

FOR OUR FUTURE



“Protecting the environment is putting into practice our responsibility for the generations to come.”

Günter Elste

Over one million passengers use HOCHBAHN buses and trains every day. This means we don't just keep the City on the move, but make a crucial contribution towards protecting the environment and, consequently, to the quality of life in our attractive city.

We asked children and young people in Hamburg: What is it that concerns the younger generations? How do you see the future? The HOCHBAHN has the answers to many of these questions. They can be found in this Annual Report, next to the Company Outlook, Current Facts and Data.



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Our commitment

The HOCHBAHN makes a crucial contribution when it comes to ensuring the high quality of life in the growing City of Hamburg and surrounding metropolitan areas – not just today but for generations to come. The company was established in 1911 and is the largest partner in the Hamburger Verkehrsverbund (passenger transport association). The high quality and reliability of our services have persuaded over one million passengers to use the three U-Bahn lines and more than 100 bus routes daily.

More and more people are deciding to use the HOCHBAHN as an alternative to private motor cars, as we can carry them to their destinations safely and effortlessly. Not only that, by travelling with the HOCHBAHN, they are playing their part in helping protect the environment. Apart from providing attractive services that keep people mobile, we have committed ourselves to testing specific new technologies for the protection of the environment and natural resources. Every satisfied passenger we transport helps to vacate the roads for commercial traffic and boost Hamburg as a commercial centre.

The HOCHBAHN has the reputation of being one of the most modern and successful public transport companies in Europe. We continue to play a pioneering role, not just in the areas of rolling stock and installations technology, but in operation management and passenger services as well. It is this which gives an important impetus to creating innovative public transport which will serve us well, long into the future. In spite of our continuously improving services, for years now the City of Hamburg has also been able to rely on us to help relieve the burden on its budget. We were one of the first transport operators in Germany to face global competition on the open market – and have maintained that position. Apart from our core business, we successfully run rail and bus companies nationwide and are still aiming to expand our market even further.

HOCHBAHN overview

	2007	2006	2005
Financial information (in € million)			
Turnover	328.4	313.3	279.1
Net loss for the year (prior to absorption by the HGV)	59.8	61.9	62.9
Cost coverage level (in %)	86.9	85.8	84.5
Fixed assets	605.2	649.9	611.1
Balance sheet total	719.9	725.8	697.7
Gross investments	131.5	121	90.2
Staff*	4,398	4,392	4,340
Bus transport			
Passengers (million)	199.7	195.6	192.2
Passenger km (million)	621.3	608.5	597.3
Investments (€ million)	32.2	20.9	15.9
Buses	702	704	654
Routes	112	120	113
Stops	1,299	1,355	1,295
Rail transport			
Passengers (million)	183.6	179.8	176.7
Passenger km (million)	1,096.1	1,073.4	1,054.9
Investments (€ million)	94.1	94	72.3
U-Bahn cars**	749	749	751
Lines	3	3	3
Stations	89	89	89

* including HOCHBAHN staff at subsidiaries and dormant working relationships

** including the Verkehrsgesellschaft Norderstedt mbH

– including 17 cars out of operation/service; one DT1 unit, with 2 cars, is the "Hanseat" of historic interest

Prologue from the Supervisory Board Chairman

The Hamburger Hochbahn AG can look back on a very successful financial year: yet another rise in passenger figures, increased turnover and a cost coverage level of 86.9% have helped maintain the company's leading position in the sector.

Hamburg is a growing city and, compared with other locations in Germany, can be considered one of the outstanding national growth regions, with the prospect of continuing to expand well into the future. However, it is still necessary for us to maintain our high standards of economic performance and the quality of life in our attractive city – for our citizens, the many visitors to the city and for the generations to come. In view of the climatic change, this is one of our biggest challenges. And it is a challenge which can only be mastered if we are successful in finding the most technologically advanced solutions and most economically sound approaches to energy generation, transport, production and consumption issues.

With its policy of sustainability, Hamburg makes its contribution at a local level towards positive global development. Public transport plays a significant role in times when the burden on the environment is growing and the need for greater mobility increasing. And being the largest partner in the Hamburger Verkehrsverbund (passenger transport association), the HOCHBAHN is the guarantee that the preservation of life's basic principles can be reconciled with economic growth. In its deliberate use of renewable energies and commitment to developing and testing pioneering technologies in the protection of our environment and climate as part of its company policy, the HOCHBAHN ventures well beyond day-to-day environmental protection. Running entirely emission-free fuel cell buses on regular routes has proved an important foundation for the now well-established "competence cluster", set up in Hamburg for hydrogen and fuel cell applications. In fact, Hamburg runs one of the largest fleets of fuel cell-driven buses. hySOLUTIONS GmbH was founded in 2005, and is the company in which the HOCHBAHN and its shareholders concentrate these many different applications in Hamburg. The company is also concerned with building up a network of activities through research and manufacturers, to help speed up the development of emission-free vehicles before they go into production.

The HOCHBAHN is expanding at the same pace as Hamburg. In reply to the steady rise in passenger figures, services were again augmented in 2007. When making provision for passengers who opt to travel by bus or rail, it is crucial that capacities be increased as demand dictates, while still keeping an eye on the future. For only these services can lighten the load



Dr. Michael Freytag

on the roads from privately-run vehicles. As a municipal company, it is the HOCHBAHN's duty to ensure that both these aims are fulfilled. In fact, the development of an adequate transport network is the motor to successful urban planning. The new U4 U-Bahn line, due to open in December 2011, is to link the new HafenCity quarter with the City centre and connect up with the highly efficient S-Bahn network. At the same time, it will be the basis for the likely "leap across the Elbe". Direct, efficient transport links for the main hub of expansion south of the River Elbe are likely to be a crucial factor in deciding how fast development continues in the geographic centre of Hamburg.

Due to its outstanding transport services, the HOCHBAHN again managed to raise its cost-coverage level in 2007 – partly through making additional revenue by expanding outside its home market, but also by creating additional places of work in Hamburg. The tenders awarded to the company in the year under review again proved its ability to compete on the global open market. The HOCHBAHN's decision to hold stakes in bus and rail companies throughout the whole of Germany, and not just in Hamburg, has proved successful. Holdings have been amalgamated into its own holding company, BeNEX GmbH, and distinctly segregated from the HOCHBAHN's core business – so that appropriate conditions have been established to increase the speed of expansion.

The HOCHBAHN is a strong partner when it comes to maintaining the quality of life in our dynamic city and upholding its reputation as a special location. And it is the HOCHBAHN that keeps Hamburg mobile and ensures that commercial traffic continues to flow. The company also makes a marked contribution towards protecting our environment and our climate, and, for years now, could be relied on to help relieve the burden on Hamburg's public budget. This is the best possible confirmation that economic success goes hand in hand with ecologically friendly policies.



Dr. Michael Freytag, Senator

Director of the Department of Finance of the Free and Hanseatic City of Hamburg
Chairman of the Supervisory Board, Hamburg Hochbahn AG

Foreword from the Management Board

Dear ladies and gentlemen, colleagues,
business partners and friends of the HOCHBAHN,

The current financial year has been marked by a rise in passenger figures of 2.1%, which is significantly higher than the national average. Our services were therefore expanded with a view to the future when the new timetable came into force in December 2007. Just by increasing U-Bahn train phasing to every five minutes for evening services, we hope to be able to achieve an annual increase of around one million passengers. These passengers leave their cars parked; by doing so, they are reducing CO₂ emissions by around 600 to 700 tonnes per annum. Bus services also had to be extended recently in the south of Hamburg, due to increased numbers of passengers commuting into the city centre. Due to the high fuel prices, we predict a growing demand in this sector and the opportunity to create more workplaces for Hamburg.

Hamburg is expanding – with the prospect of having an above-average population and economic growth in the future. In a growing city, maintaining the high quality of life for generations to come is one of the biggest challenges. As the largest company in the Hamburger Verkehrsverbund (passenger transport association), we are proud of the major contribution we are making in this respect. When more people decide to use buses and trains, it is obvious, of course, that the environment profits. With the same power output, the CO₂ produced is around two-thirds less than for a car. At the same time, efficient, reliable public transport lightens the burden on our city's roads, leaving room for commercial traffic to flow. High-quality regional public transport services not only benefit the environment and commerce, but also the staff employed by Hamburg's companies. Every day almost 300,000 people commute to the City from Hamburg's surrounding areas. The need to keep all employees mobile is only guaranteed by buses and trains: costs for an average monthly season ticket are less than one-tenth of the average costs for a car.



Günter Elste

Furthermore, creating new workplaces and residential areas is a particularly important factor for the growing metropolitan region of Hamburg. Targeted, ongoing development of mobility services is therefore a lever for municipal development, as well as being essential for making the city an important location. However, in view of reductions in financial contributions from public funds, ongoing index-related fare adjustments are imperative, if the quality of public transport is to be maintained.

Since 2002, the HOCHBAHN has also been offering attractive as well as economical transport services outside its home market. If we are to keep our independence in the long term, we have to expand profitably. One important step in this respect was concluded in August 2007, when our subsidiary, BeNEX, was outsourced at the beginning of the year and the HOCHBAHN consolidated its rail and bus transport holding companies outside the city's boundaries. With Babcock & Brown Public Partnerships' 49% shareholding, we have gained a financially strong partner, with whom we can accelerate our expansion activities and generate additional revenue in the field – while the company is clearly segregated from our core business in Hamburg. Another particularly welcome transaction was concluded in December 2007. This can be considered yet another success and reward for the trust placed in our company: the tender for the regional train network in Regensburg also included train services in the Danube valley, with an annual volume of over 5 million train km and just under 7 million passengers. We asserted ourselves in competition against the former operators and global competitors, enabling us to expand our share of the market still further.

There have not just been successes, however. External business parameters have again been unfavourable, such as rising costs of energy and the imposition of environmental regulations. And the year under review was once more accompanied by a withdrawal of compensatory payments and public grants. In spite of our ambitious objectives and the measures we took to

improve services, in 2007 we again managed to assert ourselves on the international market, maintaining a leading position globally in the economic and operational sector. By raising turnover to € 328.4 million (in 2006: € 313.3 million), we attained a cost-coverage level of 87% (in 2006: 85.8%), so were again partners who could be relied on to relieve the financial burden on the Free and Hanseatic City of Hamburg.

As before, in the year under review we demanded high commitment from both staff and management. We should like to thank all of them, together with our employee representatives and Supervisory Board, for their outstanding commitment, unerring support and trust. Together we are set to win over new passengers and convince those already using our services that they have made the right choice.

With kind regards,



Günter Elste
Chairman, Management Board



HOCHBAHN strategy

Even in 1996, the HOCHBAHN was already playing a pioneering role amongst regional transport operators in Germany, as it targeted its strategy towards open market competition in its sector of operations. It was aware that the consolidation of public budgets would inevitably create difficult external business conditions. The comprehensive programme of restructuring which the HOCHBAHN carried out at its own instigation over the years that followed was ambitious – and successful: for years now the HOCHBAHN's contribution towards relieving the burden on public budgets has been considerable – and steadfastly reliable. At the same time, it has proved itself on the global open market.

The company's success is based on five strategic mainstays: a cost management policy which is geared to competition; rises in revenue which are tailored towards passenger numbers; growth through profitable expansion; strategic company control and targeted ongoing development of company and management cultural awareness.

Even though the HOCHBAHN managed to raise its economic efficiency and the quality of its services significantly – a notable contribution towards this was attaining a competitive level of personnel costs very early on – it is still working consistently and continuously to make further improvements in cost management, while retaining the same high quality of performance.

Ongoing increases in passenger numbers were based on a policy of stronger marketing consolidation and passenger orientation. External economic parameters are ideal for continuing this positive trend well into the future, for Hamburg is a privileged conurbation area. As an overseas trading city and port on the River Elbe, it reaps above-average benefits from global economic expansion, with steady growth in its Gross Domestic Product, as well as a positive trend in its employment figures. Higher quality of services, which are targeted to demand – and denser catchment areas – are seen by the HOCHBAHN as important levers for acquiring new passengers. They are also seen as the key to passengers using their services in the long term and for safeguarding the quality of life in the growing city. As the largest transport operator in Hamburg, the HOCHBAHN is an important partner for the Free and Hanseatic City with respect to urban development, through supporting it as a key economic location and, just as importantly, through its protection of the environment.

Since 2002, the HOCHBAHN has also diversified activities outside its home market, with the aim of generating additional revenue from the stakes it holds, as well as initiating economies of



scale in its own core business by marketing company know-how. However, the HOCHBAHN sets its sights on calculable expansion and is only active if it can attain a profit, often working together with regional partners. By doing so, the HOCHBAHN strives for continuity. Another important component for success is a joint strategic orientation on the part of the shareholders. If this is no longer guaranteed, the HOCHBAHN may well opt to climb down, leaving more room for other commitments more likely to bring success. The company has amalgamated its nationwide shareholdings in rail and bus transport companies outside Hamburg into one holding company, BeNEX GmbH. Together with Babcock & Brown, its minority shareholder with strong capital backing, it has established the preconditions for marked acceleration in expansion, but without incurring risk for the Free and Hanseatic City of Hamburg, the HOCHBAHN's sole shareholder.

Professional control tools guarantee that there is optimum cross-company co-operation between staff and management. The "HOCHBAHN Monitor" makes sure that everyone's activities are consistently targeted towards mutual objectives and, should there be deviations from these targets, counteractive measures are taken in good time. The company places great emphasis on having its staff endorse the company's objectives. In fact, from very early on, all employees were included in the new strategic orientation; they are also questioned at regular intervals about their identification with the company's strategy.

Ongoing development of company and management cultural awareness forms the HOCHBAHN's fifth mainstay. Its aim is to increase productive, efficient co-operation through having managerial behaviour that is binding but geared to dialogue and company strategy. It aims to use the creative potential of its 4,300 and more staff to the full, to benefit the company and motivate its employees. Key instruments of analysis are the regular surveys in which staff are asked to participate. With their help, spheres of action are identified every two years for both company and management, and then translated into jointly-evolved development measures.

The HOCHBAHN can be considered to be one of the best-managed transport companies in Germany. Growing passenger figures and one of the top cost-coverage levels in Europe demonstrate that the company is in a good position to retain its independence, even in the face of harsher competitive conditions – so that workplaces will be retained at the HOCHBAHN and its subsidiaries in the long run.

Will our city still be green
when I'm grown-up?

Matilda from Altona, 11 years old



Every ride on a bus or U-Bahn train benefits a green city. Our commitment is to motivate even more people to use public transport, while still pursuing the ongoing development of environmentally friendly technologies. Our bequest to future generations is the day-by-day reduction in energy consumption and hazardous emissions.



"I love the green trees everywhere in my city."



**Protecting the
environment**

Environment in focus

Environmental protection is a key issue at the HOCHBAHN, whose mobile bus and U-Bahn services help to protect natural resources and avoid harmful emissions.

