From the CFO's desk –
mid-term growth, revenue and earnings potentials

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Capital Markets Day 2021

GATEWAY TO THE FUTURE

Financial opportunities for Port Logistics subgroup 2025

Important note

- The following presentation shows the potential mid-term financial opportunities of the Port Logistics subgroup by 2025. None of the following presentation or oral explanations shall be construed as a forecast. As in the past, forecasts for the upcoming financial years will be published at the beginning of the respective calendar year or otherwise publicly announced.

- This presentation reflects considerations for the Port Logistics subgroup on a stand-alone basis. In particular, it does not take into account any feasible changes resulting and synergies from a potential cooperation of HHLA, Eurokai and BLG‘s terminal operations at the German bay. However, it does assume the successful closing of a minority shareholding of CSPL in Container Terminal Tollerort (CTT), Hamburg envisaged for Q1/2022.

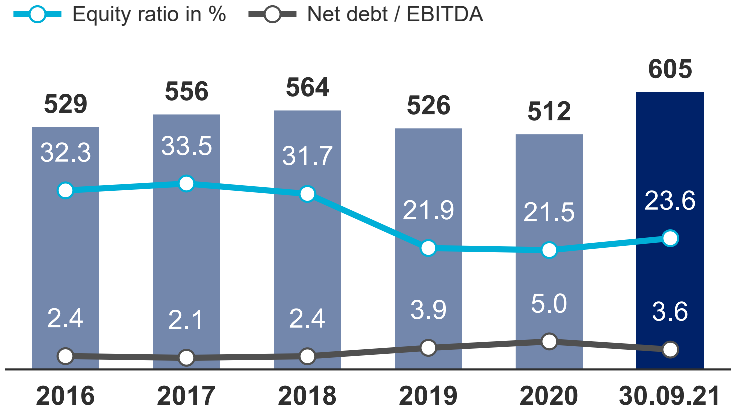
- This presentation contains forward-looking statements relating to the business and financial performance of the Company and/or the industry in which the Company operates. The underlying assumptions of these statements are uncertain. Further normalised conditions for the course of business and the macroeconomic development as well as a successful implementation of the efficiency programme in the container segment are presumed.

Solid financial track record with strong cash flows even in recent years …

… with high market volatility that required exceptional operational flexibility due to Coronavirus pandemic

