

# HAMBURGER HAFEN UND LOGISTIK AG

RESULTS JANUARY – SEPTEMBER 2011

Analyst Conference Call, 11 November 2011



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# AGENDA

- MAIN DEVELOPMENTS  
Klaus-Dieter Peters, CEO
  
- FINANCIAL PERFORMANCE  
Dr. Roland Lappin, CFO
  
- OUTLOOK  
Klaus-Dieter Peters, CEO

# BUSINESS ENVIRONMENT

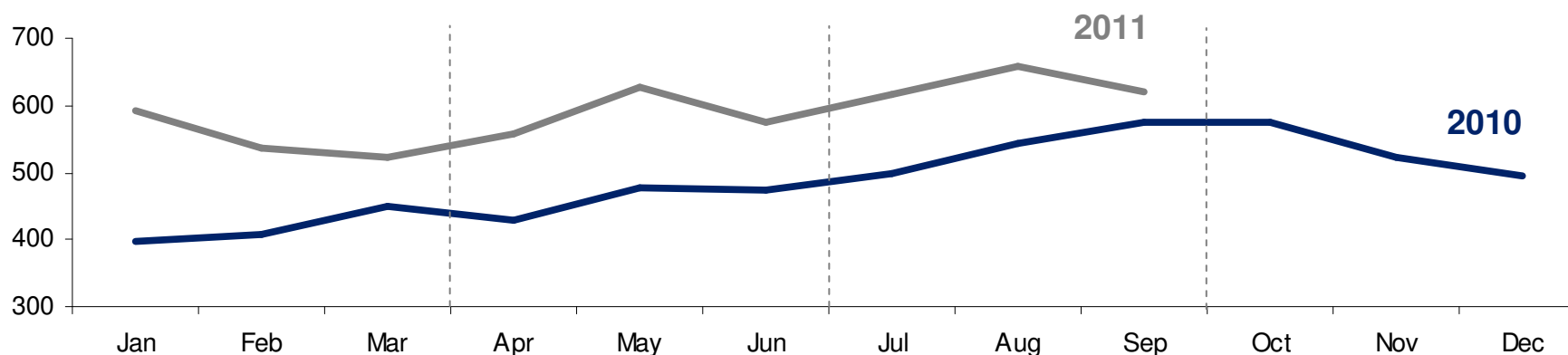
## MARKET CONDITIONS IN JANUARY – SEPTEMBER 2011

- **Uneven development of world economy with slowing momentum overall**
  - Moderation of growth after strong first half-year with robust key markets Asia, CEE\* and Germany
  - Third quarter's usual peak season short of major support by pre-christmas deliveries
  - Volume trends tending weaker on softer fourth quarter and gloomy economic prospects
- **Handling and transport operations facing increasingly challenging conditions**
  - Mega carrier's economies of scale dependent on terminal's ability to cope with peak load conditions
  - Hamburg's geographical advantage adversely affected by delayed dredging of the river Elbe
  - Difficult situation of shipping lines associated with various changes in loops and schedules
- **HHLA with substantial volume growth albeit a tougher comparable basis**
  - Container throughput of 5,305 thousand TEU up 24.8 % year-on-year
  - Outgrowing the ports of Rotterdam (+ 7.7 %) and Antwerp (+ 3.1 %)
  - Container transport of 1,425 thousand TEU up 13.0 % year-on-year

