

# Annual Report 2014



[hamburg-airport.de](http://hamburg-airport.de)

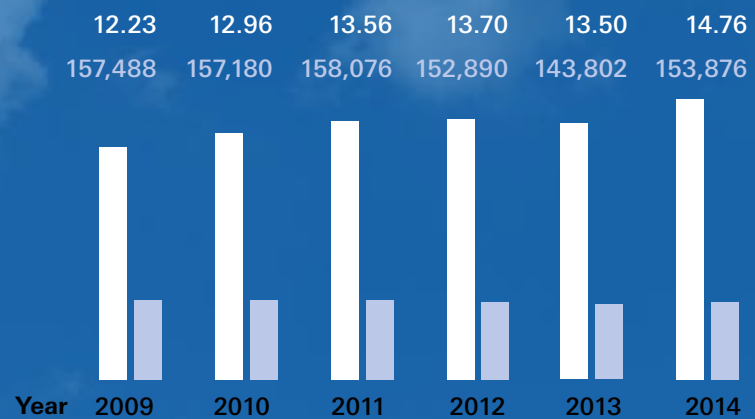


## Hamburg Airport

# Key figures 2014: An overview

### Passengers (in millions)

#### Aircraft movements

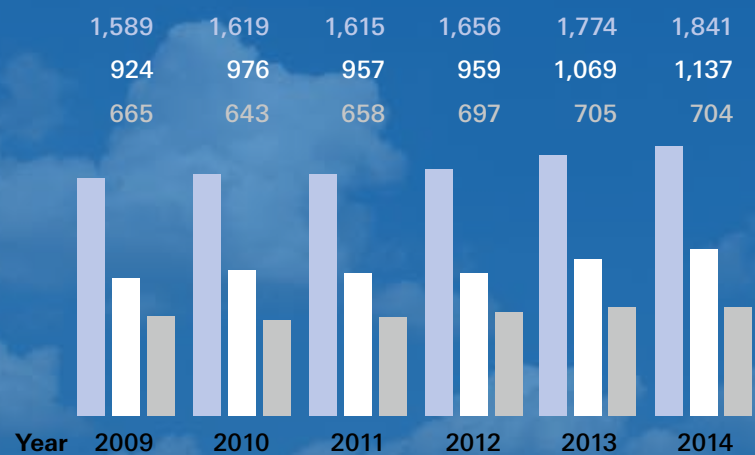


### Employees

#### FHG-Group

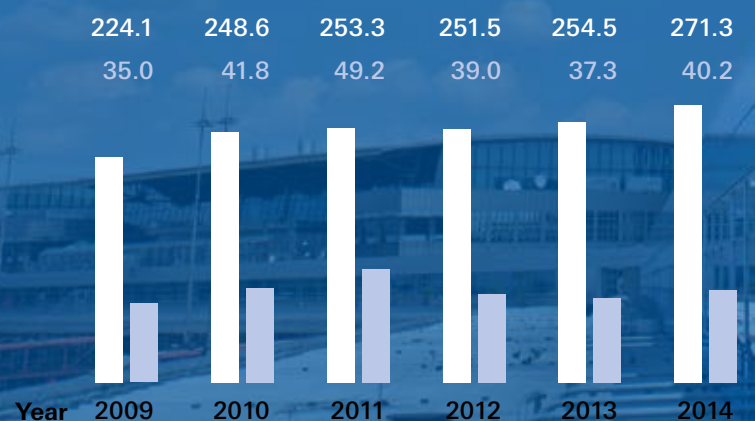
#### Subsidiary companies

#### FHG



### Turnover (in € million)

#### Result (in € million)





A low-angle photograph of the Hamburg Airport sign, featuring large, three-dimensional red letters spelling 'Hamburg Airport' against a blue sky with light clouds. The sign is mounted on a metal structure.

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## Foreword from the Chairman of the Supervisory Board

# Foreword

At the beginning of 2015, Germany's economists reacted almost euphorically to the figures from the final quarter of 2014. Between October and December 2014, the German economy grew more than twice as much as expected, resulting in 1.6 percent total growth for the whole year 2014. The fear of a recession that had dominated discussions mid-year proved to be unfounded. In the context of the current geopolitical strain, this is indeed surprising.

The lightening of the mood in business circles is also being felt a little in the aviation industry. The industry experienced a boost when Germanwings, a Lufthansa subsidiary, took over all of the parent company's non-hub routes. Then there are the new, up and coming airlines like easyJet, Vueling and Norwegian. Never-

theless, many European airlines continue to find themselves in the middle of cost-reduction programmes. On top of this, strikes by airline personnel were the order of the day. In the year 2014 alone, Hamburg Airport had to absorb the effects of 24 days of strikes at various airlines.

Passenger figures developed very favourably for Hamburg Airport. The total of 14.8 million passengers represents 9.3 percent more people flying to or from Hamburg Airport than in the previous year. This was the strongest performance amongst Germany's major airports, where growth averaged just 3 percent.

Flughafen Hamburg GmbH closed the 2014 financial year with a satisfying result. With strict cost manage-





ment and entrepreneurial foresight, Hamburg Airport has managed to perform convincingly, even in these turbulent times. The leadership of Hamburg Airport is continuing to pursue this path.

I would like to express my thanks to the Executive Board and to all of Hamburg Airport's employees for their commitment and their successful efforts in the financial year under review.

**Dr Klaus-Juergen Juhnke**  
Chairman of the Supervisory Board



Dr Klaus-Juergen Juhnke,  
Chairman of the Supervisory Board

## Foreword from the Chief Executive Officer

# We look positively to the future

Hamburg Airport took advantage of the positive economic environment in 2014, making the year into a success. The positive development of the airlines, providing Hamburg with a variety-filled route network, further engaged the market. The company is nevertheless en route to challenging times – with confident, optimistic expectations of what the future will bring.

Hamburg Airport exceeded its own expectations in 2014. We commenced the year with a forecast of 4 per cent passenger growth, and closed the books with 9.3 per cent. A total of almost 14.8 million passengers flew to and from Hamburg. We are very satisfied with these results, because they are a joint achievement of the entire airport workforce.

Despite this record in passenger volume, the number of aircraft movements in 2014 was at the low level of 1997. In 1997 we had just 8.6 million passengers, today we have more than 14 million. The fact that the number of aircraft movements is the same is a result of the deployment of larger aircraft and the better load factors achieved.

More efficient usage of aircraft capacity and the deployment of larger, more modern aircraft have also had a positive effect on noise levels in the surrounding area.

Compared to 1997, the result for last year was 35 per cent less noise despite more passengers and the same number of aircraft movements. Further reduction of aircraft noise in the skies over Hamburg and the neighbouring municipalities is an important issue for Hamburg Airport. One of our highest priorities is to motivate the airlines to use modern aircraft to and from Hamburg. In 2015, we will therefore see the first deployment of the whispering A320neo, which is around 6db(A) quieter when flying overhead than comparatively sized aircraft.

Hamburg Airport also recorded success in the expansion of its diverse route network in 2014. Many existing airline customers expanded their operations, and there were many new airlines too. Last year thus saw a total of 70 maiden flights, 18 of which were to completely new destinations. This, of course, also means more competition on existing routes, and that is good for the market.





Hamburg Airport also had some challenges to face last year, though. There were, for example, a total of 24 days of strikes at the airport – 11 of them affecting Lufthansa and 13 affecting Air France. In many cases, there were 2 consecutive days of striking. Almost 85,000 passengers were affected in Hamburg. Strikes are counterproductive for the reputation of the entire industry. Air transportation depends on speed and reliability; it is the passenger that suffers most. But strikes also result in a loss of turnover for airports and airlines. The parties to wage agreements are called upon to be sensitive and reasonable in their dealings with one another.

We wish to continue Hamburg Airport's positive development in 2015. In the area of infrastructure, we will see the Air Cargo Center continue to grow. Furthermore, in 2015 we will carry out preparatory work for the complete renewal of our apron close to the terminals – our core infrastructure. Construction work as such will then commence in 2016, continuing until the end of 2018 at the earliest.

In terms of passenger figures, we have our sights set on the 15 million barrier. Based on current developments, this should be achievable, come what may. Germanwings is progressing with its move towards an Airbus-only fleet, which means a significant increase in seating capacity from Hamburg. But easyJet is also expanding its operations here and will serve 28 destinations from Hamburg in 2015. We will therefore also intensify the dialog with our neighbouring communities. We already lead the pack with the implementation of our Noise Protection Programme, but as an inner city airport we do have a special responsibility towards our nearby residents. We will continue to fulfil this responsibility, and we will do so with even greater intensity.

**Michael Eggenschwiler,**  
Chief Executive Officer



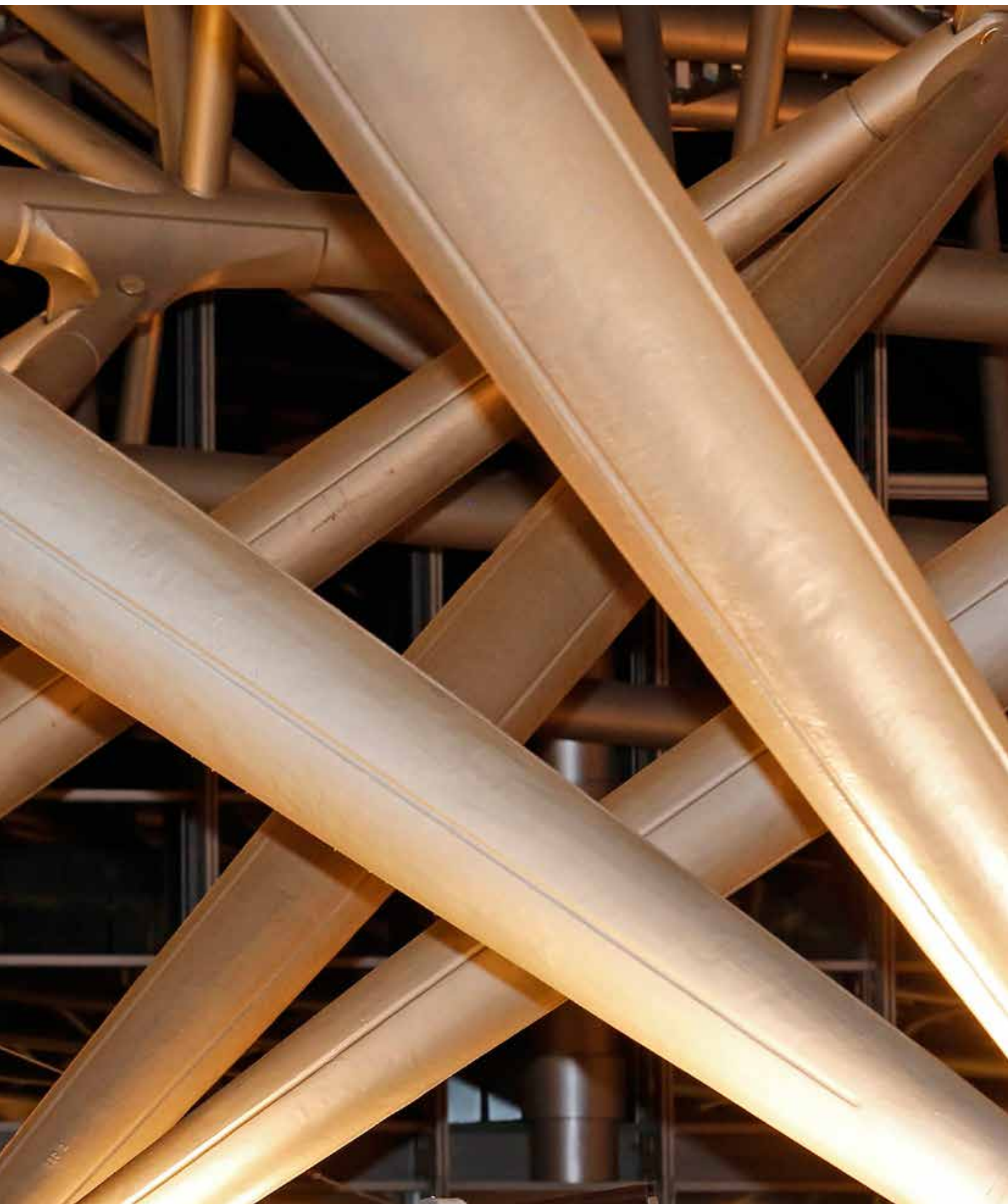
# Sustainable and responsible corporate philosophy

Commerce, staff development, environmental protection, social commitment, and community work are fixed components in Hamburg Airport's strategy.

There is a broad foundation for a sustainable corporate philosophy at Hamburg Airport. Hamburg Airport has traditionally been committed to proactive, responsible corporate activity well beyond legal requirements. Furthermore, as a city airport, Hamburg Airport has a major responsibility towards its neighbours and towards the environment. The Bertelsmann Foundation's Corporate Responsibility Index ranked Hamburg Airport as the best company in the logistics category in 2014, reflecting the airport's exemplary dedication.

