HAMBURGER HAFEN UND LOGISTIK AKTIENGESELLSCHAFT

Interim Report January to March 2014

Key Figures

in € million	HHLA Group 1–3|2014	 1–3|2013	 Change
Revenue and Earnings			
Revenue	293.5	274.9	6.8 %
EBITDA	69.4	67.6	2.8 %
EBITDA margin in %	23.7	24.6	- 0.9 pp
EBIT	39.3	37.5	4.8 %
EBIT margin in %	13.4	13.7	- 0.3 pp
Profit after tax	19.2	22.3	- 13.6 %
Profit after tax and minority interests	10.5	14.4	- 27.2 %
Cash flow statement and Investments			
Cash flow from operating activities	52.5	41.6	26.2 %
Investments	39.4	36.4	8.2 %
Performance Data			
Container throughput in thousand TEU	1,862	1,818	2.4 %
Container transport in thousand TEU	305	290	5.1 %

in € million	31.03.2014	31.12.2013	Change
Balance Sheet			
Balance sheet total	1,750.7	1,716.0	2.0 %
Equity	592.4	600.1	- 1.3 %
Equity ratio in %	33.8	35.0	- 1.2 pp
Employees			
Number of employees	5,027	4,924	2.1 %

	Port Logistics subgroup[1,2]			Real Estate subgroup[1,3]		
in € million	1–3|2014	1–3|2013	Change	1–3|2014	1–3|2013	Change
Revenue	286.4	268.1	6.8 %	8.4	8.1	3.3 %
EBITDA	64.5	62.8	2.8 %	4.9	4.8	2.7 %
EBITDA margin in %	22.5	23.4	- 0.9 pp	58.3	58.7	- 0.4 pp
EBIT	35.5	33.8	5.1 %	3.8	3.7	2.8 %
EBIT margin in %	12.4	12.6	- 0.2 pp	45.1	45.3	- 0.2 pp
Profit after tax and minority interests	8.4	12.8	- 34.0 %	2.0	1.6	27.2 %
Earnings per share in € [4]	0.12	0.18	- 34.0 %	0.75	0.59	27.2 %

The previous year's figures have been restated due to revised IFRS regulations for group accounting.
[1] Before consolidation between the subgroups
[2] Listed Class A shares
[3] Non-listed Class S shares
[4] Basic and diluted

Cover photo: Sustainable growth: HHLA rail transport increases again

Contents

The Share

Stock Market Data

31.12.2013 – 31.03.2014	HHLA	SDAX	DAX
Change	- 1.9 %	5.6 %	0.0 %
Closing 31.12.2013	€17.78	6,789	9,552
Closing 31.03.2014	€17.45	7,169	9,556
High	€20.30	7,269	9,753
Low	€17.45	6,835	9,018

For most of the first quarter of 2014, the major international indices moved sideways with only minor fluctuations. At the start of the year, unexpectedly positive German job market figures and a clear decline in the US trade deficit provided further encouragement for the positive trend on the markets. Weak economic figures from the USA and China as well as currency turmoil in several emerging markets interrupted the upward trend in late January. In early February, share prices stabilised and then returned to growth on the announcement of the US Federal Reserve's new president that she would continue its current monetary policy. In the second half of February, fears over political stability in Ukraine unsettled the stock markets and caused prices to fall significantly. The DAX reached a quarterly low of 9,018 points. Russia's announcement in mid-March that it would refrain from military intervention on the Crimean Peninsula helped calm the capital markets. Buoyed by optimistic economic forecasts and hopes of further growth momentum from China, the DAX made further gains in the period to late March and closed the first quarter almost unchanged at 9,556 points. The SDAX outperformed Germany's leading index and ended the quarter up 5.6 % at 7,169 points.

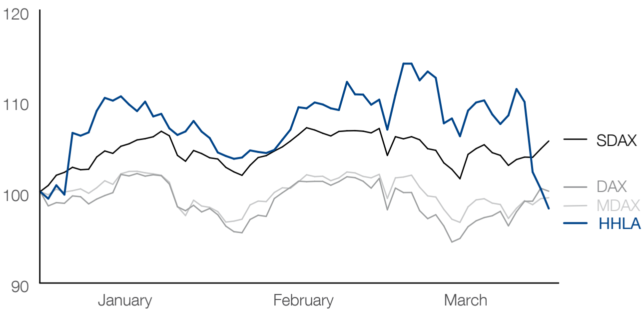
The HHLA share began the year with strong gains. In addition to the generally positive economic outlook, the share was lifted by news that a bank had upgraded its recommendation from 'hold' to 'buy'. The share subsequently climbed beyond the €19 mark. In late January, general uncertainty on the capital markets dampened the share price trend. However, this downward movement was already halted in early February on publication of HHLA's preliminary figures for the 2013 financial year. These results were largely in line with market expectations and thus helped to stabilise the share price above the €19 mark. In the second half of February, the share benefited from the general mood of optimism on the capital market and reflected the SDAX trend. As the publication date for the 2013 Annual Results drew nearer, interest in the share picked up and it passed the €20 mark for the first time since October 2012 before reaching a quarterly high of €20.30 on 5 March. However, the share was subsequently unable to escape concerns over an escalation of the Crimea crisis and briefly fell below the €19 mark. Following publication of the annual figures for 2013 on 27 March, the outlook for the 2014 financial year was not in line to the market's positive expectations. The share ended the quarter at a low of €17.45. It was thus around 1.9 % lower than its closing price at the end of 2013.

In the first quarter of 2014, HHLA once again held discussions with a large number of investors and analysts and attended various conferences in Germany and abroad. These discussions focused, in particular, on the possible effects of the announced alliance between the world's three largest container shipping companies (P3 Alliance), the development of the Container Terminal Burchardkai (CTB) and the hearing set for July regarding the dredging of the river Elbe. There was also considerable interest in the significance of the political uncertainty in Ukraine for HHLA.

A total of 23 financial analysts covered HHLA's business development in the first quarter. HHLA thus continues to receive very broad coverage for an SDAX company. The majority of analysts recommend buying or holding the share.

Share Price Development January to March 2014

Closings in %, Index = 100



Source: Datastream

The latest prices and additional information on the HHLA share can be found online at ► www.hhla.de/en/investor-relations

Ladies and Gentlemen,

The 2014 financial year started well for Hamburger Hafen und Logistik AG. We further expanded our market positions in container throughput and container transport and achieved improvements in revenue and earnings. This is all the more pleasing considering that this volume growth was achieved in largely stagnating markets with challenging operating conditions caused by factors such as the delay in the dredging of the river Elbe.

With strong increases in volumes, our major Far East services played a decisive role in driving throughput growth. This is testimony to our strong performance in an industry environment which is consistently demanding. These challenges were aggravated by the weather-related delays suffered by many liner services, which placed an unusually high burden on our storage capacities and subsequently on our entire hinterland logistics system.

Numerous efficiency-boosting process innovations, such as simultaneous loading and discharging (known as 'Dual Cycle') at our Container Terminal Altenwerder, proved highly effective in coping with the challenges described above. Thanks to the high flexibility of our facilities, we succeeded in limiting the impact of the delayed ships on the logistics chain. At the same time, we recorded a steady increase in transport volumes handled by our rail transport services. In particular, the connections established last year in Germany, with Austria and Switzerland enjoyed strong year-on-year growth.

The positive volume trend was also reflected in the development of revenue and earnings, which exceeded volume growth. This was mainly attributable to the significant temporary rise in storage fees at our terminals – partly offset, however, by additional expenses – along with the growing level of value added and the increased proportion of rail in our intermodal traffic.

Nonetheless, some fundamental uncertainties remain for the rest of the year. So far, the Ukraine/Russia crisis has only had a limited impact on our operating result. However, this may change if the situation escalates further. Besides the uncertainty of the general economic outlook, there are also further risks – as well as opportunities – in connection with the current consolidation process in the container shipping industry. The transformation of scheduled container services due to the new shipping liner alliances and mergers expected to take shape from mid 2014 onwards may lead to volume volatility.

Against this background, we can maintain our existing guidance: provided that the current structure of freight flows remains unchanged, we expect a slight increase in container throughput volumes for 2014 as a whole. For the transport volumes handled by our Intermodal companies, we anticipate moderate growth ahead of the general market trend. On this basis, we aim to achieve revenue slightly higher than in the previous year. At the same time, infrastructure deficits and competitive pressure due to growing idle terminal capacities represent increasing burdens. In view of the uncertainties outlined above, our target of achieving a result for 2014 in line with the prior-year figure remains ambitious.

Our successful start to the financial year and the endorsement of our business strategy which this implies represent solid foundations on the path to achieving this target.

Yours,

Klaus-Dieter Peters
Chairman of the Executive Board

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Business Development at a Glance

- Container throughput up 2.4 % due to growth of existing liner services
- Successful Intermodal strategy continued with a 5.1 % increase in transport volume to 305 thousand TEU
- Revenue up 6.8 % to € 293.5 million
- 4.8 % increase in operating profit (EBIT) to € 39.3 million.
- Financial result adversely affected by exchange rate effects (Ukraine)
- Profit after tax and minority interests amounts to € 10.5 million
- Forecast unchanged for the full year 2014

A 14,000 TEU container ship with cargo from the Far East enters the Port of Hamburg

Interim Management Report

Economic Environment

Macroeconomic Development

The world economy began 2014 with a continuation of the slight recovery which had started in mid 2013. From a medium-term perspective this represents further shallow growth, which is expected to amount to less than 4 %.

The same applies to world trade, which actually lost some of its momentum and merely mirrored the global economic trend. World economic growth was boosted by the resurgence of the advanced economies. All the same, the emerging economies are still contributing more than two-thirds of global economic growth.

Economic development varied widely among the emerging and developing countries: while China raised its gross domestic product (GDP) by 7.4 % in the first quarter of 2014 and several other Asian emerging markets benefited from greater foreign demand from the industrialised nations, the economic difficulties intensified for countries such as Brazil, India, Argentina, Turkey and now Russia in particular. Economic growth in these countries was weakened in part by high capital outflows and currency devaluations.

Having clarified its budget issues for the time being, the USA remains on a solid growth trajectory. The eurozone's economy has also gained stability. Business climate indicators point to GDP growth of 0.4 % in the first quarter of 2014.

