



RICKMERS GROUP

MARITIME VALUES

HALF-YEAR REPORT 2014

Key figures of first half-year 2014

Key performance indicators for the Rickmers Group

in € million	H1 2014	H1 2013	Deviation
Revenues	271.7	288.8	-5.9%
EBITDA	101.5	111.9	-9.2%
EBT	1.1	22.7	-95.1%
Cashflow from operating activities	97.4	103.8	-6.2%
in € million	30 June 2014	31 Dec. 2013	Deviation
Balance sheet total	2,520.9	2,524.3	-0.1%
Equity	571.3	569.4	0.3%
Equity ratio in %	22.7	22.6	0.1 PP
Financial debt*	1,723.3	1,719.8	0.2%
Net financial debt**	1,542.3	1,575.0	-2.1%
Number of employees (average)***	2,837	3,096	-8.4%

Maritime Assets

in € million	H1 2014	H1 2013	Deviation
Revenues	170.6	184.3	-7.4%
EBITDA	116.2	129.3	-10.1%
EBT	23.3	41.6	-44.1%
Number of employees (average)***	40	45	-11.1%

Maritime Services

in € million	H1 2014	H1 2013	Deviation
Revenues	56	60	-6.7%
EBITDA	4.3	2.1	> 100%
EBT	6.2	2.3	> 100%
Number of employees (average)***	2,453	2,725	-10.0%

Rickmers-Linie

in € million	H1 2014	H1 2013	Deviation
Revenues	93.1	93.4	-0.3%
EBITDA	-12.1	-11.2	-8.4%
EBT	-12.4	-11.4	-8.6%
Number of employees (average)***	203	198	2.5%

* Sum of bank liabilities plus bond liabilities.

** Sum of bank liabilities plus bond liabilities, minus cash and cash equivalents.

*** Including employees at sea from external crewing agencies; adjusted calculation compared to annual report 2013.

The **Rickmers Group** is an international provider of services for the shipping industry with its segments Maritime Assets, Maritime Services and Rickmers-Linie. We have a reputation for reliability, quality and efficiency. Adaptability and an entrepreneurial mindset have been a family tradition at Rickmers throughout its nearly 180-year history.

We operate a fleet of 103 ships, with almost 2,338 seafarers and currently over 500 staff ashore. A total of 116 companies have been included in the consolidated financial statements. The Rickmers Group is internationally represented through more than 20 offices and over 50 sales agencies. This network and a strong global management team secure the success of the company, which remains true to its core values:
Leadership. Passion. Responsibility.

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Foreword



Bertram R. C. Rickmers
Chairman Rickmers Group



Dr Ignace Van Meenen
CEO Rickmers Group



Prof. Dr Mark-Ken Erdmann
CFO Rickmers Group

Ladies and Gentlemen, Dear Business Partners,

In the first six months of 2014, the global shipping markets continued to be strained. In our two key market segments – container and multi-purpose/heavy lift shipping – charter and freight rates continue to remain at low levels. The high supply of container tonnage continues unabated. This not only keeps charter rates for container ships low, but also has a negative effect on the already difficult area of multi-purpose/heavy lift freight. Nevertheless, the longer this challenging market situation continues, the more we are convinced of the path we have chosen. The ongoing transformation process triggered in 2010 targets two clear effects: First of all, it shields Rickmers Group in the best possible manner from negative market effects. Secondly, it creates a unique position for the Group within the German shipping industry and provides future opportunities by utilising collaborations, exploiting new financial channels and implementing internal structuring measures.

In the first half of 2014, we reached further milestones along this path. On the financial side we increased the existing Rickmers bond in March 2014 by a further €25 million to an overall total of €250 million. In addition, in May our Singapore subsidiary Rickmers Maritime Trust placed an initial tranche of around €60 million from its multi-currency, medium-term note programme. Overall, these successful transactions have substantiated – after just a short period of time – that Rickmers Group has reliable access to the international capital market.

On top of purely financial activities, we also recorded progress regarding operational collaborations with financial investors. The joint venture between funds affiliated with Apollo Global Management and the Rickmers Group delivered the impetus targeted for fleet growth in the first half of 2014. In the period under review, eight container ships were incorporated into the joint venture, A.R. Maritime Investments. Thus, the company currently owns twelve vessels. In addition, the Rickmers Group consulted the investment company Oaktree Capital Management on its programme of newbuilds. Two of the planned ten large container ship newbuilds were delivered in June 2014. Since then, we have been managing the vessels and these have helped expand our service business.

These activities were only made possible by the fundamental transformation of various Group segments. The Rickmers Group has thus been able to offer its investors and collaboration partners adequate transparency. The latest step along this path was the conversion of Group reporting to International Financial Reporting Standards (IFRS). At the same time, we were particularly focused on reshaping individual operational Group segments – in the first half of 2014, this especially affected Rickmers-Linie. Alongside operational measures already initiated, such as the successive conversion to a higher proportion of short-term chartered tonnage, we are looking intensely at structural optimisation potential to improve the unfortunately disappointing current performance of the multi-purpose/heavylift business.

With regard to Rickmers Group as a whole, in the first half of 2014 we chalked up revenues of € 271.1 million, an operational result (EBITDA) of € 101.5 million and earnings before taxes (EBT) of € 1.1 million. This means that revenue fell by around 6 percent and EBITDA was down roughly 9 percent year on year. This trend was primarily due to currency effects and the currently low level of charter rates for new contracts, both of which could not be fully compensated by corresponding cost-cutting. Nonetheless, it also means that the Rickmers Group was still able to post a positive pre-tax result in the face of an enormously difficult time for the entire shipping industry. If we also take account of the slight fall in net financial debt and the slight increase in equity capital for the Rickmers Group, we are able to build on sound foundations already laid to develop the company still further.

Dear investors and business partners, we still cannot promise you any short-term substantial improvement in the basic conditions on the shipping markets in the future, and these will continue to affect the business developments of the Rickmers Group. But we can promise to rigorously pursue our path of transformation to reduce the negative impacts on our enterprise and to exploit all opportunities for positive development that might arise.

Yours faithfully,



Bertram R. C. Rickmers



Dr Ignace Van Meenen



Prof. Dr Mark-Ken Erdmann

Interim group management report

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1 The Rickmers Group

1.1 The Rickmers Group business model

The Rickmers Group is an established international provider of services for the shipping industry, vessel owner and ocean carrier with its head office in Hamburg. In the first half year 2014 the Rickmers Group had 2,837 employees (2013: 3,096) on average. The Rickmers Group provides a broad range of services in the shipping industry. Besides *Rickmers Holding GmbH & Cie. KG*, the Rickmers Group comprises 115 Group companies. *Rickmers Holding GmbH & Cie. KG* and its affiliated companies are represented by over 20 branches in eleven countries (Germany, Belgium, Isle of Man, Cyprus, Romania, Philippines, China, South Korea, Japan, Singapore and United States of America) and by more than 50 sales agencies.

The business activities of the Rickmers Group are divided into three segments: Maritime Assets, Maritime Services and Rickmers-Linie.

Through its Maritime Assets segment, the Rickmers Group acts as asset manager for its own and for third-party vessels, initiates and coordinates vessel projects, arranges financing and acquires, charters out and sells vessels. Maritime Assets also comprises the vessel owning companies of the Rickmers Group.

In the Maritime Services segment, the Rickmers Group provides ship management services for Rickmers Group's own and for third-party vessels, including technical and operational management, crewing, newbuild supervision, and technical advisory and maritime insurance-related services.

In its Rickmers-Linie segment, the Rickmers Group offers global breakbulk, heavy lift and project cargo liner services (such as the "Round-the-World Pearl String Service") and individual sailings complementing the liner services. The fleet operating in this segment consists of multi-purpose heavy lift vessels with on-board cranes.

As the Group's parent company, *Rickmers Holding GmbH & Cie. KG* provides its segments with administrative services and serves as a management holding company for the entire Rickmers Group (Corporate Center). Amongst other things, this means acquiring, holding and selling investments in other shipping companies and related maritime businesses. Moreover, *Rickmers Holding GmbH & Cie. KG* manages financing for the segments.

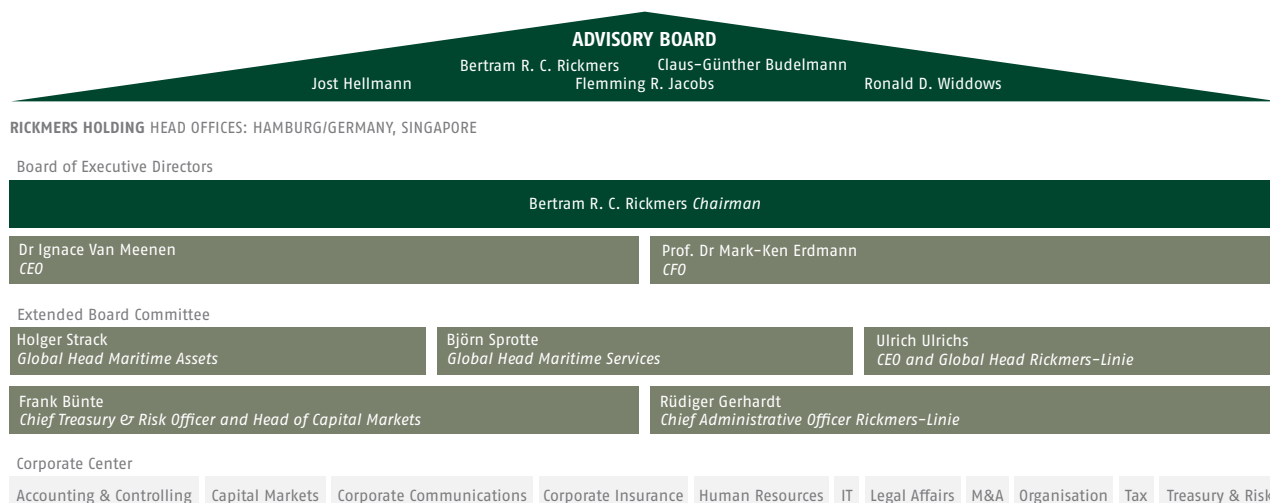
1.2 Organisation and management structure

Rickmers Group is managed by a three-person Executive Board—the Chairman, the CEO, and the CFO.

Responsibility for the three segments Maritime Assets, Maritime Services and Rickmers-Linie lies with the Global Heads of the respective segments. Below *Rickmers Holding GmbH & Cie. KG*, the main companies in the three segments are *Rickmers Reederei GmbH & Cie. KG* (Maritime Assets), *Rickmers Shipmanagement GmbH & Cie. KG* (Maritime Services) and *Rickmers-Linie GmbH & Cie. KG* (Rickmers-Linie).