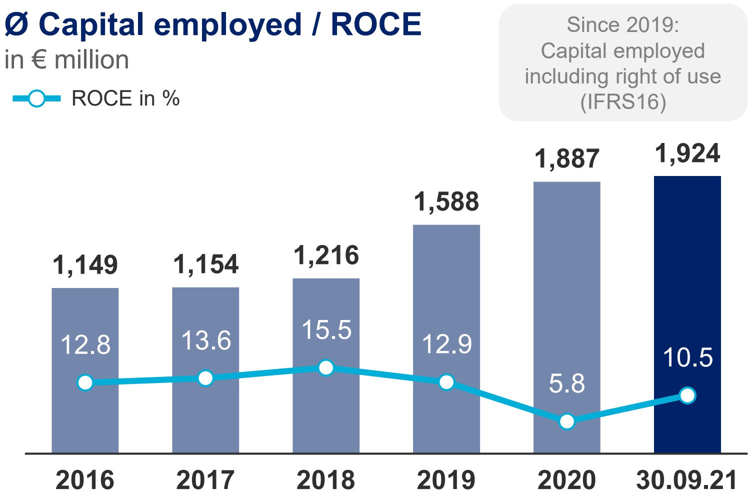
Equity development

in € million



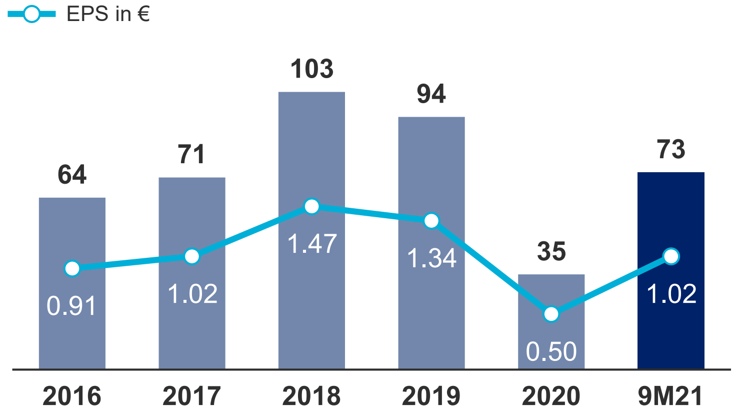
Ø Capital employed / ROCE

in € million



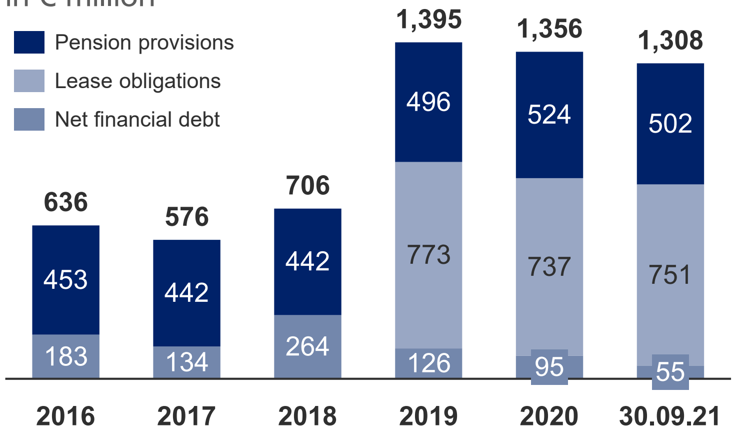
Profit after tax and minorities

in € million



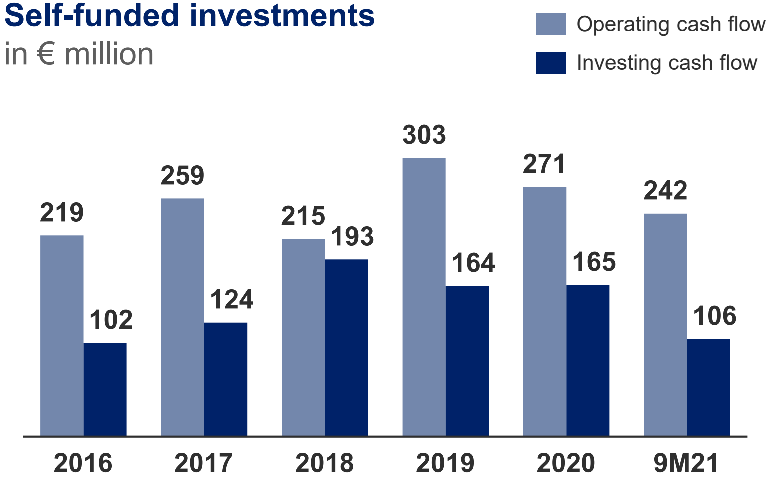
Net debt

in € million



Self-funded investments

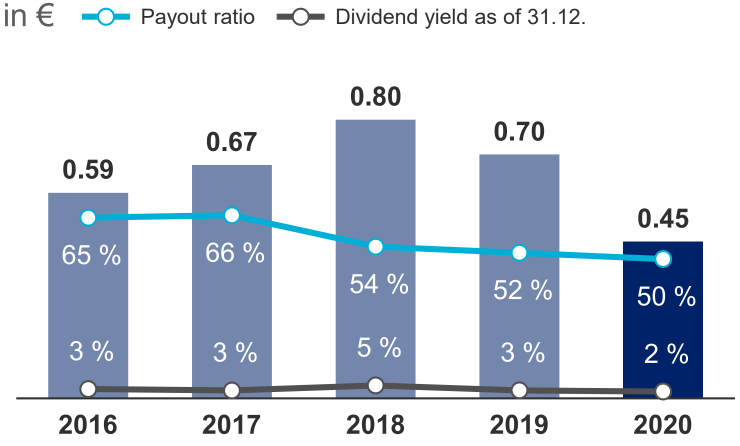
in € million



Investing cash flow without proceeds for short-term deposits

Dividend development

in €



2020: Pay out ratio adjusted by changes in net provisions

Ambitious growth against the backdrop of competitive pricing power …

