HHLA

HAMBURGER HAFEN UND LOGISTIK AKTIENGESELLSCHAFT

Interim Report January to June 2014

Key Figures

	HHLA Group		
in € million	1–6|2014	1–6|2013	Change
Revenue and Earnings			
Revenue	595.7	566.4	5.2 %
EBITDA	140.8	138.6	1.6 %
EBITDA margin in %	23.6	24.5	- 0.9 pp
EBIT	81.4	78.7	3.4 %
EBIT margin in %	13.7	13.9	- 0.2 pp
Profit after tax	44.0	46.5	- 5.5 %
Profit after tax and minority interests	26.0	29.0	- 10.2 %
Cash Flow Statement and Investments			
Cash flow from operating activities	109.4	85.6	27.9 %
Investments	56.9	55.2	3.1 %
Performance Data			
Container throughput in thousand TEU	3,783	3,757	0.7 %
Container transport in thousand TEU	633	581	9.0 %

in € million	30.06.2014	31.12.2013	Change
Balance Sheet			
Balance Sheet total	1,703.5	1,716.0	- 0.7 %
Equity	571.6	600.1	- 4.8 %
Equity ratio in %	33.6	35.0	- 1.4 pp
Employees			
Number of employees	5,046	4,924	2.5 %

	Port Logistics Subgroup[1,2]			Real Estate Subgroup[1,3]		
in € million	1–6|2014	1–6|2013	Change	1–6|2014	1–6|2013	Change
Revenue	581.7	552.5	5.3 %	16.7	16.4	1.5 %
EBITDA	131.3	129.2	1.6 %	9.5	9.4	1.2 %
EBITDA margin in %	22.6	23.4	- 0.8 pp	57.2	57.3	- 0.1 pp
EBIT	73.9	71.3	3.6 %	7.3	7.2	1.3 %
EBIT margin in %	12.7	12.9	- 0.2 pp	43.9	43.9	–
Profit after tax and minority interests	21.9	25.7	- 14.6 %	4.1	3.3	24.4 %
Earnings per share in €[4]	0.31	0.37	- 14.6 %	1.51	1.22	24.4 %

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

Cover photo: Far East cargo continues to grow: mega-ships at HHLA's Hamburg terminal

Contents

The Share

Stock Market Data

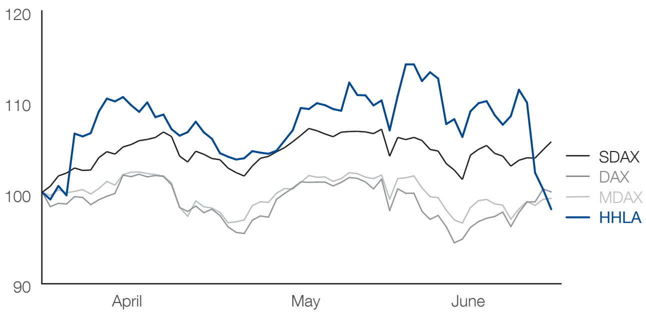
31.03.2014 – 30.06.2014	HHLA	SDAX	DAX
Change	- 1.9 %	5.6 %	0.0 %
Closing 31.03.2014	€ 17.78	6,789	9,552
Closing 30.06.2014	€ 17.45	7,169	9,556
High	€ 20.30	7,269	9,743
Low	€ 17.45	6,835	9,018

While the key international indices generally moved sideways in the first quarter of 2014, they largely regained momentum in the second quarter but were affected by the emerging situation in Ukraine. At the start of the quarter in particular, the markets were burdened by uncertainty over political developments in this country. The announcement of extended EU sanctions against Russia and fears of an outbreak of civil war in Ukraine prompted Germany's leading index to fall to a quarterly low of 9,174 points in mid April, despite positive economic data from the Eurozone and the USA. The indices became more stable in the second half of April, before fears of an escalation in the Ukraine conflict once again dampened trade momentum towards the end of the month. Strong US labour market data and the announcement by the European Central Bank (ECB) that it would uphold its low interest rate policy provided fresh impetus for the markets in early May. The ECB's decision to decrease its base rate to a new record low of 0.15 % brought Germany's leading index beyond the 10,000-point mark for the first time on 9 June. It passed the 10,000-point mark again in the second half of June, before the political conflicts in Ukraine and Iraq and a weak US stock market began to exert downward pressure on prices. The DAX closed the second quarter at 9,833 points, up 2.9 % on the first quarter. The SDAX's performance was nearly identical, with growth of 3.0 %. It closed the quarter at 7,385 points.

While the HHLA share's performance mirrored the leading indices in the first two months of the quarter, it outperformed them in June. The conflict in Ukraine had a decisive impact on HHLA's share price trend in early April – the share had lost around 5 % by the middle of the month and fell to a quarterly low of € 16.89. In the second half of the month, however, the upbeat mood of the financial markets pushed it back above the € 17 mark. The net profit published in HHLA's interim report was burdened by exchange rate effects and fell short of expectations. The share was subsequently traded at a lower price but soon resumed its upward trend. In early June, the HHLA share even outpaced the positive market trend and passed the € 19 mark ahead of the Annual General Meeting. The AGM was held in Hamburg on 19 June 2014 and attended by over 800 shareholders and guests. A total of 82.3 % of HHLA's share capital was represented. A dividend of € 0.45 per listed Class A share was adopted with a clear majority. The payout ratio amounted to 65.3 % of the relevant annual net profit and was thus towards the upper end of HHLA's payout range of 50 to 70 %. In the period leading up to the AGM, the HHLA share reached a three-month high of € 19.62, but was traded at a dividend discount from the next day onwards. In late June, the Federal Administrative Court announced the start of the proceedings of dredging of the river Elbe on 15 July 2014 and thus focused market attention on the HHLA share once again. Additional momentum was provided by an update of an analyst, which upgraded its recommendation from 'hold' to 'buy'. At the end of June, the share closed at € 19.40 – an improvement of 11.2 % on the previous quarter.

The Investor Relations department continued its intensive communication activities in the second quarter and held numerous discussions with analysts and investors. HHLA was also represented at several conferences in Continental Europe. Discussions focused on the Ukraine conflict, the dredging of the river Elbe and the planned merger of the three leading container shipping companies (P3 alliance) and its rejection by the Chinese Antitrust Authorities in mid June. In total, 22 financial analysts covered HHLA's business development in the second quarter. More than half of them continued to recommend either buying or holding the share.

Share Price Development April to June 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,

Hamburger Hafen und Logistik AG made good progress in the first half of 2014. We consolidated our significantly expanded market position in container handling and upheld growth in our container transport services with further market share gains. At the same time, we achieved revenue growth and an improvement in earnings – despite the adverse impact of the Ukraine conflict on our business in the first half of the year.

Feeder traffic via the Baltic to Russia declined for the first time since 2009. Container throughput in Odessa also fell considerably short of the previous year's figures. These factors led to account for overall throughput growth of just 0.7 % in the first six months of the current year. Our three container terminals in Hamburg, however, realised growth of 2.1 % over the same period, buoyed mainly by a strong rise in traffic from the Far East (8.0 %). In the face of rising competitive pressure caused by growing idle capacities at Northern European terminals and ongoing infrastructure restrictions – e.g. on the river Elbe and the Kiel Canal – this is quite a remarkable achievement which underlines our competitive strength.

Two factors played a key role in growing Group revenue and improving the Group's operating result: the increased proportion of higher-revenue and higher-margin overseas traffic in the handling mix and consistently higher storage fees due to the shipping delays of several liner services. We originally assumed the situation would return to normal in the second quarter. However, this expectation was met only partially.

We made solid progress in the implementation of our Intermodal strategy: our newly established connections in Germany, Austria and Switzerland (the so-called D.A.CH. services) once again achieved disproportionately strong growth. However, our established transport links with the Czech Republic, Slovakia and Hungary and our transport services for the Polish seaports also captured further market shares.

On the basis of the trend in the first six months, we stand by our expectation of slight volume growth for container handling in 2014 as a whole – provided that the current structure of cargo flows remains unchanged. On the other hand, we believe that the container transport services for European hinterland traffic of our Intermodal companies can achieve growth well above the general market trend. Against this background, we aim to achieve a moderate rise in revenue compared to the previous year. We hold on to our earnings forecast and expect to realise an operating result in the range of € 138 to € 158 million.

However, a number of fundamental uncertainties continue to apply for the rest of the year. This applies in particular to the conflict in Ukraine and the further consolidation of the container shipping segment. The realignment of liner services entails both risks and opportunities.

On the basis of the development to date in the current financial year as well as our investments aimed at further improving the handling of mega-ships and the successful expansion of our hinterland transportation services, we are well prepared to successfully cover the challenges which lie ahead of us.

Yours,

Klaus-Dieter Peters
Chairman of the Executive Board

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Business Development at a Glance

- Container throughput up by 0.7 %
- Intermodal companies increase transport volume by 9.0 % and extend their market position
- Revenue up 5.2 % to € 595.7 million
- Operating profit (EBIT) increased by 3.4 % to € 81.4 million
- Financial result still adversely affected by exchange rate effects (Ukraine)
- Forecast for the full year 2014 confirmed

New handling record for rail cargo: container rail terminal at HHLA's Hamburg terminal

Interim Management Report

Economic Environment

Macroeconomic Development

The global economic upturn started in the second half of 2013 was slightly more subdued in the spring of 2014. With estimated growth of 2.8 % in the first three months of the year, the growth trend – already restrained from a medium-term perspective – continued to level off. Global trade also suffered a loss of momentum, declining even in the first quarter of 2014 by 0.7 % compared to the previous quarter. The global economy continues to be driven by the rising economic output of emerging countries. However, the overall pace of growth has slowed in Asia, Latin America and Eastern Europe. China's growth trajectory remains comparatively high and stable with a year-on-year increase in gross domestic product (GDP) of 7.5 % in the second quarter of 2014. The effects of the Russia/Ukraine conflict are already being felt by the Russian economy: with growth of just 0.9 % in the first quarter, GDP made only incremental progress.

