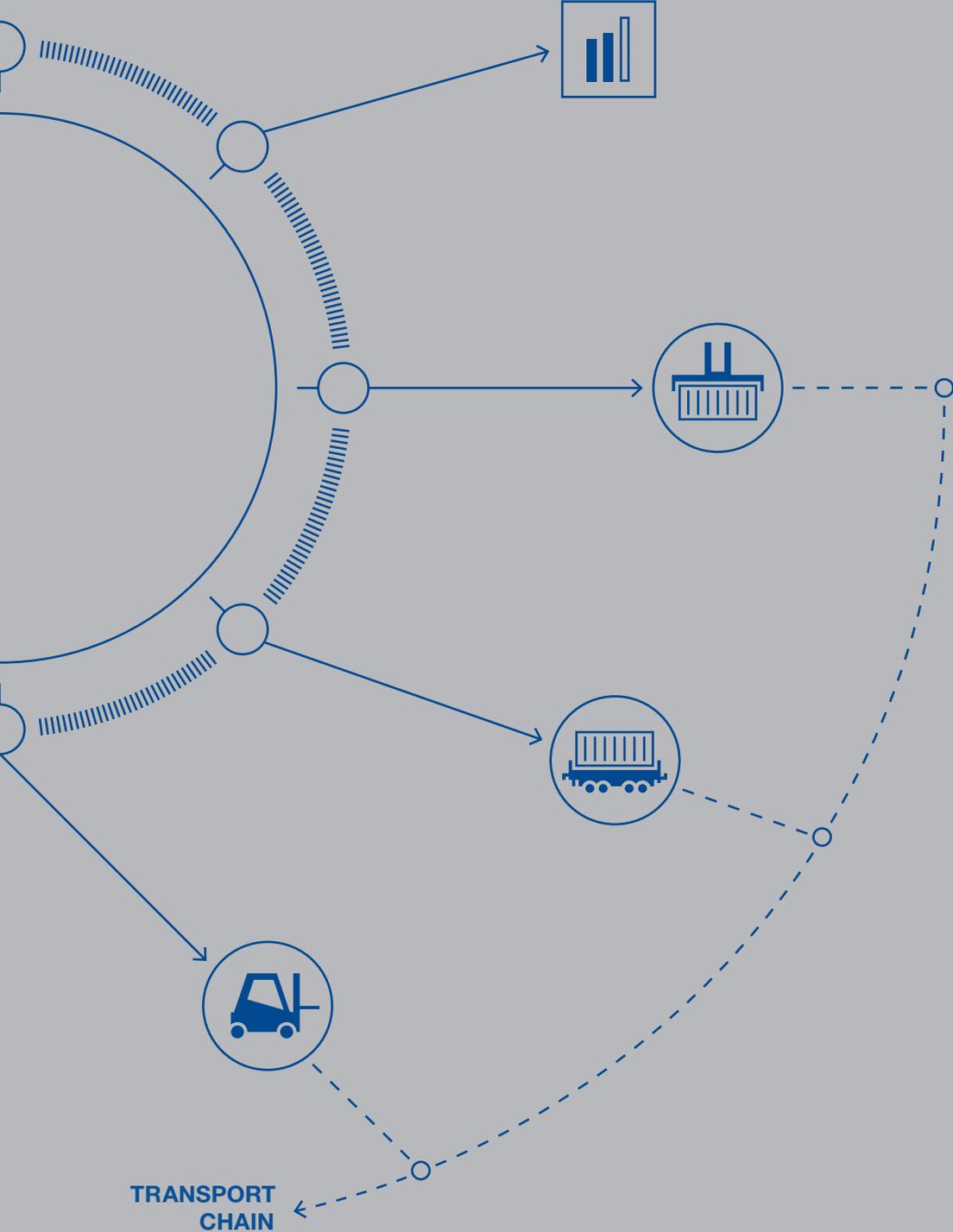




# HALF-YEAR FINANCIAL REPORT

**2017** HAMBURGER HAFEN UND LOGISTIK AG  
JANUARY TO JUNE



# HHLA Key Figures

in € million	HHLA Group <sup>1</sup>		
	1-6   2017	1-6   2016	Change
<b>Revenue and Earnings</b>			
Revenue	622.8	573.5	8.6 %
EBITDA	158.5	125.8	26.0 %
EBITDA margin in %	25.5	21.9	3.6 pp
EBIT	98.8	66.9	47.8 %
EBIT margin in %	15.9	11.7	4.2 pp
Profit after tax	70.3	40.8	72.6 %
Profit after tax and minority interests	52.6	25.8	103.9 %
<b>Cash flow statement and Investments</b>			
Cash flow from operating activities	148.1	112.5	31.6 %
Investments	63.6	67.2	- 5.4 %
<b>Performance data</b>			
Container throughput in thousand TEU	3,586	3,209	11.8 %
Container transport in thousand TEU	744	694	7.2 %

in € million	30.06.2017	31.12.2016	Change
<b>Balance sheet</b>			
Balance sheet total	1,789.0	1,812.9	- 1.3 %
Equity	602.5	570.8	5.5 %
Equity ratio in %	33.7	31.5	2.2 pp
<b>Employees</b>			
Number of employees	5,529	5,528	0.0 %

in € million	Port Logistics Subgroup <sup>1, 2, 3</sup>			Real Estate Subgroup <sup>2, 4</sup>		
	1-6   2017	1-6   2016	Change	1-6   2017	1-6   2016	Change
Revenue	607.3	557.8	8.9 %	18.7	18.7	- 0.1 %
EBITDA	148.0	115.3	28.4 %	10.5	10.5	0.2 %
EBITDA margin in %	24.4	20.7	3.7 pp	56.2	56.0	0.2 pp
EBIT	90.6	58.8	54.3 %	8.0	7.9	0.9 %
EBIT margin in %	14.9	10.5	4.4 pp	42.8	42.4	0.4 pp
Profit after tax and minority interests	48.1	21.3	125.9 %	4.6	4.5	0.7 %
Dividend per share in € <sup>5</sup>	0.69	0.30	125.9 %	1.69	1.68	0.7 %

<sup>1</sup> The prior-year earnings include one-off expenses of 14.9 million from the restructuring of project and contract logistics.

<sup>2</sup> Before consolidation between subgroups

<sup>3</sup> Listed Class A shares

<sup>4</sup> Non-listed Class S shares

<sup>5</sup> Basic and diluted

# Contents

## To our Shareholders

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- 2  HHLA Share
- 3  Letter to the Shareholders

## Interim Management Report

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- 4  Economic Environment
- 5  Course of Business and Economic Situation
- 5  Notes on the Reporting
- 5  Earnings Position
- 6  Financial Position
- 8  Segment Performance
- 8  Container
- 8  Intermodal
- 9  Logistics
- 9  Real Estate
- 9  Employees
- 10  Events after the Balance Sheet Date
- 10  Business Forecast
- 10  Macroeconomy and Sector
- 10  Group Performance
- 10  Risk and Opportunity Report

## Interim Financial Statement

---

- 11  Income Statement / Statement of Comprehensive Income
- 16  Balance Sheet
- 19  Cash Flow Statement
- 22  Segment Report
- 24  Statement of Changes in Equity
- 28  Condensed Notes
  
- 34  Responsibility Statement
- 35  Review Report
  
- 37  Financial Calendar / Imprint

This Half-Year Financial Report was published on **14 August 2017**.  
<http://report.hhla.de/half-year-financial-report-2017/>



# To our Shareholders

## The HHLA Share

### Stock Market Data

31.12.2016 – 30.06.2017	HHLA	SDAX	DAX
Change	8.0 %	13.9 %	7.4 %
Closing 31.12.2016	17.70	9,519	11,481
Closing 30.06.2017	19.12	10,847	12,325
High	20.42	11,323	12,889
Low	16.80	9,519	11,481

### Leading Indices at Record Level

Leading indices were able to continue the positive trend seen at the end of 2016 through to the new year, getting off to a modestly favourable start in 2017. In the first quarter, share prices were particularly affected by shifting expectations for the US economy, fluctuating between optimism and political concern. Strong economic data, a weak euro and a solid reporting period in Germany all buoyed the leading indices, with the DAX closing just short of its all-time high at the end of the quarter. Compared with the end of 2016, Germany's leading index gained 7.2 % and the SDAX 6.0 % as of 31 March. The markets were sluggish in April. Only after Macron's victory in the French elections did the DAX start a record recovery, briefly interrupted by the Russia scandal mid-May, where contact between US President Trump and the Russian government was alleged. This resulted in a brief consolidation phase in the second half of May. Regardless, the DAX climbed to an all-time high by 19 June of 12,889 points. In the last third of the month, falling oil prices tempered the upswing. The prospect of tighter monetary policies from the European Central Bank also stood in the way of further gains for the leading indices. Nevertheless, the DAX closed the first six months with 12,325 points and gained 7.4 % compared to 31 December 2016. The SDAX was able to outperform this solid gain and closed with 10,847 points on 30 June, up 13.9 % compared with the end of 2016.

### HHLA Share Strong

The HHLA share got off to a strong start in 2017 and was able to outperform the leading indices until 9 February, when the Federal Administrative Court announced its decision regarding the dredging of the river Elbe. Following the announcement, the share price dropped by 15 % for a period as a number of interpretations circulated on the market. Once the decision was clarified – a positive decision for dredging the river, with conditions – the share rallied and closed at € 19.98 on 28 March. After the figures for 2016 were published on 30 March, including the forecast for 2017, the share price dropped by more than 10 % in one day. Considering the positive results achieved in 2016, the capital markets had expected a more bullish forecast and were therefore hesitant. In April, the share stabilised around € 17 and remained in line with the

markets. It only picked up with the improved outlook for volume and earnings in the Container segment in 2017, released on 5 May. Buoyed by the positive results of the first quarter, published in the Interim Statement on 12 May, the share price once again climbed over the € 19 mark and at the end of the month regained the momentum seen on the leading indices. At the beginning of June, the HHLA share exceeded the € 20 mark for the first time in its history and closed on 14 June 2017 at a new year-high of € 20.42. HHLA's Annual General Meeting took place the following week on 21 June 2017 and was attended by around 850 shareholders and guests. Approximately 83 % of share capital was represented. The resolutions proposed by the Supervisory Board and Executive Board were adopted with large majorities, including the payment of a dividend of € 0.59 per listed Class A share, as in the previous year. Following payment the share traded at a corresponding discount and closed 30 June at € 19.12. The share therefore gained 8.0 % in the first half of the year.

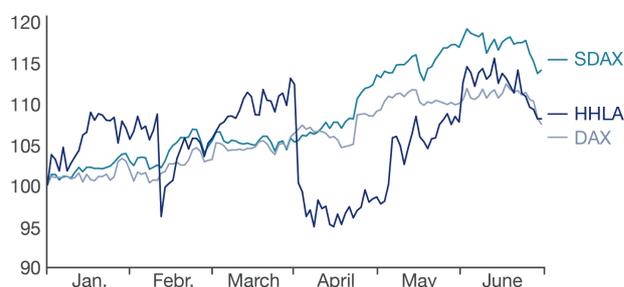
### Dialogue with Capital Market Actively Maintained

The Investor Relations department continued its proactive communication activities in the first half of 2017 and held a large number of discussions with analysts and investors. HHLA was also represented at a number of capital market conferences in Europe. Discussions centred around interpretations of the decision by the Federal Administrative Court and the results of contract negotiations following the reorganisation of shipping consortia and the consequences for HHLA.

For an SDAX share, coverage of the HHLA share remains high. The HHLA share is currently covered by 17 financial analysts. Around half recommend holding the HHLA share, while approximately a quarter recommend buy, and the other quarter sell.

### Share Price Development January to June 2017

Closing prices in %



Source: Datastream

The latest prices and further information about HHLA's shares can be found at [www.hhla.de/investor-relations](http://www.hhla.de/investor-relations).

## Ladies and Gentlemen,

Halfway through the year, the global economic upturn continues. China and Russia – important economies for the business activities of Hamburger Hafen und Logistik AG (HHLA) – are developing positively. Germany also remains on a growth trajectory, despite the persistently uncertain international environment. Global trade is now expected to grow by 4 percent in 2017. This would mark the first time after three years that it has expanded at a faster rate than global gross domestic product. HHLA benefited from these developments in the first half of the year – not least because we took timely steps to prepare for this upswing by making targeted investments in our facilities.

HHLA's Group revenue rose by almost 9 percent year-on-year in the first six months, taking it to € 622.8 million. The operating result (EBIT) increased by approximately 48 percent to € 98.8 million. This strong earnings growth was primarily attributable to higher earnings in the Container segment due to an increase in volumes. However, it should also be noted that last year's earnings figure included one-off expenses of almost € 15 million for the restructuring of project and contract logistics, which has been successfully completed in 2016. We were able to increase our profit after tax and minority interests – the relevant figure for shareholders – from € 25.8 million to € 52.6 million. Encouragingly, the HHLA share price also rose, recording an 8 percent gain in the reporting period.