Over the following pages, Hamburg Airport provides a review of programmes and developments that contributed to securing the future of northern Germany's largest airport last year. The core themes of commerce, personnel policy, environment, social commitment, and environmental protection are covered.









Commercial business model with long-term viability

# Hamburg Airport's commercial foresight continues in 2014

As a direct and indirect client, as the home to numerous service providers, and as a traffic hub for people and goods, Hamburg Airport is a significant economic growth factor in the Hamburg Metropolitan Region. A significant prerequisite for the success of northern Germany's biggest airport is the sustainable development of airport infrastructure, including terminals, runways, and car parks. Dealing with resources in an efficient and responsible way is essential for the sustained viability of the location. "With entrepreneurial foresight and sustainable action, we aim to secure Hamburg as an aviation location into the future, to be a fair and reliable employer for our workforce, to support and protect the airport's neighbours, and to deal with the ecosystem in a sensitive way," emphasises Michael Eggenschwiler, Chairman and Chief Executive Officer of Hamburg Airport.

## Solid and sustainable business model

A healthy commercial foundation is the basic prerequisite for sustainable corporate development. Flughafen Hamburg GmbH's business model is built on a number of stable pillars thanks to a mix of non-aviation and aviation segments. The airport will thus continue to be a reliable partner for its customers into the future. Beyond this, the variety of the aviation business segment, with 56 airlines and around 120 destinations, promotes competition and customer-friendly prices. In 2014, this ex-

tensive portfolio saw, for the first time in the airport's history, 14 million passengers fly here in one year. Beyond this, the non-aviation business areas – including retail, food & beverage, parking and advertising – today contribute around 30 percent of total revenue.

## Construction work on existing facilities

In its role as a strong economic factor and as an employer, Hamburg Airport has a great responsibility to the Hamburg Metropolitan Region. In order to consist-





ently fulfil this responsibility, the company carries out ongoing construction projects to secure the future of the site and to ensure the sustainable development of the airport infrastructure, both airside and landside. This will continue in the coming years. Efficient and responsible use of the airport's own resources is the fundamental prerequisite for Hamburg Airport's long-term commercial success.

#### **Airside construction work**

Hamburg Airport carried out important maintenance and service operations on both of its runways in June and September 2014. The work included the removal of rubber abrasion residue from touch-down points, concreting and asphaltting, flushing the sluices, renewing markings, and replacing and servicing runway illumination. This work is necessary on an annual basis in order to continuously guarantee the highest possible level of safety in air transportation.

#### **Landside construction work**

In July 2014, the new P1 multi-storey car park opened close to the terminals, providing around 2,800 parking spaces. This provides even more parking for visitors to the airport with those short walking distances that the airport is known for. Passenger surveys have identified parking close to the terminals as a major need. The parking spaces in the new P1 are 2.50 metres wide, significantly exceeding the minimum width. With the P1 car park, Hamburg Airport invested approx. 28 million euros in service and comfort for passengers.

Hamburg Airport wants to remain attractive for air cargo and is therefore building a new airfreight facility on the site of the P8 car park. The groundbreaking for the new "Hamburg Airport Cargo Center" took place in March 2014. This represents an investment by Hamburg Airport of 45 million euros of its own capital in the important business area of air cargo,



## Development of passenger figures

2012: 13.7 million



2013: 13.5 million



2014: 14.8 million



2015: forecast over 15 million



## Business model Hamburg Airport

Ground  
handling  
services  
18.3%

Non-aviation  
29.3%



Aviation  
52.4%

contributing to securing the future of Hamburg as an airfreight location.

### Construction work in the terminals

Hamburg Airport continually supports marketable innovations which will improve both profit and service quality and reduce costs. This includes, for example, the new automatic border security system, “EasyPASS”, introduced at the airport in March 2014. At 7 security gatelocks in the arrivals area of Terminal 2, EU passengers arriving from outside the Schengen zone can now scan their passports themselves. This substantially accelerates the border control process. In September 2014, the service was extended with 4 additional EasyPASS lanes in the arrivals area of Terminal 1.

A further innovation at Hamburg Airport is the new check-in and baggage kiosks, which were installed in August 2014. By printing their own boarding passes

and checking their own baggage at kiosk machines, passengers of Lufthansa, easyJet, Air France and KLM can avoid long queues at the check-in counters. Over time, other airlines will be added. The airport is pursuing a new direction here, making check-in and baggage kiosks part of the airport infrastructure, available to passengers of all airlines that choose to participate.

### Risk management

The Risk Management programme consists of a number of elements to enable the company to identify, classify, and master risks in good time. Firstly, risk identification is a fixed part of the regular management meetings; the risks identified are then assessed by risk management. Beyond this, a risk inventory is carried out once a year, encompassing all areas of the corporation. Measures for risk management are developed on the basis of this inventory, and responsibilities are assigned for the efficient minimisation of identified risks.





### **Code of Governance, Compliance Management System, effective resource planning**

Voluntary commitments such as a Code of Governance, a Compliance Management System, transparent processes at all levels and sustainable economic development are not just strategic guidelines at Hamburg Airport; rather, they are regularly deployed in actual working areas. This ensures that these expectations are understood as a real life approach, implemented in practice.

Beyond this, a standardisation of services and processes is planned for all working areas. Business processes that exist in the same form in various divisions can thus be harmonised, reducing the demand on resources. This allows for the more effective deployment of resources and the optimal exploitation of existing capacities. Hamburg Airport's infrastructure development is also guided by the principle of modularity, so that expansion

is only implemented when justified by demand. This also supports improved use of financial resources and a strengthening of Hamburg Airport's financial position.

Focus on personnel

# Hamburg Airport supports and encourages its employees



At the heart of Hamburg Airport's corporate culture are its employees, along with their professional and personal development. The Department of Human Resources thus continued to pursue a sustainable and modern personnel policy in 2014. The established corporate goal is to increase the attractiveness of Hamburg Airport as an employer by putting concepts in place in the work environment that are focused on health and family, and by regularly enhancing these concepts and programmes. Central aspects include needs-driven, workplace-focussed initial and in-service training and a reliable pay structure within a corporate culture that is daily reality. "We live out a corporate culture in which employees can feel comfortable and in which they are keen to serve the company and its customers," explains Sandra Carsensen, Director of Human Resources at Hamburg Airport.

## Comprehensive initial and in-service training portfolio

The modern management concept of Hamburg Airport is characterised by respect and appreciation of employees as partners. Regular training programmes for managers and staff thoroughly advance and extend their competence and communication skills. Detailed consultations enable the creation of individualised training concepts for each employee.

The seminars and courses are organised in various categories in the "Training Compass", which provided employees with an even better overview of training opportunities in 2014. The portfolio in the 2014 training programme was very well received, with 1,274 employees gaining qualifications in 164 workshops. A further 537 employees successfully took part in external workshops.





### **Systematic occupational safety and safe working practices**

Alongside the occupational safety system, now recognised by the authorities as “exemplary” for the third time in a row, flight operations safety is also subject to continuous improvement and regular evaluation within the framework of the established Safety Management System that is in place at Hamburg Airport. In addition to preventive and anticipatory safety work, it is also important that informed inspections and appropriate assessments of all operational occurrences are used to determine reliable criteria for making decisions on necessary measures. This makes it possible to recognise principal risks on an ongoing basis and, where appropriate, to establish effective, sustained solutions for gaps in safety. The monthly statistical report on occupational and operational safety summarises, amongst other things, the number of accidents and incidents involving loss or damage.

### **Family-friendly structures**

For young families in particular, such factors as family-friendly working hours, childcare during school vacations, and a fundamental awareness on the part of the employer of the special challenges of balancing career and family are decisive when it comes to choosing a job. Hamburg Airport’s Employee & Family Services support working mothers and fathers in the search for professional childcare. During the summer school vacations there is a 14-day programme to look after the children of employees whilst their parents work. Last year, more than 60 children were able to take part in the “Airport Tigers” programme during the summer and autumn vacations. Where necessary and subject to compatibility with work requirements, Hamburg Airport also offers mothers and fathers of small children and infants flexible working hours tailored to their needs. It is not only young families that need support; increasingly, older employees also require assistance.

## Training programme

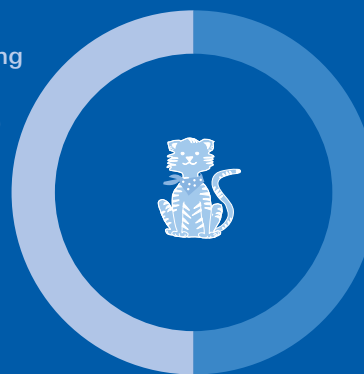
Regular training courses and seminars for management and staff



## Airport Tigers

Looking after children of employees during the summer and autumn school vacations

2013  
participating children  
approx. 60



2014  
participating children  
approx. 60

The Hamburg Airport Group has set itself the goal of dealing with demographic change in the best way possible, and has therefore been concentrating its efforts on concepts for this area for a number of years.

### Wide range of sporting and leisure activities and programmes to enhance sense of community

Many people working at Hamburg Airport perform primarily physical work, for example on the apron or in baggage handling. Health promotion measures and preventive medical checks are especially important here. But eye training and ergonomic workplaces can also contribute to improved comfort in office-based duties. The team at Hamburg Airport's Employee & Family Services coordinates an attractive range of works sport activities as well as the gym with its modern equipment, open 365 days a year.

Furthermore, Employee & Family Services organise such regular events as the Airport Family Day, the Employees' Party, and the Christmas Fairy Tale at the Ernst Deutsch Theater. Each year, the Department of Corporate Communications coordinates a traditional Christmas concert for employees of Hamburg Airport and their families in St Michael's Church in Hamburg. The performance of the airport choir, "HAM Singers", is always a highlight of the concert. Each year after the concert there is a Christmas market organised by Employee & Family Services, with many of the airport's various departments offering Christmas specialties such as mulled wine and cookies.

Employee & Family Services also offer the possibility of an affordable family vacation. There are holiday apartments in Heiligenhafen and in Soderstorf, for example. At regular intervals, too, there are attractive discounts for cultural events in Hamburg.





The social project “HAM hilft” (“HAM helps”) serves to reinforce the sense of belonging and togetherness amongst colleagues. The programme supports social institutions, facilities, and projects in the community. In the past year, airport employees have renewed the garden of a sport-focussed kindergarten and renovated rooms at the Ronald McDonald House in the airport neighbourhood.

The “Nestbauer” association and the animal shelter “Franziskus”, both in the airport vicinity, also received donations. These donations came from the proceeds of lost property auctions organised by the Airport Office, where airport employees can buy unclaimed items such as suitcases and electronic items left behind at the airport.

The “Wacken Airport” event in July 2014 also made a contribution to the community feeling at Hamburg

Airport. Airport employees welcomed visitors to the Wacken Open Air Festival in various ways, including special offers in the food courts, special first aid kits from the pharmacy, and free showers in the terminals before the return flight. The success of the “Wacken Airport” event even won the “Airport Media Prize”.

Active on behalf of society and the community

# Hamburg Airport is involved in the community and the region

Hamburg Airport takes on social responsibility. As one of northern Germany's largest workplaces, with more than 15,000 people working at the site, the airport takes on responsibility not just for these people, but also beyond the airport limits. The success of northern Germany's largest airport is closely intertwined with sustainable public relations and community work. Transparent dialog with the general public and with the airport's neighbours is a particular focus of Hamburg Airport, as are an active social media presence and environmental protection. "There are two core themes to our social engagement. On the one hand there is the open and honest interaction with the general public, with the airport's neighbours, and with the political sphere. On the other hand, it is just as important that we do not lose sight of the sustainable development of the region from an environmental point of view, and to take an active role in this," explains Stefanie Harder, Director of Corporate Communications at Hamburg Airport.

## Active for sustainable development of the region

As a significant economic factor in the Metropolitan Region and part of the local community, Hamburg Airport is aware of its social responsibility and is proactive in its efforts for sustainable infrastructure development, environmentally responsible business operations, and public spirited activity.

## Environmental networks

As well as comprehensive environmental management, Hamburg Airport also places great importance on investment in environmentally sustainable technologies and the promotion of environmentally efficient engines. The airport is therefore actively involved in various initiatives, in order to exchange know-how with its partners and to implement joint projects in the region.





Hamburg Airport is a member of

- the City of Hamburg’s Air Quality Partnership, where the airport is committed to reducing traffic-related air pollution and proactively supporting the development of low-pollution mobility
- the Federal German Working Group for Environmentally Responsible Management (BAUM)
- the Hamburg Environment Partnership
- the Hamburg Hydrogen Association

Hamburg Airport is also represented in the City of Hamburg’s Aircraft Noise Protection Commission. This body addresses citizens’ concerns and provides advice on noise protection measures.

### **Community commitment**

Hamburg Airport takes its role as a neighbour seriously. Active public commitment is an established feature of Hamburg Airport’s corporate culture.

