,927.48</b>	<b>151,132,877.89</b>
Subscribed capital	136,414,000.00	136,414,000.00
Capital reserve	9,771,884.55	9,771,884.55
Retained earnings	7,346,936.27	4,481,240.46
Accumulated other equity	-3,260,893.34	465,752.88
<b>Non-current liabilities</b>	<b>220,022,478.03</b>	<b>2,381,536.31</b>
Financial liabilities	216,860,801.86	582,269.57
Minority interests	2,145,484.86	783,075.43
Other non-current liabilities	1,016,191.31	1,016,191.31
<b>Current liabilities</b>	<b>18,707,760.35</b>	<b>2,185,703.11</b>
Provisions	3,171.78	0.00
Financial liabilities	16,656,557.53	82,288.05
Trade payables	1,148,370.88	618,469.91
Payables to related parties	490,760.04	1,452,543.43
Income tax liabilities	63,445.00	19,324.97
Other liabilities	345,455.12	13,076.75
<b>Total equity and liabilities</b>	<b>389,002,165.86</b>	<b>155,700,117.31</b>

## Cash flow statement

EUR	1 Jan – 30 Jun 2008	1 Jan – 30 Jun 2007*
Consolidated net income	2,865,730.44	-42,747.79
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	3,773,700.87	0.00
Tax expense	44,192.62	0.00
Elimination of net interest income	902,674.05	-84.48
Other non-cash income and expenses	1,311,107.62	0.00
Decrease/increase in working capital	12,271.23	54,124.01
Increase in inventories	-864,189.14	0.00
Decrease/increase in trade receivables	-197,944.10	0.00
Decrease/increase in receivables from related parties	2,546.77	0.00
Decrease/increase in other assets	-120,583.12	-380,444.56
Increase in provisions	3,171.78	0.00
Decrease/increase in trade payables	519,900.97	114,415.00
Decrease/increase in payables to related parties	-951,783.39	290,204.77
Increase in other liabilities	1,621,151.46	29,948.80
Taxes paid	-1,573.16	0.00
Interest paid	-700,339.44	0.00
Interest received	776,373.32	84.48
<b>Cash flow from operating activities</b>	<b>8,984,137.55</b>	<b>11,376.22</b>
Payments to acquire intangible assets and property, plant and equipment	-253,290,591.46	0.00
<b>Cash flow from investing activities</b>	<b>-253,290,591.46</b>	<b>0.00</b>
Proceeds from additions to loans	232,934,628.43	0.00
Repayments of loans	-732,819.11	0.00
<b>Cash flow from financing activities</b>	<b>232,201,809.32</b>	<b>0.00</b>
<b>Net change in cash and cash equivalents</b>	<b>-12,104,644.59</b>	<b>11,376.22</b>
Cash and cash equivalents at beginning of period	48,482,445.06	49,968.35
Effects of exchange rate changes on cash and cash equivalents	-1,717,934.06	0.00
<b>Cash and cash equivalents at end of period</b>	<b>34,659,866.41</b>	<b>61,344.57</b>

\* As the operating business, the acquisition and operation of container vessels, was started only after the successful realization of the capital increase and the IPO of HCI HAMMONIA SHIPPING AG in the fourth quarter 2007, no significant figures can be presented for the purpose of comparison with the first three quarters of the 2008 financial year.

