funds are mainly invested at German financial institutions with verified high credit ratings as demand deposits, call money and short-term deposits. Current credit lines play a subordinate role due to HHLA having sufficient liquid funds. As of the balance sheet date, the Group had unused credit facilities amounting to € 3.1 million (previous year: € 2.7 million). The credit line utilisation rate was 69.4 % in the period under review (previous year: 72.9 %). In HHLA's view, the Group's solid balance sheet structure would enable more substantial credit facilities to be arranged at any time if its medium-term liquidity planning were to reveal a need. Of the total cash and cash equivalents as of the balance sheet date, an amount of € 9.1 million (previous year: € 14.5 million) was subject to restrictions in Ukraine relating to the transfer of currency abroad.

As HHLA has a large number of borrowing options at its disposal outside of the capital market, the Group currently sees no need for an external rating. Instead, it provides existing and potential creditors with comprehensive information to ensure that they can derive appropriate internal credit ratings. Furthermore, Deutsche Bundesbank once again confirmed the Group's eligibility for central bank finance.

Public subsidies awarded for individual development projects that are subject to specific conditions are of minor importance in terms of their volume at Group level.

Acquisitions and disposals of companies

With the participation and shareholder agreement of 20 December 2018, HHLA acquired 25.1 % of the shares in Spherie UG (haftungsbeschränkt), Hamburg, as of the transfer date on 1 January 2019. The object of the company is the development, production and distribution of aerial systems exclusively for the capture of 360° sensor data, as well as services connected with the aerial systems to capture 360° sensor data. The company was included in HHLA's consolidated financial statements in the first quarter of 2019 using the equity method and is assigned to the Logistics segment.

On 22 March 2019, HHLA signed a share purchase agreement to acquire 50.1 % of the shares in Bionic Production AG, a non-listed company based in Lüneburg, Germany. The company is active in the construction, design and manufacturing of components using laser additive 3-D printing technologies. The closing of the transaction (corresponding to the acquisition date) was tied to various closing conditions and took place on 31 July 2019. The first-time consolidation of the company took place on the acquisition date. The company was therefore fully consolidated for the first time on 30 September 2019. Effective 29 August 2019, the company changed its legal status to that of a private limited company ("Gesellschaft mit beschränkter Haftung") and is now registered as Bionic Production GmbH.

On 18 November 2019, HHLA and Hyperloop Transportation Technologies, Inc., Culver City, USA, founded the Hamburg-based company Hyperport Cargo Solutions GmbH i. G. Each company holds 50.0 % of the shares. The company's objective is to develop, manufacture, implement, market, sell and distribute hyperloop technology and related technologies for transporting sea freight containers in the field of seaport and hinterland container transport. The joint venture was included in HHLA's consolidated financial statements at year-end using the equity method and is assigned to the Logistics segment.

There were no further acquisitions or disposals of shares in subsidiaries during the reporting year. Notes to the consolidated financial statements, no. 3 Composition of the Group

Changes in the group of consolidated companies

The company TIP Žilina, s.r.o., Dunajska Streda, Slovakia, was included in the HHLA group of consolidated companies for the first time in the first quarter of 2019. This company was founded in 2017 and began operating in the second quarter of 2019.

There were no other changes to the group of consolidated companies. Notes to the consolidated financial statements, no. 3 Composition of the Group

Segment performance

Container segment

Key figures

in € million	2019	2018	Change
Revenue	799.7	758.9	5.4 %
EBITDA	240.2	209.8	14.5 %
EBITDA margin in %	30.0	27.6	2.4 pp
EBIT	141.3	131.6	7.4 %
EBIT margin in %	17.7	17.3	0.4 pp
Container throughput in thousand TEU	7,577	7,336	3.3 %

During the 2019 reporting year, the **throughput volume** at HHLA's container terminals increased moderately by 3.3 % to 7,577 thousand standard containers (TEU) (previous year: 7,336 thousand TEU).

