HHLA Key Figures

in € million	HHLA Group[1] 1–6 | 2017	1–6 | 2016	Change
Revenue and Earnings			
Revenue	622.8	573.5	8.6 %
EBITDA	158.5	125.8	26.0 %
EBITDA margin in %	25.5	21.9	3.6 pp
EBIT	98.8	66.9	47.8 %
EBIT margin in %	15.9	11.7	4.2 pp
Profit after tax	70.3	40.8	72.6 %
Profit after tax and minority interests	52.6	25.8	103.9 %
Cash flow statement and Investments			
Cash flow from operating activities	148.1	112.5	31.6 %
Investments	63.6	67.2	- 5.4 %
Performance data			
Container throughput in thousand TEU	3,586	3,209	11.8 %
Container transport in thousand TEU	744	694	7.2 %

in € million	30.06.2017	31.12.2016	Change
Balance sheet			
Balance sheet total	1,789.0	1,812.9	- 1.3 %
Equity	602.5	570.8	5.5 %
Equity ratio in %	33.7	31.5	2.2 pp
Employees			
Number of employees	5,529	5,528	0.0 %

	Port Logistics Subgroup[1, 2, 3]			Real Estate Subgroup[2, 4]		
in € million	1–6 | 2017	1–6 | 2016	Change	1–6 | 2017	1–6 | 2016	Change
Revenue	607.3	557.8	8.9 %	18.7	18.7	- 0.1 %
EBITDA	148.0	115.3	28.4 %	10.5	10.5	0.2 %
EBITDA margin in %	24.4	20.7	3.7 pp	56.2	56.0	0.2 pp
EBIT	90.6	58.8	54.3 %	8.0	7.9	0.9 %
EBIT margin in %	14.9	10.5	4.4 pp	42.8	42.4	0.4 pp
Profit after tax and minority interests	48.1	21.3	125.9 %	4.6	4.5	0.7 %
Dividend per share in €[5]	0.69	0.30	125.9 %	1.69	1.68	0.7 %

1 *The prior-year earnings include one-off expenses of 14.9 million from the restructuring of project and contract logistics.*

2 *Before consolidation between subgroups*

3 *Listed Class A shares*

4 *Non-listed Class S shares*

5 *Basic and diluted*

To our Shareholders

The HHLA Share

Stock Market Data

31.12.2016 – 30.06.2017	HHLA	SDAX	DAX
Change	8.0 %	13.9 %	7.4 %
Closing 31.12.2016	17.70	9,519	11,481
Closing 30.06.2017	19.12	10,847	12,325
High	20.42	11,323	12,889
Low	16.80	9,519	11,481

Leading Indices at Record Level

Leading indices were able to continue the positive trend seen at the end of 2016 through to the new year, getting off to a modestly favourable start in 2017. In the first quarter, share prices were particularly affected by shifting expectations for the US economy, fluctuating between optimism and political concern. Strong economic data, a weak euro and a solid reporting period in Germany all buoyed the leading indices, with the DAX closing just short of its all-time high at the end of the quarter. Compared with the end of 2016, Germany's leading index gained 7.2 % and the SDAX 6.0 % as of 31 March. The markets were sluggish in April. Only after Macron's victory in the French elections did the DAX start a record recovery, briefly interrupted by the Russia scandal mid-May, where contact between US President Trump and the Russian government was alleged. This resulted in a brief consolidation phase in the second half of May. Regardless, the DAX climbed to an all-time high by 19 June of 12,889 points. In the last third of the month, falling oil prices tempered the upswing. The prospect of tighter monetary policies from the European Central Bank also stood in the way of further gains for the leading indices. Nevertheless, the DAX closed the first six months with 12,325 points and gained 7.4 % compared to 31 December 2016. The SDAX was able to outperform this solid gain and closed with 10,847 points on 30 June, up 13.9 % compared with the end of 2016.

HHLA Share Strong

The HHLA share got off to a strong start in 2017 and was able to outperform the leading indices until 9 February, when the Federal Administrative Court announced its decision regarding the dredging of the river Elbe. Following the announcement, the share price dropped by 15 % for a period as a number of interpretations circulated on the market. Once the decision was clarified – a positive decision for dredging the river, with conditions – the share rallied and closed at € 19.98 on 28 March. After the figures for 2016 were published on 30 March, including the forecast for 2017, the share price dropped by more than 10 % in one day. Considering the positive results achieved in 2016, the capital markets had expected a more bullish forecast and were therefore hesitant. In April, the share stabilised around € 17 and remained in line with the markets. It only picked up with the improved outlook for volume and earnings in the Container segment in 2017, released on 5 May. Buoyed by the positive results of the first quarter, published in the Interim Statement on 12 May, the share price once again climbed over the € 19 mark and at the end of the month regained the momentum seen on the leading indices. At the beginning of June, the HHLA share exceeded the € 20 mark for the first time in its history and closed on 14 June 2017 at a new year-high of € 20.42. HHLA's Annual General Meeting took place the following week on 21 June 2017 and was attended by around 850 shareholders and guests. Approximately 83 % of share capital was represented. The resolutions proposed by the Supervisory Board and Executive Board were adopted with large majorities, including the payment of a dividend of € 0.59 per listed Class A share, as in the previous year. Following payment the share traded at a corresponding discount and closed 30 June at € 19.12. The share therefore gained 8.0 % in the first half of the year.