The Global Heads of the three segments, the Chief Treasury & Risk Officer and the Chief Administrative Officer of Rickmers-Linie represent the Extended Board Committee of the Rickmers Group. In cooperation with the Advisory Board, they support the Rickmers Group's Executive Board.

Organisation of the Rickmers Group



BUSINESS SEGMENTS AND SIGNIFICANT PARTICIPATIONS

MARITIME ASSETS		MARITIME SERVICES		RICKMERS-LINIE	
Rickmers Reederei Hamburg, Germany (100%)	Polaris Shipmanagement Douglas, Isle of Man (100%)	Rickmers Shipmanagement Hamburg, Germany (100%)	Global Management Limassol, Cyprus (100%)	Rickmers-Linie Hamburg, Germany (100%)	Rickmers-Linie (Singapore), Singapore (100%)
Rickmers Reederei (Singapore), Singapore (100%)	Rickmers Trust Management, Singapore (100%)	Rickmers Shipmanagement (Singapore), Singapore (100%)	Global Marine Insurance Brokerage Services Limassol, Cyprus (50%)	Rickmers-Linie (America) Houston, USA (100%)	Rickmers (Korea) Seoul, South Korea (100%)
ESSE Expert Shipping Service Hamburg, Germany (100%)	Rickmers Maritime, Singapore (33.1%)	Rickmers Crewing Hamburg, Germany (100%)	Rickmers Marine Agency Constanta, Romania (100%)	Rickmers-Linie Belgium Antwerp, Belgium (100%)	MCC Marine Consulting & Contracting, Hamburg, Germany (100%)
EVT Elbe Vermögens Treuhand Hamburg, Germany (80%)	A.R. Maritime Investments, Singapore (10%)	Rickmers Shipping (Shanghai) Shanghai, China (94%)	Rickmers Marine Agency Paranaque City/Metro Manila, Philippines (25%)	Rickmers (Japan) Tokyo, Japan (100%)	Rickmers Terminal Holding Hamburg, Germany (100%)
Harper Petersen Hamburg, Germany (50%)	A.R. Second Maritime Investments, Singapore (50%)				
Single-vessel companies					

2 Economic report

2.1 Economic and industry environment

2.1.1 Overall economic situation

The shipping sector depends, to a great extent, on the global economy. The development of international trade has a particular influence on the sector's economic development. According to the International Monetary Fund (IMF) the danger of a new economic crisis once again receded in the first six months of the year. Above all, the positive development seen in the advanced economies is stabilising the global economy. However, in these countries the IMF sees an increased risk from the very low rates of inflation. The development of the emerging market and developing economies was lower than expected, in

particular due to a difficult external financial environment. Nevertheless, the emerging market and developing economies are contributing more than two-thirds of global economic growth. For 2014 the IMF forecasts economic growth of 3.6 percent overall (2013: 3.0 percent), with the advanced economies growing by 2.2 percent (2013: 1.3 percent) and the emerging market and developing economies by 4.9 percent (2013: 4.7 percent).

	2013	2014 (est.)	2015 (est.)
Global economic growth	3.0	3.6	3.9
advanced economies	1.3	2.2	2.3
emerging market and developing economies	4.7	4.9	5.3
Global trade volume	3.0	4.3	5.3

Development of the global economy and global trade volume according to the IMF (in percent)

2.1.2 Shipping industry-related framework conditions

The development of demand for container-shipping services saw a positive development in the first half of 2014. While freight volume on routes between South America and the Middle East remained below forecasts, demand rose on the main trade routes between Europe and Asia, resulting in a continuation of the recovery in global container-freight volume. According to Alphaliner, transshipment volume at the 30 largest container ports rose by 4.7 percent (Q1 2013: 2.4 percent), with the Chinese ports seeing a particularly high transshipment volume.

Structural vessel overcapacity continued to burden a recovery in freight rates in the first half of 2014. In this period, 84 ships with a total freight capacity of 670,000 TEU (H1 2013: 102 ships; freight capacity 655,000 TEU) were delivered. The average size of vessel put into service was 8,000 TEU (2013: 6,400 TEU). In the same period, 87 ships with freight capacity of 256,800 TEU (H1 2013: 99 ships; freight capacity 205,900 TEU) were scrapped, with the average size of ship scrapped rising to 2,950 TEU (2013: 2,100 TEU). Over recent months, the trend towards ordering larger ships and increased scrapping of smaller vessels led to a reduction in fleet size in the 1,000 to 4,000 TEU segment. At the same time, the focus on delivering cost-saving larger vessels implies a worsening in the structural freight overcapacity on the main trade routes.

Due to the number of laid-up container ships the available fleet was reduced. At the end of June 2014, 121 full-container vessels with a cumulated freight volume of 251,000 TEU were out of service (June 2013: 159 ships; freight capacity 395,000 TEU). The 2,000 to 3,000 TEU size segment saw a particularly strong recovery, with the number of laid-up ships declining over the year from 34 to nine.

The development of newbuild activity is clearly illustrated by the total of 71 orders in the current year with a total capacity of 512,250 TEU (H1 2013: 100 ships; freight capacity of 748,850 TEU). The average size of newbuild orders was 7,200 TEU (2013: 7,500 TEU). Speculative ordering of vessels with freight capacity over 9,000 TEU ceased in the first half of the year, as some of the units ordered in this segment have not yet been chartered. The ratio of orders for container ships to the existing container fleet remains constant compared with the previous year at 20.5 percent (2013: 20.7 percent).

Charter rates for container ships once again rose slightly following a long period of stagnation, yet remain at a very low level. This slight recovery is illustrated by the Howe Robinson Containership Index (HRCI), which reached 541.6 points in June 2014 (2013: 499.5) thus rising by 8.4 percent in a year.

The price increases in newbuilds, as reflected in the Clarksons index for container-ship newbuilds, is being driven by the full order books of the established shipyards. In May 2014, the index showed 82 points (May 2013: 73 points), causing increased hesitation from fleet operators in newbuild investment. By contrast, between January and May 2014, 79 ships (January to May 2013: 53 ships) were traded on the second-hand market, with an average freight capacity per vessel of 2,900 TEU (2013: 1,800 TEU). Sales prices remained steady in the first months of the year. Not until May 2014 did the index for second-hand tonnage rise, climbing by 8.6 percent to 38 points (May 2013: 35 points) and thus showing a development in line with the slight rise in charter rates.

The breakbulk, heavy lift and project cargo market relevant to the Rickmers-Linie business is not characterised by any single factor in particular. An assessment of this business activity shows that the strategic orientation towards global investment activities is the correct one. According to the United Nations World Investment Report 2014, in the first four months of the 2014 financial year investment activity in the advanced economies has more than doubled in comparison with the same period of the previous year, and at approximately USD 500 billion has reached its highest level since 2007. However, the effect of the upswing in investment activity will only be felt in the markets relevant to the Rickmers-Linie business following a delay of up to several years.

2.2 Business performance

2.2.1 Overall statement from the management

The Rickmers Group reported an overall decline in revenue of about 6 percent for the reporting period. Particularly in the Maritime Assets segment, business development was significantly weaker than in the previous year's period due to unfavourable exchange-rate effects. The Group's operating result (EBITDA) for the reporting period totalled €101.5 million (H1 2013: €111.9 million). Positive cashflow from operating activities was reported at €97.4 million (H1 2013: €103.8 million).

As at the closing date of the half-year report 2014, the management assesses the business situation of the Rickmers Group based on contracted charter volumes of approximately USD 1.8 billion as stable.

2.2.2 Business performance of the segments

Maritime Assets

In the Maritime Assets segment, 90 ships were under commercial management as at the balance sheet date.

In the first quarter of 2014, eight ships were transferred to the joint venture with funds affiliated with *Apollo Global Management, LLC*. As at the balance sheet date there are therefore twelve ships in the joint venture; these are second-hand container ships in the 2,202 TEU (3x), 2,262 TEU (2x), 2,532 TEU (1x) and 3,630 TEU (6x) classes.

Besides this, Maritime Assets accompanied the sale of two KG-fund ships in the reporting period, commissioned by the KG-funds. Furthermore, in January and May 2014 two Group-owned ships were sold.

Rickmers Trust Management Pte. Ltd., trust manager of *Rickmers Maritime*, Singapore, issued a press release dated 17 January 2014 confirming that funds raised through the 2013 rights issue amounting to net USD 78.5 million were used in a significant part to repay bank loans, as previously announced. As a result, a further USD 5.8 million was paid to the financing banks in January 2014.

As part of the multi-currency, medium-term note programme, the subgroup *Rickmers Maritime*, Singapore, successfully placed the full volume of the first tranche, SGD 100 million (approx. € 58.3 million), issued on 15 May 2014. The bond has a coupon of 8.45 percent and a three-year tenor. *Rickmers Maritime*, Singapore, plans to use the funds raised for corporate financing.

Maritime Services

As at the balance-sheet date, the Maritime Services segment had a total of 99 ships under management. Compared with the 2013 annual report the number of ships under management thus increased by one. The average availability of vessels in the first half of 2014 was 99 percent.

In June 2014, two of the ten ships financed by the investment company *Oaktree Capital Management L.P.* were successfully delivered. Maritime Services provided consultancy services during the construction phase of these new-builds and has managed these ships since their delivery.

Rickmers-Linie

Freight performance in breakbulk, heavy lift and project cargo in the first half of 2014 totalled 1.2 million freight tonnes (H1 2013: 0.9 million freight tonnes). For this, Rickmers-Linie has concluded long-term charters for one vessel, with a further 22 vessels chartered for the short to medium term. If required, additional vessels can be deployed to provide flexible expansion of transport volumes.

The capacity utilisation of the ships chartered by Rickmers-Linie remains at a constantly high level. However, as the freight-rate and market environments remained at 2013's low level in the first half of 2014, the decision was taken to reduce cost-intensive tonnage progressively and to replace it when necessary with tonnage on short-term charter.

In the joint venture with *Maersk Line Limited*, order volumes and earnings were lower than expected. The joint venture was therefore terminated, effective as of March 2014.

Since 1 May 2014, Ulrich Ulrichs has held the post of CEO of *Rickmers-Linie GmbH & Cie. KG* and succeeds Ronald D. Widdows. At the same time Ulrich Ulrichs took over the post of Global Head of the Rickmers-Linie segment which was previously held by Rüdiger Gerhardt. Rüdiger Gerhardt stays in Rickmers-Linie segment in his new role as Chief Administrative Officer.