## Statement of changes in equity

EUR	Subscribed capital	Capital reserve	Retained earnings	Change in the fair value of derivatives of cash flow hedges	Foreign currency translation adjustment	Accumulated other equity	Other Consolidated equity
<b>Balance at 1 Jan 2007</b>	50,000.00	0.00	-3,619.00	0.00	0.00	0.00	46,381.00
Consolidated net income	0.00	0.00	-42,747.79	0.00	0.00	0.00	-42,747.79
Proportional change in the fair value of derivatives of cash flow hedges	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes in foreign currency translation adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income and expenses recognised directly in equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total recognised income and expense</b>	<b>0.00</b>	<b>0.00</b>	<b>-42,747.79</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-42,747.79</b>
<b>Balance at 30 Jun 2007</b>	50,000.00	0.00	-46,366.79	0.00	0.00	0.00	3,633.21
<b>Balance at 1 Jan 2008</b>	136,414,000.00	9,771,884.55	4,481,240.46	-435.58	466,188.46	465,752.88	151,132,877.89
Consolidated net income for the year	0.00	0.00	2,865,730.44	0.00	0.00	0.00	2,865,730.44
Proportional change in the fair value of derivatives of cash flow hedges	0.00	0.00	0.00	2,798,330.11	0.00	2,798,330.11	2,798,330.11
Changes in foreign currency translation adjustment	0.00	0.00	0.00	0.00	-6,524,976.33	-6,524,976.33	-6,524,976.33
Changes from first time consolidation	0.00	0.00	-34.63	0.00	0.00	0.00	-34.63
Income and expenses recognised directly in equity	0.00	0.00	-34.63	2,798,330.11	-6,524,976.33	-3,726,646.22	-3,726,680.85
<b>Total recognised income and expense</b>	<b>0.00</b>	<b>0.00</b>	<b>2,865,695.81</b>	<b>2,798,330.11</b>	<b>-6,524,976.33</b>	<b>-3,726,646.22</b>	<b>-860,950.41</b>
<b>Balance at 30 Jun 2008</b>	136,414,000.00	9,771,884.55	7,346,936.27	2,797,894.53	-6,058,787.87	-3,260,893.34	150,271,927.48

# Notes to the interim consolidated financial statements of HCI HAMMONIA SHIPPING AG as of 30 June 2008 according to IFRS

## Preliminary notes

These interim financial statements of HCI HAMMONIA SHIPPING AG and its subsidiaries as of 30 June 2008 are presented in the shape of condensed financial statements with selected notes. The interim financial statements as of 30 June 2008 have been prepared according to the stipulations of IAS 34.

### (1) Basis of preparation

The accounting policies and valuation methods applied in the condensed consolidated financial statements of HCI HAMMONIA SHIPPING AG are the same as those introduced in the IFRS consolidated financial statements of HCI HAMMONIA SHIPPING AG as of 31 December 2007. The interim consolidated financial statements as of 30 June 2008 should therefore be referred to in connection with the consolidated financial statements as of 31 December 2007.

The valuation of assets and liabilities is made according to the going concern principle. The income statement has been prepared using the nature of expense method.

The preparation of the interim financial statements requires a number of assumptions and estimates to be made by management. Due to this proceeding, values reported in the interim financial statements may differ from the actual values.

### (2) Newly published IASB financial reporting regulations

The HCI HAMMONIA SHIPPING Group was not required to apply the following Standards and Interpretations published until 30 June 2008 by IASB and IFRIC, respectively, in the consolidated financial statements as of 30 June 2008, either because they had not been adopted by the European Union or because the time of first mandatory application had not come:

- IFRS 3 “Business Combinations”
- IFRS 8 “Operating Segments”
- IFRIC 12 “Service Concession Arrangements”
- IFRIC 13 “Customer Loyalty Programmes”
- IFRIC 14 “The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction”
- Amendment to IAS 23 “Borrowing Costs”
- Amendments to IAS 1 “Presentation of Financial Statements”
- Amendment to IAS 27 “Consolidated and Separate Financial Statements”
- Amendments to IFRS 2 “Share-based Payment: Vesting Conditions and Cancellations”
- Amendment to IAS 32 and IAS 1 “Puttable Financial Instruments and Obligations Arising on Liquidations”
- Amendment to IFRS 1 and IAS 27 “Cost on an Investment in a Subsidiary, Jointly Controlled Entity or Associate”
- “Improvements to IFRS”

The HCI HAMMONIA SHIPPING Group currently assumes that the application of these Standards and Interpretations will have no material effect on financial position, assets and liabilities, and profit

and loss at the time of their required application, with the exception of the amendments to IAS 1 and IFRS 8. As far as IFRS 8 is concerned, the company is presently in the process of assessing the consequences of application. Due to the amendment to IAS 1, changes in the presentation of financial statement positions are expected to result.

The effects of the amendments to IAS 27 and IFRS 3 on the Group's financial position, assets and liabilities, and profit and loss will depend in particular on the business acquisitions and the sale of interests in companies the HCI HAMMONIA SHIPPING Group will transact subsequent to the initial application of both Standards.

