Interim Management Report

Economic Environment

Macroeconomic Development

After a weak winter half-year, the **global economy** gathered slight momentum in the spring. Although the economic recovery in the first quarter was slightly slower than in late 2015 with growth of 0.6 %, favourable economic data (e.g. slightly higher prices for certain commodities) signalled an upturn in the global economy for the second quarter. **Global trade** slowed considerably at the beginning of the year on the back of weak global economic growth.

The recovery in the **advanced economies** continued at a moderate pace, albeit with varying trends in individual countries. The US economy, for example, grew more slowly than expected in the first quarter. However, positive retail indicators heralded stronger GDP growth in the second quarter. First-quarter economic growth in the **emerging markets** was still at a low level and fragile, but exceeded expectations in some countries. The signs for the second quarter also pointed to an easing of the downwards trend.

Although the **Chinese economy** is still transitioning into a more service-driven economy with stronger domestic demand, it achieved growth of 6.7 % in both the first and second quarter of 2016. Improved consumer and business confidence, as well as the higher oil price, helped to stabilise the situation in **Russia** (Q4 2015: - 3.8 %; Q1 2016: - 1.2 %). The **Ukrainian economy** also appears to be slowly finding its way out of the crisis: according to government statistics, it grew by 0.1 % in the first quarter of 2016 compared with the previous year. The upswing in the **eurozone** continued in the first half of 2016. Despite increased uncertainty in the run-up to the UK referendum on whether to leave the EU ("Brexit"), the economy expanded by 1.6 % in the second quarter of 2016. Outside the eurozone, Central and Eastern European countries in particular recorded sound economic growth, although some saw growth rates slow. Irrespective of the fragile international environment, the **German economy** remains in good shape and is on a stable growth trajectory. The economic barometer issued by the German Institute for Economic Research (DIW) indicates quarter-on-quarter GDP growth of 0.3 % for the second quarter of 2016. In the first five months of the year, exports rose by 1.5 % year on year and imports by 0.2 %.

Sector Development

After a difficult year in 2015, **global container traffic** made an extremely weak start to 2016. Container throughput at global ports grew by 0.5 % year on year in the first quarter – significantly below the already modest 1.4 % forecast made by market research institute Drewry at the beginning of the year. Given the current figures, experts estimate an increase in traffic of 2.3 % in the second quarter.

Following flat throughput in the first quarter, the **Chinese ports** gathered momentum in the second quarter with total growth of 3.2 %. The trend at **Southeast Asian ports**, however, was much more modest. The container port of Singapore in particular suffered a decline of around 5 % in the first half of 2016. The expected upturn for the **north-western European ports** failed to materialise in the first three months (Q1 2016: - 0.2 %). Nevertheless, Drewry forecasts an increase of 2.0 % for the second quarter. Following a period of recovery in the first quarter, container throughput in **Scandinavia and the Baltic Sea** fell again in the second quarter (Q1 2016: 0.3 %; Q2 2016: - 1.8 %). Container throughput at **Russia's Baltic Sea ports** began to recover slightly. After a collapse in volumes in the previous year, container volumes here rose by 2.8 % year on year in the first five months of 2016.

Developments at the large container ports of the North Range and the port of Gdansk were again mixed. **Rotterdam** posted a 2.3 % decline in containers handled to 6.1 million TEU. **Antwerp** reported approximately 5.0 million TEU in the first half of 2016 (+ 4.4 %). The **Bremen ports** recorded 2.8 million TEU in the first six months of 2016, up 3.9 % on the previous year. Growth at the **JadeWeserPort** was driven by increased integration into the route network of the 2M alliance, which helped double throughput to 131 thousand TEU in the first quarter of 2016. In the first six months of the year, the Polish Baltic Sea port of **Gdansk** was able to compensate for the reduction in cargo caused by the Russian crisis in 2015. Container throughput increased by 27.3 % compared with the prior-year period and even exceeded the record half-yearly figure from 2014 by 3.8 %.

Against the backdrop of a challenging market environment, the end of 2015 saw a new wave of **consolidation among container shipping companies**, which has continued in 2016. All existing container shipping alliances are in a state of upheaval following the merger of the two Chinese state-owned shipping companies Cosco and CSCL, as well as the acquisition of NOL by CMA CGM. Hapag-Lloyd and UASC also recently announced their plans to merge.