The one million and more passengers using HOCHBAHN transport every day help to lessen the burden on the atmosphere by around 160,000 tonnes of CO₂ every year. Specific energy consumption for public transport is also notably less than for private cars. On full buses in the morning rush hour, energy consumption per passenger and 100 km is just 0.5 l – an unbeatable figure when compared to cars. Figures for rail rolling stock are even better, due to the rolling resistance and energy feedback they experience when braking. Every public transport user consequently makes a significant contribution towards protecting the environment. The HOCHBAHN's objective is therefore to encourage more new passengers to use public transport. Improvements in services and barrier-free access are seen by the company as valuable moves towards climate protection. The HOCHBAHN is rigorous in its efforts to make operations even

more friendly for the environment, and repeatedly plays a pioneering role in this respect. The company's dedication in the testing and ongoing development of innovative technologies has already become tradition. It also helps the HOCHBAHN to maintain its industry-leading competence in the long term, and optimise the commercial proficiency of its applications.

The HOCHBAHN has been running fuel cell-driven buses on normal bus routes in Hamburg ever since 2003. Their exhausts only emit condensation. The original plan was to operate them for 24 months, as part of the EU project CUTE (Clean Urban Transport for Europe). Since then, however, the Hamburg fleet has grown to six buses – all servicing normal bus routes – and they are still in operation, even without grants. The project's success has shown for the first time that fuel cell technology can now be widely applied and put into practice.





The HOCHBAHN is currently examining the use of a new, optimised generation of fuel cell buses for the years to come, in which fuel cells are backed in their emission-free electro-propulsion by hybrid technology in the form of high-performance batteries. In June 2007, the HOCHBAHN tested a vehicle produced by a Belgian manufacturer for the first time. Results of the one-week trial phase showed that less than 40% hydrogen is required using the hybrid technology than was used by the first generation of fuel cell buses. With its hydrogen and fuel cell applications, the HOCHBAHN is determined to secure a leading position for itself as local transport provider, by putting its faith in the long-term development and production of a series of emission-free vehicles.

Added to this, over the next few years the HOCHBAHN also plans to increase hybrid technology for buses with diesel-electric propulsion. The combustion





engine, which generates electricity, already fulfils the high ecological requirements demanded by the Standard for “enhanced environmentally friendly vehicles” (EEV). The combination of diesel-electric propulsion and hybrid technology makes it possible to have reductions in CO₂ of 30%. The widespread use of electrical components for buses of this kind is likely to foster further development in the commercial use of entirely emission-free fuel cell technology in buses. hySOLUTIONS has made this its main business concern. The company was established in 2005, at the initiative of the Free and Hanseatic City. Initially it was a 100% subsidiary of the HOCHBAHN but, since then, other shareholders who have an interest in hydrogen and fuel cell technology also hold stakes in the company. Its task is to form a network of researchers, manufacturers and users in the hydrogen and fuel cell sector, “clustering” together the potential which exists in Hamburg. Its objective is to make this technology marketable and expand Hamburg’s leading position in

the use of this pioneering technology on to a global level.

A special highlight of the year under review was when, in the keel-laying ceremony on December 3, 2007, the start signal was given for the building of the first fuel cell-propelled pleasure boat in the world. The environmentally friendly Alster boat belongs to the HOCHBAHN subsidiary ATG Alster-Touristik GmbH, and is to conduct its first trip on the Alster and Elbe in 2008, with up to 100 passengers – entirely emission-free. Under the aegis of the City’s Department of Civic Development and the Environment, nine partners collaborated to pool their specialist knowledge for the project, which is promoted by the EU. It goes without saying that the HOCHBAHN and hySOLUTIONS are both at the fore in the Zemships (zero emission ships) project, so that important data and information can be used for a wider application of fuel cell technology. This concerns an Alster “steamer”, which is suitably named, as it emits pure steam. Making significant improvements in standard

propulsion technology is another way in which the HOCHBAHN contributes ecologically in this sector. Even if bus passengers are much kinder to the environment than private car users while staying mobile, diesel-driven buses still have emissions which are hazardous to health. To reduce the amount of critical components being emitted as far as possible, the first EU Emissions Regulation, better known as the Emissions Norm, was issued in 1990 to regulate the maximum emission values permitted. It is one of four present EU norms.

The HOCHBAHN has chosen to focus its attention on Selective Catalytic Reduction (SCR), a process which reduces toxic nitrogen oxides, and the emission of soot particles and AdBlue. AdBlue is a 32% urea, which is sprayed/squirted into the exhaust stream, where it is converted to ammonium, so that the toxic nitrogen oxides are split into nitrogen and oxygen.



121 buses have already been equipped with these systems and they already fulfil the Emissions Norms stipulated for after 2009. Also in 2007, the HOCHBAHN received recognition from the Free and Hanseatic City of Hamburg for its “environmental partnership”. The award was for its commitment to protecting the environment, which went well beyond statutory obligations, and for lowering energy consumption in the U-Bahn sector. Steps towards protecting the environment very often start before vehicles even set off: bus engines are warmed up at charging points and thus save a great deal of fuel, especially over the first few kilometres of a run. Bus lanes and preferential bus switches at traffic lights also make an important impact on environmental protection, due to the fact that fuel is saved and emissions lowered when traffic flows smoothly. During their training, all HOCHBAHN bus and train drivers learn how to save energy when driving. In U-Bahn “cockpits”, one of the driver’s aids is a display showing the maximum speed for ideal train

acceleration. Depending on its timetable slot or the track section, the train can coast or be boosted by a quick acceleration, with marked savings in energy consumption.

In spite of the fact that driving performance at the U-Bahn has increased by 28% over the past ten years, total consumption of electrical current only rose by 6%. The fact that U-Bahn operation is so friendly to the environment is thanks to a whole series of energy saving measures. Units are of light-weight construction – in fact, a weight saving of just 1,000 kg is equivalent to a yearly reduction in consumption of 8,000 kW. Targeted use of recyclable materials has also been taken into account when developing new generations of rolling stock. In addition, U-Bahn DT4 types also feed braking energy back into the electricity supply system, where it is then used by other trains when driving off. Since 2007, the HOCHBAHN has also been testing energy stores, for use in outlying areas, where trains run less frequently and where energy feedback

cannot be used by other units. The company hopes that each store will make additional annual savings of 311,000 kW hours and, at the same time, avoid emitting a further 180 tonnes of CO₂ per annum. If everything runs to plan, another five energy storage sites are to be installed on the network.

Wherever the HOCHBAHN has the chance to take control, the environment is always given priority: energy-saving lighting is used as a matter of principle; rebuilding and modernisation of stations are planned so as to make the most of daylight hours; escalators only run when needed – on standby when not in use, instead of using unnecessary electricity; rainwater is employed to clean rolling stock and bio-degradable natural lubricants are used in a wide variety of fields.

As with all its large-scale construction projects, the HOCHBAHN has taken care to protect nature and specific species during the construction of the new U4 U-Bahn line. With the help of specialists,

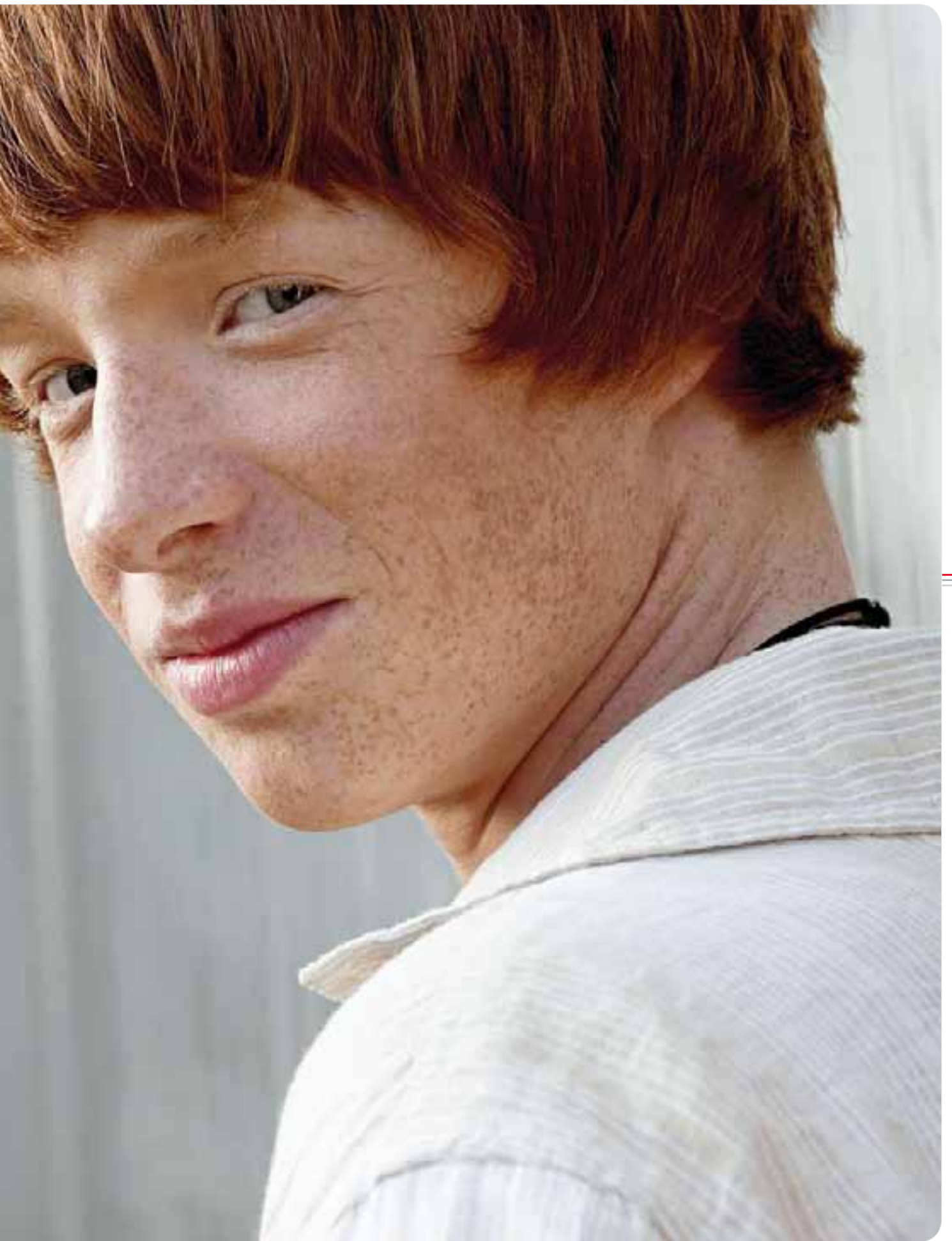


the HOCHBAHN relocated deposits of giant mussels in the port basin in June 2007. This protected 220 giant mussels from the effects of tidal changes and, consequently, changes in their living conditions, over the U-Bahn construction period.



What has feeling fine
got to do with
environmental protection?

Moritz from Niendorf, 16 years old



People who think they are in good hands at the HOCHBAHN leave their cars parked. The only way to persuade passengers that taking the U-Bahn or bus is the right decision to make, is by having services which are just right. This way, we can encourage even more people to switch to public transport.



"I feel fine on HOCHBAHN U-Bahn trains and buses."



Passengers

Passengers



During the annual passenger surveys held by the HOCHBAHN, some interesting information came to light concerning people's endorsement of public transport. The 3,200 persons questioned consider that, in most cases, it is more effective to meet one's needs for mobility in the City of Hamburg by using the U-Bahn or buses instead of private cars. These results were reflected in the extremely gratifying rise in demand for public transport. Again, the company was able to record areas of growth in 2007, which were markedly above the national average of 0.4% calculated by the German Association of Transport Operators. A 2.1% increase in bus users and the same for U-Bahn passengers clearly showed that new users from the previous year had been persuaded to keep using public transport in the growing metropolitan area and that passenger numbers are continuing to increase.

The HOCHBAHN reacted to this in the year under review by expanding its services: as from December 2007, five-minute train phasing was extended to all three U-Bahn lines in the city centre up to 9 p.m., to make travel much easier for passengers, even in the evening. Definite improvements for passengers were also seen in the bus sector: they included the running of the No. 6 MetroBus route to the HafenCity up to 11 p.m. – three hours longer than before; buses also now run every five minutes in the early morning from Tonndorf station to Wandsbek, and services to the south of Hamburg were greatly expanded, by operating additional buses and making route extensions. Another positive effect of increased services is that new workplaces have been created in Hamburg.

The HOCHBAHN is capable of acting comparatively flexibly to short-term congestion in service capacities, but limits are set by the amount of rolling stock and personnel available. This is evident when planning possible operational back-up for trains and buses by increasing phasing or using larger vehicles, such as XXL buses and U-Bahn trains with maximum configuration. In the mid-term, construction measures are likely to bring relief, such as the present re-building project at Berliner Tor. And, by changing the routing of a U-Bahn network line, as from 2009, bottlenecks in capacities will be eliminated on what is currently the busiest branch line of the U3, east of Berliner Tor (70,000 passengers daily). The Hamburger Verkehrsverbund and politicians are therefore essential partners for the HOCHBAHN when it comes to planning to meet demand for the long-term future. It is they who dictate fares – and, by definition, the density of the public transport network as well.



The HOCHBAHN is considered to be one of the most modern and attractive regional transport operating companies in Europe – one which is constantly trying to improve its services, so as to persuade more and more passengers to switch from using cars to public transport, i.e. bus or train. By doing this, the company attempts to keep its focus on proactive performance planning. Merely reacting to increases in demand generally results in over-full trains and buses, and is not the appropriate method to persuade new passengers to switch to using public transport. When it comes to choosing to become a regular traveller, after all, it is the actual travelling experience which is the decisive factor. And in Hamburg it is the quality of public transport which is just right. In October 2007, a record was broken with the 300,000th HVV season ticket holder since season tickets were started. In 1970, Hamburg was the first city in the world to offer season tickets to frequent metro and bus travellers. Since then, the HOCHBAHN has held accounts for all regular HVV clientèle. In the year under review, the HOCHBAHN Marketing Department was responsible for 250,000 passengers – 20% more than ten years ago. One crucial factor for any form of public transport is the degree to which its staff are geared to the passenger. In 2007, the HOCHBAHN again attained almost top marks in this respect, when a survey was taken on staff friendliness, willingness to help and competence: on a 1-to-5 scale (“extremely satisfied to “extremely dissatisfied”), the company attained an average rating of 2.29. Only 5% claimed they were dissatisfied or extremely dissatisfied.