This is not just good news for our shareholders: it also means we are broadening the solid foundation on which our company stands. In turn, this ensures we are well placed to tread new ground and enhance HHLA's innovative strength and future viability.

The company's current success rests on its Container and Intermodal segments. Compared to the first half of 2016, we succeeded in raising throughput at our container terminals by almost 12 percent to approximately 3.6 million standard containers (TEU). More traffic to and from Asia and an increase in feeder services with the Baltic Sea ports contributed to this volume growth. We thereby also profited from the reorganisation of liner services. The newly formed alliances have been convinced by the quality of our facilities and services. 12 liner services currently call at HHLA's Hamburg terminals and have raised the Group's market share within the city's port.

HHLA's Intermodal subsidiaries once again achieved volume growth – despite the already high levels of the previous year. Container transport increased by just over 7 percent to 744 thousand TEU. Both the rail transportation companies and HHLA's truck haulage subsidiary contributed to this development. In June, we opened a new hub terminal in Budapest. We expect that this will act as an additional growth driver in a highly competitive market. To further strengthen our leading position, we will integrate POLZUG's activities into the METRANS organ-



**Angela Titzrath**  
Chairwoman of the Executive Board



*The newly formed alliances have been convinced by the quality of our facilities and services. 12 liner services currently call at HHLA's Hamburg terminals and have raised the Group's market share within the city's port.*

isation by the beginning of 2018. Our successful METRANS model will thus be transferred to the Polish market, enabling us to tap the growth potential that exists in Poland.

In view of the positive trend in the Container segment and persistently upbeat economic outlook, HHLA's Executive Board has updated its forecast for the 2017 financial year. We now expect the operating result (EBIT) at Group level to be within a range between € 150 million and € 170 million, including one-off expenses for organisational restructuring in the Container segment.

In spite of these encouraging first-half figures and positive economic forecasts, we remain realistic. Political imponderables with uncertain consequences for the global economy mean that plans made today can quickly become worthless. Furthermore, the time frame for the urgently needed dredging of the river Elbe remains unclear. We will continue to pursue the course charted at the beginning of the year: consolidation and expansion of HHLA's core business and the development of new strategic options. As planned, we will complete the ongoing business development process before the end of the year. I look forward to updating you on this matter soon.

Yours,

Angela Titzrath  
Chairwoman of the Executive Board

# Interim Management Report

## Economic Environment

### Macroeconomic Development

In the first half of the year, the **global economy** grew at a slightly slower rate than in 2016. However, recent sentiment indicators from both the advanced economies and the emerging and developing markets suggest that economic growth has a broad foundation and that the upturn remains robust halfway through the year. This positive trend is also reflected in **global trade**, which grew by 1.8 % in the first three months – although preliminary market research figures indicate a loss of momentum in April.

The **advanced economies** continue to enjoy stable growth, despite a slightly slower pace in the first quarter. GDP growth in the USA also slowed, with an increase of just 1.4 % in the first three months of 2017 compared to quarter on quarter growth of 2.1 % in the fourth quarter of 2016.

The economies of the **emerging markets** also gained momentum in the first half-year, although the trend varied widely from country to country. Following a phase of weaker expansion, **China** reported surprisingly strong growth of 6.9 % in both the first and second quarters. The **Russian economy** is making modest progress. However, this more stable trend is being undermined by the recent fall in crude oil prices and resulting devaluation of the rouble. In **Ukraine**, the economy lost momentum at the beginning of the year despite brisker consumer spending and a strong rise in capital investments. Economic growth slowed to 2.5 % in the first quarter of 2017. Early indicators suggest that this trend continued in the second quarter.

The upswing in the **eurozone** continued in the first half of 2017. Despite growing uncertainty surrounding Brexit and future US economic policy, output in the eurozone is likely to have expanded by 1.6 % in the first quarter of 2017 and 1.7 % in the second quarter of 2017, compared to the same prior-year periods. Rising domestic demand will be the main growth driver.

Regardless of the uncertain international environment, the **German economy** remains on its growth trajectory. The economic barometer issued by the German Institute for Economic Research (DIW) indicates quarter-on-quarter GDP growth of 0.5 % for the second quarter of 2017. Exports increased strongly by 7.2 % in the months from January to May 2017, compared to the same period of the previous year. Imports also recorded significant growth of 10.3 %.

### Sector Development

In the first half of 2017, **global container throughput** continued its unexpected upturn of late 2016. Container throughput at global ports grew by 5.1 % year on year in the first quarter – significantly higher than the already optimistic 2.6 % increase forecast made by the market research institute Drewry in April. Experts currently estimate a stable increase in traffic of 4.0 % in the second quarter.

The latest estimates put throughput growth at the **Chinese ports** at 6.3 % in the first quarter – more than twice as high as projections suggested as recently as April. The second quarter was also considerably more positive with expected growth of 5.2 %. Although container throughput growth at the **South Asian ports** was also stronger than anticipated, it failed to reach the high prior-year rate of 11.2 %. The port of Singapore, for example, reported throughput growth of 6.4 % for the first half-year.

Following on from modest growth of 0.8 % last year, the **north-western European** ports achieved a significant upturn in volumes during the first six months of 2017. Drewry currently puts throughput 5.3 % for the first quarter and 2.2 % for the second quarter. Container throughput in **Scandinavia and the Baltic Sea** also rose faster than forecast in April, with growth of 8.8 % in the first quarter of 2017 and 7.4 % in the second quarter. The increase in container throughput was particularly strong at Russia's Baltic Sea ports.

Developments at the large container ports of the North Range and the port of Gdansk were again mixed. Throughput in **Rotterdam** stood at 6.7 million TEU, equivalent to 9.3 % more containers than in the previous year. **Antwerp** reported a container volume of 5.1 million TEU for the first half, which represents growth of 1.9 % on the previous year. By contrast, the downward trend seen in previous years continued at the **Bremen ports**. Throughput along the river Weser amounted to 2.3 million TEU in the period from January to May 2017. This is 4.5 % less than in the same period of the previous year. After reporting strong growth in 2016, container throughput at the **JadeWeserPort** fell by 43 % to 75 thousand TEU in the first quarter of 2017. Following a brief dip at the beginning of the year, the Baltic Sea port of **Gdansk** regained its former momentum with throughput of 690 thousand TEU in the first six months, representing year-on-year growth of 6.7 %.

## Course of Business and Economic Situation

### Key Figures

in € million	1–6   2017	1–6   2016	Change
Revenue	622.8	573.5	8.6 %
EBITDA	158.5	125.8	26.0 %
EBITDA margin in %	25.5	21.9	3.6 pp
EBIT	98.8	66.9	47.8 %
EBIT margin in %	15.9	11.7	4.2 pp
Profit after tax and minority interests	52.6	25.8	103.9 %
ROCE in %	14.9	10.1	4.8 pp

The prior-year earnings include one-off expenses of 14.9 million from the restructuring of project and contract logistics.

### Notes on the Reporting

There were no particular events or transactions during the period under review either in HHLA's operating environment or within the Group that had a significant impact on its earnings position and financial position. Both the key economic indicators and HHLA's actual performance in the first six months of 2017 are above the projections made in the 2016 Annual Report – due in particular to the performance of the Container segment in the second quarter of 2017. ► See results of operations, net assets and financial position

There is normally no long-term order backlog for handling and transport services, and thus no use is made of this particular reporting figure.

### Earnings Position

The economic development of HHLA in the first half of 2017 was very encouraging. HHLA saw a strong increase of 11.8 % in **container throughput** in the first half of the year, taking it to 3,586 thousand TEU (previous year: 3,209 thousand TEU). This was attributable to a recovery in traffic to and from Asia and feeder volumes for the Baltic Sea ports, coupled with market share gains resulting from the reorganisation of shipping alliances.

**Transport volumes** increased significantly by 7.2 % to 744 thousand TEU (previous year: 694 thousand TEU) due to growth in both rail and road transport.

**Revenue** for the HHLA Group amounted to € 622.8 million in the reporting period and was thus 8.6 % up on the prior-year figure (previous year: € 573.5 million). This rise stems primarily from developments in throughput and transport volumes.

In its Container, Intermodal and Logistics segments, the listed Port Logistics subgroup generated revenue of € 607.3 million in the reporting period (previous year: € 557.8 million). This

increase almost matched the trend for the Group as a whole. At € 18.7 million, revenue at the non-listed Real Estate subgroup was unchanged from the previous year: € 18.7 million).

As in the same period last year, **changes in inventories** of € 0.3 million (previous year: € 0.9 million) had no noticeable impact on consolidated profit. **Own work capitalised** amounted to € 2.8 million (previous year: € 3.5 million).

**Other operating income** amounted to € 22.0 million (previous year: € 16.1 million).

**Operating expenses** rose by 4.2 % in total to € 549.1 million. This increase was mainly attributable to a rise in the cost of materials due to higher volumes.

The 9.5 % increase in **cost of materials** to € 184.6 million during the reporting period (previous year: € 168.6 million). The cost of materials ratio edged up slightly to 29.6 % (previous year: 29.4 %).

There was a slight year-on-year increase of 1.6 % in **personnel expenses**, taking the figure to € 227.5 million (previous year: € 224.0 million). The discontinuation of project and contract logistics activities in the previous year was offset in the reporting period by union wage increases, greater use of external staff from Gesamthafenbetriebs-Gesellschaft (GHB) at the Hamburg terminals and growth in the workforce due to the expansion of the rail transport business. The marked decline in the personnel expenses ratio to 36.5 % (previous year: 39.1 %) was primarily attributable to one-off expenses arising from the restructuring of project and contract logistics in the previous year.

**Other operating expenses** rose slightly by 2.3 % in the reporting period to € 77.3 million (previous year: € 75.6 million). The company succeeded in reducing the ratio of expenses to revenue from 13.2 % in the previous year to 12.4 %.

Due in particular to one-off expenses of € 14.9 million in connection with the restructuring of project and contract logistics in the previous year and the encouraging increase in volumes, the **operating result before depreciation and amortisation (EBITDA)** rose strongly by 26.0 % to € 158.5 million (previous year: € 125.8 million). The EBITDA margin increased to 25.5 % in the reporting period (previous year: 21.9 %).

The expansion of the rail transport business led to a slight increase of 1.3 % in **depreciation and amortisation** to € 59.7 million (previous year: € 58.9 million) in connection with the expansion of the rail transport business. However, its ratio to revenue fell to 9.6 % (previous year: € 10.3 %).

At Group level, the **operating result (EBIT)** improved by 47.8 % to € 98.8 million (previous year: € 66.9 million incl. one-off expenses of € 14.9 million for restructuring). The EBIT margin rose to 15.9 % (previous year: 11.7 %). The Port Logistics subgroup generated EBIT of € 90.6 million (previous year: € 58.8 million incl. one-off expenses for restructuring). Meanwhile, the Real Estate subgroup's EBIT was marginally up on the previous year at € 8.0 million (previous year: € 7.9 million).

Net expenses from the **financial result** fell by € 5.1 million to € 5.3 million (previous year: € 10.4 million). This was partly due to a positive change in exchange rate effects of € 2.7 million resulting mainly from the valuation of the Ukrainian currency. Interest paid to banks and other lenders also decreased.

At 24.8 %, the Group's **effective tax rate** was below the prior-year figure (previous year: 27.9 %). This was largely due to the inclusion of one-off effects in the calculation of the tax rate for the Hamburger Hafen und Logistik AG tax entity in both the current and the previous year, along with the consideration of factors relating to the foreign subsidiaries which reduced the tax rate.

**Profit after tax** increased by 72.6 %, from € 40.8 million to € 70.3 million. There was a disproportionately strong year-on-year increase in profit after tax and minority interests of 103.9 % to € 52.6 million (previous year: € 25.8 million). This was due in part to one-off expenses in the Logistics segment last year pertaining to a company owned entirely by HHLA. At € 0.72, earnings per share were also up 103.9 % on the prior-year figure of € 0.35. The listed Port Logistics subgroup achieved a 125.9 % increase in earnings per share to € 0.69 (previous year: € 0.30). Earnings per share at the non-listed Real Estate subgroup were on a par with the previous year at € 1.69 (previous year: € 1.68). The return on capital employed (ROCE) rose by 4.8 percentage points to 14.9 % (previous year: 10.1 %).

## Financial Position

### Balance Sheet Analysis

Compared with year-end 2016, the HHLA Group's **balance sheet total** decreased slightly as of the reporting date to € 1,789.0 million.

### Balance Sheet Structure

in € million	30.06.2017	31.12.2016
<b>Assets</b>		
Non-current assets	1,329.6	1,329.0
Current assets	459.4	483.9
	<b>1,789.0</b>	<b>1,812.9</b>
<b>Equity and liabilities</b>		
Equity	602.5	570.8
Non-current liabilities	994.8	1,028.1
Current liabilities	191.7	214.0
	<b>1,789.0</b>	<b>1,812.9</b>

At € 1,329.6 million, **non-current assets** were virtually unchanged from the previous year (31 December 2016: € 1,329.0 million). Capital expenditure was roughly offset by depreciation of property, plant and equipment and investment properties and a reduction in the carrying amount of deferred tax assets due to interest rate-related changes in pension provisions.

