

To our shareholders



Angela Titzrath
Chairwoman

Ladies and gentlemen,

It gives me great pleasure to be able to introduce this Annual Report for 2020 on a positive note: Hamburger Hafen und Logistik AG (HHLA) has weathered the coronavirus pandemic well so far. The company is still in a stable financial position following a challenging financial year and has the necessary resources at its disposal to resolutely withstand the effects of the pandemic.

Thanks to the combined efforts of the entire HHLA Group and its employees, we achieved a positive result in the past financial year. We benefited from the revival of industrial production and trade following global restrictions to curb the spread of the pandemic.

Our market and customers will continue to evolve. This gives rise to a challenge, as we have to evolve with them.

What is more: we will actively shape this evolution and help drive it forward.

It was also vital, however, that the operational stability of HHLA was maintained at all times. There was not a single day on which production was brought to a standstill by the pandemic – neither at our facilities in Hamburg, Odessa and Tallinn, nor at our rail subsidiary METRANS. The health and safety measures devised under the leadership of the Executive Board were systematically implemented across the Group. Our customers, as well as consumers and companies, were able to rely on us during this difficult period: “We supply Germany and Europe!” HHLA also proved to be a reliable employer. The health and safety of our employees was maintained and we neither introduced short-time working nor cut wages.

Ladies and gentlemen, we systematically pursued the further development of HHLA even during the crisis. After all, the underlying conditions for our business continue to evolve, regardless of the pandemic. The number of mega-ships with capacities of more than 23,000 standard containers is steadily increasing. In order to maintain our ability to process such ultra-large container vessels in future, we put two further container gantry cranes into operation at Container Terminal Burchardkai last year.

To consolidate the performance and competitiveness of our core business, an efficiency programme has been launched for the container terminals in the Port of Hamburg. € 43 million has been set aside to ensure the systematic and determined implementation of the necessary measures. We also have to adjust to significant growth in the strategic importance of the Adriatic and Mediterranean ports. In order to position itself in this high-growth market, HHLA has acquired a majority stake in a multi-function terminal at the Port of Trieste. In view of the changes taking place across the entire logistics and transport sector, we are expanding our core operations by adding new digital business models. For example, two HHLA container terminals were the first in the world to integrate solutions into their IT landscapes which use machine learning to predict the dwell time of containers at their facilities. An example of our efforts to implement our sustainability strategy is the initiative of our rail subsidiary METRANS. Almost all of the approximately 3,000 container wagons have now been fitted with so-called whisper brakes, which reduce the driving and braking noise of the wagons by half.

We also remain reliable towards you, our shareholders. Subject to the approval of the Annual General Meeting on 10 June 2021, we will distribute a dividend of 45 cent per dividend-entitled class A share. Following last year’s example, we once again intend to do this in the form of a scrip dividend – giving you the option to receive a cash payout or new shares.

Ladies and gentlemen, we know that our market and our customers will continue to evolve. And we know that this gives rise to a challenge, as we have to evolve with them. What is more: we will actively shape this evolution and help drive it forward – just as you have come to expect from us.

Yours,

A handwritten signature in blue ink that reads "A. Titzrath".

Angela Titzrath
Chairwoman of the Executive Board