

HAMBURGER HAFEN UND LOGISTIK AG

**Analyst conference call on the interim
results January to September 2018**

Hamburg, 13 November 2018



Agenda

- Key developments in 9M18

Angela Titzrath, CEO

- Business update and financials

Dr. Roland Lappin, CFO

- Outlook 2018

Angela Titzrath, CEO

- Questions & answers

Angela Titzrath, CEO
Dr. Roland Lappin, CFO

Disclaimer

The facts and information contained herein are as up to date as is reasonably possible and are subject to revision in the future. Neither the Company nor any of its parent or subsidiary undertakings nor any of such person's directors, officers, employees or advisors nor any other person makes any representation or warranty, express or implied as to, and no reliance should be placed on, the accuracy or completeness of the information contained in this presentation. Neither the Company, nor any of its parents or subsidiary undertakings nor any of their directors, employees and advisors nor any other person shall have any liability whatsoever for loss howsoever arising, directly or indirectly, from any use of this presentation. The same applies to information contained in other material made available at the presentation.

While all reasonable care has been taken to ensure that the facts stated herein are accurate and that the opinions contained herein are fair and reasonable, this document is selective in nature. Where any information and statistics are quoted from any external source, such information or statistics should not be interpreted as having been adopted or endorsed by the Company as being accurate.

This presentation contains forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which the Company operates. These statements generally are identified by words such as "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets" and similar expressions. The forward-looking statements, including but not limited to assumptions, opinions and views of the Company for information from third party sources, contained in this presentation are based on current plans, estimates, assumptions and projections and involve uncertainties and risks. Various factors could cause actual future results, performance or events to differ materially from those described in these statements. The Company does not represent or guarantee that the assumptions underlying such forward-looking statements are free from errors and the Company does not accept any responsibility for the future accuracy of the opinions expressed in this presentation. No obligation is assumed to update any forward-looking statements.

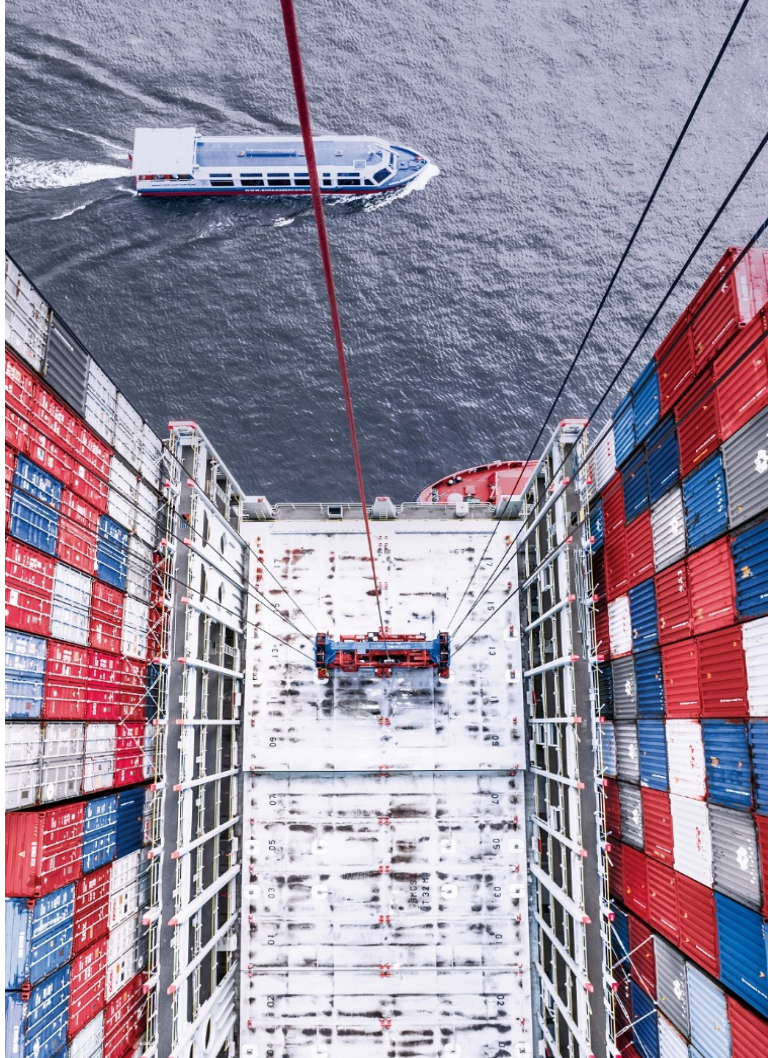
By accepting this presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company's business.