GDP growth also slowed in the advanced economies during the first half of the current year. This trend also reflects the unusually cold and snowy winter in the USA which adversely affected output of the world's largest economy in the first half of the year. The slight stabilisation of the eurozone's GDP trend – which increased by 0.2 % in the first quarter and is expected to improve by 0.3 % in the second quarter (in both cases in comparison with the previous quarter) – was also insufficient to deliver any growth momentum for the global economy. Progress in the other EU states was varied. While the economic recovery in the Czech Republic, Romania and Bulgaria lost strength, the Polish economy was able to gain momentum. Compared to the other eurozone economies, Germany showed robust growth. Buoyed by an unusually mild winter, the German economy grew by 2.5 % in the first quarter of 2014. Germany's foreign trade development also grew more stable. In the period from January to May, exports increased by 2.6 % on the same period the previous year, while imports grew by 2.7 %.

Sector Development

Global container traffic gained considerable momentum in the first half of 2014. According to estimates from the market research institute Drewry, the sector grew by almost 5 % in this period. The global container fleet's carrying capacity increased by 5.6 % to 17.7 million standard containers (TEU). With mergers and new alliances, container shipping companies are seeking to tackle the continuing imbalance between carrying capacity and demand while improving utilisation of their ever-larger ships. After plans of the three largest shipping lines (Maersk, MSC and CMA/CGM) to establish their 'P3' alliance were rejected by China's antitrust authorities, Maersk and MSC recently announced their intention to establish a '2M' dual alliance.

According to figures published so far, the trend for the Northern European container ports fell well short of the trend for global container traffic – which was buoyed by the strong increase in traffic within Asia. Following their stagnation in 2013, however, the Northern European container ports were able to post marked growth again. Only the Bremen ports suffered a decline of 2.8 % in the period from January to June 2014. By contrast, Rotterdam – the largest Northern European port – realised container handling growth of 1.9 % in the first half of 2014, while Antwerp recorded an increase of 2.9 %. The Port of Hamburg enjoyed growth of as much as 8.0 % in the first quarter and – as in 2013 – continued to maintain its market share. German rail freight traffic showed an upturn at the start of the year. The volume of cargo transported by rail increased by 4.4 % in the first quarter.

Group Performance

Key Figures

in € million	1–6 | 2014	1–6 | 2013	Change
Revenue	595.7	566.4	5.2 %
EBITDA	140.8	138.6	1.6 %
EBITDA margin in %	23.6	24.5	- 0.9 pp
EBIT	81.4	78.7	3.4 %
EBIT margin in %	13.7	13.9	- 0.2 pp
Profit after tax and minority interests	26.0	29.0	- 10.2 %
Earnings from associates (using the equity method)	2.8	1.5	81.7 %
ROCE in %	12.2	11.5	0.7 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 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 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 economic recovery and a barely positive sector trend in the reporting period, HHLA succeeded in posting year-on-year growth in its throughput volume. The number of containers loaded and unloaded in the first six months of 2014 rose in total by 0.7 % to 3,783 thousand TEU (previous year: 3,757 thousand TEU). A higher level of utilisation for existing Far East services was partially offset by a decline in container throughput in Odessa. Overall, throughput was raised once again in the second quarter compared to the quarter before, but was unable to match the throughput volume realised in the second quarter of the previous year. The transport volume grew strongly by 9.0 % to 633 thousand TEU (previous year: 581 thousand TEU). This chiefly reflected growth in expanded transport activities.

Revenue for the HHLA Group came to €595.7 million in the reporting period, up 5.2 % on the previous year (€566.4 million). Apart from the increase in volumes, this trend mainly reflected the decrease in lower-revenue feeder traffic and an increase year on year in storage fees received due to shipping delays. The latter resulted in an unusually high level of storage utilisation, especially in the first quarter.

In its Container, Intermodal and Logistics segments, the listed Port Logistics subgroup generated revenue of €581.7 million in the reporting period (previous year: €552.5 million). This growth in the Port Logistics subgroup almost matched the trend for the Group as a whole. The non-listed Real Estate subgroup raised revenue by 1.5 % to €16.7 million (previous year: €16.4 million) and thus accounted for 2.4 % of Group revenue.

Changes in inventories at Group level were lower than the previous year at €0.4 million (€1.0 million). **Own work capitalised** came to €3.9 million (previous year: €4.3 million).

Other operating income amounted to €16.8 million (previous year: €19.7 million). The decrease was largely due to an accounting gain from the sale of property in the Logistics segment in the first quarter of 2013.

Expenses

Operating expenses increased by 4.4 % to € 535.5 million and thus fell slightly short of revenue growth.

The strongly volume-dependent **cost of materials** amounted to € 195.6 million and increased by 6.2 % in the reporting period (previous year: € 184.1 million). The cost-of-materials ratio rose slightly to 32.8 % (previous year: 32.5 %). The increase in this expense item was mainly attributable to the disproportionately strong growth in the material-intensive Intermodal segment.

Personnel expenses rose year on year by 2.7 % to € 205.1 million (previous year: € 199.7 million). As well as higher union wage rates, this reflected the larger number of employees needed to handle the high utilisation of storage capacity in the first half of the year. The output-related increase in headcount in the Intermodal segment also resulted in higher personnel expenses. The strong growth in this segment with lower personnel costs caused the personnel expenses ratio to decline to 34.4 % (previous year: 35.3 %).

Other operating expenses increased by 9.1 % to € 75.3 million (previous year: € 69.0 million) in the reporting period. This growth mainly reflected increased provision in the balance sheet to cover legal risks. There was also a rise in rental and leasing expenses in the growing Intermodal segment. The ratio of these expenses to revenue increased to 12.6 % (previous year: 12.2 %).

As a result of these developments, the **operating result before depreciation and amortisation (EBITDA)** increased by 1.6 % to € 140.8 million (previous year: € 138.6 million). The EBITDA margin declined to 23.6 % in the reporting period (previous year: 24.5 %).

Depreciation and amortisation decreased slightly on the previous year to € 59.4 million (previous year: € 59.9 million).

At Group level, the **operating result (EBIT)** increased by 3.4 % to € 81.4 million (previous year: € 78.7 million). The significantly improved operating result in the Container segment was partially offset by the one-off item in other operating expenses. The EBIT margin remained virtually unchanged at 13.7 % (previous year: 13.9 %). The subgroups Port Logistics and Real Estate contributed 90.8 % and 9.2 % to EBIT, respectively.

Net expenses from the **financial result** increased by 27.1 % from € 13.8 million in the previous year to € 17.6 million. These additional expenses were mainly due to negative exchange rate effects of € 5.5 million resulting from the devaluation of the Ukrainian currency. Earnings from associates accounted for using the equity method improved by 81.7 % to € 2.8 million (previous year: € 1.5 million).

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 changes to accounting for joint ventures using the equity method and a one-off earnings effect without the corresponding tax expense, the Group's effective tax rate increased to 31.1 % (previous year: 28.3 %).

Profit after tax fell by 5.5 % from € 46.5 million to € 44.0 million. This was largely due to the above-mentioned one-off item in other operating expenses. **Profit after tax and minority interests** also fell year on year by 10.2 % to € 26.0 million (previous year: € 29.0 million). This trend is reflected in earnings attributable to shareholders of the parent company.

Earnings per share of € 0.36 were also 10.2 % below last year's figure of € 0.40. The listed Port Logistics subgroup posted a 14.6 % decline in earnings per share to € 0.31 (previous year: € 0.37). Earnings per share in the non-listed Real Estate subgroup rose 24.4 % to € 1.51 (previous year: € 1.22) as a result of the positive earnings development. The return on capital employed (ROCE) rose by 0.7 percentage points to 12.2 % (previous year: 11.5 %).

Container Segment

Key Figures

in € million	1–6|2014	1–6|2013	Change
Revenue	374.3	360.7	3.8 %
EBITDA	122.5	113.0	8.4 %
EBITDA margin in %	32.7	31.3	1.4 pp
EBIT	79.1	68.8	15.0 %
EBIT margin in %	21.1	19.1	2.0 pp
Earnings from associates (using the equity method)	0.4	0.2	70.0 %
Container throughput in thousand TEU	3,783	3,757	0.7 %

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

As a result of the Ukraine crisis, throughput growth at HHLA's terminals in Hamburg and Odessa totalled just 0.7 % in the first six months of the current year. Growth at the Hamburg terminals amounted to 2.1 %, enabling the Group to maintain its significantly improved market position. This growth is almost entirely attributable to the strong increase of 8.0 % in cargo for Hamburg's Far East traffic, which now accounts for 46.1 % of total seaborne handling activities at HHLA's Hamburg terminals. On the other hand, feeder traffic to Central and Eastern European countries on the Baltic Sea weakened for the first time. Russia's economic crisis is now making itself felt here. All in all, the proportion of seaborne handling activities accounted for by feeder traffic (feeder ratio) decreased from 27.7 % in the first half of 2013 to 26.4 % at present.