… and increased efficiency

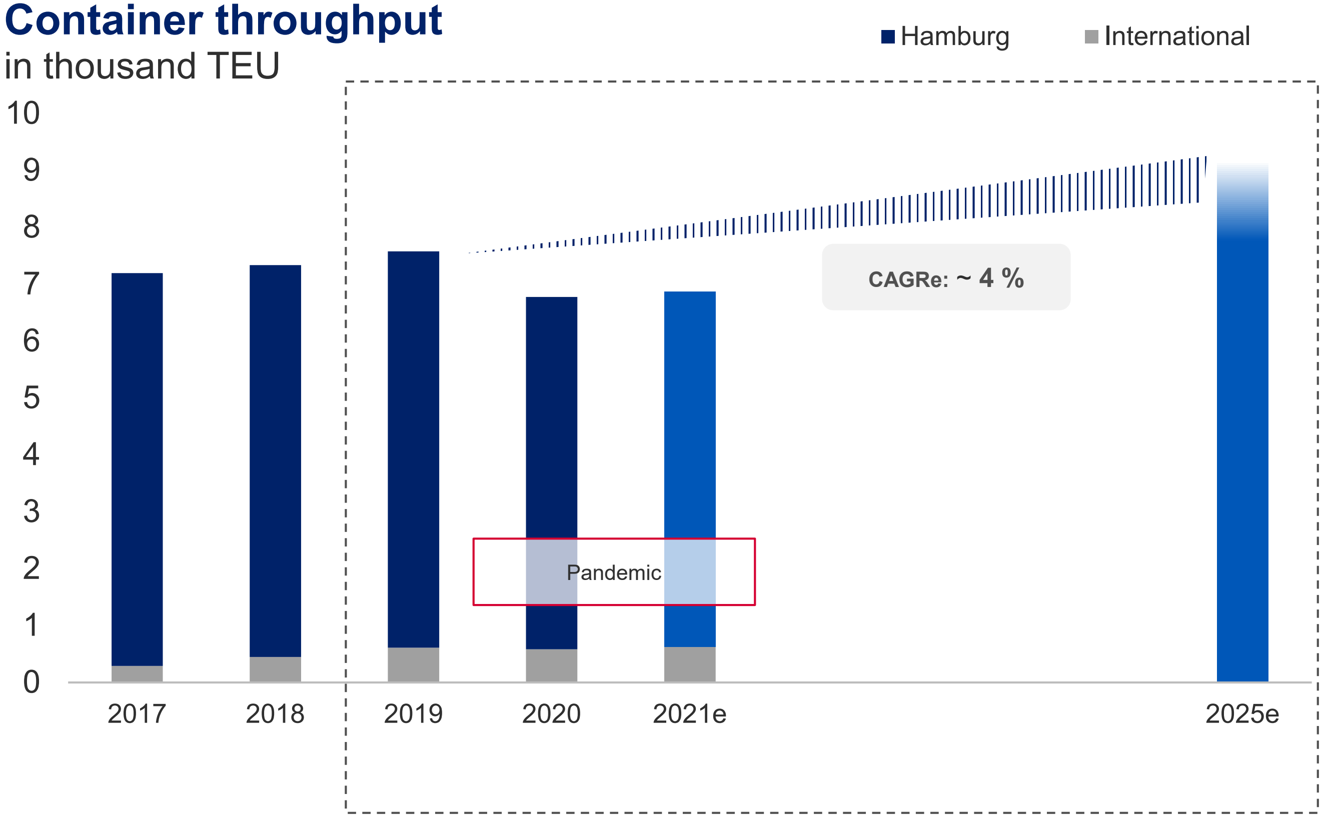
CAGR
- 1 %
2017 – 2021e

CAGR
> 1 %
2020 – 2021e

CAGRe
~ 4 %
2019 – 2025

Container throughput

in thousand TEU



- Pre-pandemic container volume level will be reached at the latest in 2023
- Moderate container volume growth will be driven by
  - Elbe waterway adjustment completed in 2021: prerequisite for higher load factor on ULCVs / mega carriers
  - CTT – COSCO's preferred hub in northern Europe
  - Successful implementation of the efficiency programme in order to normalise market share
  - Gradual increase of feeder ratio