2.2.3 Business performance of the Corporate Center

On 7 March 2014, *Rickmers Holding GmbH & Cie. KG* increased its June 2013 corporate bond issue by € 25 million to € 250 million in a private placement with institutional investors. This issue is subject to the same conditions as the bond placed on the Frankfurt Stock Exchange Prime Standard (tenor to 11 June 2018, with a coupon of 8.875 percent).

Verband der Vereine Creditreform e.V. duly revised its rating for the Rickmers Group: On 6 May 2014, the rating was updated to "B".

On 1 May 2014, the Deputy CEO of the Rickmers Group, Dr Ignace Van Meenen, accepted the post of Group CEO. Deputy CFO Prof. Dr Mark-Ken Erdmann became the Group's new CFO. Following this change, Ronald D. Widdows stepped down from the post of CEO of the Rickmers Group and accepted a seat on the Advisory Board of *Rickmers Holding GmbH & Cie. KG*.

2.3 Income, financial and asset situation

2.3.1 Income situation

The revenue development of the Rickmers Group in the first half of 2014 was influenced by a persistently tight market. The fleet managed by the Rickmers Group increased in size compared to the previous year's period, comprising a total of 103 vessels (H1 2013: 92 vessels) as at 30 June 2014. At the closing date, the fleet consisted of 52 own ships, 20 KG-fund ships, twelve in the joint venture with funds affiliated with *Apollo Global Investment, LLC* and 19 ships owned by parties outside the Rickmers Group.

In the first half of 2014, the Rickmers Group generated revenue of €271.7 million (H1 2013: €288.8 million). The revenue development is mainly attributable to exchange-rate developments and persistently low charter rates.

In the Maritime Assets segment, revenue declined by €13.7 million to €170.6 million (H1 2013: €184.3 million). This is the overall effect of unfavourable exchange-rate developments, the conclusion of new charter contracts at the current low market prices and the continued sale of KG-fund ships.

Falls in revenue of €4.0 million were reported by the Maritime Services segment. In the reporting period, revenue in this segment amounted to €56.0 million (H1 2013: €60.0 million). The reduction in the KG-funds fleet had a sharper negative effect on revenues in the Service segment than in the Maritime Assets segment. This was only partially compensated for by the acquisition of new management contracts for third-party ships.

Despite continued low freight rates, the Rickmers-Linie segment's revenues remained stable at the previous year's level due to continual improvement in utilisation. As at the closing date the segment's revenues amounted to €93.1 million (H1 2013: €93.4 million).

Materials costs rose in the reporting period by about 9 percent to €135.2 million. This rise occurred primarily in the Maritime Services segment, which recorded the material costs for external crewing services. At the same time, it was possible to reduce personnel expenses by a similar amount in the reporting period. In the first half of 2014, these amounted to €34.3 million (H1 2013: €45.9 million).

The decrease in amortisation, depreciation and impairment losses for intangible assets and property, plant and equipment to €49.9 million (H1 2013: €62.6 million) results primarily from the decline in impairment losses on ships. Other operating expenses amounted to €18.2 million in the first half of 2014 and are thus €7.7 million below the preceding year's level (H1 2013: €25.9 million).

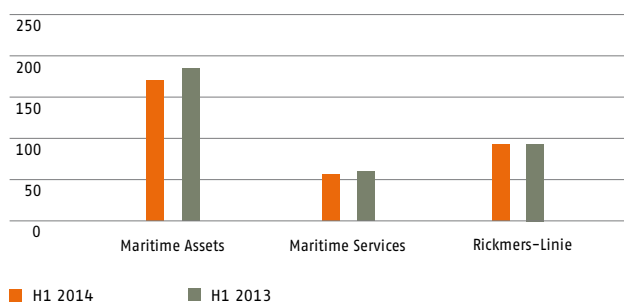
The financial result as at closing date declined to €-50.8 million (H1 2013: €-26.1 million). Compared to the previous period, the decrease of income from the valuation of interest rate derivatives affected the other financial income amounting to €-22.4 million. Additional, higher interest expenses driven by the corporate bond had a negative effect on the financial result.

As a result of the negative development of sales, the Rickmers Group's EBITDA in the first half of 2014 declined to €101.5 million and were thus about 9 percent below the previous year's level (H1 2013: €111.9 million). At the segment level, Maritime Assets achieved EBITDA of €116.2 million which were thus about 10 percent below the previous year's level (H1 2013: €129.3 million). At Maritime Services EBITDA rose by €2.2 million to €4.3 million (H1 2013: €2.1 million) and at Rickmers-Linie EBITDA amounted to €-12.1 million (H1 2013: €-11.2 million).

In the first half of 2014, the Rickmers Group achieved a positive pre-tax result (EBT) of €1.1 million (H1 2013: €22.7 million). The Maritime Assets segment reported positive EBT of €23.3 million, which were, however, €18.3 million below the previous year's level (H1 2013: €41.6 million). This development can be described with the above-mentioned financial result which was negatively influenced by the evaluation of interest rate derivatives. The Maritime Services segment generated a pre-tax result of €6.2 million which is thus above the previous year's level (H1 2013: €2.3 million). Rickmers-Linie reports EBT of €-12.4 million (H1 2013: €-11.4 million) in the first half of 2014.

Due to the requirements of IAS 34 and deviating from the 2013 annual report, interim segment reporting was not carried beyond the pre-tax result.

Revenue generated by third-parties by segments in € million



2.3.2 Financial situation

Capital structure

The capital structure of the Rickmers Group with its subsidiaries continues to be shaped as needed and is based on fundamental considerations regarding cost and risk-optimised financial and capital resources.

In the first half of 2014, the Rickmers Group was able to top up the bond issued the previous year by a further €25 million on the same terms. The total amount of the Rickmers bond, as at the closing date, is thus €250.0 million.

Furthermore, the listed subsidiary *Rickmers Maritime*, Singapore, successfully launched a medium-term note programme amounting up to SGD 300 million. As a first tranche, an amount of €58.3 million (SGD 100 million) was successfully placed on 15 May 2014.

The Rickmers Group's equity amounted to €571.3 million (2013: €569.4 million) as at 30 June 2014. It was thus possible to maintain a stable equity ratio of 22.7 percent (2013: 22.6 percent).

The Rickmers Group's liabilities declined overall to €1,949.6 million (2013: €1,954.9 million). This reduction was achieved by the repayment of long-term liabilities amounting to €44.8 million. This contrasted with an increase of €39.5 million in short-term liabilities. The reduction resulted mainly from the decline of liabilities in derivative financial instruments. Repayment of existing liabilities was at a similar level to the raising of new funds.

Investments

In the first half of 2014, the Rickmers Group's investment volume totalled €27.4 million. This related primarily to the acquisition of further second-hand container ships in partnership with funds affiliated with *Apollo Global Management, LLC*. In total, the joint venture now operates a fleet of twelve vessels.

Liquidity

Cash and cash equivalents amounted to €181.1 million (2013: €144.8 million) as at 30 June 2014. The positive development of cash and cash equivalents as at the closing date is mainly due to the fact that the cash inflows from topping up a bond by €25 million and from the issue of the medium-term note programme had not been fully invested, or had been used for the repayment of existing liabilities to banks as at the closing date.

Cashflow statement

The cashflow from operating activities in the first half of 2014 amounted to €97.4 million (H1 2013: €103.8 million) and was highly characterised as in the previous year by charter income and fleet-operating fees from the Maritime Assets segment.

The slight reduction of €6.4 million in the total cash-flow from operating activities compared with the preceding period is to be attributed to the Maritime Assets and Rickmers-Linie segments. The positive development of the Maritime Services segment had a counter effect, contributing €7.2 million to the cashflow from operating activities. The main drivers in the Maritime Assets segment were unfavourable exchange-rate effects, lower charter rates for new contracts and the continued downscaling of the KG-fund fleet. The decline in the Rickmers-Linie segment resulted from the persistently burdensome pricing environment in the relevant markets. On the other hand, the Maritime Services segment succeeded in managing the receivables balance positively, resulting in support for the cashflow from operating activities.

The cashflow from investment activities amounted to €5.7 million (H1 2013: €19.7 million). In addition to investment in vessel maintenance (docking), further investment amounting to €24.2 million was made within the framework of capital contributions to, and increases of capital in, associated companies and joint ventures. Cash inflows amounting to €32.0 million from the sale of ships had a counter effect.

The cashflow from financing activities amounted to €-67.4 million (H1 2013: €10.9 million). The main drivers of this development were in particular the repayment of financing liabilities amounting to €82.6 million and also interest payments of €56.2 million. A contrary effect resulted in particular from cash inflows from topping up the Rickmers bond and also the issue of the medium-term note programme by *Rickmers Maritime*, Singapore, totalling €83.3 million.

2.3.3 Asset situation

As at balance sheet date, the total assets of the Rickmers Group amounted to €2,520.9 million and thus declined by €3.4 million (2013: €2,524.3 million).

The fleet of ships constitutes the largest item in non-current assets, with €2,202.0 million (2013: €2,242.0 million).

The decline of €40.0 million compared with the previous year results in particular from systematic depreciation as well as opposed currency effects. Additionally, the investments in associated companies increased by €22.1 million to €39.6 million (2013: €17.5 million). Those investments are the acquisitions of ships as part of the joint venture with funds affiliated with *Apollo Global Management, LLC*.

Current assets rose to €260.1 million in the reporting period (2013: €222.3 million). The increase is primarily the result of the rise in the balance of cash and cash equivalents, which is mainly accounted for by the inflow of funds from the bond issues not yet paid out again.

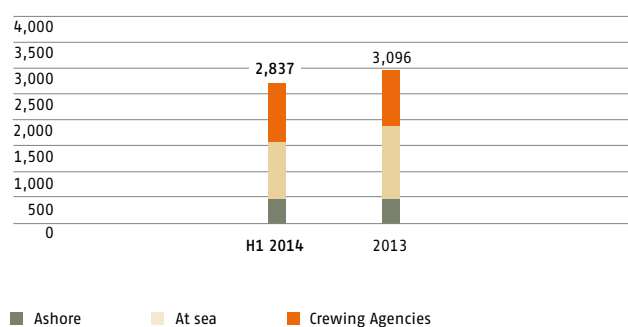
The five vessels reported the previous year as assets available for sale were sold to the joint venture with funds affiliated with *Apollo Global Management, LLC* during the reporting period.

3 Employees

In the first half of 2014, the Rickmers Group workforce averaged 2,837 (2013: 3,096). The changes compared to 2013 are mainly due to a staffing reduction in the Maritime Services segment. Of the staff employed in the first half of 2014, 18 percent (499 employees) worked ashore and 82 percent (2,338 employees) at sea. Of all seafarers, 1,141 were employed directly by the Rickmers Group while 1,197 were recruited via international crewing agencies.