Growth continued to be far more robust in Germany. Initial economic indicators suggest a strong increase in economic output of 0.7 % in the first three months of the year compared to the fourth quarter of 2013. Germany's foreign trade also experienced a turnaround following its recent weak trend: in January and February, exports increased by 3.8 % on the same period last year, while imports rose by no less than 4.0 %.

Sector Development

World container throughput volumes suffered a slight loss of momentum at the start of 2014. According to estimates by the market research institute Drewry, global container throughput at the seaports increased by 3.6 % in the first quarter. Meanwhile, there was a further disproportionately strong increase of 5.7 % in the global container fleet's carrying capacity.

The container shipping companies are seaking to tackle the continuing imbalance between carrying capacity and demand while improving their economic situation with the aid of mergers and new alliances. They hope to optimise their utilisation of ship capacities and strengthen their market power.

The trend for the Northern European ports was once again significantly weaker than for global container traffic. Initial estimates at the beginning of the current year indicate that the throughput volumes handled by these ports increased by just 1.3 %. According to figures published so far, Rotterdam realised throughput growth of just 0.3 %, while Antwerp achieved an increase of 0.9 %. The Bremen ports even suffered a decline of 0.4 %.

At the time of this interim report's editorial deadline, no reliable data was available regarding the development of cargo transported via road, rail and inland waterways.

Group Performance

Key Figures

in € million	1–3|2014	1–3|2013	Change
Revenue	293.5	274.9	6.8 %
EBITDA	69.4	67.6	2.8 %
EBITDA margin in %	23.7	24.6	- 0.9 pp
EBIT	39.3	37.5	4.8 %
EBIT margin in %	13.4	13.7	- 0.3 pp
Profit after tax and minority interests	10.5	14.4	- 27.2 %
Earnings from associates (using the equity method)	1.0	0.9	7.0 %
ROCE in %	11.8	11.0	0.8 pp

The previous year's figures have been restated due to revised IFRS regulations for group accounting.

Notes on the Reporting

Due to a change in the IFRS regulations for group accounting, pro rata consolidation of joint ventures – including the joint venture Hansaport – is no longer permitted from the financial year 2014 onwards. These companies will be accounted for in the consolidated financial statements using the equity method. The new regulations will only have a significant impact in the Logistics segment. The corresponding figures for the same period of the previous year have been restated accordingly. There were no further effects at Group level resulting from consolidation that had a material impact on the development of revenue and earnings in the reporting period.

In the period under review, negative exchange rate effects arose from the devaluation of the local Ukrainian currency. This had a significant impact on the Group's net assets, earnings 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

Against the background of only a modest recovery in global economic growth and a consistently challenging industry environment, HHLA succeeded in raising its handling performance, both year on year and quarter on quarter, in the first three months of 2014. **Container throughput** increased by 2.4 % to 1,862 thousand TEU (previous year: 1,818 thousand TEU). This positive trend was mainly attributable to stronger utilisation of the existing liner services in Hamburg. The **transport volume** increased by 5.1 % to 305 thousand TEU (previous year: 290 thousand TEU). This was particularly achieved by increasing the frequency of existing connections.

Revenue for the HHLA Group came to € 293.5 million in the reporting period, up 6.8 % on the previous year (€ 274.9 million). This revenue growth was largely driven by higher volumes and a temporary rise in storage fees due to weather-related delays suffered by many liner services.

In its Container, Intermodal and Logistics segments, the listed Port Logistics subgroup generated revenue of € 286.4 million in the reporting period (previous year: € 268.1 million). This growth in the Port Logistics subgroup almost matched the trend for the Group as a whole. Revenue in the non-listed Real Estate subgroup climbed by 3.3 % to € 8.4 million (previous year: € 8.1 million) and thus accounted for 2.4 % of Group revenue.

Changes in inventories at Group level were slightly lower than in the previous year at € 0.6 million (€ 1.0 million). Own work capitalised came to € 2.0 million (previous year: € 1.9 million).

Other operating income amounted to € 8.6 million (previous year: € 12.0 million). This decline was mainly due to an accounting gain from the sale of property in the Logistics segment in the first quarter of 2013.

Expenses

Operating expenses increased in total by 5.1 % to € 265.2 million – slightly above the rate of volume growth but below the growth in revenue.

The cost of materials, which is highly volume-dependent, rose by 6.8 % in the period under review to € 96.0 million (previous year: € 90.0 million). The positive business trend in the material-intensive Intermodal segment was the main reason for the increase in expenses. The cost-of-materials ratio remained unchanged at 32.7 %.

Personnel expenses rose year on year by 4.6 % to € 103.1 million (previous year: € 98.6 million), while the personnel expenses ratio fell to 35.1 % (previous year: 35.9 %). In addition to higher union wage rates, this reflected the larger headcount needed to handle volume growth in the Intermodal segment and additional employees to cope with the high utilisation of storage capacity in the first quarter of 2014.

Other operating expenses climbed by 6.8 % to € 36.0 million (previous year: € 33.7 million) in the reporting period. This increase was chiefly due to a rise in rental and leasing expenses in the Intermodal segment in connection with larger volumes. The ratio of expenses to revenue remained unchanged from the prior-year level at 12.3 %.

As a result of these developments, the **operating result before depreciation and amortisation (EBITDA)** rose by 2.8 % to € 69.4 million (previous year: € 67.6 million). At 23.7 %, the EBITDA margin was slightly down on the previous year (24.6 %), due mainly to the absence of the accounting gain recorded in the previous year following the sale of a logistics facility and improved earnings in the Container segment.

At € 30.1 million, **depreciation and amortisation** was at the same level as in the previous year (€ 30.0 million).

At Group level, the **operating result (EBIT)** increased by 4.8 % to € 39.3 million (previous year: € 37.5 million) due to the developments in the Container segment described above. By contrast, the EBIT margin fell slightly to 13.4 % (previous year: 13.7 %). The Port Logistics and Real Estate subgroups contributed 90.2 % and 9.8 % respectively to EBIT.

Net expenses from the **financial result** climbed in total by € 4.2 million to € 11.3 million (previous year: € 7.1 million). These additional expenses were mainly due to negative exchange rate effects of € 4.8 million due to the devaluation of the local Ukrainian currency.

The Group's **effective tax rate** increased to 31.3 % (previous year: 26.9 %) due to the absence of a one-off gain in the Logistics segment which had raised earnings in the previous year as well as the change to accounting for joint ventures using the equity method which was applied to several subsidiaries.

In contrast to the operating result (EBIT), **profit after tax** decreased by 13.6 %, from € 22.3 million to € 19.2 million. **Profit after tax and minority interests** fell by 27.2 % year on year to € 10.5 million (previous year: € 14.4 million).

Earnings per share of € 0.14 were also 27.2 % lower than last year's figure of € 0.20. The listed Port Logistics subgroup reported a 34.0 % decrease in earnings per share to € 0.12 (previous year: € 0.18). Earnings per share in the non-listed Real Estate subgroup were up 27.2 % at € 0.75 (previous year: € 0.59). Largely due to the higher operating result (EBIT), the return on capital employed (ROCE) rose by 0.8 percentage points to 11.8 % (previous year: 11.0 %).

Container Segment

Key Figures

in € million	1–3 | 2014	1–3 | 2013	Change
Revenue	186.1	175.9	5.8 %
EBITDA	59.2	53.8	10.0 %
EBITDA margin in %	31.8	30.6	1.2 pp
EBIT	37.3	31.8	17.3 %
EBIT margin in %	20.0	18.1	1.9 pp
Earnings from associates (using the equity method)	0.1	0.1	5.1 %
Container throughput in thousand TEU	1,862	1,818	2.4 %

The previous year's figures have been restated due to revised IFRS regulations for group accounting.

In the first three months of 2014, HHLA's container terminals in Hamburg and Odessa increased their throughput volume by 2.4 % to 1,862 thousand standard containers (TEU) (previous year: 1,818 thousand TEU). This was mainly due to the strong increase in cargo from the existing Far East services (8.1 %) handled at HHLA's Hamburg terminals. In contrast to this growth, however, the European and American shipping routes stagnated. The container terminal in Odessa reported a decline in the first quarter which is only partly attributable to the political crisis between Ukraine and Russia.

With revenue growth of 5.8 % to € 186.1 million (previous year: € 175.9 million), the revenue trend outpaced the rate of volume growth. This was due to a temporary rise in storage fees and a slight decline in the percentage of feeder traffic. The increase in storage fees was primarily attributable to the considerable delays suffered by many major liner services due to unusually bad weather conditions. This resulted in a build-up of export containers in particular at most of the major European container terminals. In some cases, the dwell times for these containers more than doubled. The situation began to ease in late March.

As a result, there was a temporary improvement in the profitability of the Container segment in the first quarter of 2014. Despite the challenging operating environment – caused especially by the temporarily unusually high level of yard utilisation – total costs were only slightly above the prior-year figure. The decline in the proportion of lower-margin feeder traffic by 0.8 percentage points to 26.9 % (previous year: 27.7 %) also had a positive effect on earnings. Moreover, at the Container Terminal Altenwerder in particular, process improvements introduced over the past few years helped realise good levels of productivity, even in peak-load situations. All in all, the operating result (EBIT) rose by 17.3 % to €37.3 million (previous year: €31.8 million).

HHLA further enhanced its mega-ship handling capabilities by putting the first two of a total of five new container gantry cranes at the Container Terminal Burchardkai into operation. These new gantry cranes can even handle ships with a carrying capacity of 18,000 TEU. The three other cranes will be put into operation over the next few months.

High level of capacity utilisation at the HHLA Container Terminal Altenwerder

Intermodal Segment

Key Figures

in € million	1–3|2014	1–3|2013	Change
Revenue	82.9	73.4	12.9 %
EBITDA	11.0	10.3	7.1 %
EBITDA margin in %	13.3	14.0	- 0.7 pp
EBIT	5.8	5.4	8.1 %
EBIT margin in %	7.0	7.3	- 0.3 pp
Container transport in thousand TEU	305	290	5.1 %

HHLA's rail and road transport companies once again achieved strong growth in the highly competitive market for container transport in the seaports' hinterland. Transport volumes increased by 5.1 % to 305 thousand standard containers (TEU), compared to 290 thousand TEU in the same period last year.

This trend was driven, in particular, by more frequent connections with the Czech Republic and Slovakia. Moreover, the new connections in Germany, with Austria and Switzerland as part of the D.A.CH. strategy (abbreviation for Germany, Austria and Switzerland) launched in late 2012 also made good progress.