Everyone who chooses to use a bus or the U-Bahn instead of a car makes a valuable contribution – whether consciously or not – towards protecting the environment and our climate, and therefore also towards keeping our city on the Elbe green. An incentive to the occasional public transport traveller was undoubtedly the introduction of the HVV short-trip ticket (for € 1.30), when the new timetable came into force in 2007. Around 200,000 HVV passengers pay for single tickets two to three times a week. To make its passengers’ lives as easy as possible, at the beginning of the year under review the HOCHBAHN started to replace 200 ticket machines with new ones. They have a user-friendly touch-screen, so passengers can now select tickets of their choice quickly and easily. By the summer of 2008, 307 ticket machines will have been equipped with the new menu guide, after undergoing thorough trials on 150 test persons. 30 other automatic ticket machines are also to be converted for the HOCHBAHN subsidiaries HADAG Seetouristik und Fährdienst AG, which runs regional public transport in the form of ferries in the Port of Hamburg and on the River Elbe.



Even greater freedom of access to tickets is provided by the “HandyTicket” (purchasing via mobile phone). In 2007, a two-year pilot test was started on this in Hamburg for the passenger transport association (VDV). Needless to say, the HOCHBAHN is fully supporting the HVV in this innovative technology.

Apart from demand-orientated services and a good transport quality, the HOCHBAHN is proficient in many other spheres, all of which help to bring its passengers day-by-day satisfaction. Very often it is these extra services which tip the scales for users when deciding to use public transport or not. One important example is cleanliness: the company has a carefully-devised cleaning concept at U-Bahn stations and on trains and buses; it costs the HOCHBAHN around € 6 million a year. The company’s sphere of influence, however, ends at its bus stops and station areas. Even so, its active support in keeping the city clean outside its areas of jurisdiction can be seen in the way the HOCHBAHN has committed itself in the long term to sponsoring the campaign for “Cleaning up Hamburg”. As from April 2007, it became responsible for organising the cleaning up of ten Park and Ride facilities at U-Bahn stations within Hamburg’s city boundaries. Another potential contribution towards greater cleanliness is its support of Hamburg’s Protection of Passive Smokers’ Statute, which came into force on January 1, 2008. Smoking is not permitted throughout the HVV, even at S-Bahn surface stations.

Group discussions at the start of the year again confirmed that passengers’ optical impression is closely connected to their personal sense of safety and security – for many people a potential stumbling block that could prevent them from using public transport. A reduced sense of security at outlying or less-frequented stations can undoubtedly be improved by a well-maintained station appearance, transparency and better lighting. At the same time, it became clear that reliable, dynamic information to passengers can also exert a positive influence on whether a passenger feels safe or not. 124 (100 in 2006) display boards at extremely busy bus stops currently give HOCHBAHN bus passengers real time information as to when the next bus on their route leaves. Going by the passenger surveys taken in 2007, there were significant improvements in safety ratings for bus stops in the evening and at night, showing that the HOCHBAHN is well on the right course with its concept, which goes beyond cursory safety and security measures.



It is still an undeniable fact that the presence of personnel has the greatest influence on people's sense of safety and security. The 200 or so specially-trained staff from the HOCHBAHN-WACHE are responsible for safety, security and a sense of order. They are also people one can ask for help – and not just in an emergency. Another important step in the sphere of safety technology was taken in the year under review. As long ago as 2005 – and, of course, in close co-operation with officials responsible for data protection issues in Hamburg – the HOCHBAHN decided to equip its buses with video systems, after already fitting out its U-Bahn stations and trains. By the end of the year under review, 369 buses (53 in 2006) had been fitted out with altogether 1,216 cameras. Numerous other measures and technical installations go to make up the HOCHBAHN's integrated safety and security concept, along with close co-operation in the field with the Hamburg Police and government authorities. The HOCHBAHN always attempts to maintain intensive communication with its passengers, among other things by providing information on any aspect of safety and security to users and others interested – showing them the many different ways in which action can be taken in what are perceived as being unsafe situations.

As the largest transport operator in the HVV, the HOCHBAHN plays a crucial role in dictating just how attractive regional public transport should be. Marked improvements in passenger services and their efficiency, and continuing to be a reliable partner in alleviating the financial burden on the Free and Hanseatic City's budget, are still important company objectives for the future.

Can bus drivers help protect the environment?

Louis from Ohlsdorf, 10 years old



Learning to drive so as to save energy is an integral part of the training programme for all our drivers. This is how we achieve significant reductions in fuel consumption.



"I think our bus driver's great 'cos he drives so safely."



Staff

Staff

With a staff of 4,398 at the end of 2007 (4,392 in 2006), the HOCHBAHN is not just the second largest regional transport operator in Germany, but one of the largest employers in Hamburg. In the course of the year under review, another 330 new places of work were created. As an expanding company, the HOCHBAHN is increasingly more dependent on young qualified staff. A training quota of 8.8% (of HOCHBAHN occupations which require training) was a slight increase compared to the previous year (8.6%). Altogether 32 young persons began their professional training at the HOCHBAHN in 2007; 34 training places will be available in 2008. 71 young people were trained in the technical and commercial sectors in 2007, to become electronics specialists for equipment and systems, operating technicians, industrial mechanics and mechatronics specialists. 16 potential industrial clerks and future business managers in the transport services sector were also offered a commercial training with official state qualifications to be gained on completion. A total of 26 young people successfully finished their training in the year under review, 22 of whom the HOCHBAHN took into employment. Furthermore, the company successfully continued its co-operation with the Nordakademie (Specialist Training College) in Elmshorn and the Hamburg School of Business Administration. 14 trainees took dual study courses which included training at the HOCHBAHN, five of them found immediate employment. The three students who successfully finished their practical training in the year under review were taken over by the company.

“Training the specialists of tomorrow, today” is the much-repeated motto of the Hamburg Chamber of Commerce. In 2007, altogether 93 young persons finished their training with outstanding achievement. Again, two HOCHBAHN trainees were among the successful few. They received a grant of € 5,100, which they can invest in further vocational training up to the end of 2009.

The fact that both these talented young people are remaining loyal to the company that trained them, demonstrates how strong their identification with the HOCHBAHN is. The same can be said about two projects which were presented on behalf of many others at the final celebrations held for the successful apprentices in 2006/2007 at the HOCHBAHN communications centre in HALLE 13. One was a presentation on the high quality of the new workplace equipment for trainees at the department for train protection and communications installations. The other showed the construction of a new marking car, which saves two-thirds of the costs of



regular safety-zone marking on U-Bahn workshop tracks. They both not only admirably demonstrate the potential of the young HOCHBAHN employees, but also the wide opportunities open to them for contributing their own innovative ideas, even while still training.

By tradition, the “old hands” at the HOCHBAHN are shown a great deal of respect. Because the company knows how much it can profit from experienced employees, it is quite natural for it to be actively engaged in the “50 plus” alliance. This is a group made up from Hamburg businesses that place their confidence in the potential capabilities of the over-fifty-year-olds. The HOCHBAHN, however, plays a pioneering role in this respect, as every third employee at the company is over 50 – something that only applies to every fifth company in Hamburg. By providing information and courses on keeping healthy, as well as further education programmes, the company sees to it that employees of long standing remain fit and proficient. The HOCHBAHN’s high concern goes further than just the continued employment of the over-fifties, with the company consciously considering older candidates when taking on new staff. In practice, the strategy has already paid off, but still has to be intensified due to population changes.

Promoting its employees’ health and ability to work is extremely important to the HOCHBAHN. It is a policy which has been rewarded over the years, not just by having motivated staff but also through considerable long-term reductions in absenteeism. For the year under review the figure was 5.6% – pleasingly similar to that of the previous year (5.4%). The company offers its staff a wide variety of courses and training programmes, as well as attractive company sports classes, with the range constantly being extended. Non-smoking courses were a particularly current topic in the year under review, due to the fact that all HOCHBAHN areas – buildings, rooms and offices, and rolling stock – became strict non-smoking zones as of January 1, 2008.

An example of just how committed and fair HOCHBAHN employees are when it comes to company sports was demonstrated by the fact that a member of the Marketing staff was named “Sportswoman of the Year, 2006” by the Hamburg Companies’ Sports Association in February 2007. For the fifth time running, she had competed in inter-regional tournaments for the BSV Hamburg team – then was the clear winner of the women’s table-tennis singles championship just thirty minutes after receiving her award.



The HOCHBAHN has always reaped enormous rewards for staff and the company from its investments in health and safety at work. The trend in the rate of accidents in 2007 was once again positive: in the year under review, there were 102 accidents at work (121 in 2006) and 15 commuting accidents (27 in 2006) – with altogether 25.9% fewer notifiable accidents than in the previous year. Since 1999, the HOCHBAHN has seen a welcome drop of 51.4% in accidents at work and, for this, the company received a rebate of € 65,000 in premium payments from the Accident Prevention and Insurance Association for roads, metros and railways (BG Bahnen) in the year under review.

One of the most profitable success stories, however, has been the newly introduced “FREIZEIT plus” (“leisure plus”) project, comprising voluntary further education courses which are extremely popular. Costs for the seminars are borne by the HOCHBAHN, but participants invest their free time to fulfil their personal training preferences: 600 members of staff actively took part, promoting the ongoing development of the further education courses many employees had requested in the 2005 staff surveys. English courses were of particular interest, for which 260 people had signed up by the end of the year. The next most popular was the “PC management certificate”, which featured introductory courses on the World Wide Web and MS Excel. In addition to the current curriculum, staff have since requested that more language and first aid courses be held in the future, as well as training in overcoming stress and conflict management.

One of the crucial elements for the success of a passenger orientated company is to have committed, motivated staff. The HOCHBAHN has therefore always paid special attention to its company and management cultural awareness. Staff surveys have confirmed the fact that it has a strong influence on the overall contentment of its employees, their identification with the company and, consequently, each person’s willingness to give his or her best. Jointly developed, binding criteria for management practices were set down in a long-term, all-company project, in which guidelines were established for integrating management practices into the working day. Numerous large and smaller improvements have already been made, after the need for them was brought to light by the first HOCHBAHN staff survey carried out in 2005. The starting point for the majority of these measures was the need to optimise work routines, to widen possible development opportunities for personnel and to create better



flows of information in immediate working environments. Results of the second staff survey in 2008 will show exactly which progressive steps have been achieved since the first intra-company survey was taken. Even if all the objectives have not quite been achieved, one of the most important effects is already perceptible: that open, intensive dialogue about everyday problems has since become part of the normal working day for many managers and staff. The survey set up channels through which all members of staff were able to voice their opinion. The many workshops and working groups established give everyone his or her own chance to influence the desired changes constructively. And they will continue to tackle the various different problems and assess the effectiveness of counteractive measures in the future.

One of the areas identified in 2005 as requiring action was staff remuneration. Negotiations for a HOCHBAHN company wage structure were set up in the year under review. They were successfully concluded in March 2008, in spite of the current fierce wage discussions taking place at the Deutsche Bahn AG and in the civil service. Finding a compromise was a hard challenge for the company: on the one hand, competitive structures had been built up over the years between employer and employees at the HOCHBAHN, on the other, employees – justifiably – had a right to receive higher wages. Wage negotiations were concluded by straight-line increases and perceptible improvements in income at every wage level. Drivers, especially, profited from the arrangement, as they had a special interest in achieving a wage agreement which was both market and performance orientated. The contract is to run for 18 months.

Can emissions from fuel cell buses harm us?

Lara from Winterhude, 15 years old



The steam is really just condensation. Even the energy used to make the hydrogen is from renewable sources. By carrying out practical tests on fuel cell buses, we are making an important contribution towards developing a rolling stock series that has no hazardous emissions.



"I think it's really good that the HOCHBAHN is thinking about our future."



Innovation

Innovation

After 2007, the year which was largely concerned with rebuilding measures, on January 16, 2008, the time had finally come for the HOCHBAHN to open its new centre of operations – after nearly two years of construction work. An ultra-modern building has been erected on the roof of the Hochbahnhaus, itself an historic structure. From here, the entire U-Bahn and bus operations are controlled and monitored. The integration of the HOCHBAHN-WACHE also ensures that direct action can be taken by security staff should incidents occur. Also, by amalgamating what used to be separate control centres into one centre of operations, communication paths are shortened, so that faster decisions can be taken for operations, passenger safety and passenger information – an ideal apparatus, in fact, with all the right functions interconnected.

At peak hours, staff control up to 120 U-Bahn trains simultaneously. Operations are in three shifts, so that professional management is guaranteed in an emergency, and real time information can be given to passengers in the case of unforeseen disruptions. Around 1,000 radio communications have to be handled daily in the operations sector; there is also a lot to do at night: on average, 30 construction sites have to be attended to on the Hamburg U-Bahn network, during the few hours in which operations are suspended, so that passengers are troubled as little as possible by the work. The 800-odd buses are co-ordinated from six work stations per shift on Hamburg's 100 and more bus routes. Every day, 1,500 items of information on traffic congestion, accidents or delays are relayed minute by minute, by radio or telephone; using this information, speedy solutions have to be created for relief services or diversions, and passed on to drivers and passengers. By centralising operations the HOCHBAHN has created new fields of work, and furthermore this has given rise to interesting personnel development potential. In just two years, staff can take on extremely responsible and varied new tasks, and qualify as route or information supervisors. By 2014, the six decentralised track operation centres still in use on the U-Bahn network will be integrated into central operations. By then, the HOCHBAHN will have invested a total of € 12 million in the conversion of Europe's most modern centre of operations.

Building for the future of this expanding metropolitan area is also under way at Berliner Tor. In the summer of 2008, preparations were made for comprehensive reconstruction work on tunnels and tracks – as part of one of the largest U-Bahn construction schemes in Germany. With its "line swap" project, the HOCHBAHN is creating the capacities needed to meet the mobility



requirements of the growing city, now and in the future. By linking the Niendorf–Berliner Tor section of the U2 line to the section of the U3 from Berliner Tor to Mümmelmannsberg, as from 2009, the HOCHBAHN will be able to run through-services with 120-metre-long trains on the “new” U2 line section from Niendorf to Mümmelmannsberg. Passengers will benefit enormously from having capacities increased from 364 to 544 spaces on each new long U-Bahn train, particularly on the much-frequented Berliner Tor–Billstedt/Mümmelmannsberg section. The new U3 segment will then run as part of the “circle” line to Wandsbek Gartenstadt, via Barmbek. In the year under review, the project continued to run to plan. After all, construction is being carried out in restricted spaces – and with trains still operating. This is an enormous challenge for the HOCHBAHN, but a definite benefit to passengers, for whom restrictions have been kept to an absolute minimum when sections were closed off.

One of the many prerequisites when planning the new U4 U-Bahn line to the HafenCity was minimum disturbance for traffic and local residents from the work in hand. Together with the construction company responsible for the work, in the year under review the HOCHBAHN yet again managed to minimise the impact from and the duration of the construction measures at the Jungfernstieg pleasure boat jetty. In spite of the technical challenges facing it – an additional escape tunnel has to be built at Jungfernstieg station, with room still left for both the rising shafts for the shield tunnelling machinery – an optimum solution was found in the city centre for retailers and visitors alike.