Rail freight traffic in **Germany** recorded robust growth in the year to date. Compared with the previous year, transport volumes rose by 1.9 % in the period from January to April.

At the same time, traffic performance – transport volume multiplied by the distance travelled – increased by 4.6 %. At a **European level**, rail freight traffic decreased in the first quarter of 2016. While transport volumes declined by a total of 3.6 % across Europe as a whole, **Central and Eastern Europe** recorded a much stronger decrease of 5.3 %. However, trends in the individual markets were very mixed. Transport volumes in **Poland** and **Hungary** fell by 2.4 % and 1.4 %, respectively, compared with the first quarter of 2015, while rail cargo in the

Czech Republic rose by 1.4 %. The decrease in traffic performance across Europe was less pronounced than the decline in transport volumes. The situation in Central and Eastern Europe was similar.

Course of Business and Economic Situation

Key Figures

in € million	1–6 | 2016	1–6 | 2015	Change
Revenue	573.5	585.1	- 2.0 %
EBITDA	125.8	142.9	- 12.0 %
EBITDA margin in %	21.9	24.4	- 2.5 pp
EBIT	66.9	82.6	- 19.1 %
EBIT margin in %	11.7	14.1	- 2.4 pp
Profit after tax and minority interests	25.8	37.5	- 31.1 %
ROCE in %	10.1	12.8	- 2.7 pp

Notes on the Reporting

The Group's financial position and performance in the reporting period was negatively impacted by one-off expenses incurred in connection with the planned restructuring of the Logistics segment. A reduction in the interest rate used to calculate pension obligations led to a significant increase in pension provisions and a corresponding decline in equity. In addition, HHLA continues to be affected by exchange rate-related changes.

There were no further effects that had a material impact on the HHLA Group's revenue or earnings.

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

The economic development of HHLA in the first half of 2016 was in line with expectations. HHLA saw a decline in **container throughput** of 5.7 % to 3,209 thousand TEU in the first half of the year (previous year: 3,404 thousand TEU). This was due to a further drop in traffic to and from Asia and feeder volumes for the Baltic Sea ports.

Transport volumes increased significantly by 6.2 % to 694 thousand TEU (previous year: 654 thousand TEU). Routes to the north German seaports and the Adriatic ports recorded particularly strong growth.

Revenue for the HHLA Group amounted to € 573.5 million in the reporting period and was thus down 2.0 % on the prior-year figure (€ 585.1 million). The volume-related decrease in revenue in the Container segment, as well as lower revenue in the Logistics segment, was only partially offset by revenue growth in the Intermodal segment.

In its Container, Intermodal and Logistics segments, the listed Port Logistics subgroup generated revenue of € 557.8 million in the reporting period (previous year: € 569.8 million). This decrease almost matched the trend for the Group as a whole. The non-listed Real Estate subgroup increased revenue by 3.8 % to € 18.7 million (previous year: € 18.0 million) and contributed 2.7 % to Group revenue.

As in the previous year, **changes in inventories** of € 0.9 million did not have any noticeable influence on consolidated profit (previous year: € - 0.7 million). **Own work capitalised** amounted to € 3.5 million (previous year: € 5.2 million).

The decrease in **other operating income** to € 16.1 million (previous year: € 18.6 million) was mainly due to a provision for legal risks, which was partially reversed through profit or loss in the previous year.

Despite the divergent development of individual items, **operating expenses** as a whole increased slightly by 0.3 % to € 527.1 million. Without one-off expenses in the Logistics segment, operating expenses would have fallen by 2.5 %.

The **cost of materials** declined by 8.0 % in the reporting period to € 168.6 million (previous year: € 183.2 million). In absolute terms, the decrease was largely due to lower revenue in the Container and Logistics segments. By contrast, the decline in the cost of materials ratio to 29.4 % (previous year: 31.3 %) was primarily attributable to cost structure changes from the expansion of the company's own traction in the Intermodal segment.

Personnel expenses increased significantly year on year by 6.6 % to € 224.0 million (previous year: € 210.2 million). The increase mainly relates to one-off expenses for project and contract logistics. Adjusted for this item, personnel expenses were virtually unchanged compared to the previous year. The personnel expense ratio rose to 39.1 % (previous year: 35.9 %) This rise was mainly the result of one-off expenses.