\* CEE - Central & Eastern Europe

# THROUGHPUT DEVELOPMENTS 2010-11

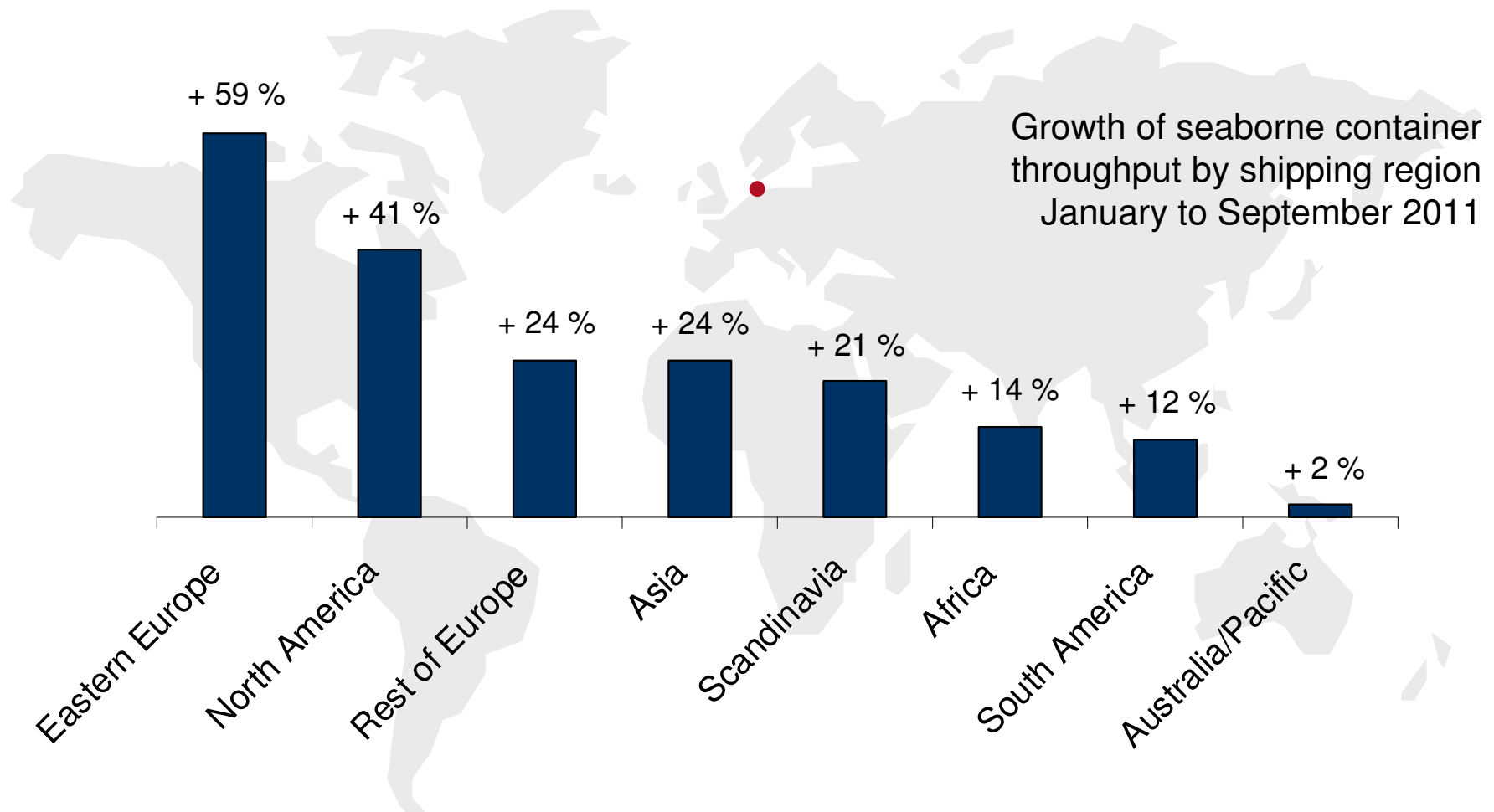
HHLA CONTAINER VOLUMES (IN THOUSAND TEU)



- Third quarter with peak volumes over the course of the year
- Volumes sequentially up over second quarter 2011: + 7 % quarter-on-quarter
- Mix of underlying growth on core trade legs and further market share gains
- Monthly dips and volume patterns not out of usual volatility yet but rising risks going forward

# VOLUME GROWTH ACROSS ALL REGIONS

INCREASED SHARE OF FEEDER VOLUMES ON STRONG TRANSIT TRAFFIC



# KEY FIGURES JANUARY – SEPTEMBER 2011

€ million	Total Group		Port Logistics Subgroup *	
	1-9   2011	Year-on-year	1-9   2011	Year-on-year
Revenue	912.5	15.8 %	892.7	16.0 %
EBIT **	164.5	16.2 %	155.3	18.3 %
EBIT margin	18.0 %	0.0 pp	17.4 %	0.3 pp
Profit after tax and minor.	65.4	17.9 %	61.4	20.7 %
Capital expenditure	105.7	3.1 %	102.2	2.9 %
Employees	4,778	1.4 %	4,740	1.5 %
ROCE	16.3 %	2.0 pp	-	-