At € 459.4 million as of 30 June 2017, **current assets** were € 24.5 million below the corresponding figure on 31 December 2016 (€ 483.9 million). This decrease was attributable to several factors, including a € 13.8 million reduction in other assets and an € 11.1 million fall in cash and cash equivalents.

**Equity** rose by € 31.7 million to € 602.5 million as of the reporting date (31 December 2016: € 570.8 million). This increase stemmed from net profit after tax of € 70.3 million in the reporting period and the change in actuarial gains and losses netted with deferred taxes totalling € 9.6 million. The distribution of dividends totalling € 46.7 million had an opposing effect. As a result, the equity ratio improved to 33.7 % (31 December 2016: 31.5 %).

The € 33.3 million decrease in **non-current liabilities** to € 994.8 million compared to the year-end figure (31 December 2016: € 1,028.1 million) resulted primarily from a € 14.8 million reduction in pension provisions due to the adjustment of actuarial parameters and a € 16.6 million fall in non-current financial liabilities.

**Current liabilities** fell by € 22.3 million to € 191.7 million (31 December 2016: € 214.0 million). This was due above all to a € 22.1 million reduction in current financial liabilities.

## Investment Analysis

Capital expenditure in the reporting period totalled € 63.6 million, slightly below last year's figure of € 67.2 million. Property, plant and equipment accounted for € 61.4 million (previous year: € 59.2 million) of capital expenditure, while investments in intangible assets made up € 2.2 million (previous year: € 8.0 million). The majority of this capital expenditure was for replacement investments.

Capital expenditure in the first half of 2017 focused on the acquisition of container gantry cranes at the Container Terminals Burchardkai and Tollerort, large-scale equipment for horizontal transport at the Container Terminals Altenwerder and Burchardkai, and a storage crane system at the Container Terminal Burchardkai. Capital expenditure continues to focus on increasing productivity in the existing terminal areas and expanding the high-performance hinterland connections in line with market demands.

## Liquidity Analysis

Cash flow from **operating activities** rose by € 35.6 million to € 148.1 million as of 30 June 2017 (previous year: € 112.5 million). With many items offsetting each other, this was largely due to the € 32.0 million improvement in EBIT.

**Investing activities** led to cash outflows of € 56.3 million (previous year: € 45.6 million). The € 10.7 million rise resulted from a year-on-year decrease in inflows from the reduction of short-term deposits and slightly higher investment outflows.

**Free cash flow**, which is the total cash flow from operating and investing activities, amounted to € 91.8 million at the end of the reporting period (previous year: € 66.9 million). It was therefore up € 24.9 million year on year.

The cash outflow from **financing activities** amounted to € 93.6 million as of 30 June 2017 (previous year: € 101.2 million), a decrease of € 7.6 million. Funds were paid out in the previous year to increase a shareholding. However, there were no proceeds from new loans in the reporting period, which had the opposing effect.

As of the reporting date, the changes described above resulted in **financial funds** of € 230.1 million (30 June 2016: € 135.4 million), which were thus down slightly on the beginning of the year (31 December 2016: € 232.4 million). Including short-term deposits, the Group's available liquidity as of 30 June 2017 totalled € 240.1 million (30 June 2016: € 192.0 million).

## Liquidity Analysis

in € million	1–6   2017	1–6   2016
<b>Financial funds as of 01.01.</b>	<b>232.4</b>	<b>165.4</b>
Cash flow from operating activities	148.1	112.5
Cash flow from investing activities	- 56.3	- 45.6
<b>Free cash flow</b>	<b>91.8</b>	<b>66.9</b>
Cash flow from financing activities	- 93.6	- 101.2
Change in financial funds	- 2.3	- 30.1
<b>Financial funds as of 30.06.</b>	<b>230.1</b>	<b>135.4</b>
Short-term deposits	10.0	56.6
Available liquidity	240.1	192.0

## Segment Performance

### Container Segment

#### Key Figures

in € million	1–6   2017	1–6   2016	Change
Revenue	372.3	336.6	10.6 %
EBITDA	109.9	95.4	15.1 %
EBITDA margin in %	29.5	28.4	1.1 pp
EBIT	68.1	54.2	25.8 %
EBIT margin in %	18.3	16.1	2.2 pp
Container throughput in thousand TEU	3,586	3,209	11.8 %

In the first half of 2017, HHLA's container terminals handled a total of 3,586 thousand standard containers (TEU). This was 11.8 % more than one year earlier (previous year: 3,209 thousand TEU). **Container throughput** at the three container terminals in Hamburg also grew by 11.8 % to 3,441 thousand TEU (previous year: 3,077 thousand TEU). This trend was mainly driven by a recovery in Asian routes (+ 16.1 %) and significant growth in feeder traffic with the Baltic Sea ports (+ 22.4 %). The feeder ratio rose accordingly by 2.1 percentage points compared with the prior-year quarter to 25.0 % (previous year: 22.9 %). HHLA also profited from the reorganisation of shipping alliances and resulting gains in market share at the Port of Hamburg. Container throughput at the Container Terminal Odessa continued to make good progress with year-on-year growth of 10.1 % to 145 thousand TEU in the first half of 2017 (previous year: 132 thousand TEU).

The increase in volumes led to a corresponding rise in **revenue**, which was up 10.6 % on the first half of 2016 at € 372.3 million (previous year: € 336.6 million). Storage fees rose strongly as a result of shipping delays and the associated increase in dwell times for containers at HHLA's container terminals, while the higher proportion of lower-margin feeder traffic in particular led to lower average revenue per container handled at the quayside. Consequently, average revenue declined by 1.0 % compared to the same period last year.

The segment's EBIT costs rose by 7.7 % in the first half of 2017. Despite the growth in volumes, economies of scale on the cost side could not be fully realised. In conjunction with somewhat restricted capacity caused by ongoing extension and maintenance work at the container terminals in Hamburg, the high utilisation of storage capacity resulting from shipping delays and the reorganisation of container shipping companies' service structures led to peaks in demand that could only be managed with the use of additional resources. Nevertheless, the year-on-year increase in the **operating result (EBIT)** of 25.8 % to € 68.1 million (previous year: € 54.2 million). The EBIT margin rose accordingly to 18.3 % (previous year: 16.1 %).

### Intermodal Segment

#### Key Figures

in € million	1–6   2017	1–6   2016	Change
Revenue	206.2	190.8	8.1 %
EBITDA	46.9	45.3	3.5 %
EBITDA margin in %	22.7	23.8	- 1.1 pp
EBIT	34.9	33.7	3.5 %
EBIT margin in %	16.9	17.6	- 0.7 pp
Container transport in thousand TEU	744	694	7.2 %

In the first half of 2017, HHLA's transport companies achieved strong growth in the highly competitive market for container traffic in the hinterland of major seaports. **Transport volumes** rose by 7.2 % to 744 thousand standard containers (TEU), compared with 694 thousand TEU in the same period last year. In the reporting period, this trend was driven by growth in both rail and road transport. Compared with the first half of 2016, rail transport increased by a further 5.9 % to 568 thousand TEU (previous year: 537 thousand TEU). Road transport developed very positively with growth of 11.8 % to 176 thousand TEU (previous year: 158 thousand TEU) as a result of strong freight volumes in the greater Hamburg area.

With an increase of 8.1 % to € 206.2 million (previous year: € 190.8 million), **revenue** climbed at a slightly faster rate than transport volumes. The marginal decline in rail's share of HHLA's total intermodal transportation from 77.3 % to 76.3 % was slightly more than offset by longer transport distances in rail transport.

The **operating result (EBIT)** increased year on year to € 34.9 million (previous year: € 33.7 million), well short of volume and revenue growth. In addition to the year-on-year increase in cost of materials for periodic maintenance work, this was due in particular to an asymmetrical relationship between import and export volumes as well as changes in the route mix.

In June 2017, the fourth METRANS hub terminal was officially opened in Budapest. With this facility, HHLA is expanding its hinterland network to include another strategic hub. Its location in the heart of Europe makes it the perfect interface between the North European seaports, the Adriatic, and Central, East and South-East Europe. Moreover, METRANS added six new locomotives to its operating fleet in the first half of the year.

There are plans to integrate the activities of POLZUG into the METRANS organisation as of next year. Pooling these activities should simplify structures and processes, thereby enabling synergies to be realised.

## Logistics Segment

### Key Figures

in € million	1–6   2017	1–6   2016	Change
Revenue	24.7	27.4	- 9.8 %
EBITDA	2.8	- 14.7	pos.
EBITDA margin in %	11.5	- 53.6	65.1 pp
EBIT	0.7	- 16.7	pos.
EBIT margin in %	2.7	- 60.9	63.6 pp
At-equity earnings	2.6	2.2	17.8 %

The prior-year earnings include one-off expenses of 14.9 million from the restructuring of project and contract logistics.

After a restrained performance in the first three months, the fully consolidated companies of the Logistics segment experienced an upturn in business during the second quarter. Due to the discontinuation of project and contract logistics activities, however, segment **revenue** was down 9.8 % year on year at € 24.7 million (previous year: € 27.4 million) due to the discontinuation of project and contract logistics activities.

By contrast, the segment's **operating result (EBIT)** improved to € 0.7 million (previous year: € - 16.7 million) in the reporting period. Last year's result included one-off expenses of € 14.9 million from the restructuring of project and contract logistics.

The companies included in **at-equity earnings** recorded a year-on-year improvement in the first half of 2017 as a result of encouraging growth in bulk cargo handling. At-equity earnings rose by 17.8 % to € 2.6 million (previous year: € 2.2 million).

## Real Estate Segment

### Key Figures

in € million	1–6   2017	1–6   2016	Change
Revenue	18.7	18.7	- 0.1 %
EBITDA	10.5	10.5	0.2 %
EBITDA margin in %	56.2	56.0	0.2 pp
EBIT	8.0	7.9	0.9 %
EBIT margin in %	42.8	42.4	0.4 pp

In Hamburg's office rental market, the positive revenue trend seen at the beginning of the year continued in the second quarter. According to Grossmann & Berger's latest market report, 300,000 m<sup>2</sup> of office space was let in the first half of 2017 – 25 % more than in the previous year. Lettings of temporary space for use during renovation work contributed to this substantial increase. Owner-occupied properties played only a minor role in the first half of the year, however.

Due to high demand, Hamburg's vacancy rate fell by 0.5 percentage points year on year to 4.9 % – thus falling below the 5 % mark for the first time in 10 years. The Hafencity section of the market, which includes HHLA's properties in the Speicherstadt historical warehouse district, had a vacancy rate of 5.4 % (previous year: 8.3 %).

There was also a consistently positive trend for HHLA's properties in the Speicherstadt historical warehouse district and fish market area in the first six months of 2017. As a result of virtually full occupancy in both areas, **revenue** remained on a par with the previous year at € 18.7 million in the first half-year.

The **operating result (EBIT)** of € 8.0 million, up slightly on last year's figure of € 7.9 million.

## Employees

### Employees

by segments	30.06.2017	31.12.2016	Change
Container	2,912	2,945	- 1.1 %
Intermodal	1,790	1,687	6.1 %
Holding/Others	654	651	0.5 %
Logistics	142	214	- 33.6 %
Real Estate	31	31	0.0 %
<b>HHLA Group</b>	<b>5,529</b>	<b>5,528</b>	<b>0.0 %</b>

At the end of the first half of 2017, HHLA employed a total of 5,529 people. Headcount therefore remained virtually unchanged from 31 December 2016. In geographical terms, the workforce was concentrated mainly in Germany, with 3,514 staff members (31 December 2016: 3,625), most of whom are based in Hamburg. This corresponds to a share of 63.6 % (31 December 2016: 65.6 %). The number of staff employed

abroad rose by 5.9 % to 2,015 in the first half of 2017 (31 December 2016: 1,903). This was primarily due to increased headcount at the Intermodal companies in the Czech Republic, Slovakia, Slovenia and Hungary. Due to the expansion of its services and increase in vertical integration, the Intermodal segment hired an additional 103 workers, taking its headcount to 1,790. The number of staff employed by the Logistics segment fell by 72 compared with December 2016. This was mainly due to the discontinuation of operating activities in project and contract logistics. There was only little or no change in headcount at the strategic management holding company and the Container and Real Estate segments compared to 31 December 2016.

## Events after the Balance Sheet Date

There were no significant events after the balance sheet date of 30 June 2017.

## Business Forecast

### Macroeconomic and Sector Outlook

In July 2017, the International Monetary Fund (IMF) largely confirmed its **macroeconomic forecast** from the beginning of the year and still anticipates a moderately positive economic trend for 2017 on the whole.

