

# Tallinn is the new Hamburg

Presentation F&L, 13-14<sup>th</sup> May 2020



**Hamburger Hafen und Logistik AG (HHLA) is a leading European port and logistics company, listed since 2007.**

**The City of Hamburg holds 68 % of shares in HHLA; the remaining 32 % are in free float.**

**The company's activity spans from the Port of Hamburg to many parts of Europe.**



# HHLA serves customers along the entire transport chain



## Container

- Container throughput
- Container-related services (e.g. storage, repair)

**€ 758.9 million revenue\***

**€ 131.6 million EBIT\***



## Intermodal

- Container transport via rail and truck in the ports' hinterland
- Operation of inland terminals

**€ 433.8 million revenue\***

**€ 89.1 million EBIT\***



## Logistics

- Specialist handling of dry bulk, break bulk, vehicles, fruit, etc.
- Consulting and training

**€ 59.8 million revenue\***

**€ 5.6 million EBIT\***



## Real Estate

- DNA of HHLA and business card of the city
- Marketing of space in the Speicherstadt and Fischmarkt

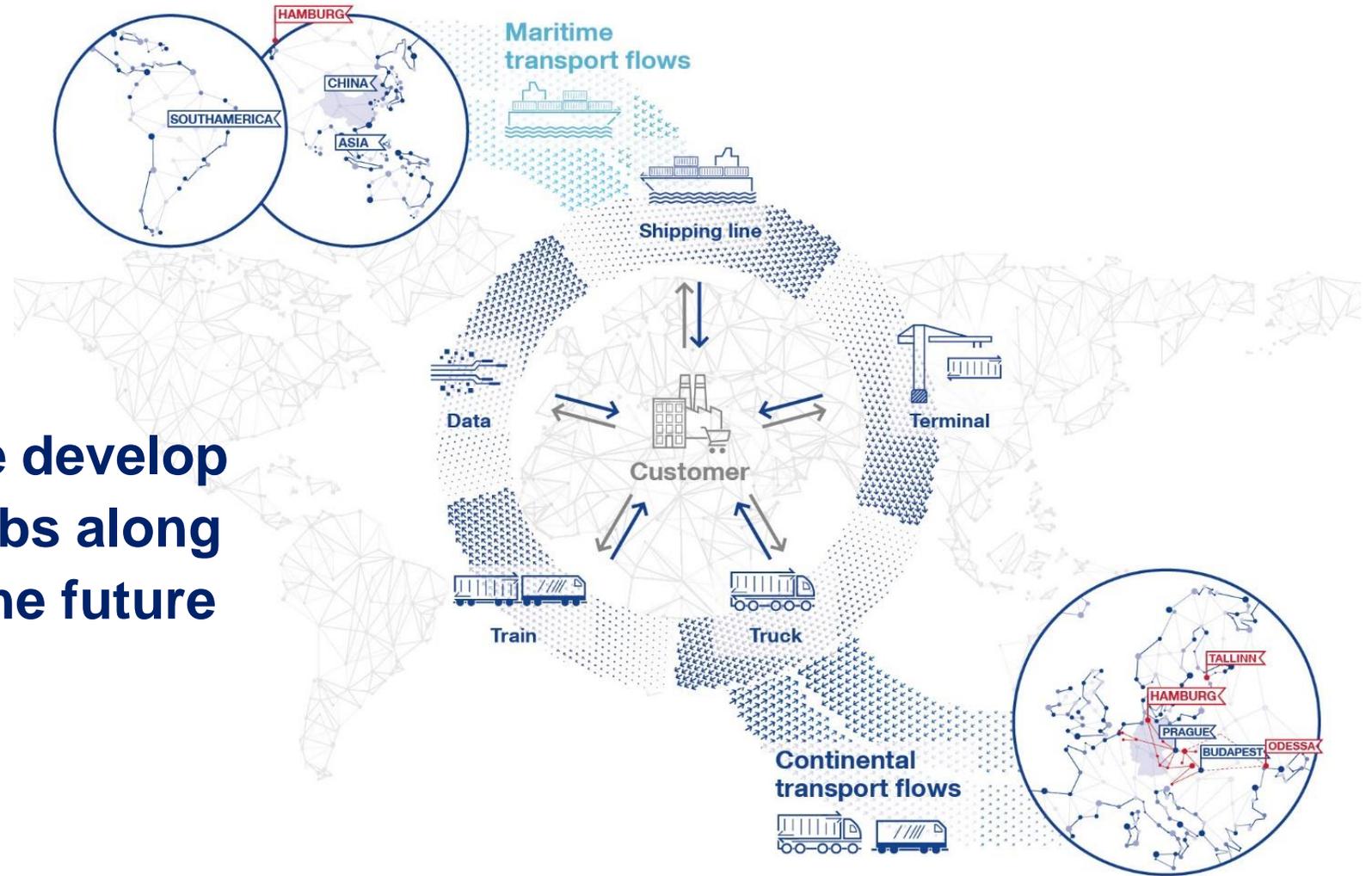
