

To our shareholders

The HHLA share

Stock market data

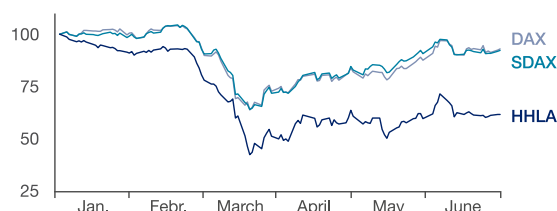
31.12.2019 – 30.06.2020	HHLA	SDAX	DAX
Change	- 38.5 %	- 7.8 %	- 7.1 %
Closing 31.12.2019	24.54	12,512	13,249
Closing 30.06.2020	15.08	11,536	12,311
High	24.54	13,067	13,789
Low	10.37	7,996	8,442

Markets dominated by coronavirus

In the first half of 2020, market trading was fundamentally shaped by the development of the coronavirus pandemic. Following a new all-time high of almost 13,800 points for the German benchmark index in mid-February, stock markets around the world suffered historic collapses in March as a result of the global coronavirus pandemic. In mid-March, the DAX fell to almost 8,200 points during intraday trading. By April, however, the markets were already starting to recover. In addition to the measures put in place by the major central banks, the economic rescue packages of several governments raised hopes that the economic impact of the pandemic could be held in check. However, any positive news – for example regarding reinfection rates – was frequently offset by devastating economic data. In such an environment, investors were highly unsettled. Despite the cautiously positive trend of the second quarter, the indices were always accompanied by a high degree of market anxiety. From June onwards, the DAX stabilised above the 12,000-point mark and closed at 12,311 on 30 June 2020. It was therefore 7.1 % down in the first half-year.

Share price development January to June 2020

Closing prices indexed in %



Source: Datastream

HHLA share under pressure as logistics stock

The HHLA share also suffered from the tremendous turmoil on the financial markets in the opening quarter of 2020, registering a historic low of € 10.37 in mid-March. The dividend proposal published in late March as part of financial reporting for 2019 was positively received by the market. As a result, the share price recovered slightly in April despite the negative

outlook for the 2020 financial year. Shortly before the figures for the first quarter of 2020 were published in mid-May, the share price recovery lost some of its momentum. As expected by the market, the results for the first three months were negative. The guidance for 2020 was confirmed. Although the HHLA share reflected the general market recovery from mid-May onwards, it failed to benefit from the upward trend to the same degree as the benchmark indices. The share price stabilised at around € 15 as of mid-June. At the end of the first half-year, the share was quoted at € 15.08 and was thus 38.5 % down on the start of the year. For more information on the share price performance and on the HHLA share, please visit [hhla.de/en/investors](https://www.hhla.de/en/investors) 

Virtual Annual General Meeting

The Annual General Meeting originally planned for 10 June was postponed until 20 August 2020. In order to protect the health of the shareholders and HHLA employees in light of the coronavirus pandemic, the Annual General Meeting will take place virtually this year, without the need for physical attendance by the shareholders or their proxies. This decision is based on the Act to Mitigate the Consequences of the COVID-19 Pandemic, passed on 28 March 2020. The Executive Board will recommend to the Annual General Meeting a dividend of € 0.70 (previous year: € 0.80) per listed class A share. This corresponds to a year-on-year dividend decrease of 12.5 %. This recommendation enables HHLA to remain faithful to the dividend policy it has followed since its initial public offering in 2007, which stipulates a distribution of 50 to 70 % of the net profit. HHLA is also offering shareholders a choice of how to receive their dividend (scrip dividend). Beneficiaries can opt to receive the dividend in cash as usual or in the form of additional shares, thus increasing their stake in the company. For more information about the Annual General Meeting and the scrip dividend, please visit www.hhla.de/agm 

Dialogue with capital market actively maintained

The Investor Relations department continued its proactive communication activities in the first half of 2020 and held a large number of discussions with analysts and investors. From March onwards, technical solutions such as video calls or virtual conferencing were used more frequently in order to maintain the close dialogue with capital markets. Discussions focused on the effects of the coronavirus pandemic, e.g. the utilisation of terminals, the handling of planned investments and potential cost-cutting measures. As of 30 June 2020, a dozen financial analysts covered the development of the HHLA share. The level of research coverage thus remained at a good level for an SDAX share. Five of these analysts recommend buying and five holding the HHLA share. Two recommend selling.