Due to the decline in the feeder ratio, there was an increase in traffic services delivering stronger revenue as a proportion of overall throughput. Consequently, revenue increased by 3.8 % to €374.3 million and exceeded the volume trend. The dwell-time related increase in storage fees was a second key driver of this development. Since the start of 2014, export containers in particular have recorded unusually long storage periods due to shipping delays. This trend had not yet normalised in the second quarter. The decreased feeder ratio and in comparison to the previous year higher storage fees were also key factors for the improved earnings trend of the Container segment in the first half of 2014. Despite additional costs resulting from increasing peak loads – caused mainly by shipping delays – EBIT increased by 15.0 % to €79.1 million (previous year: €68.8 million).

All major Northern European ports are currently affected by these peak loads, which are frequently reflected throughout the entire transport and logistics chain. With numerous measures, HHLA's terminals are trying to cover these challenges. In August 2014 for example, a new mega-ship berth will become fully operational at the Container Terminal Burchardkai, with five state-of-the-art gantry cranes which will be able to handle ships with carrying capacities as high as 18,000 standard containers (TEU). A series of process improvements in truck handling and a further increase in headcount at the Hamburg terminals will also help cope better with peak loads.

Increasing volumes of Far Eastern throughput: handling a mega-ship at the HHLA Container Terminal Altenwerder

Intermodal Segment

Key Figures

in € million	1–6|2014	1–6|2013	Change
Revenue	170.1	151.5	12.2 %
EBITDA	23.3	22.3	4.7 %
EBITDA margin in %	13.7	14.7	- 1.0 pp
EBIT	13.1	12.6	4.6 %
EBIT margin in %	7.7	8.3	- 0.6 pp
Container transport in thousand TEU	633	581	9.0 %

In the first half of 2014, HHLA's Intermodal companies stepped up their growth momentum significantly. While transport volume growth had reached 5.1 % at the end of the first quarter, after six months it was already 9.0 %. With a rail- and road-based transport volume of 633 thousand standard containers (TEU) (previous year: 581 thousand TEU), HHLA's transport companies have strengthened their position in a highly competitive market environment.

This growth was mainly driven by rising volumes and the improved frequency of the new connections in Germany, Austria and Switzerland within the scope of HHLA's D.A.CH. strategy (abbreviation for Germany, Austria and Switzerland) launched in late 2012. However, HHLA's connections with the Czech Republic, Slovakia and the Polish seaports also contributed to the volume trend.

With growth of 12.2 % to € 170.1 million (previous year: € 151.5 million), the revenue trend outpaced the increase in volume. This is mainly attributable to the increasing proportion of rail services in the total transport volume of this segment. Due to the significantly higher average transport distances involved, rail containers deliver higher revenue than truck containers.

The EBIT trend lagged somewhat behind, however, with growth of 4.6 % to € 13.1 million (previous year: € 12.6 million). This was partly due to additional costs resulting from congestion and hold-ups, caused by often lengthy shipping delays at the seaports.

Moreover, HHLA's new D.A.CH. connections so far haven't reached the high level of utilisation of the transport services for established markets, e.g. the Czech Republic, Slovakia and Hungary.

The restructuring of the Polzug Group's operating activities continues to make progress. This is mainly reflected in improved conditions for the purchasing of services.

In the first half of 2014, HHLA's major hub terminals in Prague, Ceska Trebova (Czech Republic), Dunajska Streda (Slovakia) and Poznan (Poland) successfully served the hinterland network in Central and Eastern Europe. While the Prague terminal – which had been fully utilised – recorded a planned decrease in volumes, the volumes handled at Ceska Trebova and Dunajska Streda increased significantly.

Set for success: Metrans train on track

Logistics Segment

Key Figures

in € million	1–6 | 2014	1–6 | 2013	Change
Revenue	31.9	34.9	- 8.4 %
EBITDA	- 0.4	2.4	neg.
EBITDA margin in %	- 1.3	7.0	- 8.3 pp
EBIT	- 1.0	1.9	neg.
EBIT margin in %	- 3.1	5.5	- 8.6 pp
Earnings from associates (using the equity method)	2.4	1.3	83.9 %

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

Since the start of the financial year 2014, the key financial figures for the Logistics segment have only included vehicle logistics, project and contract logistics, consultancy activities and cruise logistics. The figures for the previous year have been restated accordingly. Since pro rata consolidation of joint ventures is no longer permitted as of the beginning of this year, the result for bulk cargo logistics – a significant field of operations for the Logistics segment – is now included in the HHLA Group's earnings from associates, accounted for using the equity method. This has been the case for earnings from fruit logistics since 2012. To ensure that the activities of the Logistics segment continue to be presented as fully as possible, earnings from associates are shown in the final line of the above table.

The performance of the individual companies once again varied considerably in the first half of 2014. While the companies included in earnings from associates (using the equity method) improved their overall result strongly, the other firms reported very modest and in some cases negative trends in volume, revenue and earnings. Business developed as follows in the segment's various divisions:

In the **vehicle logistics** segment – which also includes handling and packing containers – the volume of seaborne handling declined by 13.2 % to 770 thousand tonnes. This was mainly attributable to weather-related cancellations of ships coming into port. By contrast, vehicle throughput rose by 5.7 % to 104 thousand vehicles. The revenue and EBIT figures almost reached the levels of the previous year.

Consultancy activities suffered a decline in revenue and earnings in the first half of 2014. This was attributable to customer delays in awarding contracts and the invoicing of a major contract in the previous year.

The restructuring of **project and contract logistics** has now been largely completed with an expansion of the project logistics business. Due to the unsatisfactory development of existing contract logistics business, however, revenue and earnings fell short of the prior-year figure.

With 84 ships (- 5.6 %) and 265 thousand passengers (- 2.0 %), **cruise logistics** was marginally down on the previous year, as reflected in its revenue and earnings figures.

At 7.0 million tonnes, the throughput volume of **bulk cargo logistics** was down 3.4 % on the previous year's high level. Revenue and earnings also fell short of their respective prior-year figures.

The turnaround in **fruit logistics** was achieved in the first half of 2014 with an increase in throughput of 15.1 % to 283 thousand tonnes. There was also double-digit growth in revenue and a strongly positive operating result (EBIT).

Meticulous handling of every export vehicle: vehicle throughput on O'Swaldkai

Real Estate Segment

Key Figures

in € million	1–6|2014	1–6|2013	Change
Revenue	16.7	16.4	1.5 %
EBITDA	9.5	9.4	1.2 %
EBITDA margin in %	57.2	57.3	- 0.1 pp
EBIT	7.3	7.2	1.3 %
EBIT margin in %	43.9	43.9	—

Following an increase in the first quarter of 2014, the office rental market in Germany's seven real estate hotspots recorded a half-year decline on the previous year. While the trend varies strongly from one locality to the next, the office market overview published by Jones Lang LaSalle registered an overall decrease in the volume of office space lettings of approx. 3 % on the previous year.

Hamburg's office rental market matched this trend with a fall of 3.3 % to 215,000 m². There was also a further decline in the vacancy rate, which amounted to 7.4 % after the first six months compared to 8.2 % in the previous year.

Against this background, the Real Estate segment – comprising the Speicherstadt historical warehouse district and the fish market district on the northern banks of the river Elbe – was able to continue its steady upward trend in the reporting period.

Revenue improved by 1.5 % to € 16.7 million (previous year: € 16.4 million). Over the same period, the operating result (EBIT) rose by 1.3 % to € 7.3 million (previous year: € 7.2 million).

High occupancy rates in both districts continued to underpin the stable development of this segment. Speicherstadt properties which were newly placed on the market in the previous year played a particularly important role in raising revenue and earnings.

These comprise 'Block R' – which was constructed between 1894 and 1896 for the storage of coffee – and the directly adjacent office building 'Bei St. Annen 2', a post-war property (1952/1953) designed by the renowned architect Werner Kallmorgen in keeping with the general character of the Speicherstadt district. These two properties previously underwent extensive refurbishment in line with the regulations for landmarked buildings.

A stylish setting for fashion: showroom in the Speicherstadt historical warehouse district

Financial Position

Liquidity Analysis

in € million	1–6|2014	1–6|2013
Financial funds as of 01.01.	151.1	188.7
Cash flow from operating activities	109.4	85.6
Cash flow from investing activities	- 46.3	- 21.6
Free cash flow	63.1	63.9
Cash flow from financing activities	- 62.3	- 64.6
Change in financial funds	0.9	- 0.6
Change in financial funds due to exchange rates	- 3.2	- 0.1
Financial funds as of 30.06.	148.7	187.9

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 half of 2014 to € 109.4 million (previous year: € 85.6 million). This reflected the improved operating result and reduced use of provisions. In addition, the figure for the same six-month period in the previous year 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 Ukrainian currency as well as an increase in trade receivables.

Investing activities led to cash outflows of € 46.3 million (previous year: € 21.6 million). The increase of € 24.7 million was chiefly due to a decrease in short-term bank deposits as well as proceeds in the previous year from disposals of non-current assets held for sale totalling € 17.7 million. Without the transfer of cash to short-term deposits, the cash outflow for investing activities would have amounted to € 56.3 million (previous year: € 41.6 million).

Free cash flow, defined as the total of cash flow from operating activities and cash flow from investing activities, came to € 63.1 million at the end of the reporting period (previous year: € 63.9 million), falling only slightly compared with the previous year.

The change in cash outflow from financing activities of € 2.3 million to € 62.3 million (previous year: € 64.6 million) was due to decreased proceeds from loans compared to the previous year. There was an opposing effect from the payment of dividends to shareholders in the second quarter of 2014 totalling € 65.5 million (previous year: € 77.0 million) as well as from lower outgoing loan repayments.