**€ 39.3 million revenue\***

**€ 15.5 million EBIT\***

\* 2018 figures

# HHLA aims to be the Gateway to the future

With our customers, we develop logistical and digital hubs along the transport flows of the future



# HHLA TK Estonia– Largest specialized Terminal in Estonia

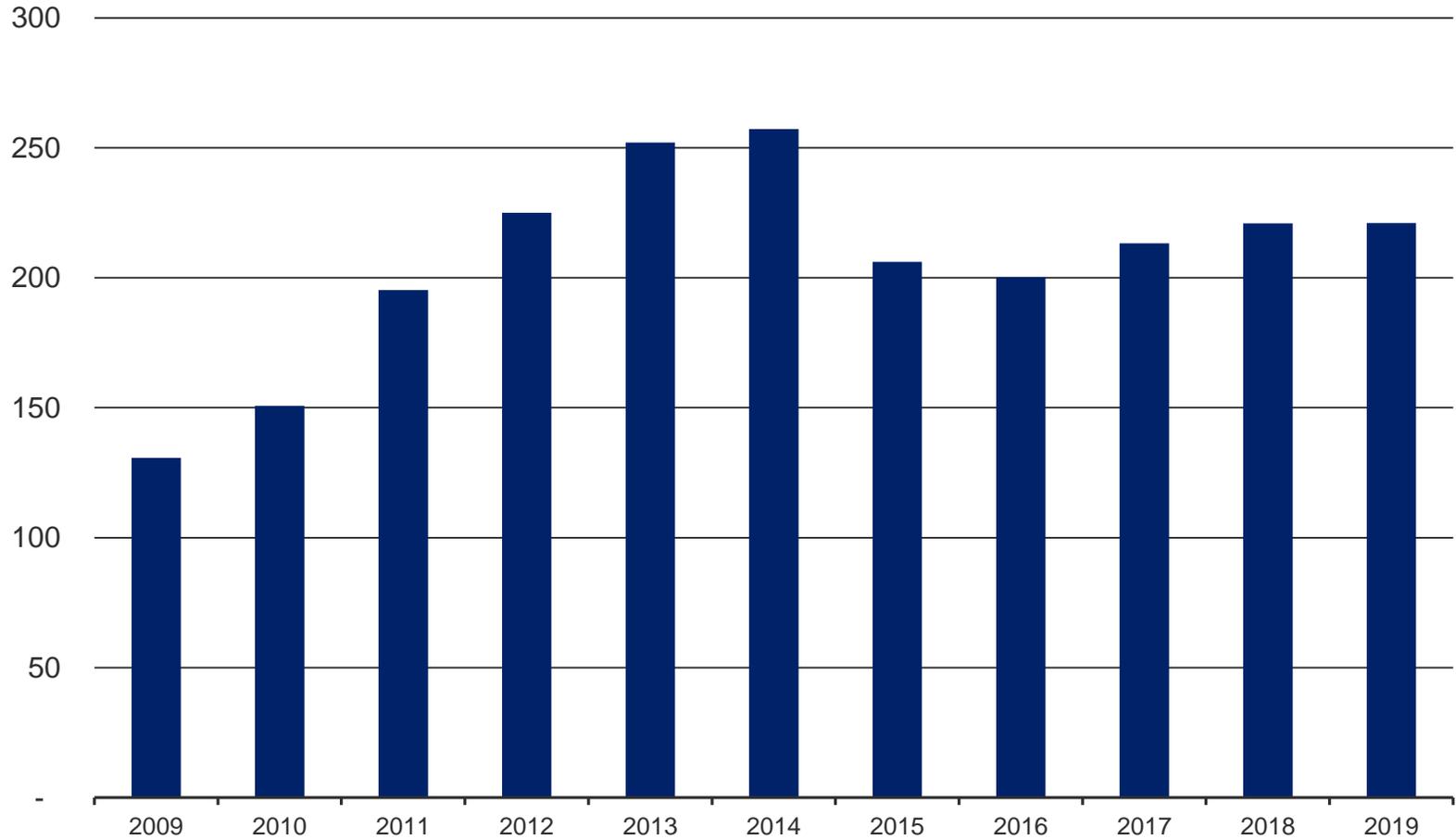
- Established in 1996 Terminals located in Muuga Port Complex, 17km east of Tallinn
- Concession until 2062 (42 years to go)
- TK main business activities / services:
  - Handling of container, general cargo, bulk cargo and RoRo
  - Storage, Warehousing, stuffing / stripping
- Largest specialized terminal operator in Estonia (handling nearly 100% of Estonian container traffic, operating largest refrigerated and frozen cargo warehouse and being biggest operator in cocoa handling in Baltic Sea)
- Company / activities separated in two terminals / business divisions
  - Container / RoRo Terminal
  - General Cargo Terminal
- Terminals well connected to road and rail network (e.g. rail track under roof, on-dock rail terminal and additional block train loading tracks)