Based on contractual adjustments, the Rickmers Group changed the survey in number of employees (seafarers). For the purpose of better comparability, the numbers of the previous period as of 31 December 2013 were adapted.

Staff changes H1 2014 and 2013



4 Events after reporting date

Ronald D. Widdows stepped down from his seat on the Rickmers Group Advisory Board on 3 July 2014. He also resigned the posts as director of *A.R. Maritime Investments*, Singapore and of *A.R. Second Maritime Investments*, Singapore.

The Rickmers Group initiated arbitration proceedings against a charterer as a result of non-agreement on minimum payments. Following the comprehensive financial restructuring of this charterer to avoid insolvency, an accord was reached in July 2014 which includes an agreement on a retrospective reduction of charter rates in return for shares, amongst other items. The arbitration proceedings were terminated following this accord.

In July 2014, *Feeder Kontor GmbH & Co. KG* commissioned Rickmers Group with the commercial management of six ships and the technical management of four ships. The first vessels were transferred in July 2014.

Up to the end of the evaluation period 2014, further proceedings have been brought by KG-fund investors against individual Rickmers Group companies. In view of the early stage of these proceedings it is not currently possible to offer a reliable forecast of their outcomes.

5 Risk, opportunity and forecast report

In the 2013 annual report of the Rickmers Group risks were described with the potential for very significant negative impact on the Group's income, financial and asset situation. Furthermore, the main opportunities and the structure of the risk management system were also described.

In the first half of 2014 the Rickmers Group identified no additional significant risks or opportunities that go beyond the risks and opportunities described in the 2013 annual report from page 62 onwards. However, in the opinion of the Rickmers Group the nature of the following risks has changed compared with the picture offered in the 2013 annual report.

Business risks

In the first half of 2014, KG-fund investors launched several different claims for compensation against Rickmers Group companies. The respective legal proceedings are still at an early stage, meaning that the Rickmers Group does not currently have any concrete evidence for the forecast period as to whether the courts will support these claims. Given the early stage of these proceedings it is not yet possible to offer reliable guidance as to what extent the Group's insurance policies cover possible compensation claims against Group companies. In this regard, the Rickmers Group extended the term and adjusted the scope of cover of existing insurance policies in the reporting period. However, some entities were excluded by the insurance cover.

The Rickmers Group continues to strive to minimise risk from remaining KG-fund investments, for instance through sale. The Rickmers Group does not currently see the need to make fresh provision for impairment on such investments.

Additionally, there is a risk that KG-fund investors will attempt to enforce compensation claims against Rickmers Group companies should KG-funds become insolvent. Insurance policies for such KG-funds insolvencies were not able to be extended in an unmodified form. The probability of risk arising from a KG-fund insolvency was further reduced in the reporting period by the sale of two ships. Nevertheless, such an insolvency would have a considerable impact on the income, financial and asset situation of the Rickmers Group.

Financial risks

The net financial debt of the Rickmers Group as at 30 June 2014 amounted to €1,542.3 million (2013: €1,575.0 million). The ability to service debt and other expenses is dependent on the future business and earnings development of the Rickmers Group. Future financing conditions and terms regarding follow-on or refinancing will be dependent on the creditworthiness of the Rickmers Group as well as on the money and capital market environments.

The Rickmers Group is currently negotiating with its banking partners on the joint development of an appropriate framework for future credit terms and the extension of repayment deadlines. This is intended to reflect the significant changes to the financial environment following the issuance of the corporate bond and the conversion to IFRS in 2013.

Further risks as yet unknown or currently assessed as immaterial could also negatively affect the business activities of the Rickmers Group.

5.1 Forecast

5.1.1 Economic environment

Overall economic situation

The 2013 annual report offers a detailed description from page 77 onwards of the development of the global economy and the shipping sector for the 2014 financial year. Forecasts for the second half of 2014 have not changed significantly since this publication. For the full year, the IMF expects global economic growth of 3.6 percent and an increase in global trade of 4.3 percent, within which the emerging market and developing economies will be the main contributors to growth.

Development in the shipping industry

Similarly to the forecast report, Clarksons' forecast for the development of world container trade remains essentially unchanged, predicting a 5.8 percent rise in global container-ship trade volume in its June 2014 report.

For the full year 2014, Maersk Broker expects container-fleet growth of 7.2 percent, corresponding to total capacity growth of 1,226,000 TEU. Two opposing effects are apparent here. On the one hand, fleet capacity is set to rise by 738,000 TEU in delivered vessels and by a further capacity of 888,000 TEU in forecast newbuild activity. On the other, the existing fleet is set to shrink due to the actual scrapping of 279,000 TEU and projected scrapping of 121,000 TEU.

Most large Asian shipyards will continue to work at capacity until well into 2015. Smaller shipyards will also be willing in future to undercut the prices demanded by the market leaders. Against this background, analysts at Barry Rogliano Salles nevertheless forecast a rise of around 10 percent in newbuild prices for container ships.

The project cargo business segment relevant to Rickmers-Linie will also continue to be strongly exposed to competitive pressure in the container and bulk-carrier markets in the second half of 2014, due to the overcapacity prevalent in these markets. Despite rising demand for multi-purpose carriers, Drewry does not foresee a significant recovery in freight rates in this segment due to capacity oversupply, predicting persistently low rates until the end of the year.

5.1.2 Development of the Rickmers Group

The assumptions that form the basis of the forecast for the development of the segments have not changed materially from those presented in the 2013 annual report.

Based on these assumption the forecast report presents the predicted development of the Rickmers Group in the 2014 financial year. The forecast contains future-orientated statements and information based on the company's assumptions and expectations at the time of publication of the half-year report 2014. These are in turn subject to known and unknown risks, opportunities and uncertainties that lie partly outside the company's sphere of influence. Should any of the mentioned factors occur, or should it become evident that the underlying assumptions were not correct, the actual development of the Rickmers Group may show a positive or negative deviation from the assumptions and information given in the annual report 2013.

Revenues and income position

Maritime Assets

For the second half of 2014 there are no changes in the revenues and income position forecasts for the Maritime Assets segment compared with the 2013 annual report. The Rickmers Group continues to assume a slight decline in revenues caused by expiring charter contracts. The planned fleet expansion is mainly characterised by the joint venture with funds affiliated with *Apollo Global Management, LLC* as well as by the cooperation with *Oaktree Capital Management L.P.*

Maritime Services

In the second half of 2014, there are no material deviations from the forecast revenues and income position of the Maritime Services segment compared with the forecast given in the 2013 annual report of the Rickmers Group. Given the requirements stemming from the changes in the fleet and customer structure, further structural adjustments referring to Crew Management were undertaken; these will lead to a moderate decline in revenues in the second half of 2014.

The company forecasts a rise in EBITDA for the full year 2014 compared with 2013, as originally predicted.

Rickmers-Linie

The Rickmers-Linie segment continues to face challenging market conditions for the remainder of the 2014 financial year. To meet these and to further strengthen capacity for performance on the routes in demand, the management has initiated various measures that will improve the effectiveness of the global organisation. For this purpose it is planned, the optimisation of organisational structures, the streamlining of processes and the realignment of the business model towards customer requirements. This takes place at the Hamburg location in cooperation with the *Rickmers-Linie GmbH und Cie. KG* Works Council. In this regard the company plans to focus capacities on segments with strong demand, based on the proven and successful "Round-the-World Service".

Besides the planned cost reductions outlined in the 2013 annual report, particularly in the area of bunker consumption, cargo-related variable costs and overheads, the measures described will have a positive effect on profit in the second half of 2014.

Financing

Due to its focus on a capital market-oriented company structure and its successful tapping of the capital markets, the Rickmers Group has access to alternative funding sources and is thus in a position to seize market opportunities. Furthermore, the Rickmers Group is checking and evaluating further means of financing that will continue to secure growth.

Investments

Regarding the investment capability of the Rickmers Group there is no material change to the assessment provided in the 2013 annual report.

5.2 Overall statement from the management regarding the risks, opportunities and forecast report

From the management's perspective there have been no material changes regarding the risks, opportunities and forecast report compared with the annual report 2013.

Furthermore, having considered all individual risks, the management states there are no currently identifiable risks that could threaten the continued viability of the Rickmers Group.

It is the Group's objective to achieve an operating result (EBITDA) by the end of the 2014 financial year on a comparable level with that of 2013.

Existing long-term charter contracts will continue to provide the foundation for the targeted revenue development. Growth efforts are planned particularly in the Maritime Assets and Maritime Services segments through adding own vessels to the fleet as well as by taking third-party vessels under management. Rickmers-Linie plans to optimise organisational structures by means of a restructuring programme, in order to further stabilise both its performance on in-demand routes and its operating result.

Consolidated interim financial statements

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Consolidated income statement for the period from 1 January to 30 June 2014

in € thousand	H1 2014	H1 2013
Revenues	271,729	288,776
Changes in inventories	-71	18
Other operating income	17,895	18,462
Cost of materials	-135,191	-124,132
Personnel expenses	-34,342	-45,939
Amortisation, depreciation and impairment losses for intangible assets and property, plant and equipment	-49,919	-62,556
Other operating expenses	-18,161	-25,853
Results from investments accounted for using the equity method	-537	-184
Other income from investments	500	161
Financial result		
Interest income	1,649	953
Interest expenses	-44,241	-40,214
Other financial income	2,299	24,715
Other financial expenses	-10,510	-11,535
Total	-50,803	-26,081
Earnings before tax on income	1,100	22,672
Income tax	-108	28,571
Group profit or loss	992	51,243
Attributable to:		
Shareholders of Rickmers Holding GmbH & Cie. KG	-10,025	43,263
Non-controlling interests	11,017	7,980

Consolidated statement of comprehensive income for the period from 1 January to 30 June 2014

in € thousand	H1 2014	H1 2013
Group profit or loss	992	51,243
Actuarial gains/losses on post-employment benefit obligations	0	3
Share of other comprehensive income in at-equity accounted investments (not reclassifiable)	0	163
Items that will not be reclassified subsequently to profit or loss	0	166
Currency translation differences	3,563	6,532
Recognised in other comprehensive income	3,563	6,532
Recognised in profit or loss	0	0
Cashflow hedges	6,908	7,203
Recognised in other comprehensive income	-249	96
Recognised in profit or loss	7,157	7,107
Items that will be reclassified subsequently to profit or loss when specific conditions are met	10,471	13,735
Other comprehensive income net of tax	10,471	13,901
Group total comprehensive income	11,463	65,144
Attributable to:		
Shareholders of Rickmers Holding GmbH & Cie. KG	-4,429	51,355
Non-controlling interests	15,892	13,789