This presentation is not a prospectus and does not constitute an offer or an invitation or solicitation to subscribe for, or purchase, any shares of the Company and neither this presentation nor anything contained herein shall form the basis of, or be relied on in connection with, any offer or commitment whatsoever.

Key developments in 9M 2018

Summary

Fully on track and guidance confirmed



Nine months results fully in line with expectations for 2018 financial year

HHLA Port Logistics with slight increases in revenue and operating result over strong previous year

Strategically important acquisition of biggest terminal operator in Estonia Transiidikeskuse (now: HHLA TK Estonia) closed and integration started

Cash flows impacted by payments for M&A activities (HHLA TK Estonia and remaining minority shares in METRANS)

Guidance confirmed: For 2018 HHLA expects a stable business development with a significant increase in operating result (EBIT)

Business environment in 9M18

Mixed macroeconomic and sector picture

GDP Europe
+ 1.7 %

GDP USA
+ 3.5 %

GDP China
+ 6.5 %

GDP Russia
+ 1.7 %

Macroeconomic environment in 3Q18 resp. 9M18

- Europe¹: GDP growth slowing down further (1Q18: 2.4 %; 2Q18: 2.2 %)
- USA²: fiscal stimulus still impacting positively (1Q18: 2.6 %; 2Q18: 2.9 %)
- China³: GDP at the official growth target of 6.5 % (1Q18: 6.8 %; 2Q18: 6.7 %)
- Russia⁴: Upward trend stabilizes below previous year's level (1Q18: 1.3 %; 2Q18: 1.7 %)
- World trade⁵: gained momentum during summer

Sources:

¹ Eurostat Preliminary Estimate 30 October 2018; ² Bureau of Economic Analysis, 26 October 2018; ³ National Bureau of Statistics of China, October 2018; ⁴ Federal State Statistics Service, estimate September 2018; ⁵ CPB World Trade Monitor August 2018

World throughput
+ 5.0 %

China throughput
+ 2.7 %

NW Europe throughput
+ 4.6 %

Scan. & Baltics throughput
+ 12.8 %

Sector development in terms of port throughput in 3Q18 resp. 9M18

- World: picked up again (1Q18: 6.0%; 2Q18: 4.0 %)
- China: second consecutive weaker quarter (1Q18: 5.4 %; 2Q18: 2.8 %)
- North West Europe: strong summer quarter (1Q18: 3.4 %; 2Q18: 3.0 %)
- Scandinavia & Baltics: ongoing double-digit growth (1Q18: 12.1 %; 2Q18: 18.1 %)