	CT / RoRo	GC
<b>Terminal area [ha]</b>	59+13	18
<b>Quay length [m]</b>	1,096	634
<b>Water depth [m]</b>	12.4-14.5	8.6-12.4
<b>Berths</b>	4	3
<b>Capacity [kTEU / ktons p.a.]</b>	currently ca. 300, extension to ca. 830 possible	2,400
<b>Cranes</b>	3 STS	4 HC+1 SL

# HHLA TK Estonia – volume and customers

## CONTAINER THROUGHPUT IN TTEU

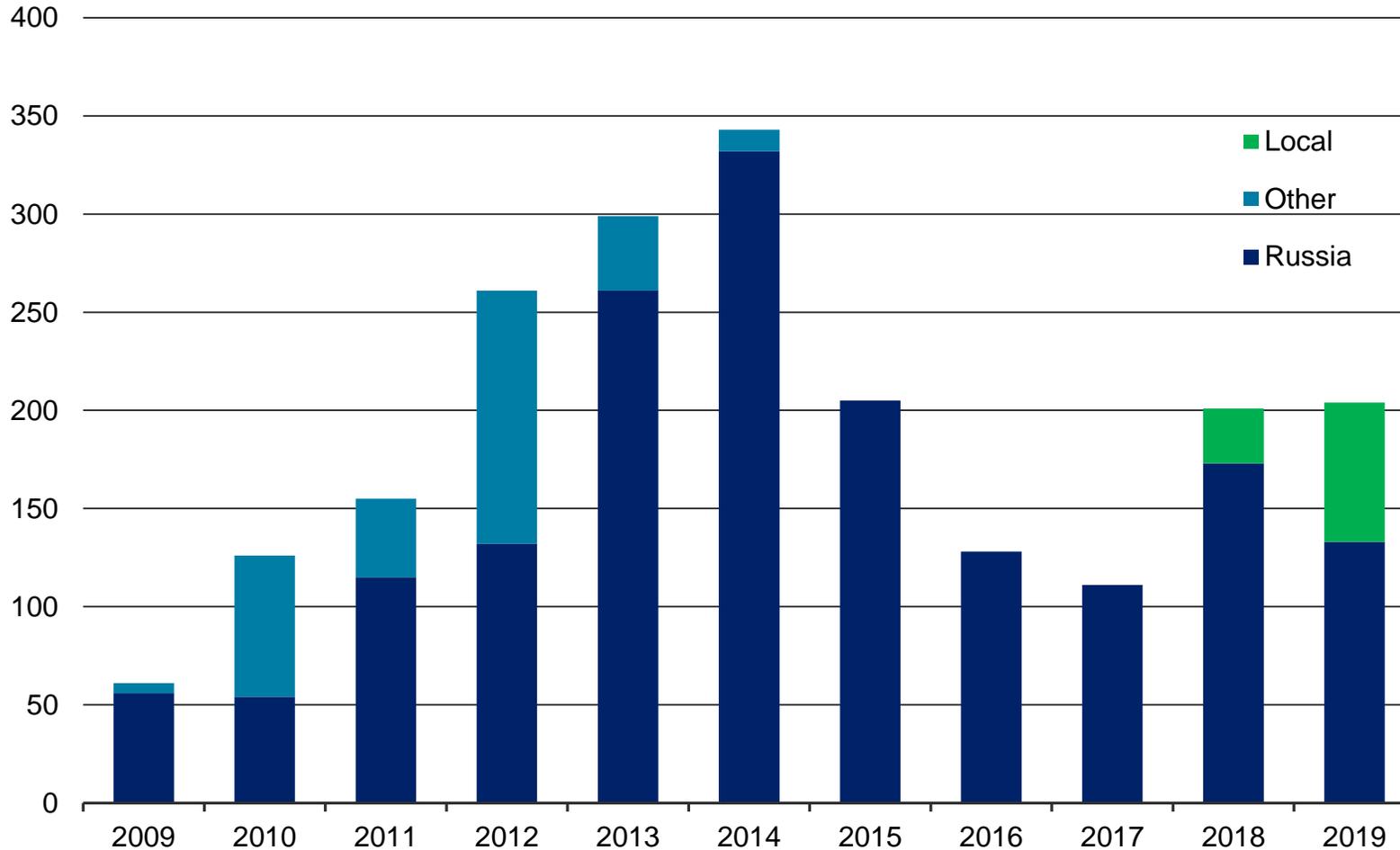


