

# HAMBURGER HAFEN UND LOGISTIK AG

## HALF-YEAR FINANCIAL RESULTS JANUARY – JUNE 2016

Analyst Conference Call, 11 August 2016



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# Agenda

Presented by Dr. Roland Lappin

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- **Business Update and Financials 1H 2016**
- **Outlook 2016**

# Business Environment

## Subdued global growth continuing



### Macroeconomic development

- Global economy: Slight recovery of momentum in 2Q16<sup>1</sup>
- China: GDP growth stabilises in 2Q16 at 6.7 % y-o-y <sup>2</sup>
- Russia: Despite weakening trend still shrinking GDP (4Q15: - 3.8 % y-o-y; 1Q16: - 1.2 % y-o-y) <sup>3</sup>
- Ukraine: First sign of recovery (1Q16: + 0.1 % y-o-y) <sup>4</sup>

### Sector development <sup>5</sup>

- Global container growth: After a notable dip in 1Q16 a pickup in 2Q16 of 2.3 % y-o-y is expected
- China: After a flat 1Q16 economy gains dynamics slowly with an expected increase of 3.2 % y-o-y in 2Q16
- North-West Europe: Despite a weak 1Q16 growth of 2.0 % y-o-y is expected for 2Q16
- Scandinavia/Baltic region: After a slight recovery in 1Q16 volumes are shrinking again (1Q16: + 0.3 % y-o-y; 2Q16: - 1.8 % y-o-y)

Source:

<sup>1</sup> IfW – World Economic Development in Spring, June 2016

<sup>2</sup> Reuters, Press Release 15.07.2016

<sup>3</sup> Weltbank – Brief Russia Monthly Economic Developments July 2016

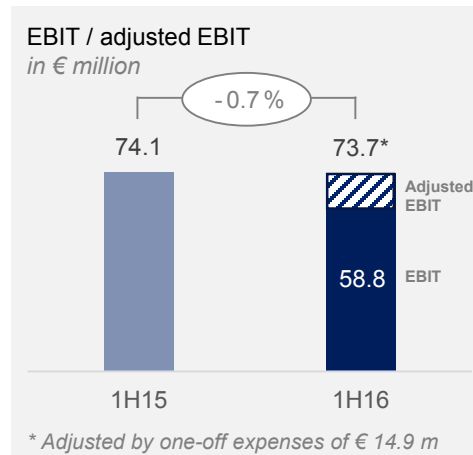
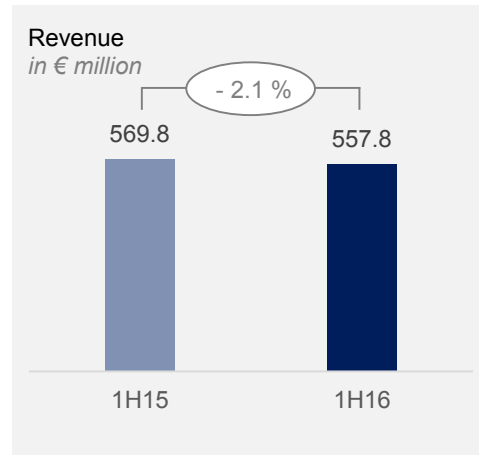
<sup>4</sup> Interfax – Press Release 16.05.2016

