The HHLA Share

Key Figures HHLA Share

in €, Class A Shares, Xetra	2015	2014
Closing price	14.06	17.25
Performance in %	- 18.5	- 3.0
Highest price	21.37	20.30
Lowest price	12.79	16.22
Average daily trading volume	68,040	59,191
Dividend per Class A share[1]	0.59	0.52
Dividend yield as of 31.12. in %	4.2	3.0
Number of listed Class A shares in thousand	70,048.8	70,048.8
Market capitalisation as of 31.12. in € million	984.9	1,208.3
Price-earnings-ratio as of 31.12.	16.7	20.3
Earnings per share	0.84	0.75

1 *Dividend proposal for 2015*

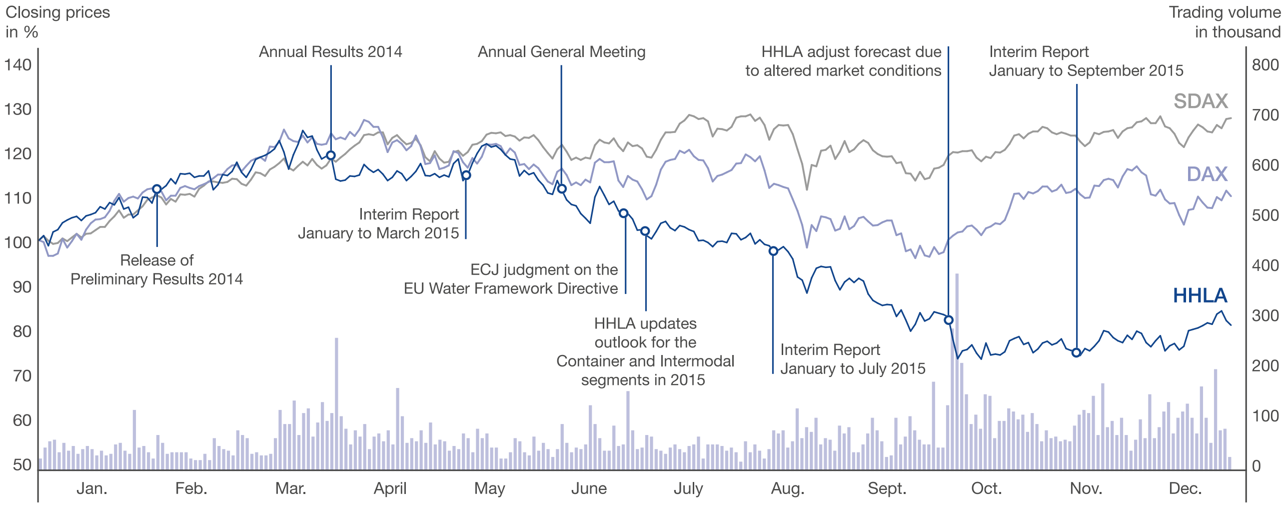
Stock Markets Up in 2015 Despite High Volatility

Despite periods of volatility, the German stock market recorded a clearly positive trend over the course of 2015 and closed with a gain for the fourth year in a row. The upward trend at the beginning of the year was tempered by the ongoing decline in oil prices and uncertainty surrounding future developments in Greece and Ukraine. However, the bond-buying programme (quantitative easing) announced by the European Central Bank (ECB) helped boost the benchmark indices from mid-January. Buoyed by this positive market environment, the DAX recorded strong growth over the first quarter and reached a new all-time-high of 12,375 points on 10 April. Renewed fear of a possible Greek exit from the eurozone depressed the stock markets from mid-April. The capital markets were further unsettled by weak data from the USA and speculation surrounding an impending interest rate turnaround by the Federal Reserve. The ECB's announcement that it would ramp up its bond-buying programme in summer, coupled with the weak euro, brought some relief. The positive start to the second half of the year was cut short by weak economic data from China at the end of July. In mid-August, the Chinese central bank responded to weak export data with an unexpected devaluation of its yuan currency. This triggered major share slides at stock markets around the world. After an initial recovery of the DAX in September, the scandal surrounding Volkswagen's manipulated emissions data led to further markdowns. The DAX recorded a year-low of 9,428 points on 24 September. Aided by a continuation of the highly expansive central bank monetary policy, the DAX recovered in October and once again passed the 11,000-point mark at the end of November. The rebound continued until mid-December, when the trend was broken by a further slump in oil prices. The DAX closed at 10,743 points, up 9.6 % year-on-year. The SDAX significantly outperformed Germany's benchmark index with growth of 26.6 %, closing at 9,099 points on 30 December 2015.

