ZIM Press Release

Haifa, March 22nd 2018

ZIM 2017 Annual Results

ZIM posted strong 2017 annual results

- **Posted adjusted net profit of $50 million in 2017, compared to adjusted net loss of $150 million in 2016**
- **Adjusted EBITDA of $270 million in 2017, compared to $47 million in 2016**
- **Adjusted EBIT was $162 million in 2017, compared to negative adjusted EBIT of $54 million in 2016**
- **Operating cash flow was $231 million in 2017, significant improvement compared to $33 million in 2016**
- **Total revenues were $2,978 million in 2017, compared to $2,539 million in 2016, a 17% increase**
- **ZIM carried 2,629 thousand TEUs, an all-time record of containers carried (reflecting an increase of 8% compared to 2016)**

During 2016-2017, the container shipping industry went through a structural change as a result of the extensive activity of mergers and acquisitions that also led to reorganization of the global alliances. Since Q3 2016 we have been witnessing a positive trend in the industry with improved freight rates. However, the overcapacity still exists in the market and market conditions, on the whole, remained volatile, as freight rates partially decreased towards the end of 2017.

In the face of this dynamic and challenging business environment, ZIM continues to outperform the industry and achieve improved results. ZIM's 2017 results reflect the constant improvement in the company's performance, as a result of the comprehensive transformation the company has implemented in recent periods.

ZIM reported an adjusted EBITDA of $53 million in Q4 2017 compared to $44 million in Q4 2016, with an adjusted EBITDA margin of 7%.

The carried quantities increased by 12% to 685 thousand TEUs in Q4 2017, compared to 613 thousand TEUs in the same period of 2016.

Eli Glickman, ZIM's President & CEO, said: "I'm proud to say that ZIM's financial results position us at the very top of the shipping industry. ZIM is undergoing a profound process of change and improvement in all aspects of its activity, as is evident from its 2017 results. Our well efficient network of shipping lines has proved reliable and able to provide excellent service levels to our customers. We lead the introduction of innovative digital solutions that will enable us to cater for changing market needs swiftly and efficiently. ZIM continues with its relentless efforts to improve customer service and to cost reductions, in order to achieve profitability. At the same time, the long-term overcapacity in the market and rising bunker rates continue to burden the industry as a whole."

Financial and Operating Highlights for the Year Ended December 31, 2017

- Adjusted net profit was $50 million, compared to adjusted net loss of $150 million in the comparable period of 2016.
- Net Profit was $11 million, compared to net loss of $163 million in the comparable period of 2016.
- Total revenues were $2,978 million, compared to $2,539 million in the comparable period of 2016, a 17% increase.
- Operating cash flow was $231 million, compared to $33 million in the comparable period of 2016.
- Adjusted EBITDA was $270 million compared to $47 million in the comparable period of 2016.
- EBITDA was $246 million, compared to negative $50 million in the comparable period of 2016.
- Adjusted EBIT was $162 million compared to negative $54 million in the comparable period of 2016.
- EBIT was $135 million, compared to negative $52 million in the comparable period of 2016.
- ZIM carried 2,629 thousand TEUs, compared to 2,429 thousand TEUs in the comparable period of 2016, an 8% increase.
- The average freight rate per TEU was $995, compared to $902 in the comparable period of 2016, a 10% increase.

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Financial and Operating Highlights for the Three Months Ended December 31, 2017

- Adjusted net loss was $1 million, compared to adjusted net profit of $1 million in Q4 2016
- Net loss was $10 million, compared to net profit of $5 million in Q4 2016
- Total revenues were $761 million, compared to $653 million in Q4 2016, a 17% increase
- Operating cash flow was $62 million, compared to $17 million in Q4 2016
- Adjusted EBITDA was $53 million compared to $44 million in Q4 2016
- EBITDA was $48 million compared to $53 million in Q4 2016
- Adjusted EBIT was $25 million, compared to $17 million in Q4 2016
- EBIT was $20 million, compared to $26 million in Q4 2016
- The average freight rate per TEU was $959, compared to $915 in Q4 2016, a 5% increase