<sup>5</sup> Drewry Maritime Research – Container Forecaster Q2/2016

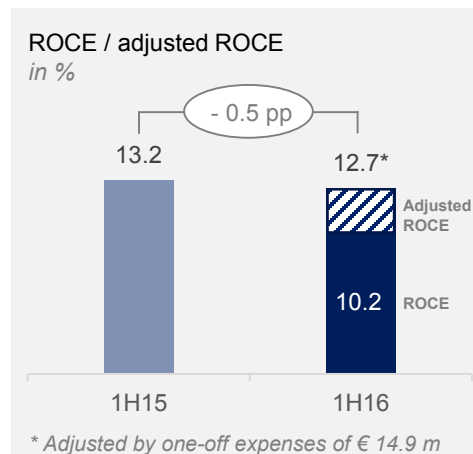
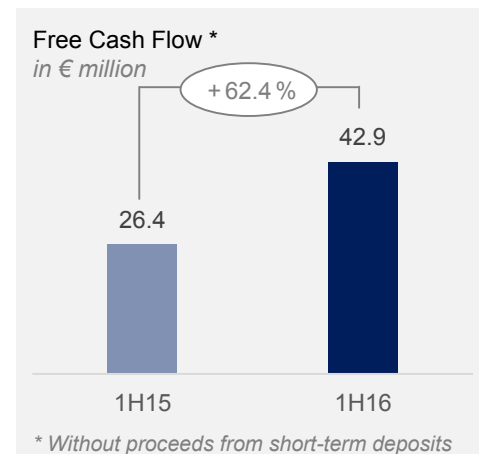
# Adjusted EBIT on Prior-Year's Level

## Intermodal growth can largely compensate downturn in Container

### Key Figures 1H16 of the Port Logistics Subgroup



- Slight decrease in revenue mainly due to lower container throughput volumes
- EBIT impacted by one-off expenses, but adjusted EBIT sustained on prior-year's level
- Adjusted EBIT-margin of 13.2 % slightly above prior-year's figure (1H15: 13.0 %)

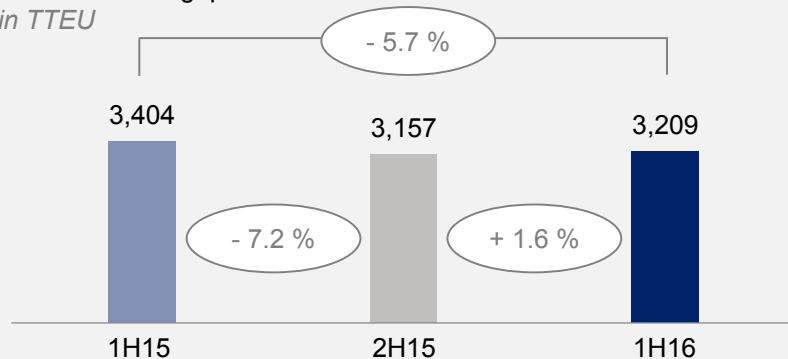


- Positive Free Cash Flow development mainly due to lower tax payments
- Adjusted ROCE still on above-average level

# Throughput and Transport Volumes

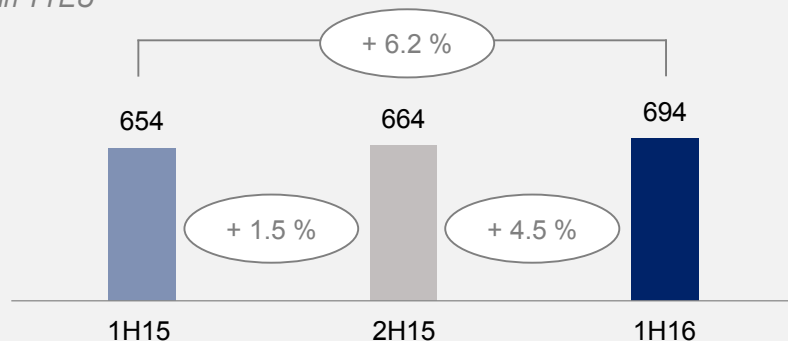
## Container throughput still modest while transport growth impressive

Container throughput  
in TTEU



- Container throughput still declining y-o-y, but stabilizing based on a semi-annual comparison (1H16 vs. 2H15)
- Volume decrease at Hamburg terminals (- 6.2 % y-o-y) mainly due to lower Asia (- 9.0 % y-o-y) and feeder volumes (- 8.5 % y-o-y)
- Container Terminal Odessa continued to make good progress (+ 5.9 % y-o-y)