The ground-breaking ceremony for the construction work at the HafenCity was held on August 23, 2007, for the four kilometre-long U-Bahn line which is to link the new city quarter on the banks of the River Elbe with Hamburg’s city centre. Around 35,000 passengers are to use the fast, comfortable line daily. Building the U4 is a complex task, with a tight time schedule. For this reason, work in the year under review was carried out on many building sites simultaneously, when ditch excavation began for the emergency escape exits along the future line route. They are virtually endoscopic operations – very local and comparatively fast. They are also some of the few surface building sites in the project which can be seen in the city centre.

The basic structure of all four emergency exits has to be completed before the shield excavation machinery tunnels through to them. This was another milestone reached in 2007, when the manufacturers had the machinery passed for release from the factory, to be transported to Hamburg in separate pieces in March 2008, for re-assembly at the excavation shaft at the Überseequartier – so that shield excavation work could start there on schedule in June. This will also be the location for the Überseequartier U-Bahn station. The construction of its concrete foundation and tunnel walls made the most progress in the course of the year under review. Structurally, most of this section has to be finished by the end of 2008, when the investment consortium for the Überseequartier is to start building on the site. Preparatory measures are already being taken on a neighbouring site for a dry excavation ditch across the Magdeburg port basin; and the building of a provisional Alster ferry boat jetty was also started at the HafenCity. The jetty is built as a series of pontoons, which were transported by water along the River Elbe to Jungfernstieg in time for the start of the 2008 season. It is to reach out 122 metres into the Inner Alster Lake. It looks like being a real potential attraction in the area, as does the U4 information pavilion at the Jungfernstieg jetty. The building of both the tunnel pipes, the new building of innovative stations, the construction of the shafts for the emergency exits down to a depth of 40 metres and the inter-junction with the S-Bahn at Jungfernstieg all show just how demanding a challenge faces planners, engineers and everyone involved in the construction work. The majority of the building for the project is carried out underground. Even so, the HOCHBAHN still wants to give Hamburg's inhabitants and visitors to the city the chance to look behind the scenes of construction work of such vital importance. The pavilion is due to open at the end of May, providing many interactive opportunities to experience first hand the construction work and the various procedures involved.

The DT5 – the new generation of U-Bahn trains – is now well on its way to becoming a reality for Hamburg, after completing the mock-up stage. Important preparatory work was carried out in 2007, such as constructing the 1:1 replica, co-ordinating how the cars were to be built and drawing up system specifications for train components and functions. Protection of the environment plays an important role for the new generation of rolling stock, of course; between 2012 and 2015 the new trains will gradually replace the DT3 units, which by then will be over 40 years old. The complex planning and development entailed plainly shows that one cannot simply buy standard-built U-Bahn trains – they have to be designed for the special needs of the Hamburg network and for the high quality standards the HOCHBAHN sets.



As the new train type also requires new maintenance standards, detailed planning for rebuilding the train sheds at the Barmbek and Farmsen depots was running full speed ahead in the year under review. In January 2008, the management board passed the interior and exterior designs for the life-sized model, which Hamburg inhabitants have been eagerly awaiting. Manufacturing will start in Salzgitter and Henningsdorf (Berlin) in 2008, with the first seven units being taken into operation in Hamburg as early as the autumn of 2009.



Will traffic just grind
to a halt in Hamburg
one of these days?

Natalia and Lena from Winterhude,
15 years old



Our buses and U-Bahn trains not only help to link up the city's inhabitants privately, but also prevent traffic jams in the city. This way, traffic can flow freely, and the environment is saved from pollutants and noise.



"Great – that means we can meet up in Hamburg when and where we like."



Report from the Divisions

Report from the Divisions

Over one million people use HOCHBAHN U-Bahn trains and buses every day. In the year under review, the HOCHBAHN bus fleet ran 4.2 million trips on its 702 low-floor buses. 199.7 million passengers used the bus services on a total of 112 routes and at 1,299 bus stops. Also, bus drivers were initiated into the company's plan to improve punctuality by adjusting and adapting driving times on its 94 different route sections – in spite of even more traffic on Hamburg's roads. For example, to improve services, test operations were started to set up guaranteed service links between S-Bahn trains and HOCHBAHN buses in Barmbek. The measures are to yield improvements in inter-company activities across the entire HVV network.

96.4% of the 11.3 million train runs (96.1% in 2006) on the HOCHBAHN's three U-Bahn lines were punctual, i.e. only deviated from schedule by a maximum of 2 minutes. This was imperceptible to passengers, thanks to the high train frequencies. A guaranteed 10- to 20-minute link-up rate was another improvement over the previous year, in what was already a very high success rate (97.1% compared to 96.9% in 2007).

Providing tailor-made mobility is not the only success factor when attracting new and retaining regular HOCHBAHN passengers. In 2007, the company continued its efforts to make its high-quality services even more attractive. At the same time as frantic work was being carried out on the new U-Bahn generation of rolling stock, the interiors of the first DT3 trains – the seniors of the metro fleet – were being refitted. They have been in service for over 35 years; on average, each car has run over three million kilometres and carried around 23 million passengers. Thanks to careful maintenance, the trains are technically in excellent condition – but optically they are out of date. Over the course of three years, the 68 units are to be rejuvenated, wall panels and doors repainted, seating renewed, handles, hanging bars and lighting strips replaced. Scratched window panels will also be replaced. Deliberate damage to window panes by "scratching" will cost the HOCHBAHN € 1.5 million – just as part of its DT3 modernisation programme. Renovation of every interior takes four weeks; altogether, the measures will cost € 4.6 million. However, the investment is worth it, because passengers are to feel at home on the DT3s up to 2016, when the last train will be taken out of service.



The HOCHBAHN bus fleet was also improved over the year under review: a total of 88 new buses were procured; these included 15 double articulated buses, which, with a length of almost 25 metres, provide 30% more passenger space than normal articulated buses. Since September 2007, the No. 5 MetroBus route has been serviced almost exclusively by the HOCHBAHN's fleet of twenty-five XXL buses. Every day they carry 60,000 passengers on the route between Burgwedel and the city centre. Running articulated buses every 4 minutes proved inadequate to accommodate all the passengers on Europe's busiest bus route. Nowadays double articulated buses run every 5 minutes and, all told, give passengers much more room. Also, by reducing the number of buses on the route, reductions in CO₂ emissions have been made. The giant bus received an excellent rating in the journal AUTO BILD in 2007: its gentle movement on bends received special mention, because its turning circle is just 5% larger than that of the standard 18-metre articulated bus – in spite of its length. This is a bonus benefit over and above its many merits – one highly commended by passengers and drivers alike.

In November 2007, reconstruction work (modernisation) at the bus interchange facilities and renovation of the U-Bahn station commenced at Billstedt. The rebuilding is to cost the HOCHBAHN around € 2.4 million, with the roof running round the facilities being entirely renewed; the old steel girders are to be exchanged for a more modern type of construction with high-grade steel elements, and a panoramic "sky window" overlooking the U-Bahn entrance will create a much lighter and friendlier atmosphere. In the course of the modernisation, more safety installations will be erected at the bus interchange facilities, such as emergency call points and video cameras. Total costs for these measures amount to around € 5.5 million. To keep the inconvenience factor for passengers to a minimum, the work will be executed in three phases – but, as a result, it will only be concluded in 2011.

Soon, the bus interchange facilities at Poppenbüttel will also be given a much more modern appearance. What was up to date thirty-four years ago is no longer appropriate for the numbers of passengers currently transported, as they have almost doubled since 1973. Approximately 30,000 travellers use the buses every day, when they stop over one thousand times for passengers to board or alight. The work will be completed as from the spring of 2009,



bringing HOCHBAHN passengers many more comforts: real-time passenger information displays, optimum lighting and notices, barrier-free access, orientation aids for those with impaired sight and the blind, an underground store with a wide variety of convenience goods on sale, a HVV service point and a bakery. Another highlight will be the architecture: a curved, winged roof of around 1,850 m², made partly of transparent, self-cleaning plastic, will surround the entire transfer location, helping to make it a more attractive area for urban development.

The growing demand for public transport was also the reason for redesigning the bus facilities at Wandsbek Markt. 55,000 passengers board, alight from or change buses here daily; at peak periods, 140 buses per hour arrive or depart. An entirely new departure area is to be built, the present facilities extended and the bus bays re-positioned, to make boarding and alighting easier and bus turnover quicker.

Hamburg's metro network has 89 U-Bahn stations, many of which no longer comply with modern standards, as they were built almost a century ago: lifts a hundred years ago were "new-fangled" inventions and used for passenger transport only in exceptional cases. The HOCHBAHN has been working on having barrier-free access to its stations since 1989, since when virtually € 70 million has been spent on equipping 35 stations with elevators. In the year under review, rebuilding of Volksdorf station was completed. As well as that, construction work at Kellinghusenstraße and Jungfernstieg began. Renovation of Horner Rennbahn station is already at the planning stage.

To achieve barrier-free access throughout the U-Bahn network, platforms have to be partially raised, lifts built, and beacon guides fitted for those with impaired vision and the blind. In many cases, building the lifts is the hardest problem, as space was never available for them in the original buildings. Rebuilding priorities for U-Bahn stations are laid down by the Department of Municipal Development and the Environment, which works together with the Regional Working Group for the Handicapped. Not only those with impaired mobility benefit from barrier-free access, but also passengers with prams, large items of luggage or cycles.



The U1 track section between Ahrensburg Ost and Großhansdorf has been a virtual building site since the spring of 2007, as the bridges and tracks of the former “Walddörfer” railway have had to be rehabilitated. Much of the work is done at night, to prevent disruptions to U-Bahn traffic. Sometimes, however, a track section still has to be closed down: from July 7 to August 18, 2007, for instance, approx. 8,000 old wooden sleepers were exchanged for modern concrete ones between the above-mentioned stations. Two bridges were also entirely dismantled and replaced by new ones, and a third bridge was completely renovated. Next year will also see numerous different measures taken at the HOCHBAHN, all designed to clearly improve the passengers travelling experience.



A subsidiary and holding company





BeNEX

A subsidiary and holding company: BeNEX GmbH

The HOCHBAHN is confident that profitable expansion will enable it able to retain its position as an independent transport company on the open market. The company anticipated the liberalisation of the European public transport market at an early date and, in 1996, it was all set to take a different strategic course. This new tactic would lead it to being globally competitive and help it, at the same time, to grow beyond the critical size required to survive in the long term alongside global players. Only a few years later, competition in Germany became reality, starting with regional rail transport. It was then that the HOCHBAHN won a Europe-wide tender for the very first time. Along with the NBE nordbahn Eisenbahngesellschaft, it started operations on the 45 km-long Neumünster–Bad Segeberg–Bad Oldesloe regional rail section, when the new timetable came out in December 2002. Since then, the HOCHBAHN – to some extent together with regional partners – has been operating outside its traditional area of services at an annual transport performance of approx. 20 million train km and 18 million road km. It co-operates with four rail and three bus transport companies throughout the whole of the Federal Republic.

Competition on the transport markets in Germany has increased markedly. But it is only those companies that can offer – and put into practice – attractive services, at reasonable prices for the bodies responsible, who are able to withstand competition from rival companies. New operators are faced with having to make considerable investments, particularly in the rail sector, which still require their own corresponding capital base. The Free and Hanseatic City of Hamburg, which owns the HOCHBAHN, was no longer in a position to raise capital for expansion purposes. At an extraordinary meeting of the Supervisory Board in January 2007, it was decided that HOCHBAHN stakes in the rail and bus sector outside Hamburg should be consolidated into a holding company, while in Hamburg transport services should continue to be operated by the parent company. With the long term future in mind, a process of selection was promptly set in motion for a minority shareholder in the company, that would bring with it the financial resilience needed for stronger acceleration in the speed of expansion.

An optimum solution was found for all the parties concerned: the HOCHBAHN is now able to step up its speed of expansion significantly, as current market developments dictate, to continue to grow profitably and to reinforce its competitive position. Hamburg's municipal budget is alleviated by having this additional income. Furthermore, the HOCHBAHN is also able to create new workplaces in the Hanseatic City, as it is the central services provider for the holding



company and its companies. At the same time, by outsourcing expansion activities so transparently from its core business, it is a clear sign that the Free and Hanseatic City of Hamburg does not make cross-subsidies to transport operators outside its boundaries.

In May 2007, the HOCHBAHN subsidiary, BeNEX GmbH, was registered at the Companies' Register. At the beginning of July, the 17 former HOCHBAHN personnel designated to move to the newly-founded expansion holding company were relocated to separate premises very near the parent company. Setting up the interest-holding process took several months, in which around a dozen globally active companies expressed an interest in BeNEX. Finally, in August of the year under review, the HOCHBAHN announced that it would be taking on Babcock & Brown Public Partnerships (BBPP) as partners. In September 2007, the Federal Cartel Office gave the go-ahead for the company to hold a 49% minority interest in BeNEX.

Apart from an appropriate capital contribution, the HOCHBAHN, which is to hold a permanent stake of 51% in BeNEX, required a long-term commitment from its partner and exclusive expansion within the transport sector via its subsidiaries. Furthermore, the business policy agreed on by the two partners does justice to BeNEX's own strategy, which is tailored to fit the special characteristics of the transport market – as well as being in the interests of the long-term investor. Through this expansion, BeNEX not only profits from the know-how of its parent company, but will also benefit from the expertise of its global financial partner. The Australian infrastructure investor, Babcock & Brown, has had many years of experience in financing and risk management which it can bring into play, and is specially orientated towards the public and social infrastructure sector. These are ideal prerequisites for boosting expansion on the German transport market. If all BBPP's financing guarantees are taken into account, a capital volume of over € 100 million will go to form the financial basis for strong growth. But the factors which really lead to the success of this field work will always be lean, well-defined structures and co-operation with local partner companies.

The successful tenders won in the year under review have already shown that BeNEX is not only meeting the high expectations of its parent company but its own as well, as the new partner. As early as the end of January 2007, the *metronom* Eisenbahngesellschaft mbH won the tender issued by Lower Saxony's regional public transport company and the Free



and Hanseatic City of Hamburg to operate the Hamburg–Lüneburg and Hamburg–Tostedt regional rail lines. 40 passenger attendants and engine drivers were taken into employment to operate the regular *metronom* services over the 93.5-km section as from December in the same year. The blue-and-yellow trains run an additional 1.2 million train km on the new track section – attaining yet another milestone in the success story of the recently founded train company. Since 2003, it has been running services on the Hamburg–Bremen and Hamburg–Uelzen lines. And the line from Uelzen to Göttingen was added in 2005. *metronom* also successfully started operations on the line between Hamburg and Cuxhaven in December 2007, having been awarded the tender at the end of 2006. This is another line expansion which enabled the BeNEX subsidiary to consolidate its position on the transport market still further. Since it began, the subsidiary has expanded the annual volume of its transportation activities to over 8 million train km, increasing the number of workplaces at the company to a further 40 attendants and engine drivers.