### (3) Consolidation

#### (a) Principles of consolidation

Apart from HCI HAMMONIA SHIPPING AG, the interim consolidated financial statements include all subsidiaries upon which HCI HAMMONIA SHIPPING AG directly or indirectly exerts control within the meaning of IAS 27.13 as supreme and controlling parent company.

#### (b) Basis of consolidation

As of 30 June 2008, 12 subsidiaries (31 December 2007: 9) were included in the interim consolidated financial statements by way of full consolidation.

#### (c) First-time consolidation

##### Acquired subsidiaries

The HCI HAMMONIA SHIPPING Group acquired the following subsidiaries in the reporting period:

	Main business activity	Time of acquisition	Acquired interest %	Acquisition costs in EUR 000's
<b>1st half-year 2008</b>				
MS "HAMMONIA FIONIA"	shell company	1 Apr 2008	98.56	0
Schiffahrts GmbH & Co. KG				
MS „HAMMONIA HAFNIA“	shell company	1 Apr 2008	98.56	0
Schiffahrts GmbH & Co. KG				
MS „HAMMONIA DANIA“	shell company	1 Apr 2008	98.56	0
Schiffahrts GmbH & Co. KG				0
<b>1st half-year 2007</b>				
Verwaltung HCI HAMMONIA				
Schiffahrts GmbH	general partner	30 Mar 2007	100,00	13
				13

##### Assets acquired and liabilities assumed

As the companies acquired in the first half-year 2008 were shell companies at the time of acquisition, they carried assets and liabilities only to a limited extent.

The assets acquired and liabilities assumed in the context of the acquisition realized in the first half-year 2007 were liquid assets.

##### Acquisition costs

The Group acquired an interest of EUR 1 thousand each in 3 shipping companies organized as limited partnerships as of 1 April 2008. The purchase price for each interest was EUR 20. It was paid in cash. Effective the same day, the three shipping companies' articles of partnership were amended, and the Group's interest in the limited partnership was raised to a majority interest.

*Net cash outflow from acquisitions*

The acquisitions of subsidiaries realized in the periods of comparison did not result in a material net cash outflow.

*Effects of acquisitions on Group earnings*

The consolidated net income includes EUR 78 thousand (first half-year 2007: EUR -1 thousand) from additional business generated by the subsidiaries acquired in the first half-year.

Had the business combinations been effected as of 1 January 2008 or 1 January 2007, they would have had no effect on the amount of Group revenues as the acquired subsidiaries started generating revenues only after the time of business combination.

Had the business combinations been effected as of 1 January 2008 already (1 January 2007), the resulting unchanged consolidated net income would have amounted to approx. EUR 2.9 million (1st half-year 2007: approx. EUR -0.04 million).

## Notes to the consolidated income statement

### (4) Revenues

This item includes revenues from time charters of the Group's seagoing vessels. The first three seagoing vessels of the HCI HAMMONIA SHIPPING Group (the MS "HAMMONIA POMERENIA", the MS "SAXONIA", and the MS "WESTPHALIA") were put into service at the end of 2007, so that no revenues were generated in the first half-year 2007. In the first half-year 2008, five more seagoing vessels (MS "HAMMONIA HOLSATIA", MS "HAMMONIA TEUTONICA", MS "HAMMONIA FIONIA", MS "HAMMONIA HAFNIA", MS "HAMMONIA DANIA") were acquired and put into service.

### (5) Earnings per share

Basic and diluted earnings per share are calculated as follows:

		1 Jan – 30 Jun 2008	1 Jan – 30 Jun 2007
Consolidated net income for the period attributable to equity holders of the parent	EUR 000's	2,866	-43
Weighted average number of shares outstanding	Number	136,414	50
Consolidated net income for the period attributable to equity holders of the parent per share	EUR	21.01	-854.96

No financial instruments with dilutive effect were applied in the periods presented so that fully diluted earnings per share correspond with basic earnings per share.

## Notes to the consolidated balance sheet

### (6) Intangible assets

Intangible assets essentially include hidden reserves from contracts of sale covering the purchase of seagoing vessels identified within the framework of the acquisition of subsidiaries. The intangible assets are reclassified upon the purchase of the seagoing vessels to property, plant and equipment and then depreciated over their respective useful lives. Due to the purchase of the container ships MS "HAMMONIA TEUTONICA" and MS "HAMMONIA HOLSATIA", intangible assets in the amount of EUR 5,555 thousand were reclassified to property, plant and equipment in the first half-year 2008.