## MAIN TK ESTONIA CUSTOMERS



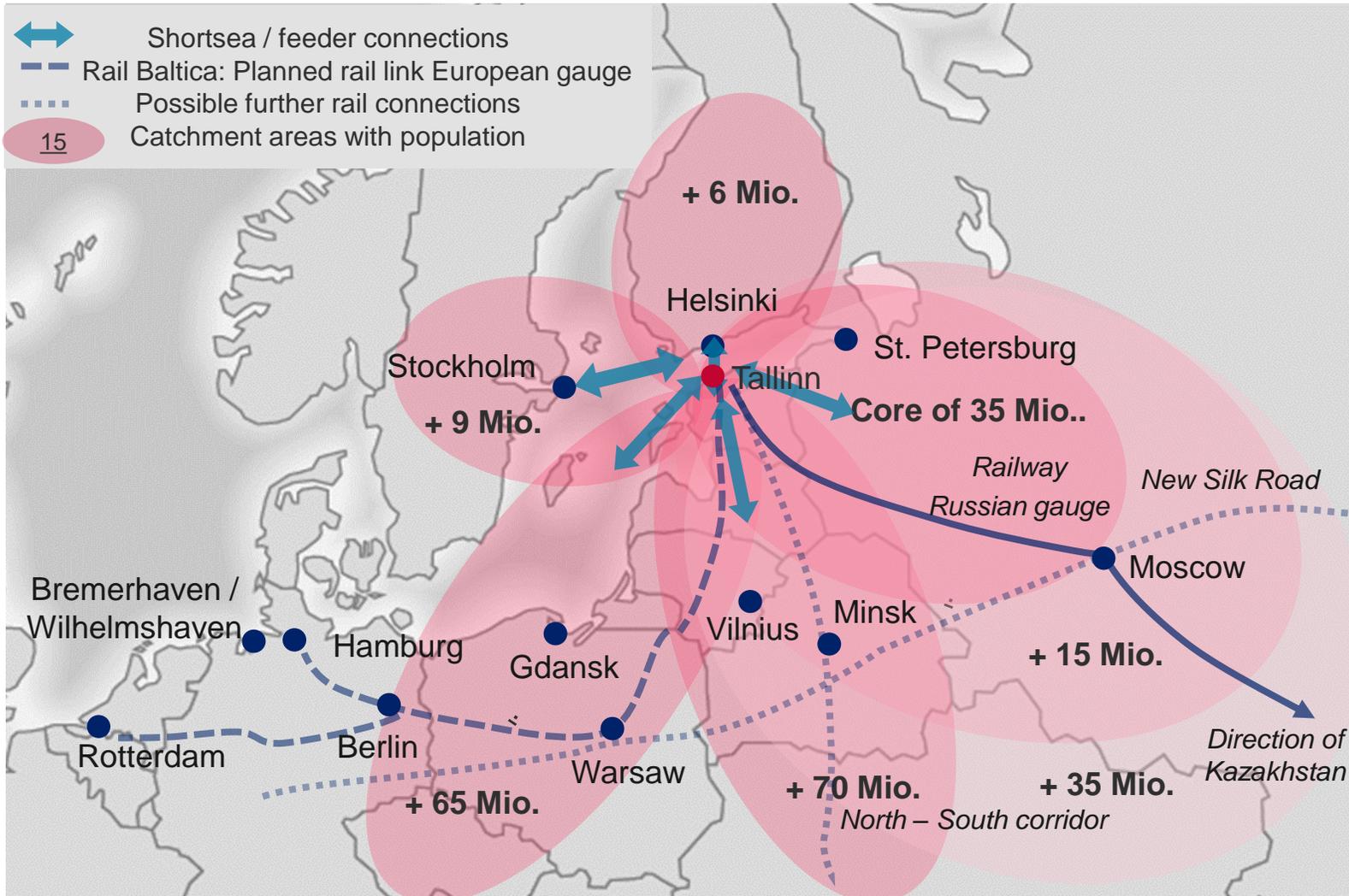
# Seamless intermodal services contribute to increasing transit flows at HHLA TK Estonia

## BLOCK TRAIN DEPARTURES TK ESTONIA



- Main block train destinations are Moscow and Kaluga (automotive industry cluster)
  - Dedicated and non-dedicated block trains
  - Other block trains destinations include Kazakhstan and other CIS