HHLA Share Price Hit by Chinese Slowdown

The HHLA share began the year with encouraging gains. The positive price trend was bolstered by the publication of the preliminary figures for the 2014 financial year, which were slightly above market expectations. In an optimistic market environment, the share exceeded the € 20 mark and rose to its year-high of € 21.37 on 20 March. The outlook for the 2015 financial year published as part of the annual figures for 2014 only partially met market expectations, causing the share to fall below € 19 at the beginning of April. The HHLA share developed largely in line with the markets until the publication of the quarterly results in mid-May. Market participants were positively surprised by the results for the first quarter: although container throughput was down, the operating result (EBIT) was considerably higher than expected, which prompted the share to settle above the € 20 mark. At the end of May, the HHLA

Share Price Development 2015



Source: Datastream

share was no longer able to escape the gloomy market mood and dropped below € 20 in line with the market. The EU's decision to extend sanctions against Russia due to the ongoing conflict with Ukraine was viewed critically by the market and led to significant markdowns in mid-July. At the beginning of the third quarter, the European Court of Justice ruling on the interpretation of the Water Framework Directive in connection with the dredging of the river Elbe once again attracted investor interest. In a declining market environment, however, the news was unable to boost the share's performance. HHLA revised its forecast at segment level for the 2015 financial year on 6 July. As the adjustment did not affect guidance at Group level, it had no impact on the share price which trended sideways between € 17 and € 18 until publication of the half-year figures on 14 August. While the Group result for the first half of the year was encouraging, volumes, revenue and EBIT were well below expectations in some cases and were met with a cautious response on the capital markets. HHLA's share price came under pressure in the second half of August following the devaluation of the Chinese currency. HHLA revised its forecast for the Group in early October as a result of changed market conditions. This led to higher trading volumes and a significant decline in the share price. The share recorded a new all-time-low of € 12.79 on 14 October. Although the share price stabilised at between € 13 and € 14 in November, it came under pressure from continued weak market data, such as disappointing export figures from China. The HHLA share only managed to rise above the € 14 mark again towards the end of December and closed the year at € 14.06, down 18.5 % on the previous year. At the end of the year, the market capitalisation of the listed Port Logistics subgroup amounted to € 984.9 million. HHLA succeeded in raising earnings per share – a figure of great interest to investors and analysts – by 12.8 % to € 0.84 in the 2015 financial year.

Shareholder Base Still Widely Spread

HHLA's shareholder base remained largely stable in 2015. In terms of the listed Class A shares, the Free and Hanseatic City of Hamburg remained the company's largest shareholder with an unchanged stake of 68.4 %. The free float amounted to 31.6 %. According to the voting rights notifications submitted to HHLA as of the end of 2015, the US investor First Eagle Investment Management LLC owned 5.2 % of free floating shares, pushing it above the statutory reporting thresholds. The daily traded shares attributable to retail investors increased by 0.6 percentage points: as of year-end, 8.8 % of share capital was held by private investors (previous year: 8.2 %). By contrast, institutional investors continued to hold the majority of free floating shares, with 22.8 % of all shares (previous year: 23.4 %). Overall, HHLA's share capital remained widely distributed among some 30,000 registered shareholders. In regional terms, the largest free float shareholders were based primarily in Germany, the USA, the UK and other countries, especially in continental Europe.

Basic Data HHLA Class A-Share

Type of shares	No-par-value registered shares
ISIN / SIC	DE000A0S8488 / A0S848
Symbol	HHFA
Stock exchanges	Frankfurt am Main, Hamburg
Segment	Prime Standard
Sector	Transport & Logistics
Index affiliation	SDAX
Ticker symbol Bloomberg / Reuters	HHFA:GR / HHFGn.de

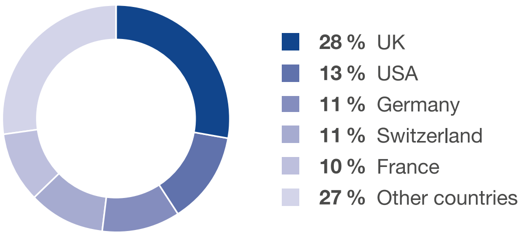
Dialogue with Capital Market Intensified

Rapid reaction times, an ability to provide comprehensive information and an open dialogue with financial analysts and investors were key to HHLA's investor relations activities in 2015, given the volatile market environment. In order to serve the needs of both institutional and private investors, HHLA attended a number of investor conferences in the key financial cities of Frankfurt, London, Paris and New York as well as private investor events in Germany. These initiatives were supplemented by roadshows in further financial centres in Continental Europe. Investors were also invited to a large number of meetings at the company's headquarters in Hamburg. The information on offer and discussion opportunities generated much interest. Furthermore, the Executive Board provided details on business developments during quarterly conference calls.