The airport is a member of

- the association of the Hamburg Vocational Training Centre (HAZ) for disadvantaged youth
- the Advisory Board for the Alsterdorf Foundation
- the Federal German Working Group for Environmentally Responsible Management in Hamburg
- various citizens’ and local cultural associations in Hamburg
- the friends’ associations for the voluntary fire brigades in the areas around the airport

The airport provides financial support to many associations in the local community, in particular in the areas of popular sports and children’s and youth work. Sponsorship is given to events including football tournaments and running races.

Furthermore, Hamburg Airport regularly donates considerable amounts of money coming from the auctioning of lost property. In recent years, support has been given in

## Visitors to Hamburg Airport website

[hamburg-airport.de](http://hamburg-airport.de)  
is by far the most  
important source of  
information about  
the airport

2012: 6.7 million visitors



2013: 7.6 million visitors



2014: 8.2 million visitors



## social media fans



YouTube  
Subscribers:  
650



Twitter  
Followers:  
approx. 10.000



Instagram  
Followers:  
2.500



Facebook  
Fans:  
approx. 50.000

this way to many projects, including an animal shelter in Lokstedt, a children's hospice, a youth project in Jenfeld, and a mobility initiative for the elderly.

### Neighbourhood work

Good neighbours talk with one another – not about one another. With this as their guiding principle, Manfred Czub, the airport's longstanding Neighbourhood Officer and his team maintain regular contact with associations and other institutions in the immediate neighbourhood of the airport. There is also regular communication with local and regional political bodies and politicians, so as to find solutions to problems locally. Mr Czub and his department tour the neighbouring municipalities in the "Infomobil". They are always ready to lend an ear to residents and they try to make life close to a city airport easier with their social and environmental activity and with personal dialog. "Speaking openly and eye-to-eye has had the effect of making it possible to solve even difficult conflict situations as partners with mutual respect.

The expansion of this dialog will once again be the focus of our work in the coming year," says Manfred Czub.

Of particular interest to Hamburg Airport's neighbours are the airport's programmes for environmental and noise protection. In collaboration with the Environmental Protection Centre, Mr Czub and his team provide information about current projects in these areas and take note of concerns raised by those affected so as to consider them in future projects.

As a neighbour and as part of the community, Hamburg Airport regularly participates in town fairs and similar events, such as the summer tour of NDR (the state broadcaster for northern Germany) and its "Hamburg Journal" current affairs show. Events like these strengthen social cohesion and provide an opportunity to inform interested members of the public about the airport's activities.





### Active use of social media

Hamburg Airport was quick to identify the online trend towards corporate presence in social networks and is engaged in active dialog with friends, acquaintances, neighbours, passengers, and meeters-and-greeters on Facebook, Twitter, YouTube, and Instagram. The scale of interest in Hamburg Airport within social media can be seen in the growth of the fan and follower base in 2014. Hamburg Airport now has around 50,000 fans on Facebook and almost 10,000 followers on the Twitter microblogging service. Hamburg Airport's YouTube channel is also gaining in popularity with more than 650 subscribers, and the airport also has approximately 2,500 followers on Instagram.

### Relaunch of internet presence

As northern Germany's most important airport, Hamburg has set itself the goal of an innovative and exemplary online presence. The Hamburg Airport website,

online at [www.hamburg-airport.de](http://www.hamburg-airport.de), was therefore completely redesigned in November 2014. The new site is even easier to use, even more straightforward, and even more customer-focused. The redesign was guided by the principle of making the site easier to use for passengers, meeters & greeters, and visitors. Users should be able to find their way around the site quickly, reaching the information they want with a minimum of clicks.

Ease of navigation is ensured by the quick links to "Depart", "Meet & greet", and "Experience". With one click, for example, passengers can find out if their flight is on time and what terminal they should go to for check-in. And it doesn't matter whether the user is browsing on a smartphone, a tablet, or a PC. The new website automatically recognises the screen size and adapts the page layout accordingly. The airport's website currently receives around 25,000 visitors every day.

Focus on environmental protection

## Reduction of environmental impact is a priority target at Hamburg Airport



An established principle at Hamburg Airport is that the environmental impact of airport operations is to be kept as low as possible. Operating according to principles of sustainable development demands thorough and continuous monitoring of all environmentally relevant activities, and the reduction of environmental impact by optimising operational processes, deploying more modern and environmentally friendly technologies, and the efficient use of resources. To this end, Hamburg Airport put an Environmental Management System in place as long ago as the end of the 1990s, certified according to the ISO 14.001 and EMAS (Eco Management and Audit Scheme) standards. In 2014, for the sixth consecutive time, the airport's Environmental Management System received EMAS certification.

### New Environmental Programme 2014–2017

Hamburg Airport's 7th Environmental Programme is currently in effect. It defines the airport's goals and measures to protect the environment for the years 2014 to 2017. With this programme, Hamburg Airport has committed itself to implement further voluntary protective measures beyond what is legally required in the various fields of environmental protection. Amongst other things, this includes further reducing CO<sub>2</sub> emissions, implementing further measures to

protect local waterways and water bodies, further reducing fresh water consumption, pushing ahead with the conversion of the vehicle fleet to alternative fuels, and increasing the ratios of waste separation and recycling.

In the field of noise protection, Hamburg Airport's continues into the coming years its commitment to make use of all technical, operational and organisational possibilities to reduce flight and operational noise levels.





### Noise protection

Alongside the optimisation of technical facilities and processes for handling and moving aircraft on the ground, Hamburg Airport also uses economic leverage to further reduce aircraft noise above Hamburg and the neighbouring municipalities. The noise-based landing fee rewards airlines for the deployment of more modern and quieter aircraft; similarly, surcharges are imposed on the airlines for flights after 10:00 p.m., and especially for delays after 11:00 p.m. These surcharges will be raised once again from 2015, so that in the future, airlines will pay a 150 percent surcharge for landings after 10:00 p.m., and a 300 percent surcharge for landings after 11:00 p.m.

Hamburg Airport has had a graduated fee system since 2001, categorising aircraft into noise classes. The simple principle applies: the louder the aircraft, the more expensive it is to land. Here, too, there will

be an increase in the noise surcharge from January 2015 – up to 45 percent for the very loud noise classes.

The incentive-based fee system is effective. Noise pollution today is significantly lower than it was a few years ago, despite increasing passenger numbers. The better load factor on flights is a factor in this development, along with, in particular, the deployment of more modern, quieter aircraft. The deployment of the new Airbus A320neo and Boeing 737 Next Generation aircraft will represent a further milestone in noise reduction. These, the latest generation of aircraft, will enter operation in Hamburg at the end of 2015.

### CO<sub>2</sub> management

The airport's CO<sub>2</sub> emissions are to be reduced further in the coming years, too. Hamburg Airport already generates the majority of its energy requirements using its own facilities (block-type thermal power station, central

## Airport Carbon Accreditation

Levels and scopes

### Level 1: (Documentation)

Calculation of all Scope 1 and Scope 2 CO<sub>2</sub> emissions

### Level 2: (Reduction)

As for Level 1,  
plus the development of reduction targets with proof of fulfillment

### Level 3: (Reduction)

As for Levels 1 and 2,  
important Scope 3 CO<sub>2</sub> emissions (aircraft at the site, feeder traffic, etc.)

### Level 3+: (Neutrality)

Satisfaction of all requirements from Levels 1 – 3,  
plus compensation for all remaining Scope 1 and Scope 2 CO<sub>2</sub> emissions to the point of climate neutrality.

## Vehicle power source

by fuel



heating plant). Approx. 85,000 MWh of gas are used to generate heat and electricity in the facilities. A further 40,000 MWh of electricity are purchased externally each year. The operation of the buildings uses the most energy and is thus responsible for the majority of the airport's CO<sub>2</sub> emissions. The further optimisation of technical facilities and operational processes are aimed at reducing CO<sub>2</sub> emissions by six percent below the levels recorded in 2013, equivalent to around 1,700 tonnes of CO<sub>2</sub>. In addition to this reduction at source, the proportion of green electricity in externally purchased power is to be increased further from the present level of 52 percent.

### Airport Carbon Accreditation Level 3

Hamburg Airport has been keeping thorough CO<sub>2</sub>-emissions accounts for several years, reducing emissions with the aid of a Carbon Management Plan. Hamburg Airport's CO<sub>2</sub> management fulfils the criteria for Airport

Carbon Accreditation (ACA). Level 3 Accreditation was achieved for the first time in 2014. This is the second-highest accreditation level in the four-level system (Level 1 to Level 3+). The target is now to achieve the next step, Level 3+. This requires the complete and exhaustive deployment of all potential for emission reduction along with compensation for all unavoidable and/or still reducible CO<sub>2</sub> emissions directly caused by the airport (so-called Scope 1 and Scope 2 emissions). Hamburg Airport currently emits 28,000 tonnes of CO<sub>2</sub> per year in this context.

### Green mobility

In the summer of 2013, in order to also achieve a further reduction of CO<sub>2</sub> emissions in the area of mobility, Hamburg Airport committed to the consistent conversion of its vehicle fleet to alternative fuels. The airport has set itself an ambitious target: In just 7 years, more than half of all the Hamburg Airport Group's vehicles





should be powered using alternative fuels; for standard vehicles such as cars, small and medium-sized vans, and buses, the target is 100 percent. It is already a principle that the available and economically viable alternative fuel options are examined for every tendering process for special vehicles. With 45 newly acquired vehicles in 2014, the fleet currently includes 132 alternative fuel vehicles, equivalent to around 32 percent of the entire fleet.

Further, Hamburg Airport also promotes sustainable mobility for its employees on their daily journeys to and from work. Job tickets for the use of local public transport are subsidised to the amount of up to 25 euros per month. By travelling using the climate-neutral S-Bahn (metro rail service), Hamburg Airport's employees save around 1,600 tonnes of harmful CO<sub>2</sub>. "Cycle to work" was the motto of many employees in 2014. 74 participants and 43,000 kilometres in 3 months set a new record.

#### Monitoring water quality

A comprehensive measurement programme was put in place at Hamburg Airport in 2014 to monitor surface water in the airport's operating areas. Year-round sampling at various points of discharge and under varying weather conditions (especially frost, snow, heavy rain) showed that there is no significant adverse effect. A separator system with measurement sensors prevents discharge into surrounding water bodies in the event of pollution, and nine rainwater retention basins serve as an intermediate reservoir. In addition, a total of 27 separator facilities are installed on the airport site to prevent pollution with oils and fuels.



# Status report for the 2014 financial year

## Basis of the company

Flughafen Hamburg GmbH (hereinafter “FHG”) is the operator of Hamburg Airport and administers all business related to this role. Beyond this, the company provides consulting and other services, both in the airport sector and in other fields. The **core business areas** of FHG and its subsidiaries are as follows:

The primary task of the **Aviation** division is to ensure and enhance safe and smooth flight operations. Beyond this, the division is responsible for passenger logistics, both airside and landside, and for baggage logistics. The Airport Fire Brigade and the Security Department are also part of the Aviation division.

The division of **Ground Handling** incorporates all ground traffic services. This includes, for example, aircraft loading and unloading, cabin cleaning, bus transfers, pushbacks, passenger handling, and aircraft

de-icing. Operational activities are carried out by the subsidiaries GroundSTARS, CATS, and STARS and by the partial holding AHS Hamburg. The subsidiaries charge their services to FHG, whilst FHG maintains ground handling contracts with the airlines.

The **Center Management** division generates FHG’s non-aviation revenue. This includes all property rentals at Hamburg Airport, the concept and design of retail and food court areas, and the management and marketing of advertising business.

The **Real Estate Management** division maintains and provides the entire infrastructure for Hamburg Airport. Specifically, the construction and upgrading of property and technical facilities, along with management of maintenance for all properties, are the core responsibilities of this division.





### Overall economic developments and status of the industry

In 2014, moderate stabilisation was seen by the majority of those European states effected by budgetary crises. Nevertheless, the overall economic situation in Europe continues to be strained.

In this context, the European Central Bank – like other important central banks all over the world – continued its very expansive monetary policy. The resultant low interest rates was favourable for the investment activities of FHG and other companies in Germany; at the same time, however, this led to a significant increase in expenditure due to the valuation of long-term provisions (e.g. for company pension scheme). At the same time, the low unemployment rate in Germany, combined with rising wage agreements, led to increased individual consumption. In this setting, and despite the additional economic burden of sanctions against Russia since the

middle of the year Germany developed positively as a business location and can report growth for 2014. On the basis of preliminary calculations from the German Federal Statistics Office, the real gross domestic product increased by an average of +1.5% over the 2013 figures (previous year: +0.1%).