\* listed core business (before consolidation between subgroups) \*\* incl. a one-time gain of € 15 million, see Container segment on following page

# SEGMENT CONTAINER

in € million (before consolidation)	1-9   11	1-9   10	Change
Container throughput *	<b>5,305</b>	4,252	24.8 %
Revenue	<b>535.5</b>	444.7	20.4 %
EBITDA	<b>215.8</b>	176.1	22.5 %
<i>EBITDA margin</i>	<b>40.3 %</b>	39.6 %	0.7 pp
EBIT	<b>150.5</b>	117.9	27.6 %
<i>EBIT margin</i>	<b>28.1 %</b>	26.5 %	1.6 pp
Segment assets (30.9.)	<b>926.0</b>	875.4	5.8 %

\* in thousand TEU

- Merger of several Group companies led to reduced intersegment revenue in the Container segment
- Average external revenues per box in Q3 slightly down year-on-year mainly by dilutive effect of additional feeder volumes
- Reorganization and technical upgrades at largest facility, Container Terminal Burchardkai (CTB), underway
- Underlying EBIT growth at 15 %, adjusted for a one-time gain on the early termination of land use (€ 15.0 million compensation)

# SEGMENT INTERMODAL

in € million (before consolidation)	1-9   11	1-9   10	Change
Container transport *	<b>1,425</b>	1,261	13.0 %
Revenue	<b>267.5</b>	234.1	14.2 %
EBITDA	<b>31.6</b>	29.6	6.6 %
<i>EBITDA margin</i>	<b>11.8 %</b>	12.6 %	- 0.8 pp
EBIT	<b>20.0</b>	18.6	7.5 %
<i>EBIT margin</i>	<b>7.5 %</b>	7.9 %	- 0.4 pp
Segment assets (30.9.)	<b>274.4</b>	254.5	7.8 %

\* in thousand TEU, fully consolidated

- Revenue growth slightly above volume dynamics due to partial price improvements
- Opening of a new hinterland terminal in Posen/Poland connecting Hamburg, Bremerhaven and Rotterdam
- Continuing burden by complex realignment of rail-bound activities in Germany/Austria
- Underlying EBIT growth at 20 %, adjusted for a one-time gain in the previous year (€ 2.3 million on assets sold at discontinued CTL in Lübeck)

# SEGMENT LOGISTICS

in € million (before consolidation)	1-9   11	1-9   10	Change
Revenue	<b>94.0</b>	<b>90.1</b>	4.4 %
EBITDA	<b>8.2</b>	<b>11.1</b>	- 26.4 %
<i>EBITDA margin</i>	<b>8.7 %</b>	<b>12.3 %</b>	- 3.6 pp
EBIT	<b>2.7</b>	<b>5.8</b>	- 54.1 %
<i>EBIT margin</i>	<b>2.8 %</b>	<b>6.4 %</b>	- 3.6 pp
Segment assets (30.9.)	<b>98.7</b>	106.5	- 7.3 %

- Widely varying developments in a heterogeneous market environment
- External revenues down year-on-year (without IT project of around € 7 million invoiced internally)
- Strong growth in cruise logistics and bulk cargo handling
- Structural change in fruit logistics materially weighing on profitability
- Underutilized contract logistics still subject to restructuring