A future course of expansion has also been established for the Ostdeutsche Eisenbahn GmbH (ODEG). At the beginning of 2006, bids were requested for the Spree-Neiße network, with a transport volume of 2.7 train km per annum on the Cottbus–Görlitz–Zittau, Görlitz–Hoyerswerda, Görlitz–Bischofswerda and Cottbus–Forst lines. The ODEG was awarded the tender in January 2007. As from December 2008, it is to spread its activities to Saxony for the first time. In October of the year under review, the ODEG again proved successful in competition against several other rival bidders, when it won the contract from the Brandenburg Land to provide regional services on the Fürstenwalde–Bad Saarow–Pieskow line, as from December 2007. The new operator is expected to achieve an annual volume of transport activities of approx. 153,000 train km by the end of 2009. The new line section will link smoothly into the ODEG's existing network. The company was originally founded in 2002, when the HOCHBAHN held a 50% stake. The same year it started operations between Hagenow, Neustrelitz and Mirow in Mecklenburg–Western Pomerania. Since 2004, it has also been operating in Berlin–Brandenburg. Even before starting up its latest services, the annual volume of ODEG's transport activities on six lines had reached the 4.6 million train km mark, and the company was one of the largest private transport operators in the new Federal Länder. Winning the latest tender for the Spree-Neiße network is an important step, not only towards underpinning the market position of the subsidiary company in the long term, but also for



BeNEX's own standing – by bringing its volume of transportation activity up to almost 20 million rail km annually.

At the end of the year under review, the HOCHBAHN received some good news: it would be taking over operations on the regional rail network in Regensburg, which included the Donautal train company. By putting in a bid for the most economical services compared to global competitive rivals, the HOCHBAHN not only won what was the largest tender for regional rail services in the whole of Germany for that year, but achieved its own first-time success by winning a tender in southern Germany. The volume of transportation activity is to total 5.5 million train km, provided by a newly-founded operating company – and transport seven million passengers per annum. 26 new train units are to be procured and around 150 workplaces created locally. The volume of investment will be almost € 100 million. Plans are for operations to start on the Neumarkt (Oberpfalz)–Regensburg–Plattling line and the Landshut–Regensburg–Ingolstadt line at the end of 2010. The line to Ingolstadt is to be extended to Ulm, via Donauwörth, a year later.

BeNEX has also been involved in improving regional rail links in Hessen, where the cantus Verkehrsgesellschaft mbH – in which it has a 50% stake – showed a positive balance in its accounts in the spring of 2007 – exactly one hundred days after it had commenced operations. In fact, things went positively from the very start of operations on the four regional rail lines between Göttingen, Kassel, Bebra, Fulda and Eisenach. In spite of numerous construction sites on the network, punctuality was improved and the twenty ultra-modern traction trains found satisfaction with passengers and financing bodies alike. Since December 10, 2008, 85 staff have been helping to bring greater efficiency and comfort to rail travel on the 287 km-long network, which operates through Lower Saxony and Thuringia.

While regional rail transport continued to expand when the transport market opened up, development in public road transport during the year under review was very varied. Competition was actively practised in Hessen but there was little competitive activity in the rest of the Federal Republic. However, BeNEX's strategy for expanding the bus sector is comparatively flexible: the company is prepared to participate actively in bidding for tenders where the market is fully open to competition, but in areas of minimal market activity, BeNEX is just as ready to

become a partner to companies wishing to improve their cost and revenue structures. This is where the holding company benefits especially from the extensive restructuring experience of its parent company, the HOCHBAHN.

In the first half of the year under review, steady business, without any particular highlights, was characteristic for all the three bus operating companies currently held by BeNEX. The Stadtverkehr Lübeck GmbH (SL), one of the largest bus operating companies in Schleswig-Holstein, also runs the Priwall ferries, as well as bus services in Lübeck and surrounding areas. The HOCHBAHN has had a stake in SL since 2003, via the HNB Hamburger Nahverkehrs-Beteiligungsgesellschaft mbH & Co. KG. When its shares were transferred to BeNEX, the latter also took over all the shares held till then by the HOCHBAHN sister companies, Verkehrsbetriebe Hamburg Holstein AG (VHH) and Pinneberger Verkehrsgesellschaft mbH (PVG), via the HNB. The transfer was made in December 2007, but became effective retrospectively, as of January 1 of that year. The HNB is now a 100% subsidiary of BeNEX, and has been a commercial success to date with its ambitious restructuring objectives for SL. In 2003, Kiel, the regional capital, also transferred its stake of 49% in the Kieler Verkehrsgesellschaft mbH (KVG) to the Norddeutsche Bus-Beteiligungsgesellschaft mbH, in which BeNEX holds shares of just under 38%. The KVG operates bus and coach services in Kiel. In the year under review, other ambitious restructuring objectives led to welcome expansion in the company's third line of business – workshops – in order to generate additional revenue. Since December 2004, the Fulda Bus GmbH (FBG), a 100% BeNEX subsidiary, has been running regional bus services in the Fulda region. The volume of transportation activity is approx. 1.9 million bus km per annum. In the year under review, the company again profited from the bonus regulations in the bus service contract. As BeNEX's future strategy objectives for the WiBUS company (established in 2004) differed from those of its co-partners, the Wiesbadener Versorgungs- und Verkehrsholding GmbH and the City of Wiesbaden, the partners decided to transfer BeNEX's shares back to the respective companies in the year under review.



BeNEX's mid-term aim is to hold a market share of 10% in public rail transport and 4% in public road transport. With the share it already holds in the market, its know-how in the rail sector, restructuring experience in the bus sector and sufficient equity capital for future expansion projects, the company is in an excellent position to maintain its status on the European open market in the future.



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I like the grass when it tickles my nose.
And the bubbles on my favourite bus.

Matilda from Altona, 11 years old

GROUP MANAGEMENT REPORT

1. BUSINESS AND EXTERNAL PARAMETERS

The Hamburger Hochbahn AG performed very well in the 2007 financial year. The course of development was just as encouraging as in the previous years. The key external parameters influencing business activities were, essentially: the positive economic environment; continually high price levels for energy and the public discussion on environmental protection.

On the one hand, the growing strength of currency over the US dollar made German exports more expensive while, on the other, imports became more favourably priced. This had a positive influence on the level of production costs. The Gross Domestic Product increased by 2.5%, but was still 0.4% below that of the previous year (2.9%).

DEVELOPMENT OF GDP in %



The economic situation also had an impact on the number of unemployed. The proportion of unemployed compared to 2006 (10.8%) dropped by 1.8% to 9.0% nationwide. The course of development in Hamburg compared to 2006 (11.0%) ran parallel to the national trend, where the region recorded a drop of 1.8%, to 9.2%.

The population in the Free and Hanseatic City rose in 2007 by 0.7%, while, at the same time, the number of cars decreased. This caused a slight drop in the percentage motorised in the city, to 47.7%.

Development in population figures and numbers of cars in Hamburg

	2007 ¹⁾	2006	2005	2004
Population (thousand)	1,761.5	1,748.9	1,736.9	1,736.2
No. of cars (thousand)	840.1	844.3	835.8	836.0
Percentage motorised (%)	47.7	48.1	48.3	48.3

¹⁾ provisional figures

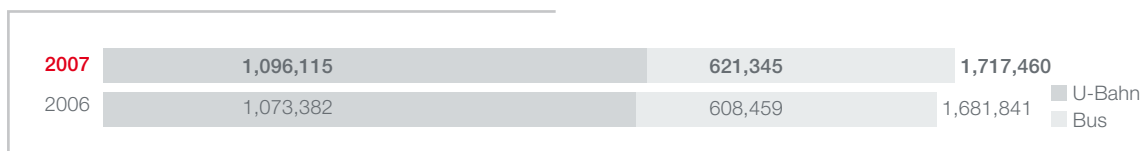
Development in turnover and services

There was a significant rise in the volume of traffic during the 2007 financial year. The high rate of growth in passenger figures of approx. 1.8% in the previous year was again clearly surpassed, with a rate of approx. 2.1% recorded for 2007. The number of passengers in the Rail and Infrastructure Division also rose by approx. 2.1% compared to the previous year; and numbers in the Bus and Ferry Division also saw an increase of approx. 2.1%. Playing a significant role in influencing these figures were the MetroBus services, which were used by more and more passengers – leading to a disproportionately high increase being recorded.

Increases in passenger figures (in thousand)



Breakdown of passenger km (in thousand)



Income from ticket sales by the Hamburger Verkehrsverbund (HVV) also rose due to the positive increase in demand and thanks partly to a fare adjustment in June/July 2007. On this basis, the HVV has forecast a total volume of sales of at least € 524.5 million (gross) for 2007.

HOCHBAHN transport performance

No. of passengers carried (thousand)	2007	2006	2005
U-Bahn	183,604	179,796	176,715
Bus	199,722	195,580	192,163
Total, both divisions	383,326	375,376	368,878
Total, all companies (passengers)	325,827	319,069	313,547
Passenger km (thousand)			
U-Bahn	1,096,115	1,073,382	1,054,991
Bus	621,345	608,459	597,281
Total, both divisions	1,717,460	1,681,841	1,652,272

For 2006 and 2007: provisional figures

Under "Total, all companies (passengers)", passengers transferring from bus to U-Bahn or vice versa are only included once

HOCHBAHN operating performance

U-Bahn	2007	2006	2005
Km per unit in service ¹⁾ (thousand km)	72,892	74,545 ³⁾	72,836
Km per space ^{1) 2)} (seats and standing room, million km)	7,015	7,159	6,995
Track length ¹⁾ (km)	100.7	100.7	100.7
Number of lines	3	3	3
Number of stations ¹⁾	89	89	89
Average running speed	33.2	33.1	33.1

¹⁾ including Verkehrsgesellschaft Norderstedt mbH

²⁾ allowance made for standing room of 0.25 m²

³⁾ increased services for football World Cup

Bus	2007	2006	2005
Km per unit in service (thousand km)	45,020	43,719	44,317
Km per space ¹⁾ (seats and standing room, million km)	3,619	3,584	3,624
Total route length ²⁾ (km)	906.4	902.8	881.3
Number of routes ²⁾	112	120	113
Number of stops	1,299	1,355	1,295
Average running speed	19.7	19.6	19.6

¹⁾ allowance made for standing room of 0.25 m²

²⁾ lines published in timetable under § 42 PBefG (law governing transport of passengers)

Rolling stock held by the HOCHBAHN

U-Bahn Type	Years built	2007		2006		2005	
		Cars	Units	Cars	Units	Cars	Units
DT1	1958–59	6	3	6	3	6	3
DT2	1962–66	32	16	32	16	34	17
DT3	1968–71	207	69	207	69	207	69
DT4 ¹⁾	1988–2005	504	126	504	126	504	126
Total rolling stock held	Nos.	749²⁾	214	749²⁾	214	751	215
	Spaces³⁾	71,216		71,216		71,877	

¹⁾ including Verkehrsgesellschaft Norderstedt mbH²⁾ including 17 cars out of operation/service; one DT1 unit, with 2 cars, is the "Hanseat", of historic interest³⁾ allowance made for standing room of 0.25 m²

	2007	2006	2005
City and limited stop buses ¹⁾	512	513	474
Articulated buses ¹⁾	149	164	162
Double articulated buses ¹⁾	25	10	1
Fuel cell buses	9	9	9
Minibuses/Maxitaxis	6	7	7
Coaches	1	1	1
All buses			
Total²⁾	702	704	654
Spaces³⁾	56,432	57,024	52,912

¹⁾ low-floor buses²⁾ not including leased buses³⁾ allowance made for standing room of 0.25 m²

Re-distribution of compensatory payments under § 45a PBefG (law governing the transport of passengers)

The procedure for applying for compensatory payments for the transport of schoolchildren and students under § 45a PBefG in Schleswig-Holstein and Lower Saxony has changed due to an amendment to its opening clause; this gives the Länder a wider scope when re-distributing their financial budgets.

The Landesnahverkehrsgesellschaft Niedersachsen mbH (LNVG) was commissioned by the Lower Saxony parliament to find a joint solution to the problem with the transport operators – one which would determine compensatory payments contractually up to the year 2010 – but make allowance for index-linking and adjustments in performance.

As part of the municipalisation policy in Schleswig-Holstein, i.e. where the responsibility for financial resources has been transferred to district and local authorities, compensatory funds have been consolidated and limits determined up to the year 2012. At the same time, these funds have been combined with funds set aside for regionalisation spending.

Both these procedural changes have substantially reduced the risk in planning, both for the financial bodies responsible and for the transport companies. Hamburg is expected to make similar procedural adjustments in 2008.

New operations control centre taken into operation

The strategy the HOCHBAHN pursues for its U-Bahn and Bus Divisions is one of centralised operation management. By this, it aims to apply new technologies to monitor and control transport proceedings on bus routes and U-Bahn lines, at stops and stations – even more efficiently, more economically and with greater orientation towards the passenger than before.

The strategy was suitably symbolised in the opening of the new U-Bahn and Bus operations control centre in November 2007, with the new facilities on the sixth floor of the Hochbahnhof tailored to meet stringent security requirements.

For the U-Bahn this means amalgamating what used to be seven U-Bahn track control centres, the former U-Bahn operating control centre and the HOCHBAHN-WACHE operating unit into one operations control centre. The first step in the amalgamation process was to transfer operating points from the old U-Bahn operating control centre and the HOCHBAHN-WACHE operating unit to the new centre of operations. In addition, two more operating units were set up, from where operations management could be carried out for the track control centre for Hagenbecks Tierpark (Zoo) on Line U2, between Emilienstraße and Niendorf-Nord. Once work on the new line network is finished (U2 and U3 line exchange), the next track control centres will be transferred to the new operating control centre at Berliner Tor and Billstedt. Transfer of the remaining track control centres will be concluded by around 2014.

The majority of the control centres in the Bus Division, which have so far been decentralised, have already been dismantled and amalgamated centrally. Inter-divisional communications have been very much improved through installing the new operations control centre – particularly in the case of disruptions to services – as now shorter, more efficient direct communications paths come into play.

2. STATE OF BUSINESS

a) Profitability

Revenue from ticket sales at the HOCHBAHN rose in 2007 over the previous year by approx. € 12 million (+4.3%) to € 300 million. The increase in revenue was due, in particular, to the positive trend in demand and to the HVV raising its fares in June/July 2007. Furthermore, compared to the previous year, there was an additional increase in earnings of approx. € 1.5 million that could not be identified with specific periods, which originated from final accounting from previous years (and from HVV final accounting for 2005 in particular). Total operating performance improved over the 2007 financial year by approx. € 20 million (5.4%) to € 384 million. At the same time, the rise in miscellaneous other revenue was set off by what were in part corresponding expenses. Internally produced and capitalised assets for the year under review were approx. € 3.5 million more than for the previous year. They were mainly due to the start-up in the construction of the U4 U-Bahn Line.