Overall, the situation in the aviation industry has improved. Nevertheless, many of Europe's airlines are continuing to find themselves implementing cost reduction programmes and savings programmes. Strikes, in particular by airline personnel in 2014 (including staff of Lufthansa, Germanwings, Air France) led to flight cancellations. Amongst other factors, the Aviation Tax continues to be a burden on Germany's aviation industry. At the end of 2014 the Federal Constitutional Court rejected a lawsuit and determined that the Aviation Tax is compatible with the Basic Law of Germany.

From the side of the airlines, the transfer of all Lufthansa direct flights (other than to/from Munich and Frankfurt) to Germanwings was a particularly important stimulus to the market in 2014. At the same time, ambitious European airlines such as easyJet, Norwegian, and Vueling are increasingly establishing themselves at decentralised German airports. Furthermore, a number of classical former national flag carriers are taking on the competition and contributing to the growth of aviation.

Preliminary figures from ADV (the German Airports Association) suggest that total passenger movements at Germany's international civilian airports grew by 3.0% in 2014.

### **Traffic development at Hamburg Airport**

Passenger figures for Hamburg developed in a very pleasing way in 2014, with 14.8 million passengers (previous year: 13.5 million). At 9.3%, this growth rate was the highest of Germany's larger commercial airports. For Hamburg Airport, the year 2014 was shaped in equal measure by the significant expansion of services resulting from additional frequencies and new destinations, and by the opening of an easyJet base with three aircraft stationed here in the course of the year.

The factors described are also clearly reflected in the increase in commercial aircraft movements. A total of 139,324 take-offs and landings were recorded at Hamburg in 2014 (+7.6% compared to the previous year).

This shows that the new services have been very well received by the Hamburg Market. The key figure of passengers-per-movement rose further to almost 106 (previous year: 105). At the same time, the average aircraft load factor (passengers per seat) climbed to reach 75.5%, a new record.

### **Business development and earnings situation**

FHG's sales revenues rose over the previous year by €16.8m (6.6%) to €271.3m, exceeding expectations for the 2014 financial year by 4%.

The Aviation division reported a €9.0m (6.7%) increase in revenue to €142.3m. Essentially, the reason for this increase is the growth in traffic levels. As was the case in the previous year, this represents a 52.4% share of total sales revenue.

Within the non-aviation sales revenues, turnover-based rent rose as a result of the increase in passenger volume by €2.7m (10.0%) to €29.9m. Revenue from fixed rents

and rent-related services remained at the same level as in the previous year. There was a slight rise of €0.6m (5.8%) in other sales revenue to €10.3m. The share of the non-aviation segment in total revenue is 29.3%, a slight decrease from the previous year (30.2%).

Sales revenue for Ground Handling was €49.7m, some €5.4m (12.2%) higher than in the previous year. As a logical consequence, the share of this segment in total revenues rose to 18.3% (previous year: 17.4%). Handling volume rose by 16.6% over the previous year to a total of 68,081 units. Contrary to expectation, FHG's market share throughout the year was almost 100%. As the second provider, approved the previous year, was still not able to commence operations in 2014 due to complaints by unsuccessful bidders, FHG continued to guarantee handling by its own ground handling subsidiaries, as requested by the authorities. This growth in handling volume was further amplified by the increase in aircraft movements at the site.

Aircraft de-icing, on the other hand, performed weakly overall for 2014 due to weather conditions. Cumulative de-icing revenue was significantly lower than forecast and lower than for the previous year.

Other operating revenues amounting to €2.7m (previous year: €9.1m) consist essentially of income falling outside the year under review and income coming from the liquidation of reserves. The high value in the previous year includes, in particular, income from the appreciation in value of real estate on the basis of an assessment (€2.6m) along with income from the reduction of €4.2m in provisions for legally mandated noise protection measures and €1.0m in other provisions.

The cost of materials was €114.3m, some €5.0m (4.6%) higher than the previous year and slightly higher than forecast. Substantial contributing factors here were increased maintenance expenditure along with a higher volume of aviation services provided by the ground handling subsidiaries. An opposing effect, resulting from the mild winter, was the reduction in expenditure for grit, spray, and de-icing fluid for the de-icing of surfaces and aircraft.

An increase of €6.4m (15.4%) was recorded for personnel expenditure, which totalled €48.4m. A major factor here was the significant increase of €4.1m (113%) in age pension provisions. Apart from this, Public Service Wage Agreement (TVöD) wage increases of 1.4% from 1 August, 2013 and 3.0% from 1 March, 2014 also contributed to the increase in personnel expenditure.



Other operating expenditure remained at the previous year's level of €30.2 m.

Amortisation and depreciation on intangible and tangible fixed assets amount to €30.1 m (previous year: €30.8 m).

After balancing non-recurring effects, the result from ordinary activities was €43.2 m, which is €2.0 m (4.9%) higher than the level attained in the previous year.

As a consequence of the controlling and profit/loss transfer agreement with FHK Flughafen Hamburg Konsortial- und Service GmbH & Co. oHG, Hamburg (hereinafter "FHK"), no tax is due on the income or profit. The tax listed relates to the interest due on a corporation tax credit to be repaid over several years. Other taxes amounted to €2.2 m, a decrease of €0.9 m. The higher value in the previous year was the result of energy taxes associated with the retroactive cancellation of electricity tax exemption for the block-type thermal power station.

As a consequence of the development of operating business described above, and despite the unexpectedly high level of expenditure for pension provisions, the company reports a result before profit transfer for the 2014 financial year of €40.2 m, which is €2.9 m (7.8%) higher than the previous year's result, exceeding expectations by a pleasing 9%. The profit-turnover ratio of 14.8% remains almost unchanged (previous year: 14.7%).

### Financial situation

The cashflow from ongoing business operations (€63.6 m) covered the payment of dividends to shareholders from the previous year's results (€37.3 m) and advance payments of the transferable profit for 2014 (€18.5 m) along with around 15% of outlays for investments in fixed assets (€50.7 m). The financing of the remaining investments – in particular the building of the new Air Cargo Center – was achieved by taking out a new loan of €44.0 m at the start of 2014. Beyond this, however, the planned repayment of existing bank loans (€25.2 m) led to a €24.1 m decrease in financial reserves, resulting in a negative balance of –€35.5 m (previous year: –€11.4 m). Essentially, borrowing took the form of short-term borrowing from HGV Hamburger Gesellschaft fuer Vermoegens- und Beteiligungsmanagement mbH, Hamburg (hereinafter "HGV"), amounting to €22.0 m (previous year: €3.0 m), along with withdrawal from the cash pool jointly held with the subsidiaries, amounting to €14.1 m (previous year: €9.9 m). Cash in hand and credit at banks is listed with a value of €0.6 m.

The Executive Board regularly receives information relating to liquidity and potential financial risks to support it in treasury management. FHG and its subsidiaries operate a joint cash pool with the goal of optimally deploying liquid resources. This effectively concentrates the liquidity surplus of the subsidiaries with the parent company. FHG offsets short-term liquidity variations, where necessary, with HGV resources. The integration of FHG in the HGV Group, along with the high creditworthiness of the shareholders, mean that there is no indication of financial problems either at present or for the future.

A loan of the magnitude of €30.2 m planned for the end of 2014 was initially not taken out. Instead, the necessary liquidity (€35.5 m) was, essentially, taken as a short-term loan from HGV at year-end, to be cancelled and replaced at the end of the first quarter of 2015 by a new, long-term loan of €40.0 m. A further loan of between €20.0 m and €30.0 m is planned for the end of 2015. Total borrowings for 2015 are planned in the order of €60.0 m to €70.0 m, necessary for the financing of new investments (planned €68.4 m) as well as for further scheduled repayments of old loans (€25.2 m).

### Investments

FHG's investments in tangible assets and in intangible fixed assets throughout the course of 2014 amounted to a total of €51.8 m (previous year: €39.8 m).

The focus of investment activity was on the building of the P1 multi-storey car park (€14.0 m), the new Air Cargo Center, currently under construction (€12.2 m), the reinforcement of the aircraft guidance line on the Southern Apron (€4.4 m), and initial measures in the thorough renewal of Apron 1 (€3.7 m). Other significant investment activity related to the replacement of the FB2000 flight scheduling system with a new system (Project "HAM SulTe", €2.2 m), the construction of a new rainwater sluice (€1.4 m), and the implementation of a digital site radio communications system (€1.0 m). For projects spanning a number of years (e.g. the P1 multi-storey car park and the Air Cargo Center), payments made during the 2014 financial year are listed.

### Nett asset position and asset structure

FHG's balance sheet total has risen by €28.1 m (6.4%) from the previous year-end to €466.2 m.

On the asset side, the high level of investment described, amounting to of €51.8 m, balanced by planned depreciation of €30.2 m, were the primary factor in a €21.4 m (5.2%) increase in the value of fixed assets to

€435.3m. 80.2% of this amount is covered by equity capital along with medium and long-term investment capital (previous year: 78.1%). Current assets rose by €7.0m (30.7%) to €29.9m. A particularly important factor in this development is the €6.6m increase in trade debtors to €21.1m.

On the liabilities side of the balance sheet, a €7.7m increase in pension provisions is reported, along with a €2.2m increase in other provisions. This is counteracted by a €0.9m reduction in tax provisions. The higher balance sheet total is reflected in an increase in liabilities, listed at €297.8m (previous year: €278.6m). Liabilities to credit institutions rose by €17.7m (8.5%) to €225.1m as a loan was taken in 2014 which exceeded the amount of repayments on existing loans. Furthermore, an increase of €6.6m in liabilities to affiliated companies to a total €66.4m is reported. A principal factor in this is the €19.0m increase in liabilities arising from the short-term borrowing from the HGV. This is counterbalanced by a decrease of €15.6m in liabilities from profit/loss transfer; this decrease occurred because FHG made advance payments of €18.5m on the transferrable profit for 2014 to FHK; this has not been done in previous years.

With unchanged equity capital (€63.8m), this higher balance sheet total logically results in a slight decrease in the equity ratio to 13.7% (previous year: 14.6%). Equity capital, along with medium and long-term investment capital, balanced 79.9% of medium and long-term fixed investments (previous year: 77.5%).

### Employees

Excluding the Executive Board and apprentices/trainees, FHG's average workforce in 2014 consisted of 704 employees (previous year: 705).

In addition to these figures, an average of 40 apprentices and trainees was employed by FHG throughout the year. In the course of the year, eight trainees/apprentices successfully completed their training, whilst 14 new trainees/apprentices were hired from around 1,300 applicants in 2014. The FHG Group deliberately trains beyond its own needs in eight different occupations, in this way fulfilling its social obligations.

Furthermore, the leadership training programme initiated a number of years ago was continued for around 70 employees of the FHG Group, and other employee groups within FHG and subsidiaries received targeted training.

### Events occurring after the accounting date

There have been no developments of special significance to FHG's or the Group's commercial situation since the accounting date.

### Opportunities and risks for future development

FHG has at its disposal a central risk management system, which is continually being updated. The goal is to facilitate dealing with risks in a managed way. To this end, organisational regulations have been implemented and committees established, guaranteeing early recognition of risk-laden developments. The definition and parameterisation of both specific risks and general potential risk are documented in a risk handbook. According to these classifications, there are no identifiable risks endangering the company's continued existence, and no identifiable risks with a substantial impact on the asset, financial or profit situation.

A risk is identifiable in terms of traffic-related revenues as demand in aviation decreases. In view of the high level of passenger growth currently being experienced, however, the probability of this risk developing appears limited. The continued consolidation of airlines is creating a dependency on a smaller number of larger customers and alliances. Were FHG to lose one of these large customers, a significant loss of turn-over and market share would result. Furthermore, in the ground handling segment, the local competitor could make intense efforts to acquire further customers from FHG by way of low prices. This brings with it the risk of the pricing level as a whole sinking still further. On the positive side, however, contracts with the four largest ground handling customers by far have periods which run to the end of 2016, 2017, and 2018. Further risks exist in the form of potential poor supplier performance and delays to the completion of construction projects arising from either building permits not being granted, from delays in handover, or from supplier insolvency.

Already at the end of 2013, the insolvency administrator of the former airline "Hamburg International" demanded that FHG partially repay turnover revenues and lodged a claim to this effect; FHG objected to this claim in 2014. A date for the court hearing is not foreseeable at the present time. We consider the risk of the claim being upheld to be very slight, particularly on the basis of an external expert assessment; nevertheless, in the worst case, this could result in a charge in the order of up to around €5m.

Financial instruments implemented by the company consist of interest swaps to match the level and period



of the financial structure and to cover the risk of interest rate changes. Valuation units have been established in accordance with Art. 254 of the German Commercial Code (HGB).

Furthermore, potential opportunities could arise in the case of unexpected significant growth in traffic levels, which would translate almost directly into changes in earnings due to the company's high proportion of fixed overhead costs. Further opportunities exist in the form of entering new business areas, for example the planned operation of three cruise terminals in the Port of Hamburg by a joint venture operating company with the Hamburg Port Authority, an institution under public law of the Free and Hanseatic City of Hamburg, starting in 2015. Beyond this, FHG is also working on new services and products for its customers within its core business areas.