Consolidated balance sheet as at 30 June 2014

in € thousand	30 June 2014	31 Dec. 2013
ASSETS		
Non-current assets		
Intangible assets	3,212	2,444
Vessels	2,202,014	2,242,034
Other property, plant and equipment	2,615	2,923
Investments accounted for using the equity method	39,564	17,533
Other financial assets	8,993	8,008
Trade and other receivables	238	133
Deferred tax assets	4,141	2,242
	2,260,777	2,275,317
Current assets		
Inventories	18,937	17,275
Derivative financial instruments	0	0
Other financial assets	18,936	18,251
Trade and other receivables	32,159	32,114
Other non-financial assets	7,549	8,556
Current income tax assets	1,434	1,338
Cash and cash equivalents	181,084	144,788
	260,099	222,322
Assets held for sale	0	26,695
Assets	2,520,876	2,524,334

in € thousand	30 June 2014	31 Dec. 2013
EQUITY AND LIABILITIES		
Equity		
Equity attributable to shareholders of Rickmers Holding GmbH & Cie. KG	353,011	361,464
Non-controlling interests	218,264	207,985
	571,275	569,449
Non-current liabilities		
Provisions for pensions and similar obligations	1,666	1,703
Other provisions	58	8
Derivative financial instruments	65,623	76,932
Financial debt	1,256,323	1,291,274
Trade and other payables	2,531	2,183
Deferred tax liabilities	13,252	12,158
	1,339,453	1,384,258
Current liabilities		
Other provisions	7,667	11,485
Derivative financial instruments	8,800	1,103
Financial debt	525,316	489,383
Trade and other payables	56,333	57,223
Non-financial liabilities	7,098	5,874
Current income tax liabilities	4,934	5,559
	610,148	570,627
Equity and liabilities	2,520,876	2,524,334

Statement of changes in shareholders' equity

in € thousand	Subscribed capital	Reserves and withdrawals	Currency translation differences
Balance at 1 Jan. 2013	6,405	423,759	-5,975
Profit or loss	0	43,263	0
Other comprehensive income	0	166	4,438
Total comprehensive income	0	43,429	4,438
Capital increase/decrease	0	0	0
Withdrawals/dividend distribution	0	-3,194	0
Changes in ownership interests in subsidiaries that do not result in a loss of control	0	-5	0
Other changes	0	3	0
Balance at 30 June 2013	6,405	463,992	-1,537
Balance at 1 Jan. 2014	6,405	402,372	-20,462
Profit or loss	0	-10,026	0
Other comprehensive income	0	0	2,253
Total comprehensive income	0	-10,026	2,253
Capital increase/decrease	0	0	0
Withdrawals/dividend distribution	0	-4,013	0
Changes in ownership interests in subsidiaries that do not result in a loss of control	0	0	0
Other changes	0	-11	0
Balance at 30 June 2014	6,405	388,322	-18,209

Accumulated other comprehensive income

Cashflow hedges	Equity attributable to share- holders of Rickmers Holding GmbH & Cie. KG	Non-controlling interests	Equity
-33,164	391,025	162,649	553,674
0	43,263	7,980	51,243
3,488	8,092	5,809	13,901
3,488	51,355	13,789	65,144
0	0	40,272	40,272
0	-3,194	-2,591	-5,785
0	-5	5	0
0	3	-306	-303
-29,676	439,184	213,817	653,001
-26,851	361,464	207,985	569,449
0	-10,026	11,018	992
3,344	5,597	4,874	10,471
3,344	-4,429	15,892	11,463
0	0	0	0
0	-4,013	-5,160	-9,173
0	0	0	0
0	-11	-453	-464
-23,507	353,011	218,264	571,275

Consolidated cashflow statement for the period from 1 January to 30 June 2014

in € thousand	H1 2014	H1 2013
Operating activities		
Group profit or loss	992	51,243
Income tax	108	-28,571
Depreciation, amortisation, impairment losses and write-ups	49,621	63,108
Net interest	42,592	39,262
Financial result from swaps (held for trading)	8,572	10,966
Gain/loss on sale of non-current assets	588	-4
Results from investments accounted for using the equity method	536	184
Other non-cash items	-857	-26,714
Dividends received	1,577	1,080
Changes in provisions for pensions and similar obligations	-37	-35
Changes in other assets and liabilities	-4,694	-4,388
Income tax paid	-1,579	-2,311
Cashflow from operating activities	97,419	103,820
Investing activities		
Purchase of intangible assets	-1,181	-123
Purchase of vessels	-1,784	-4,651
Purchase of other property, plant and equipment	-231	-413
Acquisition of subsidiaries and other business units	-24,179	-1
Proceeds from disposal of intangible assets and property, plant and equipment	31,955	173
Proceeds from disposal of subsidiaries and other business units	0	0
Cash proceeds from disposal of other financial assets	47	142
Cash advances and loans made	0	-24,054
Cash receipts from advances and loans made	381	45,229
Interest received	699	3,416
Cashflow from investing activities	5,707	19,718

in € thousand	H1 2014	H1 2013
Financing activities		
Proceeds from issuing equity instruments and capital increase	0	41,721
Cash payments for transaction costs on equity proceeds	0	-1,449
Dividends paid	-9,173	-5,785
Other payments to owners and minority shareholders	-126	0
Proceeds from financial debt	83,451	195,866
Cash payments for transaction costs on debt proceeds	-2,721	-8,321
Repayments of financial debt	-82,627	-164,860
Interest paid	-56,155	-46,296
Cashflow from financing activities	-67,351	10,876
Change in cash and cash equivalents	35,775	134,414
Currency translation effects on cash and cash equivalents	521	116
Cash and cash equivalents at beginning of period	144,788	72,064
Cash and cash equivalents at end of period	181,084	206,594

Selected notes to the consolidated interim financial statements

1 General notes

1.1 General

Rickmers Holding GmbH & Cie. KG (head office: Neumuehlen 19, 22763 Hamburg) was founded in 1985 and is registered with the commercial register of the Hamburg district court (Amtsgericht) under HRA 89790. This is the parent company of the Rickmers Group. The Rickmers Group is an international provider of services for the shipping industry. It operates a fleet of 103 vessels and is represented internationally by over 20 branches and by more than 50 sales agencies.

1.2 Principles applied in the consolidated interim financial statements

The Rickmers Group's present condensed consolidated interim financial statements for the period ending 30 June 2014 are in accordance with the International Financial Reporting Standards (IFRSs), passed and issued by the International Accounting Standards Board (IASB), and the interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC) for interim financial reporting as adopted by the European Union (EU). In compliance with IAS 34, these condensed consolidated interim financial statements do not contain all the information and notes required under IFRSs for year-end annual consolidated financial statements.

The present condensed consolidated interim financial statements were prepared in euros (€) and cover the period from 1 January to 30 June 2014. Unless otherwise indicated, all amounts are given in € thousand.

The condensed consolidated interim financial statements were subject to review. In the opinion of the Executive Board, the financial statements contain all the adjust-

ments required to give a true and fair view of the financial position and financial performance of the Group. The results presented in periods during the course of the year are not necessarily indicative of results that can be expected in future periods or for the financial year as a whole. This is because the financial performance of the Rickmers Group is characterised by seasonal fluctuations in transport volumes and freight rates in the shipping business.

The preparation of condensed consolidated interim financial statements in accordance with IAS 34 *Interim Financial Reporting* involves the management making additional estimates and judgements that affect the recognition and measurement of items in the balance sheet and/or income statement, and the disclosure of contingent assets and liabilities. Actual amounts may vary from these estimates. The estimates and judgements made by the management generally comply with those presented in the consolidated financial statements at the end of the 2013 financial year.

The accounting principles applied in the condensed consolidated interim financial statements conform with those from the last consolidated financial statements with the exception of accounting principles applied for the first time:

- IAS 36 – *Disclosures on the recoverable amount for non-financial assets*
- IAS 39 – *Novation of derivatives and the continuation of existing hedging relationships*
- Amendments to IFRS 10 *Consolidated Financial Statements*, IFRS 12 *Disclosure of Interests in Other Entities* and IAS 27 *Separate Financial Statements*
- Amendment to IFRS 10, IFRS 11 and IFRS 12: Transitional provisions

None of the accounting principles applied for the first time had a significant effect on the Rickmers Group. A detailed description of accounting principles was published in the consolidated financial statements as at 31 December 2013.

1.3 Endorsed accounting principles

IFRIC 21 – Levies

In June 2014, the EU endorsed IFRIC 21 *Levies*. The Interpretation contains regulations covering the accounting of levies imposed on entities by public bodies, except levies in the meaning of IAS 12 *Income Tax*. Applying the Interpretation could mean that an obligation to pay levies may be recorded in the balance sheet at a different time than before, especially when the obligation to pay only arises when certain circumstances are triggered at a certain time. The Interpretation has no relevance to the Rickmers Group.

1.4 Newly issued accounting standards

IFRS 15 – Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 *Revenue from Contracts with Customers*, which still needs to be endorsed by the EU. IFRS 15 establishes a comprehensive framework for determining when to recognise revenue arising from contracts with customers and how much revenue to recognise. Moreover, the standard specifies how gains and losses arising from the disposal of certain non-financial assets (e.g. property, plant and equipment, intangible assets) are accounted for and recognised which do not represent consideration in the course of an entity's ordinary activities. It becomes effective for an entity's first annual IFRS financial statements for periods beginning on or after 1 January 2017.

2 Changes in the group of consolidation

The group of consolidated companies in *Rickmers Holding GmbH & Cie. KG* comprises a total of 115 companies effective 30 June 2014.

In the first six months of 2014, *Ballachrink Navigation Ltd.*, Douglas, Isle of Man, was fully consolidated as a subsidiary for the first time. Indirectly, *Rickmers Holding GmbH & Cie. KG* holds 100 percent of the shares in the company.

In addition, the company *A.R. Second Maritime Investments Pte. Ltd.*, Singapore (formerly: *RJV Second (Singapore) Pte. Ltd.*, Singapore), was included in the consolidated financial statements of the Rickmers Group for the first time in the first half of 2014 as a joint venture using the equity method. Indirectly, *Rickmers Holding GmbH & Cie. KG* holds 50 percent of the shares in *A.R. Second Maritime Investments Pte. Ltd.*, Singapore.

SELECTED NOTES TO THE CONSOLIDATED INCOME STATEMENT

3 Revenues

Rickmers Group revenues are primarily comprised of income from charter, shipping and freight transactions. The change is mainly attributable to reduced charter income and the decline in shipping revenue.

6 Financial result

The negative effects in the financial result are largely attributable to the rise in interest expenses for the Group's own bond and to the fluctuation in the market values of interest derivatives not included in hedging relationships.

