Container Segment

Key Figures

in € million	1–9 I 2016	1–9 I 2015	Change
Revenue	512.7	518.7	- 1.2 %
EBITDA	148.4	147.3	0.8 %
EBITDA margin in %	28.9	28.4	0.5 pp
EBIT	86.6	83.5	3.7 %
EBIT margin in %	16.9	16.1	0.8 pp
Container throughput in thousand TEU	4,924	5,027	- 2.1 %

Between January and September 2016, HHLA's container terminals handled a total of 4,924 thousand standard containers (TEU), 2.1 % fewer than in the prior-year period (previous year: 5,027 thousand TEU). Volumes recovered in the third quarter of 2016, growing by 5.6 % year-on-year after lower volumes continued to dominate the first half of 2016. This was due in part to the stabilisation of handling volumes in the Far East shipping region, although these volumes were again down on the prior-year level on a cumulative basis. Feeder traffic to and from Russia, which has gradually recovered over the course of the year following severe slumps in 2015, contributed to volume growth in the third quarter and rose by 10.5 % overall in the reporting period. By contrast, throughput to and from the other Baltic Sea ports, such as in Poland or Sweden, again fell short of the previous year due to mega-ship calls. As a result, **handling volumes** at the three container terminals in Hamburg were down 2.7 % on the previous year in the first nine months of 2016 at 4,711 thousand TEU (previous year: 4,840 thousand TEU). Container throughput at the Container Terminal Odessa was again very strong, rising by 13.4 % year-on-year to 213 thousand TEU (previous year: 188 thousand TEU) due to cyclical factors.

The fall in volumes led to a corresponding decrease in **revenue** – albeit at the proportionately slower rate of 1.2 % year-on-year to € 512.7 million (previous year: € 518.7 million). Despite a slightly higher feeder ratio of 23.5 % (previous year: 23.1 %), there was an increase in average revenue per container handled at the quayside.

The segment's EBIT costs were reduced in line with the lower seaborne throughput, despite the high proportion of fixed costs typical of the container business. In particular, personnel expenses per unit remained unchanged as against the previous year. The higher average revenue lifted the **operating result (EBIT)** by 3.7 % to € 86.6 million (previous year: € 83.5 million). Accordingly, the EBIT margin rose to 16.9 % (previous year: 16.1 %).

Intermodal Segment

Key Figures

in € million	1–9 I 2016	1–9 I 2015	Change
Revenue	289.5	272.8	6.1 %
EBITDA	67.7	61.1	10.7 %
EBITDA margin in %	23.4	22.4	1.0 pp
EBIT	50.0	44.0	13.8 %
EBIT margin in %	17.3	16.1	1.2 pp
Container transport in thousand TEU	1,055	996	5.9 %

In the first nine months of 2016, 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 5.9 % to 1,055 thousand standard containers (TEU), compared with 996 thousand TEU in the previous year. The trend was driven by growth in rail transportation, which again increased significantly year-on-year by 7.3 % to 818 thousand TEU (previous year: 762 thousand TEU). In a difficult market environment, road transport also made good progress with year-on-year growth of 1.3 % to 237 thousand TEU (previous year: 234 thousand TEU).

With an increase of 6.1 % to € 289.5 million (previous year: € 272.8 million), **revenue** performed slightly better than transport volumes. This positive trend was partly due to changes in the route mix, as rail's share of HHLA's total intermodal transportation rose from 76.5 % to 77.5 %.

The **operating result (EBIT)** rose year-on-year to € 50.0 million (previous year: € 44.0 million) and significantly outperformed volume and revenue growth. This was primarily attributable to the higher volumes. 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. In a year-on-year comparison, it must be taken into account that the third quarter of 2015 contained positive one-off effects in the amount of € 2.5 million from the sale of a property in Poland.

Logistics Segment

Key Figures

in € million	1–9 I 2016	1–9 I 2015	Change
Revenue	40.5	48.9	- 17.1 %
EBITDA	0.4	2.5	- 83.2 %
EBITDA margin in %	1.0	5.1	- 4.1 pp
EBIT	- 2.6	- 0.6	neg.
EBIT margin in %	- 6.4	- 1.3	- 5.1 pp
At-equity earnings	3.0	2.7	8.1 %

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.

Revenue generated by the consolidated companies of the Logistics segment declined in the first nine months of 2016. At € 40.5 million, segment revenue was down 17.1 % on the prior-year figure (€ 48.9 million). In addition 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 third quarter of 2016 included one-off effects from the termination of the lease for the Übersee-Zentrum. These were offset in the reporting period as a whole by expenses for provisions recognised in the second quarter for the discontinuation of project and contract logistics activities, which is now largely complete. Compared with the previous year, the segment's operating loss grew to € - 2.6 million in the first nine months (previous year: € - 0.6 million). This was partly a result of the year-on-year decline in operating income from consulting activities and vehicle logistics.

The companies included in **at-equity earnings** turned in a mixed performance. At-equity earnings totalled € 3.0 million in the reporting period, up 8.1 % on the previous year (€ 2.7 million).

Real Estate Segment

Key Figures

in € million	1–9 I 2016	1–9 I 2015	Change
Revenue	28.0	27.5	1.8 %
EBITDA	15.3	16.4	- 6.6 %
EBITDA margin in %	54.8	59.7	- 4.9 pp
EBIT	11.5	12.7	- 8.9 %
EBIT margin in %	41.2	46.0	- 4.8 pp

HHLA's properties in the Speicherstadt historical warehouse district and the fish market area continued their positive revenue trend in the third quarter of 2016 amid virtually full occupancy. This is reflected by the 1.8 % increase in **revenue** to € 28.0 million (previous year: € 27.5 million).

By contrast, the **operating result (EBIT)** declined by 8.9 % year-on-year to € 11.5 million (previous year: € 12.7 million), primarily due to higher maintenance expenses for the necessary refurbishment of rental space in the Speicherstadt historical warehouse district. In addition, the prior-year figure included extraordinary income of € 0.9 million from an insurance refund.