Successful implementation of the efficiency programme set the stage for regaining market share

Continuous growth in container transport supported by expanded network …

… in particular in Southern and Eastern Europe

CAGR

+ 3 %

2017 – 2021e

CAGR

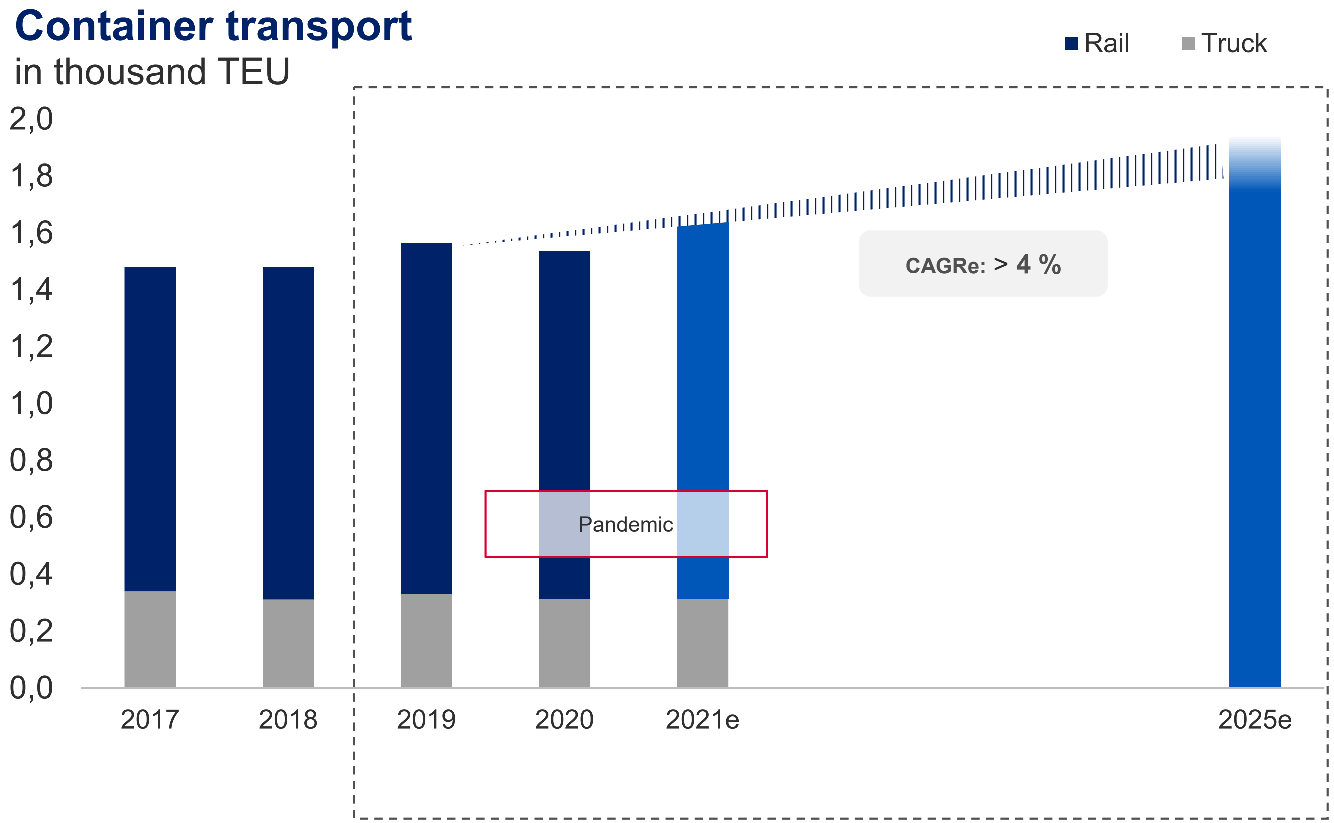
~ 7 %

2020 – 2021e

CAGRe

> 4 %

2019 – 2025

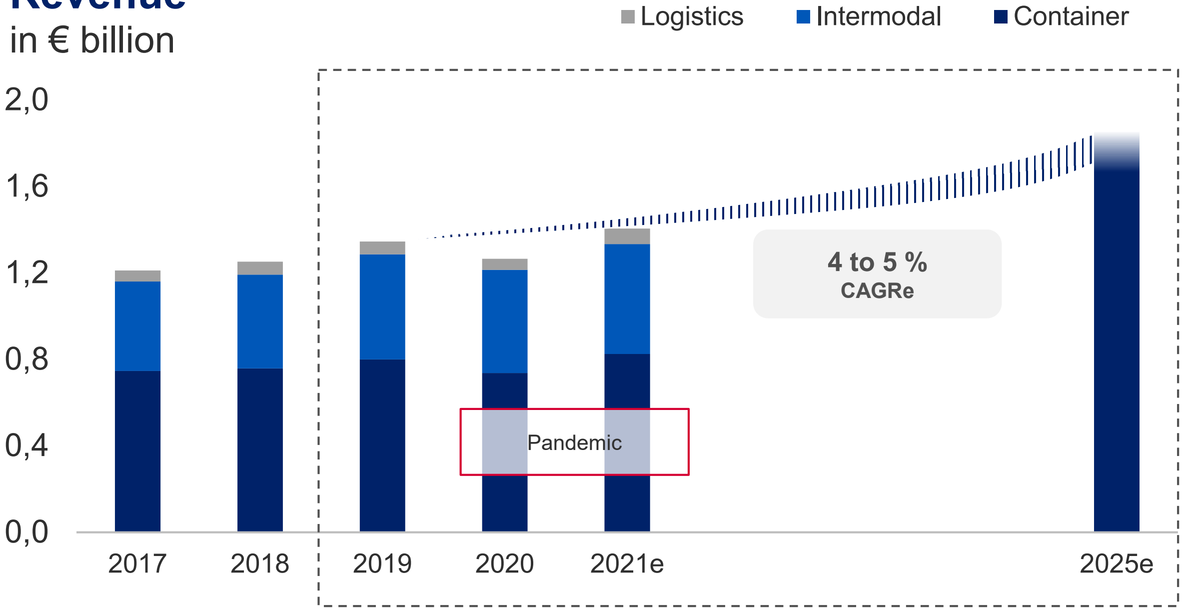


- Regulatory framework expected to be geared more towards green railbound transport
- Underlying rail-bound transport growth supported by