  - End of 2018 started Estonian local blocktrain with South Estonia
- Rail modal split TK container terminal in 2019 at 17%
- In line with HHLA's approach in Hamburg a key focus will be the continuous development of intermodal solutions in and beyond Estonia

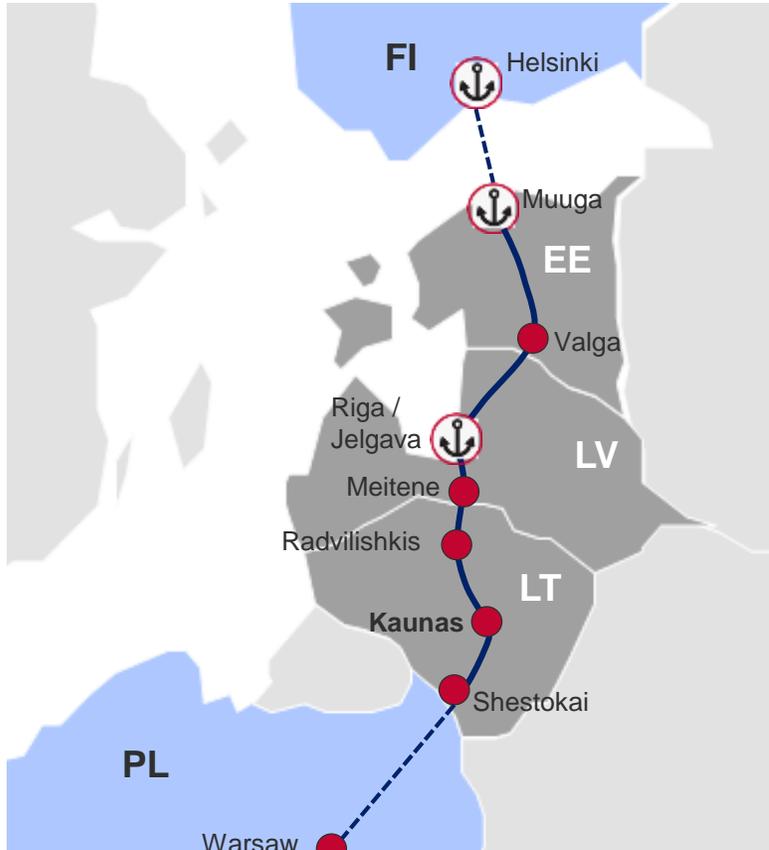
# With access to a population of 235 Mio., Estonia has the potential to become a multimodal hub