As of the reporting date, the changes described above resulted in financial funds of € 148.7 million (previous year: € 187.9 million), which fell slightly short of the figure at the beginning of the year (€ 151.1 million). Including short-term deposits, the Group's available liquidity came to € 208.7 million in total (previous year: € 217.9 million).

Investment Analysis

The investment volume in the reporting period totalled € 56.9 million and was thus € 1.7 million higher than the previous year's figure of € 55.2 million. Capital expenditure comprised € 52.1 million for property, plant and equipment (previous year: € 48.9 million) and € 4.8 million for intangible assets (previous year: € 6.3 million). The majority of the investments were for expansion work.

In the first half of 2014, the Container segment accounted for most of this capital expenditure with the acquisition of new container handling equipment and the expansion of the Container Terminal Odessa (CTO). In the Intermodal segment, HHLA entered into project-related investments. Investments in the Real Estate subgroup focused on the renovation and development of existing properties.

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

Balance Sheet Structure

in € million

Assets	30.06.2014	31.12.2013
Non-current assets	1,269.6	1,284.6
Current assets	433.9	431.4
	1,703.5	1,716.0
Equity and liabilities		
Equity	571.6	600.1
Non-current liabilities	836.7	826.9
Current liabilities	295.2	289.0
	1,703.5	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 decreased as of the reporting date by a total of € 12.5 million to € 1,703.5 million.

Non-current assets of € 1,269.6 million were € 15.0 million lower than at year-end 2013 (€ 1,284.6 million). This trend was mainly due to scheduled depreciation on property, plant and equipment as well as currency translation adjustments for HHLA's Ukrainian subsidiary. Investments in property, plant and equipment and investment property as well as an increase in deferred taxes had the opposite effect.

At € 433.9 million, current assets grew by € 2.5 million compared to 31 December 2013 (€ 431.4 million). In conjunction with the rise in revenue, trade receivables increased by € 20.8 million to € 159.4 million. Within the scope of the cash clearing system, receivables from related parties increased by € 15.8 million to € 40.8 million. At the same time, cash and cash equivalents decreased by € 35.1 million to € 180.3 million.

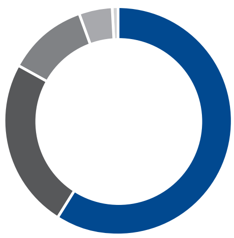
Equity fell by € 28.5 million to € 571.6 as of the reporting date (31 December 2013: € 600.1 million). This decrease is mainly attributable to the dividend payment in the period under review as well as exchange rate differences and actuarial losses recognised in other comprehensive income. The result for the first half of the year of € 44.0 million had the opposite effect. The equity ratio decreased to 33.6 % (31 December 2013: 35.0 %).

Non-current liabilities increased by € 9.8 million to € 836.7 million in comparison with the end of 2013 (€ 826.9 million). An increase in pension provisions of € 24.4 million to € 388.8 million – mainly due to interest rate adjustments and a € 4.9 million increase in non-current provisions – was partly offset by the decline in non-current financial liabilities of € 20.6 million, resulting largely from the repayment of long-term loans.

Current liabilities of € 295.2 million as of 30 June 2014 were higher than at the end of 2013 (€ 289.0 million). This was primarily due to an increase in trade liabilities of € 8.0 million and a rise in current financial liabilities of € 6.6 million. The € 5.0 million decline in other current provisions had the opposite effect. The increase in current financial liabilities includes, among other things, a rise in the short-term share of non-current liabilities and, on the other hand, the scheduled payment of a settlement obligation to a minority shareholder under the profit and loss transfer agreement.

Employees

Number of employees
in the HHLA Group
as of 30.06.2014



- 2,980 Container
- 1,213 Intermodal
- 581 Holding/Other
- 235 Logistics
- 37 Real Estate

On 30 June 2014, HHLA had 5,046 employees. The Group's workforce thus increased by a total of 2.5 % or 122 compared with 31 December 2013. Headcount growth was strongest in the Intermodal segment: due to the increase in capacity, it rose by 7.5 % or 85 employees. In the Container segment, the number of employees was up by 2.0 % or 59. By contrast, headcount in the Logistics segment was nearly constant with a decrease of 0.4 % or 1. The number of personnel in the Holding/Other segment fell by 3.8 % or 23 in comparison with the figure on the 2013 balance sheet date. The Real Estate subgroup grew by 5.7 % or 2 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

The 7th division of the Federal Administrative Court heard submissions from environmental associations opposing plan approval for the dredging of the river Elbe in the period from 15 to 23 July 2014. These proceedings were concluded on 23 July. On the basis of the arguments put forward, the court is due to deliver its ruling on 2 October 2014. On a positive note, the court has no doubts regarding the need to dredge the navigation channel. The court is now required to determine by 2 October whether all environmental issues have been objectively considered in compliance with applicable legislation. Until this date, no definite statement can be issued regarding the outcome of proceedings.

There were no other events of special significance after the balance sheet date 30 June 2014.

Business Forecast

Macroeconomic Environment

The global economy has picked up slightly since the start of the year. Nonetheless, geopolitical tensions remain high and are reflected in the growth forecasts released by the International Monetary Fund (IMF). In view of the continuing fragility of the economic recovery and fresh downward risks, the IMF downgraded its existing forecast by 0.3 percentage points in July and now expects global GDP to increase by 3.4 % in 2014. Buoyed by the anticipated economic recovery, international trade is likely to pick up over the course of year. Following moderate growth in the past year, a strong increase of 4.0 % is expected for 2014.

To date, the pace of growth has varied in those economic regions that are of particular importance for HHLA's business development. The IMF has downgraded its forecasts for Asia slightly and now expects economic growth of 6.4 % for 2014.At the same time, it has reduced its outlook for China's GDP slightly and now forecasts growth of 7.4 %. However, the IMF has increased its expectations for the economies of Central and Eastern Europe by 0.4 percentage points to 2.8 %. The outlook for the Russian economy, however, has been strongly revised. Due to the tense political situation and this country's recently weak economic trend, the IMF has downgraded its forecast by 1.1 percentage points and now expects total economic output to increase by just 0.2 %. For the eurozone, the IMF is upholding its forecast of positive but moderate growth of 1.1 %. In view of the improved export momentum, the IMF has upgraded its outlook for the German economy by 0.2 percentage points and expects a slight increase in GDP of 1.9 % for the current year.

Sector Development

In view of the anticipated economic trend, the market research institute Drewry expects global container throughput to increase by 4.9 % in 2014.

The Chinese ports are even expected to realise volume growth of around 7 %. The outlook for the Northern European ports on the other hand is moderate, with throughput growth of approx. 2 %.

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 outstrip 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. Now that the Chinese Antitrust Authorities have refused to approve the planned merger of the three industry leaders Maersk, MSC and CMA CGM to establish their P3 alliance, Maersk and MSC have announced a dual alliance. Cooperation between other shipping companies will also contribute to a shift in the balance of power on the transport 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. In principle, the growth in volumes and the continuing rise in vessel capacities means growing pressure on the terminals' handling capacities as well as the quality of the seaports' hinterland links. The trend for those routes served by HHLA is likely to vary in line with the economic trend.

The prospects for the Logistics segment are mixed: the positive outlook for the automotive industry in 2014 has so far been confirmed and in view of the economic upturn in 2014, rising demand is also expected for the steel industry. By contrast, 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 over the course of the year.

Group Performance

Expected Earnings Position

On the basis of the trend for the first six months of the current financial year, HHLA still considers a moderate increase in Group revenue to be possible for the year as a whole (restated figure for previous year: approx. € 1,140 million) and expects to realise an operating result (EBIT) in a range of € 138 to € 158 million (restated figure for previous year: approx. € 154 million). EBIT of the Port Logistics subgroup is likely to be in a range of between € 125 million and € 145 million (restated figure for previous year: 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.

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

In the **Container segment**, the first half-year was affected by exceptional effects associated with major shipping delays as well as by higher utilisation of existing liner services in Hamburg. 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, an increase in revenue slightly in excess of the indicated volume growth is considered possible for financial year 2014. Besides developments in Ukraine and Russia, segment earnings will be shaped by the increasing frequency of peak-load handling situations and general cost inflation. Against this background, HHLA aims to achieve a slight year-on-year improvement in earnings in the Container segment.

In the **Intermodal segment**, the transport volume handled in the first six months indicates a significant increase in container transport in 2014. The successful establishment of connections in German-speaking countries and the further expansion of Polzug services remain key factors for this development. Volume growth should contribute to a significant rise 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 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 be in the region of 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.

Forecast 2014

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

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

€3 million) due to a positive one-off gain from the sale of a logistics facility in the previous year.

Financial Position

For the financial year 2014, HHLA still anticipates a volume of capital expenditure of around €160 million at Group level. 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.

The Group's balance sheet total is likely to increase slightly 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 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 company.