  - Service quality aligned with customer needs - proven high reliability even in a disrupted logistic chain environment
  - Operational excellence: well scalable due to existing highly efficient shuttle train and terminal network
  - Investment focus on CEE and German-speaking countries
- Stable to slightly reduced truck volume expected

Transport volume potential of ≥ 2,000 thousand TEU in 2025

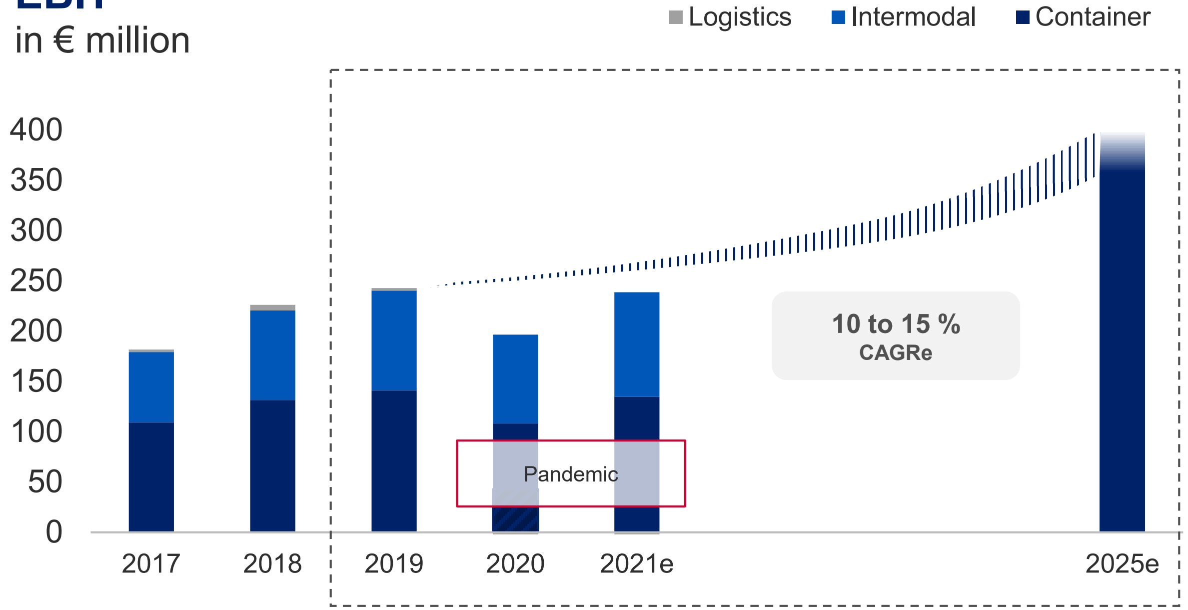
Favourable top-line growth will be even outperformed by EBIT development