### **Outlook**

FHG expects an increase in traffic volume and in sales revenue of around 3% in 2015. In terms of operational expenditure, a slight increase is forecast for material expenditure and for depreciation as a result of the high level of investment activity. Consequently, the annual result for 2015 is expected to be 14% above the previous year's value.

**Hamburg, 20 January 2015**  
**Flughafen Hamburg Gesellschaft mit**  
**beschränkter Haftung**

#### **Executive Board**

Michael Eggenschwiler    Wolfgang Pollety

# Balance sheet 2014

Assets	31 December, 2014 €	31 December, 2013 €
<b>A. Fixed assets <sup>1</sup></b>		
<b>I. Intangible assets</b>		
1. Purchased commercial rights, similar rights and assets	1,520,260.00	900,754.00
2. Payments on account	2,832,079.78	0.00
	<b>4,352,339.78</b>	<b>900,754.00</b>
<b>II. Tangible assets</b>		
1. Land, leasehold rights and buildings, including buildings on leasehold land	334,019,027.65	314,980,383.47
2. Technical equipment and machinery	57,077,935.00	54,407,273.00
3. Other equipment; fixtures and fittings	10,595,816.00	12,644,279.00
4. Payments on account and assets under construction	24,705,918.78	26,342,392.69
	<b>426,398,697.43</b>	<b>408,374,328.16</b>
<b>III. Financial assets</b>		
1. Shares in affiliated companies	4,169,843.91	4,269,843.91
2. Holdings	395,171.35	346,171.35
	<b>4,565,015.26</b>	<b>4,616,015.26</b>
	<b>435,316,052.47</b>	<b>413,891,097.42</b>
<b>B. Current assets</b>		
<b>I. Inventories</b>		
Raw materials and supplies	<b>799,684.78</b>	<b>1,043,741.02</b>
<b>II. Receivables and other assets <sup>2</sup></b>		
1. Trade debtors	21,115,614.03	14,547,292.78
2. Amounts owed by affiliated companies	4,326,207.35	2,655,262.79
3. Amounts owed by companies in which the company has a participating interest	10,636.56	11,550.55
4. Amounts owed by the City of Hamburg	711.19	3,097.86
5. Other assets	2,976,389.80	2,427,741.92
	<b>28,429,558.93</b>	<b>19,644,945.90</b>
<b>III. Cash in hand and credit at banks and financial institutions</b>	<b>625,273.29</b>	<b>2,158,053.64</b>
	<b>29,854,517.00</b>	<b>22,846,740.56</b>
<b>C. Prepaid expenses</b>	<b>1,072,999.18</b>	<b>1,387,004.53</b>
	<b>466,243,568.65</b>	<b>438,124,842.51</b>

<sup>1</sup>See "Notes on financial statement" 3.

<sup>2</sup>See "Notes on financial statement" 4.



Equity and liabilities	31 December, 2014 €	31 December, 2013 €
<b>A. Equity<sup>1</sup></b>		
I. Subscribed capital	56,026,500.00	56,026,500.00
II. Capital reserves	6,925,498.05	6,925,498.05
III. Profit reserves		
Other profit reserves	808,007.65	808,007.65
	<b>63,760,005.70</b>	<b>63,760,005.70</b>
<b>B. Provisions<sup>2</sup></b>		
1. Pension provisions	72,594,374.00	64,899,383.00
2. Tax provisions	364,000.00	1,283,000.00
3. Other provisions	27,199,551.22	24,980,739.48
	<b>100,157,925.22</b>	<b>91,163,122.48</b>
<b>C. Liabilities<sup>3</sup></b>		
1. Liabilities to credit institutions	225,118,422.83	207,404,657.70
2. Trade creditors	3,807,586.16	4,165,844.75
3. Liabilities to affiliated companies	66,395,823.85	59,746,574.89
4. Amounts owed to companies in which the company has a participating interest	705,626.66	400,777.88
5. Amounts owed to the Free & Hanseatic City of Hamburg	28,002.30	4,529,882.36
6. Other liabilities	1,786,190.80	2,303,182.69
	<b>297,841,652.60</b>	<b>278,550,920.27</b>
<b>D. Deferred income</b>	<b>4,483,985.13</b>	<b>4,650,794.06</b>
	<b>466,243,568.65</b>	<b>438,124,842.51</b>

<sup>1</sup> See "Notes on financial statement" 5.<sup>2</sup> See "Notes on financial statement" 6.<sup>3</sup> See "Notes on financial statement" 7.

# Profit and loss statement 2014

Profit and loss statement	2014 €	2013 €
1. Sales revenue <sup>1</sup>	271,285,861.06	254,466,237.31
2. Other own work capitalised	1,078,670.00	1,152,222.00
3. Other operating income <sup>2</sup>	2,713,086.31	9,116,513.36
4. Cost of materials		
a) Cost of raw materials and supplies	5,307,352.94	7,432,842.95
b) Cost of bought-in services	108,957,876.21	101,813,452.53
	114,265,229.15	109,246,295.48
5. Personnel expenditure		
a) Wages and salaries	34,739,270.05	32,626,143.50
b) Social security, pensions and other benefits, of which for pensions € 7,754,404.22 (previous year: € 3,626,416.46)	13,629,384.39	9,296,221.78
	48,368,654.44	41,922,365.28
6. Amortisation and depreciation on intangible and tangible fixed assets <sup>3</sup>	30,128,177.95	30,755,697.05
7. Other operating expenditure <sup>2</sup>	30,222,640.86	30,291,652.50
8. Income from participating interests – of which from affiliated companies € 367,932.49 (previous year: € 498,794.91)	367,932.49	573,544.10
9. Income from profit and loss transfer agreements	2,280,857.57	776,163.15
10. Other interest received and similar income <sup>4</sup> of which from affiliated companies € 15,806.49 (previous year: € 22,949.71)	197,683.76	113,268.49
11. Amortisation on financial assets	100,000.00	0.00
12. Expenditure arising from transfer of losses	40,765.68	176,157.70
13. Interest paid and similar expenditure <sup>4</sup> of which to affiliated companies € 49,399.65 (previous year: € 38,356.55)	11,643,722.77	12,657,099.13
<b>14. Profit from ordinary activities</b>	<b>43,154,900.34</b>	<b>41,148,681.27</b>
15. Exceptional expenditure/ Exceptional earnings <sup>5</sup>	704,252.00	704,252.00
16. Income taxes <sup>6</sup>	–10,478.33	–12,865.56
17. Other taxes <sup>7</sup>	2,238,238.44	3,160,951.57
<b>18. Profit transferred under the terms of profit and loss transfer agreement</b>	<b>40,222,888.23</b>	<b>37,296,343.26</b>
19. End of year surplus	0.00	0.00

<sup>1</sup> See "Notes on financial statement" 8.<sup>5</sup> See "Notes on financial statement" 12.<sup>2</sup> See "Notes on financial statement" 9.<sup>6</sup> See "Notes on financial statement" 13.<sup>3</sup> See "Notes on financial statement" 10.<sup>7</sup> See "Notes on financial statement" 14.<sup>4</sup> See "Notes on financial statement" 11.







# Notes on the 2014 financial statement

## 1 General

The financial statement as at 31 December, 2014 has been produced in accordance with the provisions of the German Commercial Code for large limited companies. The regulations of the Limited Liability Companies Act (GmbHG) have also been fulfilled.

The profit and loss statement has been prepared on the basis of categorised expenditure.

## 2 Principles of accounting and valuation

The principles of accounting and valuation have not changed from the previous year.

Due to the tax group relationship with FHK Flughafen Hamburg Konsortial- und Service GmbH & Co. oHG (FHK), reserves for deferred taxes have not been established.

Purchased intangible assets have been valued at purchase cost, reduced in line with planned linear depreciation.

Tangible assets have been assessed based on purchase or production cost, reduced in accordance with both planned linear depreciation over their respective normal operational lifetimes and unplanned depreciation. Acquisition and production costs include the project-related financing of interest accruing during the respective construction period.

Assignments are made where the reason for unplanned depreciation has ceased to exist. In the course of the tax-free transfer of reserves in accordance with Art. 163(1) of the Transfer Regulations (Abgabeordnung) in previous years, FHG receipts were depreciated according to Art. 254 of the German Commercial Code as valid on 28 May, 2009.





Economic goods of low value, acquired for no more than € 150.00, are fully depreciated in the year of purchase and treated as expenses. Economic goods costing between € 150 and € 1,000 are summarised in a single annual entry and subjected to linear depreciation over a period of five years.

Shares in affiliated companies are valued at purchase costs in the individual financial statements, reduced where necessary in line with unplanned depreciation.

The valuation of raw materials, fuels and supplies is based on the lower value of cost price and minimum current market price.

Receivables are balanced at nominal value; other assets are balanced at nominal or cash value. Recognisable risks are taken into account by means of depreciation and/or value reduction. For trade debtors, the general credit risk is reflected in a lump-sum provision.

Liquid assets have been valued at their nominal value.

Payments either made or received in advance are listed as prepaid expenses or deferred income, respectively, under Assets and Liabilities, in the proportion that they are for services or goods not yet received or provided.

Provisions have been established at the level considered necessary in sound commercial judgment. A cost increase of 1.5% p.a. has been taken into account for the calculation of the settlement amount for long-term provisions. Furthermore, the discounting of long-term provisions is based on the average market interest rate for matching maturities over the past seven years according to the information published by the German Bundesbank.

Pension provisions are valued according to the projected unit credit method (as defined by the International Accounting Standard no. 19, paragraph 67). The biomet-

ric basis of calculation is the table of recommendations (2005G) produced by Dr Klaus Heubeck, with an interest rate of 4.54% p.a. Furthermore, this calculation is based on a salary dynamic of 2% p.a. and a pension dynamic of 1%–2% p.a.

Provisions for employment anniversary bonuses are valued according to the projected unit credit method (as defined by the International Accounting Standard no. 19, paragraph 67). The biometric basis of calculation is the table of recommendations (2005G) produced by Dr Klaus Heubeck, with an interest rate of 4.54% p.a. Allowance has been made for future increases to anniversary bonuses in the future pay trend of 2.0% p.a.

Provisions for partial retirement are valued based on the appropriate implementation of the statement IDW RS HFA3 from 19 June, 2013, in conjunction with the Accounting Law Modernisation Act (BilMoG) as published in the BGBl I No. 27 on 28 May, 2009, p. 1102. According to the regulations on the discounting of provisions, the actuarial interest rate is set for the accounting reference date. This is applied at a rate of 4.54% p.a. Future pay adjustments are accounted for with 2% p.a.

Liabilities are balanced at the settlement amount.

Forward interest rate swaps are used to manage interest rate exposure for some loans from financial institutions; these are valued as a unit with their corresponding hedging transactions.

### 3 Fixed assets

The composition and development of fixed assets is shown in the schedule of fixed-asset movements.

Additions to assets totalling €51.8m for the year represent a large number of investment projects. Worthy of particular mention are the construction work on the new P1 multi-storey car park (€14.0m), the Air Cargo Center (€12.2m), Apron 1 (€3.7m), southern rainwater sluice (€1.4m), and the extension of the aircraft guidance line on the Southern Apron (€4.4m),

along with investments in the new HAM SulTe database (€2.2m).

### 4 Receivables and other assets

Receivables from affiliated companies are listed in Table 4. Receivables from affiliated companies include €1,686,000 (previous year: €1,308,000) receivable from shareholders.

Receivables from companies in which a participatory interest is held, along with receivables from the Free and Hanseatic City of Hamburg, relate in the year under review and in the previous year both to products delivered and to services provided.

These receivables have, as in the previous year, a residual term of up to one year.

Other assets to the value of €1,336,000 (previous year: €1,968,000) have a residual term of more than one year.

### 5 Equity capital

Subscribed capital remains unchanged at €56,026,500.00. As of 31 December, 2014, a total of €0 is available to be paid as shareholder dividends (previous year: €0). A total of €0 (previous year: €0) is subject to the dividend payout restriction imposed by law and by the articles of association.

### 6 Provisions

Pension provisions are calculated with reference to the option specified in Art. 67 Para. 1 of EGHGB. The allocation of the difference is taking place in equal annual rates over a period of 15 years up until the year 2024. The outstanding sum not listed in the balance sheet was €6,569,000 (previous year: €7,226,000) at 31 December, 2014.

Tax provisions relate primarily to tax on electricity.

Significant individual items reported under other provisions at the accounting date include: provisions for outstanding supplier invoicing amounting to €7,487,000;

### 4 Receivables from affiliated companies

**Amounts owed by affiliated companies**  
of which: trade debtors  
of which: balanced with trade creditors  
of which: other receivables and other assets

2014  
in €'000

2013  
in €'000

4,326

2,655

3

106

–78

–50

4,401

2,599



provisions for noise protection measures amounting to €5,445,000; provisions for partial retirement amounting to €2,237,000; and provisions for former employees who transferred to subsidiary and other companies in previous years amounting to €3,397,000.

