Klaus-Dieter Peters
Chairman of the Executive Board

Ladies and Gentlemen,

The performance of Hamburger Hafen und Logistik AG (HHLA) in the first quarter of 2016 was in line with our expectations. The operating environment continued to be challenging and provided no new momentum in the period from January to March, with the result that container throughput at our terminals remained under pressure. Throughput volumes were down compared with the first – and strongest – quarter of 2015, but returned to growth compared with the fourth quarter of 2015. As a result, we believe that volumes in the Container segment have bottomed out. Our Ukrainian container terminal in Odessa has already reported improvement. Container throughput here rose by almost 5 percent compared with the previous year. Overall, however, the Container segment's revenue and operating result (EBIT) were unable to match the levels seen in recent years, and high fixed costs continued to depress the operating result.

The container transport volumes of our Intermodal companies performed especially well once again, recording further increases in a highly competitive market environment. Our rail subsidiaries alone succeeded in raising transport volumes by almost 5 percent on what was already a strong quarter in the previous year. This continuing growth in the Intermodal segment underscores the sustainability of our diversification strategy, which aims to place the economic success of the company on several pillars, thereby reducing reliance on container handling at our Hamburg terminals. The Intermodal segment thus accounted for approximately 40 percent of the consolidated operating result (EBIT) in the first quarter. We will continue to support the growth of our rail companies by expanding our network for European rail transportation and enhancing our terminals in the hinterland.

At Group level, HHLA's revenue and operating result decreased slightly year on year in the period from January to March, but were up compared with the fourth quarter of 2015. For this reason, our forecast for the 2016 financial year published on 30 March remains unchanged.

> “ *The container transport volumes of our Intermodal companies performed especially well once again, recording further increases in a highly competitive market environment.*

We will maintain our diversification strategy and expand our network for port hinterland and continental transportation while accelerating HHLA's horizontal growth. Naturally, we will also continue to secure and extend our uncontested market leadership in Hamburg. We are confident that we will achieve our goals as a leading European port and transport logistics group.

Yours,

Klaus-Dieter Peters
Chairman of the Executive Board