With growth of 12.9 % to €82.9 million (previous year: €73.4 million), revenue growth outpaced the increase in volume. This was due to a rise in the average transport distance, on account of factors including a decline in the share of HHLA's total intermodal transport volume accounted for by road and the increasing level of value added generated by HHLA's transportation services.

With growth of 8.1 % to €5.8 million (previous year: €5.4 million), EBIT also outpaced the volume trend but fell short of revenue growth. Earnings were negatively affected by increased expenditure to settle operational disruptions which shipping delays also caused for onward-carriage systems.

The restructuring of Polzug's operations is making progress. This is due in particular to improvements in the purchasing of services following the expiry of existing transport contracts.

HHLA continued to successfully expand its position in the highly competitive container traffic market in German-speaking countries.

The state-of-the-art hub terminal in Ceska Trebova which was opened in 2013 has also proved successful. This terminal relieves the pressure on the facility in Prague, which was previously HHLA's most important inland hub. In March 2014, the new container rail terminal's throughput exceeded the volume handled by Prague for the first time.

High level of utilisation at HHLA's hub terminal in Ceska Trebova

Logistics Segment

Key Figures

in € million	1–3|2014	1–3|2013	Change
Revenue	15.0	16.1	- 7.1 %
EBITDA	- 0.5	3.0	neg.
EBITDA margin in %	- 3.4	18.6	- 22.0 pp
EBIT	- 0.8	2.7	neg.
EBIT margin in %	- 5.3	17.0	- 22.3 pp
Earnings from associates (using the equity method)	0.8	0.8	7.3 %

The previous year's figures have been restated due to revised IFRS regulations for group accounting.

From this interim report on, the key financial figures for the Logistics segment will only show vehicle logistics, project and contract logistics, consultancy activities and cruise logistics. Since pro rata consolidation of joint ventures is no longer permitted as of the financial year 2014, the result for bulk cargo logistics – a significant field of operations for the Logistics segment – is included in the HHLA Group's earnings from associates accounted for using the equity method. Income from fruit activities has been reported under this item since 2011. The figures for the previous year have been restated accordingly. To ensure that the Logistics segment continues to be presented, these earnings from associates are shown in the final line of the above table.

The various activities in this segment showed a very mixed start in the financial year 2014. Whereas those subsidiaries included in earnings from associates posted strong earnings growth, the volume and revenue trends of the remaining companies were very modest in the first quarter. Adjusted for restructuring effects in project and contract logistics (one-off gain from the sale of a logistics facilitiy, less the restructuring expenses incurred), EBIT fell short of the corresponding prior-year figure.

Business developed as follows in the segment's various divisions:

Weather-related cancellations of shipping services in **vehicle logistics** – which also includes handling and packing containers – contributed to a 12.5 % decline in throughput to 372 thousand tonnes. By contrast, vehicle throughput increased by 13.0 % to 51.2 thousand vehicles. Revenue was at the same level as in the previous year, while EBIT fell slightly.

Consultancy activities got off to a modest start in the new financial year. This was partly attributable to delays in contracts awarded by customers. Revenue and EBIT were down on the previous year.

The restructuring of **project and contract logistics** has now been largely completed. In the first quarter, this unit successfully expanded its project logistics business. Due to the modest development of existing business in contract logistics, revenue was lower than in the previous year while earnings improved strongly as a result of restructuring.

For seasonal reasons, **cruise logistics** did not provide any meaningful volume, revenue or earnings figures in the first quarter.

Fruit logistics at O'Swaldkai

The throughput volume of **bulk cargo logistics** (ore and coal) was largely unchanged from the previous year. Revenue and earnings were slightly down on the previous year.

The restructuring of **fruit logistics** is now clearly paying off. Volumes in this line of business have stabilised thanks to improved competitiveness. Bolstered by rising revenue, the unit was able to return to positive operating results.

Real Estate Segment

Key Figures

in € million	1–3|2014	1–3|2013	Change
Revenue	8.4	8.1	3.3 %
EBITDA	4.9	4.8	2.7 %
EBITDA margin in %	58.3	58.7	- 0.4 pp
EBIT	3.8	3.7	2.8 %
EBIT margin in %	45.1	45.3	- 0.2 pp

Supported by positive economic data, the office rental market in Germany's seven real estate hotspots made good progress in the first quarter of the financial year 2014. Although the situation varied greatly from one location to the next, the office market overview published by Jones Lang LaSalle registered a year-on-year increase in office space lettings of 14.7 % to approx. 700,000 m².

Hamburg's office rental market was slightly quieter than in the first quarter of 2013, with turnover of 105,000 m². Due to the low volume of completion of just 21,500 m², the vacancy rate fell to 7.5 % and was thus significantly lower than the 8.0 % recorded the previous year.

Against this background, HHLA's properties in the Speicherstadt historical warehouse district and in the fish market district on the northern banks of the river Elbe continued to generate a stable level of income in the first quarter.

Revenue increased by 3.3 % on the first three months of the previous year, taking it to €8.4 million (previous year: €8.1 million). This reflected occupancy rates of almost 100 % in both districts as well as the successful placement of new properties.

The operating result (EBIT) improved by 2.8 % to €3.8 million (previous year: €3.7 million). The EBIT trend was impacted slightly by maintenance measures, including refurbishment of the indoor market in the Speicherstadt district.

Growth in this segment in the first quarter was mainly driven by the properties 'Bei St. Annen 2' and 'Speicher Block R', which were newly placed on the market in 2013 following extensive redevelopment in line with regulations for landmarked buildings.

While 'Block R' was constructed between 1894 and 1896 for the storage of coffee, the directly adjacent office building 'Bei St. Annen 2' is a post-war property (1952–1953) designed by the renowned architect Werner Kallmorgen in keeping with the general character of the Speicherstadt district.

The lobby of the office building 'Bei St. Annen 2'

Financial Position

Liquidity Analysis

in € million	1–3|2014	1–3|2013
Financial funds as of 01.01.	151.1	188.7
Cash flow from operating activities	52.5	41.6
Cash flow from investing activities	- 58.6	- 32.2
Free cash flow	- 6.1	9.4
Cash flow from financing activities	13.4	- 7.0
Change in financial funds	7.3	2.3
Change in financial funds due to exchange rates	3.1	- 0.2
Financial funds as of 31.03.	161.5	190.8

The previous year's figures have been restated due to revised IFRS regulations for group accounting.

The cash inflow from operating activities (operating cash flow) increased in the first quarter of 2014 to €52.5 million (previous year: €41.6 million). This mainly resulted from the improved operating result, reduced use of provisions and a smaller rise in trade receivables. In addition, the figure for the first three months of 2013 included the accounting gain from the sale of a logistics property. This was mainly offset by exchange rate-related effects which resulted, in particular, from the devaluation of the local Ukrainian currency hryvnia.

Investing activities led to cash outflows of €58.6 million (previous year: €32.2 million). The increase of €26.4 million resulted from a rise in short-term bank deposits. The previous year's figure also included one-off proceeds from disposals of non-current assets held for sale totalling €17.7 million. Capital expenditure on property, plant and equipment and investment property stood at the same level as in the previous year. Without the transfer of cash to short-term deposits, cash outflow for investing activities would have amounted to €38.6 million (previous year: €22.2 million).

Free cash flow – defined as the total of cash flow from operating activities and cash flow from investing activities – came to €- 6.1 million at the end of the reporting period (previous year: €9.4 million) and was therefore down on the previous year.

Cash inflow from financing activities of €13.4 million (previous year: cash outflow of €7.0 million) resulted from taking out loans of €21.4 million in the current financial year. This was partly offset by the redemption of loans and lease liabilities on a par with the previous year.

As of the reporting date, the changes described above resulted in financial funds of €161.5 million (previous year: €190.8 million), which was slightly higher than the balance at the beginning of the year (€151.1 million). Including short-term deposits, the Group's available liquidity came to €251.5 million in total (previous year: €250.8 million).

Investment Analysis

The investment volume in the reporting period totalled €39.4 million and thus exceeded the previous year's figure of €36.4 million. Capital expenditure comprised €36.9 million for property, plant and equipment (previous year: €32.7 million) and €2.5 million for intangible assets (previous year: €3.7 million). The majority of the investments were for expansion work.

In the first quarter of 2014, most of this capital expenditure related to two of the container gantry cranes which were delivered late and to the expansion of the Container Terminal Odessa (CTO) in Ukraine. In the Intermodal segment, HHLA entered into project-related investments. In the Real Estate subgroup, its investments concentrated on the renovation of existing properties.

For the remainder of the 2014 financial year, investment activities will continue to focus on the following objectives: increasing the productivity of existing terminal areas, expanding the high-performance hinterland connections in line with market demands and completing the first phase of expansion at CTO.

Balance Sheet Structure

in € million

Assets	31.03.2014	31.12.2013
Non-current assets	1,275.6	1,284.6
Current assets	475.0	431.4
	1,750.7	1,716.0
Equity and liabilities		
Equity	592.4	600.1
Non-current liabilities	849.9	826.9
Current liabilities	308.3	289.0
	1,750.7	1,716.0

The previous year's figures have been restated due to revised IFRS regulations for group accounting.

Balance Sheet Analysis

Compared with the end of 2013, the HHLA Group's balance sheet total increased as of the reporting date by a total of €34.7 million to €1,750.7 million.

Non-current assets of €1,275.6 million were €9.0 million lower than at year-end 2013 (€1,284.6 million). This trend was mainly due to depreciation on property, plant and equipment as well as currency translation adjustments for the Ukrainian subsidiary. This was partly offset by investments in property, plant and equipment.

At €475.0 million, current assets exceeded the previous year's level as of 31 December 2013 (€431.4 million) by €43.6 million. This growth resulted from a €39.1 million rise in receivables from affiliated companies within the scope of the cash clearing system, while cash and cash equivalents decreased by €15.4 million. In addition, trade receivables were up €10.8 million in connection with the increase in revenue.

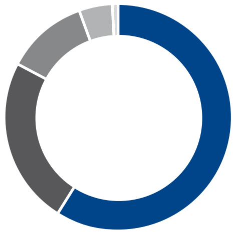
Equity fell by €7.7 million to €592.4 as of the reporting date (31 December 2013: €600.1 million). This decrease was mainly attributable to the reduction in other comprehensive income: the reserve for translation differences decreased by €19.4 million and actuarial gains less deferred taxes fell by €7.6 million. Consolidated net income of €19.2 million had a positive effect. The equity ratio declined as a consequence and stood at 33.8% at the end of the first quarter (31 December 2013: 35.0%).