- Central geographic position to serve markets of up to 235 Mio. population
  - Russia / CIS countries only one potential area of focus
  - At least as much potential towards Scandinavia / Ukraine and potentially Western Europe
- Estonia at the cross roads of Container lines, ferries, Russian gauge railway and in future European gauge railway (Rail Baltica)
- State of the art modern transportation infrastructure allowing for efficient movement of goods
- Availability of space for development of logistics operations

# Amber Train connection between Muuga and Polish border to further strengthen the transport corridor through Muuga

## AMBER TRAIN INITIATIVE – ROUTING AND KEY FACTS



- Helsingi/Vuossaari - Tallinn/Muuga - Kaunas/Shestokai, called “Amber Train project”
- Option for rail/rail transshipment in Shestokai and Kaunas intermodal terminals from European gauge to Russian gauge and vv.
- Regular service (2 x week up to 4 x week) to be started in Q3/2020
- As the project will further strengthen the transport corridor through Muuga, all efforts shall be made to enable the successful operation of the train.

— Routing of Amber Train  
- - - Ongoing transport by boat (to FI) / truck (to PL)

# HHLA TK Estonia and HHLA to leverage their strengths to develop Tallinn into a regional logistics hub in the Baltics

## Key strengths

- 1 Multimodal hub with excellent maritime connections
- 2 State of the art infrastructure with expansion possibilities
- 3 Longstanding experience in vertical integration
- 4 One face to the customer and integrated IT
- 5 Time and cost savings

- Weekly container links from all main European hub ports and daily ro-ro link to Finland
- Road and rail connection to Russia gauge and planned to European gauge (Rail Baltica)
- 1,730m quay wall with (to be) 5 STS cranes for maximum handling flexibility
- Extensive terminal area for storage of all cargo types, with significant room for expansion
- Planned logistics zone near Muuga Port
- Longtime experience in handling time sensitive cargoes with seamless rail integration
- Provision of value-added services on terminal
- Further application of HHLA Group knowledge, approach and technologies
- Integrated approach between HHLA TK Estonia and rail operators
- EDI connection at all steps of the process with real time information and exception management
- Routing without congestion securing a timely arrival and no hidden costs for handling
- Seamless border crossing with customs clearance at destination (in Russia)

# Multimodality and multi-country approach at the center of further initiatives to grow Estonia's role as a regional logistics hub

Our contribution

## Development of Russia/CIS rail links

Targeted acquisition of specific cargoes from Asia/Europe to Moscow

TK Estonia as transit (and storage) point with tax/customs advantages

## North-South Corridor (Tallinn-Odessa)

TK Estonia to act as consolidation point for southbound cargo

CTO Odessa to act as consolidation point northbound cargo

Potential intermodal service to include Belarus (Great Stone)

## Silk Road initiative

Support of China trains for Scandinavian destinations (avoiding congested choke points)

TK Estonia to act as transit, storage and value added point

## Development of value added services

Provision of value added services to Estonian customers

Development of TK/Tallinn as distribution center for e.g. Scandinavian cargoes for Russia/CIS

## Rail Baltica

Muuga selected as railhead for link between 1520 and 1435 rail network

Construction in Baltic states expected to be completed by 2026 with full link to Poland/Europe in 2030

TK Estonia to act as transit, storage and value added point

➤ Long term potential

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