In the valuation of provisions for noise protection measures, cost increases of 1.5% p.a. have been taken into account, and discounting has been applied at a rate of 2.85%–3.96%. Should the discount rate rise by 1%, the discounted sum of €5,445,000 would be reduced by €190,000; a rate decrease of 1% would result in an increase in the discounted sum of €201,000.

## 7 Liabilities

The residual terms of liabilities as of the accounting date are shown in Table 7. Liabilities to affiliated companies include €6,156,000 arising from supplies and services (previous year: €7,076,000), €57,920,000 in other liabilities (previous year: €50,498,000) and €2,545,000 for other liabilities (previous year: €2,545,000). They are bal-

anced by receivables arising from supplies and services of €225,000 (previous year: €345,000) and other receivables of €0 (previous year: €28,000).

Liabilities to shareholders amount to €43,719,000 (previous year: €40,292,000). Of these €21,719,000 are for profit transfer to the parent company FHK (previous year: €37,296,000), and €22,000,000 are for a withdrawal of short-term loans from HGV (previous year: €3,000,000).

Liabilities to companies in which a participatory interest is held, along with liabilities to the Free and Hanseatic City of Hamburg, relate in the year under review, as in the previous year, both to products delivered and to services.

Miscellaneous liabilities include €469,000 (previous year: €611,000) in taxes and €0 (previous year: €137,000) for social security.

Liabilities are not secured by the company.

7 Liabilities	Total in € '000	Less than 1 year in € '000	1–5 years in € '000	More than 5 years in € '000
<b>1. Liabilities to credit institutions</b>				
	225,118	25,614	121,999	77,505
(previous year)	207,405	26,740	132,963	47,702
<b>2. Trade creditors</b>				
	3,808	3,808	0	0
(previous year)	4,166	4,166	0	0
<b>3. Liabilities to affiliated companies</b>				
	66,396	66,396	0	0
(previous year)	59,746	59,746	0	0
<b>4. Amounts owed to companies in which the company has a participating interest</b>				
	706	706	0	0
(previous year)	401	401	0	0
<b>5. Amounts owed to the Free and Hanseatic City of Hamburg</b>				
	28	28	0	68
(previous year)	4,530	4,462	0	68
<b>6. Other liabilities</b>				
	1,786	1,786	0	0
(previous year)	2,303	2,303	0	0
<b>Total</b>				
	297,842	98,338	121,999	77,505
(previous year)	278,551	97,818	132,963	47,770

**8 Sales revenue**

Sales revenue is broken down in Table 8.

**9 Expenditure and income falling outside the year under review**

The profit and loss statement contains income falling outside the year under review amounting to €2,188,000, stemming in particular from the liquidation of provisions as well as from income passed on by the parent company (FHG) in the context of a tax audit and reimbursement of energy tax. Expenditure falling outside the year under review amounting to €440,000 is also included, consisting essentially of losses from the disposal or sale of assets and of valuation adjustments on receivables.

**10 Depreciation**

In previous years, FHG has carried out special tax depreciation of assets and investments. A declaration of the amount of tax deferral is not applicable as a result of the existing profit transfer agreement with FHK.

**11 Interest payable and similar expenditure; interest receivable and similar income**

Interest expenditure includes expenses from the discounting of interest on long-term provisions amounting to €3,742,000 (previous year: €3,776,000).

Other interest income includes income from the discounting of long-term provisions amounting to €158,000 (previous year: €0).

**12 Exceptional earnings; Exceptional expenditure**

As part of the adoption of the Accounting Law Modernisation Act (BilMoG), items of extraordinary expenditure are listed in accordance with the provisions of Art. 67 Para. 7 of the Introductory Act to the German

Commercial Code (EGHGB); these items arise from adjustments to pension provisions and other provisions relating to pension obligations.

This exceptional result does not have any effect on the income tax burden shown in the balance sheet.

**13 Income tax**

Income tax for periods falling entirely outside the year under review amount to €10,000 (previous year: €13,000) and relate exclusively to the accrual of interest on a corporation tax credit to be repaid over several years.

**14 Other taxes**

For the 2014 financial year, other taxes consist primarily of electricity and property taxes.

**15 Transactions not included in the balance sheet**

Several hire and leasing contracts are in place for vehicles and office equipment, along with contracts for the provision of services. The residual term for the vehicle contracts is between 1 and 48 months; the contracts for office equipment have a residual term of between 2 and 44 months with extension options of 12 months each. Contracts with affiliated companies for service provision amount to €756,000; these will effect the balance sheet with the full amount in the following year.

Ongoing contracts represent a liability for the company throughout the residual terms of €1,678,000, of which €1,096,000 shall fall due in the next twelve months.

Further liabilities may arise from the vehicle contracts due to eventual subsequent billing for damages or for exceeding the inclusive kilometres.

<b>8 Sales revenue</b>	<b>2014</b> in € '000	<b>2013</b> in € '000
<b>Revenue from traffic services</b>		
Aviation revenue	142,262	133,305
Aircraft Ground Handling	49,685	44,298
	<b>191,947</b>	<b>177,603</b>
<b>Other revenue</b>		
Fixed and turnover-based rent, rent-related services	69,047	67,135
Other revenue	10,292	9,728
<b>Total sales revenue</b>	<b>271,286</b>	<b>254,466</b>



The signing of leasing and hire contracts resulted in a positive effect in terms of minimising impact on the company's liquidity by the avoidance of purchase expenditure.

### 16 Contingent liabilities

Potential liabilities arising from guarantee obligations to affiliated companies at the accounting date constitute €312,000. At the accounting date there was no actual risk exposure from claims.

FHG and individual subsidiaries participate in a cash pool. FHG is jointly and severally liable for all liabilities of the subsidiaries arising from the cash pool. At the accounting date there was no actual risk exposure from claims. At the accounting date, there were no other contingencies as defined by Art. 251 of the German Commercial Code (HGB).

### 17 Other financial liabilities

Other financial liabilities not shown in the balance sheet amount to €147,510,000. These consist of two long-term hereditary building right contracts totalling €112,643,000, one with a term running until 31 December, 2020 and costing €9,075,000 per year and the other with a term running until 31 December, 2060 and costing €1,265,000 per year, along with diverse property rental contracts totalling €15,810,000 with annual payments amounting to €2,996,000.

A further €19,057,000 relate to future expenditure for product and service contracts (open purchase orders). Of these financial obligations, €18,626 are due in the coming financial year. Of open purchase orders, €1,801,000 are with affiliated companies.

### 18 Auditors' fees

The auditors' fee for FHG amounts to €93,000 and includes €63,000 for auditing the financial statement and the Group financial statement, €7,000 for other attestation services and €23,000 for other services.

### 19 Derivative financial instruments

Derivative financial instruments take the form of forward interest rate swaps totalling €129,371,000 with corresponding underlying transactions. The interest rate swaps have various terms, the longest running until 30 December, 2018; through the course of their term they protect against the risks associated with interest rate fluctuations. Valuation units have been established in accordance with Art. 254 of the German Commercial Code (HGB). The nett hedge presentation method is used for accounting purposes.

The current value of interest swaps, calculated according to the cash value method on the basis of the interest structure curve on the accounting date, amounts to –€7,224,000.

### 20 Group financial statement

Our financial statement is also included in the consolidated financial statement of the company HGV Hamburger Gesellschaft fuer Vermoegens- und Beteiligungsverwaltung mbH, Hamburg, (registered with the Amtsgericht Hamburg HRB No. 16106) for the financial year ending 31 December, 2014. Publication takes place in the Federal Gazette ("Bundesanzeiger"). The sole shareholder of HGV is the Free & Hanseatic City of Hamburg.

### 21 Total emoluments of the Supervisory Board and the Executive Board

Remuneration paid to members of the Executive Board in the year under review totalled €665,000.

Payments made to former company executives and/or their surviving dependents totalled €146,000.

Pension obligations for this group of persons as of 31 December, 2014, have a cash value of €2,586,000. Provisions not established for obligations to this group of persons amount to €337,000.

A total of €6,000 was paid to members of the Supervisory Board as remuneration for attending meetings.

### 22 Employees

On average, in the 2014 financial year, 704 persons were employed by FHG, of whom 161 were employed part-time.

### 23 Code of Corporate Governance

In the financial year 2014, FHG fulfilled all regulations of the Hamburg Code of Corporate Governance to the extent that this lies within the responsibility of FHG's Executive Board.

## 24 Information on official bodies of the company

### Honorary Chairman of the Supervisory Board

HELMUT SCHMIDT, Hamburg  
Former Chancellor of the Federal Republic of Germany.

### Supervisory Board

Dr KLAUS-JUERGEN JUHNKE, Hamburg  
former Head of Logistics, Preussag AG, Berlin/Hanover  
former Executive Chairman of VTG Vereinigte Tanklager und  
Transportmittel GmbH, Hamburg  
Chairman of the Supervisory Board

GERHARD SCHROEDER, Düsseldorf  
Managing Director of AviAlliance GmbH, Essen  
Deputy Chairman of the Supervisory Board

JUTTA BAUER, Hamburg  
Employee of FHG

Dr ROLF BIERHOFF, Essen  
Retired Executive Board Member

CLAUDIA BOLDT, Hamburg  
Employee of FHG

Dr BERND EGERT, Winsen (Luhe)  
Secretary of State in the Department of Economic  
Affairs, Transport and Innovation  
of the Free and Hanseatic City of Hamburg

MARTIN HELLWIG, Bargteheide  
Chairman of the Works Council of FHG  
Employee of FHG (under secondment)

HOLGER LINKWEILER, Essen  
Managing Director of AviAlliance GmbH Essen

REINHARD MEYER, Kiel  
Minister for the Economy in the State of Schleswig-Holstein  
(until 19 September, 2014)

Ralf Mueller-Beck, Kiel  
Secretary of State in the Ministry for Interior and Federal Affairs in  
the State of Schleswig-Holstein  
(as of 23 September, 2014)

JONNY RICKERT, Luebeck  
Employee of FHG

Dr SIBYLLE ROGGENCAMP, Hamburg  
Executive Director in the Department of Finance,  
Free and Hanseatic City of Hamburg

HARALD ROESLER, Hamburg  
Head of the Northern Hamburg Borough Council Office

Prof. Dr HANS-JOERG SCHMIDT-TRENZ, Hamburg  
Chief Executive Officer, Hamburg Chamber of Commerce

JAN SIEVERS, Hamburg  
Employee of FHG

JOERN SOEDER, Hamburg  
Lieutenant General (retired)

### Executive Board

MICHAEL EGGENSCHWILER, Hamburg  
lic. oec. HSG  
Chairman and Chief Executive Officer

WOLFGANG POLLETY, Boppard  
Business graduate (WHU)  
Managing Director

Hamburg, 20 January 2015  
Flughafen Hamburg Gesellschaft mit  
beschränkter Haftung

Executive Board  
Michael Eggenschwiler    Wolfgang Pollety



**Holdings of Flughafen Hamburg Gesellschaft mit beschränkter Haftung, Hamburg  
as of 31 December, 2014**

Name and registered office of company	Company's equity capital	Holding of company		Result 2014	Controlling and profit transfer agreement
	in € '000	held by	in %	in € '000	
Aerotronic-Aviation Electronic Service GmbH, Hamburg	-10	CATS KG	100	-3	-
AHS Aviation Handling Services GmbH, Hamburg <sup>1</sup>	-1,730	FHG	32.25	206	-
AHS Hamburg Aviation Handling Services GmbH, Hamburg <sup>1</sup>	761	FHG	49	-51	-
AIRSYS-Airport Business Information Systems GmbH, Hamburg	500	FHG	100	0	Ja
C.A.T.S. Verwaltungs-GmbH, Hamburg	48	CATS KG	100	2	-
CATS Cleaning and Aircraft Technical Services GmbH & Co. KG, Hamburg	1,062	FHG	100	184	-
CSP Commercial Services Partner GmbH, Hamburg	40	FHG	100	0	Ja
Cruise Gate Hamburg GmbH, Hamburg <sup>2</sup>		FHG	49		
GAC German Airport Consulting GmbH, Hamburg	164	FHG	100	9	-
GroundSTARS GmbH & Co. KG, Hamburg	1,384	FHG	100	132	-
GroundSTARS Verwaltungs GmbH, Hamburg	56	FHG	100	2	-
Grundstücksgesellschaft Kaltenkirchen mbH & Co. KG, Hamburg	69	FHG	100	7	-
Grundstücksgesellschaft Kaltenkirchen Verwaltungs-GmbH, Hamburg	32	FHG	100	1	-
RMH Real Estate Maintenance Hamburg GmbH, Hamburg	100	FHG	100	0	Ja
SAEMS Special Airport Equipment and Maintenance Services GmbH & Co. KG, Hamburg	330	FHG	60	192	-
S.A.E.M.S. Verwaltungs-GmbH, Hamburg	48	SAEMS KG	100	2	-
SecuServe Aviation Security and Services Hamburg GmbH, Hamburg	150	FHG	100	0	Ja
SecuServe Aviation Security and Services Holding International GmbH, Hamburg	250	FHG	100	0	Ja
STARS Special Transport and Ramp Services GmbH & Co. KG, Hamburg	528	FHG	51	153	-
S.T.A.R.S. Verwaltungs-GmbH, Hamburg	56	STARS KG	100	1	-

<sup>1</sup> Equity capital as at 31 December, 2013 and result from financial year 2013

<sup>2</sup> The company was established in 2014. End-of-year accounts for 2014 are not yet available.