By contrast, the market research institute Drewry recently significantly upgraded its **sector outlook** from the start of the year. Its growth forecast for global container throughput has almost doubled, from 2.1 % to 4.1 %. The experts now anticipate throughput growth of 3.1 % in North-West Europe in 2017 (previously: 1.2 %). The outlook for Scandinavia and the Baltic region was revised upwards from 3.2 % at the beginning of the year to 8.3 %. HHLA has already taken this positive industry trend into account, for example in its volume projection updated in May 2017.

### Expected Group Performance

In view of the earnings development in the Container segment in the first half-year – which exceeded expectations in the second quarter in particular – HHLA's Executive Board has updated its earnings forecast for the Group in 2017.

The **Container segment's operating result (EBIT)** is now expected to be in a range between € 85 million and € 105 million *after* possible one-off expenses of up to € 15 million (previous forecast: in the upper half of a range between € 75 million and € 105 million *before* possible one-off expenses of up to € 15 million).

Taking into account the development in segment earnings, the Executive Board forecasts an **operating result (EBIT)** for the **Port Logistics subgroup** in a range between € 135 million and € 155 million *after* possible one-off expenses of up to € 15 million for reorganisation of the Container segment. As the **operating result** for the **Real Estate subgroup** is still expected to be on a par with the previous year, **Group EBIT** is now expected to be in a range between € 150 million and € 170 million, also *after* possible one-off expenses of up to € 15 million for reorganisation of the Container segment.

The previous forecast for the Group EBIT was in the upper half of a range between € 140 million and € 170 million and an operating result for the the Port Logistics subgroup was expected in the upper half of a range between € 125 million and € 155 million. Both *before* possible one-off expenses of up to € 15 million for reorganisation of the Container segment.

All other disclosures made in the 2016 Annual Report, and more recently in the Interim Statement for the period from January to March 2017, about the expected course of business in 2017 continue to apply.

## Risk and Opportunity Report

With regard to the HHLA Group's risk and opportunity position, the statements made in the Management Report section of the 2016 Annual Report continue to apply, unless otherwise indicated in this report. This section of the Annual Report describes the risk and opportunity factors associated with the HHLA Group's business activities. The risks identified still do not threaten the ongoing existence of the Group. As far as the future is concerned, there are also no discernible risks at present that could jeopardise the continued existence of the company.

# Interim Financial Statements

## Income Statement HHLA Group

in € thousand	1-6   2017	1-6   2016	4-6   2017	4-6   2016
Revenue	622,832	573,479	317,703	288,698
Changes in inventories	326	851	- 87	165
Own work capitalised	2,844	3,517	1,438	1,855
Other operating income	21,956	16,141	10,556	8,045
Cost of materials	- 184,607	- 168,613	- 89,781	- 85,071
Personnel expenses	- 227,504	- 223,977	- 115,690	- 118,641
Other operating expenses	- 77,328	- 75,605	- 40,676	- 39,689
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>158,519</b>	<b>125,793</b>	<b>83,463</b>	<b>55,362</b>
Depreciation and amortisation	- 59,703	- 58,938	- 29,892	- 29,483
<b>Earnings before interest and taxes (EBIT)</b>	<b>98,816</b>	<b>66,855</b>	<b>53,571</b>	<b>25,879</b>
Earnings from associates accounted for using the equity method	2,983	2,583	1,477	1,473
Interest income	2,721	4,183	1,680	2,156
Interest expenses	- 11,032	- 17,129	- 5,432	- 7,500
Other financial result	0	- 10	0	- 10
<b>Financial result</b>	<b>- 5,328</b>	<b>- 10,373</b>	<b>- 2,275</b>	<b>- 3,881</b>
<b>Earnings before tax (EBT)</b>	<b>93,488</b>	<b>56,482</b>	<b>51,296</b>	<b>21,998</b>
Income tax	- 23,157	- 15,732	- 12,467	- 7,209
<b>Profit after tax</b>	<b>70,331</b>	<b>40,750</b>	<b>38,829</b>	<b>14,789</b>
of which attributable to non-controlling interests	17,715	14,944	10,596	7,129
of which attributable to shareholders of the parent company	52,616	25,806	28,233	7,660
<b>Earnings per share, basic and diluted, in €</b>				
HHLA Group	0.72	0.35	0.38	0.10
Port Logistics Subgroup	0.69	0.30	0.37	0.07
Real Estate Subgroup	1.69	1.68	0.97	0.89

## Statement of Comprehensive Income HHLA Group

in € thousand	1-6   2017	1-6   2016	4-6   2017	4-6   2016
<b>Profit after tax</b>	<b>70,331</b>	<b>40,750</b>	<b>38,829</b>	<b>14,789</b>
<b>Components which cannot be transferred to the Income Statement</b>				
Actuarial gains/losses	14,200	- 73,485	8,486	- 32,209
Deferred taxes	- 4,584	23,717	- 2,740	10,396
<b>Total</b>	<b>9,616</b>	<b>- 49,768</b>	<b>5,746</b>	<b>- 21,813</b>
<b>Components which can be transferred to the Income Statement</b>				
Cash flow hedges	- 41	173	44	120
Foreign currency translation differences	- 1,581	- 1,085	- 646	2,419
Deferred taxes	- 34	- 53	- 17	- 46
Other	61	- 7	7	21
<b>Total</b>	<b>- 1,595</b>	<b>- 972</b>	<b>- 612</b>	<b>2,514</b>
<b>Income and expense recognised directly in equity</b>	<b>8,021</b>	<b>- 50,740</b>	<b>5,134</b>	<b>- 19,299</b>
<b>Total comprehensive income</b>	<b>78,352</b>	<b>- 9,990</b>	<b>43,963</b>	<b>- 4,510</b>
of which attributable to non-controlling interests	17,650	14,394	10,484	6,676
of which attributable to shareholders of the parent company	60,702	- 24,384	33,479	- 11,186

**Income Statement HHLA Subgroups**

in € thousand; Port Logistics Subgroup and Real Estate Subgroup; annex to the condensed notes	1–6   2017 Group	1–6   2017 Port Logistics	1–6   2017 Real Estate	1–6   2017 Consolidation
Revenue	622,832	607,329	18,697	- 3,194
Changes in inventories	326	326	0	0
Own work capitalised	2,844	2,569	0	275
Other operating income	21,956	19,607	2,866	- 517
Cost of materials	- 184,607	- 181,237	- 3,432	62
Personnel expenses	- 227,504	- 226,395	- 1,109	0
Other operating expenses	- 77,328	- 74,194	- 6,508	3,374
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>158,519</b>	<b>148,005</b>	<b>10,514</b>	<b>0</b>
Depreciation and amortisation	- 59,703	- 57,357	- 2,511	165
<b>Earnings before interest and taxes (EBIT)</b>	<b>98,816</b>	<b>90,648</b>	<b>8,003</b>	<b>165</b>
Earnings from associates accounted for using the equity method	2,983	2,983	0	0
Interest income	2,721	2,795	20	- 94
Interest expenses	- 11,032	- 9,680	- 1,446	94
Other financial result	0	0	0	0
<b>Financial result</b>	<b>- 5,328</b>	<b>- 3,902</b>	<b>- 1,426</b>	<b>0</b>
<b>Earnings before tax (EBT)</b>	<b>93,488</b>	<b>86,746</b>	<b>6,577</b>	<b>165</b>
Income tax	- 23,157	- 20,981	- 2,135	- 41
<b>Profit after tax</b>	<b>70,331</b>	<b>65,765</b>	<b>4,442</b>	<b>124</b>
of which attributable to non-controlling interests	17,715	17,715	0	
of which attributable to shareholders of the parent company	52,616	48,050	4,566	
<b>Earnings per share, basic and diluted, in €</b>	<b>0.72</b>	<b>0.69</b>	<b>1.69</b>	

**Statement of Comprehensive Income HHLA Subgroups**

in € thousand; Port Logistics Subgroup and Real Estate Subgroup; annex to the condensed notes	1–6   2017 Group	1–6   2017 Port Logistics	1–6   2017 Real Estate	1–6   2017 Consolidation
<b>Profit after tax</b>	<b>70,331</b>	<b>65,765</b>	<b>4,442</b>	<b>124</b>
<b>Components which cannot be transferred to the Income Statement</b>				
Actuarial gains/losses	14,200	13,993	207	
Deferred taxes	- 4,584	- 4,517	- 67	
<b>Total</b>	<b>9,616</b>	<b>9,476</b>	<b>140</b>	
<b>Components which can be transferred to the Income Statement</b>				
Cash flow hedges	- 41	- 41	0	
Foreign currency translation differences	- 1,581	- 1,581	0	
Deferred taxes	- 34	- 34	0	
Other	61	61	0	
<b>Total</b>	<b>- 1,595</b>	<b>- 1,595</b>	<b>0</b>	
<b>Income and expense recognised directly in equity</b>	<b>8,021</b>	<b>7,881</b>	<b>140</b>	<b>0</b>
<b>Total comprehensive income</b>	<b>78,352</b>	<b>73,646</b>	<b>4,582</b>	<b>124</b>
of which attributable to non-controlling interests	17,650	17,650	0	
of which attributable to shareholders of the parent company	60,702	55,996	4,706	

**Income Statement HHLA Subgroups**

in € thousand; Port Logistics Subgroup and Real Estate Subgroup; annex to the condensed notes	1–6   2016 Group	1–6   2016 Port Logistics	1–6   2016 Real Estate	1–6   2016 Consolidation
Revenue	573,479	557,795	18,725	- 3,041
Changes in inventories	851	851	0	0
Own work capitalised	3,517	3,322	0	195
Other operating income	16,141	13,793	2,882	- 534
Cost of materials	- 168,613	- 164,968	- 3,711	66
Personnel expenses	- 223,977	- 222,825	- 1,152	0
Other operating expenses	- 75,605	- 72,665	- 6,254	3,314
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>125,793</b>	<b>115,303</b>	<b>10,490</b>	<b>0</b>
Depreciation and amortisation	- 58,938	- 56,541	- 2,559	162
<b>Earnings before interest and taxes (EBIT)</b>	<b>66,855</b>	<b>58,762</b>	<b>7,931</b>	<b>162</b>
Earnings from associates accounted for using the equity method	2,583	2,583	0	0
Interest income	4,183	4,262	25	- 104
Interest expenses	- 17,129	- 15,684	- 1,549	104
Other financial result	- 10	- 10	0	0
<b>Financial result</b>	<b>- 10,373</b>	<b>- 8,849</b>	<b>- 1,524</b>	<b>0</b>
<b>Earnings before tax (EBT)</b>	<b>56,482</b>	<b>49,913</b>	<b>6,407</b>	<b>162</b>
Income tax	- 15,732	- 13,698	- 1,994	- 40
<b>Profit after tax</b>	<b>40,750</b>	<b>36,214</b>	<b>4,414</b>	<b>122</b>
of which attributable to non-controlling interests	14,944	14,944	0	
of which attributable to shareholders of the parent company	25,806	21,270	4,536	
<b>Earnings per share, basic and diluted, in €</b>	<b>0.35</b>	<b>0.30</b>	<b>1.68</b>	

**Statement of Comprehensive Income HHLA Subgroups**

in € thousand; Port Logistics Subgroup and Real Estate Subgroup; annex to the condensed notes	1–6   2016 Group	1–6   2016 Port Logistics	1–6   2016 Real Estate	1–6   2016 Consolidation
<b>Profit after tax</b>	<b>40,750</b>	<b>36,214</b>	<b>4,414</b>	<b>122</b>
<b>Components which cannot be transferred to the Income Statement</b>				
Actuarial gains/losses	- 73,485	- 72,343	- 1,142	
Deferred taxes	23,717	23,348	369	
<b>Total</b>	<b>- 49,768</b>	<b>- 48,995</b>	<b>- 773</b>	
<b>Components which can be transferred to the Income Statement</b>				
Cash flow hedges	173	173	0	
Foreign currency translation differences	- 1,085	- 1,085	0	
Deferred taxes	- 53	- 53	0	
Other	- 7	- 7	0	
<b>Total</b>	<b>- 972</b>	<b>- 972</b>	<b>0</b>	
<b>Income and expense recognised directly in equity</b>	<b>- 50,740</b>	<b>- 49,967</b>	<b>- 773</b>	<b>0</b>
<b>Total comprehensive income</b>	<b>- 9,990</b>	<b>- 13,753</b>	<b>3,641</b>	<b>122</b>
of which attributable to non-controlling interests	14,394	14,394	0	
of which attributable to shareholders of the parent company	- 24,384	- 28,147	3,763	