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 goals / 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 parameters ► page 50
Principles and goals 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	1–6 | 2014	1–6 | 2013	4–6 | 2014	4–6 | 2013
Revenue	595,733	566,359	302,248	291,462
Changes in inventories	410	1,048	- 143	92
Own work capitalised	3,917	4,285	1,958	2,358
Other operating income	16,799	19,729	8,243	7,690
Cost of materials	- 195,616	- 184,113	- 99,573	- 94,146
Personnel expenses	- 205,100	- 199,719	- 102,048	- 101,163
Other operating expenses	- 75,315	- 69,007	- 39,297	- 35,268
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	140,828	138,583	71,388	71,026
Depreciation and amortisation	- 59,441	- 59,892	- 29,345	- 29,860
Earnings before interest and taxes (EBIT)	81,388	78,692	42,044	41,167
Earnings from associates accounted for using the equity method	2,775	1,527	1,781	598
Interest income	8,924	1,717	4,078	848
Interest expenses	- 29,696	- 17,487	- 12,521	- 8,613
Other financial result	404	404	404	404
Financial result	- 17,593	- 13,839	- 6,258	- 6,763
Earnings before tax (EBT)	63,795	64,853	35,786	34,404
Income tax	- 19,823	- 18,323	- 11,051	- 10,135
Profit after tax	43,972	46,531	24,735	24,269
of which attributable to non-controlling interests	17,937	17,541	9,178	9,666
of which attributable to shareholders of the parent company	26,035	28,990	15,557	14,603
Earnings per share, basic, in €				
Group	0.36	0.40	0.22	0.20
Port Logistics	0.31	0.37	0.19	0.19
Real Estate	1.51	1.22	0.76	0.63
Earnings per share, diluted, in €				
Group	0.36	0.40	0.22	0.20
Port Logistics	0.31	0.37	0.19	0.19
Real Estate	1.51	1.22	0.76	0.63

Statement of Comprehensive Income HHLA Group

in € thousand	1–6 | 2014	1–6 | 2013	4–6 | 2014	4–6 | 2013
Profit after tax	43,972	46,531	24,735	24,269
Components, which can not be transferred to Income Statement				
Actuarial gains/losses	- 21,520	6,441	- 10,215	6,441
Deferred taxes	6,945	- 2,090	3,228	- 2,090
Total	- 14,575	4,351	- 6,987	4,351
Components, which can be transferred to Income Statement				
Cash flow hedges	97	209	40	103
Foreign currency translation differences	- 23,170	639	- 3,772	- 1,263
Deferred taxes	53	5	45	35
Other	28	- 118	30	- 159
Total	- 22,992	735	- 3,657	- 1,284
Income and expense recognised directly in equity	- 37,567	5,086	- 10,643	3,067
Total Comprehensive Income	6,406	51,617	14,093	27,336
of which attributable to non-controlling interests	17,892	17,495	9,152	9,632
of which attributable to shareholders of the parent company	- 11,486	34,122	4,941	17,704

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	1–6 | 2014 Group	1–6 | 2014 Port Logistics	1–6 | 2014 Real Estate	1–6 | 2014 Consolidation
Revenue	595,733	581,667	16,657	- 2,591
Changes in inventories	410	410	0	0
Own work capitalised	3,917	3,915	0	2
Other operating income	16,799	14,723	2,569	- 493
Cost of materials	- 195,616	- 192,535	- 3,081	0
Personnel expenses	- 205,100	- 203,990	- 1,110	0
Other operating expenses	- 75,315	- 72,882	- 5,515	3,082
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	140,828	131,308	9,520	0
Depreciation and amortisation	- 59,441	- 57,388	- 2,210	157
Earnings before interest and taxes (EBIT)	81,388	73,920	7,311	157
Earnings from associates accounted for using the equity method	2,775	2,775	0	0
Interest income	8,924	8,832	161	- 69
Interest expenses	- 29,696	- 27,610	- 2,155	69
Other financial result	404	404	0	0
Financial result	- 17,593	- 15,599	- 1,994	0
Earnings before tax (EBT)	63,795	58,321	5,317	157
Income tax	- 19,823	- 18,444	- 1,341	- 38
Profit after tax	43,972	39,877	3,976	119
of which attributable to non-controlling interests	17,937	17,937	0	
of which attributable to shareholders of the parent company	26,035	21,940	4,095	
Earnings per share, basic, in €	0.36	0.31	1.51	
Earnings per share, diluted, in €	0.36	0.31	1.51	

Statement of Comprehensive Income HHLA Subgroups

in € thousand; subgroup Port Logistics and subgroup Real Estate; annex to the condensed notes	1–6 | 2014 Group	1–6 | 2014 Port Logistics	1–6 | 2014 Real Estate	1–6 | 2014 Consolidation
Profit after tax	43,972	39,877	3,976	119
Components, which can not be transferred to Income Statement				
Actuarial gains/losses	- 21,520	- 21,182	- 338	
Deferred taxes	6,945	6,836	109	
Total	- 14,575	- 14,346	- 229	
Components, which can be transferred to Income Statement				
Cash flow hedges	97	97	0	
Foreign currency translation differences	- 23,170	- 23,170	0	
Deferred taxes	53	53	0	
Other	28	28	0	
Total	- 22,992	- 22,992	0	
Income and expense recognised directly in equity	- 37,567	- 37,338	- 229	0
Total Comprehensive Income	6,406	2,540	3,747	119
of which attributable to non-controlling interests	17,892	17,892	0	
of which attributable to shareholders of the parent company	- 11,486	- 15,352	3,866	

Income Statement HHLA Subgroups

in € thousand; subgroup Port Logistics and subgroup Real Estate; annex to the condensed notes	1–6 | 2013 Group	1–6 | 2013 Port Logistics	1–6 | 2013 Real Estate	1–6 | 2013 Consolidation
Revenue	566,359	552,519	16,416	- 2,576
Changes in inventories	1,048	1,048	0	0
Own work capitalised	4,285	4,227	0	58
Other operating income	19,729	17,432	2,782	- 485
Cost of materials	- 184,113	- 180,684	- 3,429	0
Personnel expenses	- 199,719	- 198,568	- 1,151	0
Other operating expenses	- 69,007	- 66,800	- 5,210	3,003
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	138,583	129,174	9,409	0
Depreciation and amortisation	- 59,892	- 57,850	- 2,195	153
Earnings before interest and taxes (EBIT)	78,692	71,325	7,214	153
Earnings from associates accounted for using the equity method	1,527	1,527	0	0
Interest income	1,717	1,719	66	- 68
Interest expenses	- 17,487	- 15,020	- 2,535	68
Other financial result	404	404	0	0
Financial result	- 13,839	- 11,370	- 2,469	0
Earnings before tax (EBT)	64,853	59,955	4,745	153
Income tax	- 18,323	- 16,715	- 1,570	- 38
Profit after tax	46,531	43,240	3,175	116
of which attributable to non-controlling interests	17,541	17,541	0	
of which attributable to shareholders of the parent company	28,990	25,699	3,291	
Earnings per share, basic, in €	0.40	0.37	1.22	
Earnings per share, diluted, in €	0.40	0.37	1.22	

Statement of Comprehensive Income HHLA Subgroups

in € thousand; subgroup Port Logistics and subgroup Real Estate; annex to the condensed notes	1–6 | 2013 Group	1–6 | 2013 Port Logistics	1–6 | 2013 Real Estate	1–6 | 2013 Consolidation
Profit after tax	46,531	43,240	3,175	116
Components, which can not be transferred to Income Statement				
Actuarial gains/losses	6,441	6,370	71	
Deferred taxes	- 2,090	- 2,067	- 23	
Total	4,351	4,303	48	
Components, which can be transferred to Income Statement				
Cash flow hedges	209	209	0	
Foreign currency translation differences	639	639	0	
Deferred taxes	5	5	0	
Other	- 118	- 118	0	
Total	735	735	0	
Income and expense recognised directly in equity	5,086	5,038	48	0
Total Comprehensive Income	51,617	48,278	3,223	116
of which attributable to non-controlling interests	17,495	17,495	0	
of which attributable to shareholders of the parent company	34,122	30,783	3,339	

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	4–6 | 2014 Group	4–6 | 2014 Port Logistics	4–6 | 2014 Real Estate	4–6 | 2014 Consolidation
Revenue	302,248	295,282	8,250	- 1,284
Changes in inventories	- 143	- 142	- 1	0
Own work capitalised	1,958	1,956	0	2
Other operating income	8,243	7,310	1,169	- 236
Cost of materials	- 99,573	- 98,056	- 1,517	0
Personnel expenses	- 102,048	- 101,496	- 552	0
Other operating expenses	- 39,297	- 38,084	- 2,731	1,518
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	71,388	66,770	4,618	0
Depreciation and amortisation	- 29,345	- 28,328	- 1,096	79
Earnings before interest and taxes (EBIT)	42,044	38,442	3,523	79
Earnings from associates accounted for using the equity method	1,781	1,781	0	0
Interest income	4,078	4,100	12	- 34
Interest expenses	- 12,521	- 11,476	- 1,079	34
Other financial result	404	404	0	0
Financial result	- 6,258	- 5,191	- 1,067	0
Earnings before tax (EBT)	35,786	33,251	2,456	79
Income tax	- 11,051	- 10,582	- 450	- 19
Profit after tax	24,735	22,669	2,006	60
of which attributable to non-controlling interests	9,178	9,178	0	
of which attributable to shareholders of the parent company	15,557	13,491	2,066	
Earnings per share, basic, in €	0.22	0.19	0.76	
Earnings per share, diluted, in €	0.22	0.19	0.76	

Statement of Comprehensive Income HHLA Subgroups

in € thousand; subgroup Port Logistics and subgroup Real Estate; annex to the condensed notes	4–6 | 2014 Group	4–6 | 2014 Port Logistics	4–6 | 2014 Real Estate	4–6 | 2014 Consolidation
Profit after tax	24,735	22,669	2,006	60
Components, which can not be transferred to Income Statement				
Actuarial gains/losses	- 10,215	- 10,058	- 157	
Deferred taxes	3,228	3,178	50	
Total	- 6,987	- 6,880	- 107	
Components, which can be transferred to Income Statement				
Cash flow hedges	40	40	0	
Foreign currency translation differences	- 3,772	- 3,772	0	
Deferred taxes	45	45	0	
Other	30	30	0	
Total	- 3,657	- 3,657	0	
Income and expense recognised directly in equity	- 10,643	- 10,537	- 107	0
Total Comprehensive Income	14,093	12,133	1,900	60
of which attributable to non-controlling interests	9,152	9,152	0	
of which attributable to shareholders of the parent company	4,941	2,981	1,960	