# Schedule of asset movements 2014

	Purchase or production cost			
	As of 01.01.2014 €	Additions €	Decreases €	Transfer €
<b>I. Intangible assets</b>				
1. Purchased commercial rights, similar rights and assets	5,256,642.11	616,855.17	50,625.43	481,213.09
2. Payments on account	0.00	2,222,132.55	0.00	609,947.23
<b>Total intangible assets</b>	<b>5,256,642.11</b>	<b>2,838,987.72</b>	<b>50,625.43</b>	<b>1,091,160.32</b>
<b>II. Tangible Assets</b>				
1. Land, leasehold rights and buildings, including buildings on leasehold land	703,912,348.92	17,860,628.20	2,933,283.76	17,126,075.94
2. Technical equipment and machinery	241,969,259.93	10,010,928.47	278,168.11	2,342,972.51
3. Other equipment; fixtures and fittings	45,509,207.88	1,874,358.40	2,055,668.60	248,666.49
4. Payments on account and assets under construction	26,342,392.69	19,172,401.35	0.00	-20,808,875.26
<b>Total tangible assets</b>	<b>1,017,733,209.42</b>	<b>48,918,316.42</b>	<b>5,267,120.47</b>	<b>-1,091,160.32</b>
<b>III. Financial assets</b>				
1. Shares in affiliated companies	4,397,666.88	0.00	0.00	0.00
2. Holdings	2,591,316.20	49,000.00	0.00	0.00
3. Loans to companies in which the company has a participating interest	1,968,614.32	0.00	0.00	0.00
<b>Total financial assets</b>	<b>8,957,597.40</b>	<b>49,000.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total assets</b>	<b>1,031,947,448.93</b>	<b>51,806,304.14</b>	<b>5,317,745.90</b>	<b>0.00</b>

Value as of 31.12.2014 €	Depreciation (cumulative) €	Nett book value 31.12.2014 €	Nett book value 31.12.2013 €	Write-ups during financial year in €	Depreciation during financial year in €
6,304,084.94	4,783,824.94	1,520,260.00	900,754.00	0.00	475,819.26
2,832,079.78	0.00	2,832,079.78	0.00	0.00	0.00
<b>9,136,164.72</b>	<b>4,783,824.94</b>	<b>4,352,339.78</b>	<b>900,754.00</b>	<b>0.00</b>	<b>475,819.26</b>
735,965,769.30	401,946,741.65	334,019,027.65	314,980,383.47	0.00	15,872,714.96
254,044,992.80	196,967,057.80	57,077,935.00	54,407,273.00	0.00	9,665,478.98
45,576,564.17	34,980,748.17	10,595,816.00	12,644,279.00	0.00	4,114,164.75
24,705,918.78	0.00	24,705,918.78	26,342,392.69	0.00	0.00
<b>1,060,293,245.05</b>	<b>633,894,547.62</b>	<b>426,398,697.43</b>	<b>408,374,328.16</b>	<b>0.00</b>	<b>29,652,358.69</b>
4,397,666.88	227,822.97	4,169,843.91	4,269,843.91	0.00	100,000.00
2,640,316.20	2,245,144.85	395,171.35	346,171.35	0.00	0.00
1,968,614.32	1,968,614.32	0.00	0.00	0.00	0.00
<b>9,006,597.40</b>	<b>4,441,582.14</b>	<b>4,565,015.26</b>	<b>4,616,015.26</b>	<b>0.00</b>	<b>100,000.00</b>
<b>1,078,436,007.17</b>	<b>643,119,954.70</b>	<b>435,316,052.47</b>	<b>413,891,097.42</b>	<b>0.00</b>	<b>30,228,177.95</b>



# Auditors' Report

The following certification has been issued for the financial statement and the economic situation report: "We have audited the end-of-year financial statement of Flughafen Hamburg Gesellschaft mit beschränkter Haftung, Hamburg for the financial year 1 January to 31 December, 2014, consisting of balance sheet, profit and loss statement and appendices, with reference to the company's accounting practices, along with the economic situation report and appendix. According to the provisions of German commercial law, both the accounting practices and the production of financial statement and economic situation report are the responsibility of the company's legal representatives. Our responsibility as auditors is to express an opinion on the annual financial statement, including the accounting practices, and on the economic situation report, based on our audit.

We have carried out our audit of the end-of-year financial statement according to the provisions of Article 317 of the German Commercial Code, taking into account the German principles of proper accounting as stipulated by the German Institute of Auditors (IDW). These regulations require that the audit is planned and carried out in such a way that any errors and violations that may have a significant effect on the perception of the net value, financial position and earnings situation of the company depicted by the financial statement and economic situation report in compliance with required principles of accounting will be identified with an adequate degree of certainty. In deciding on the scope and method of the audit, existing knowledge about the company's business activities and the economic and legal conditions under which it conducts said business activities, along with any expected possible sources of error, are taken into consideration. Within the framework of the audit, the efficacy of the internal control

system as well as evidence for the information contained in the financial statement and in the economic situation report are checked primarily on the basis of random samples. The audit covers the evaluation of the principles of accounting implemented, the main opinions and assessments of the company's officers and the overall presentation of the financial statement and the economic situation report. It is our opinion that our audit presents an adequately reliable basis for evaluation.

We have no objections to make on the basis of our audit.

We are of the opinion, based on our audit, that the end-of-year financial statement fulfils the legal requirements and provides a realistic and accurate representation of the actual situation relating to the assets and complete financial situation of the company, with due reference to the principles of sound accounting. The economic situation report agrees with the end-of-year financial statement, accurately represents the company's current situation and presents the opportunities and risks associated with future developments in an appropriate way."

Hamburg, 23 January, 2015

Ernst & Young GmbH

Wirtschaftsprüfungsgesellschaft (Auditing Firm)

Kreninger  
Auditor

Weiss  
Auditor

# Report of the Supervisory Board

The Executive Board of Flughafen Hamburg Gesellschaft mit beschränkter Haftung regularly, promptly, and thoroughly informed the Supervisory Board verbally and in writing of the commercial situation and development of the company and the group, including the risk situation and risk management. In the course of the year under review, the Supervisory Board had five meetings together with the Executive Board; through these meetings, and on the basis of the Executive Board's written and verbal reports, the Supervisory Board maintained a thorough and ongoing overview of the commercial situation and development of the company and the group, and of the conduct of business. The Chairman of the Supervisory Board was also in regular contact with the Executive Board between Supervisory Board meetings and was kept informed at all times of current business developments and significant occurrences. Two members of the Supervisory Board were personally only able to attend less than half of the Supervisory Board meetings in 2014. Furthermore, during the course of the fiscal year, the Finance and Personnel Committee, the Affiliates Committee and the Planning and Construction Committee each convened four times.

For the financial year 2014, the financial statement of Flughafen Hamburg Gesellschaft mit beschränkter Haftung, Hamburg, and the consolidated (Group) financial statement, along with the economic situation report of Flughafen Hamburg Gesellschaft mit beschränkter Haftung, Hamburg, have been audited, with the accounts, by the auditors appointed at the shareholders' meeting: Ernst & Young GmbH, Wirtschaftsprüfungsgesellschaft, Hamburg. No objections were made on the basis of the audit. In each case, an unrestricted certification was issued by the auditor.

The auditors' reports have been viewed by the members of the Supervisory Board. The auditor attended the Supervisory Board meeting on 26 March, 2015, reporting on the principle findings of the audit and providing further information as requested.

The Supervisory Board has examined the financial statement and economic situation report of both Flughafen Hamburg Gesellschaft mit beschränkter Haftung and the Group, and, in agreement with the auditors, has no objections. The Supervisory Board has approved the end of year financial statement and the group financial statement as presented for the year ending 31 December, 2014.

In July 2009, the Hamburg Code of Corporate Governance (HCGK) came into effect at Flughafen Hamburg Gesellschaft mit beschränkter Haftung. The HCGK is modelled on the German Corporate Governance Code. It forms the basis for the management, supervision and auditing of the company. The Executive Board and the Supervisory Board follow the recommendations of the HCGK (as issued on 26 March, 2013) and issued a joint Declaration of Compliance for the Financial Year 2014 on 12 December, 2014. This joint Declaration of Compliance is published in the Annual Report of Flughafen Hamburg Gesellschaft mit beschränkter Haftung.

The Supervisory Board expresses its gratitude to Minister Reinhard Meyer, who has now left the board, for his successful efforts in the interests of the company over many years. He was succeeded as member of the Supervisory Board by Secretary of State Ralph Mueller-Beck.

The Supervisory Board expresses its thanks to the Executive Board, the managers, and all the company's employees for their dedication and commitment and their successful efforts in 2014.

Hamburg, 26 March, 2015

**The Supervisory Board**  
**Dr Klaus-Juergen Juhnke**  
Chairman of the Supervisory Board



# Declaration of Compliance of Flughafen Hamburg GmbH and its subsidiaries with the Hamburg Code of Corporate Governance

In the financial year 2014, Flughafen Hamburg GmbH and its subsidiaries abided by the regulations of the Hamburg Code of Corporate Governance (as issued on 26 March, 2013), to the extent that this lies within the responsibility of the Executive Board and the Supervisory Board, apart from the exceptions listed in Part A below. In the financial year 2014, the subsidiaries alone deviated from the regulations of the Hamburg Code of Corporate Governance to the extent that this lies within the responsibility of the respective management board, as listed in Part B below.

The following subsidiaries of Flughafen Hamburg GmbH do not have a Supervisory Board.

- AIRSYS-Airport Business Information Systems GmbH,
- CATS Cleaning and Aircraft Technical Services GmbH & Co. KG,
- CSP Commercial Services Partner GmbH,
- GAC German Airport Consulting GmbH,

- GroundSTARS GmbH & Co. KG,
- RMH Real Estate Maintenance Hamburg GmbH,
- SecuServe Aviation Security and Services Hamburg GmbH,
- SAEMS Special Airport Equipment and Maintenance Services GmbH & Co. KG,
- STARS Special Transport and Ramp Services GmbH & Co. KG

## Part A

Flughafen Hamburg GmbH deviated from the Hamburg Code of Corporate Governance ("HCGK") in the following points:

### HCGK point 3.2:

*"For transactions of fundamental importance, the articles of association, the Supervisory Board's operative guidelines issued to the Executive Board or the Supervisory Board specify provisions requiring the approval of the*





*Supervisory Board. This shall include decisions or measures which may result in a substantial change in business activities in the context of the articles of association or in a significant change to the asset, financial or earnings situation or the risk structure of the enterprise. The authority of the Supervisory Board to determine additional areas which are subject to its approval is not affected by this regulation."*

The contract between the shareholders in Flughafen Hamburg GmbH (Consortium Agreement) specifies, notwithstanding the stipulations of the HCGK, that the authority to establish additional areas which are subject to the approval of the Supervisory Board is held by the shareholders' meeting.

**HCGK point 4.1.2K:**

*"The Executive Board shall present a corporate concept to the Supervisory Board to agree the long-term orien-*

*tation, based on a conceptual objective from the Free & Hanseatic City of Hamburg. The concept is to be reviewed every five years."*

Notwithstanding this HCGK stipulation, the Consortium Agreement specifies that the Executive Board of Flughafen Hamburg GmbH shall agree the long-term orientation of the company with the Consortium Committee, which consists of the shareholders.