4 Cost of materials

The rise in the cost of materials results from increased crewing services for third-party business and from outsourcing parts of the crew management to an external crew provider. In addition, Rickmers-Linie posted an increase in voyages in the first half of 2014.

7 Income taxes

Pursuant to IAS 34, the income tax expense was recognised on the basis on the average annual tax rate expected for the full financial year 2014.

5 Personnel expenses

The fall in personnel expenses is largely attributable to the reduction of the KG-fund fleet, the accompanying lower supply of crew members and the outsourcing of parts of the crew management.

The tax expense recognised for the interim period is not necessarily an indication of the tax expense that is to be expected for the full financial year. This is because the financial performance of the Rickmers Group is, on the one hand, characterised by seasonal fluctuations in transport volumes and freight rates in the shipping business. On the other hand, non-recurring accounting effects in an interim period – such as the fair value measurement of derivative financial instruments – are not taken into account in the way the interim income tax expense is calculated using the average annual tax rate.

SELECTED NOTES TO THE CONSOLIDATED BALANCE SHEET

8 Vessels

Changes result mainly from scheduled depreciation and effects from foreign currency translation. Furthermore, two vessels with a carrying amount of € 6,100 thousand were sold in the period under review and the residual value of vessels was adjusted at the beginning of the financial year to the current scrap prices.

9 Investments accounted for using the equity method

In the first half of 2014, *A.R. Second Maritime Investments Pte. Ltd.*, Singapore, raised further capital of € 22,500 thousand to finance additional vessels.

10 Assets held for sale

Five vessels recognised as "held for sale" as at 31 December 2013 were sold in the first half of 2014 to the joint venture *A.R. Second Maritime Investments Pte. Ltd.*, Singapore.

11 Financial debt

In the first half of 2014, the Rickmers Group increased its corporate bond by a further € 25,000 thousand to a nominal € 250 million. The increase was subject to the same conditions as the bond placed in June 2013 (an annual interest rate of 8.875 percent, maturing on 11 June 2018).

In addition, *Rickmers Maritime*, Singapore, successfully launched a multi-currency, medium-term note programme amounting up to SGD 300 million. A first tranche with a nominal value of SGD 100 million (€ 58.3 million) and an annual interest rate of 8.45 percent maturing on 15 May 2017 was successfully placed on the capital market as at 15 May 2014.

12 Financial instruments

The tables below show the book value, the valuation and fair value by class and valuation category as at 30 June 2014 and 31 December 2013:

		Balance sheet valuation according to IAS 39					
in € thousand	Valuation categories according to IAS 39	Book value at 30 June 2014	Amortised cost	Cost	Fair value recognised in equity	Fair value recognised in profit or loss	Fair value at 30 June 2014
ASSETS							
Derivative financial instruments		0	0	0	0	0	0
Cashflow hedges	n/a	0	0	0	0	0	0
Other derivative financial instruments	Held for trading	0	0	0	0	0	0
Other financial assets		27,929	22,744	5,185	0	0	22,744
Investments in affiliates and other investments	Available-for-sale	5,185	0	5,185	0	0	n/a
Financial receivables	Loans and receivables	22,744	22,744	0	0	0	22,744
Trade and other receivables	Loans and receivables	32,397	32,397	0	0	0	32,397
Cash and cash equivalents	Loans and receivables	181,084	181,084	0	0	0	181,084
EQUITY AND LIABILITIES							
Derivative financial instruments		74,423	0	0	6,614	67,810	74,423
Cashflow hedges	n/a	6,614	0	0	6,614	0	6,614
Other derivative financial instruments	Held for trading	67,810	0	0	0	67,810	67,810
Financial debt	Other liabilities	1,781,639	1,781,639	0	0	0	1,804,074
Trade and other payables		58,863	58,863	0	0	0	58,863
Trade payables	Other liabilities	48,924	48,924	0	0	0	48,924
Other payables	Other liabilities	9,939	9,939	0	0	0	9,939

Balance sheet valuation according to IAS 39							
in € thousand	Valuation categories according to IAS 39	Book value at 31 Dec. 2013	Amortised cost	Cost	Fair value recognised in equity	Fair value recognised in profit or loss	Fair value at 31 Dec. 2013
ASSETS							
Derivative financial instruments		0	0	0	0	0	0
Cashflow hedges	n/a	0	0	0	0	0	0
Other derivative financial instruments	Held for trading	0	0	0	0	0	0
Other financial assets		26,259	22,775	3,484	0	0	22,775
Investments in affiliates and other investments	Available-for-sale	3,484	0	3,484	0	0	n/a
Financial receivables	Loans and receivables	22,775	22,775	0	0	0	22,775
Trade and other receivables	Loans and receivables	32,247	32,247	0	0	0	32,247
Cash and cash equivalents	Loans and receivables	144,788	144,788	0	0	0	144,788
EQUITY AND LIABILITIES							
Derivative financial instruments		78,035	0	0	11,878	66,157	78,035
Cashflow hedges	n/a	11,878	0	0	11,878	0	11,878
Other derivative financial instruments	Held for trading	66,157	0	0	0	66,157	66,157
Financial debt	Other liabilities	1,780,657	1,780,657	0	0	0	1,780,657
Trade and other payables		59,406	59,406	0	0	0	59,406
Trade payables	Other liabilities	46,475	46,475	0	0	0	46,475
Other payables	Other liabilities	12,931	12,931	0	0	0	12,931

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Other financial assets available-for-sale are measured at fair value. If there is no reliable fair value, assets are measured at cost. Given their relatively short remaining terms, the book value of most financial receivables, trade receivables and trade payables, other receivables and payables, and cash and cash equivalents is the same as their fair value. The book value of variable interest-bearing, secured bank liabilities, which make up a large proportion of Rickmers Group's financial debt, approximates the fair value.

Interest derivatives are measured on the basis of the DCF method utilising a risk-free and a suitably risk-adjusted interest curve. Adjustments were made to estimates used to calculate the risk premium because a publicly accessible risk curve previously used at the year-end date was no longer available.

The fair value of the publicly quoted corporate bond is the nominal value multiplied by the prices quoted at the respective financial year-end dates.

The table below shows the fair values and nominal values of the derivatives:

	30 June 2014		31 Dec. 2013	
in € thousand	Fair values	Nominal amounts	Fair values	Nominal amounts
Interest rate swaps	-74,423	474,927	-78,035	472,375
Interest rate swaps	-74,423	474,927	-78,035	472,375
In connection with cashflow hedges	-6,613	138,765	-11,878	175,642
Without hedge relationship	-67,810	336,162	-66,157	296,733
Total	-74,423	474,927	-78,035	472,375

Financial assets and liabilities measured at fair value can be categorised according to a three-level hierarchy of fair value:

Level 1: The fair value is measured using quoted prices in active markets for identical assets or liabilities.

Level 2: At this level, the fair value is measured using other inputs than quoted prices that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

Level 3: Inputs based on unobservable market data are the basis for measuring fair value at this level.

The measurement principles and methods used to determine the fair value have not changed from the prior year. Detailed explanations of the principles and methods can be found in the consolidated financial statements for 2013.

The corporate bond is assigned to level 1 because it is listed on the Frankfurt Stock Exchange's open market, Entry Standard, included in the Prime Standard for corporate bonds and actively traded.

Derivatives, the multi-currency, medium-term note programme and other financial debts and balance sheet items for which a fair value has been measured correspond to level 2 of the fair value hierarchy. However, given the largely floating rate for bank loans and the short remaining terms of trade receivables and payables, other receivables and liabilities and financial receivables, the fair value is not calculated explicitly.

The fair value of investment measured at amortised cost could not be determined with any degree of reliability. At the financial year-end dates, there is neither an active market for investments nor an intention to sell them.

In the period covered by the interim report, there were no reclassifications between the levels of the fair value hierarchy.

SELECTED NOTES ON THE CONSOLIDATED CASHFLOW STATEMENT

13 Presentation of the consolidated cashflow statement

Financial year 2013 recorded a positive cashflow from investing activities of €19,718 thousand which was largely due to reimbursements from shipyards (€42,595 thousand).

Cashflow from operating activities

In the first half year 2014, cashflow from operating activities amounted to €97,419 thousand, a year-on-year fall of €6,401 thousand (H1 2013: €103,820 thousand).

The decline is largely due to the Maritime Assets segment and is the result of currency translation effects, lower charter rates in new contracts and of the continued reduction in the KG-fund fleet.

Cashflow from investing activities

Cashflow from investing activities amounted to €5,707 thousand in the first half of 2014. The most significant effects included:

- payments for other investments (in particular for capital contributions and capital increases in associates and joint ventures) of €-24,180 thousand;
- proceeds from the disposal of intangible assets and property, plant and equipment amounting to €31,955 thousand relating to the disposal of seven vessels.

Cashflow from financing activities

Cashflow from financing activities amounted to €-67,351 thousand in the first half of 2014 (2013: €10,876 thousand).

The change of €-78,227 thousand is primarily due to:

- reduced proceeds from financial debt of €-112,415 thousand;
- lower repayments of financial debt of €82,233 thousand compared to the prior year, particularly attributable to special repayments on bank loans made in the prior year;
- proceeds from the issue of equity instruments of €-41,721 thousand (a capital increase relating to non-controlling shareholders in *Rickmers Maritime*, Singapore) received in the first half of 2013.

SELECTED NOTES TO THE SEGMENT REPORTING

14 Presentation of the reportable segments

The business activities of the Rickmers Group can be divided into the three reportable segments: Maritime Assets, Maritime Services and Rickmers-Linie. These reportable segments are largely independently organised and managed in line with the nature of the services provided.

The Maritime Assets segment, asset manager for the Rickmers Group's own and for third-party vessels, initiates and coordinates vessel projects, organises financing and acquires, charters out and sells vessels. The segment also comprises the vessel owning companies in the Rickmers Group.

In the Maritime Services segment, the Rickmers Group provides ship management for Rickmers Group's own and for third-party vessels, including technical and operational management, crewing, newbuild supervision and advisory and insurance-related services.

In the Rickmers-Linie segment, the Rickmers Group offers global breakbulk, heavy lift and project cargoes liner services (such as the Round-the-World Pearl String Service) and individual voyages complementing the liner services. The fleet operating in this segment consists of multi-purpose heavy lift vessels with on-board cranes.

The accounting standards that underlie the segment information of the Rickmers Group are based on IFRSs accounting policies. Transactions between segments are at market prices.

In accordance with IFRS 8, the Rickmers Group's segment reporting is based on internal reporting to the Executive Board, which is responsible for assessing the success of the segment and for allocating resources to it. Segment success is largely measured in line with its EBITDA.