Revenue
in € billion



Segmental split before consolidation

EBIT
in € million



Revenue and EBIT development underpinned by

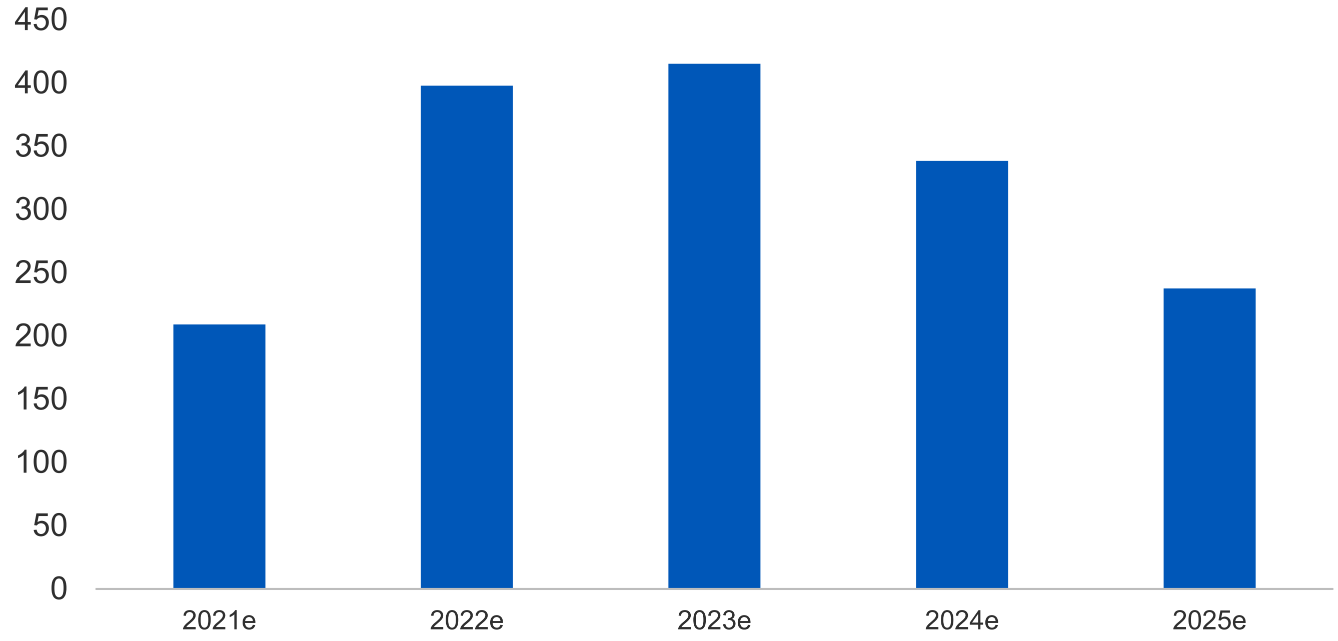
- Container: successful implementation of the efficiency programme
- Intermodal: consistent development and expansion of the European network
- Logistics: New Business potential expected to positively contribute to P&L

Revenue	EBIT
€ ~1.9 bn	**€ ~400 m**
in 2025	in 2025

State-of-the-art asset base as prerequisite to achieve sales and earnings potential

Capex distribution in line with transition (automation) and expansion of the European intermodal network