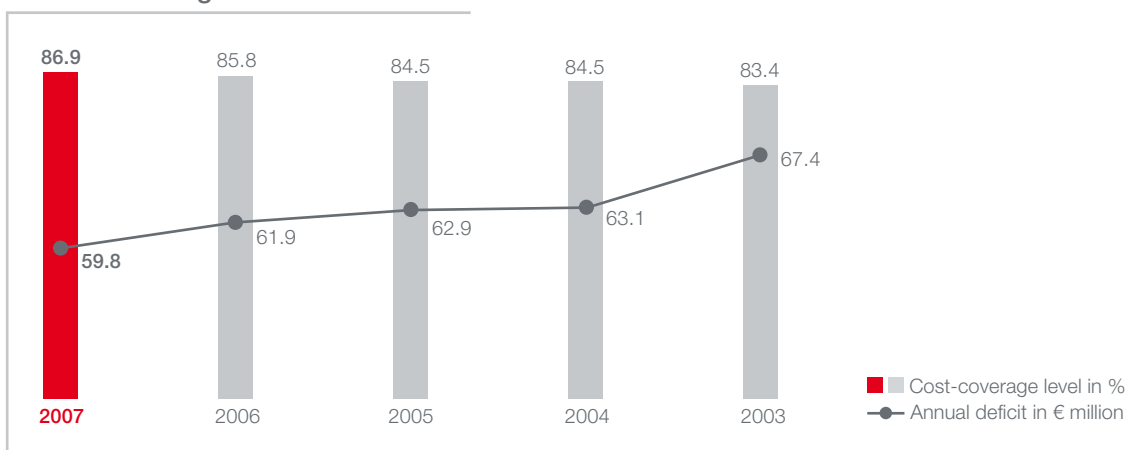
By contrast, there was a rise in expenses for necessary maintenance work on rolling stock and infrastructure facilities, some of which were due to statutory measures being imposed.

During the 2007 financial year a new variable wage agreement was concluded between the parties concerned for HOCHBAHN staff, which is likely to mean that the HOCHBAHN is relieved from further financial burdens of the kind in the long-term future. The relevant reserves were set up to cover commitments for the affected ownership statuses. Apart from the one-off payments granted in the current remuneration agreement, higher personnel costs were incurred in 2007, as a result.

Thanks, in particular, to its improved income situation over the 2007 financial year, the HOCHBAHN again managed to reduce the shortfall of the previous year by approx. € 2.1 million, to € 59.8 million (€ 61.9 million the previous year).

The cost coverage level for the company which, at 86.9% was 1.1% above the previous year's comparable figure (85.8%), is a leading value by national and international standards.

Cost-coverage level/Annual deficit



Annual deficit (in € million)

Year	2007	2006	2005	2004	2003
Annual deficit	59.8	61.9	62.9	63.1	67.4

Cost-coverage level (in %)

Year	2007	2006	2005	2004	2003
Cost-coverage level	86.9	85.8	84.5	84.5	83.4

b) Financial situation

Assets

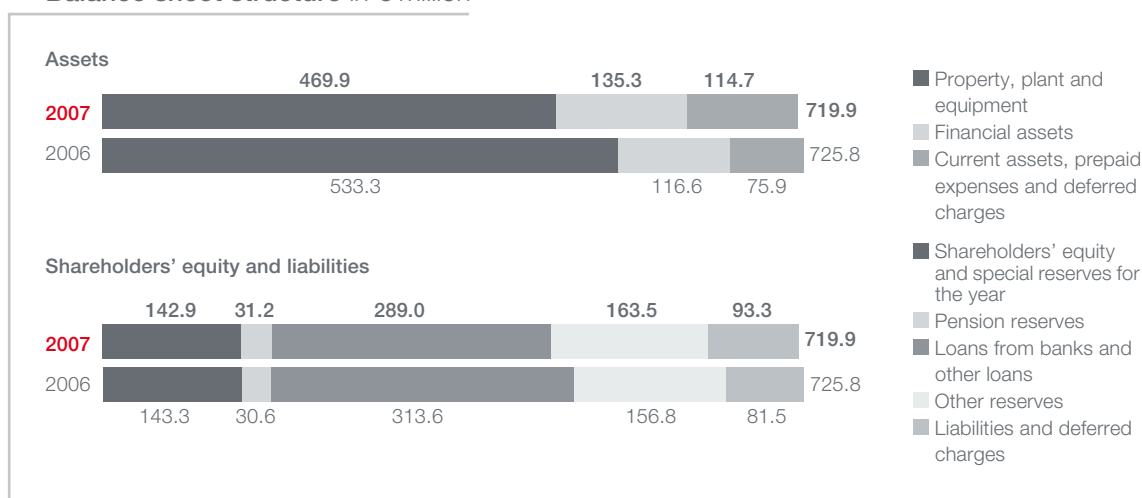
	€ million 2007	Share% 2007	€ million 2006
Tangible assets (including intangible property items)	469.9	65.3	533.3
Financial assets	135.3	18.8	116.6
	605.2	84.1	649.9
Inventories	10.3	1.4	9.7
Accounts receivable	4.6	0.6	5.7
Liquid funds	3.5	0.5	3.6
Other current assets and prepaid and accrued liabilities	96.3	13.4	56.9
	114.7	15.9	75.9
	719.9	100.0	725.8

Shareholders' equity and liabilities

	€ million 2007	Share% 2007	€ million 2006
Equity and special reserves for the year	142.9	19.8	143.3
Accruals for pensions	31.2	4.3	30.6
Loans from banks and other loans	289.0	40.2	313.6
	463.1	64.3	487.5
Other provisions and accrued liabilities	163.5	22.7	156.8
Accounts payable	34.1	4.8	22.7
Other obligations and deferred items	59.2	8.2	58.8
	256.8	35.7	238.3
	719.9	100.0	725.8

The drop in fixed assets was essentially due to a sale and lease-back transaction for rolling stock. In addition, a short-term increase in other current assets could be seen, in the form of time deposit investments in the parent company, HGV. In addition, the partial outsourcing of operational activities to BeNEX GmbH led to tangible assets being shifted to financial assets. For further details concerning the setting up of the BeNEX GmbH, see Section 3 (Expansion) of this Report.

Balance sheet structure in € million



The negative cash flow from investments in the 2007 financial year was covered by the positive cash flow from current business and financing activities. The equity ratio from total capital was 19.7% on the balance sheet date, December 31, 2007 (19.6% the previous year). The proportion of equity in fixed assets was 23.6% for the year under review, as opposed to 22.1% for 2006.

Taking into consideration the fact that the HOCHBAHN is part of the HGV Group, which guarantees the financing of the company, and that the shareholding company's credit rating is excellent, no financing problems have yet arisen, so that the company's capital base can be said to be appropriate for its current situation.

Even if the capital base remains constant, financing costs are likely to be higher for the HOCHBAHN in the future, due to the rise in the share of outside capital.

c) Investments

In the course of the 2007 financial year, the HOCHBAHN made total gross investments of € 131.5 million (€ 121.0 million in 2006). With a total of approx. € 94.1 million (€ 94.0 million in 2006), the focus of investments was in the Rail and Infrastructure Division. Of this, approx. € 43.3 million were for the U4 line link to the HafenCity, approx. € 6.0 million for rebuilding work west of Berliner Tor station, approx. € 12.2 million for surface-level measures and approx. € 16.9 million for centralising operations management.

Altogether € 32.2 million were invested in the Bus and Ferry Division, of which € 24.7 million were invested in bus procurements, € 0.5 million in the extension of the passenger information and management system, FIMS, and € 1.3 million for the bus communications system, KOSYBUS. € 1.9 million were invested in bus video monitoring.

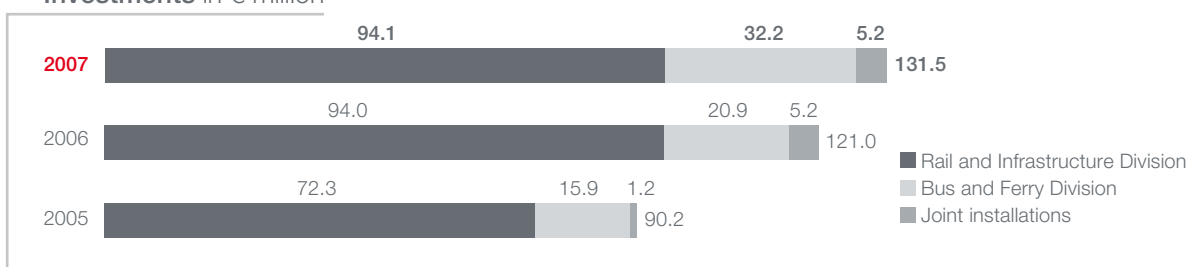
Investments in the Company Control and Central Services Divisions amounted to € 5.2 million.

Gross investments (in tangible, intangible and financial assets) affected the following sectors:

Investments

	€ million 2007	% share 2007	€ million 2006	€ million 2005
Rail and Infrastructure Division				
New rolling stock and installations				
– DT5/NOH units	0.0	0.0	51.6	12.3
– U4 line link to HafenCity	43.3	32.9	0.0	0.0
Rolling stock and installations held				
– Track installations, line equipment, security installations, construction projects and rolling stock	50.8	38.6	42.4	60.0
Sub-total	94.1	71.5	94.0	72.3
Bus Division				
– Rolling stock, fittings, installations and operating yard facilities	32.2	24.5	20.9	15.9
Joint installations	5.2	4.0	5.2	1.2
Financial installations	0.0	0.0	0.9	0.8
Total installations	131.5	100	121.0	90.2

Investments in € million



New U4 U-Bahn Line

In March 2007, the public works planning agreement came into force, putting the building of the new track section of the U4 U-Bahn line from Jungfernstieg to the HafenCity onto a legal footing. It was the most important prerequisite for the construction of the U4 line. The construction and financing contract already agreed to by Hamburg's city-state parliament was then signed by the City's Department for Municipal Development and the Environment and the HOCHBAHN at the beginning of June.

In October 2007, the Federal Ministry of Transport, Construction and Municipal Development accepted the application for grants under the statute concerning the funding of council transport (Gemeindeverkehrsfinanzierungsgesetz, GFVG). By granting assistance for the construction of the new U4 U-Bahn line for the HafenCity–Jungfernstieg–Berliner Tor–Billstedt route, the Federal Republic gave its assurance that it would support the project under the financial statute governing the funding of council transport.

After an all-European tender was concluded, in June 2007 the contract was given to a construction consortium comprising the Hochtief, HC Hagemann, Züblin and August Prien companies. On August 23, 2007, the ground-breaking ceremony was held for the new U-Bahn line, with the First Mayor of the Free and Hanseatic City of Hamburg, Ole von Beust, in attendance.

3. EXPANSION

Formation of the BeNEX expansion company

On January 15, 2007, the Supervisory Council agreed to the formation of the BeNEX holding company, for current and future transport activities outside the City of Hamburg. It came into effect as of January 1, 2007, and incorporated rail rolling stock leased and shareholdings held by the HOCHBAHN in the relevant companies.

The holding company was registered in the Hamburg Companies' Register on 25th May, 2007, under the name of BeNEX GmbH, with its seat of business in Hamburg. HOCHBAHN shares in the following companies were all transferred to the BeNEX GmbH, when operations were partly outsourced under § 123 Para 3 No. 2 of the UmwG (Umweltgesetz, the law governing the environment): NBE nordbahn Eisenbahngesellschaft mbH & Co. KG, NBE nordbahn Eisenbahnverwaltungsgesellschaft mbH, ODEG Ostdeutsche Eisenbahn GmbH/ODIG Ostdeutsche Instandhaltungsgesellschaft mbH, *metronom* Eisenbahngesellschaft mbH, cantus Verkehrsgesellschaft mbH, FBG Fulda Bus GmbH, WiBus Wiesbadener Busgesellschaft GmbH and HNB Verwaltungsgesellschaft mbH, as well as the company's direct shares in the SL Stadtverkehr Lübeck GmbH via the HNB Hamburger Nahverkehrs-Beteiligungsgesellschaft mbH & Co. KG and in the KVG Kieler Verkehrsgesellschaft mbH via the NBB Norddeutsche Bus Beteiligungsgesellschaft mbH. The new company's objective is the management of a group of companies that provide miscellaneous road/rail transport services outside the boundaries of the Free and Hanseatic City of Hamburg, or the purchase, holding or selling of stakes in the respective spheres of operational activity; it also includes all attendant financial, missionary or consultancy services.

With its registration in the Companies' Register on December 10, 2007, the Australian infrastructure investment company Babcock & Brown Public Partnerships became a minority shareholder in the BeNEX GmbH through its German subsidiary, Babcock & Brown Public Infrastructure Germany GmbH & Co. KG München. Babcock & Brown is an investment company which has been active internationally for over thirty years, particularly in the public and social infrastructure sectors, and has had many years of experience in financing and risk management.

Operating results for BeNEX GmbH were € 1,077,000 in the year under review, influenced essentially by business carried out by the subsidiary companies listed below:

ODEG Ostdeutsche Eisenbahn GmbH/

ODIG Ostdeutsche Instandhaltungsgesellschaft mbH

In 2007, the company was successful with two competitive tenders it entered. In March, the company's tender was accepted for the Spree-Neiße network in Brandenburg and Saxony, with a transport volume of 2.7 million train km. Operations are to go ahead for 10 years when the new timetable comes into force in 2008. The diesel-operated cars are to run every one to two hours on the line between Cottbus–Görlitz–Zittau–Cottbus Forst (Lausitz), Görlitz–Bischofswerda and Görlitz–Hoyerswerda.

In September 2007, the ODEG was commissioned to run supplementary services on the RB35 line between Fürstenwalde (Spree) and Bad Saarow–Pieskow in Brandenburg. Operations started up successfully on December 9, 2007, and have been running smoothly ever since. The annual volume of transportation activity agreed to is approx. 150,000 train km, for two years.

metronom Eisenbahngesellschaft mbH

In October 2007, the *metronom* GmbH won the tender to operate the “Regionalexpress Hamburg–Stade–Cuxhaven” (1.4 million train km per annum). In addition, in January 2007 the company was commissioned to operate transport on the Lüneburg–Hamburg–Tostedt line (1.2 million train km per annum). Operations on both lines started successfully on 9th December 2007. The new, modern diesel/electric locomotives and double-decker cars are leased by the *metronom* from the Lower Saxony’s pool of rolling stock.

With an annual volume of approx. 8.1 train km since going into commission in December 2003, the *metronom* GmbH has developed into the largest non-state-owned public rail transport company in Germany.