**Income Statement HHLA Subgroups**

in € thousand; Port Logistics Subgroup and Real Estate Subgroup; annex to the condensed notes	4-6   2017 Group	4-6   2017 Port Logistics	4-6   2017 Real Estate	4-6   2017 Consolidation
Revenue	317,703	309,945	9,406	- 1,648
Changes in inventories	- 87	- 83	- 4	0
Own work capitalised	1,438	1,243	0	195
Other operating income	10,556	9,100	1,716	- 260
Cost of materials	- 89,781	- 88,164	- 1,647	30
Personnel expenses	- 115,690	- 115,109	- 581	0
Other operating expenses	- 40,676	- 39,295	- 3,064	1,683
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>83,463</b>	<b>77,637</b>	<b>5,826</b>	<b>0</b>
Depreciation and amortisation	- 29,892	- 28,708	- 1,263	79
<b>Earnings before interest and taxes (EBIT)</b>	<b>53,571</b>	<b>48,929</b>	<b>4,563</b>	<b>79</b>
Earnings from associates accounted for using the equity method	1,477	1,477	0	0
Interest income	1,680	1,717	10	- 47
Interest expenses	- 5,432	- 4,759	- 720	47
Other financial result	0	0	0	0
<b>Financial result</b>	<b>- 2,275</b>	<b>- 1,565</b>	<b>- 710</b>	<b>0</b>
<b>Earnings before tax (EBT)</b>	<b>51,296</b>	<b>47,364</b>	<b>3,853</b>	<b>79</b>
Income tax	- 12,467	- 11,148	- 1,300	- 19
<b>Profit after tax</b>	<b>38,829</b>	<b>36,216</b>	<b>2,553</b>	<b>60</b>
of which attributable to non-controlling interests	10,596	10,596	0	
of which attributable to shareholders of the parent company	28,233	25,620	2,613	
<b>Earnings per share, basic and diluted, in €</b>	<b>0.38</b>	<b>0.37</b>	<b>0.97</b>	

**Statement of Comprehensive Income HHLA Subgroups**

in € thousand; Port Logistics Subgroup and Real Estate Subgroup; annex to the condensed notes	4-6   2017 Group	4-6   2017 Port Logistics	4-6   2017 Real Estate	4-6   2017 Consolidation
<b>Profit after tax</b>	<b>38,829</b>	<b>36,216</b>	<b>2,553</b>	<b>60</b>
<b>Components which cannot be transferred to the Income Statement</b>				
Actuarial gains/losses	8,486	8,370	116	
Deferred taxes	- 2,740	- 2,702	- 38	
<b>Total</b>	<b>5,746</b>	<b>5,668</b>	<b>78</b>	
<b>Components which can be transferred to the Income Statement</b>				
Cash flow hedges	44	44	0	
Foreign currency translation differences	- 646	- 646	0	
Deferred taxes	- 17	- 17	0	
Other	7	7	0	
<b>Total</b>	<b>- 612</b>	<b>- 612</b>	<b>0</b>	
<b>Income and expense recognised directly in equity</b>	<b>5,134</b>	<b>5,056</b>	<b>78</b>	<b>0</b>
<b>Total comprehensive income</b>	<b>43,963</b>	<b>41,272</b>	<b>2,631</b>	<b>60</b>
of which attributable to non-controlling interests	10,484	10,484	0	
of which attributable to shareholders of the parent company	33,479	30,788	2,691	

### Income Statement HHLA Subgroups

in € thousand; Port Logistics Subgroup and Real Estate Subgroup; annex to the condensed notes	4-6   2016 Group	4-6   2016 Port Logistics	4-6   2016 Real Estate	4-6   2016 Consolidation
Revenue	288,698	280,714	9,512	- 1,528
Changes in inventories	165	165	0	0
Own work capitalised	1,855	1,760	0	95
Other operating income	8,045	6,910	1,401	- 266
Cost of materials	- 85,071	- 83,262	- 1,847	38
Personnel expenses	- 118,641	- 118,066	- 575	0
Other operating expenses	- 39,689	- 38,303	- 3,047	1,661
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>55,362</b>	<b>49,918</b>	<b>5,444</b>	<b>0</b>
Depreciation and amortisation	- 29,483	- 28,281	- 1,283	81
<b>Earnings before interest and taxes (EBIT)</b>	<b>25,879</b>	<b>21,637</b>	<b>4,161</b>	<b>81</b>
Earnings from associates accounted for using the equity method	1,473	1,473	0	0
Interest income	2,156	2,195	13	- 52
Interest expenses	- 7,500	- 6,781	- 771	52
Other financial result	- 10	- 10	0	0
<b>Financial result</b>	<b>- 3,881</b>	<b>- 3,123</b>	<b>- 758</b>	<b>0</b>
<b>Earnings before tax (EBT)</b>	<b>21,998</b>	<b>18,514</b>	<b>3,403</b>	<b>81</b>
Income tax	- 7,209	- 6,123	- 1,066	- 20
<b>Profit after tax</b>	<b>14,789</b>	<b>12,390</b>	<b>2,338</b>	<b>61</b>
of which attributable to non-controlling interests	7,129	7,129	0	
of which attributable to shareholders of the parent company	7,660	5,261	2,399	
<b>Earnings per share, basic and diluted, in €</b>	<b>0.10</b>	<b>0.07</b>	<b>0.89</b>	

### Statement of Comprehensive Income HHLA Subgroups

in € thousand; Port Logistics Subgroup and Real Estate Subgroup; annex to the condensed notes	4-6   2016 Group	4-6   2016 Port Logistics	4-6   2016 Real Estate	4-6   2016 Consolidation
<b>Profit after tax</b>	<b>14,789</b>	<b>12,390</b>	<b>2,338</b>	<b>61</b>
<b>Components which cannot be transferred to the Income Statement</b>				
Actuarial gains/losses	- 32,209	- 31,715	- 494	
Deferred taxes	10,396	10,236	160	
<b>Total</b>	<b>- 21,813</b>	<b>- 21,479</b>	<b>- 334</b>	
<b>Components which can be transferred to the Income Statement</b>				
Cash flow hedges	120	120	0	
Foreign currency translation differences	2,419	2,419	0	
Deferred taxes	- 46	- 46	0	
Other	21	21	0	
<b>Total</b>	<b>2,514</b>	<b>2,514</b>	<b>0</b>	
<b>Income and expense recognised directly in equity</b>	<b>- 19,299</b>	<b>- 18,965</b>	<b>- 334</b>	<b>0</b>
<b>Total comprehensive income</b>	<b>- 4,510</b>	<b>- 6,575</b>	<b>2,004</b>	<b>61</b>
of which attributable to non-controlling interests	6,676	6,676	0	
of which attributable to shareholders of the parent company	- 11,186	- 13,250	2,064	

**Balance Sheet HHLA Group**

in € thousand

	30.06.2017	31.12.2016
<b>ASSETS</b>		
Intangible assets	72,522	75,713
Property, plant and equipment	959,942	950,936
Investment property	180,898	183,994
Associates accounted for using the equity method	16,994	14,317
Financial assets	21,723	21,270
Deferred taxes	77,499	82,720
<b>Non-current assets</b>	<b>1,329,578</b>	<b>1,328,950</b>
Inventories	22,448	22,012
Trade receivables	160,030	160,440
Receivables from related parties	80,985	81,736
Other financial receivables	2,896	2,172
Other assets	26,036	39,877
Income tax receivables	969	488
Cash, cash equivalents and short-term deposits	166,082	177,192
<b>Current assets</b>	<b>459,446</b>	<b>483,917</b>
<b>Balance sheet total</b>	<b>1,789,024</b>	<b>1,812,867</b>
<b>EQUITY AND LIABILITIES</b>		
Subscribed capital	72,753	72,753
Port Logistics Subgroup	70,048	70,048
Real Estate Subgroup	2,705	2,705
Capital reserve	141,584	141,584
Port Logistics Subgroup	141,078	141,078
Real Estate Subgroup	506	506
Retained earnings	441,223	435,345
Port Logistics Subgroup	402,912	396,191
Real Estate Subgroup	38,311	39,154
Other comprehensive income	- 102,852	- 110,938
Port Logistics Subgroup	- 102,754	- 110,701
Real Estate Subgroup	- 98	- 237
Non-controlling interests	49,744	32,094
Port Logistics Subgroup	49,744	32,094
Real Estate Subgroup	0	0
<b>Equity</b>	<b>602,452</b>	<b>570,838</b>
Pension provisions	445,744	460,530
Other non-current provisions	102,016	102,644
Non-current liabilities to related parties	105,695	105,914
Non-current financial liabilities	322,530	339,150
Deferred taxes	18,860	19,801
<b>Non-current liabilities</b>	<b>994,845</b>	<b>1,028,039</b>
Other current provisions	12,449	17,712
Trade liabilities	68,043	68,106
Current liabilities to related parties	7,203	9,340
Current financial liabilities	54,506	76,614
Other liabilities	43,402	29,946
Income tax liabilities	6,124	12,272
<b>Current liabilities</b>	<b>191,727</b>	<b>213,990</b>
<b>Balance sheet total</b>	<b>1,789,024</b>	<b>1,812,867</b>

**Balance Sheet HHLA Subgroups**

in € thousand; Port Logistics Subgroup and Real Estate Subgroup; annex to the condensed notes	30.06.2017 Group	30.06.2017 Port Logistics	30.06.2017 Real Estate	30.06.2017 Consolidation
<b>ASSETS</b>				
Intangible assets	72,522	72,503	19	0
Property, plant and equipment	959,942	940,736	4,678	14,528
Investment property	180,898	32,580	174,884	- 26,566
Associates accounted for using the equity method	16,994	16,994	0	0
Financial assets	21,723	17,810	3,913	0
Deferred taxes	77,499	87,953	0	- 10,454
<b>Non-current assets</b>	<b>1,329,578</b>	<b>1,168,576</b>	<b>183,494</b>	<b>- 22,492</b>
Inventories	22,448	22,334	114	0
Trade receivables	160,030	158,996	1,034	0
Receivables from related parties	80,985	75,401	6,536	- 952
Other financial receivables	2,896	2,855	41	0
Other assets	26,036	24,579	1,457	0
Income tax receivables	969	1,050	1,884	- 1,965
Cash, cash equivalents and short-term deposits	166,082	163,496	2,586	0
<b>Current assets</b>	<b>459,446</b>	<b>448,711</b>	<b>13,652</b>	<b>- 2,917</b>
<b>Balance sheet total</b>	<b>1,789,024</b>	<b>1,617,287</b>	<b>197,146</b>	<b>- 25,409</b>
<b>EQUITY AND LIABILITIES</b>				
Subscribed capital	72,753	70,048	2,705	0
Capital reserve	141,584	141,078	506	0
Retained earnings	441,223	402,912	47,357	- 9,046
Other comprehensive income	- 102,852	- 102,754	- 98	0
Non-controlling interests	49,744	49,744	0	0
<b>Equity</b>	<b>602,452</b>	<b>561,028</b>	<b>50,470</b>	<b>- 9,046</b>
Pension provisions	445,744	439,012	6,732	0
Other non-current provisions	102,016	99,648	2,368	0
Non-current liabilities to related parties	105,695	105,695	0	0
Non-current financial liabilities	322,530	214,716	107,814	0
Deferred taxes	18,860	15,596	16,710	- 13,446
<b>Non-current liabilities</b>	<b>994,845</b>	<b>874,667</b>	<b>133,624</b>	<b>- 13,446</b>
Other current provisions	12,449	12,383	66	0
Trade liabilities	68,043	66,111	1,932	0
Current liabilities to related parties	7,203	5,929	2,226	- 952
Current financial liabilities	54,506	48,358	6,148	0
Other liabilities	43,402	41,078	2,324	0
Income tax liabilities	6,124	7,733	356	- 1,965
<b>Current liabilities</b>	<b>191,727</b>	<b>181,592</b>	<b>13,052</b>	<b>- 2,917</b>
<b>Balance sheet total</b>	<b>1,789,024</b>	<b>1,617,287</b>	<b>197,146</b>	<b>- 25,409</b>