The €23.0 million increase in non-current liabilities to €849.9 million compared with year-end 2013 (€826.9 million) was largely due to the €12.2 million rise in pension provisions in conjunction with adjustments to the actuarial parameters and the €9.9 million increase in non-current financial liabilities caused mainly by borrowing.

The increase in current liabilities of €19.3 million resulted in part from the rise in current financial liabilities (€10.0 million) and in trade liabilities (€8.5 million). At the end of the quarter, this figure had therefore increased to €308.3 million (31 December 2013: €289.0 million).

Employees

Number of employees
in the HHLA Group
as of 31.03.2014



- 2,972 Container
- 1,192 Intermodal
- 587 Holding/Other
- 239 Logistics
- 37 Real Estate

HHLA's workforce totalled 5,027 on the reporting date, 31 March 2014. This figure represents a slight increase of 0.7 % or 33 employees since 31 December 2013. The largest change was in the Logistics segment: due to revised IFRS regulations, pro rata consolidation of joint ventures is no longer permitted from 2014 onwards. As a consequence, the number of employees decreased by 17.0 % or 49 for consolidation reasons. By contrast, headcount in the Intermodal segment rose by 5.7 % or 64 to 1,192 employees, primarily due to the increase in volumes. Headcount in the other segments remained largely unchanged from the start of the year: the workforce increased by 1.1 % or 33 employees in the Container segment and by 5.7 % or 2 employees in the Real Estate segment. Headcount in the Holding/Other division fell by 2.8 % or 17 employees.

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 2013.

Events after the Balance Sheet Date

There were no events of special significance after the balance sheet date of 31 March 2014.

Business Forecast

Macroeconomic Environment

The global economic recovery has gathered momentum since the start of the year. Nonetheless, geopolitical tensions and temporary turmoil on the financial markets have curbed growth expectations slightly. In view of the continuing fragility of the economic recovery and fresh downwards risks, the International Monetary Fund (IMF) has downgraded its forecast marginally, by 0.1 percentage points, and now expects global gross domestic product (GDP) to increase by 3.6 % in 2014. The IMF still believes that the advanced economies will drive growth due to their less expansive financial policies and initial consolidation successes. However, the pace of growth is not expected to return to the high levels seen before the economic crisis. Buoyed by the anticipated economic recovery, international trade is likely to pick up over the course of 2014.

In the first quarter of this year, the pace of growth has varied in those economic regions that are of particular importance for HHLA's business development. The IMF continues to expect an economic growth of 6.7 % for Asia in 2014. It also stands by its forecast of 7.5 % growth in China's gross domestic product. However, the IMF has lowered its expectations for the economies of Central and Eastern Europe by half a percentage point to 2.4 %. It has also downgraded its growth forecast for the Russian economy: the IMF now expects only a modest increase in total economic output of 1.3 %. For the eurozone, the organisation continues to forecast positive but moderate growth and has increased its outlook by 0.2 percentage points to 1.2 %. Due to the growing momentum in exports, the IMF has raised its outlook for the German economy by 0.2 percentage points and now expects slight GDP growth of 1.7 % for the coming year.

Sector Development

In view of the anticipated economic development, the market research institute Drewry expects global container throughput to increase by approx. 4 % in 2014. Prospects for the individual regions vary, however: while significant growth of between 5 and 6 % is expected for the Far East ports and volume increases of approx. 6 % are forecasted for Eastern Europe, the IMF's expectation for the Northern European ports is modest, with growth of around 1 %.

Competition between the North Range ports will continue to intensify over the course of the year on account of the further build-up in capacity from current expansion projects and will exert corresponding pressure on the earnings power of terminal operators. The market situation for container shipping is also likely to remain tense. According to the market research institute Alphaliner, the increase in total capacity of the global container shipping fleet will outperform the growth in world demand despite a consistently high scrapping rate. To stabilise the market and freight rates in the face of this growing idle capacity, many shipping companies are planning to establish or expand joint operations. Plans by the three industry leaders – Maersk, MSC and CMA CGM – to establish a cooperation known as the P3 Alliance have been approved by the North American anti-trust and competition authorities. The relevant authorities in Asia are also expected to issue a ruling in the next few months. The envisaged expansion of the G6 Alliance in the North Atlantic and additional partnerships between other shipping companies will also contribute towards a shift in the balance of power on the transportation market.

Despite the modest outlook for Northern European port handling, transport volumes handled by pre- and onward-carriage systems in the hinterland should increase slightly. The trend for those routes served by HHLA will vary, depending on the economic development of the core regions they provide links to.

The prospects for the Logistics segment are mixed: the automotive and steel industries are expected to achieve slight growth on the back of the economic upturn in 2014. Meanwhile, fruit and contract logistics will remain under intense pressure. The number of cruise ships booked to dock at the port indicates a further strong rise in handling services.

Group Performance

Earnings Position

HHLA is still aiming to generate Group revenue slightly above of the restated figure for the previous year (approx. € 1,140 million) and continues to expect an operating result (EBIT) in a range € 138 million and € 158 million (previous year restated: approx. € 154 million). EBIT of the Port Logistics subgroup is likely to be in a range of € 125 million and € 145 million (previous year restated: approx. € 140 million). The business development of the Real Estate subgroup is expected to remain stable and satisfactory with an operating result on a par with the previous year.

Forecast 2014

HHLA Group

Container throughput	Slight increase on previous year (2013: 7.5 million TEU)
Container transport	Moderate increase on previous year (2013: 1.2 million TEU)
Revenue	Slight increase on the previous year's restated figure (previous year restated: approx. € 1,140 million)
EBIT	In a range of € 138 million and € 158 million (previous year restated: approx. € 154 million)
Investments	In the region of € 160 million

Due to the new IFRS stipulations on the consolidation of joint ventures, the figures for the previous year have been restated to aid comparison.

Furthermore, the following key trends are expected for the operating segments of the Port Logistics subgroup:

In the **Container segment**, the first quarter was affected by exceptional effects associated with major shipping delays. In line with the modest volume forecasts issued by market research institutes for the Northern European ports, HHLA continues to expect a slight year-on-year increase in throughput for the full year. Due to the uncertainty surrounding the political situation in Ukraine and possible short-term changes to shipping company schedules, deviations cannot be ruled out though. Based on current economic data, a slight increase in revenue is considered possible for financial year 2014. Besides developments in Ukraine, segment earnings will be burdened by the increasing frequency of peak-load handling situations and general cost inflation. Against this background, HHLA aims to achieve earnings in the Container segment on a par with the previous year. However, earnings in this segment may also be affected by other factors, which will play a key role in shaping the range of anticipated performance at Group level.

In the **Intermodal segment**, the transport volume handled in the first three months confirmsthe forecast of moderate growth in container transport in 2014. The successful establishment of routes in German-speaking countries and further expansion of Polzug services remain key factors for this development. Volume growth should contribute to a moderate increase in revenue. However, HHLA's rail services face fierce competition – not only from other providers, but also from alternative carriers in some instances. Both earnings quality and capacity utilisation on the connections established in 2013 will be particularly significant for the development of earnings. A moderate year-on-year improvement in segment EBIT is considered possible in 2014.

As the pro rata consolidation of joint ventures is no longer permitted from 2014 onwards, this will lead to a significant decrease in revenue and EBIT of the **Logistics segment**. Allowing for the changed regulations, revenue is expected to slightly exceed the restated figure for the previous year (approx. € 72 million). For 2014 as a whole, this segment is not expected to match the restated operating result (EBIT) for 2013 (approx. € 3 million) due to a positive one-off gain on earnings from the sale of a logistics facility in the previous year. In general, the various units are expected to consolidate their respective market positions.

Financial Position

HHLA still anticipates capital expenditure in the range of € 160 million at Group level in the financial year 2014. The Port Logistics subgroup is expected to account for around € 140 million of this total. However, the decision on whether investment projects will be realised basically depends on economic developments. For 2015, current planning anticipates a decline in capital expenditure, both for the Group as a whole and for the subgroups.

The Group's balance sheet total is likely to increase slightly again in 2014. A rise in non-current assets – primarily in the area of property, plant and equipment – is expected on the assets side. Meanwhile, equity should continue to climb in view of the net profit less the proposed dividend payment. Further changes may result from factors affecting other comprehensive income. Moreover, financial liabilities may increase due to the need for project-related financing. Overall, HHLA's balance-sheet policy remains focused on preserving earnings power and realising opportunities while retaining a stable capital structure.

HHLA will specify its financial position and performance guidance for 2014 in more detail as the year progresses.

Risk and Opportunity Report

On account of the continuing uncertainty regarding the situation in Ukraine, further exchange rate effects and a decline in handling demand at the container terminal in Odessa may have a negative impact on the HHLA Group's financial position and performance. Economic sanctions imposed on the Russian Federation may have a temporary adverse effect on seaborne transportation to and from Russia during the remainder of the year. There remains a possibility that balance sheet figures may have to be adjusted in the future.

Moreover, with regard to the HHLA Group's risk and opportunity position, the statements made on pages 79 to 85 of the Management Report section of the 2013 Annual Report continue to apply, unless stated otherwise 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 – taken both singularly and cumulatively – still do not threaten the existence of the Group. As far as the future is concerned, there are also no discernible risks at present which could jeopardise the continued existence of the Group.

No material changes with regard to other topics occurred during the reporting period. The following table lists the topics concerned. The relevant disclosures are largely included in the Annual Report for 2013 and remain valid.