Source: Drewry Maritime Research – Container Forecaster 3Q 2018, October 2018

Financial highlights 9M18 of Port Logistics subgroup

Business update and financials

Revenue and EBIT increased slightly compared to the very good previous year

Revenue

€ 939.9 million

+ 2.2 %

EBIT

€ 143.6 million

+ 0.7 %

EBIT margin

15.3 %

- 0.2 pp

Profit after tax
and minorities

€ 76.6 million

+ 6.1 %

ROCE

16.0 %

- 0.5 pp

Operating cash flow

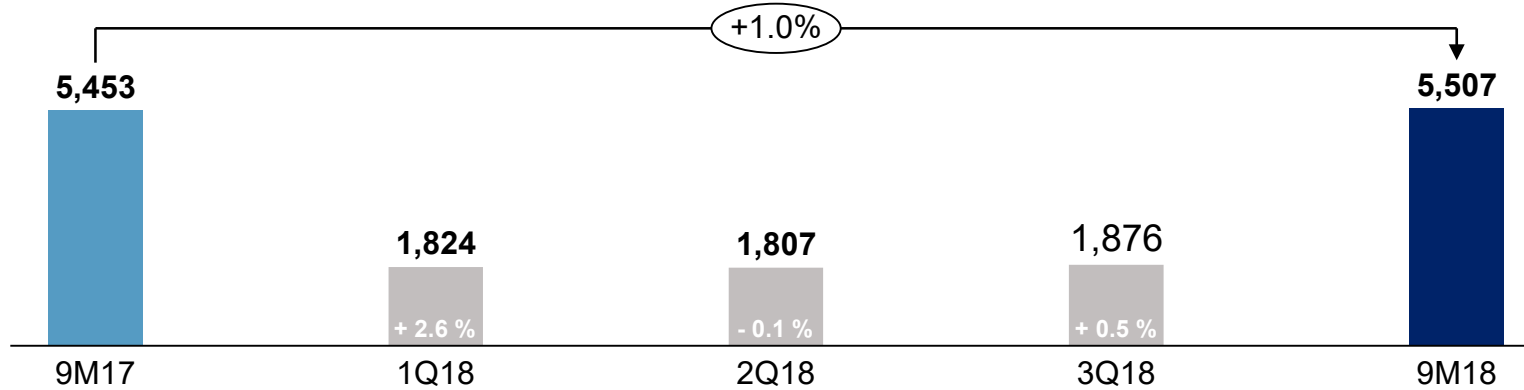
€ 164.8 million

- 20.5 %

Throughput and transport development

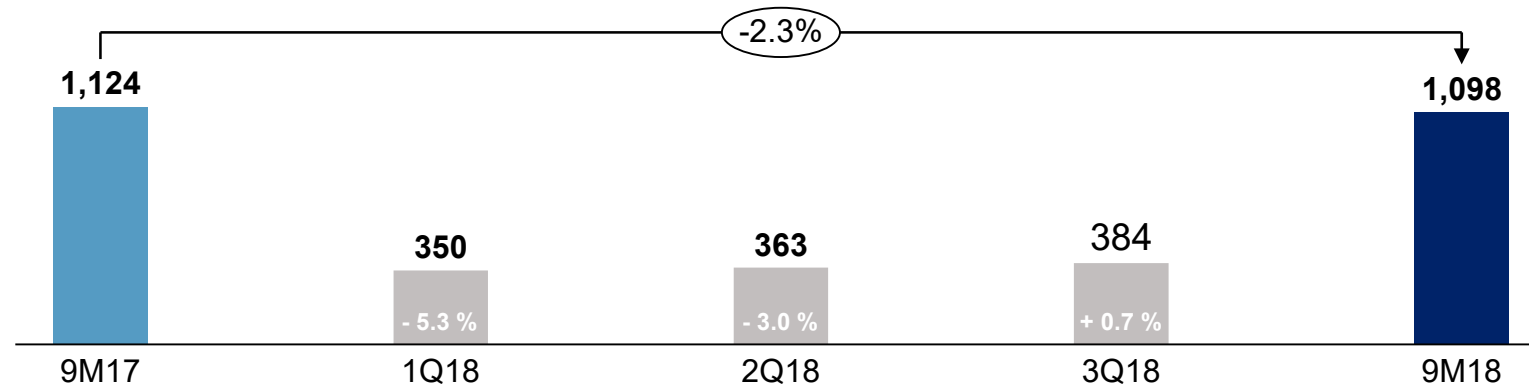
Container throughput slightly rising while container transport is declining as expected

Container throughput
in thousand TEU (% yoy)



- Ongoing positive development of Far East volumes
- First-time consolidation of HHLA TK Estonia (formerly Transiidikeskuse)
- Decrease in lower-margin feeder volumes by 4.7 %; feeder ratio 23.9 % (-1.0 pp)
- HHLA terminals in Hamburg with slight decrease of 0.5 %, HHLA international terminals strong again