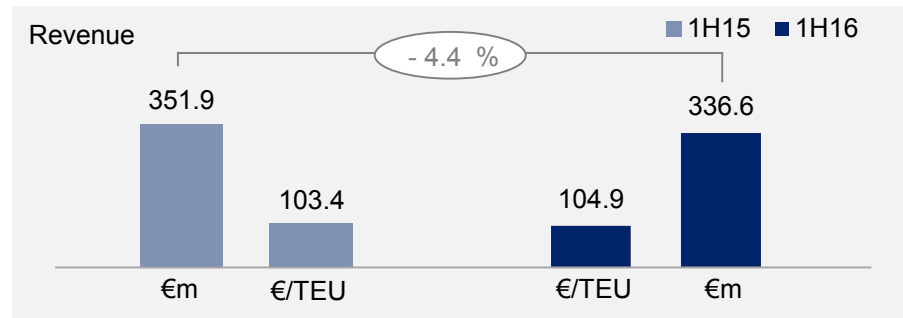
Container transport  
in TTEU



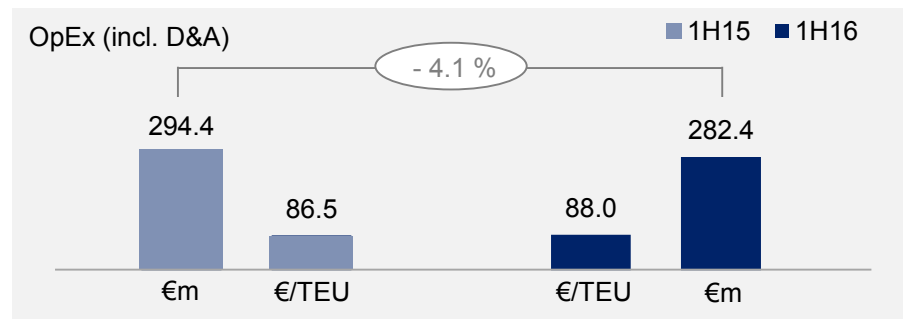
- Remarkable growth in container transport continues
- Mainly driven by growth in rail transportation of 8.6 % y-o-y to 537 thousand TEU (1H15: 494 thousand TEU)
- Road transport volumes almost on prior-year's level

# Container Segment

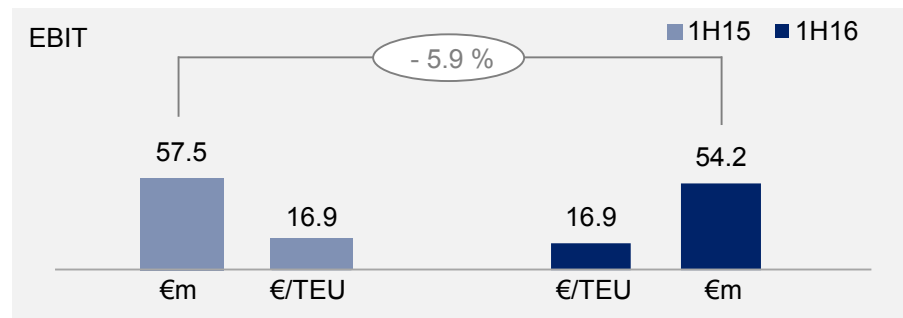
## EBIT down as a result of lower volumes and lower utilization



- Volume-related revenue decline
- Average revenue per TEU up due to individual price adjustments and lower feeder ratio of 22.9 % (1H15: 23.4 %)



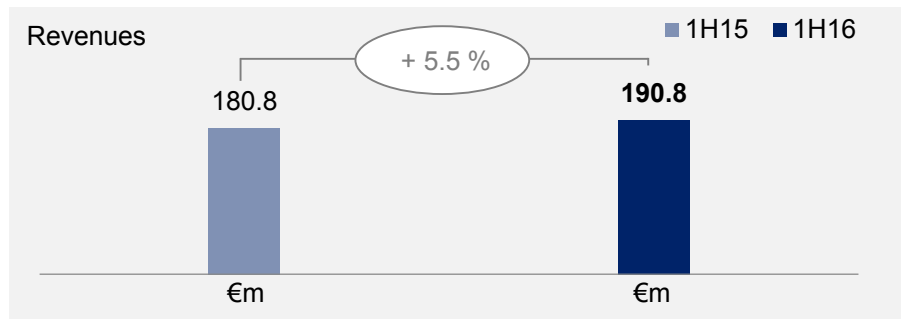
- Disproportionate decline of OpEx compared to volumes due to fixed costs and uneven volume flows over the course of a week, but still offset by approx. 70 % in the short term