Areas in which no material changes occurred in the reporting period (Page numbers refer to the Annual Report 2013)
Company organisation and structure ► page 45
Company targets/strategies ► page 51 et seqq.
Main services ► page 46 et seq.
Sales markets/competitive position ► page 46 et seqq.
Research and development ► page 58 et seqq.
Legal framework ► page 50
Principles and targets of financial management ► page 53 et seq., 71
Acquisitions and Disposals of Companies ► page 74
Future services, sales markets/competitive position, R&D activities ► page 78
Dividend policy ► page 78

Interim Financial Statements

Income Statement HHLA Group

in € thousand	1–3|2014	1–3|2013
Revenue	293,485	274,897
Changes in inventories	553	956
Own work capitalised	1,959	1,927
Other operating income	8,556	12,039
Cost of materials	- 96,043	- 89,967
Personnel expenses	- 103,052	- 98,556
Other operating expenses	- 36,018	- 33,739
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	69,440	67,557
Depreciation and amortisation	- 30,096	- 30,032
Earnings before interest and taxes (EBIT)	39,344	37,525
Earnings from associates accounted for using the equity method	994	929
Interest income	4,846	869
Interest expenses	- 17,175	- 8,874
Financial result	- 11,335	- 7,076
Earnings before tax (EBT)	28,009	30,449
Income tax	- 8,772	- 8,188
Profit after tax	19,237	22,262
of which attributable to non-controlling interests	8,759	7,875
of which attributable to shareholders of the parent company	10,478	14,387
Earnings per share, basic, in €		
Group	0.14	0.20
Port Logistics	0.12	0.18
Real Estate	0.75	0.59
Earnings per share, diluted, in €		
Group	0.14	0.20
Port Logistics	0.12	0.18
Real Estate	0.75	0.59

Statement of Total Comprehensive Income HHLA Group

in € thousand	1–3|2014	1–3|2013
Profit after tax	19,237	22,262
Components, which can not be transferred to the Income Statement		
Actuarial gains/losses	- 11,305	0
Deferred taxes	3,717	0
Total	- 7,588	0
Components, which can be transferred to the Income Statement		
Cash flow hedges	57	106
Foreign currency translation differences	- 19,398	1,902
Deferred taxes	8	- 30
Other	- 2	41
Total	- 19,335	2,019
Income and expense recognised directly in equity	- 26,924	2,019
Total Comprehensive Income	- 7,687	24,281
of which attributable to non-controlling interests	8,740	7,863
of which attributable to shareholders of the parent company	- 16,427	16,418

The previous year's figures were retrospectively restated due to the effects of applying IFRS 11.

Income Statement HHLA Subgroups

in € thousand; subgroup Port Logistics and subgroup Real Estate; annex to the condensed notes	1–3|2014 Group	1–3|2014 Port Logistics	1–3|2014 Real Estate	1–3|2014 Consolidation
Revenue	293,485	286,385	8,407	- 1,307
Changes in inventories	553	552	1	0
Own work capitalised	1,959	1,959	0	0
Other operating income	8,556	7,413	1,400	- 257
Cost of materials	- 96,043	- 94,479	- 1,564	0
Personnel expenses	- 103,052	- 102,494	- 558	0
Other operating expenses	- 36,018	- 34,798	- 2,784	1,564
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	69,440	64,538	4,902	0
Depreciation and amortisation	- 30,096	- 29,060	- 1,114	78
Earnings before interest and taxes (EBIT)	39,344	35,478	3,788	78
Earnings from associates accounted for using the equity method	994	994	0	0
Interest income	4,846	4,732	149	- 35
Interest expenses	- 17,175	- 16,134	- 1,076	35
Financial result	- 11,335	- 10,408	- 927	0
Earnings before tax (EBT)	28,009	25,070	2,861	78
Income tax	- 8,772	- 7,862	- 891	- 19
Profit after tax	19,237	17,208	1,970	59
of which attributable to non-controlling interests	8,759	8,759	0	
of which attributable to shareholders of the parent company	10,478	8,449	2,029	
Earnings per share, basic, in €	0.14	0.12	0.75	
Earnings per share, diluted, in €	0.14	0.12	0.75	

Statement of Total Comprehensive Income HHLA Subgroups

in € thousand; subgroup Port Logistics and subgroup Real Estate; annex to the condensed notes	1–3|2014 Group	1–3|2014 Port Logistics	1–3|2014 Real Estate	1–3|2014 Consolidation
Profit after tax	19,237	17,208	1,970	59
Components, which can not be transferred to the Income Statement				
Actuarial gains/losses	- 11,305	- 11,124	- 181	
Deferred taxes	3,717	3,658	59	
Total	- 7,588	- 7,466	- 122	
Components, which can be transferred to the Income Statement				
Cash flow hedges	57	57	0	
Foreign currency translation differences	- 19,398	- 19,398	0	
Deferred taxes	8	8	0	
Other	- 2	- 2	0	
Total	- 19,335	- 19,335	0	
Income and expense recognised directly in equity	- 26,924	- 26,801	- 122	0
Total Comprehensive Income	- 7,687	- 9,593	1,848	59
of which attributable to non-controlling interests	8,740	8,740	0	
of which attributable to shareholders of the parent company	- 16,427	- 18,334	1,906	

Income Statement HHLA Subgroups

in € thousand; subgroup Port Logistics and subgroup Real Estate; annex to the condensed notes	1–3 | 2013 Group	1–3 | 2013 Port Logistics	1–3 | 2013 Real Estate	1–3 | 2013 Consolidation
Revenue	274,897	268,062	8,135	- 1,300
Changes in inventories	956	953	3	0
Own work capitalised	1,927	1,892	0	35
Other operating income	12,039	10,646	1,609	- 216
Cost of materials	- 89,967	- 88,106	- 1,861	0
Personnel expenses	- 98,556	- 98,020	- 536	0
Other operating expenses	- 33,739	- 32,645	- 2,575	1,481
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**67,557**	**62,782**	**4,775**	**0**
Depreciation and amortisation	- 30,032	- 29,019	- 1,090	77
Earnings before interest and taxes (EBIT)	**37,525**	**33,763**	**3,685**	**77**
Earnings from associates accounted for using the equity method	929	929	0	0
Interest income	869	860	51	- 42
Interest expenses	- 8,874	- 7,547	- 1,369	42
Financial result	**- 7,076**	**- 5,758**	**- 1,318**	**0**
Earnings before tax (EBT)	**30,449**	**28,005**	**2,367**	**77**
Income tax	- 8,188	- 7,339	- 830	- 19
Profit after tax	**22,262**	**20,667**	**1,537**	**58**
of which attributable to non-controlling interests	7,875	7,875	0	
of which attributable to shareholders of the parent company	14,387	12,792	1,595	
Earnings per share, basic, in €	**0.20**	**0.18**	**0.59**	
Earnings per share, diluted, in €	**0.20**	**0.18**	**0.59**	

Statement of Total Comprehensive Income HHLA Subgroups

in € thousand; subgroup Port Logistics and subgroup Real Estate; annex to the condensed notes	1–3 | 2013 Group	1–3 | 2013 Port Logistics	1–3 | 2013 Real Estate	1–3 | 2013 Consolidation
Profit after tax	**22,262**	**20,667**	**1,537**	**58**
Components, which can not be transferred to the Income Statement				
Actuarial gains/losses	0	0	0	
Deferred taxes	0	0	0	
Total	**0**	**0**	**0**	
Components, which can be transferred to the Income Statement				
Cash flow hedges	106	106	0	
Foreign currency translation differences	1,902	1,902	0	
Deferred taxes	- 30	- 30	0	
Other	41	41	0	
Total	**2,019**	**2,019**	**0**	
Income and expense recognised directly in equity	**2,019**	**2,019**	**0**	**0**
Total Comprehensive Income	**24,281**	**22,686**	**1,537**	**58**
of which attributable to non-controlling interests	7,863	7,863	0	
of which attributable to shareholders of the parent company	16,418	14,823	1,595	

The previous year's figures were retrospectively restated due to the effects of applying IFRS 11.

Balance Sheet HHLA Group

in € thousand

Assets	31.03.2014	31.12.2013
Non-current assets		
Intangible assets	81,289	81,539
Property, plant and equipment	943,356	962,255
Investment property	188,850	184,256
Associates accounted for using the equity method	10,704	9,710
Financial assets	12,130	12,608
Deferred taxes	39,314	34,188
	1,275,643	1,284,557
Current assets		
Inventories	22,991	21,622
Trade receivables	149,420	138,601
Receivables from related parties	64,160	25,023
Other financial receivables	3,476	3,050
Other assets	32,211	23,819
Income tax receivables	2,785	3,944
Cash, cash equivalents and short-term deposits	199,969	215,364
	475,012	431,423
	1,750,655	1,715,980

Equity and liabilities		
Equity		
Subscribed capital	72,753	72,753
Subgroup Port Logistics	70,048	70,048
Subgroup Real Estate	2,705	2,705
Capital reserve	141,584	141,584
Subgroup Port Logistics	141,078	141,078
Subgroup Real Estate	506	506
Retained earnings	373,478	363,000
Subgroup Port Logistics	348,336	339,888
Subgroup Real Estate	25,142	23,113
Other comprehensive income	- 25,840	1,065
Subgroup Port Logistics	- 26,606	178
Subgroup Real Estate	766	887
Non-controlling interests	30,402	21,700
Subgroup Port Logistics	30,402	21,700
Subgroup Real Estate	0	0
	592,377	600,103
Non-current liabilities		
Pension provisions	376,571	364,414
Other non-current provisions	52,430	52,485
Non-current liabilities to related parties	106,814	106,869
Non-current financial liabilities	298,026	288,086
Deferred taxes	16,100	15,072
	849,941	826,926
Current liabilities		
Other current provisions	15,768	15,141
Trade liabilities	77,785	69,295
Current liabilities to related parties	72,564	74,757
Current financial liabilities	111,099	101,115
Other liabilities	28,506	25,623
Income tax liabilities	2,614	3,020
	308,336	288,951
	1,750,655	1,715,980

The previous year's figures were retrospectively restated due to the effects of applying IFRS 11.