**Balance Sheet HHLA Subgroups**

in € thousand; Port Logistics Subgroup and Real Estate Subgroup; annex to the condensed notes	31.12.2016 Group	31.12.2016 Port Logistics	31.12.2016 Real Estate	31.12.2016 Consolidation
<b>ASSETS</b>				
Intangible assets	75,713	75,687	26	0
Property, plant and equipment	950,936	931,871	4,325	14,740
Investment property	183,994	35,409	175,528	- 26,943
Associates accounted for using the equity method	14,317	14,317	0	0
Financial assets	21,270	17,318	3,952	0
Deferred taxes	82,720	90,459	0	- 7,739
<b>Non-current assets</b>	<b>1,328,950</b>	<b>1,165,061</b>	<b>183,831</b>	<b>- 19,942</b>
Inventories	22,012	21,965	47	0
Trade receivables	160,440	159,013	1,427	0
Receivables from related parties	81,736	77,113	6,527	- 1,904
Other financial receivables	2,172	2,083	89	0
Other assets	39,877	38,567	1,310	0
Income tax receivables	488	488	105	- 105
Cash, cash equivalents and short-term deposits	177,192	173,832	3,360	0
<b>Current assets</b>	<b>483,917</b>	<b>473,061</b>	<b>12,865</b>	<b>- 2,009</b>
<b>Balance sheet total</b>	<b>1,812,867</b>	<b>1,638,122</b>	<b>196,696</b>	<b>- 21,951</b>
<b>EQUITY AND LIABILITIES</b>				
Subscribed capital	72,753	70,048	2,705	0
Capital reserve	141,584	141,078	506	0
Retained earnings	435,345	396,191	48,325	- 9,171
Other comprehensive income	- 110,938	- 110,701	- 237	0
Non-controlling interests	32,094	32,094	0	0
<b>Equity</b>	<b>570,838</b>	<b>528,710</b>	<b>51,299</b>	<b>- 9,171</b>
Pension provisions	460,530	453,488	7,042	0
Other non-current provisions	102,644	100,328	2,316	0
Non-current liabilities to related parties	105,914	105,914	0	0
Non-current financial liabilities	339,150	229,369	109,781	0
Deferred taxes	19,801	16,578	13,994	- 10,771
<b>Non-current liabilities</b>	<b>1,028,039</b>	<b>905,677</b>	<b>133,133</b>	<b>- 10,771</b>
Other current provisions	17,712	17,678	34	0
Trade liabilities	68,106	66,370	1,736	0
Current liabilities to related parties	9,340	8,809	2,435	- 1,904
Current financial liabilities	76,614	71,007	5,607	0
Other liabilities	29,946	29,156	790	0
Income tax liabilities	12,272	10,715	1,662	- 105
<b>Current liabilities</b>	<b>213,990</b>	<b>203,735</b>	<b>12,264</b>	<b>- 2,009</b>
<b>Balance sheet total</b>	<b>1,812,867</b>	<b>1,638,122</b>	<b>196,696</b>	<b>- 21,951</b>

**Cash Flow Statement HHLA Group**

in € thousand

	1–6   2017	1–6   2016
<b>1. Cash flow from operating activities</b>		
Earnings before interest and taxes (EBIT)	98,816	66,855
Depreciation, amortisation, impairment and reversals on non-financial non-current assets	59,703	58,938
Increase (+), decrease (-) in provisions	- 10,391	6,910
Gains (-), losses (+) from the disposal of non-current assets	110	- 315
Increase (-), decrease (+) in inventories, trade receivables and other assets not attributable to investing or financing activities	12,863	- 12,187
Increase (+), decrease (-) in trade payables and other liabilities not attributable to investing or financing activities	24,250	15,414
Interest received	1,070	1,065
Interest paid	- 7,200	- 7,514
Income tax paid	- 30,105	- 13,448
Exchange rate and other effects	- 1,028	- 3,186
<b>Cash flow from operating activities</b>	<b>148,088</b>	<b>112,532</b>
<b>2. Cash flow from investing activities</b>		
Proceeds from disposal of intangible assets, property, plant and equipment and investment property	364	695
Payments for investments in property, plant and equipment and investment property	- 63,209	- 54,549
Payments for investments in intangible assets	- 2,256	- 8,041
Payments for investments in non-current financial assets	0	- 34
Proceeds (+), payments (-) for short-term deposits	8,795	16,369
<b>Cash flow from investing activities</b>	<b>- 56,306</b>	<b>- 45,560</b>
<b>3. Cash flow from financing activities</b>		
Payments for increasing interests in fully consolidated companies	0	- 13,556
Dividends paid to shareholders of the parent company	- 46,738	- 46,062
Dividends/settlement obligation paid to non-controlling interests	- 22,602	- 22,371
Redemption of lease liabilities	- 3,429	- 2,393
Proceeds from the issuance of bonds and (financial) loans	0	8,321
Payments for the redemption of (financial) loans	- 20,802	- 25,110
<b>Cash flow from financing activities</b>	<b>- 93,571</b>	<b>- 101,171</b>
<b>4. Financial funds at the end of the period</b>		
Change in financial funds (subtotals 1.–3.)	- 1,789	- 34,199
Change in financial funds due to exchange rates	- 526	- 403
Change in financial funds due to consolidation	0	4,543
Financial funds at the beginning of the period	232,397	165,415
<b>Financial funds at the end of the period</b>	<b>230,082</b>	<b>135,356</b>

**Cash Flow Statement HHLA Subgroups**

in € thousand; Port Logistics Subgroup and Real Estate Subgroup; annex to the condensed notes	1–6   2017 Group	1–6   2017 Port Logistics	1–6   2017 Real Estate	1–6   2017 Consolidation
<b>1. Cash flow from operating activities</b>				
Earnings before interest and taxes (EBIT)	98,816	90,648	8,003	165
Depreciation, amortisation, impairment and reversals on non-financial non-current assets	59,703	57,357	2,511	- 165
Increase (+), decrease (-) in provisions	- 10,391	- 10,301	- 90	
Gains (-), losses (+) from the disposal of non-current assets	110	117	- 7	
Increase (-), decrease (+) in inventories, trade receivables and other assets not attributable to investing or financing activities	12,863	13,558	257	- 952
Increase (+), decrease (-) in trade payables and other liabilities not attributable to investing or financing activities	24,250	20,565	2,733	952
Interest received	1,070	1,144	20	- 94
Interest paid	- 7,200	- 5,336	- 1,958	94
Income tax paid	- 30,105	- 27,530	- 2,575	
Exchange rate and other effects	- 1,028	- 1,028	0	
<b>Cash flow from operating activities</b>	<b>148,088</b>	<b>139,194</b>	<b>8,894</b>	<b>0</b>
<b>2. Cash flow from investing activities</b>				
Proceeds from disposal of intangible assets, property, plant and equipment and investment property	364	351	13	
Payments for investments in property, plant and equipment and investment property	- 63,209	- 60,990	- 2,219	
Payments for investments in intangible assets	- 2,256	- 2,256	0	
Payments for investments in non-current financial assets	0	0	0	
Proceeds (+), payments (-) for short-term deposits	8,795	8,795	0	
<b>Cash flow from investing activities</b>	<b>- 56,306</b>	<b>- 54,100</b>	<b>- 2,206</b>	<b>0</b>
<b>3. Cash flow from financing activities</b>				
Payments for increasing interests in fully consolidated companies	0	0	0	
Dividends paid to shareholders of the parent company	- 46,738	- 41,329	- 5,409	
Dividends/settlement obligation paid to non-controlling interests	- 22,602	- 22,602	0	
Redemption of lease liabilities	- 3,429	- 3,429	0	
Proceeds from the issuance of bonds and (financial) loans	0	0	0	
Payments for the redemption of (financial) loans	- 20,802	- 18,749	- 2,053	
<b>Cash flow from financing activities</b>	<b>- 93,571</b>	<b>- 86,109</b>	<b>- 7,462</b>	<b>0</b>
<b>4. Financial funds at the end of the period</b>				
Change in financial funds (subtotals 1.–3.)	- 1,789	- 1,015	- 774	0
Change in financial funds due to exchange rates	- 526	- 526	0	
Change in financial funds due to consolidation	0	0	0	
Financial funds at the beginning of the period	232,397	222,537	9,860	
<b>Financial funds at the end of the period</b>	<b>230,082</b>	<b>220,996</b>	<b>9,086</b>	<b>0</b>

**Cash Flow Statement HHLA Subgroups**

in € thousand; Port Logistics Subgroup and Real Estate Subgroup; annex to the condensed notes	1–6   2016 Group	1–6   2016 Port Logistics	1–6   2016 Real Estate	1–6   2016 Consolidation
<b>1. Cash flow from operating activities</b>				
Earnings before interest and taxes (EBIT)	66,855	58,762	7,931	162
Depreciation, amortisation, impairment and reversals on non-financial non-current assets	58,938	56,541	2,559	- 162
Increase (+), decrease (-) in provisions	6,910	7,118	- 208	
Gains (-), losses (+) from the disposal of non-current assets	- 315	- 315	0	
Increase (-), decrease (+) in inventories, trade receivables and other assets not attributable to investing or financing activities	- 12,187	- 13,581	95	1,299
Increase (+), decrease (-) in trade payables and other liabilities not attributable to investing or financing activities	15,414	15,222	1,491	- 1,299
Interest received	1,065	1,144	25	- 104
Interest paid	- 7,514	- 5,590	- 2,028	104
Income tax paid	- 13,448	- 12,150	- 1,298	
Exchange rate and other effects	- 3,186	- 3,186	0	
<b>Cash flow from operating activities</b>	<b>112,532</b>	<b>103,965</b>	<b>8,567</b>	<b>0</b>
<b>2. Cash flow from investing activities</b>				
Proceeds from disposal of intangible assets, property, plant and equipment and investment property	695	695	0	
Payments for investments in property, plant and equipment and investment property	- 54,549	- 53,721	- 828	
Payments for investments in intangible assets	- 8,041	- 8,015	- 26	
Payments for investments in non-current financial assets	- 34	- 34	0	
Proceeds (+), payments (-) for short-term deposits	16,369	16,369	0	
<b>Cash flow from investing activities</b>	<b>- 45,560</b>	<b>- 44,706</b>	<b>- 854</b>	<b>0</b>
<b>3. Cash flow from financing activities</b>				
Payments for increasing interests in fully consolidated companies	- 13,556	- 13,556	0	
Dividends paid to shareholders of the parent company	- 46,062	- 41,329	- 4,733	
Dividends/settlement obligation paid to non-controlling interests	- 22,371	- 22,371	0	
Redemption of lease liabilities	- 2,393	- 2,393	0	
Proceeds from the issuance of bonds and (financial) loans	8,321	8,321	0	
Payments for the redemption of (financial) loans	- 25,110	- 23,057	- 2,053	
<b>Cash flow from financing activities</b>	<b>- 101,171</b>	<b>- 94,385</b>	<b>- 6,786</b>	<b>0</b>
<b>4. Financial funds at the end of the period</b>				
Change in financial funds (subtotals 1.–3.)	- 34,199	- 35,126	927	0
Change in financial funds due to exchange rates	- 403	- 403	0	
Change in financial funds due to consolidation	4,543	4,543	0	
Financial funds at the beginning of the period	165,415	161,162	4,253	
<b>Financial funds at the end of the period</b>	<b>135,356</b>	<b>130,176</b>	<b>5,180</b>	<b>0</b>

## Segment Report HHLA Group

in € thousand; business segments; annex to the condensed notes

	Port Logistics Subgroup					
	Container		Intermodal		Logistics	
	1-6   2017	1-6   2016	1-6   2017	1-6   2016	1-6   2017	1-6   2016
<b>Segment revenue</b>						
Segment revenue from non-affiliated third parties	369,195	333,411	205,365	189,845	22,525	24,475
Inter-segment revenue	3,086	3,143	863	940	2,159	2,892
<b>Total segment revenue</b>	<b>372,281</b>	<b>336,554</b>	<b>206,228</b>	<b>190,785</b>	<b>24,684</b>	<b>27,367</b>
<b>Earnings</b>						
EBITDA	109,859	95,419	46,906	45,319	2,838	- 14,668
EBITDA margin	29.5 %	28.4 %	22.7 %	23.8 %	11.5 %	- 53.6 %
EBIT	68,150	54,157	34,851	33,668	664	- 16,674
EBIT margin	18.3 %	16.1 %	16.9 %	17.6 %	2.7 %	- 60.9 %
<b>Assets</b>						
Segment assets	828,720	818,375	391,393	391,272	40,571	42,369
<b>Other segment information</b>						
Investments in property, plant and equipment and investment property	50,467	36,333	6,532	20,461	887	257
Investments in intangible assets	1,217	2,758	109	3	7	3
<b>Total investments</b>	<b>51,684</b>	<b>39,091</b>	<b>6,641</b>	<b>20,464</b>	<b>894</b>	<b>260</b>
Depreciation of property, plant and equipment and investment property	36,971	36,512	11,924	11,382	2,150	1,977
Amortisation of intangible assets	4,738	4,750	131	269	24	29
<b>Total amortisation and depreciation</b>	<b>41,709</b>	<b>41,262</b>	<b>12,055</b>	<b>11,651</b>	<b>2,174</b>	<b>2,006</b>
Earnings from associates accounted for using the equity method	367	365	0	0	2,615	2,219
Non-cash items	10,149	16,225	994	753	778	16,171
Container throughput in thousand TEU	3,586	3,209	—	—		
Container transport in thousand TEU	—	—	744	694		