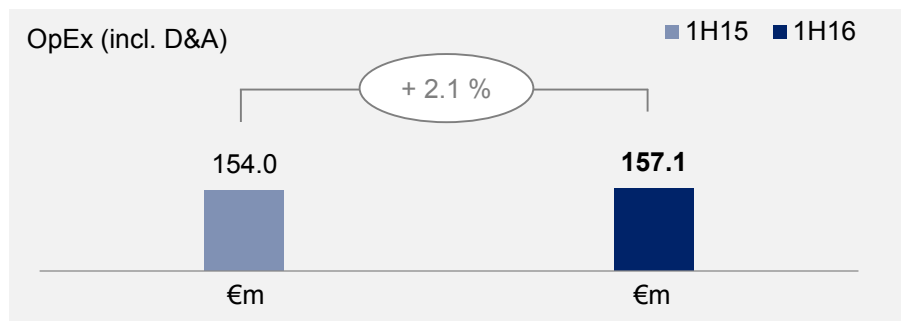
- EBIT impacted by lower volumes and lower utilization, but EBIT per TEU and EBIT margin (1H16: 16.1 % vs. 1H15: 16.3 %) on previous year's level

# Intermodal Segment

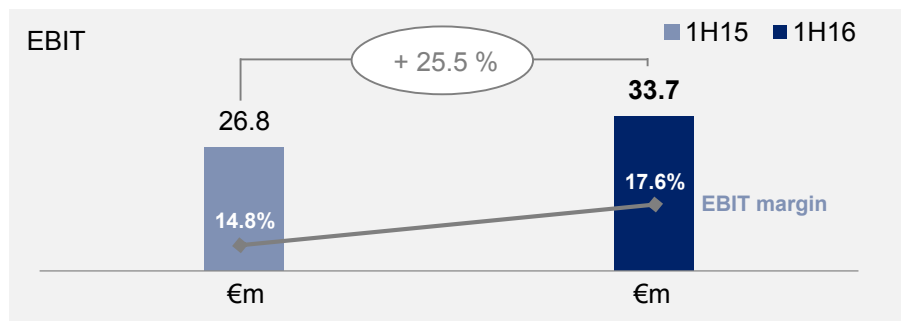
## Dynamic growth in volumes, revenue and EBIT



- Revenue increase slightly below volume growth dynamics due to a change in route mix resulting into a lower average transportation distance



- Cost development well below volume trend
- Improved cost structure and productivity gains due to use of own traction

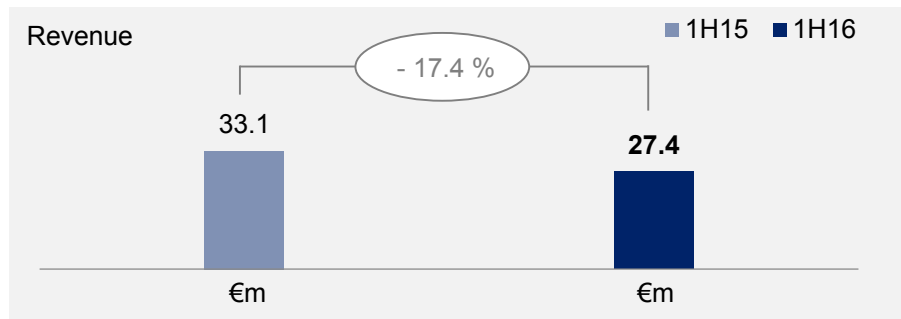


- EBIT again significantly outperformed volume and revenue growth
- Productivity gains and cost improvements haven't been fully effective in 1H15 due to ramp-up
- Impressive EBIT margin: 17.6 % (+ 2.8 pp)