Balance Sheet HHLA Subgroups

in € thousand; subgroup Port Logistics and subgroup Real Estate;
annex to the condensed notes

Assets	31.03.2014 Group	31.03.2014 Port Logistics	31.03.2014 Real Estate	31.03.2014 Consolidation
Non-current assets				
Intangible assets	81,289	81,281	8	0
Property, plant and equipment	943,356	922,638	4,799	15,919
Investment property	188,850	48,806	169,040	- 28,996
Associates accounted for using the equity method	10,704	10,704	0	0
Financial assets	12,130	9,616	2,514	0
Deferred taxes	39,314	49,192	0	- 9,878
	1,275,643	1,122,237	176,361	- 22,955
Current assets				
Inventories	22,991	22,898	93	0
Trade receivables	149,420	148,590	830	0
Receivables from related parties	64,160	68,925	2,404	- 7,169
Other financial receivables	3,476	3,432	44	0
Other assets	32,211	32,145	66	0
Income tax receivables	2,785	2,945	0	- 160
Cash, cash equivalents and short-term deposits	199,969	189,998	9,971	0
	475,012	468,933	13,408	- 7,329
	1,750,655	1,591,170	189,769	- 30,284

Equity and liabilities				
Equity				
Subscribed capital	72,753	70,048	2,705	0
Capital reserve	141,584	141,078	506	0
Retained earnings	373,478	348,336	34,974	- 9,832
Other comprehensive income	- 25,840	- 26,606	766	0
Non-controlling interests	30,402	30,402	0	0
	592,377	563,259	38,950	- 9,832
Non-current liabilities				
Pension provisions	376,571	370,575	5,996	0
Other non-current provisions	52,430	50,848	1,582	0
Non-current liabilities to related parties	106,814	106,814	0	0
Non-current financial liabilities	298,026	252,472	45,554	0
Deferred taxes	16,100	18,231	10,992	- 13,123
	849,941	798,940	64,124	- 13,123
Current liabilities				
Other current provisions	15,768	14,878	890	0
Trade liabilities	77,785	71,512	6,273	0
Current liabilities to related parties	72,564	6,872	72,861	- 7,169
Current financial liabilities	111,099	105,585	5,514	0
Other liabilities	28,506	27,795	711	0
Income tax liabilities	2,614	2,329	445	- 160
	308,336	228,971	86,694	- 7,329
	1,750,655	1,591,170	189,769	- 30,284

Balance Sheet HHLA Subgroups

in € thousand; subgroup Port Logistics and subgroup Real Estate; annex to the condensed notes

Assets	31.12.2013 Group	31.12.2013 Port Logistics	31.12.2013 Real Estate	31.12.2013 Consolidation
Non-current assets				
Intangible assets	81,539	81,530	9	0
Property, plant and equipment	962,255	941,384	4,843	16,027
Investment property	184,256	50,147	163,292	- 29,183
Associates accounted for using the equity method	9,710	9,710	0	0
Financial assets	12,608	10,223	2,385	0
Deferred taxes	34,188	44,640	0	- 10,452
	1,284,557	1,137,635	170,529	- 23,608
Current assets				
Inventories	21,622	21,556	66	0
Trade receivables	138,601	137,795	806	0
Receivables from related parties	25,023	33,287	1,968	- 10,233
Other financial receivables	3,050	3,004	46	0
Other assets	23,819	23,754	65	0
Income tax receivables	3,944	4,525	0	- 580
Cash, cash equivalents and short-term deposits	215,364	199,783	15,581	0
	431,423	423,704	18,532	- 10,813
	1,715,980	1,561,339	189,062	- 34,421

Equity and liabilities				
Equity				
Subscribed capital	72,753	70,048	2,705	0
Capital reserve	141,584	141,078	506	0
Retained earnings	363,000	339,888	33,005	- 9,892
Other comprehensive income	1,065	178	887	0
Non-controlling interests	21,700	21,700	0	0
	600,103	572,891	37,103	- 9,892
Non-current liabilities				
Pension provisions	364,414	358,567	5,847	0
Other non-current provisions	52,485	50,920	1,565	0
Non-current liabilities to related parties	106,869	106,869	0	0
Non-current financial liabilities	288,086	241,034	47,052	0
Deferred taxes	15,072	18,022	10,766	- 13,716
	826,926	775,412	65,230	- 13,716
Current liabilities				
Other current provisions	15,141	14,250	890	0
Trade liabilities	69,295	66,162	3,133	0
Current liabilities to related parties	74,757	9,739	75,251	- 10,233
Current financial liabilities	101,115	95,367	5,748	0
Other liabilities	25,623	25,108	515	0
Income tax liabilities	3,020	2,408	1,192	- 580
	288,951	213,035	86,729	- 10,813
	1,715,980	1,561,339	189,062	- 34,421

The previous year's figures were retrospectively restated due to the effects of applying IFRS 11.

Cash Flow Statement HHLA Group

in € thousand	1–3 | 2014	1–3 | 2013
1. Cash flow from operating activities		
Earnings before interest and taxes (EBIT)	39,344	37,525
Depreciation, amortisation, impairment and reversals on non-financial non-current assets	30,096	30,032
Decrease in provisions	- 2,126	- 7,400
Result arising from the disposal of non-current assets	104	- 5,347
Increase in inventories, trade receivables and other assets not attributable to investing or financing activities	- 13,030	- 25,011
Increase in trade payables and other liabilities not attributable to investing or financing activities	19,284	22,421
Interest received	461	622
Interest paid	- 4,488	- 4,203
Income tax paid	- 8,285	- 7,562
Exchange rate and other effects	- 8,851	519
Cash flow from operating activities	52,509	41,596
2. Cash flow from investing activities		
Proceeds from disposal of intangible assets and property, plant and equipment	990	639
Proceeds from disposal of non-current assets held for sale	0	17,672
Payments for investments in property, plant and equipment and investment property	- 37,041	- 36,814
Payments for investments in intangible assets	- 2,513	- 3,745
Payments for investments in non-current financial assets	0	- 1
Proceeds from the disposal interests in consolidated companies and other business units (including funds sold)	0	0
Payments for acquiring interests in consolidiated companies and other business units (including funds purchased)	0	0
Payments for short-term deposits	- 20,000	- 10,000
Cash flow from investing activities	- 58,564	- 32,249
3. Cash flow from financing activities		
Redemption of lease liabilities	- 2,051	- 1,364
Proceeds from the issuance of (financial) loans	21,387	0
Payments for the redemption of (financial) loans	- 5,950	- 5,653
Cash flow from financing activities	13,386	- 7,017
4. Financial funds at the end of the period		
Change in financial funds (subtotals 1. – 3.)	7,331	2,330
Change in financial funds due to exchange rates	3,149	- 178
Financial funds at the beginning of the period	151,069	188,656
Financial funds at the end of the period	161,549	190,808

The previous year's figures were retrospectively restated due to the effects of applying IFRS 11.

Cash Flow Statement HHLA Subgroups

in € thousand; subgroup Port Logistics and subgroup Real Estate; annex to the condensed notes	1–3|2014 Group	1–3|2014 Port logistics	1–3|2014 Real estate	1–3|2014 Consolidation
1. Cash flow from operating activities				
Earnings before interest and taxes (EBIT)	39,344	35,478	3,788	78
Depreciation, amortisation, impairment and reversals on non-financial non-current assets	30,096	29,060	1,114	- 78
Decrease in provisions	- 2,126	- 2,044	- 82	
Result arising from the disposal of non-current assets	104	108	- 4	
Increase in inventories, trade receivables and other assets not attributable to investing or financing activities	- 13,030	- 13,505	- 561	1,036
Increase in trade payables and other liabilities not attributable to investing or financing activities	19,284	15,317	5,003	- 1,036
Interest received	461	347	149	- 35
Interest paid	- 4,488	- 3,372	- 1,151	35
Income tax paid	- 8,285	- 6,931	- 1,354	
Exchange rate and other effects	- 8,851	- 8,851	0	
Cash flow from operating activities	52,509	45,607	6,902	0
2. Cash flow from investing activities				
Proceeds from disposal of intangible assets and property, plant and equipment	990	766	224	
Proceeds from disposal of non-current assets held for sale	0	0	0	
Payments for investments in property, plant and equipment and investment property	- 37,041	- 30,004	- 7,037	
Payments for investments in intangible assets	- 2,513	- 2,513	0	
Payments for investments in non-current financial assets	0	0	0	
Proceeds from the disposal interests in consolidated companies and other business units (including funds sold)	0	51	0	- 51
Payments for acquiring interests in consolidated companies and other business units (including funds purchased)	0	0	- 51	51
Payments for short-term deposits	- 20,000	- 20,000	0	
Cash flow from investing activities	- 58,564	- 51,700	- 6,864	0
3. Cash flow from financing activities				
Redemption of lease liabilities	- 2,051	- 2,051	0	
Proceeds from the issuance of (financial) loans	21,387	21,387	0	
Payments for the redemption of (financial) loans	- 5,950	- 4,402	- 1,548	
Cash flow from financing activities	13,386	14,934	- 1,548	0
4. Financial funds at the end of the period				
Change in financial funds (subtotals 1. – 3.)	7,331	8,841	- 1,510	0
Change in financial funds due to exchange rates	3,149	3,149	0	
Financial funds at the beginning of the period	151,069	139,788	11,281	
Financial funds at the end of the period	161,549	151,778	9,771	0

Cash Flow Statement HHLA Subgroups

in € thousand; subgroup Port Logistics and subgroup Real Estate; annex to the condensed notes	1–3|2013 Group	1–3|2013 Port logistics	1–3|2013 Real estate	1–3|2013 Consolidation
1. Cash flow from operating activities				
Earnings before interest and taxes (EBIT)	37,525	33,763	3,686	76
Depreciation, amortisation, impairment and reversals on non-financial non-current assets	30,032	29,018	1,090	- 76
Decrease in provisions	- 7,400	- 3,557	- 3,843	
Result arising from the disposal of non-current assets	- 5,347	- 5,184	- 163	
Increase in inventories, trade receivables and other assets not attributable to investing or financing activities	- 25,011	- 24,676	- 462	127
Increase in trade payables and other liabilities not attributable to investing or financing activities	22,421	18,988	3,560	- 127
Interest received	622	613	51	- 42
Interest paid	- 4,203	- 2,906	- 1,339	42
Income tax paid	- 7,562	- 7,183	- 379	
Exchange rate and other effects	519	519	0	
Cash flow from operating activities	41,596	39,395	2,201	0
2. Cash flow from investing activities				
Proceeds from disposal of intangible assets and property, plant and equipment	639	313	326	
Proceeds from disposal of non-current assets held for sale	17,672	17,672	0	
Payments for investments in property, plant and equipment and investment property	- 36,814	- 35,373	- 1,441	
Payments for investments in intangible assets	- 3,745	- 3,743	- 2	
Payments for investments in non-current financial assets	- 1	- 1	0	
Proceeds from the disposal interests in consolidated companies and other business units (including funds sold)	0	0	0	
Payments for acquiring interests in consolidiated companies and other business units (including funds purchased)	0	0	0	
Payments for short-term deposits	- 10,000	- 10,000	0	
Cash flow from investing activities	- 32,249	- 31,132	- 1,117	0
3. Cash flow from financing activities				
Redemption of lease liabilities	- 1,364	- 1,364	0	
Proceeds from the issuance of (financial) loans	0	0	0	
Payments for the redemption of (financial) loans	- 5,653	- 4,396	- 1,257	
Cash flow from financing activities	- 7,017	- 5,760	- 1,257	0
4. Financial funds at the end of the period				
Change in financial funds (subtotals 1. – 3.)	2,330	2,503	- 173	0
Change in financial funds due to exchange rates	- 178	- 178	0	
Financial funds at the beginning of the period	188,656	188,698	- 42	
Financial funds at the end of the period	190,808	191,023	- 215	0

The previous year's figures were retrospectively restated due to the effects of applying IFRS 11.