Holding/Other		Real Estate Subgroup		Total		Consolidation and reconciliation with Group		Group	
		Real Estate		1-6   2017	1-6   2016	1-6   2017	1-6   2016	1-6   2017	1-6   2016
1-6   2017	1-6   2016	1-6   2017	1-6   2016	1-6   2017	1-6   2016	1-6   2017	1-6   2016	1-6   2017	1-6   2016
8,247	8,220	17,500	17,529	622,832	573,479	0	0	622,832	573,479
66,632	64,447	1,197	1,196	73,937	72,619	- 73,937	- 72,619	0	0
<b>74,879</b>	<b>72,667</b>	<b>18,697</b>	<b>18,725</b>	<b>696,769</b>	<b>646,098</b>				
- 11,598	- 10,768	10,514	10,491	158,519	125,793	0	0	158,519	125,793
- 15.5 %	- 14.8 %	56.2 %	56.0 %						
- 14,016	- 13,281	8,003	7,932	97,652	65,802	1,163	1,053	98,816	66,855
- 18.7 %	- 18.3 %	42.8 %	42.4 %						
66,477	78,541	186,124	188,443	1,513,285	1,519,000	275,739	242,617	1,789,024	1,761,617
1,261	1,320	2,220	829	61,367	59,200	0	0	61,367	59,200
923	5,252	0	26	2,256	8,042	0	0	2,256	8,042
<b>2,184</b>	<b>6,572</b>	<b>2,220</b>	<b>855</b>	<b>63,623</b>	<b>67,242</b>	<b>0</b>	<b>0</b>	<b>63,623</b>	<b>67,242</b>
1,848	2,063	2,504	2,555	55,397	54,489	- 904	- 946	54,493	53,544
570	450	6	4	5,469	5,502	- 260	- 107	5,210	5,394
<b>2,418</b>	<b>2,513</b>	<b>2,510</b>	<b>2,559</b>	<b>60,866</b>	<b>59,991</b>	<b>- 1,164</b>	<b>- 1,053</b>	<b>59,703</b>	<b>58,938</b>
0	0	0	0	2,983	2,583	0	0	2,983	2,583
7,909	9,057	205	89	20,035	42,295	5	- 7	20,039	42,288

## Statement of Changes in Equity HHLA Group

in € thousand

	Parent company					
	Subscribed capital		Capital reserve		Retained consolidated earnings	Reserve for foreign currency translation
	A division	S division	A division	S division		
<b>Balance as of 31 December 2015</b>	<b>70,048</b>	<b>2,705</b>	<b>141,078</b>	<b>506</b>	<b>413,097</b>	<b>- 61,694</b>
Dividends					- 46,062	
Acquisition of non-controlling interests in consolidated companies					- 6,220	
First consolidation of interests in related parties/from associates accounted for using the equity method					1,501	
Total comprehensive income					25,806	- 1,084
<b>Balance as of 30 June 2016</b>	<b>70,048</b>	<b>2,705</b>	<b>141,078</b>	<b>506</b>	<b>388,122</b>	<b>- 62,778</b>
<b>Balance as of 31 December 2016</b>	<b>70,048</b>	<b>2,705</b>	<b>141,078</b>	<b>506</b>	<b>435,345</b>	<b>- 64,595</b>
Dividends					- 46,738	
Total comprehensive income					52,616	- 1,608
<b>Balance as of 30 June 2017</b>	<b>70,048</b>	<b>2,705</b>	<b>141,078</b>	<b>506</b>	<b>441,223</b>	<b>- 66,203</b>

Other comprehensive income				Parent company interests	Non-controlling interests	Total consolidated equity
Cash flow hedges	Actuarial gains/ losses	Deferred taxes on changes recognised directly in equity	Other			
180	- 40,974	13,228	11,679	549,853	30,707	580,560
				- 46,062	- 744	- 46,806
				- 6,220	- 9,273	- 15,493
				1,501	258	1,759
173	- 72,677	23,401	- 3	- 24,384	14,394	- 9,990
353	- 113,651	36,629	11,676	474,688	35,342	510,030
412	- 85,995	27,733	11,507	538,744	32,094	570,838
				- 46,738		- 46,738
- 41	14,342	- 4,661	53	60,702	17,650	78,352
371	- 71,653	23,072	11,560	552,708	49,744	602,452

### Statement of Changes in Equity HHLA Subgroup Port Logistics (A division)

in € thousand; annex to the condensed notes

	Parent company			
	Subscribed capital	Capital reserve	Retained consolidated earnings	Reserve for foreign currency translation
<b>Balance as of 31 December 2015</b>	<b>70,048</b>	<b>141,078</b>	<b>378,519</b>	<b>- 61,693</b>
Dividends			- 41,329	
Acquisition of non-controlling interests in consolidated companies			- 6,220	
First consolidation of interests in related parties/from associates accounted for using the equity method			1,501	
Total comprehensive income subgroup			21,270	- 1,084
<b>Balance as of 30 June 2016</b>	<b>70,048</b>	<b>141,078</b>	<b>353,741</b>	<b>- 62,777</b>
<b>Balance as of 31 December 2016</b>	<b>70,048</b>	<b>141,078</b>	<b>396,191</b>	<b>- 64,595</b>
Dividends			- 41,329	
Total comprehensive income subgroup			48,050	- 1,608
<b>Balance as of 30 June 2017</b>	<b>70,048</b>	<b>141,078</b>	<b>402,912</b>	<b>- 66,203</b>

### Statement of Changes in Equity HHLA Subgroup Real Estate (S division)

in € thousand; annex to the condensed notes

**Balance as of 31 December 2015**

Dividends

Total comprehensive income subgroup

**Balance as of 30 June 2016**

Plus income statement consolidation effect

Less balance sheet consolidation effect

**Total effects of consolidation**

**Balance as of 30 June 2016**

**Balance as of 31 December 2016**

Dividends

Total comprehensive income subgroup

**Balance as of 30 June 2017**

Plus income statement consolidation effect

Less balance sheet consolidation effect

**Total effects of consolidation**

**Balance as of 30 June 2017**

Other comprehensive income				Parent company interests	Non-controlling interests	Total subgroup consolidated equity
Cash flow hedges	Actuarial gains/losses	Deferred taxes on changes recognised directly in equity	Other			
180	- 41,434	13,377	11,680	511,755	30,707	542,462
				- 41,329	- 744	- 42,073
				- 6,220	- 9,273	- 15,493
				1,501	258	1,759
174	- 71,535	23,033	- 5	- 28,147	14,394	- 13,753
354	- 112,969	36,410	11,675	437,560	35,342	472,902
412	- 85,645	27,620	11,507	496,616	32,094	528,710
				- 41,329		- 41,329
- 41	14,136	- 4,594	53	55,996	17,650	73,646
371	- 71,509	23,026	11,560	511,284	49,744	561,028

				Other comprehensive income		Total subgroup consolidated equity
Subscribed capital	Capital reserve	Retained consolidated earnings	Actuarial gains/losses	Deferred taxes on changes recognised directly in equity		
2,705	506	43,993	457	- 148		47,513
		- 4,733				- 4,733
		4,414	- 1,142	369		3,640
2,705	506	43,674	- 684	221		46,421
		122				122
		- 9,415				- 9,415
		- 9,293				- 9,293
2,705	506	34,381	- 684	221		37,128
2,705	506	48,325	- 350	113		51,299
		- 5,409				- 5,409
		4,442	207	- 67		4,582
2,705	506	47,357	- 144	46		50,470
		124				124
		- 9,170				- 9,170
		- 9,046				- 9,046
2,705	506	38,311	- 144	46		41,424

# Condensed Notes

## 1. Basic Information on the Group

The Group's parent company is Hamburger Hafen und Logistik Aktiengesellschaft, Bei St. Annen 1, 20457 Hamburg (HHLA), registered in the Hamburg Commercial Register under HRB 1902. The holding company above the HHLA Group is HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH, Hamburg (HGV).

The Condensed Interim Consolidated Financial Statements, and therefore the information in the Notes, are presented in euros (€). For the sake of clarity, the individual items are shown in thousands of euros (€ thousand) unless otherwise indicated. Due to the use of rounding procedures, it is possible that some figures do not add up to the stated sums.

## 2. Significant Events in the Reporting Period

There were no particular events or transactions during the period under review which had an impact on the Group's earnings, net assets and financial position.

## 3. Consolidation, Accounting and Valuation Principles

### 3.1 Basis for Preparation of the Financial Statements

The Condensed Interim Consolidated Financial Statements for the period from 1 January to 30 June 2017 were prepared in compliance with the rules of IAS 34 *Interim Financial Reporting*.

The IFRS requirements that apply in the European Union have been met in full.

The Condensed Interim Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements as of 31 December 2016.

### 3.2 Principal Accounting and Valuation Methods

The accounting and valuation methods used for the preparation of the Condensed Interim Consolidated Financial Statements correspond to the methods used in the preparation of the Consolidated Financial Statements as of 31 December 2016. The company did not start applying any new standards on 1 January 2017.

The following new standards can be applied on a voluntary basis for the financial year under review. These have not been adopted by HHLA:

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers

Adoption of the above-mentioned standards is mandatory for financial years which begin on or after 1 January 2018. Based on the current project status, the HHLA Group does not expect any material changes resulting from the initial application of the IFRS 9 standard. Similarly, based on the current project status, the application of IFRS 15 is not expected to result in any material changes to revenue from contracts with customers compared with the current method of accounting.

### 3.3 Changes in the Group of Consolidated Companies

There were no changes in the group of consolidated companies at HHLA as of 30 June 2017.

## 4. Purchase and Sale of Shares in Subsidiaries

There were no acquisitions or disposals of shares in subsidiaries in the first half of 2017.

## 5. Earnings per Share

The following table illustrates the calculation for basic earnings per share for the Group and the subgroups:

### Basic earnings per share in €

	Group		Port Logistics Subgroup		Real Estate Subgroup	
	1-6   2017	1-6   2016	1-6   2017	1-6   2016	1-6   2017	1-6   2016
Share of consolidated net profit attributable to shareholders of the parent company in € thousand	52,616	25,806	48,050	21,270	4,566	4,536
Number of common shares in circulation	72,753,334	72,753,334	70,048,834	70,048,834	2,704,500	2,704,500
	<b>0.72</b>	<b>0.35</b>	<b>0.69</b>	<b>0.30</b>	<b>1.69</b>	<b>1.68</b>

The diluted earnings per share are identical to basic earnings per share as there were no conversion or option rights in circulation during the reporting period.

## 6. Dividends Paid

At the Annual General Meeting held on 21 June 2017, shareholders approved the proposal by the Executive Board and Supervisory Board to distribute a dividend of € 0.59 per share to the shareholders of the Port Logistics subgroup and of € 2.00 per share to the shareholders of the Real Estate subgroup. The total dividend of € 46,738 thousand was paid accordingly on 26 June 2017.

## 7. Segment Report

The Segment Report is presented as an annex to the Condensed Notes.

The HHLA Group's segment report is prepared in accordance with the provisions of IFRS 8 *Operating Segments*. IFRS 8 requires reporting on the basis of the internal reports made to the Executive Board for the purpose of controlling the company's activities.

The segment performance indicator used is the internationally customary key figure EBIT (earnings before interest and taxes), which serves to measure the success in each segment and therefore aids the internal control function. For further information, please refer to the Consolidated Financial Statements as of 31 December 2016.

The accounting and valuation principles applied for internal reporting comply with the principles applied by the HHLA Group described in ► Note 6 "Accounting and Valuation Principles" in the Notes to the Consolidated Financial Statements as of 31 December 2016.

Segment information is reported on the basis of the internal control function, which is consistent with external reporting and is classified in accordance with the activities of the HHLA Group's business segments. These are organised and managed autonomously in accordance with the type of services being offered.

The HHLA Group still operates in four segments: Container, Intermodal, Logistics and Real Estate.

The Holding/Other division used for segment reporting does not represent an independent business segment as defined by the IFRS standards. However, it has been allocated to the segments within the Port Logistics subgroup in order to provide a complete and clear picture.

The reconciliation of segment assets with Group assets incorporates not only items for which consolidation is mandatory, but also claims arising from current and deferred income taxes, cash and cash equivalents, short-term deposits and financial assets which are not to be assigned to segment assets.

The reconciliation of the segment variable EBIT with consolidated earnings before taxes (EBT) incorporates not only transactions between the segments and the subgroups for which consolidation is mandatory, but also the proportion of companies accounted for using the equity method, net interest income and other financial result.

### Reconciliation of the Segment Variable EBIT to Earnings before Tax (EBT)

in € thousand	1–6   2017	1–6   2016
<b>Segment earnings (EBIT)</b>	<b>97,653</b>	<b>65,802</b>
Elimination of business relations between the segments and subgroups	1,163	1,053
<b>Group earnings (EBIT)</b>	<b>98,816</b>	<b>66,855</b>
Earnings from associates accounted for using the equity method	2,983	2,583
Net interest income	- 8,311	- 12,946
Other financial result	0	- 10
<b>Earnings before tax (EBT)</b>	<b>93,488</b>	<b>56,482</b>

## 8. Equity

The breakdown and development of HHLA's equity for the period from 1 January to 30 June of the years 2017 and 2016 are presented in the statement of changes in equity.

## 9. Pension Provisions

The calculation of pension provisions as of 30 June 2017 was based on an interest rate of 1.60 % (31 December 2016: 1.40 %; 30 June 2016: 1.00 %). The calculation of provisions for working lifetime accounts as of 30 June 2017 was based on an interest rate of 1.90 % (31 December 2016: 1.70 %; 30 June 2016: 1.00 %). Actuarial gains/losses changed as follows. These are recognised in equity without effect on profit and loss.