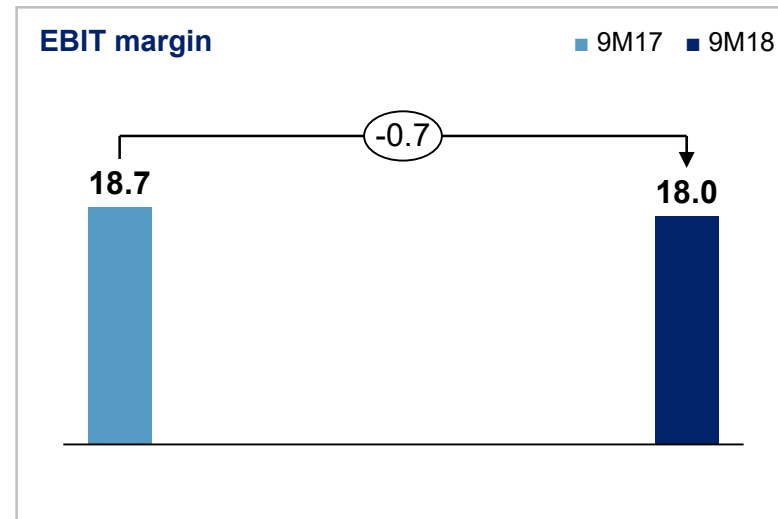
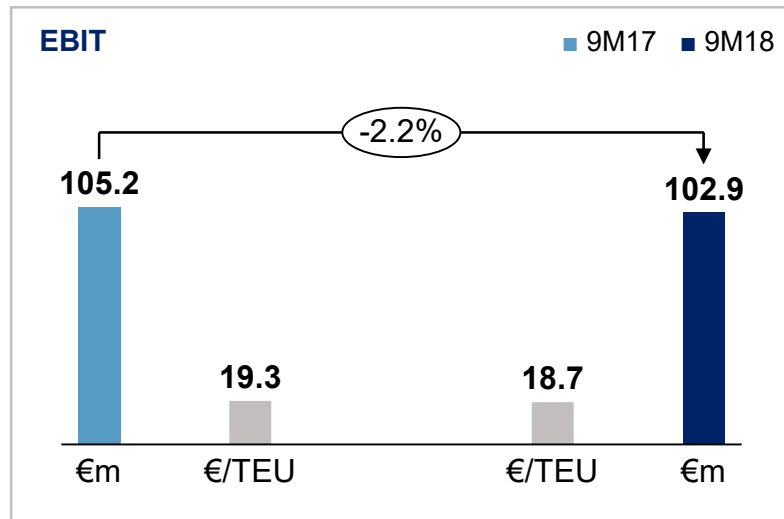
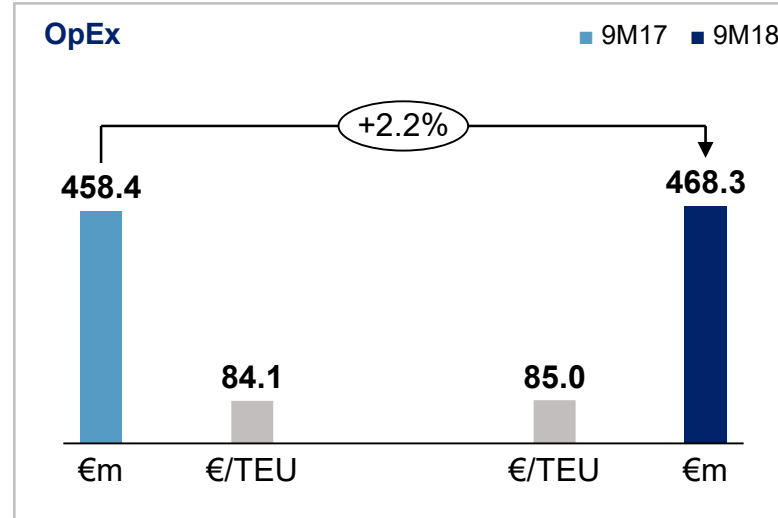
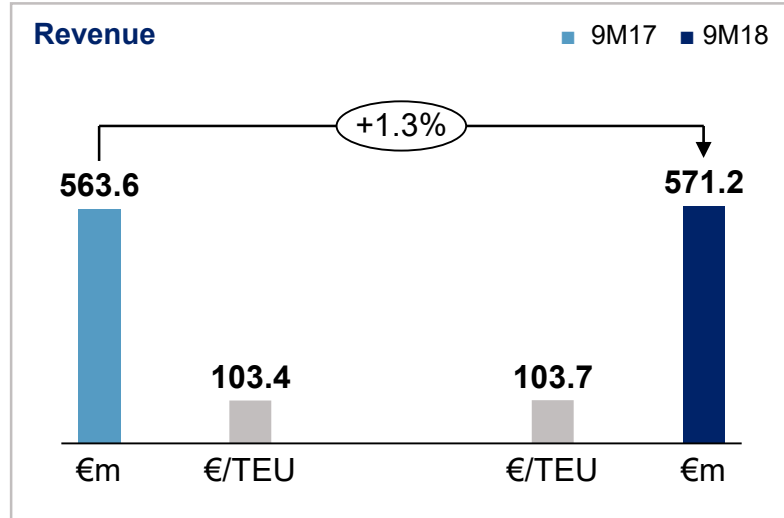
Container transport
in thousand TEU (% yoy)