Segment Report HHLA Group

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

			Subgroup Port Logistics
1–3 | 2014	Container	Intermodal	Logistics
Segment revenue			
Segment revenue from non-affiliated third parties	185,515	82,439	13,290
Inter-segment revenue	544	448	1,701
Total segment revenue	186,060	82,887	14,990
Earnings			
EBITDA	59,160	10,992	- 511
EBITDA margin	31.8 %	13.3 %	- 3.4 %
EBIT	37,268	5,824	- 792
EBIT margin	20.0 %	7.0 %	- 5.3 %
Segment assets	**900,890**	**309,876**	**25,075**
Other segment information			
Investments			
Property, plant and equipment and investment property	15,609	13,841	37
Intangible assets	2,320	253	26
Depreciation of property, plant and equipment and investment property	19,563	5,086	267
of which impairment			
Amortisation of intangible assets	2,330	81	15
of which impairment			
Earnings from associates accounted for using the equity method	145	0	849
Non-cash items	7,612	1,034	486
Container throughput in thousand TEU	1,862		
Container transport in thousand TEU		305	
1–3 | 2013			
Segment revenue			
Segment revenue from non-affiliated third parties	175,339	72,934	14,338
Inter-segment revenue	547	456	1,800
Total segment revenue	175,887	73,390	16,138
Earnings			
EBITDA	53,759	10,265	3,005
EBITDA margin	30.6 %	14.0 %	18.6 %
EBIT	31,766	5,390	2,744
EBIT margin	18.1 %	7.3 %	17.0 %
Segment assets	**942,587**	**299,602**	**25,786**
Other segment information			
Investments			
Property, plant and equipment and investment property	20,096	9,352	254
Intangible assets	1,946	43	0
Depreciation of property, plant and equipment and investment property	19,879	4,773	248
Amortisation of intangible assets	2,113	102	13
Earnings from associates accounted for using the equity method	138	0	791
Non-cash items	4,265	251	99
Container throughput in thousand TEU	1,818		
Container transport in thousand TEU		290	

The previous year's figures were retrospectively restated due to the effects of applying IFRS 11.

	Subgroup Real Estate	Total	Consolidation and reconciliation with Group	Group
Holding/Other	Real Estate			
4,494	7,747	293,485	0	293,485
26,885	661	30,238	- 30,238	0
31,379	8,407	323,724		
- 5,104	4,902	69,440	0	69,440
- 16.3 %	58.3 %			
- 6,922	3,788	39,166	178	39,344
- 22.1 %	45.1 %			
162,070	**179,747**	**1,577,658**	**172,997**	**1,750,655**
373	7,037	36,898	0	36,898
82	0	2,681	- 167	2,513
1,565	1,113	27,594	- 106	27,488
191		191	0	191
254	1	2,680	- 73	2,607
32		32	0	32
0	0	994	0	994
4,634	61	13,828	5	13,833
4,801	7,485	274,897	0	274,897
30,167	650	33,621	- 33,621	0
34,969	8,135	308,520		
- 4,246	4,775	67,558	0	67,558
- 12.1 %	58.7 %			
- 6,276	3,685	37,309	216	37,525
- 17.9 %	45.3 %			
203,456	**166,292**	**1,637,724**	**146,794**	**1,784,517**
1,531	1,441	32,675	0	32,675
1,754	2	3,745	0	3,745
1,808	1,090	27,798	- 104	27,694
222	1	2,450	- 111	2,339
0	0	929	0	929
3,455	204	8,273	7	8,281

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		
Balance as of 31.12.2012	70,048	2,705	141,078	506	357,485	- 14,967
Total comprehensive income					14,386	1,917
Balance as of 31.03.2013	70,048	2,705	141,078	506	371,871	- 13,050
Balance as of 31.12.2013	70,048	2,705	141,078	506	363,000	- 18,828
First consolidation of interests in related parties						
Total comprehensive income					10,478	- 19,397
Balance as of 31.03.2014	70,048	2,705	141,078	506	373,478	- 38,225

Other comprehensive income						
Cash flow hedges	Actuarial gains/losses	Deferred taxes on changes recognised directly in equity	Other	Parent company interests	Non-controlling interests	Total consolidated equity
- 818	- 3,868	1,475	11,552	565,196	- 1,402	563,794
106		- 28	35	16,416	7,863	24,279
- 712	- 3,868	1,447	11,587	581,611	6,462	588,073
- 500	12,783	- 3,967	11,576	578,402	21,700	600,103
				0	- 38	- 38
57	- 11,280	3,716	- 2	- 16,427	8,740	- 7,687
- 443	1,503	- 250	11,574	561,975	30,402	592,377

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
Balance as of 31.12.2012	70,048	141,078	337,147	- 14,967
Total comprehensive income subgroup			12,791	1,917
Balance as of 31.03.2013	70,048	141,078	349,938	- 13,050
Balance as of 31.12.2013	70,048	141,078	339,888	- 18,828
First consolidation of interests in related parties				
Total comprehensive income subgroup			8,449	- 19,397
Balance as of 31.03.2014	70,048	141,078	348,337	- 38,225

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

in € thousand; annex to the condensed notes

Balance as of 31.12.2012
Total comprehensive income subgroup
Balance as of 31.03.2013
Plus income statement consolidation effect
Less balance sheet consolidation effect
Total effects of consolidation
Balance as of 31.03.2013
Balance as of 31.12.2013
Total comprehensive income subgroup
Balance as of 31.03.2014
Plus income statement consolidation effect
Less balance sheet consolidation effect
Total effects of consolidation
Balance as of 31.03.2014

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			
- 818	- 4,543	1,693	11,552	541,190	- 1,402	539,788
106		- 28	35	14,821	7,863	22,684
- 712	- 4,543	1,665	11,587	556,011	6,462	562,473
- 500	11,471	- 3,542	11,576	551,191	21,700	572,891
				0	- 38	- 38
57	- 11,098	3,658	- 2	- 18,333	8,740	- 9,593
- 443	373	116	11,574	532,857	30,402	563,259

Subscribed capital	Capital reserve	Retained consolidated earnings	Other comprehensive income: Actuarial gains/losses	Other comprehensive income: Deferred taxes on changes recognised directly in equity	Total subgroup consolidated equity
2,705	506	30,463	675	- 217	34,131
		1,537			1,537
2,705	506	31,999	675	- 217	35,668
		58			58
		- 10,125			- 10,125
		- 10,067			- 10,067
2,705	506	21,932	675	- 217	25,600
2,705	506	33,004	1,312	- 424	37,103
		1,970	- 181	59	1,847
2,705	506	34,974	1,131	- 365	38,950
		59			59
		- 9,892			- 9,892
		- 9,832			- 9,832
2,705	506	25,141	1,131	- 365	29,118

Notes to the Condensed Interim Consolidated Financial Statements

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.

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

The conflict in Ukraine concerning the country's political future continued to escalate during the first quarter of 2014. Ukraine's future political make-up remains highly uncertain. In addition to this, the Ukrainian currency – the hryvnya – depreciated by over 26 % against the euro between 31 December 2013 and the end of March 2014. This resulted in exchange rate effects which had a negative impact on the HHLA Group's net assets, earnings and financial position. Equity fell by € 19.4 million, while the financial result went down by € 4.8 million.

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 31 March 2014 were prepared in compliance with the rules of IAS 34 *Interim Financial Reporting.*

The IFRS requirements which 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 2013.

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 2013.

As of 1 January 2014, HHLA applies IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements*, IFRS 12 *Disclosure of Interests in Other Entities* and the amendments to IAS 27 *Separate Financial Statements* (amended 2011) and IAS 28 *Investments in Associates and Joint Ventures* (amended 2011). IFRS 10 establishes a comprehensive control model to determine which companies should be included in Consolidated Financial Statements. IFRS 11 outlines the accounting of joint arrangements on the basis of the rights and obligations arising from the agreement. IFRS 12 covers a wide range of disclosure obligations for all kinds of interests in other companies. This information was provided for the first time in the Notes to the Consolidated Financial Statements for the 2014 financial year. Applying these new standards had the following impact on the previous year's figures from the HHLA Condensed Interim Consolidated Financial Statements:

Impact on the Income Statement

in € thousand	1–3 | 2013
Decrease in revenue	- 4,137
Decrease in earnings before interest, taxes, depreciation and amortisation (EBITDA)	- 1,498
Decrease in earnings before interest and taxes (EBIT)	- 1,003
Decrease in earnings before taxes (EBT)	- 39
Change in profit after tax	0

Comparison of Balance Sheets

in € thousand	01.01.2014	31.12.2013
Non-current assets	1,284,557	1,296,583
Current assets	431,423	434,783
Total assets	1,715,980	1,731,366
Non-current liabilities	826,926	836,267
Current liabilities	288,951	294,994
Total liabilities	1,115,877	1,131,261
Equity	600,103	600,105

Impact on the Cash Flow Statement

in € thousand	1–3|2013
Decrease in cash flow from operating activities	- 34
Increase in cash flow from investing activities	174
Change in cash flow from financing activities	0
Decrease in financial funds	- 76

The company also started applying the following new standards on 1 January 2014:

- IAS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*
- IAS 36 *Impairment of Assets: Recoverable Amount Disclosures for Non-Financial Assets* (amended 2013)
- IAS 39 *Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting* (amended 2013)

Applying these standards had no significant impact on the Condensed Interim Consolidated Financial Statements.

3.3 Changes in the Group of Consolidated Companies

After expanding its operations and therefore becoming increasingly important for HHLA, METRANS Rail (Deutschland) GmbH, Kirnitzschtal, Germany, was included in the Consolidated Financial Statements for the first time as of 1 January 2014.