The half-year segment report posts earnings before taxes as bottom line and is reconciled to the consolidated earnings before taxes.

The expenses for the first half of 2014 were calculated in line with IAS 34 using the average annual tax rate expected for the whole of 2014 on Group level. Therefore, the tax rate is not transferable to segment level.

The assets and liabilities of the segments basically comprise all assets and liabilities of the Group. Assets and liabilities are allocated to the segment based on economic control.

The reconciliation column Corporate Center comprises the business activities of the Group's parent company *Rickmers Holding GmbH & Cie. KG* and other intermediate holding companies that are not part of the Rickmers Group's core business. *Rickmers Holding GmbH & Cie. KG* provides internal, administrative services and acts as the management holding company for the Rickmers Group. Amongst other things, this means acquiring, holding and selling investments in other shipping companies and related maritime business. Moreover, *Rickmers Holding GmbH & Cie. KG* manages financing activities for the segments.

The reconciliation column *Consolidation* comprises the elimination of business relations between the segments.

The relevant segment figures are reconciled to the respective consolidated figures (income statement, balance sheet, cashflow statement and EBITDA) in the tables below.

H1 2014 in € thousand	Maritime Assets	Maritime Services	Rickmers- Linie	Total	Corporate Center	Consoli- dation	Group
Revenues							
Revenues from charter	167,435	0	1,864	169,298	0	-9,335	159,964
Revenues from ship management	1,721	54,558	-8	56,272	0	-37,837	18,434
Revenues from freight	0	0	89,674	89,674	0	0	89,674
Other revenues	1,402	1,432	1,572	4,406	0	-749	3,657
Total revenues	170,558	55,990	93,102	319,650	0	-47,921	271,729
Generated by third parties	160,836	17,851	93,042	271,729	0	0	271,729
% of total revenues generated by third parties	94%	32%	100%	85%	0%	0%	100%
Generated by other segments	9,722	38,139	60	47,921	0	-47,921	0
% of total revenues generated by other segments	6%	68%	0%	15%	0%	100%	0%
Changes in inventories	-71	0	0	-71	0	0	-71
Other operating income	6,597	8,349	1,800	16,746	7,028	-5,879	17,895
Cost of materials	-53,873	-36,770	-93,236	-183,879	0	48,688	-135,191
Personnel expenses	-2,245	-19,026	-7,495	-28,766	-5,592	16	-34,342
Amortisation, depreciation and impairment charges for intangible assets and property, plant and equipment	-48,997	-112	-273	-49,382	-537	0	-49,919
Other operating expenses	-5,675	-4,412	-4,947	-15,034	-8,227	5,100	-18,161
Results from investments accounted for using the equity method	749	54	-1,340	-537	0	0	-537
Other income from investments	434	66	0	500	-2,564	2,564	500
Financial result							
Interest income	888	2,358	207	3,453	3,716	-5,520	1,649
Interest expenses	-36,901	-280	-209	-37,390	-12,367	5,516	-44,241
Other financial income	2,299	0	0	2,299	0	0	2,299
Other financial expenses	-10,510	0	0	-10,510	0	0	-10,510
	-44,224	2,078	-2	-42,149	-8,651	-4	-50,803
Earnings before tax on income (EBT)	23,253	6,217	-12,391	17,079	-18,543	2,564	1,100

H1 2013 in € thousand	Maritime Assets	Maritime Services	Rickmers- Linie	Total	Corporate Center	Consoli- dation	Group
Revenues							
Revenues from charter	180,005	0	424	180,429	0	-11,422	169,007
Revenues from ship management	2,538	58,302	-3	60,837	0	-36,729	24,108
Revenues from freight	0	0	91,610	91,610	0	0	91,610
Other revenues	1,722	1,685	1,337	4,744	0	-693	4,051
Total revenues	184,265	59,987	93,368	337,620	0	-48,844	288,776
Generated by third parties	172,556	22,917	93,303	288,776	0	0	288,776
% of total revenues generated by third parties	94%	38%	100%	86%	0%	0%	100%
Generated by other segments	11,709	37,070	65	48,844	0	-48,844	0
% of total revenues generated by other segments	6%	62%	0%	14%	0%	100%	0%
Changes in inventories	18	0	0	18	0	0	18
Other operating income	8,128	8,051	1,353	17,532	4,580	-3,650	18,462
Cost of materials	-51,052	-29,212	-93,630	-173,894	0	49,762	-124,132
Personnel expenses	-2,156	-30,569	-7,113	-39,838	-6,113	12	-45,939
Amortisation, depreciation and impairment charges for intangible assets and property, plant and equipment	-61,716	-92	-210	-62,018	-538	0	-62,556
Other operating expenses	-10,349	-6,291	-5,158	-21,798	-6,783	2,728	-25,853
Results from investments accounted for using the equity method	-244	60	0	-184	0	0	-184
Other income from investments	134	38	-11	161	1,181	-1,181	161
Financial result							
Interest income	1,145	706	32	1,883	955	-1,885	953
Interest expenses	-39,751	-330	-39	-40,120	-1,974	1,880	-40,214
Other financial income	24,715	0	0	24,715	0	0	24,715
Other financial expenses	-11,535	0	0	-11,535	0	0	-11,535
	-25,426	376	-7	-25,057	-1,019	-5	-26,081
Earnings before tax on income (EBT)	41,602	2,348	-11,408	32,542	-8,692	-1,178	22,672

30 June 2014 in € thousand	Maritime Assets	Maritime Services	Rickmers- Linie	Total	Corporate Center	Consoli- dation	Group
ASSETS							
Non-current assets							
Intangible assets	0	592	330	922	2,290	0	3,212
Vessels	2,202,177	0	0	2,202,177	0	-163	2,202,014
Other property, plant and equipment	191	176	1,104	1,471	1,141	3	2,615
Investments accounted for using the equity method	35,597	720	3,247	39,564	0	0	39,564
Other financial assets	8,398	31	102	8,531	297,474	-297,012	8,993
Trade and other receivables	0	0	238	238	0	0	238
Deferred tax assets	1,427	0	1,828	3,255	886	0	4,141
	2,247,790	1,519	6,849	2,256,158	301,791	-297,172	2,260,777
Current assets							
Inventories	5,200	1,959	11,778	18,937	0	0	18,937
Derivative financial instruments	0	0	0	0	0	0	0
Other financial assets	36,663	76,914	13,214	126,791	74,046	-181,901	18,936
Trade and other receivables	9,506	20,805	6,386	36,697	2,848	-7,386	32,159
Other non-financial assets	2,515	2,611	2,699	7,825	271	-547	7,549
Current income tax assets	1,175	208	51	1,434	0	0	1,434
Cash and cash equivalents	90,074	16,691	2,714	109,479	71,605	0	181,084
	145,133	119,188	36,842	301,163	148,770	-189,834	260,099
Assets held for sale	0	0	0	0	0	0	0
Assets	2,392,923	120,707	43,691	2,557,321	450,561	-487,006	2,520,876

30 June 2014 in € thousand	Maritime Assets	Maritime Services	Rickmers- Linie	Total	Corporate Center	Consoli- dation	Group
LIABILITIES							
<i>Non-current liabilities</i>							
Provisions for pensions and similar obligations	0	0	1,666	1,666	0	0	1,666
Other provisions	0	0	0	0	58	0	58
Derivative financial instruments	65,623	0	0	65,623	0	0	65,623
Financial debt	1,014,383	0	0	1,014,383	241,940	0	1,256,323
Trade and other payables	2,469	0	0	2,469	62	0	2,531
Deferred tax liabilities	13,153	99	0	13,252	0	0	13,252
	1,095,628	99	1,666	1,097,393	242,060	0	1,339,453
<i>Current liabilities</i>							
Other provisions	4,991	390	2,167	7,548	114	5	7,667
Derivative financial instruments	8,800	0	0	8,800	0	0	8,800
Financial debt	630,139	3,913	13,289	647,341	59,877	-181,902	525,316
Trade and other payables	14,955	25,084	21,468	61,507	2,225	-7,399	56,333
Non-financial liabilities	4,302	2,146	532	6,980	652	-534	7,098
Current income tax liabilities	3,577	771	102	4,450	484	0	4,934
	666,764	32,304	37,558	736,626	63,352	-189,830	610,148
Liabilities	1,762,392	32,403	39,224	1,834,019	305,412	-189,830	1,949,601

31 Dec. 2013 in € thousand	Maritime Assets	Maritime Services	Rickmers- Linie	Total	Corporate Center	Consoli- dation	Group
ASSETS							
Non-current assets							
Intangible assets	0	1	412	413	2,031	0	2,444
Vessels	2,242,196	0	0	2,242,196	0	-162	2,242,034
Other property, plant and equipment	231	258	1,266	1,755	1,165	3	2,923
Investments accounted for using the equity method	12,487	652	3,196	16,335	1,197	0	17,533
Other financial assets	7,106	33	102	7,241	301,623	-300,857	8,008
Trade and other receivables	0	0	133	133	0	0	133
Deferred tax assets	1,423	348	471	2,242	0	0	2,242
	2,263,443	1,292	5,580	2,270,315	306,016	-301,016	2,275,317
Current assets							
Inventories	5,986	1,040	10,249	17,275	0	0	17,275
Derivative financial instruments	0	0	0	0	0	0	0
Other financial assets	42,050	77,968	10,701	130,719	103,269	-215,737	18,251
Trade and other receivables	11,034	19,181	13,962	44,177	3,043	-15,106	32,114
Other non-financial assets	2,649	2,868	2,290	7,807	1,124	-375	8,556
Current income tax assets	1,033	208	96	1,337	0	0	1,337
Cash and cash equivalents	79,287	10,841	3,084	93,212	51,576	0	144,788
	142,039	112,106	40,382	294,527	159,012	-231,215	222,322
Assets held for sale	26,695	0	0	26,695	0	0	26,695
Assets	2,432,177	113,398	45,962	2,591,537	465,028	-532,231	2,524,334

31 Dec. 2013 in € thousand	Maritime Assets	Maritime Services	Rickmers- Linie	Total	Corporate Center	Consoli- dation	Group
LIABILITIES							
Non-current liabilities							
Provisions for pensions and similar obligations	0	0	1,703	1,703	0	0	1,703
Other provisions	0	8	0	8	0	0	8
Derivative financial instruments	76,932	0	0	76,932	0	0	76,932
Financial debt	1,074,319	0	0	1,074,319	216,979	-25	1,291,274
Trade and other payables	2,111	0	0	2,111	72	0	2,183
Deferred tax liabilities	11,458	0	0	11,458	701	0	12,158
	1,164,820	8	1,703	1,166,531	217,752	-25	1,384,258
Current liabilities							
Other provisions	7,477	969	2,214	10,660	831	-6	11,485
Derivative financial instruments	1,103	0	0	1,103	0	0	1,103
Financial debt	626,292	7,680	3,912	637,884	67,213	-215,714	489,383
Trade and other payables	17,736	20,717	22,227	60,680	11,525	-14,982	57,223
Non-financial liabilities	5,390	791	186	6,368	2	-495	5,875
Current income tax liabilities	3,913	1,062	98	5,073	485	0	5,559
	661,911	31,219	28,638	721,768	80,056	-231,197	570,628
Liabilities	1,826,731	31,227	30,341	1,888,299	297,808	-231,222	1,954,885