Other operating expenses rose by 5.1 % in the reporting period to € 75.6 million (previous year: € 71.9 million). The increase was again attributable to greater use of the company's own traction fleet for intermodal services. At 13.2 %, the ratio of expenses to revenue was up on the previous year (12.3 %).

The strong decline in the **operating result before depreciation and amortisation (EBITDA)** of 12.0 % to € 125.8 million (previous year: € 142.9 million), largely due to one-off expenses for project and contract logistics. The EBITDA margin declined to 21.9 % in the reporting period (previous year: 24.4 %). Without the one-off expenses of € 14.9 million, the EBITDA margin would be on a par with the previous year at 24.5 %.

Depreciation and amortisation was down slightly by 2.2 % to € 58.9 million (previous year: € 60.3 million). Its ratio to revenue was unchanged at 10.3 %.

At Group level, the **operating result (EBIT)** declined by 19.1 % to € 66.9 million (previous year: € 82.6 million). The EBIT margin decreased to 11.7 % (previous year: 14.1 %). Without the one-off expenses, the EBIT margin would have increased slightly to 14.3 %. The Port Logistics and Real Estate subgroups contributed 87.9 % and 12.1 % to EBIT, respectively.

Net expenses from the **financial result** fell by € 5.3 million to € 10.4 million (previous year: € 15.7 million), mainly due to an improved interest result. The financial result includes negative exchange rate effects of € 1.2 million (previous year: € 5.3 million) due mainly to the devaluation of the Ukrainian currency.

At 27.9 %, the Group's **effective tax rate** was higher than in the previous year (25.1 %). This is primarily due to a one-off tax expense for prior years in the Port Logistics subgroup.

Profit after tax decreased by 18.8 %, from € 50.2 million to € 40.8 million. There was a disproportionately strong year-on-year decline in profit after tax and minority interests of 31.1 % to € 25.8 million (€ 37.5 million) due to one-off expenses in the Logistics segment, which were charged to subsidiaries fully owned by HHLA. At € 0.35, earnings per share were also down 31.1 % on the prior-year figure of € 0.52. The listed Port Logistics subgroup reported a 36.0 % decrease in earnings per share to € 0.30 (previous year: € 0.47). Earnings per share of the non-listed Real Estate subgroup improved by 7.2 % to € 1.68 (previous year: €1.56). The return on capital employed (ROCE) declined by 2.7 percentage points to 10.1 % (previous year: 12.8 %). Without the one-off expenses, ROCE would have been 0.5 percentage points lower than in the previous year at 12.3 %.

Financial Position

Balance Sheet Analysis

Compared with year-end 2015, the HHLA Group's **balance sheet total** increased slightly as of the reporting date to € 1,761.6 million.

Balance Sheet Structure

in € million	30.06.2016	31.12.2015
Assets		
Non-current assets	1,349.7	1,305.8
Current assets	411.9	444.6
	1,761.6	1,750.4
Equity and liabilities		
Equity	510.0	580.6
Non-current liabilities	1,056.0	979.2
Current liabilities	195.6	190.6
	1,761.6	1,750.4

At € 1,349.7 million, **non-current assets** were up € 43.9 million on the prior-year figure (31 December 2015: € 1,305.8 million). This was largely attributable to the higher balance sheet entry for deferred tax assets due to interest rate-related changes in pension provisions and investments in property, plant and equipment during the reporting period. Depreciation of property, plant and equipment and investment properties in particular had an opposing effect.

At € 411.9 million as of 30 June 2016, **current assets** were € 32.7 million below the corresponding figure on 31 December 2015 (€ 444.6 million). This decrease was mainly due to a € 97.3 million reduction in cash and cash equivalents. By contrast, receivables from related parties rose by € 44.5 million in connection with cash clearing, while trade receivables increased by € 21.5 million.

Equity declined by € 70.6 million to € 510.0 million as of the reporting date (31 December 2015: € 580.6 million). The decrease was primarily due to the € 49.8 million change in actuarial gains and losses, netted with deferred taxes, and the dividend distribution of € 46.8 million. Equity was also reduced by the purchase of further shares in METRANS a.s. The result for the period under review of € 40.8 million had an opposing effect. The equity ratio decreased to 29.0 % (31 December 2015: 33.2 %).