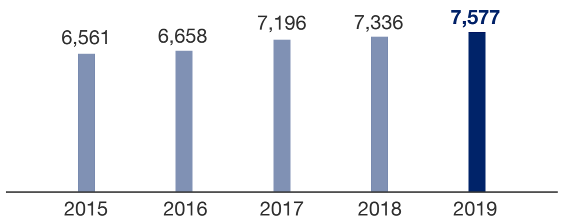
The three **Hamburg container terminals** achieved a slight increase in throughput volume of 1.2 % to 6,964 thousand TEU (previous year: 6,885 thousand TEU). The changes in service structure (addition of several services to North America, disposal of a Far East service) largely offset each other. Due to the realignment, overseas traffic volumes exceeded the prior-year figure by 3.2 %. Feeder traffic with the Baltic region decreased markedly and could not be offset by growth in the

North-West European shipping regions. The proportion of seaborne handling by feeders decreased correspondingly to 22.5 % (previous year: 24.0 %).

Throughput at the **international container terminals** in Tallinn, Estonia, and Odessa, Ukraine, during the reporting period amounted to 613 thousand TEU (previous year: 451 thousand TEU). It should be noted that the figures for the previous year are only partly comparable, as the container terminal in Tallinn was only integrated into the HHLA consolidated group at the end of the second quarter of 2018.

Container throughput

in thousand TEU



Revenue increased by 5.4 % year-on-year to € 799.7 million (previous year: € 758.9 million). This was due in part to the acquisition of the terminal in Tallinn. In the reporting period, average revenue per container handled at the quayside moderately increased year-on-year by 3.7 % as a result of increased performance in the hinterland.

EBIT costs for the segment increased moderately by 5.0 % during the reporting period. This was partly due to a rise in personnel costs. In addition to higher staffing requirements at the Container Terminal Tollerort (CTT) as a result of the launch of new terminal software and additional hinterland volumes, the conversion of the company pension scheme was a key cost driver. A further reason for the increase was the allocation of internal costs for administration services. EBIT costs were also influenced by the costs of HHLA TK Estonia, consolidated at the end of the second quarter of 2018 and thus not included in the prior-year figures for the full year.

The **operating result (EBIT)** rose significantly by 7.4 % to € 141.3 million in the reporting period (previous year: € 131.6 million). Of this increase, approximately € 11.0 million is attributable to the application of IFRS 16. The EBIT margin rose by 0.4 percentage points to 17.7 % (previous year: 17.3 %).

During the reporting year, HHLA further improved the sustainability of its services by investing in climate-friendly handling equipment. For example, energy-saving hybrid straddle carriers were tested at the Container Terminal Tollerort (CTT) and the Container Terminal Burchardkai (CTB). Diesel-powered automated guided vehicles (AGVs) at the Container Terminal Altenwerder (CTA) were replaced by battery-powered AGVs, which are practically emission-free. Operations at CTA are now also primarily powered by green electricity. Moreover, the company made major investments in the expansion of its facilities. Three large container gantry cranes were delivered to CTB at the end of 2019. Two more have been ordered and are due to arrive in the second quarter of 2020. The block storage system was also expanded with the addition of three further automated blocks. The international terminals in Tallinn and Odessa also acquired new handling equipment and drove the consistent expansion of their yard capacities.

Intermodal segment

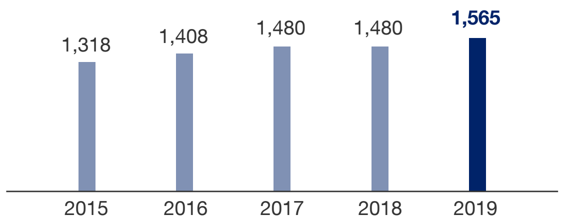
Key figures

in € million	2019	2018	Change
Revenue	486.9	433.8	12.3 %
EBITDA	139.0	112.7	23.3 %
EBITDA margin in %	28.6	26.0	2.6 pp
EBIT	99.2	89.1	11.3 %
EBIT margin in %	20.4	20.5	- 0.1 pp
Container transport in thousand TEU	1,565	1,480	5.7 %

HHLA's transport companies achieved significant growth in the highly competitive market for container traffic in the hinterland of major seaports. **Transport volumes** rose by 5.7 % to 1,565 thousand standard containers (TEU), compared to 1,480 thousand TEU in the previous year. This trend was driven by growth in both rail and road transport. Rail transportation rose year-on-year by 5.6 % to 1,234 thousand TEU (previous year: 1,168 thousand TEU). In particular, there was above-average growth in connections between the north German seaports and the Central and Eastern European hinterland. Traffic to and from Poland also increased significantly following the successful consolidation in the previous year. Despite the challenging market environment, road transport also made very good progress with year-on-year growth of 6.1 % to 331 thousand TEU (previous year: 312 thousand TEU) due to strong growth in delivery volumes.