**HCGK points 4.2.1, 4.2.3, 4.2.5, and 4.2.6:**

*4.2.1: "The Executive Board shall be comprised of at least two persons who shall collectively represent the company. In companies which are strategically or commercially insignificant, and in justified exceptional cases, it may be sufficient for the Executive Board to consist of only one person. For a company which falls under the definition of a small corporation according to Art. 267 (3)*

*of the German Commercial Code (HGB), it is not necessary to mention in the declaration of compliance that only one person has been appointed to the Executive Board. The Supervisory Board may nominate a member of the Executive Board to be chairperson or spokesperson. The operation of the Executive Board shall be defined by operative guidelines which regulate the allocation of duties."*

**4.2.3:** *"Members of the Executive Board shall be appointed by the Supervisory Board for a maximum of five years. The initial appointment shall be for a term not exceeding three years. A renewal of the appointment or an extension of the term (no more than one year before expiration of the term) is permitted. Re-appointment more than one year before the expiry of the term and simultaneous termination of the existing appointment should only occur in special circumstances."*

**4.2.5:** *"The remuneration paid to members of the Executive Board shall be determined by the Supervisory Board and subject to consultation and regular review; the basis for determining the level of payment shall be an evaluation of individual performance: Criteria for determining the suitability of remuneration shall include, in particular, the responsibilities of the Executive Board member under consideration, his or her personal performance, the performance of the Executive Board as a whole, and the commercial situation, sustained success, and future perspectives of the company, taking into account comparable positions. In order to ensure that remuneration levels are appropriate, comparisons should be made, in particular with other publicly-owned Hamburg companies, with the relevant industry and with the commercial environment. Remuneration should not exceed typical remuneration without special justification. Activities and duties in the organs of subsidiaries and holdings shall, as a matter of principle, not be subject to extra remuneration."*

*Remuneration paid to members of the Executive Board shall have both fixed and variable elements. Variable remuneration shall include both one-off and annual components, linked to the sustained success of the company, along with components having a long-term incentive effect and including an element of risk. Contractual bonuses are to be agreed in the form of target and performance agreements. Targets and fulfilment levels must be clearly defined and quantified. Retroactive changes to targets and/or to parameters for comparison shall be prohibited. Limits on the variable components of remuneration shall be agreed for exceptional and unforeseen developments. Bonuses should not exceed 50% of total remuneration."*

*All components of the remuneration package shall be appropriate, both individually and in total. This also includes a reduction in remuneration in the event of a worsened economic situation for the company, to the extent that this is permissible by law."*

*When contracts are being concluded for appointments to the Executive Board, it is to be agreed that payments (including fringe benefits) made to a member of the Executive Board in the event of premature termination of the appointment do not exceed two years' basic remuneration plus a variable annual payment at the level of the bonuses due in the year of termination (severance pay cap), and that the total payment shall not exceed that which the member of the Executive Board would have otherwise received during the rest of the term of appointment. Should an appointment be terminated for good cause, for which the respective member of the Executive Board is responsible, there shall be no severance or other payments made to the member of the Executive Board."*

**4.2.6:** *"Remuneration to members of the Executive Board shall be published individually in an appendix to the financial statement or in the status report, broken down according to fixed components, success-related components, and long-term incentive components. For companies which, due to being part of a group of companies, are not required to publish an annual financial statement, the publication of remuneration shall occur within the framework of the declaration of compliance with this Hamburg Code of Corporate Governance. Where a remuneration report is included as part of the status report, the broad outlines of the remuneration structure for members of the Executive Board shall be represented. The representation shall be in a form understandable by the general public."*

The Consortium Agreement specifies that the responsibility for the appointment of Executive Board members at Flughafen Hamburg GmbH and the determination of their salaries lies with the Flughafen Hamburg GmbH shareholders' meeting. Remuneration for Executive Board members is determined according to typical market practice.

#### HCGK point 5.4.1:

*"The Supervisory Board shall be made up of persons who, in terms of knowledge, ability and professional experience are suited and, with regard to the demands of their career, in a position to fulfil the responsibilities of Supervisory Board members. These persons may be employed by the City of Hamburg or by other public bodies ("Koerperschaft des oeffentlichen Rechts" or "KdöR")."*

*The responsible authority must be represented in the Supervisory Board in every direct majority holding of FHH or HGV. It is advisable to also appoint to the Supervisory Board other persons who have special knowledge in the company's area of operation or proven commercial experience – e.g. from leading other companies – where it is reasonable to assume that they will appropriately represent the interests of Hamburg. No persons should be appointed to the Supervisory Board who, on the basis of professional or personal relationships, are at risk of having a conflict of interest with regard to the company or Hamburg as shareholder. A target quota of at least 40% female membership should guide the appointment of persons to the Supervisory Board.*

The regulations listed above apply only for Supervisory Board members nominated by the Free & Hanseatic City of Hamburg.

**HCGK point 6.2:**

*"Information published by the company relating to its business operations should also be accessible on the company's website. This includes but is not limited to the articles of association, the status report, the annual balance statement including appendices, and the declaration of compliance with this Hamburg Code of Corporate Governance."*

The deviation is based on a consortium agreement.

**Part B**

The subsidiaries listed at the beginning of this declaration alone deviated from the HCGK in the following points:

**HCGK point 3.6:**

*"The Executive Board and the Supervisory Board shall comply with the rules of proper corporate management. If they violate the due care and diligence to be expected of a prudent and conscientious Executive Board member or Supervisory Board member, they are liable to the company for damages. In the case of business decisions, an infringement of duty is not present if the member of the Executive Board or Supervisory Board could reasonably believe, based on appropriate information, that he/she was acting in the best interest of the company (Business Judgment Rule).*

*A D&O (Directors' and Officers' liability insurance) policy may be taken out for the members of the Executive Board and Supervisory Board, subject to the approval of the*

*Supervisory Board, if those members are subject to increased levels of entrepreneurial and/or operational risk. The decision and justification for a D&O policy, in particular with regard to its expediency, shall be documented and presented to the Supervisory Board.*

*If the company takes out a D&O (Directors' and Officers' liability insurance) policy for risks related to the professional duties of a member of the Executive Board, there shall be an excess of at least 10% of the loss and up to at least the amount of one and a half times the fixed annual compensation of the Executive Board member. Should members of the Supervisory Board also be covered by this insurance, the supervisory authorities and/or the shareholders' meeting must approve the policy.*

*Members of the Supervisory Board covered by such a policy should only be subject to an excess when they are paid for their duties on the Supervisory Board.*

The contracts for Managing Directors of majority holdings are not formulated to allow for such assumption of liability (up to one-and-a-half times the fixed annual remuneration). This is because the Managing Directors of subsidiaries are for the most part FHG employees.

Hamburg, 12 December, 2014

The Supervisory Board

Dr. Klaus-Juegen Juhnke

Chairman of the Supervisory Board

Executive Board

Michael Eggenschwiler

Chief Executive Officer

Wolfgang Pollety

Managing Director



# Airlines

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<b>A3</b>	Aegean Airlines	<b>FI</b>	Icelandair
<b>EI</b>	Aer Lingus	<b>3L</b>	Intersky
<b>SU</b>	Aeroflot	<b>IR</b>	Iran Air
<b>AB</b>	Air Berlin	<b>KL</b>	KLM
<b>AEA</b>	Air Europa	<b>LO</b>	LOT Polish Airlines
<b>AF</b>	Air France	<b>LH</b>	Lufthansa
<b>KM</b>	Air Malta	<b>LG</b>	Luxair
<b>VIM</b>	Air Via	<b>IG</b>	Meridiana Fly
<b>BT</b>	airBaltic	<b>DY</b>	Norwegian
<b>AZ</b>	Alitalia	<b>LBT</b>	Nouvelair Tunisie
<b>KK</b>	Atlasjet	<b>OHY</b>	Onur Airlines
<b>OS</b>	Austrian	<b>PC</b>	Pegasus Airlines
<b>BM</b>	bmi regional	<b>MHV</b>	Rhein-Neckar Air
<b>BA</b>	British Airways	<b>FV</b>	Rossiya
<b>SN</b>	Brussels Airlines	<b>FR</b>	Ryanair
<b>BUC</b>	Bulgarian Air Charter	<b>SK</b>	SAS
<b>DE</b>	Condor	<b>SX</b>	SkyWork Airlines
<b>CAI</b>	Corendon Airlines	<b>XQ</b>	SunExpress
<b>OK</b>	Czech Airlines	<b>XG</b>	SunExpress Deutschland
<b>EZY</b>	Easyjet	<b>LX</b>	Swiss
<b>EZS</b>	Easyjet Switzerland	<b>TWI</b>	Tailwind Airlines
<b>EK</b>	Emirates	<b>TP</b>	TAP Portugal
<b>AY</b>	Finnair	<b>X3</b>	TUIfly
<b>BE</b>	Flybe	<b>TU</b>	Tunisair
<b>FHY</b>	Freebird	<b>TK</b>	Turkish Airlines
<b>ST</b>	Germania	<b>UA</b>	United Airlines
<b>4U</b>	Germanwings	<b>VLG</b>	Vueling
<b>HK</b>	Hamburg Airways		

# Direct flights

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<b>ADA</b>	Adana	<b>EDI</b>	Edinburgh	<b>LPA</b>	Las Palmas/ Gran Canaria	<b>PUY</b>	Pula
<b>ALC</b>	Alicante	<b>NBE</b>	Enfidha			<b>PUJ</b>	Punta Cana
<b>AMS</b>	Amsterdam	<b>ERF</b>	Erfurt	<b>LIS</b>	Lissabon	<b>KEF</b>	Reykjavik
<b>ESB</b>	Ankara	<b>FAO</b>	Faro	<b>LCY</b>	London City	<b>RHO</b>	Rhodos
<b>AYT</b>	Antalya	<b>FRA</b>	Frankfurt	<b>LGW</b>	London Gatwick	<b>RIX</b>	Riga
<b>ACE</b>	Arrecife/Lanzarote	<b>FDH</b>	Friedrichshafen	<b>LHR</b>	London Heathrow	<b>RJK</b>	Rijeka
<b>ATH</b>	Athens	<b>FUE</b>	Fuerteventura	<b>LTN</b>	London Luton	<b>FCO</b>	Rome
<b>BCN</b>	Barcelona	<b>FNC</b>	Funchal/Madeira	<b>LUX</b>	Luxemburg	<b>SCN</b>	Saarbrücken
<b>BSL</b>	Basel	<b>GVA</b>	Geneva	<b>MAD</b>	Madrid	<b>SOB</b>	Sármellék
<b>BIA</b>	Bastia	<b>GOT</b>	Göteborg	<b>MAH</b>	Mahon/Menorca	<b>SID</b>	Sal/Cape Verde
<b>BGO</b>	Bergen	<b>HEL</b>	Helsinki	<b>MPX</b>	Milan	<b>SZG</b>	Salzburg
<b>BRN</b>	Bern	<b>HER</b>	Heraklion/Crete	<b>AGP</b>	Malaga	<b>SMI</b>	Samos
<b>BHX</b>	Birmingham	<b>HRG</b>	Hurgada	<b>MLA</b>	Malta	<b>SPC</b>	Santa Cruz de la Palma
<b>BVC</b>	Boa Vista/ Kapverden	<b>IBZ</b>	Ibiza	<b>MAN</b>	Manchester	<b>SPU</b>	Split
<b>BJV</b>	Bodrum	<b>INN</b>	Innsbruck	<b>MHG</b>	Mannheim	<b>LED</b>	St Petersburg
<b>BGI</b>	Bridgetown/ Barbados	<b>IST</b>	Istanbul	<b>RAK</b>	Marrakesch	<b>ARN</b>	Stockholm
		<b>SAW</b>	Istanbul Sabiha Gökçen	<b>RMF</b>	Marsa Alam	<b>STR</b>	Stuttgart
<b>BRS</b>	Bristol	<b>ADB</b>	Izmir	<b>FMM</b>	Memmingen	<b>IKA</b>	Tehran
<b>BRU</b>	Brussels	<b>XRY</b>	Jerez de la Frontera	<b>SVO</b>	Moscow	<b>TFS</b>	Tenerife
<b>BUD</b>	Budapest	<b>JKG</b>	Jönköping	<b>MUC</b>	Munich	<b>SKG</b>	Thessaloniki
<b>BOJ</b>	Bourgas	<b>KLX</b>	Kalamata	<b>NAP</b>	Naples	<b>TLS</b>	Toulouse
<b>CUN</b>	Cancun	<b>FKB</b>	Karlsruhe/ Baden-Baden	<b>EWR</b>	New York	<b>TUN</b>	Tunis
<b>CTA</b>	Catania			<b>NCE</b>	Nice	<b>UME</b>	Umea
<b>DLM</b>	Dalaman	<b>KLU</b>	Klagenfurt	<b>NUE</b>	Nuremberg	<b>VAR</b>	Varna
<b>DJE</b>	Djerba	<b>CGN</b>	Cologne/Bonn	<b>OLB</b>	Olbia	<b>VCE</b>	Venice
<b>DRS</b>	Dresden	<b>CPH</b>	Copenhagen	<b>OSL</b>	Oslo	<b>VRN</b>	Verona
<b>DXB</b>	Dubai	<b>CFU</b>	Corfu	<b>PMI</b>	Palma de Mallorca	<b>WAW</b>	Warsaw
<b>DUB</b>	Dublin	<b>KGS</b>	Kos	<b>CDG</b>	Paris	<b>VIE</b>	Vienna
<b>DBV</b>	Dubrovnik	<b>KRK</b>	Krakow	<b>OPO</b>	Porto	<b>ZAD</b>	Zadar
<b>DUS</b>	Düsseldorf	<b>LRM</b>	La Romana	<b>PRG</b>	Prague	<b>ZAG</b>	Zagreb
				<b>PRN</b>	Pristina	<b>ZRH</b>	Zürich





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