The € 76.8 million increase in **non-current liabilities** to € 1,056.0 million compared to the year-end figure (31 December 2015: € 979.2 million) is attributable to the € 75.5 million rise in pension provisions, mainly as a result of changes to actuarial parameters, and to an increase in other non-current provisions. The € 12.6 million decrease in non-current financial liabilities had an offsetting effect.

Current liabilities rose by € 5.0 million to € 195.6 million (31 December 2015: € 190.6 million), as a result of the € 10.6 million increase in trade liabilities and the € 10.1 million rise in other current provisions. The figure was reduced by the decline in current financial liabilities of € 14.7 million.

Investment Analysis

Capital expenditure in the reporting period amounted to € 67.2 million, up on the prior-year figure of € 64.0 million. Property, plant and equipment and investment property accounted for € 59.2 million (previous year: € 60.0 million) of capital expenditure, while intangible assets accounted for € 8.0 million (previous year: € 4.0 million). The majority of investments were for expansion work.

A large proportion of the capital expenditure in the first half of 2016 was for the expansion of the block storage facility at the HHLA Container Terminal Burchardkai and the construction of the hinterland terminal in Budapest. Capital expenditure continues to focus on increasing productivity in the existing terminal areas and expanding the high-performance hinterland connections in line with market demands.

Liquidity Analysis

The cash inflow from **operating activities** (operating cash flow) rose by € 14.7 million to € 112.5 million as of 30 June 2016 (previous year: € 97.8 million). This was mainly due to a net reduction in income tax payments.

Liquidity Analysis

in € million	1–6 | 2016	1–6 | 2015
Financial funds as of 01.01.	165.4	185.6
Cash flow from operating activities	112.5	97.8
Cash flow from investing activities	- 45.6	- 17.4
Free cash flow	66.9	80.4
Cash flow from financing activities	- 101.2	- 79.8
Change in financial funds	- 34.2	0.6
Change in financial funds due to exchange rates	- 0.4	- 1.7
Change in financial funds due to consolidation	4.5	0
Financial funds as of 30.06.	135.4	184.5

Investing activities led to cash outflows of € 45.6 million (previous year: € 17.4 million). The € 28.2 million increase was due to a smaller change in short-term deposits. Reduced outflows for investments in property, plant and equipment had an opposing effect.

Free cash flow, which is the total cash flow from operating and investing activities – amounted to € 66.9 million at the end of the reporting period (previous year: € 80.4 million), down € 13.5 million year on year.

The cash outflow from **financing activities** amounted to € 101.2 million as of 30 June 2016 (previous year: € 79.8 million), an increase of € 21.4 million. In addition to the acquisition of non-controlling interests, the net result of a decline in new borrowing and lower principal repayments on loans led to an increase in net cash outflow from financing activities.

As of the reporting date, the changes described above resulted in **financial funds** of € 135.4 million (30 June 2015: € 184.5 million), which were thus down on the beginning of the year (31 December 2015: € 165.4 million). Including short-term deposits, the Group’s available liquidity as of 30 June 2016 totalled € 192.0 million (30 June 2015: € 224.5 million).

Segment Performance

Container Segment

Key Figures

in € million	1–6 | 2016	1–6 | 2015	Change
Revenue	336.6	351.9	- 4.4 %
EBITDA	95.4	100.3	- 4.9 %
EBITDA margin in %	28.4	28.5	- 0.1 pp
EBIT	54.2	57.5	- 5.9 %
EBIT margin in %	16.1	16.3	- 0.2 pp
Container throughput in thousand TEU	3,209	3,404	- 5.7 %

In the first half of 2016, HHLA's container terminals handled a total of 3,209 thousand standard containers (TEU), 5.7 % fewer than in the prior-year period (previous year: 3,404 thousand TEU). The 6.2 % decrease in **container throughput** at the Hamburg terminals to 3,077 thousand TEU (previous year: 3,279 thousand TEU) was mainly attributable to the ongoing weakness of Asian routes (Far East–Northern Europe). Overall, these were down 9.0 % on the prior-year period. Feeder traffic with the Baltic Sea ports in particular also declined in the reporting period, falling by 8.5 % due to an increase in shipping companies calling directly at ports in the Baltic region. By contrast, feeder traffic to and from Russia saw a slight increase in overall volumes in the first half of 2016, following a significant drop in volumes in the previous year. Container throughput at the Container Terminal Odessa continued to make good progress, rising by 5.9 % from 125 thousand TEU in the previous year to 132 thousand TEU.