### (7) Property, plant and equipment

The HCI HAMMONIA SHIPPING Group purchased altogether five seagoing vessels at acquisition costs of roughly USD 399 million in the first half-year 2008. Two of these seagoing vessels purchased are newly built container vessels, three container vessels were bought in used condition. The new ships are depreciated over useful lives of 25 years. For the container ships bought in used condition, remaining useful lives of 19 years have been assumed.

### (8) Other financial assets (non-current)

The increase of other non-current financial assets results from the first-time recognition of positive fair values of derivative financial instruments (interest swaps). These are used in the context of cash flow hedges for hedging future variable interest payments on non-current loans.

### (9) Financial liabilities

The HCI HAMMONIA SHIPPING Group took up loans in the total amount of USD 369 million in the first half-year 2008 for the partial refinancing of the acquisition of the container vessels purchased in the first half-year 2008 and at the end of 2007. Redemption payments of altogether USD 1 million were made in the first half-year 2008.

### (10) Notes to the consolidated cash flow statement

The cash flow statement distinguishes between cash flows from operating activities, investing activities, and financing activities.

Cash and cash equivalents as reported in the cash flow statement correspond to cash and cash equivalents as reported in the balance sheet. Cash equivalents are time deposits with original terms to maturity of a few days.

Cash flows from operating activities are determined in application of the indirect method.

The change of the cash flows in the periods of comparison is accounted for by the fact that the HCI HAMMONIA SHIPPING Group only started its business activity at the end of 2007.

No material non-cash transactions were carried out in the respective periods of comparison.

### (11) Notes on segment reporting

As the business activity of the HCI HAMMONIA SHIPPING Group only consists of one single business segment, namely charter shipping with container vessels, the presentation of segment reporting according to IAS 14 is not necessary.

## Other disclosures

### (12) Other financial liabilities

Other financial liabilities are accounted for in particular by the contracts for the purchase of the seagoing vessels MS "HAMMONIA MASSILIA", MS "HAMMONIA ROMA", and MS "HAMMONIA BAVARIA". According to the contracts of sale, the total purchase price for the three seagoing vessels amounts to roughly USD 135 million plus EUR 10 million, equivalent to a purchase price total of EUR 96 million. Final purchase prices are subject to the offsetting of additional costs and reduced costs, costs passed on in the context of construction phase loans, and exchange rate developments. Financial liabilities from contracts of sale decreased by USD 97 million from 31 December 2007 due to the acquisition of the MS "HAMMONIA TEUTONICA" and the MS "HAMMONIA HOLSATIA".

As of the balance sheet date, other financial liabilities in the amount of roughly EUR 1.5 million per annum arise from the service and advisory agreement concluded with HCI Hanseatische Schiffsconsult GmbH. The contract has a remaining minimum term of 19 years which is not subject to termination, so that the total amount of financial liabilities under this agreement comes to roughly EUR 28.5 million. By the passing of time, these financial liabilities have been reduced by roughly EUR 0.75 million since 31 December 2007.

### (13) Related party disclosures

In accordance with IAS 24, related parties of the HCI HAMMONIA SHIPPING Group are persons and entities that either control the Group or exert significant influence on the Group, or are subject to the Group's control or significant influence.

One of the managing directors of HCI Hanseatische Schiffsconsult GmbH is also a member of the Management Board of HCI HAMMONIA SHIPPING AG. HCI Hanseatische Schiffsconsult GmbH and the affiliated companies of the HCI Group are therefore considered related parties.

HAMMONIA Reederei GmbH & Co. KG and its affiliated companies are considered related parties due to the company's position as contractual ship manager and managing limited partner of the limited shipping companies, and because of the fact that one of its managing directors is also a member of the Management Board of HCI HAMMONIA SHIPPING AG.

Furthermore, the members of Management Board and Supervisory Board of HCI HAMMONIA SHIPPING AG as well as their subsidiaries are considered related parties. Apart from the business relationships with the subsidiaries included in the consolidated financial statements by way of full consolidation, there were the following business relationships with related parties.