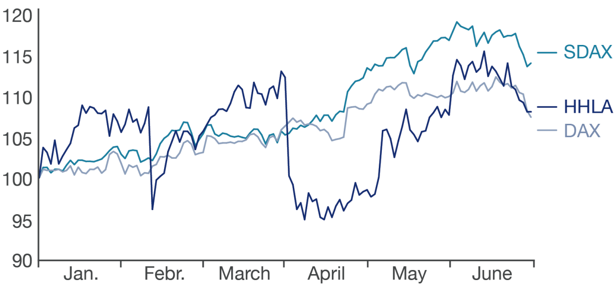
Dialogue with Capital Market Actively Maintained

The Investor Relations department continued its proactive communication activities in the first half of 2017 and held a large number of discussions with analysts and investors. HHLA was also represented at a number of capital market conferences in Europe. Discussions centred around interpretations of the decision by the Federal Administrative Court and the results of contract negotiations following the reorganisation of shipping consortia and the consequences for HHLA.

For an SDAX share, coverage of the HHLA share remains high. The HHLA share is currently covered by 17 financial analysts. Around half recommend holding the HHLA share, while approximately a quarter recommend buy, and the other quarter sell.

Share Price Development January to June 2017

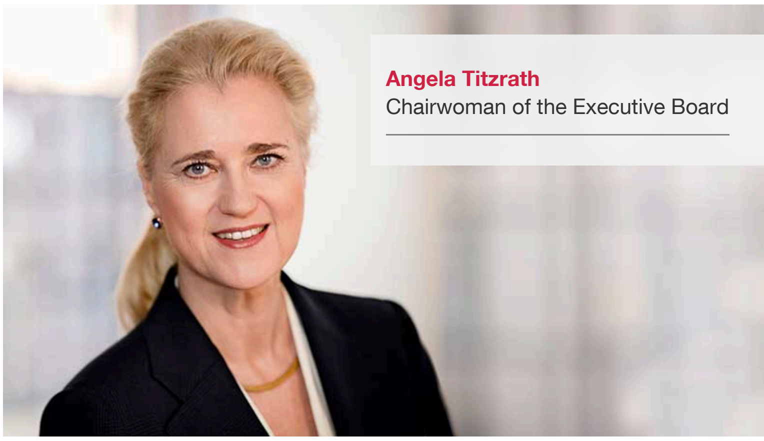
Closing prices in %



Source: Datastream

The latest prices and further information about HHLA's shares can be found at
www.hhla.de/investor-relations.

Ladies and Gentlemen,



Angela Titzrath
Chairwoman of the Executive Board

> *The newly formed alliances have been convinced by the quality of our facilities and services. 12 liner services currently call at HHLA's Hamburg terminals and have raised the Group's market share within the city's port.*

Halfway through the year, the global economic upturn continues. China and Russia – important economies for the business activities of Hamburger Hafen und Logistik AG (HHLA) – are developing positively. Germany also remains on a growth trajectory, despite the persistently uncertain international environment. Global trade is now expected to grow by 4 percent in 2017. This would mark the first time after three years that it has expanded at a faster rate than global gross domestic product. HHLA benefited from these developments in the first half of the year – not least because we took timely steps to prepare for this upswing by making targeted investments in our facilities.

HHLA's Group revenue rose by almost 9 percent year-on-year in the first six months, taking it to € 622.8 million. The operating result (EBIT) increased by approximately 48 percent to € 98.8 million. This strong earnings growth was primarily attributable to higher earnings in the Container segment due to an increase in volumes. However, it should also be noted that last year's earnings figure included one-off expenses of almost € 15 million for the restructuring of project and contract logistics, which has been successfully completed in 2016. We were able to increase our profit after tax and minority interests – the relevant figure for shareholders – from € 25.8 million to € 52.6 million. Encouragingly, the HHLA share price also rose, recording an 8 percent gain in the reporting period.

This is not just good news for our shareholders: it also means we are broadening the solid foundation on which our company stands. In turn, this ensures we are well placed to tread new ground and enhance HHLA's innovative strength and future viability.

The company's current success rests on its Container and Intermodal segments. Compared to the first half of 2016, we succeeded in raising throughput at our container terminals by almost 12 percent to approximately 3.6 million standard containers (TEU). More traffic to and from Asia and an increase in feeder services with the Baltic Sea ports contributed to this volume growth. We thereby also profited from the reorganisation of liner services. The newly formed alliances have been convinced by the quality of our facilities and services. 12 liner services currently call at HHLA's Hamburg terminals and have raised the Group's market share within the city's port.

HHLA's Intermodal subsidiaries once again achieved volume growth – despite the already high levels of the previous year. Container transport increased by just over 7 percent to 744 thousand TEU. Both the rail transportation companies and HHLA's truck haulage subsidiary contributed to this development. In June, we opened a new hub terminal in Budapest. We expect that this will act as an additional growth driver in a highly competitive market. To further strengthen our leading position, we will integrate POLZUG's activities into the METRANS organisation by the beginning of 2018. Our successful METRANS model will thus be transferred to the Polish market, enabling us to tap the growth potential that exists in Poland.

In view of the positive trend in the Container segment and persistently upbeat economic outlook, HHLA's Executive Board has updated its forecast for the 2017 financial year. We now expect the operating result (EBIT) at Group level to be within a range between € 150 million and € 170 million, including one-off expenses for organisational restructuring in the Container segment.

In spite of these encouraging first-half figures and positive economic forecasts, we remain realistic. Political imponderables with uncertain consequences for the global economy mean that plans made today can quickly become worthless. Furthermore, the time frame for the urgently needed dredging of the river Elbe remains unclear. We will continue to pursue the course charted at the beginning of the year: consolidation and expansion of HHLA's core business and the development of new strategic options. As planned, we will complete the ongoing business development process before the end of the year. I look forward to updating you on this matter soon.

Yours,

A. Titzrath

Angela Titzrath
Chairwoman of the Executive Board