Revenue declined in line with volumes, falling by 4.4 % to € 336.6 million (previous year: € 351.9 million). However, the decrease was less pronounced than in the first half of 2015. Average revenue per container handled at the quayside increased, mainly as a result of individual rate adjustments and a slight decrease in the feeder ratio to 22.9 % (previous year: 23.4 %) in Hamburg.

The segment's EBIT costs could not be reduced in proportion to lower seaborne throughput. They declined by just 4.1 % due to the high proportion of fixed costs associated with container throughput. While the cost of materials decreased disproportionately, there was a slight increase in personnel expenses per unit despite the significant reduction in the number of external staff. Due to the current utilisation of facilities and in particular the peak loads associated with mega-ships, personnel expenses could only be adjusted to falling volumes to a limited extent. The **operating result (EBIT)** declined by 5.9 % to € 54.2 million as a consequence of the volume trend (previous year: € 57.5 million), while EBIT per container handled remained constant at € 16.9. The EBIT margin was also virtually unchanged at 16.1 % (previous year: 16.3 %).

Intermodal Segment

Key Figures

in € million	1–6 | 2016	1–6 | 2015	Change
Revenue	190.8	180.8	5.5 %
EBITDA	45.3	38.2	18.6 %
EBITDA margin in %	23.8	21.1	2.7 pp
EBIT	33.7	26.8	25.5 %
EBIT margin in %	17.6	14.8	2.8 pp
Container transport in thousand TEU	694	654	6.2 %

In the first half of 2016, HHLA's transport companies again generated significant growth in the highly competitive market for container traffic in the hinterland of major seaports. **Transport volumes** rose by 6.2 % to 694 thousand standard containers (TEU) compared with 654 thousand TEU in the previous year. The trend was driven by growth in rail transportation, which again increased significantly year on year by 8.6 % to 537 thousand TEU (previous year: 494 thousand TEU). In particular, the connections from and to the north German seaports and between the Adriatic ports and Central and Eastern Europe achieved above-average growth. The decline in road transport volumes during the first quarter was recently recovered almost in full to reach 157 thousand TEU for the first six months of 2016 – just short of the prior-year figure (previous year: 160 thousand TEU).

Revenue growth of 5.5 % to € 190.8 million (previous year: € 180.8 million), slightly weaker than that of transport volumes. This was mainly due to changes to the route mix, which resulted in lower average transportation distances.

The **operating result (EBIT)** rose year on year to € 33.7 million (previous year: € 26.8 million) and significantly outperformed volume and revenue growth. The expansion of the company's own traction fleet since the beginning of 2015 with the acquisition of additional locomotives had a positive effect on productivity rates and led to improved cost structures. Due to the transition period in the first few months of the previous year, this had not yet taken full effect. Better utilisation of trains and an improved mix of import and export volumes compared to last year also had a positive effect on segment earnings. The performance of individual companies within the segment varied greatly in some cases. Activities in Poland in particular continue to face a very challenging competitive environment.

Logistics Segment

Key Figures

in € million	1–6 | 2016	1–6 | 2015	Change
Revenue	27.4	33.1	- 17.4 %
EBITDA	- 14.7	- 0.4	neg.
EBITDA margin in %	- 53.6	- 1.3	- 52.3 pp
EBIT	- 16.7	- 1.1	neg.
EBIT margin in %	- 60.9	- 3.2	- 57.7 pp
At-equity earnings	2.2	2.2	- 1.3 %

The key financial figures for the Logistics segment include the vehicle logistics, project and contract logistics, consultancy activities and cruise logistics business divisions. The results from dry bulk and fruit logistics are included in at-equity earnings.