Container transport

in thousand TEU



With growth of 12.3 % to € 486.9 million (previous year: € 433.8 million), **revenue** performed much better than transport volumes. While the rail share of HHLA's total intermodal transportation was largely unchanged at 78.8 % (previous year: 78.9 %), this strong revenue growth was mainly due to price adjustments combined with a changing freight volume structure.

The **operating result (EBIT)** increased year-on-year to € 99.2 million (previous year: € 89.1 million). This marked increase is primarily due to the positive trend in volume and revenue. Additionally, lower route prices in Germany made it possible to further increase the capacity utilisation of train systems. The application of IFRS 16 did not have a major influence on the positive EBIT trend. At 20.4 %, the EBIT margin was on a par with the previous year (20.5 %).

HHLA continues to invest as needed in the expansion of its intermodal network. The decrease in route prices for German rail freight applied in the middle of the previous year is bolstering the development of the intermodal service portfolio. HHLA's rail subsidiary METRANS put five of its own shunters and three new multi-system locomotives into operation during 2019. It now has more than 100 shunters and locomotives as well as a fleet of over 2,800 container wagons. The network consists of 15 terminals in the hinterland, of which five function as large hub terminals.

Logistics segment

Key figures

in € million	2019	2018	Change
Revenue	59.0	59.8	- 1.4 %
EBITDA	8.5	10.0	- 15.5 %
EBITDA margin in %	14.3	16.7	- 2.4 pp
EBIT	2.5	5.6	- 55.1 %
EBIT margin in %	4.3	9.4	- 5.1 pp
At-equity earnings	3.9	4.4	- 12.1 %

The key financial figures for the Logistics segment include the vehicle logistics, consultancy and airborne logistics services divisions. Since the third quarter of 2019, the new division of additive manufacturing technologies and related logistics services has also been included. The results from dry bulk and fruit logistics are included in at-equity earnings.

The fully consolidated companies reported **revenue** of € 59.0 million, down 1.4 % on the prior-year figure (previous year: € 59.8 million). The decrease is largely due to a significant decline in vehicle logistics, which benefited from temporary additional business in the fourth quarter of 2018. By contrast, revenue from consultancy showed strong growth due to a positive order situation.

At € 2.5 million, the **operating result (EBIT)** fell 55.1 % short of the previous year's figure (previous year: € 5.6 million). In addition to decreased earnings from vehicle logistics as compared with an unusually strong previous year, earnings were affected by future investments in new growth areas. The application of IFRS 16 had no significant effect on the development of the operating result.

Revenues of those companies included in **at-equity earnings** decreased significantly in the reporting period. Total at-equity earnings for 2019 as a whole were 12.1 % below the very good prior-year figure at € 3.9 million (previous year: € 4.4 million). In addition to a decrease in fruit logistics, there was also a significant burden on earnings from bulk materials handling resulting from the initial application of IFRS 16.

Real Estate segment

Key figures

in € million	2019	2018	Change
Revenue	40.2	39.3	2.5 %
EBITDA	23.9	20.7	15.5 %
EBITDA margin in %	59.4	52.7	6.7 pp
EBIT	16.5	15.5	6.5 %
EBIT margin in %	40.9	39.4	1.5 pp

In 2019, Hamburg's office rental market was unable to match the revenue level of the previous year due to a weak fourth quarter. According to Grossmann & Berger's latest market report, 545,000 m² of office space was let in the reporting period, corresponding to a decrease of 7.6 % on the prior-year figure of 590,000 m². One major reason for the decrease in revenue was the ongoing lack of space available. Correspondingly, the vacancy rate on the Hamburg office market was 2.9 % at year-end, 0.6 percentage points down on the previous year (previous year: 3.5 %) and unchanged from the preceding quarter. The low vacancy rate is expected to continue in 2020.

HHLA's properties in Hamburg's Speicherstadt historical warehouse district and the fish market area, however, achieved a further slight increase in **revenue** of 2.5 % to € 40.2 million in 2019 (previous year: € 39.3 million) despite almost full occupancy.

In addition to increased revenue from properties in both districts, the significant rise in the **operating result (EBIT)**, which went up by 6.5 % from € 15.5 million in the previous year to € 16.5 million.

In order to secure the segment's economic success, HHLA will continue to invest in its property portfolio as part of its value-oriented development of the districts.