SL Stadtverkehr Lübeck GmbH

When it signed the relevant purchase and transfer contract on December 12, 2007, BeNEX GmbH took over all shares held by the VHH and PVG in the HNB, following the transfer of shareholdings by the HOCHBAHN. Since then, BeNEX GmbH has held a stake of 49.9% in the business activities. Signing over the shares included all rights, obligations and profit rights, and came into force on January 1, 2007.

Due to the participation agreement between the HOCHBAHN, Babcock & Brown and BeNEX, which exempts BeNEX from all obligations to make subsequent payments arising or likely to arise from shareholdings in the HNB or the SL, the HOCHBAHN has set aside appropriate reserves.

WiBus Wiesbadener Busgesellschaft mbH

Differing strategic objectives between BeNEX, on the one hand, and the City of Wiesbaden/WVV Holding GmbH on the other, led to BeNEX’s shareholdings being transferred back to the company. In September 2007, various procedural steps were established to enable BeNEX to withdraw entirely, following a purchase price evaluation/estimate for the re-transfer of the company’s shares.

Following a consensus between the supervisory bodies at the WVV Holding GmbH and the HOCHBAHN, WiBus shareholders agreed that the 49% stake held by BeNEX should be transferred back as of December 18, 2007. The consortium agreement with WiBus ended simultaneously, along with business management contracts for various different services.

4. HOCHBAHN STAFF

Staff

	2007	2006	2005	2004
Total no. of staff	4,398	4,392	4,340	4,343
divided into:				
- board members	4	4	4	4
- apprentices/trainees	101	100	98	93
- full-time staff	4,045	4,032	3,985	3,993
- part-time staff	248	256	253	253
 Newly-employed staff	 330	 348	 351	 236

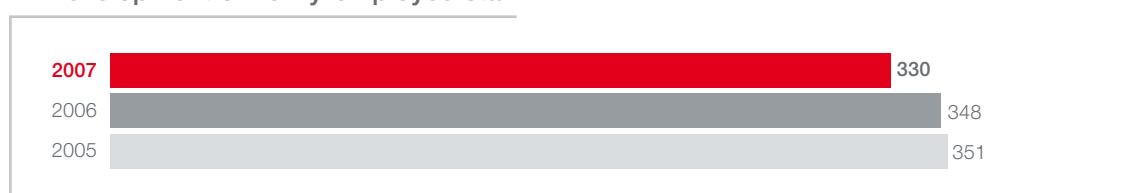
With its figures for newly-employed staff, the HOCHBAHN made its own significant contribution towards relieving the unemployment market in Hamburg. 330 staff were newly employed over the previous year, 53 of these to replace staff who had opted for the company's partial retirement scheme.

Apart from training apprentices in ten different occupations, the HOCHBAHN also works in close co-operation with the Hamburg School of Business Administration (HSBA) and the Nordakademie (technical college). This ensures that highly qualified personnel are trained for the HOCHBAHN in the mid- to long term.

Staff development in general



Development of newly-employed staff



5. RESEARCH AND DEVELOPMENT REPORT

hySOLUTIONS GmbH

In 2007, the company's activities were dominated by the continued development and supervision of ongoing applications, and by the preparation of new projects. These mainly concerned the national innovation programme for hydrogen and fuel cell technology initiated by the German government. Projects for hydrogen and fuel cell technology also played a major role in the Hamburg Senate's climate protection programme.

The HOCHBAHN's nine fuel cell-powered buses are now in their fourth successive year of operation – serving Hamburg's bus routes without any problems. Being entirely emission-free, they are a vivid example of just how important the issue of climate protection is for the public transport sector. Discussions on the next generation of fuel cell buses were continued over the year under review. It is now anticipated that new hydrogen-powered buses are to be deployed by the HOCHBAHN after 2010, which would combine the benefits of fuel cells with those of hybrid propulsion. The manufacturers claim that the service life of fuel cells will be several times that of those currently in use and have a life cycle of around 12,000 hours. The price of the buses, however, is still a stumbling block. For this reason, the HOCHBAHN is planning to pilot test its first diesel-powered hybrid buses as from 2009, prior to the fuel cell buses being taken into operation. The technology is expected to reduce CO₂ emissions, which are harmful to the climate, by up to 30%. As these diesel-hybrid and fuel cell-powered buses will mainly use the same components in the future, the widespread use of diesel-hybrid technology will play a major role in helping to reduce costs for the fuel cell buses, which are entirely emission-free.

The Hydrogen Bus Alliance was set up with the help and support of Senator Dr. Freytag, to form a network of different international partners. The aim of the Alliance is to lower the prices of fuel cell buses by generating an increase in demand for their deployment. Since it was set up, other regions have joined the Alliance, which has arranged to work in co-operation with the Clinton Climate initiative, to involve more American partners.

As from the spring of 2008, the HOCHBAHN is to start using hydrogen-driven cars as service vehicles. There are also plans for Hamburg to become an active partner in the "Clean Energy Partnership" as from 2009, which is to undertake the largest practical testing of hydrogen-driven cars in Europe, initiated by German car manufacturers. Cars are to be tested in Berlin as well as Hamburg, mainly at the Federal Ministries.

Potential users of the hydrogen-driven cars in Hamburg are to be: the municipal authorities; commercial companies in the energy and logistics sectors and the HOCHBAHN, which will also be responsible for the technical inspection and maintenance of the cars.

As from the summer of 2008, the prototype of a fuel cell-driven pleasure boat is to be tested as part of the “Zemships” project, promoted by the European Union. One condition is that the boat should be equipped with a specially-adapted fuel cell system for two years, so that the ATG Alster ferry can sail in Hamburg without emissions and at very low noise levels. The refuelling station for the ferry is situated by the water at the U-Bahn depot at Hellbrookstraße. It is the first passenger boat of its kind to run on a regular route, collecting data for the ongoing development of fuel cell technology. Running under realistic passenger transport conditions, the prototype is intended to show that fuel cell propulsion for vessels is nowadays technically feasible and capable of solving the problem of hazardous emissions on ecologically sensitive inland waterways and at ports.

Due to its established expertise in the field, Hamburg is to play a leading role as model region in the national programme of innovation for hydrogen and fuel cells. There are currently a large number of projects in the transport, stationary energy supply, aviation, maritime and logistics sectors being co-ordinated between the parties to the programme and those granting it financial support. Highlights include: practical testing of the use of fuel cells as energy supply for electrical aircraft sub-users (Airbus) and ships (Thyssen Krupp Marine Systems); fleet testing of approx. 50 industrial trucks equipped with fuel cells for Hamburg port operations (KION Group GmbH, Unikai Lagerei- und Speditionsgesellschaft) and the use of up to 100 fuel cell household heaters (E.ON Hanse, BAXI Innotech GmbH).

The European Commission is also planning to promote hydrogen and fuel cell technology as part of a so-called Joint Technology Initiative (funding of approx. € 470 million available up to 2012). Active regions in this field are to be granted a say in the choice of projects to be promoted and hySOLUTIONS is to be responsible for setting up agencies in the respective EU regions (Hydrogen Regions and Municipalities Hy-RaMP).

6. RISK REPORT

The HOCHBAHN has been employing risk-chance management (RCM) since 1999, since when it has become well established. RCM is primarily used to analyse current risks at the company, its major subsidiaries and holding companies. Risks are identified twice a year, rated on a ranking scale and the effectiveness of the measures taken verified.

At the 17th RCM Meeting on November 30, 2007, the following risks ranked as “high”:

- The EU Ordinance concerning public rail and bus services
As expected, on September 18, 2007, the European Union’s Council of Ministers passed the proposal for a new EU ordinance concerning public rail and bus services. Ordinance No. 1370/2007 has now been officially adopted, notice to this effect being published in the official EU Gazette on December 3, 2007.

The Ordinance applies in cases where a public transport operator may be granted compensatory services and/or exclusive rights in acknowledgement for fulfilling non-profit-making obligations. At the core of the Ordinance are so-called “public service commissions”. These reflect the relationships between the bodies responsible and the transport companies, which, as a rule, should be established in the competitive tender and contract-awarding process. An exception to the rule is when a contract is awarded directly, but this is encumbered by numerous preconditions.

The former regulations are still considered valid until the Ordinance comes into force, i.e. it is still possible to grant concessions, even for up to full term, and they still come under the provision which safeguards existing standards. It is still uncertain just how the German legislative body will use its scope to manoeuvre during the step-by-step changeover to the Ordinance.

- Allocation of income
With the expansion of the Hamburger Verkehrsverbund (HVV) to rural districts in Schleswig-Holstein (December 2002) and Lower Saxony (December 2004), income is also to be allocated to additional income pools in Schleswig-Holstein (Pool 2) and Lower Saxony (Pool 3). Following an initial allocation of income, the demand-orientated procedure, valid since 1999, has now come into force in all three pools.

A Working group was set up by the Hamburger Verkehrsverbund (HVV) to carry out an allocation contract inspection, intended to simplify the allocation of income by going back to having just one model, with one pool. Calculatory or updating amendments in this respect could well be of commercial risk to the HOCHBAHN.

On the basis of new results obtained through an automated passenger counting system, necessary amendments have had to be made and one particular line was allocated to a specific pool, even for the revenue distribution for 2005.

- Environmental protection

Conventionally operated diesel buses require special exhaust emission treatment if emissions, which are hazardous to the environment and people's health, are to be minimised. Nitrogen oxide (NOx), particulate matter (PM), carbon monoxide (CO) and hydrocarbons (HC) are some of the critical elements of emissions. Re-equipping buses with continuously regenerating trap (CRT) filters was mandatory as early as 2007. As from October 2008, the EURO-5 Norm becomes binding for all utility vehicles under the EU Emissions Ruling. Procurement of new vehicles therefore conforms to the EURO-5 Standard. By the end of 2007, three-quarters of the bus fleet was equipped with CRT technology or was emission-free (with fuel cells). In discussions on the protection of the environment, uncertainty is still felt about new standards and parameters. And, in view of the large size of the company's bus fleet, there are still high risks involved when it comes to equipping buses technically, or updating them, as high investment costs are incurred.

- New ticket sales systems

The HOCHBAHN supports the Verband Deutscher Verkehrsunternehmen in its task of setting up an all-German standard for an electronic ticketing system for the sector (a so-called "VDV core application"). The standard covers data exchange between the components of an electronic fare management system (EFM). In addition, the VDV core application regulates the organisational interaction between the various players as an inter-operable EFM, defining uniform interfaces and thus simplifying it for users. Government grants have already been set aside for the 2007 to 2009 calendar years, for the development and introduction of all-German inter-operable electronic public transport ticketing. Capital expenditure for converting the entire Hamburger Verkehrsverbund (HVV) over the next few years will entail large sums of capital on the HOCHBAHN's part.

- Safety and security

The HOCHBAHN has had an integrated security concept for many years now.

The amount of personnel employed has doubled compared with 1997. Furthermore, other mobile services have been amalgamated into the security concept, along with numerous training and instruction measures for staff.

On the technical equipment side, all U-Bahn stations and metro cars were equipped with cameras at the beginning of 2004. Since 2007, the bus fleet has gradually been fitted out with video monitors – with all evening and night routes being served solely by such correspondingly equipped buses.

The ongoing development of this holistic security concept at the HOCHBAHN has led to a rise in technical and personnel expenses – and therefore costs – over the years, particularly in view of the political discussion on safety and security in the public transport sector.

- Derivatives

Loans have been raised in connection with two cross-border leasing transactions, but they are covered by interest rate and currency swaps – and are consistent with contracts and fixed periods.

7. INTERIM REPORT

Since the Balance Sheet date, no other events occurred likely to affect the information provided on the present state of the company in the current annual report.

8. FORECAST REPORT

Progress on the new U4 U-Bahn Line

Construction work on the new U4 U-Bahn Line has been under way since August 2007 in the HafenCity, to the west and east of the Magdeburg port basin. Preparatory work at the Jungfernstieg jetty is to start at the beginning of August 2008. Shield tunnelling for the two immersed tunnel tubes is to commence in the summer of 2008 at Überseequartier station, reaching Jungfernstieg for the first time in the early summer of 2009. The second tunnel will then be completed by the early summer of 2010.

The U4 Line is planned to go into operation at the end of 2011, with its new track section between Jungfernstieg and HafenCity stations. According to forecasts, around 35,000 passengers will be using the section between HafenCity and the City centre daily. The journey time from Überseequartier to the City centre will take three minutes, and four from HafenCity-Universität.

As from June 2008, the U4 information point will open its doors to the Hamburg public. It is a modern pavilion situated on Jungfernstieg, in attractive, highly frequented surroundings. Specialists and interested members of the public alike are welcome to visit and find out more about the construction work.

New bus facilities in Poppenbüttel

The bus transfer facilities in Poppenbüttel were built in 1973, but its design and constructional functionality no longer met current stipulations and requirements. Demolition was therefore started in September 2007. Plans for the new building are orientated towards the dictates of clarity, freedom from barriers and optimum operational procedures. Building of the new Poppenbüttel facilities is planned to take twelve months, so that operations at the newly-designed amenities can commence in the spring of 2009.

Prognosis for financial results at the HOCHBAHN

Assuming the HOCHBAHN continues to plan successfully, a deficit of € 67.9 million is forecast for 2008, corresponding to a cost coverage level of 84.9%.

Financial Statement of the Hamburger Hochbahn AG

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The best thing about Hamburg is its port. I love ships – and my favourite U-Bahn, which goes faster than the wind.

Louis from Ohlsdorf, 10 years old

Financial Statement

BALANCE SHEET OF HAMBURGER HOCHBAHN AKTIENGESELLSCHAFT as of December 31, 2007

ASSETS in € '000

	Appendix	31.12.2007	31.12.2006
A. Fixed assets	(3)		
I. Intangible assets		6,665	7,505
II. Property, plant and equipment		463,191	525,814
III. Financial assets		135,374	116,585
		605,230	649,904
B. Current assets			
I. Inventories	(4)	10,291	9,751
II. Accounts receivable and other assets	(5)	99,141	62,526
III. Cash on hand and in the Federal Bank, cash in banks		3,528	3,553
		112,960	75,830
C. Prepaid expenses and deferred charges	(6)	1,758	66
		719,948	725,800

SHAREHOLDERS' EQUITY AND LIABILITIES in € '000

	Appendix	31.12.2007	31.12.2006
A. Shareholders' equity			
I. Subscribed capital	(7)	88,938	88,938
II. Capital reserves		47,550	47,550
III. Revenue reserves	(8)	5,446	5,446
		141,934	141,934
B. Special reserves for the year	(9)	1,006	1,388
C. Provisions and accrued liabilities	(10)	194,672	187,404
D. Liabilities	(11)	361,763	372,593
E. Deferred charges		20,573	22,481
		719,948	725,800

STATEMENT OF INCOME OF THE
HAMBURGER HOCHBAHN AKTIENGESELLSCHAFT
for the period January 1 to December 31, 2007

in € '000	Appendix	2007	2006
1. Sales revenues	(12)	328,382	313,325
2. Other internally produced and capitalised items		14,667	11,177
3. Other operating income	(13)	41,047	39,871
4. Total performance		384,096	364,373
5. Cost of materials	(14)	-160,971	-149,960
6. Personnel expenses	(15)	-184,698	-176,813
7. Depreciation on intangible assets, plant and equipment	(16)	-54,316	-54,634
8. Other operating income	(17)	-34,915	-34,223
9. Income from investments in shares of subsidiaries and affiliated companies	(18)	9,291	7,620
10. Interest and similar expenses	(19)	-17,400	-17,880
11. Profit/Loss from ordinary business operations		-58,913	-61,517
12. Other taxes		-853	-339
13. Revenue due to loss absorption		59,766	61,856
14. Net income/Net loss for the year		0	0

HAMBURGER HOCHBAHN AKTIENGESELLSCHAFT APPENDIX as of December 31, 2007

(1) General Information

The Financial Statement of the Hamburger Hochbahn Aktiengesellschaft for 2007 was drawn up according to the regulations in the German Commercial Code. In addition, the regulations of German Company Law were adhered to. Under § 291 of the HGB (German Commercial Code), the Hamburger Hochbahn Aktiengesellschaft has waived issuing a Group Financial Statement, with Appendix and Group Report. The official Group Financial Statement and Group Report are to be drawn up and published by the parent company, HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsverwaltung mbH of Hamburg.