Capex
in € million



- Capex characteristics:
  - Allocation well balanced between two asset-heavy operations
  - Geared to value contribution
  - Distribution is front-loaded due to required implementation of further automation components in container segment (completion of automated yard and automation of horizontal transport)
- Clear commitment to further investment in new technologies along future transport streams

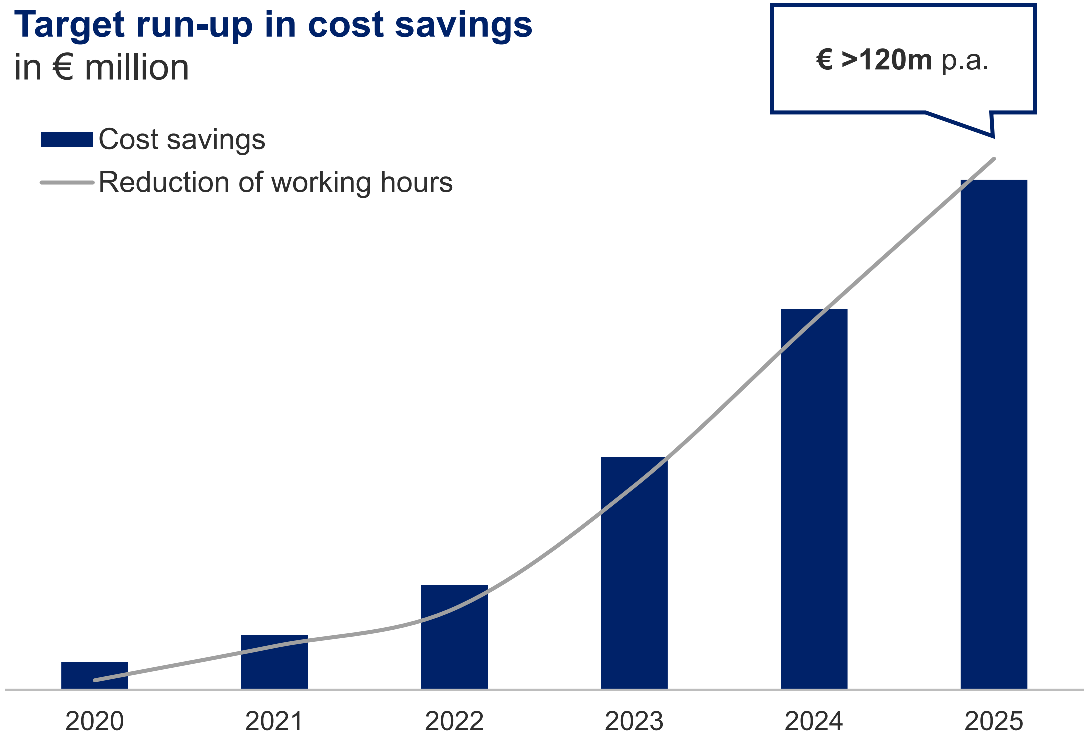
Total capex of approx. € 1.6 bn* (thereof 1.4 bn € cash-effective) up to 2025 to support future organic and sustainable business growth

Fit for the future: Efficiency programme underway

Targets for HHLA's container terminals in Hamburg

- Targets:
  - cost savings of at least € 120 million p.a. from 2025 onwards
  - Unit costs reduction of € 30 per box in 2025
  - baselining 2019 (inflated)
- P&L effect will be backloaded; significant development from 2024 onwards in line with implementation of automated components
- Provision for expenses – to the extent recognisable – already formed in 2020

Target run-up in cost savings
in € million



Cost savings potential: > € 120 million p.a. from 2025 onwards

Based on growth, revenue and earnings potentials we aim for a solid financial foundation with strong cash flows

Mid-term targets

Equity

Equity ratio

~ 30 %

by 2025

Capital employed

ROCE 2025e

~ 15 % p.a.

clearly above WACC

Net leverage

Net debt / EBITDA

< 4.5x p.a.

Maintaining investment grade

Investments

Total capex

~ € 1.6bn*

2021 - 2025

* thereof 1.4bn € cash-effective

Financial funds

Liquidity reserve

€ 150 - 200m

sufficient at all times

Dividend policy

Proven payout ratio

50 – 70 %

of distributable net profit