H1 2014 in € thousand	Maritime Assets	Maritime Services	Rickmers- Linie	Total	Corporate Center	Consoli- dation	Group
Operating activities							
Group profit or loss	20,957	5,604	-11,168	15,393	-16,965	2,564	992
Income tax	2,295	614	-1,223	1,686	-1,578	0	108
Depreciation, amortisation, impairment losses and write-ups	48,699	113	272	49,084	4,537	-4,000	49,621
Net interest	36,014	-2,078	2	33,938	8,650	4	42,592
Financial result from swaps (held for trading)	8,572	0	0	8,572	0	0	8,572
Gain/loss on sale of non-current assets	588	0	0	588	0	0	588
Results from investments accounted for using the equity method	-749	-55	1,340	536	0	0	536
Other non-cash items	106	-42	-30	34	-2,327	1,436	-857
Dividends received	1,278	108	191	1,577	1,435	-1,435	1,577
Changes in provisions for pensions and similar obligations	0	0	-37	-37	0	0	-37
Changes in other assets and liabilities	-4,710	2,833	-1,126	-3,003	-2,034	343	-4,694
Income tax paid	-1,032	-457	-82	-1,571	-8	0	-1,579
Cashflow from operating activities	112,018	6,640	-11,861	106,797	-8,290	-1,088	97,419
Investing activities							
Purchase of intangible assets	0	-590	-8	-598	-583	0	-1,181
Purchase of vessels	-1,784	0	0	-1,784	0	0	-1,784
Purchase of other property, plant and equipment	-4	-30	-11	-45	-186	0	-231
Acquisition of subsidiaries and other business units	-22,549	-49	-1,581	-24,179	0	0	-24,179
Proceeds from disposal of intangible assets and property, plant and equipment	31,954	0	1	31,955	0	0	31,955
Proceeds from disposal of subsidiaries and other business units	0	0	0	0	0	0	0
Proceeds from disposal of other financial assets	47	0	0	47	0	0	47
Cash advances and loans made	-4,009	-474	-2,525	-7,008	-43,424	50,432	0
Cash receipts from advances and loans made	8,891	1,774	0	10,665	67,957	-78,241	381
Interest received	866	2,594	225	3,685	2,395	-5,381	699
Cashflow from investing activities	13,412	3,225	-3,899	12,738	26,159	-33,190	5,707

H1 2014 in € thousand	Maritime Assets	Maritime Services	Rickmers- Linie	Total	Corporate Center	Consoli- dation	Group
Financing activities							
Proceeds from issuing equity instruments and capital increase	0	0	0	0	0	0	0
Payments for transaction costs on equity proceeds	0	0	0	0	0	0	0
Dividends paid	-6,598	-4	0	-6,602	-4,006	1,435	-9,173
Other payments to owners and minority shareholders	-126	0	0	-126	0	0	-126
Proceeds from financial debt	84,829	111	19,329	104,269	29,630	-50,448	83,451
Payments for transaction costs on debt proceeds	-1,720	0	0	-1,721	-1,000	0	-2,721
Repayments of financial debt	-151,038	-3,769	-3,932	-158,739	-2,203	78,315	-82,627
Proceeds from interest-related derivatives	0	0	0	0	0	0	0
Payments for interest-related derivatives	0	0	0	0	0	0	0
Interest paid	-40,701	-410	-32	-41,143	-20,425	5,413	-56,155
Cashflow from financing activities	-115,354	-4,072	15,365	-104,062	1,996	34,715	-67,351
Change in cash and cash equivalents	10,075	5,793	-395	15,473	19,865	437	35,775
Currency translation effects on cash and cash equivalents	711	57	26	794	164	-437	521
Cash and cash equivalents at beginning of period	79,287	10,841	3,084	93,212	51,576	0	144,788
Cash and cash equivalents at end of period	90,073	16,691	2,715	109,479	71,605	0	181,084

H1 2013 in € thousand	Maritime Assets	Maritime Services	Rickmers- Linie	Total	Corporate Center	Consoli- dation	Group
Operating activities							
Group profit or loss	83,224	3,966	-19,273	67,917	-15,496	-1,178	51,243
Income tax	-41,622	-1,618	7,865	-35,375	6,804	0	-28,571
Depreciation, amortisation, impairment losses and write-ups	62,256	92	221	62,569	539	0	63,108
Net interest	38,607	-375	7	38,239	1,019	4	39,262
Financial result from swaps (held for trading)	10,966	0	0	10,966	0	0	10,966
Gain/loss on sale of non-current assets	1	1	-6	-4	0	0	-4
Results from investments accounted for using the equity method	244	-60	0	184	0	0	184
Other non-cash items	-26,748	55	-21	-26,714	-1,181	1,181	-26,714
Dividends received	675	80	325	1,080	0	0	1,080
Changes in provisions for pensions and similar obligations	0	0	-35	-35	0	0	-35
Changes in other assets and liabilities	-3,174	-2,411	3,767	-1,818	-2,568	-2	-4,388
Income tax paid	-2,132	-305	-220	-2,657	347	-1	-2,311
Cashflow from operating activities	122,297	-575	-7,370	114,352	-10,536	4	103,820
Investing activities							
Purchase of intangible assets	0	-2	-63	-65	-58	0	-123
Purchase of vessels	-4,651	0	0	-4,651	0	0	-4,651
Purchase of other property, plant and equipment	-10	-13	-75	-98	-315	0	-413
Acquisition of subsidiaries and other business units	0	0	0	0	0	0	0
Acquisition of other financial assets	-1	0	0	-1	-4,364	4,364	-1
Proceeds from disposal of intangible assets and property, plant and equipment	66	0	7	73	100	0	173
Proceeds from disposal of other financial assets	103	31	8	142	2,931	-2,931	142
Cash advances and loans made	-772	-3,199	-4,375	-8,346	-66,009	50,301	-24,054
Cash receipts from advances and loans made	71,495	3,229	9,706	84,430	4,180	-43,381	45,229
Interest received	3,481	719	53	4,253	916	-1,753	3,416
Cashflow from investing activities	69,711	765	5,261	75,737	-62,619	6,600	19,718

H1 2013 in € thousand	Maritime Assets	Maritime Services	Rickmers- Linie	Total	Corporate Center	Consoli- dation	Group
Financing activities							
Proceeds from issuing equity instruments and capital increase	41,721	4,364	0	46,085	0	-4,364	41,721
Dividends paid	-1,449	0	0	-1,449	0	0	-1,449
Other payments to owners and minority shareholders	-2,769	0	0	-2,769	-3,016	0	-5,785
Cash payments from changes in proportional ownership of subsidiaries	0	-2,931	0	-2,931	0	2,931	0
Proceeds from financial debt	30,372	3,550	14,622	48,544	197,642	-50,320	195,866
Repayments of financial debt	-1,371	0	0	-1,371	-6,950	0	-8,321
Interest paid	-165,018	-77	-986	-166,081	-42,420	43,641	-164,860
Cash payments from changes in proportional ownership of subsidiaries	-47,442	-61	-39	-47,542	-262	1,508	-46,296
Cashflow from financing activities	-145,956	4,845	13,597	-127,514	144,994	-6,604	10,876
Change in cash and cash equivalents	46,052	5,035	11,488	62,575	71,839	0	134,414
Currency translation effects on cash and cash equivalents	-110	88	141	119	-3	0	116
Cash and cash equivalents at beginning of period	61,519	3,311	2,044	66,874	5,190	0	72,064
Cash and cash equivalents at end of period	107,461	8,434	13,673	129,568	77,026	0	206,594

The following table shows the reconciliation of the segment result (EBITDA):

in € thousand	H1 2014	H1 2013
Maritime Assets	116,182	129,285
Maritime Services	4,252	2,064
Rickmers-Linie	-12,116	-11,179
Total	108,318	120,170
Corporate Center	-5,356	-7,135
Consolidation	-1,431	-1,174
Group EBITDA	101,531	111,861
Depreciation	-49,919	-62,556
Interest income/expenses	-42,592	-39,261
Other effects on EBT	-7,920	12,629
Group EBT	1,100	22,672

SELECTED OTHER DISCLOSURES

15 Other financial liabilities

As at 30 June 2014, there were no significant changes to the other financial liabilities described in the consolidated financial statements for 2013.

16 Contingent assets and liabilities

The management estimates the likelihood of guarantees being utilised and of payments being made as a result of litigation as remote.

in € thousand	30 June 2014	31 Dec. 2013
Contingent liabilities from legal claims	1,000	0
Guarantees made	3,150	4,352
Total	4,150	4,352

Alongside contingent liabilities from litigation in relation to KG-fund investors of € 7,183 thousand, are contingent assets from insurance policies of € 6,183 thousand.

17 Related parties

Besides the subsidiaries included in the consolidated financial statements, the Rickmers Group maintains direct or indirect relations with related parties in the course of its normal business activities. Detailed information on related parties can be found in the Notes to the consolidated financial statements 2013.

18 Events after the balance sheet date

Ronald D. Widdows left the Advisory Board of the Rickmers Group with effect from 3 July 2014. He also resigned the posts as director of *A.R. Maritime Investments*, Singapore and of *A.R. Second Maritime Investments*, Singapore.

Rickmers Group initiated arbitration proceedings against a charterer due to the short-payment of charter payments. Agreement was reached with this charterer in July 2014 as part of the comprehensive financial restructuring of its business aimed at avoiding insolvency. This agreement included an undertaking regarding the short-payments and the future reduction in charter rates in exchange, amongst other things, for a share issue and the granting of bond units. As a result, arbitration proceedings against the charterer have been closed.

In July 2014, *Feeder Kontor GmbH & Co. KG* commissioned the Rickmers Group with the commercial management of six vessels and with the technical management of a further four vessels. The first vessel was taken over in July 2014.

Up to the end of the assessment period, other actions have been taken against individual companies within the Rickmers Group by KG-fund investors. Given that proceedings are still at an early stage, it is not possible at this current time to make any reliable assessment of prospects.

Hamburg, 21 August 2014



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