The fully consolidated companies of the Logistics segment suffered a decline in **revenue** during the first half of 2016. At € 27.4 million, segment revenue was down 17.4 % on the prior-year figure (€ 33.1 million) due among other things to the successive scaling back of project and contract logistics activities, this was also due to lower revenue from consulting activities for project-related reasons. The **operating result (EBIT)** in the second quarter was heavily impacted by one-off expenses of € 14.9 million in connection with the planned restructuring of project and contract logistics, which were thus in line with the amount announced in the 2015 Annual Report. As a result, the Logistics segment reported an operating loss of € 16.7 million in the first half of the year (previous year: operating loss of € 1.1 million). Adjusted for the one-off expenses, EBIT for the Logistics segment was still down on the previous year at € - 1.8 million. This was also attributable to delays in the awarding of consulting contracts.

The performance of those companies included in **at-equity earnings** varied in the first half of 2016. At € 2.2 million, on a par with the previous year.

Real Estate Segment

Key Figures

in € million	1–6 | 2016	1–6 | 2015	Change
Revenue	18.7	18.0	3.8 %
EBITDA	10.5	10.8	- 3.1 %
EBITDA margin in %	56.0	60.0	- 4.0 pp
EBIT	7.9	8.3	- 4.8 %
EBIT margin in %	42.4	46.2	- 3.8 pp

Hamburg’s office rental market stabilised in the second quarter of 2016 but once again fell short of the previous year. According to the market overview by Jones Lang LaSalle, 240,000 m^2 of space was let – some 6 % below the prior-year figure. One of the main reasons for this strong decline was the high proportion of owner-occupied properties in the previous year. According to the current forecast, this negative trend is expected to continue for the rest of the year.

By contrast, Hamburg’s vacancy rate at the end of the first six months of 5.9 % was still below the prior-year figure of 6.7 %. The trend forecast of Jones Lang LaSalle expects this development to remain stable over the next few months.

HHLA’s properties in the Speicherstadt historical warehouse district and the fish market area maintained their growth trajectory in the second quarter. With virtually full occupancy in both quarters, **revenue** rose by a further 3.8 % year on year to € 18.7 million in the first six months (previous year: € 18.0 million).

The **operating result (EBIT)** fell by 4.8 % to € 7.9 million (previous year: € 8.3 million). This was primarily due to higher maintenance expenses for the necessary refurbishment of rental space in the Speicherstadt historical warehouse district. Assuming the occupancy rate remains high, EBIT for the year as a whole is still expected to be on a par with the previous year.

Employees

Employees

by segment	30.06.2016	31.12.2015	Change
Container	2,952	2,957	- 0.2 %
Intermodal	1,554	1,449	7.2 %
Holding/Other	651	668	- 2.5 %
Logistics	228	232	- 1.7 %
Real Estate	36	39	- 7.7 %
HHLA Group	5,421	5,345	1.4 %

At the end of the first half of 2016, HHLA employed a total of 5,421 people. Compared with the figure as of 31 December 2015, the number of employees rose by 76 or 1.4 %. In geographical terms, the workforce was concentrated mainly in Germany, with 3,642 staff members (31 December 2015: 3,656), most of whom are based in Hamburg. This corresponds to a share of 67.2 % (31 December 2015: 68.4 %). The number of staff employed abroad rose by 5.3 % to 1,779 in the first half of 2016 (31 December 2015: 1,689). This is mainly due to the further expansion of the Intermodal companies in the Czech Republic, Slovakia and other Central and Eastern European countries. The Intermodal segment hired a total of 105 new employees and now has a headcount of 1,554. By contrast, headcount in the holding company and the Container, Logistics and Real Estate segments fell slightly by a total of 29 in the first half of 2016.

Events after the Balance Sheet Date

There were no significant events after the balance sheet date of 30 June 2016.

Business Forecast

The economic development of HHLA in the first half of 2016 was in line with expectations. The disclosures made in the 2015 Annual Report regarding the expected course of business in 2016 therefore continue to apply.

The final decision of the Federal Administrative Court on the dredging of the lower and outer stretches of the river Elbe continues to be of key importance to the long-term development of the Port of Hamburg and HHLA. The necessary planning supplement decisions were submitted to the court at the end of the first quarter of 2016. The Federal Administrative Court has scheduled the next hearing for late 2016. It is still not yet known when the decision will be made.

Risk and Opportunity Report

With regard to the HHLA Group’s risk and opportunity position, the statements made in the Management Report section of the 2015 Annual Report continue to apply, unless otherwise indicated 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 still do not threaten the ongoing existence of the Group. As far as the future is concerned, there are also no discernible risks at present that could jeopardise the continued existence of the company.