- Planned realignment of Polish rail traffic proceeding as expected
- Rail transportation regained previous year's level
- Road-bound transportation fell by 11.7 % to 234 thousand TEU affected by less transfers in the Hamburg area

Container segment

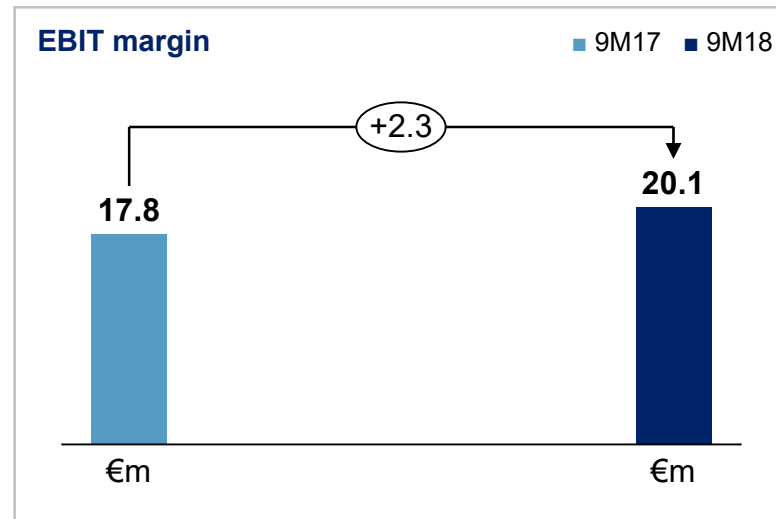
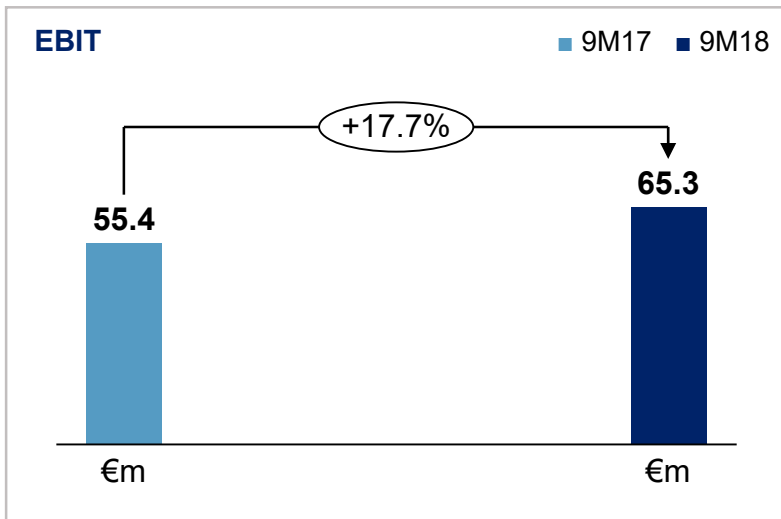
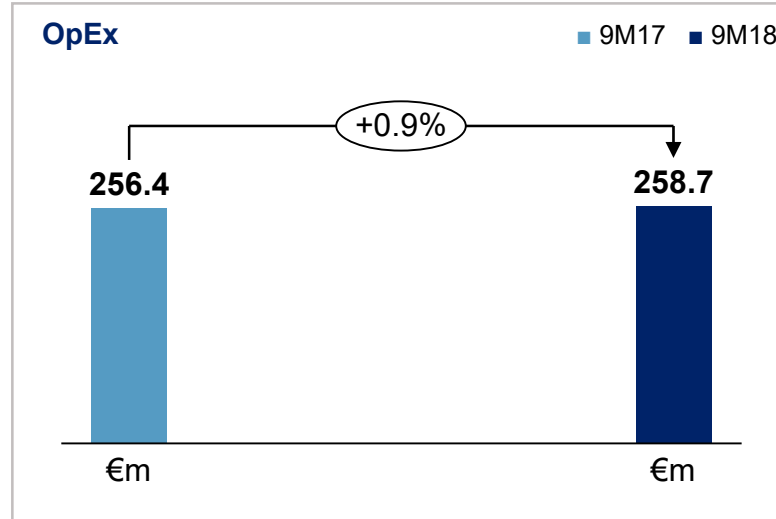
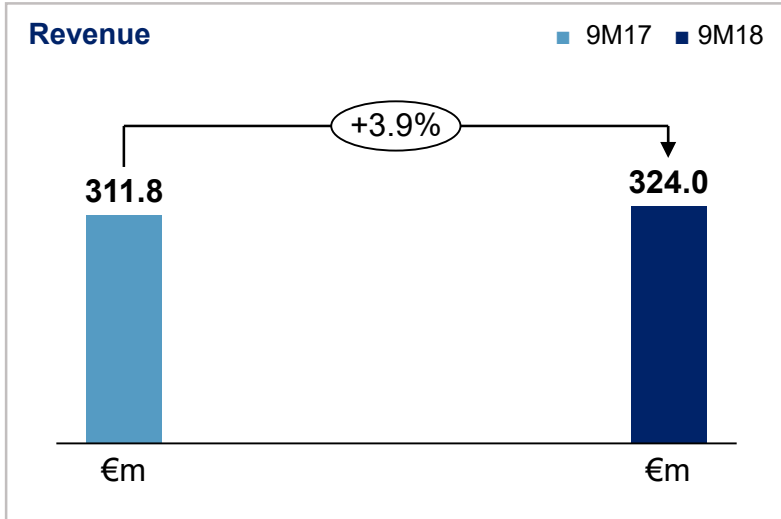
Revenue in line with container throughput growth – EBIT slightly lower