#### *(a) Relationships with HCI Hanseatische Schiffsconsult GmbH and its affiliated companies*

In the reporting period, the following liabilities and expenses resulted from the business relationship with HCI Hanseatische Schiffsconsult GmbH and its affiliated companies:

Balance sheet (in EUR 000's)	30 Jun 2008	31 Dec 2007
Liabilities to HCI Hanseatische Schiffsconsult GmbH	0	982
Income statement (in EUR 000's)	1 Jan – 30 Jun 2008	1 Jan – 30 Jun 2007
Other operating expenses	728	0

**(b) Relationships with HAMMONIA Reederei GmbH & Co. KG**

In the reporting period, the following liabilities and expenses resulted from the business relationship with HAMMONIA Reederei GmbH & Co. KG:

<b>Balance sheet (in EUR 000's)</b>	<b>30 Jun 2008</b>	<b>31 Dec 2007</b>
Receivables from HAMMONIA Reederei GmbH & Co. KG and its affiliated companies	0	3
Payables to HAMMONIA Reederei GmbH & Co. KG and its affiliated companies	491	461
<b>Income statement (in EUR 000's)</b>	<b>1 Jan – 30 Jun 2008</b>	<b>1 Jan – 30 Jun 2007</b>
Vessel operating costs	578	0
Other operating expenses	387	0

In addition, HAMMONIA Reederei GmbH & Co. KG was paid commission in the total amount of EUR 400 thousand by various Group companies for brokering loans in the first half-year 2008. These brokerage fees are recognized as transaction costs within the scope of acquisition valuation of the loans brokered.

**(c) Relationships with related persons**

In accordance with the Articles of Incorporation, each member of the Supervisory Board receives a fixed annual compensation of EUR 5,000.00. The Chairman of the Supervisory Board is paid one and a half times this amount. Members of the Supervisory Board are also reimbursed for expenses incurred in connection with Supervisory Board activity as well as the value-added tax on compensation payments.

Total remuneration of the members of the Supervisory Board for the first half-year 2008 amounts to EUR 8,750.00 (first half-year 2007: EUR 8,750.00).

The members of the Management Board received no remuneration in the first half-year 2008 or the first half-year 2007.

Furthermore, neither advance payments were made nor credit granted to the above-mentioned persons, and no contingencies were entered into in their favour.

## Review report

We have reviewed the condensed interim consolidated financial statements – comprising condensed balance sheet, condensed income statement, condensed cash flow statement, condensed statement of changes in equity, and selected explanatory notes – and the interim group management report of HCI HAMMONIA SHIPPING AG for the period from 1 January to 30 June 2008 that are required components of the half-year financial report according to Section 37w WpHG (German Securities Trading Act). The preparation of the condensed interim consolidated financial statements, in accordance with the IFRS applicable to interim financial reporting as adopted by the European Union, and of the interim group management report, in accordance with the regulations of the WpHG applicable to interim group management reports, is the responsibility of the company's management. It is our responsibility to issue a review report on the condensed interim consolidated financial statements and the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements as defined by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and conduct the review in such a way that we can rule out the possibility with a certain level of assurance that the condensed interim consolidated financial statements have not been prepared in material aspects in accordance with the IFRS applicable to interim financial reporting as adopted by the European Union, and that the interim group management report has not been prepared in material aspects in accordance with the regulations of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. As we have not performed a financial statement audit, in accordance with our engagement, we cannot issue an auditor's certificate. No matters have come to our attention on the basis of our review that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the European Union, and that the interim group management report has not been prepared in all material respects in accordance with the regulations of the WpHG applicable to interim group management reports.

Hamburg, 22 August 2008

HANSA PARTNER GmbH  
Wirtschaftsprüfungsgesellschaft

(Dr. Tecklenburg)  
Wirtschaftsprüfer

(ppa. Arp)  
Wirtschaftsprüfer

## Financial Calendar

28 Apr 2008	Publication of the 2007 financial statements
16 May 2008	Interim statement on the first quarter of 2008
11 Jun 2008	Annual General Meeting
29 Aug 2008	Publication of the 2008 half-yearly financial report
14 Nov 2008	Interim statement on the third quarter of 2008

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