The company HHLA Logistics Altenwerder GmbH & Co. KG, Hamburg, Germany, came to an end on 1 January 2014 because the general partner withdrew from the firm. The share of assets attributable to the departing general partner was transferred to the limited partner, Hamburger Hafen und Logistik Aktiengesellschaft (HHLA). This intra-Group transaction did not have any effect on the Condensed Interim Consolidated Financial Statements.

4. Purchase and Sale of Shares in Subsidiaries

No significant shares in subsidiaries were purchased or sold in the first quarter of 2014.

5. Earnings per Share

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

	1–3|2014	1–3|2013
Net profit attributable to shareholders of the parent company in € thousand	10,478	14,387
Number of shares in circulation	72,753,334	72,753,334
Basic earnings per share in €	0.14	0.20

The basic earnings per share were calculated for the Port Logistics subgroup as follows:

	1–3|2014	1–3|2013
Net profit attributable to shareholders of the parent company in € thousand	8,449	12,792
Number of shares in circulation	70,048,834	70,048,834
Basic earnings per share in €	0.12	0.18

The basic earnings per share were calculated for the Real Estate subgroup as follows:

	1–3|2014	1–3|2013
Net profit attributable to shareholders of the parent company in € thousand	2,029	1,595
Number of shares in circulation	2,704,500	2,704,500
Basic earnings per share in €	0.75	0.59

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

6. Dividends Proposed

The Executive Board and Supervisory Board have proposed to distribute a dividend of € 0.45 per share to shareholders of the Port Logistics subgroup and of € 1.25 per share to shareholders of the Real Estate subgroup in 2014. On the basis of shares in circulation as of 31 March 2014, this will result in a total payout of € 31,522 thousand for the Port Logistics subgroup and of € 3,381 thousand for the Real Estate subgroup. The Annual General Meeting will make a decision about the dividend payout on 19 June 2014.

7. Segment Reporting

The segment report is presented as an annex to the Notes to the Condensed Interim Consolidated Financial Statements.

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 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 performance of each segment and therefore aids the internal control function. For further information, please refer to the Consolidated Financial Statements as of 31 December 2013.

The accounting and valuation principles applied for internal reporting comply with the principles used for the HHLA Group as described in Note 6 'Accounting and Valuation Principles' in the Notes to the Consolidated Financial Statements as of 31 December 2013.

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 the four business units: the Container, Intermodal, Logistics and Real Estate segments.

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	1–3|2014	1–3|2013
Total segment earnings (EBIT)	39,166	37,309
Elimination of business relations between the segments and subgroups	178	216
Group (EBIT)	39,344	37,525
Earnings from associates accounted for using the equity method	994	929
Net interest	- 12,329	- 8,005
Earnings before tax (EBT)	28,009	30,449

The previous year's figures were retrospectively restated due to the effects of applying IFRS 11.

8. Equity

The breakdown and development of HHLA's equity for the period from 1 January to 31 March of the years 2014 and 2013 are presented in the statement of changes in equity.

9. Pension Provisions

The calculation of pension provisions as of 31 March 2014 was based on an interest rate of 3.25 % (31 December 2013: 3.50 %; 31 March 2013: 3.25 %). Actuarial gains/losses changed as follows. These are recognised in equity without effect on profit and loss.

in € thousand	2014	2013
Cumulative actuarial gains (+)/losses (-) as of 01.01.	12,737	- 3,966
Change during the financial year due to a change in interest rate	- 11,305	0
Cumulative actuarial gains (+)/losses (-) as of 31.03.	1,432	- 3,966

10. Investments

As of 31 March 2014, total capital expenditure throughout the HHLA Group amounted to € 39.4 million.

The largest investments up to the end of the first quarter of 2014 were made in the Container, Intermodal and Real Estate segments. HHLA invested in terminal expansion and handling equipment at sites in Germany, the Czech Republic and Ukraine. Investments were made in the Real Estate segment as part of a new construction project.

As of 31 March 2014, the Container segment accounted for the bulk of investment commitments at € 29.5 million.

11. Financial Instruments

Carrying Amounts and Fair Values

The table below shows 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 31.03.2014

in € thousand	Carrying amount			Fair value			
	Loans and receivables	Available for sale	Balance sheet value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value							
Financial assets (securities)		3,872	3,872	3,872			3,872
	0	3,872	3,872				
Financial assets not measured at fair value							
Financial assets	3,799	4,460	8,259				
Trade receivables	149,420		149,420				
Receivables from related parties	64,160		64,160				
Other financial receivables	3,476		3,476				
Cash, cash equivalents and short-term deposits	199,969		199,969				
	420,824	4,460	425,284				

Financial Liabilities as of 31.03.2014

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
Financial liabilities measured at fair value								
Financial liabilities (interest rate swaps used for hedging transactions)	354	528		882		882		882
	354	528	0	882				
Financial liabilities not measured at fair value								
Financial liabilities (liabilities from bank loans)			304,397	304,397		307,929		307,929
Financial liabilities (finance lease liabilities)			9,322	9,322		5,435		5,435
Financial liabilities (other)			94,524	94,524				
Trade liabilities			77,785	77,785				
Liabilities to related parties			179,378	179,378		105,020		105,020
	0	0	665,406	665,406				

Financial Assets as of 31.03.2013

in € thousand	Carrying amount			Fair value			
	Loans and receivables	Available for sale	Balance sheet value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value							
Financial assets (securities)		3,899	3,899	3,899			3,899
	0	3,899	3,899				
Financial assets not measured at fair value							
Financial assets	4,521	4,423	8,944				
Trade receivables	137,644		137,644				
Receivables from related parties	79,787		79,787				
Other financial receivables	3,201		3,201				
Cash, cash equivalents and short-term deposits	190,004		190,004				
	415,156	4,423	419,579				

Financial Liabilities as of 31.03.2013

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
Financial liabilities measured at fair value								
Financial liabilities (interest rate swaps used for hedging transactions)	673	815		1,488		1,488		1,488
	673	815	0	1,488				
Financial liabilities not measured at fair value								
Financial liabilities (liabilities from bank loans)			314,409	314,409		318,614		318,614
Financial liabilities (finance lease liabilities)			14,677	14,677		8,557		8,557
Financial liabilities (other)			111,173	111,173				
Trade liabilities			65,422	65,422				
Liabilities to related parties			192,021	192,021		107,155		107,155
	0	0	697,702	697,702				

The previous year's figures were retrospectively restated due to the effects of applying IFRS 11.

Write-backs on securities totalling € 5 thousand (previous year: € 2 thousand) were recognised in the reporting year.

In the first quarter of 2014, gains of € 66 thousand (previous year: € 241 thousand) were recognised in the income statement on financial assets and/or liabilities held at fair value through profit and loss. These primarily relate to interest rate hedges with no effective hedging relationship as per IAS 39.

In the reporting year, changes of € 57 thousand (previous year: € 106 thousand) in the fair value of financial instruments designated as hedging instruments (interest rate swaps) were recognised directly in equity.

The interest rate swaps disclosed covered a total amount of € 15,013 thousand (previous year: € 19,348 thousand). Of these, financial instruments covering an amount of € 7,920 thousand (previous year: € 8,997 thousand) with a market value of € - 441 thousand (previous year: € - 797 thousand) were held as part of cash flow hedging relationships to hedge future cash flows from interest-bearing liabilities as of the balance sheet date. The hedged cash flows are expected to occur within two years and nine months. The amount covered by interest rate swaps is adjusted in line with the anticipated repayment of the loans over the term of the derivative. The fixed interest rate for the financial liabilities (interest rate swaps) is 3.82 % to 4.33 %. The remaining term of the derivatives is up to two years and nine months.

The interest income and interest expenses recorded form part of the financial result.

There are no differences between the carrying amounts and fair values of financial instruments reported under non-current financial liabilities. The discount rates used for liabilities to related parties (particularly the finance lease liabilities included in this item) are between 4.21 % and 5.56 %.

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 2013.

12. Events after the Balance Sheet Date

There were no notable events after the balance sheet date 31 March 2014.

Hamburg, 14 May 2014

Hamburger Hafen und Logistik Aktiengesellschaft

The Executive Board

Klaus-Dieter Peters   Dr. Stefan Behn

Heinz Brandt   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 assets, liabilities, financial position and profit or loss 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 remaining months of the financial year.

Hamburg, 14 May 2014

Hamburger Hafen und Logistik Aktiengesellschaft

The Executive Board

Klaus-Dieter Peters　　Dr. Stefan Behn

Heinz Brandt　　Dr. Roland Lappin

Financial Calendar

14 May 2014
Interim Report January-March 2014
Analyst Conference Call

19 June 2014
Annual General Meeting
Congress Center Hamburg (CCH)

14 August 2014
Interim Report January – June 2014
Analyst Conference Call

13 November 2014
Interim Report January – September 2014
Analyst Conference Call

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Published by
Hamburger Hafen und Logistik AG
Bei St. Annen 1
20457 Hamburg
Phone: +49-40-3088-0
Fax: +49-40-3088-3355
info@hhla.de
www.hhla.de

Investor Relations
Phone: +49-40-3088-3100
Fax: +49-40-3088-55-3100
investor-relations@hhla.de

Corporate Communications
Phone: +49-40-3088-3520
Fax: +49-40-3088-3355
unternehmenskommunikation@hhla.de

Design
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Note
For specialist terminology and financial terms see the Annual Report 2013, page 166 et seq.

This document contains forward-looking statements which are based on the current estimates and assumptions by the corporate management of Hamburger Hafen und Logistik Aktiengesellschaft (HHLA). Forward-looking statements are characterised by the use of words such as expect, intend, plan, predict, assume, believe, estimate, anticipate and similar formulations. Such statements are not to be understood as in any way guaranteeing that those expectations will turn out to be accurate. Future performance and the results actually achieved by HHLA and its affiliated companies depend on a number of risks and uncertainties and may therefore differ materially from the forward-looking statements. Many of these factors are outside the control of HHLA and cannot be accurately estimated in advance, such as the future economic environment and the actions of competitors and others involved in the marketplace. HHLA neither plans nor undertakes to update any forward-looking statements.

HAMBURGER HAFEN UND LOGISTIK AKTIENGESELLSCHAFT
Bei St. Annen 1, 20457 Hamburg, Germany, Phone: +49-40-3088-0, Fax: +49-40-3088-3355, www.hhla.de, info@hhla.de