### Development of Actuarial Gains/Losses

in € thousand	2017	2016
<b>Cumulative actuarial gains (+)/losses (-) as of 1 January</b>	<b>- 85,844</b>	<b>- 40,637</b>
Change during the financial year due to a change in interest rate	14,200	- 73,471
<b>Cumulative actuarial gains (+)/losses (-) as of 30 June</b>	<b>- 71,644</b>	<b>- 114,108</b>

## 10. Investments

As of 30 June 2017, total capital expenditure throughout the HHLA Group amounted to € 63.6 million (previous year: € 67.2 million).

The largest investments made in the first six months of 2017 were in the Container segment. Amongst other things, HHLA invested in container gantry cranes at CTB and CTT.

As of 30 June 2017, the Container segment accounted for the bulk of investment commitments at € 11.0 million.

## 11. Financial Instruments

The tables below show the carrying amounts and fair values of financial assets and financial liabilities, as well as their level in the fair value hierarchy.

### Financial Assets as of 30 June 2017

in € thousand

	Carrying amount			Fair Value			
	Loans and receivables	Available for sale	Balance sheet value	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>							
Financial assets (securities)		4,001	4,001	4,001			4,001
	0	4,001	4,001				
<b>Financial assets not measured at fair value</b>							
Financial assets	14,826	2,896	17,722				
Trade receivables	160,030		160,030				
Receivables from related parties	80,985		80,985				
Other financial receivables	2,896		2,896				
Cash, cash equivalents and short-term deposits	166,082		166,082				
	424,819	2,896	427,715				

### Financial Liabilities as of 30 June 2017

in € thousand

	Carrying amount			Fair Value				
	Held for trading	Fair value – hedging instruments	Other financial liabilities	Balance sheet value	Level 1	Level 2	Level 3	Total
<b>Financial liabilities measured at fair value</b>								
Financial liabilities				0				0
	0	0	0	0				
<b>Financial liabilities not measured at fair value</b>								
Financial liabilities (liabilities from bank loans)			277,025	277,025		281,928		281,928
Financial liabilities (finance lease liabilities)			39,481	39,481		39,481		39,481
Financial liabilities (settlement obligation)			18,045	18,045		18,045		18,045
Financial liabilities (other)			42,485	42,485		42,485		
Trade liabilities			68,043	68,043				
Liabilities to related parties (finance lease liabilities)			106,120	106,120		142,393		142,393
Liabilities to related parties (other)			6,778	6,778				
	0	0	557,977	557,977				

**Financial Assets as of 31 December 2016**

in € thousand

	Carrying amount		Balance sheet value	Fair Value			Total
	Loans and receivables	Available for sale		Level 1	Level 2	Level 3	
<b>Financial assets measured at fair value</b>							
Financial assets (securities)		3,940	3,940	3,940			3,940
	0	3,940	3,940				
<b>Financial assets not measured at fair value</b>							
Financial assets	14,434	2,896	17,330				
Trade receivables	160,440		160,440				
Receivables from related parties	81,736		81,736				
Other financial receivables	2,172		2,172				
Cash, cash equivalents and short-term deposits	177,192		177,192				
	435,974	2,896	438,870				

**Financial Liabilities as of 31 December 2016**

in € thousand

	Carrying amount			Balance sheet value	Fair Value			Total
	Held for trading	Fair value – hedging instruments	Other financial liabilities		Level 1	Level 2	Level 3	
<b>Financial liabilities measured at fair value</b>								
Financial liabilities				0				0
	0	0	0	0				
<b>Financial liabilities not measured at fair value</b>								
Financial liabilities (liabilities from bank loans)			298,350	298,350		304,780		304,780
Financial liabilities (finance lease liabilities)			39,043	39,043		39,043		39,043
Financial liabilities (settlement obligation, long-term)			18,045	18,045		18,045		18,045
Financial liabilities (settlement obligation, short-term)			22,603	22,603				
Financial liabilities (other)			37,723	37,723		37,723		37,723
Trade liabilities			68,106	68,106				
Liabilities to related parties (finance lease liabilities)			106,304	106,304		149,820		149,820
Liabilities to related parties (other)			8,950	8,950				
	0	0	599,124	599,124				

In the first half of 2017, gains of € 742 thousand (30 June 2016: € 36 thousand) were recognised in the income statement on financial assets and/or liabilities held at fair value through profit and loss. These primarily related to interest rate hedges in the previous year, while currency futures with no effective hedging relationship as per IAS 39 made up the bulk in the first half of 2017.

Currency futures contracts concluded in the reporting period covering a total amount of € 1,638 thousand have a remaining term of approximately three years.

In the first half of 2016, changes of € 118 thousand in the fair value of financial instruments designated as hedging instruments (interest rate swaps) were taken directly to equity. There were no interest rate swaps in the first six months of 2017.

The valuation methods and key unobservable input factors for calculating fair value are described in the Notes to the Consolidated Financial Statements as of 31 December 2016.

## 12. Transactions with Respect to Related Parties

There are various contracts between the Free and Hanseatic City of Hamburg and/or the Hamburg Port Authority and companies in the HHLA Group for the lease of land and quay walls in the Port of Hamburg and in the Speicherstadt historical warehouse district. Moreover, the HHLA Group lets office space to other enterprises and public institutions affiliated with the Free and Hanseatic City of Hamburg. Further information about these business relationships can be found in the Consolidated Financial Statements as of 31 December 2016.

The amounts reported for receivables from related parties and liabilities to related parties as of 30 June 2017 remained largely the same as those recorded as of 31 December 2016.

## 13. Events after the Balance Sheet Date

There were no significant events after the balance sheet date of 30 June 2017.

Hamburg, 9 August 2017

Hamburger Hafen und Logistik Aktiengesellschaft  
The Executive Board



Angela Titzrath



Heinz Brandt



Jens Hansen



Dr. Roland Lappin

# Responsibility Statement

To the best of our knowledge, and in accordance with the applicable accounting principles for interim financial reporting, the Interim Consolidated Financial Statements give a true and fair view of the earnings, net assets and financial position of the Group, and the Interim Management Report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remainder of the financial year.

Hamburg, 9 August 2017

Hamburger Hafen und Logistik Aktiengesellschaft  
The Executive Board



Angela Titzrath



Heinz Brandt



Jens Hansen



Dr. Roland Lappin

# Review Report

To Hamburger Hafen und Logistik Aktiengesellschaft, Hamburg

We have reviewed the condensed interim consolidated financial statements, comprising the balance sheet, the income statement, the statement of comprehensive income, the cash flow statement, the statement of changes in equity and selected explanatory notes – and the interim group management report of Hamburger Hafen und Logistik Aktiengesellschaft, Hamburg, for the period from 1 January to 30 June 2017, which are part of the six-monthly financial report pursuant to Section 37w of the German Securities Trading Act (WpHG). The company's Executive Board is responsible for preparation of the condensed interim consolidated financial statements in accordance with IFRSs on interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the WpHG applicable to interim group management reports. Our responsibility is to issue a report on the condensed interim consolidated financial statements and the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer, IDW). Those standards require that we plan and perform the review to obtain a certain level of assurance in our critical appraisal to preclude that the condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU and that the interim group management report is not prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports. A review is limited primarily to making enquiries of company personnel and applying analytical procedures and thus does not provide the assurance that we would obtain from an audit of financial statements. In accordance with our engagement, we have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU or that the interim group management report is not prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports.

Hamburg, 9 August 2017

PricewaterhouseCoopers GmbH  
Wirtschaftsprüfungsgesellschaft

Claus Brandt  
Wirtschaftsprüfer  
[German Public Auditor]

Christoph Fehling  
Wirtschaftsprüfer  
[German Public Auditor]



# Financial Calendar

# Imprint

30 March 2017

Annual Report 2016  
Press Conference, Analyst Conference Call

12 May 2017

Interim Statement January – March 2017  
Analyst Conference Call

21 June 2017

Annual General Meeting

14 August 2017

Half-year Financial Report January – June 2017  
Analyst Conference Call

14 November 2017

Interim Statement January – September 2017  
Analyst Conference Call

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Design and Implementation

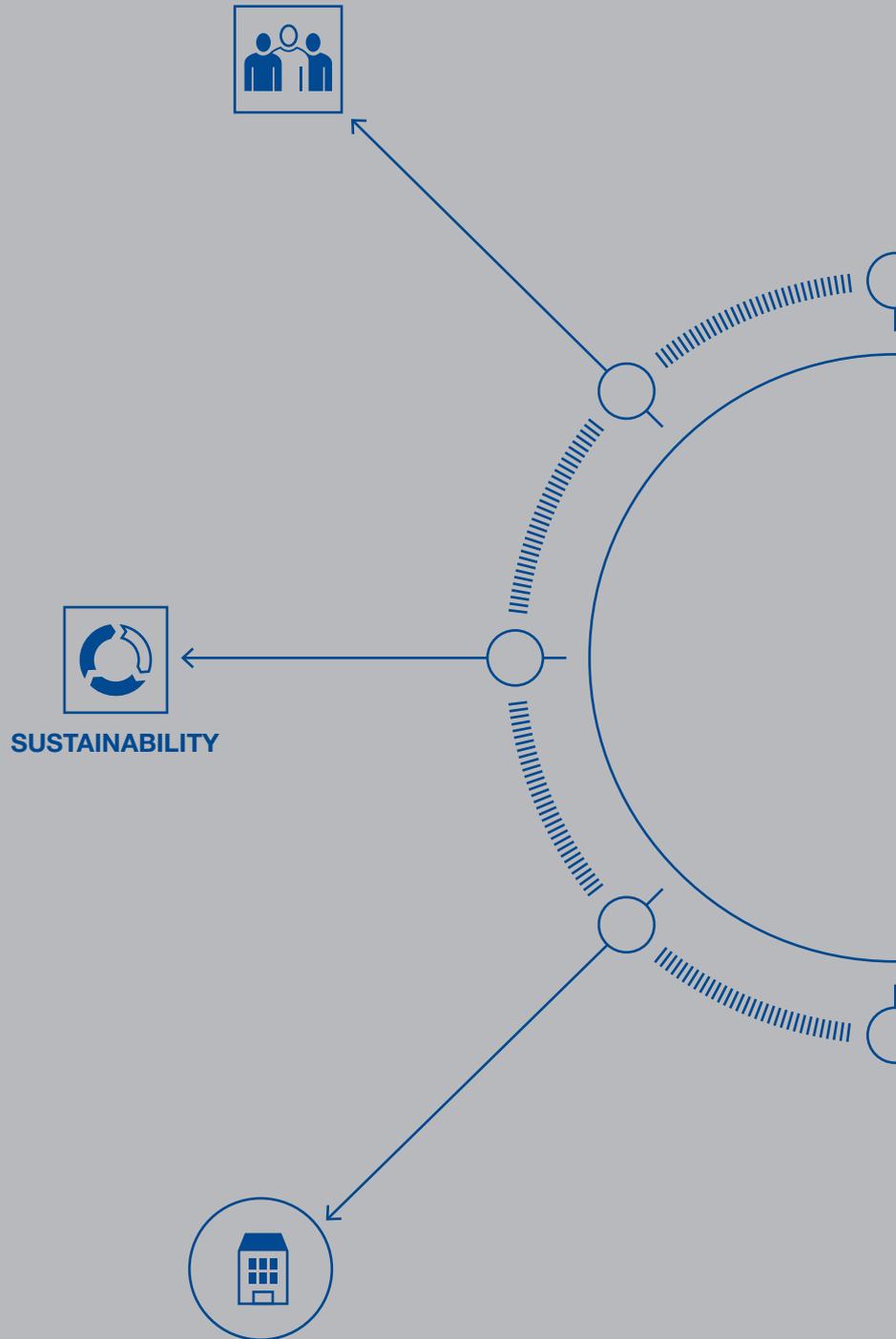
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## Disclaimer

The specialist terminology and financial terms are described in the 2016 Annual Report.

The **2016 Annual Report** is available online at:  
<http://report.hbla.de/annual-report-2016/>

This document contains forward-looking statements that are based on the current assumptions and expectations of the Hamburger Hafen und Logistik Aktiengesellschaft (HHLA) management team. Forward-looking statements are indicated through the use of words such as expect, intend, plan, anticipate, assume, believe, estimate and other similar formulations. These statements are not guarantees that these predictions will prove to be correct. The future development and the actual results achieved by HHLA and its affiliated companies are dependent on a wide range of risks and uncertainties and may therefore deviate greatly from the forward-looking statements. Many of these factors are outside of HHLA's control and therefore cannot be accurately estimated, such as the future economic environment and the actions of competitors and others involved in the marketplace. HHLA neither plans nor undertakes any special obligation to update the forward-looking statements.



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