Income Statement HHLA Subgroups

in € thousand; subgroup Port Logistics and subgroup Real Estate; annex to the condensed notes	4–6|2013 Group	4–6|2013 Port Logistics	4–6|2013 Real Estate	4–6|2013 Consolidation
Revenue	291,462	284,456	8,281	- 1,275
Changes in inventories	92	95	- 3	0
Own work capitalised	2,358	2,335	0	23
Other operating income	7,690	6,786	1,173	- 269
Cost of materials	- 94,146	- 92,577	- 1,568	- 1
Personnel expenses	- 101,163	- 100,548	- 615	0
Other operating expenses	- 35,268	- 34,155	- 2,635	1,522
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	71,026	66,392	4,634	0
Depreciation and amortisation	- 29,860	- 28,831	- 1,105	76
Earnings before interest and taxes (EBIT)	41,167	37,562	3,529	76
Earnings from associates accounted for using the equity method	598	598	0	0
Interest income	848	859	15	- 26
Interest expenses	- 8,613	- 7,473	- 1,166	26
Other financial result	404	404	0	0
Financial result	- 6,763	- 5,612	- 1,151	0
Earnings before tax (EBT)	34,404	31,950	2,378	76
Income tax	- 10,135	- 9,376	- 740	- 19
Profit after tax	24,269	22,573	1,638	58
of which attributable to non-controlling interests	9,666	9,666	0	
of which attributable to shareholders of the parent company	14,603	12,907	1,696	
Earnings per share, basic, in €	0.20	0.19	0.63	
Earnings per share, diluted, in €	0.20	0.19	0.63	

Statement of Comprehensive Income HHLA Subgroups

in € thousand; subgroup Port Logistics and subgroup Real Estate; annex to the condensed notes	4–6|2013 Group	4–6|2013 Port Logistics	4–6|2013 Real Estate	4–6|2013 Consolidation
Profit after tax	24,269	22,573	1,638	58
Components, which can not be transferred to Income Statement				
Actuarial gains/losses	6,441	6,370	71	
Deferred taxes	- 2,090	- 2,067	- 23	
Total	4,351	4,303	48	
Components, which can be transferred to Income Statement				
Cash flow hedges	103	103	0	
Foreign currency translation differences	- 1,263	- 1,263	0	
Deferred taxes	35	35	0	
Other	- 159	- 159	0	
Total	- 1,284	- 1,284	0	
Income and expense recognised directly in equity	3,067	3,019	48	0
Total Comprehensive Income	27,336	25,592	1,686	58
of which attributable to non-controlling interests	9,632	9,632	0	
of which attributable to shareholders of the parent company	17,704	15,960	1,744	

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

Balance Sheet HHLA Group

in € thousand

Assets	30.06.2014	31.12.2013
Non-current assets		
Intangible assets	80,685	81,539
Property, plant and equipment	927,197	962,255
Investment property	189,456	184,256
Associates accounted for using the equity method	12,456	9,710
Financial assets	17,172	12,608
Deferred taxes	42,584	34,188
	1,269,550	1,284,557
Current assets		
Inventories	22,870	21,622
Trade receivables	159,387	138,601
Receivables from related parties	40,835	25,023
Other financial receivables	3,072	3,050
Other assets	24,713	23,819
Income tax receivables	2,798	3,944
Cash, cash equivalents and short-term deposits	180,289	215,364
	433,964	431,423
	1,703,514	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	354,132	363,000
Subgroup Port Logistics	330,306	339,888
Subgroup Real Estate	23,826	23,113
Other comprehensive income	- 36,456	1,065
Subgroup Port Logistics	- 37,116	178
Subgroup Real Estate	660	887
Non-controlling interests	39,555	21,700
Subgroup Port Logistics	39,555	21,700
Subgroup Real Estate	0	0
	571,568	600,103
Non-current liabilities		
Pension provisions	388,825	364,414
Other non-current provisions	57,389	52,485
Non-current liabilities to related parties	106,760	106,869
Non-current financial liabilities	267,511	288,086
Deferred taxes	16,259	15,072
	836,744	826,926
Current liabilities		
Other current provisions	10,093	15,141
Trade liabilities	77,280	69,295
Current liabilities to related parties	72,304	74,757
Current financial liabilities	107,700	101,115
Other liabilities	22,243	25,623
Income tax liabilities	5,582	3,020
	295,202	288,951
	1,703,514	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	30.06.2014 Group	30.06.2014 Port Logistics	30.06.2014 Real Estate	30.06.2014 Consolidation
Non-current assets				
Intangible assets	80,685	80,677	8	0
Property, plant and equipment	927,197	906,635	4,751	15,811
Investment property	189,456	47,466	170,799	- 28,809
Associates accounted for using the equity method	12,456	12,456	0	0
Financial assets	17,172	14,575	2,597	0
Deferred taxes	42,584	53,021	0	- 10,437
	1,269,550	1,114,830	178,155	- 23,435
Current assets				
Inventories	22,870	22,787	83	0
Trade receivables	159,387	158,580	807	0
Receivables from related parties	40,835	47,665	632	- 7,462
Other financial receivables	3,072	3,057	15	0
Other assets	24,713	24,283	430	0
Income tax receivables	2,798	2,958	0	- 160
Cash, cash equivalents and short-term deposits	180,289	173,101	7,188	0
	433,964	432,431	9,155	- 7,622
	1,703,514	1,547,261	187,310	- 31,057
Equity and liabilities				
Equity				
Subscribed capital	72,753	70,048	2,705	0
Capital reserve	141,584	141,078	506	0
Retained earnings	354,132	330,306	33,599	- 9,773
Other comprehensive income	- 36,456	- 37,116	660	0
Non-controlling interests	39,555	39,555	0	0
	571,568	543,871	37,470	- 9,773
Non-current liabilities				
Pension provisions	388,825	382,706	6,119	0
Other non-current provisions	57,389	55,786	1,603	0
Non-current liabilities to related parties	106,760	106,760	0	0
Non-current financial liabilities	267,511	222,463	45,048	0
Deferred taxes	16,259	18,892	11,029	- 13,662
	836,744	786,607	63,799	- 13,662
Current liabilities				
Other current provisions	10,093	9,200	893	0
Trade liabilities	77,280	72,184	5,096	0
Current liabilities to related parties	72,304	5,988	73,778	- 7,462
Current financial liabilities	107,700	102,108	5,592	0
Other liabilities	22,243	21,933	310	0
Income tax liabilities	5,582	5,370	372	- 160
	295,202	216,783	86,041	- 7,622
	1,703,514	1,547,261	187,310	- 31,057

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	1–6 | 2014	1–6 | 2013
1. Cash flow from operating activities		
Earnings before interest and taxes (EBIT)	81,388	78,692
Depreciation, amortisation, impairment and reversals on non-financial non-current assets	59,441	59,892
Decrease in provisions	- 4,751	- 16,250
Result arising from the disposal of non-current assets	337	- 5,382
Increase in inventories, trade receivables and other assets not attributable to investing or financing activities	- 18,879	- 26,975
Increase in trade payables and other liabilities not attributable to investing or financing activities	20,171	18,877
Interest received	1,438	1,774
Interest paid	- 9,464	- 7,877
Income tax paid	- 16,116	- 17,515
Exchange rate and other effects	- 4,154	324
Cash flow from operating activities	109,411	85,560
2. Cash flow from investing activities		
Proceeds from disposal of intangible assets and property, plant and equipment	1,220	976
Proceeds from disposal of non-current assets held for sale	0	17,672
Payments for investments in property, plant and equipment and investment property	- 52,637	- 52,556
Payments for investments in intangible assets	- 4,824	- 6,282
Payments for investments in non-current financial assets	0	- 1,529
Proceeds from disposal of interests in consolidated companies and other business units (including funds sold)	0	98
Payments for acquiring interests in consolidiated companies and other business units (including funds purchased)	- 36	0
Proceeds from short-term deposits	10,000	20,000
Cash flow from investing activities	- 46,277	- 21,621
3. Cash flow from financing activities		
Dividends paid to shareholders of the parent company	- 34,903	- 48,777
Dividends/settlement obligation paid to non-controlling interests	- 30,645	- 28,189
Redemption of lease liabilities	- 3,619	- 2,756
Proceeds from the issuance of (financial) loans	21,387	36,639
Payments for the redemption of (financial) loans	- 14,471	- 21,504
Cash flow from financing activities	- 62,251	- 64,587
4. Financial funds at the end of the period		
Change in financial funds (subtotals 1.–3.)	883	- 648
Change in financial funds due to exchange rates	- 3,214	- 87
Financial funds at the beginning of the period	151,069	188,656
Financial funds at the end of the period	148,738	187,921