- Revenue increase impacted by
 - decrease in lower-margin feeder volumes,
 - increase of rail-related cargo and
 - significantly lower storage fees
- OpEx rise as a result of
 - higher personnel expenses, i.a. from HHLA TK Estonia and tariff increases
 - fluctuating and uneven capacity utilisation within the Hamburg operating facilities due to ship delays and resulting necessary use of additional resources

Intermodal segment

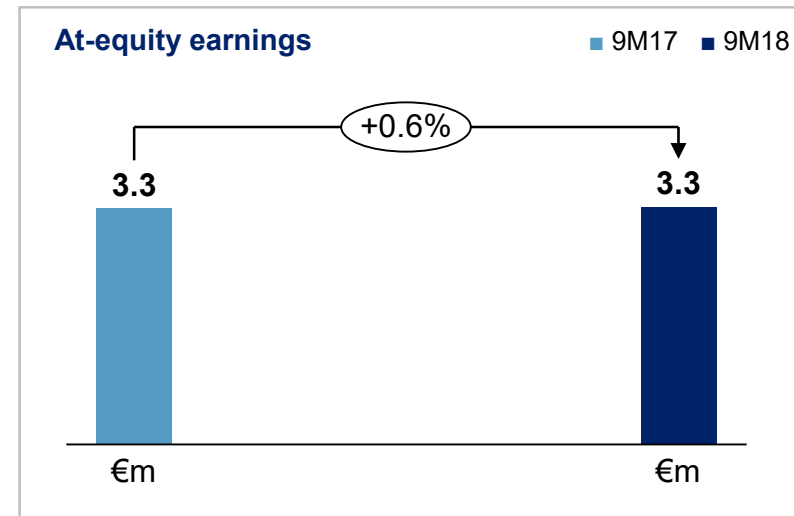
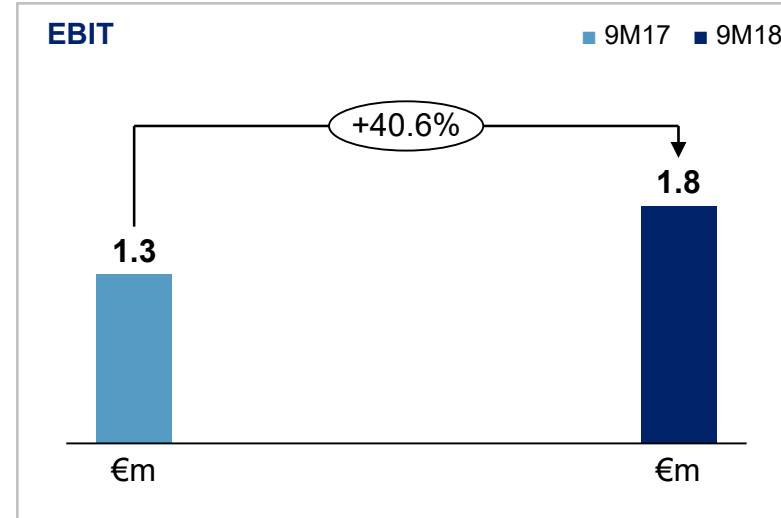
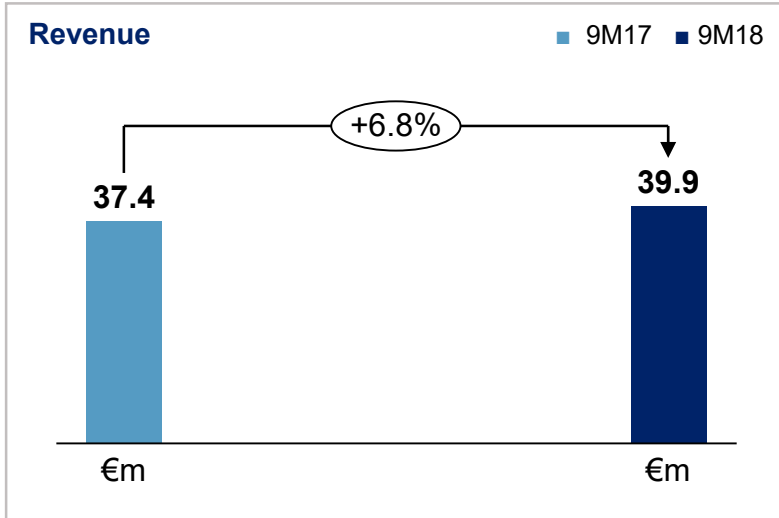
Revenue exceeding volume growth – EBIT with double-digit growth



