

€2.6 million). Improved results for vehicle logistics and consultancy were opposed by losses in the newly consolidated airborne logistics services division.

The performance of those companies included in **at-equity earnings** showed significant revenue growth during the reporting period. Total at-equity earnings rose by 13.2 % to € 4.4 million (previous year: € 3.9 million) for 2018 as a whole.

Real estate segment

Key figures

in € million	2018	2017	Change
Revenue	39.3	37.9	3.6 %
EBITDA	20.7	21.3	- 2.9 %
EBITDA margin in %	52.7	56.2	- 3.5 pp
EBIT	15.5	16.3	- 5.1 %
EBIT margin in %	39.4	43.0	- 3.6 pp

In 2018, Hamburg's office rental market was unable to match the high revenue level of the previous year. According to Grossmann & Berger's latest market report, 590,000 m² of office space was let in the reporting period, corresponding to a year-on-year decrease of 8 % (previous year: 640,000 m²). One major reason for the decrease in revenue was the supply shortage.

At the end of the year, the vacancy rate for offices in Hamburg remained unchanged from the preceding quarter at 3.5 % but was 0.8 percentage points down on the previous year (4.3 %) as a result of high demand and a decline in available space. Despite the increase in the number of new-builds completed, no increase in the vacancy rate is expected in the medium term.

HHLA's properties in Hamburg's Speicherstadt historical warehouse district and the fish market area achieved a further moderate increase in revenue of 3.6 % to € 39.3 million in 2018 (previous year: € 37.9 million) – despite almost full occupancy as in the previous year.

Due to scheduled large-scale maintenance work that does not qualify for capitalisation, the **operating result (EBIT)** declined year-on-year by a moderate 5.1 % to € 15.5 million (previous year: € 16.3 million).

The long-term and value-oriented development of the real estate portfolio is a major pillar for the financial success of the segment. In order to ensure this remains so, HHLA will continue to invest in its property portfolio.

Events after the balance sheet date

There were no significant events after the balance sheet date of 31 December 2018. [Notes to the consolidated financial statements, no. 52 Events after the balance sheet date](#)

Business forecast

Macroeconomic environment

The economic outlook for 2019 is currently dominated by a high level of uncertainty. Specific risks to the global economy are posed by the further intensification of trade conflicts, the tightening of global financial conditions, concerns about Italy's debt crisis, the delay to reforms in France and, finally, a possible no-deal Brexit. In view of the tense global economic environment, the International Monetary Fund (IMF) downgraded its outlook for 2019 slightly in January compared to October 2018.

Growth expectations for GDP

Growth expectation in %	2019	Trend vs. 2018
World	3.5	↘
Advanced economies	2.0	↘
USA	2.5	↗
Emerging economies	4.5	→
China	6.2	↘
Russia	1.6	→
Eurozone	1.6	↘
Central and Eastern Europe (emerging european economies)	0.7	↘
Germany	1.3	↘
World trade	4.0	→

Source: International Monetary Fund (IMF), January 2019

Global economic output is likely to be slightly lower in 2019 than in the previous year. The outlook for 2019 in the economic regions of particular significance to HHLA is also slightly gloomier, with the IMF anticipating slower economic growth of 6.2 % for China. However, the People's Republic would thus remain the most important driver of global economic growth. Weaker forecasts for the crude oil market, structural bottlenecks and the hampering of trade by sanctions are likely to prevent any strong recovery of the Russian economy. By contrast, the economic outlook for the Commonwealth of Independent States (excluding Russia) has improved slightly: the IMF expects to see a steady expansion of total economic output of 3.7 %. According to the most recent estimates of October 2018, Estonian GDP is expected to achieve robust – albeit slightly slower – growth of 3.2 %. As a result of the tense political situation, a slowdown is also anticipated for the eurozone economy compared to 2018. Against the backdrop of the Turkish recession, the IMF has strongly downgraded its economic forecasts for Central and Eastern Europe by 1.3 percentage points and now expects much slower growth of 0.7 % for the economies of this region in 2019. The IMF also expects the pace of economic growth in Germany to slow slightly. Nevertheless, the IMF anticipates a steady increase of 4.0 % in global trade volumes for 2019.