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	1–6 | 2014 Group	1–6 | 2014 Port Logistics	1–6 | 2014 Real Estate	1–6 | 2014 Consolidation
1. Cash flow from operating activities				
Earnings before interest and taxes (EBIT)	81,388	73,920	7,311	157
Depreciation, amortisation, impairment and reversals on non-financial non-current assets	59,441	57,389	2,209	- 157
Decrease in provisions	- 4,751	- 4,592	- 159	
Result arising from the disposal of non-current assets	337	341	- 4	
Change in inventories, trade receivables and other assets not attributable to investing or financing activities	- 18,879	- 19,533	826	- 172
Increase in trade payables and other liabilities not attributable to investing or financing activities	20,171	17,210	2,789	172
Interest received	1,438	1,346	161	- 69
Interest paid	- 9,464	- 7,500	- 2,033	69
Income tax paid	- 16,116	- 14,328	- 1,788	
Exchange rate and other effects	- 4,154	- 4,154	0	
Cash flow from operating activities	109,411	100,099	9,312	0
2. Cash flow from investing activities				
Proceeds from disposal of intangible assets and property, plant and equipment	1,220	997	223	
Proceeds from disposal of non-current assets held for sale	0	0	0	
Payments for investments in property, plant and equipment and investment property	- 52,637	- 42,794	- 9,843	
Payments for investments in intangible assets	- 4,824	- 4,824	0	
Payments for investments in non-current financial assets	0	0	0	
Proceeds from disposal of interests in consolidated companies and other business units (including funds sold)	0	51	0	- 51
Payments for acquiring interests in consolidiated companies and other business units (including funds purchased)	- 36	- 36	- 51	51
Proceeds from short-term deposits	10,000	10,000	0	
Cash flow from investing activities	- 46,277	- 36,606	- 9,671	0
3. Cash flow from financing activities				
Dividends paid to shareholders of the parent company	- 34,903	- 31,522	- 3,381	
Dividends/settlement obligation paid to non-controlling interests	- 30,645	- 30,645	0	
Redemption of lease liabilities	- 3,619	- 3,619	0	
Proceeds from the issuance of (financial) loans	21,387	21,387	0	
Payments for the redemption of (financial) loans	- 14,471	- 12,418	- 2,053	
Cash flow from financing activities	- 62,251	- 56,817	- 5,434	0
4. Financial funds at the end of the period				
Change in financial funds (subtotals 1. – 3.)	883	6,676	- 5,793	0
Change in financial funds due to exchange rates	- 3,214	- 3,214	0	
Financial funds at the beginning of the period	151,069	139,788	11,281	
Financial funds at the end of the period	148,738	143,250	5,488	0

Cash Flow Statement HHLA Subgroups

in € thousand; subgroup Port Logistics and subgroup Real Estate; annex to the condensed notes	1–6|2013 Group	1–6|2013 Port Logistics	1–6|2013 Real Estate	1–6|2013 Consolidation
1. Cash flow from operating activities				
Earnings before interest and taxes (EBIT)	78,692	71,325	7,214	153
Depreciation, amortisation, impairment and reversals on non-financial non-current assets	59,892	57,850	2,195	- 153
Decrease in provisions	- 16,250	- 12,842	- 3,408	
Result arising from the disposal of non-current assets	- 5,382	- 5,187	- 195	
Increase in inventories, trade receivables and other assets not attributable to investing or financing activities	- 26,975	- 26,567	- 827	419
Increase in trade payables and other liabilities not attributable to investing or financing activities	18,877	19,191	105	- 419
Interest received	1,774	1,776	66	- 68
Interest paid	- 7,877	- 5,468	- 2,477	68
Income tax paid	- 17,515	- 16,897	- 618	
Exchange rate and other effects	324	324	0	
Cash flow from operating activities	85,560	83,505	2,055	0
2. Cash flow from investing activities				
Proceeds from disposal of intangible assets and property, plant and equipment	976	587	389	
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	- 52,556	- 48,096	- 4,460	
Payments for investments in intangible assets	- 6,282	- 6,270	- 12	
Payments for investments in non-current financial assets	- 1,529	- 1,529	0	
Proceeds from disposal of interests in consolidated companies and other business units (including funds sold)	98	98	0	
Payments for acquiring interests in consolidiated companies and other business units (including funds purchased)	0	0	0	
Proceeds from short-term deposits	20,000	20,000	0	
Cash flow from investing activities	- 21,621	- 17,538	- 4,083	0
3. Cash flow from financing activities				
Dividends paid to shareholders of the parent company	- 48,777	- 45,532	- 3,245	
Dividends/settlement obligation paid to non-controlling interests	- 28,189	- 28,189	0	
Redemption of lease liabilities	- 2,756	- 2,756	0	
Proceeds from the issuance of (financial) loans	36,639	14,238	22,401	
Payments for the redemption of (financial) loans	- 21,504	- 20,033	- 1,471	
Cash flow from financing activities	- 64,587	- 82,272	17,685	0
4. Financial funds at the end of the period				
Change in financial funds (subtotals 1.–3.)	- 648	- 16,305	15,657	0
Change in financial funds due to exchange rates	- 87	- 87	0	
Financial funds at the beginning of the period	188,656	188,698	- 42	
Financial funds at the end of the period	187,921	172,306	15,615	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
1–6 | 2014	Container	Intermodal	Logistics
Segment revenue			
Segment revenue from non-affiliated third parties	373,235	169,231	28,889
Inter-segment revenue	1,048	830	3,059
Total segment revenue	374,283	170,061	31,948
Earnings			
EBITDA	122,452	23,346	- 424
EBITDA margin	32.7 %	13.7 %	- 1.3 %
EBIT	79,085	13,147	- 984
EBIT margin	21.1 %	7.7 %	- 3.1 %
Segment assets	**893,400**	**297,352**	**19,235**
Other segment information			
Investments			
Property, plant and equipment and investment property	26,471	14,718	134
Intangible assets	4,305	278	41
Depreciation of property, plant and equipment and investment property	38,725	10,034	530
of which impairment			
Amortisation of intangible assets	4,642	165	29
Earnings from associates accounted for using the equity method	403		2,372
Non-cash items	10,335	1,136	930
Container throughput in thousand TEU	3,783		
Container transport in thousand TEU		633	
1–6 | 2013			
Segment revenue			
Segment revenue from non-affiliated third parties	359,638	150,766	31,140
Inter-segment revenue	1,076	783	3,732
Total segment revenue	360,714	151,549	34,872
Earnings			
EBITDA	113,012	22,298	2,432
EBITDA margin	31.3 %	14.7 %	7.0 %
EBIT	68,786	12,567	1,901
EBIT margin	19.1 %	8.3 %	5.5 %
Segment assets	**941,309**	**294,625**	**20,304**
Other segment information			
Investments			
Property, plant and equipment and investment property	32,861	8,660	400
Intangible assets	4,253	146	1
Depreciation of property, plant and equipment and investment property	39,918	9,548	507
Amortisation of intangible assets	4,308	183	25
Earnings from associates accounted for using the equity method	237		1,290
Non-cash items	7,763	451	486
Container throughput in thousand TEU	3,757		
Container transport in thousand TEU		581	

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			
9,042	15,336	595,733	0	595,733
53,492	1,321	59,750	- 59,750	0
62,534	16,657	655,483		
- 14,066	9,520	140,828	0	140,828
- 22.5 %	57.2 %			
- 17,529	7,311	81,031	357	81,388
- 28.0 %	43.9 %			
82,940	180,071	1,472,998	230,516	1,703,514
896	9,844	52,064	0	52,064
124	0	4,748	76	4,824
3,019	2,208	54,517	- 213	54,305
279		279		279
444	1	5,281	- 144	5,136
		2,775	0	2,775
12,853	139	25,393	4	25,398
9,701	15,114	566,359	0	566,359
57,819	1,301	64,712	- 64,712	0
67,521	16,416	631,071		
- 8,568	9,409	138,583	0	138,583
- 12.7 %	57.3 %			
- 12,210	7,214	78,257	434	78,692
- 18.1 %	43.9 %			
110,136	168,548	1,534,921	206,078	1,740,999
2,491	4,461	48,872	0	48,872
1,872	11	6,283	0	6,283
3,188	2,194	55,354	- 208	55,146
455	2	4,972	- 226	4,746
		1,527	0	1,527
8,520	538	17,758	- 1	17,757

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
Dividends					- 48,777	
Total comprehensive income					28,990	666
Other changes					1,795	
Balance as of 30.06.2013	70,048	2,705	141,078	506	339,493	- 14,301
Balance as of 31.12.2013	70,048	2,705	141,078	506	363,000	- 18,828
Dividends					- 34,903	
First consolidation of interests in related parties						
Total comprehensive income					26,034	- 23,168
Balance as of 30.06.2014	70,048	2,705	141,078	506	354,132	- 41,996

Other comprehensive income				Parent company interests	Non-controlling interests	Total consolidated equity
Cash flow hedges	Actuarial gains/losses	Deferred taxes on changes recognised directly in equity	Other			
- 818	- 3,868	1,475	11,552	565,196	- 1,402	563,794
				- 48,777	- 279	- 49,056
209	6,451	- 2,090	- 103	34,122	17,495	51,617
			- 1	1,794	9	1,803
- 609	2,583	- 615	11,448	552,335	15,824	568,159
- 500	12,783	- 3,967	11,576	578,402	21,700	600,103
				- 34,903	0	- 34,903
				0	- 38	- 38
97	- 21,447	6,978	19	- 11,486	17,892	6,406
- 403	- 8,664	3,011	11,595	532,013	39,555	571,568

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
Dividends			- 45,532	
Total comprehensive income subgroup			25,698	666
Other changes			1,781	
Balance as of 30.06.2013	70,048	141,078	319,094	- 14,301
Balance as of 31.12.2013	70,048	141,078	339,888	- 18,828
Dividends			- 31,522	
First consolidation of interests in related parties				
Total comprehensive income subgroup			21,939	- 23,168
Balance as of 30.06.2014	70,048	141,078	330,305	- 41,996