- Revenue significantly better than transport volume as a result of
 - slightly increased share of rail transportation and
 - longer transport distances
- Strong EBIT increase due to
 - positive change in the mix of transport relations
 - higher utilization of the terminal in Budapest
 - successful integration of POLZUG
- Outstanding EBIT margin level further expanded

Logistics segment

Positive EBIT development



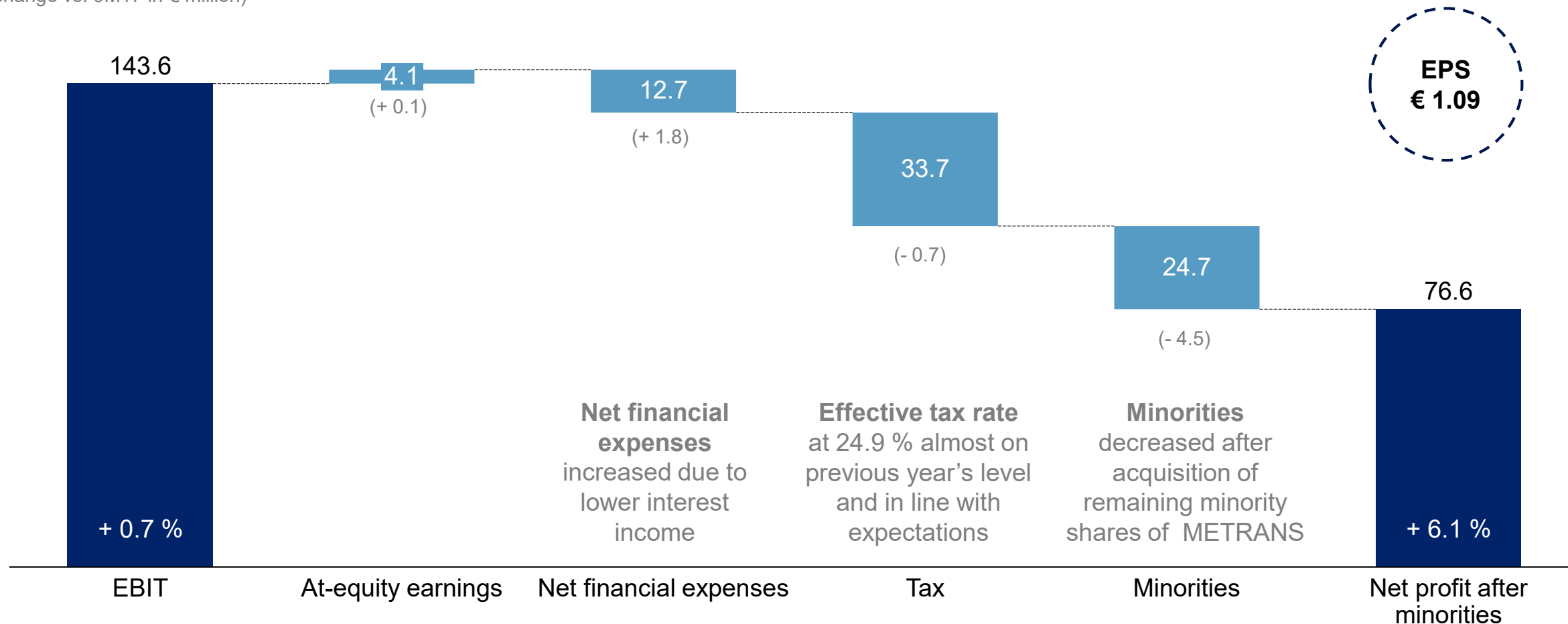
- Revenue growth mainly driven by strong volume development in vehicle logistics
- Positive EBIT contribution increased, especially attributable to consulting activities
- At-equity earnings at previous year's level