# Logistics Segment

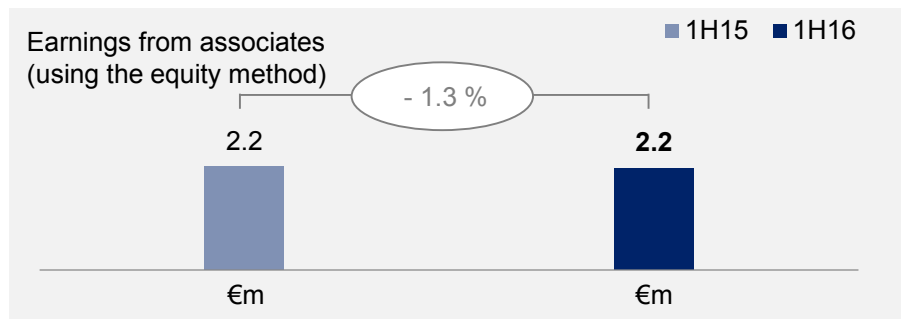
## EBIT heavily burdened by one-off restructuring expenses



- Revenue decline due to gradual reduction of project and contract logistic activities as well as project-related lower revenue of consulting activities



- EBIT of all consolidated companies was heavily burdened by one-off expenses of € 14.9 million in the course of the planned restructuring of project and contract logistics