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

in € thousand; annex to the condensed notes

Balance as of 31.12.2012
Dividends
Total comprehensive income subgroup
Other changes
Balance as of 30.06.2013
Plus income statement consolidation effect
Less balance sheet consolidation effect
Total effects of consolidation
Balance as of 30.06.2013
Balance as of 31.12.2013
Dividends
Total comprehensive income subgroup
Balance as of 30.06.2014
Plus income statement consolidation effect
Less balance sheet consolidation effect
Total effects of consolidation
Balance as of 30.06.2014

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 subgroup consolidated equity
- 818	- 4,543	1,693	11,552	541,190	- 1,402	539,788
				- 45,532	- 279	- 45,811
209	6,380	- 2,067	- 103	30,783	17,495	48,278
			- 1	1,780	9	1,789
- 609	1,837	- 374	11,448	528,221	15,824	544,045
- 500	11,471	- 3,542	11,576	551,191	21,700	572,891
				- 31,522	0	- 31,522
				0	- 38	- 38
97	- 21,109	6,869	19	- 15,352	17,892	2,540
- 403	- 9,638	3,327	11,595	504,316	39,555	543,871

			Other comprehensive income		
Subscribed capital	Capital reserve	Retained consolidated earnings	Actuarial gains/losses	Deferred taxes on changes recognised directly in equity	Total subgroup consolidated equity
2,705	506	30,463	675	- 217	34,131
		- 3,245			- 3,245
		3,175	71	- 23	3,223
		14			14
2,705	506	30,406	746	- 240	34,123
		116			116
		- 10,124			- 10,124
		- 10,008			- 10,008
2,705	506	20,398	746	- 240	24,115
2,705	506	33,004	1,312	- 424	37,103
		- 3,381			- 3,381
		3,976	- 338	109	3,747
2,705	506	33,599	974	- 314	37,470
		119			119
		- 9,892			- 9,892
		- 9,773			- 9,773
2,705	506	23,826	974	- 314	27,697

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 half of 2014. Ukraine's future political make-up remains highly uncertain. In addition to this, the Ukrainian currency – the hryvnia – depreciated by over 31 % against the euro between 31 December 2013 and the end of June 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 € 23.2 million, while the financial result was € 5.5 million lower.

3. Consolidation, Accounting and Valuation Principles

3.1 Basis for Preparation of the Financial Statements

The Condensed Interim Consolidated Financial Statements for the period from 1 January to 30 June 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 have been reviewed by the auditors and 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. As of 1 January 2014, HHLA has used the equity method for joint ventures previously considered pro rata. 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's Consolidated Financial Statements:

Impact on the Income Statement

in € thousand	1–6 | 2013
Decrease in revenue	- 8,813
Decrease in earnings before interest, taxes, depreciation and amortisation (EBITDA)	- 3,308
Decrease in earnings before interest and taxes (EBIT)	- 2,289
Decrease in earnings before taxes (EBT)	- 84
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	1–6 | 2013
Decrease in cash flow from operating activities	- 1,710
Increase in cash flow from investing activities	1,832
Change in cash flow from financing activities	1
Decrease in financial funds	- 93

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

METRANS Rail (Deutschland) GmbH, Germany, which has had its headquarters in Leipzig since 14 April 2014, 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 half of 2014.

5. Earnings per Share

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

	1–6 | 2014	1–6 | 2013
Net profit attributable to shareholders of the parent company in € thousand	26,035	28,990
Number of shares in circulation	72,753,334	72,753,334
Basic earnings per share in €	0.36	0.40

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

	1–6 | 2014	1–6 | 2013
Net profit attributable to shareholders of the parent company in € thousand	21,940	25,699
Number of shares in circulation	70,048,834	70,048,834
Basic earnings per share in €	0.31	0.37

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

	1–6 | 2014	1–6 | 2013
Net profit attributable to shareholders of the parent company in € thousand	4,095	3,291
Number of shares in circulation	2,704,500	2,704,500
Basic earnings per share in €	1.51	1.22

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 Paid

At the Annual General Meeting held on 19 June 2014, shareholders approved the proposal by the Executive Board and Supervisory Board 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. The dividend of € 34,903 thousand was paid accordingly on 20 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 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	1–6|2014	1–6|2013
Total segment earnings (EBIT)	81,031	78,257
Elimination of business relations between the segments and subgroups	357	434
Group (EBIT)	81,388	78,692
Earnings from associates accounted for using the equity method	2,775	1,527
Net interest income	- 20,772	- 15,770
Other financial result	404	404
Earnings before tax (EBT)	63,795	64,853

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 30 June 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 30 June 2014 was based on an interest rate of 3.00 % (31 December 2013: 3.50 %; 30 June 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	- 21,520	0
Change during the financial year due to changes in other parameters	0	6,442
Cumulative actuarial gains (+)/losses (-) as of 30.06	- 8,783	2,476

A 0.25 % decrease in the interest rate would increase the present value of the pension obligation by around € 11.3 million and thus lead to further actuarial losses.

10. Investments

As of 30 June 2014, total capital expenditure throughout the HHLA Group amounted to € 56.9 million.

The largest investments up to the end of the first half 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 30 June 2014, the Container segment accounted for the bulk of investment commitments at €41.2 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. This does not include any information on the fair value of financial assets and financial liabilities which have not been measured at fair value, where the carrying amount serves as a reasonable approximation of the fair value.

Financial Assets as of 30.06.2014

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)		3,901	3,901	3,901			3,901
	0	3,901	3,901				
Financial assets not measured at fair value							
Financial assets	8,775	4,496	13,271				
Trade receivables	159,387		159,387				
Receivables from related parties	40,835		40,835				
Other financial receivables	3,072		3,072				
Cash, cash equivalents and short-term deposits	180,289		180,289				
	392,358	4,496	396,854				

Financial Liabilities as of 30.06.2014

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)	302	487		789		789		789
	302	487	0	789				
Financial liabilities not measured at fair value								
Financial liabilities (amounts due to banks)			295,469	295,469		300,843		300,843
Financial liabilities (finance lease liabilities)			8,354	8,354		4,361		4,361
Financial liabilities (other)			70,599	70,599				
Trade liabilities			77,280	77,280				
Liabilities to related parties (finance lease liabilities)			106,975	106,975		106,975		106,975
Liabilities to related parties (other)			72,090	72,090				
	0	0	630,767	630,767				

Financial Assets as of 30.06.2013

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)		3,741	3,741	3,741			3,741
	0	3,741	3,741				
Financial assets not measured at fair value							
Financial assets	4,068	4,224	8,292				
Trade receivables	141,078		141,078				
Receivables from related parties	42,776		42,776				
Other financial receivables	2,934		2,934				
Cash, cash equivalents and short-term deposits	195,821		195,821				
	386,677	4,224	390,901				

Financial Liabilities as of 30.06.2013

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)	702	561		1,264		1,264		1,264
	702	561	0	1,264				
Financial liabilities not measured at fair value								
Financial liabilities (amounts due to banks)			335,001	335,001		336,338		336,338
Financial liabilities (finance lease liabilities)			13,354	13,354		6,971		6,971
Financial liabilities (other)			87,354	87,354				
Trade liabilities			68,643	68,643				
Liabilities to related parties (finance lease liabilities)			114,163	114,163		114,163		114,163
Liabilities to related parties (other)			73,950	73,950				
	0	0	692,465	692,465				

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

Write-backs on securities totalling € 14 thousand (previous year: € 13 thousand) were recognised in the reporting year.

In the first half of 2014, gains of € 119 thousand (previous year: € 363 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 € 97 thousand (previous year: € 209 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 € 14,089 thousand (previous year: € 18,360 thousand). Of these, financial instruments covering an amount of € 7,682 thousand (previous year: € 8,760 thousand) with a market value of € - 487 thousand (previous year: € - 694 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.

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 4.71 % 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

From 15–23 July 2014, over a period of five days, the 7th division of Germany's Federal Administrative Court heard submissions from environmental associations opposing plan approval for the dredging of the River Elbe. These proceedings were concluded on 23 July. The court is due to deliver its decision on 2 October 2014 on the basis of the arguments put forward during these proceedings. On a positive note, the court is in no doubt regarding the need to deepen the navigation channel. The court must now determine by 2 October whether all of the environmental concerns have been considered objectively and in compliance with applicable legislation. Only then will it be possible to issue a valid statement regarding the outcome of the proceedings.

There were no other notable events after the balance sheet date 30 June 2014.

Hamburg, 14 August 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 August 2014

Hamburger Hafen und Logistik Aktiengesellschaft

The Executive Board

Klaus-Dieter Peters   Dr. Stefan Behn

Heinz Brandt   Dr. Roland Lappin

Review Report

To Hamburger Hafen und Logistik Aktiengesellschaft, Hamburg

We have reviewed the condensed interim consolidated financial statements, comprising the statement of financial position, the income statement, the statement of other comprehensive income, the statement of cash flows, the statement of changes in equity and selected explanatory notes – and the interim group management report of Hamburger Hafen und Logistik Aktiengesellschaft, Hamburg, for the period from 1 January to 30 June 2014, which are part of the six-monthly financial report pursuant to Sec. 37w WpHG ["Wertpapierhandelsgesetz": German Securities Trading Act]. The preparation of the condensed interim consolidated financial statements in accordance with IFRSs [International Financial Reporting Standards] on interim financial reporting as adopted by the EU and of the group management report in accordance with the provisions of the WpHG applicable to interim group management reports. Our responsibility is to issue a report on the condensed interim consolidated financial statements and the interim group management report based on our review.

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

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

Hamburg, 14 August 2014

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Grummer	Brorhilker
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

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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.

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