With its proactive approach to communications, the Investor Relations department maintains a close dialogue with shareholders and potential investors. In addition to informing interested members of the public, the team also responds to issues of particular relevance to investors. In the 2015 financial year, the company's shareholders were particularly interested in how the declining and slowing markets in Russia and China were expected to affect business developments at HHLA, as well as the situation in Ukraine. The formation of new consortia and alliances as well as cost-cutting potential were also discussed at length. The current status of the dredging of the river Elbe remained a major focus of discussions.

Coverage of IR Activities

in 2015 by region



HHLA's communications activities were once again commended by the capital market. HHLA's annual report was awarded first place in the category for SDAX companies by business journal "Bilanz". Financial reporting was further expanded in the financial year under review: in addition to its existing online services such as the IR website and Twitter updates, HHLA has offered its financial reports in full HTML versions since November 2015. The switch from print to online enables all stakeholders to navigate information interactively, search for content in a targeted manner and compile this information as desired.

Majority of Analysts See Potential

At the end of year, 21 analysts covered HHLA's business development and issued research reports and recommendations. This means that the HHLA share has extremely broad coverage for an SDAX company. The vast majority of analysts recommend the HHLA share as a buy or a hold, citing the Intermodal business in particular as well as the growth potential of dredging the navigation channel as value drivers. Analysts with a sell recommendation mainly emphasise the increasingly intense competition among North Range ports, limited cost flexibility and the risks associated with the continued delay in the dredging of the river Elbe.

HHLA places great value on broad and well-informed coverage of its share by financial analysts as this enhances investors' understanding of the company's business model and ensures a comprehensive range of sentiments. HHLA therefore remains in close contact with all financial analysts and constantly strives to expand the number of independent studies conducted.

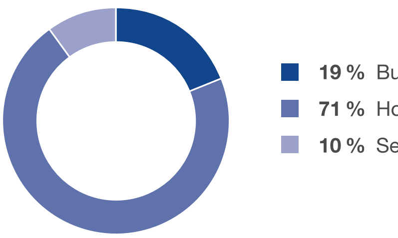
Higher Dividend Proposal

The eighth Annual General Meeting since HHLA's initial public offering in 2007 was held in Hamburg on 11 June 2015. Around 900 shareholders or 83 % of the nominal capital were represented (previous year: 82 %). The resolutions proposed by the Supervisory Board and the Executive Board were all adopted by the shareholders present with large majorities. These included a motion to distribute a dividend of € 0.52 per entitled share of the listed Port Logistics subgroup (Class A share). HHLA distributed dividends totalling € 36.4 million (previous year: € 31.5 million) This corresponded to a payout ratio of 69.7 % of the Port Logistics subgroup's net profit after minority interests for the year. The dividends were paid out to the shareholders on 12 June. Based on its closing price of € 18.76 on 12 June, the HHLA share achieved a dividend yield of 2.8 %, putting it in the top third of the SDAX in a direct comparison.

On the basis of the earnings achieved in 2015, the Executive Board and Supervisory Board will propose a dividend of € 0.59 per Class A share at the Annual General Meeting to be held on 16 June 2016. This corresponds to a total amount of € 41.3 million. In relation to earnings per share, the dividend payout ratio would remain comparatively high. HHLA would therefore continue to pursue its dividend policy of distributing between 50 and 70 % of the Port Logistics subgroup's relevant net profit for the year to its shareholders.

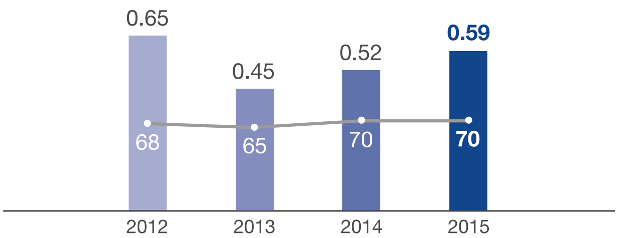
Recommendation by Financial Analysts

as of 31.12.2015



Development of Dividend and Payout Ratio

per listed Class A share in € / payout ratio in %



2015: Dividend Proposal