Earnings bridge

Business update and financials

Net profit almost on the very high level of 9M17 – minorities down due to increased METRANS stake

in € million, figures of Port Logistics subgroup
(change vs. 9M17 in € million)



Cash flow

In line with business development, reflecting acquisitions as expected

Cash flow from operating activities ■ 9M17 ■ 9M18



Cash flow from investing activities ■ 9M17 ■ 9M18



Cash flow from financing activities ■ 9M17 ■ 9M18



- Increased trade receivables
- Higher other financial receivables

- Settlement of TK acquisition
- Ongoing capex programme

- Settlement for remaining minority stake in METRANS (Q1 2018)
- Dividend payment
- Partly offset by debt funding

Financial funds as of 30 September 2018: € 176.4 million (30 September 2017: € 244.2 million)

Macroeconomic and sector outlook 2018

Business forecast 2018

Macroeconomic forecast remains stable – throughput expectation for 2018 with positive dynamics

GDP World
+ 3.7 %

World trade
+ 4.2 %

GDP China
+ 6.6 %

GDP Russia
+ 1.7 %

Macroeconomic outlook 2018

- Global GDP: expected to continue on a sound level (forecast down 0.2 pp)
- World trade: assumed to grow slightly slower than last expected in July due to protectionist trade policies (forecast down by 0.6 pp)
- Chinese GDP: IMF confirms estimates for sound growth
- Russia: IMF reiterates estimates, economy is expected to grow slightly above previous year's level
- Euro area: Subdued development leads to downgrade by 0.2 pp to 2.0 %

Source: IMF – World Economic Outlook, October 2018

World throughput
+ 5.3 %

China throughput
+ 4.1 %

NW Europe
+ 4.4 %

Scan. & Baltics
+ 14.6 %

Sector outlook 2018

- World: strong, model-related upgrade from July revised, global throughput estimates lowered by 1.2 pp to 5.3 % taking the moderate global growth dynamics into account
- China: slower growth expected (forecast down 1.2 pp)
- Europe: in total growth of 6.2 % expected, North West Europe lagging behind
- Scandinavia & Baltics: another upgrade of 2.3 pp

Source: Drewry Maritime Research – Container Forecaster 3Q 2018, October 2018

Outlook 2018 confirmed

Business forecast 2018

Port Logistics subgroup

	2017	Guidance 2018
Container throughput	7,196 thousand TEU	in the region of previous year
Container transport	1,480 thousand TEU	in the region of previous year
Revenues	€ 1,220.3 million	in the region of previous year
EBIT	€ 156.6 million	significant increase on previous year
Capital expenditure	€ 136.4 million	in the range of € 200 million *

* Group capex, mainly attributable to the Port Logistics subgroup

Financial calendar / IR contact

Financial calendar 2019

27 March 2019	Annual report 2018 Analyst and investor conference
9 May 2019	Interim statement January - March 2019 Analyst and investor conference call
19 June 2019	Annual general meeting (AGM)
14 August 2019	Half-year financial report January - June 2019 Analyst and investor conference call
13 November 2019	Interim statement January - September 2019 Analyst and investor conference call

IR contact

Phone: +49 40 3088 3397

Fax: +49 40 3088 55 3397

E-mail: investor-relations@hhla.de

Web: www.hhla.de

Online annual report



<http://report.hhla.de>

Interim statement January to September 2018

<http://report.hhla.de/interim-statement-q3-2018/>