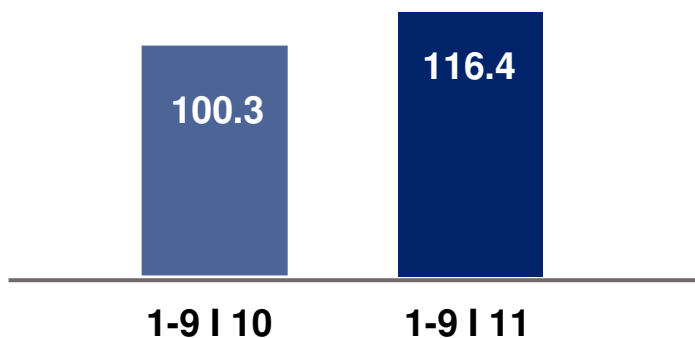
# FINANCIAL POSITION

## SOLID FINANCIAL FUNDAMENT

### Free Cash Flow

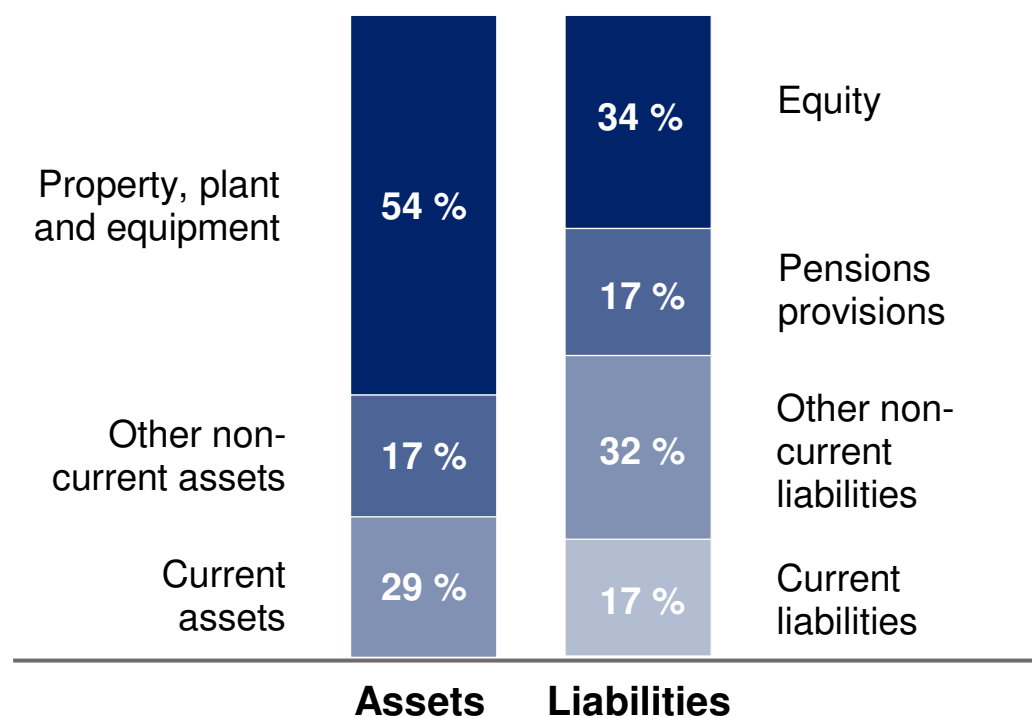
in € million

- Free cash flow strongly up year-on-year despite higher capex spent
- Support by one-time compensation payment received in Q3
- Trade receivables almost flat on previous reporting date



### Balance Sheet as of 30 September 2011

€ 1,837.1 million



# FORECAST 2011

## EXPECTATIONS AND TARGET SETTING

### Growth expectations\*



Global economy (GDP)	~ 4 %
World trade	~ 7 %
Global container throughput	~ 7 %
Northern Europe box throughput	~ 6 %

*Downward revisions*



### Group targets



- **Volumes** – Growth in
  - throughput: 15 to 20 %, upper end
  - transport: 10 to 15 %, around mid-point
- **Revenue** – in the region of € 1.2 billion
- **EBIT** – in the region of € 210 million before
  - in the region of € 200 million after potential impairment risks
- **Investments** – reduced range of € 160 to 180 million

*Scaled back*  
*Newly aligned*

### Growing downside risks in macro environment

- Debt crisis in EU and US
- Uncertainties about political crisis management
- Inflation concerns

# FURTHER PROSPECTS

## MEDIUM- TO LONG-TERM CATALYSTS



- Above average GDP growth projected for Asia and CEE
- Competitive advantages on major sector trends
  - Favourable geographic location
  - Superior quality
  - Leading productivity
- Growing importance of eco-friendly transport solutions (ship/rail)
- Resilient financial performance proven under worst conditions 2009
  - Double-digit EBIT margin ✓
  - Free cash flow positive ✓
  - Premium on cost of capital ✓
  - Dividend payment ✓



## FINANCIAL CALENDAR

30 Mar 2012	Annual Results 2011
15 May 2012	Interim Report Jan-Mar 2012
14 June 2012	Annual General Meeting
14 Aug 2012	Interim Report Jan-Jun 2012
13 Nov 2012	Interim Report Jan-Sep 2012

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