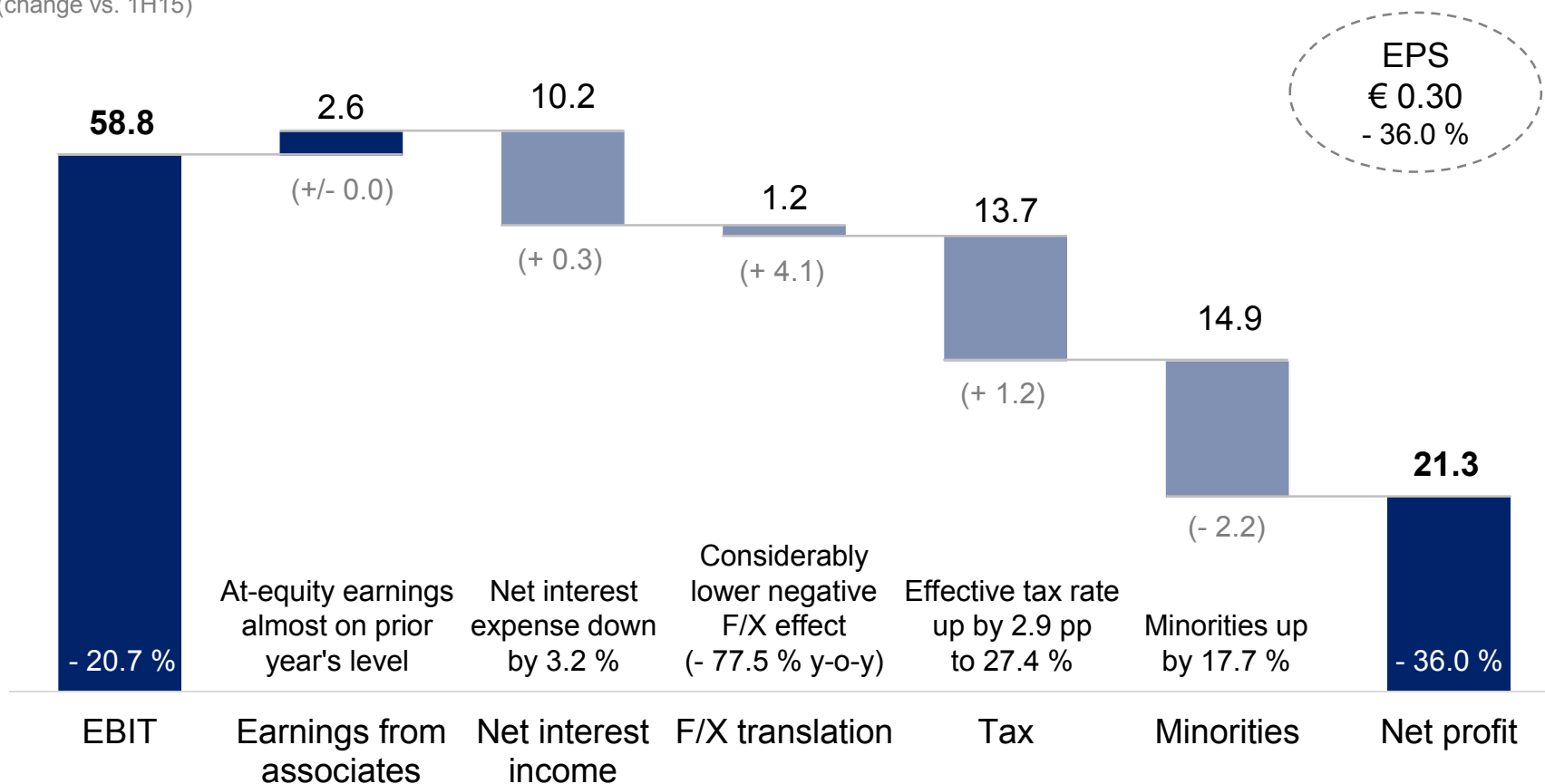


- At-equity companies showed an inconsistent performance
- However, earnings from associates all in all largely on previous year's level

# Earnings Bridge

## Net profit down due to one-off, but continued activities remained almost stable

in € million; figures of the Port Logistics subgroup  
(change vs. 1H15)

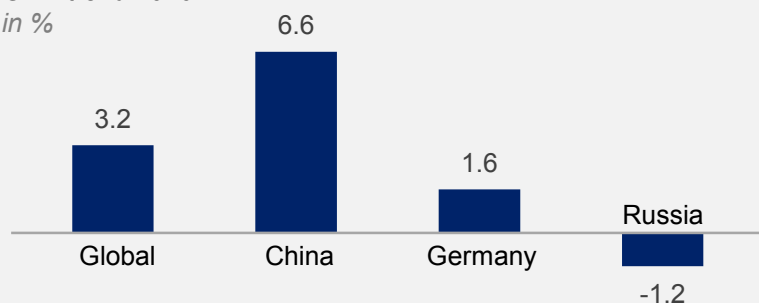


# Outlook 2016

## Reaffirmation for the current financial year

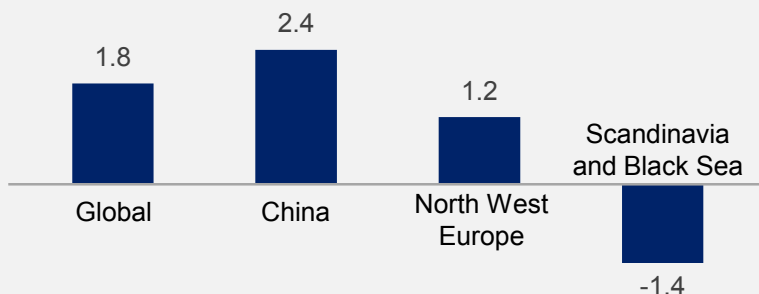
### Market Environment

GDP trend 2016  
in %



Source: IMF / July 2016

Container throughput trend 2016  
in %



Source: Drewry Maritime Research / July 2016

### Performance of Port Logistics

#### Volumes

- Container throughput: on previous year's level (2015: 6.6 million TEU)
- Container transport: slight increase on previous year (2015: 1.3 million TEU)

#### Revenue

- On previous year's level (2015: € 1.1 billion)

#### EBIT

- In a range between € 100 million and € 130 million  
incl. one-off consolidation expenses of about € 15 million

#### Investments

- In the region of € 180 million  
Almost all of which is allocated for the Port Logistics subgroup

# Financial Calendar

# IR Contact

## **30 March 2016**

Annual Report 2015

Press Conference, Analyst Conference

## **12 May 2016**

Interim Statement January - March 2016

Analyst Conference

## **16 June 2016**

Annual General Meeting (AGM)

## **11 August 2016**

Half-Year Financial Report January - June 2016

Analyst Conference

## **10 November 2016**

Interim Statement January - September 2016

Analyst Conference

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## ANALYST CONFERENCE CALL ON HALF-YEAR RESULTS JANUARY–JUNE 2016