For clarification purposes, some Balance Sheet and Statement of Income items have been combined. Special reference is made to them in the Appendix. Notes on the Balance Sheet and Statement of Income are also given in the Appendix for clarification purposes. In the fixed asset movement schedule for the HOCHBAHN, we have further subdivided items according to § 265 Para 5 of the HGB. With respect to itemisation, the HOCHBAHN has adhered to the “regulation concerning the itemisation for Company Management Reports for transport companies” (BGBl, Part 1, 1968) in conjunction with the first ordinance amending the regulation concerning the itemisation for Company Management Reports for transport companies” (BGBl, Part 1, 1988, p. 1057). The expenditure type of presentation was used for the Statement of Income.

Unlike the previous year, total operating performance in the year under review was made up of sales revenues, other internally produced and capitalised items and other operating income.

(2) Principles of accounting and appraisal

Intangible assets and property, plant and equipment were assessed according to their procurement or manufacturing costs, minus public subsidies and depreciations. With respect to the company’s own manufacturing costs for plant and facilities, proportional overheads have also been included, as well as directly assignable costs. Long-term fixed cost items included in overheads have been eliminated by the deduction of a percentage amount.

Depreciations have been calculated for normal periods prescribed for operation, according to tax stipulation, our own good practice and the guidelines drawn up by public transport operators. With the exception of U-Bahn rolling stock and buses, calculations for commodities acquired or manufactured after June 30, 1997, have generally been based on the AfA Table for “Passenger and goods transport (by road and rail)” issued by the Ministry of Finance on July 1, 1997, and on the valid AfA Table for “general-purpose capital goods” as from January 1, 2001.

With the exception of intangible assets, buildings, TV monitoring equipment, DT4-type U-Bahn units and buses, a reducing balance of depreciation has been applied for commercial assets. Tax regulations stated under § 7 Para 2 Sentence 3 of the EStG (European Tax Law) and § 7 Para. 3 of the EStG were applied.

Viaducts, station buildings and rail infrastructure and installations relating to buildings are on publicly-owned ground which belongs to the Free and Hanseatic City of Hamburg.

In the fixed asset movement schedule, commodities of low value are listed as in-coming and out-going items, while at the same time being included in the depreciation amount for the year under review.

Shares in affiliated companies, shareholdings and securities in the fixed asset movement schedule have been entered on the assets side, under procurement costs, in some cases at a lower value than that on the balance sheet date.

The cash value or lowest value permitted by tax has been given for non-interest-bearing and interest-bearing loans.

Auxiliary materials and operating supplies are accounted for as updated, average cost prices. Inventories generated by the company have been calculated at manufacturing cost, including permissible tax-deductible overhead surcharges on wages and materials. Appropriate reductions in value have been made for recognisable and non-recognisable depreciations.

Accounts receivable and other assets have been calculated at their face value. Risk has been accounted for by the relevant value adjustments. Liquid funds have been accounted for at their nominal value.

Based on actuarial appraisals, pension liabilities have been accounted for at their partial value under § 6a of the EStG, by using the 2005 G guideline tables drawn up by Dr. Klaus Heubeck and applying an accounting rate of interest of 6% per annum.

Other provisions and accrued liabilities include all recognisable risk factors and uncertain obligations. Accrued liabilities for deferred maintenance are also included under Provisions and Accrued Liabilities. Provisions and accrued liabilities were partly accounted for on the basis of actuarial calculations. Power of choice was exerted under § 249 Para. 1 Sentence 3 of the HGB; under § 249 Para. 2 of the HGB, provisions and accrued liabilities were also available for maintenance measures which still have to be carried out.

Liabilities have been calculated according to their repayable amount.

Liabilities in foreign currencies have been converted to Euros according to the Euro reference rate issued by the Central European Bank on the balance sheet date.

EXPLANATORY NOTES TO BALANCE SHEET

(3) Fixed Assets**Fixed asset movement schedule of the Hamburger Hochbahn AG**

€ '000	At cost 1.1.2007	Additions
I. Intangible assets		
1. Franchises, trademarks, patents and industrial property rights, and similar rights	28,511	968
2. Advanced payments on intangible assets	1,164	506
	29,675	1,474
II. Property, plant and equipment		
1. a) Land and leasehold rights and company, operational and other buildings	34,453	1,945
b) Buildings on non-owned land		
ba) Rail infrastructure and installations, track buildings	148,840	185
bb) Other buildings	62,677	492
	245,970	2,622
2. a) Track installations, track section equipment and safety installations	303,819	11,395
b) Rolling stock for passenger transport and goods traffic	539,728	27,299
c) Machinery, plant and installations not accounted for under a) or b)	45,678	3,438
	889,225	42,132
3. Other plant and installations, fixtures and fittings, tools and equipment	49,082	4,995
4. Advanced payments, and plant and machinery under construction	46,116	13,422
	1,230,393	63,171
III. Financial assets		
1. Shares in affiliated companies	107,670	23,665
2. Loans due from affiliated companies	2,744	76
3. Shareholdings	6,594	0
4. Long-term investments	1,867	294
	118,875	24,035
Total	1,378,943	88,680

Disposals	Transfers	Depreciation (accumulated)	Net book value on 31.12.2007	Net book value on 31.12.2006	Depreciation 2007
4,190	970	21,185	5,074	6,341	3,205
0	-79	0	1,591	1,164	0
4,190	891	21,185	6,665	7,505	3,205
2	921	26,419	10,898	8,860	828
2,289	1,256	110,613	37,379	45,056	7,087
12	500	46,404	17,253	17,901	1,640
2,303	2,677	183,436	65,530	71,817	9,555
9,180	6,139	246,576	65,597	59,629	10,918
70,458	66	227,184	269,451	323,532	21,121
1,425	853	34,688	13,856	12,010	2,446
81,063	7,058	508,448	348,904	395,171	34,485
2,319	1,206	40,827	12,137	12,709	6,737
11,086	-11,832	0	36,620	46,117	334
96,771	-891	732,711	463,191	525,814	51,111
2,012	0	0	129,323	105,730	0
244	0	0	2,576	2,744	0
5,280	0	0	1,314	6,244	0
0	0	0	2,161	1,867	0
7,536	0	0	135,374	116,585	0
108,497	0	753,896	605,230	649,904	54,316

(4) Inventories

in € '000	2007	2006
Raw and auxiliary materials and operating supplies	10,291	9,711
Goods	0	40
	10,291	9,751

(5) Accounts receivable and other assets

in € '000	2007	Remaining term of more than 1 year	2006	Remaining term of more than 1 year
1. Accounts receivable for deliveries and services	4,549	0	5,659	0
2. Accounts receivable from affiliated companies	70,469	0	33,398	0
for deliveries and services	(65,748)	(0)	(68,096)	(0)
for other assets	(4,721)	(0)	(-34,698)	(0)
3. Accounts receivable from companies in which the corporation holds a participating interest	1,744	0	9,201	0
for deliveries and services	(1,744)	(0)	(2,282)	(0)
for other assets	(0)	(0)	(6,919)	(0)
4. Accounts receivable from the Free and Hanseatic City of Hamburg	16,863	0	10,295	0
for deliveries and services	(11,834)	(0)	(11,932)	(0)
for other assets	(5,029)	(0)	(-1,637)	(0)
5. Other assets	5,516	0	3,973	0
Total	99,141	0	62,526	0

(6) Prepaid and deferred items

Prepaid and deferred items comprise a discount of € 4,000 (€ 11,000 the previous year).

(7) Subscribed capital

The HOCHBAHN's subscribed capital on December 31, 2007 was € 88,938,200.00, apportioned as follows:

Type of share	No. of shares held	No. of votes held	Nominal value € '000
Bearer stock			
A Shares	720,172	720,172	37,449
Ordinary shares			
B Ordinary shares	219,616	219,616	11,420
C Ordinary shares	768,898	768,898	39,982
		988,514	51,402
B Preference shares	1,664	1,664	87
		990,178	51,489
	1,710,350	1,710,350	88,938

100% of shares in the HOCHBAHN are held by the HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH of Hamburg.

The Free and Hanseatic City of Hamburg holds 100% of the shares in the HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH of Hamburg.

(8) Revenue reserves

Statutory reserves amounted to € 4,124,000, remaining reserves to € 1,322,000.

(9) Special reserves for the year

Special reserves to the sum of € 388,000, formed under § 6b of the EStG in the 2005 financial year, were transferred in 2007. In the year under review, an adjustment sum of € 6,000 was made in the form of special reserves under R 6.6 of the EstR 2005.

(10) Provisions and accrued liabilities

in € '000	2007	2006
Provisions for pensions and similar obligations	31,200	30,633
Provisions for taxes	35	37
Other provisions	163,437	156,734
	194,672	187,404

Provisions for pensions and similar obligations made by the HOCHBAHN include obligations for the provision of free pensioners' tickets and reduced ticket prices for spouses of beneficiaries entitled to them after January 1, 1987. There is a deficit of € 22,103,000 for obligations towards beneficiaries and potential beneficiaries who applied for these entitlements before January 1, 1987.

Apart from reserves for competitive purposes amounting to approx. € 103 million, "Other provisions and accrued liabilities" include obligations for social compensatory plans, obligations for remuneration back-payments to staff, anniversary donations, claims for remaining holiday payments, obligations for third-party insurance with the (HDN) Haftpflichtgemeinschaft Deutscher Nahverkehrs- und Versorgungsunternehmen, deferred maintenance payments, unsettled obligations and reserves to cover official regulations.

(11) Liabilities

€ '000	Total 2007	2007 Remaining term		Total 2006	2006 Remaining term	
		within 1 year	over 5 years		within 1 year	over 5 years
1. Liabilities to banks	288,989 ^{1) 2)}	21,404	188,610	313,620 ^{1) 2)}	28,731	207,226
2. Advanced payments from customers	34,069	34,069	0	22,712	22,712	0
3. Accounts payable to affiliated companies	20,202	20,202	0	12,671	12,671	0
for deliveries and services	(6,197)	(6,197)	(0)	(3,966)	(3,966)	(0)
for other obligations	(14,005)	(14,005)	(0)	(8,705)	(8,705)	(0)
4. Liabilities to companies in which the corporation holds a participating interest	1,775	1,775	0	3,017	3,017	0
for deliveries and services	(1,247)	(1,247)	(0)	(1,047)	(1,047)	(0)
for other obligations	(528)	(528)	(0)	(1,970)	(1,970)	(0)
5. Other liabilities	16,728	16,728	0	20,573	20,573	0
for tax obligations	(2,283)	(2,283)	(0)	(2,199)	(2,199)	(0)
for social security contributions	(1,062)	(1,062)	(0)	(1,235)	(1,235)	(0)
Total	361,763	94,178	188,610	372,593	87,704	207,226

¹⁾ securities for loans from domestic banks covered by negative pledge clauses.
²⁾ including two loans in NZ\$, with variable interest rates; security for any currency or interest risks arising is given through the corresponding interest rate and currency swaps. The swaps are invariably bound to the relevant underlying transaction. The market value of the swaps is calculated from their market-to-market valuation, which amounted to +€ 2,928,000 on the balance sheet date.

EXPLANATORY NOTES TO STATEMENT OF INCOME

(12) Sales revenues

in € '000	2007	2006
Ticket sales ¹⁾	299,931	287,647
From rental and leasing agreements (including leasing out advertising space)	12,407	11,502
Other revenue	16,044	14,176
	328,382	313,325
relating to prior or future periods ²⁾	12,160	10,604

¹⁾ Sales revenue principally arose from combined HVV Association income and compensatory payments under § 45a PBefG (schoolchildren's fares) and § 148 SGB IX (transportation of the seriously handicapped).

The final assignment of HVV items for 2006 and 2007 is not yet available. Combined revenues have therefore been calculated on the basis of a qualified assessment of preliminary figures for the HVV GmbH.

Revenues under § 45a PBefG are given as preliminary calculations based on the previous year's parameters. The same applies for revenue calculations arising from the transportation of the seriously handicapped (§ 148 SGB IX).

²⁾ Sales revenues relating to prior or future periods principally comprise subsequent income from the HVV under § 45a PBefG and under § 148 SGB IX for 2005 and 2006 (together totalling € 11,567,000), part of which were collected on the basis of interim notices.

(13) Other operating income

in € '000	2007	2006
Other operating income	41,047	39,871
relating to prior or future periods (principally income from reversal of reserves from provisions and accrued liabilities, disposal of fixed asset items and from costs refunded for previous years)	4,977	2,648

(14) Cost of materials

in € '000	2007	2006
Cost of auxiliary materials, operating supplies and purchased materials	43,393	41,359
Cost of purchased services	117,578	108,601
	160,971	149,960

(15) Personnel expenses

in € '000	2007	2006
Wages and salaries	151,042	144,570
Costs for social security contributions, pensions and other welfare benefits	33,656	32,243
	184,698	176,813
relating to pensions	4,934	4,675
relating to prior or future periods (principally in combination with provisions and accrued liabilities for competitive purposes)	6,741	4,947

To safeguard their value, a security deposit was opened for the voluntary early-pension scheme agreements concluded after July 1, 2004. The value of the deposit on December 31, 2007 amounted to € 2,258,000.

(16) Depreciation

Extraordinary depreciation was effected as follows in the year under review:

in € '000	2007	2006
Depreciation made under § 253 Para 2 Sentence 3 HGB	334	27
Depreciation made under § 254 HGB in compliance with the stipulation made in § 6b EStG	388	0
	722	27

Altogether extraordinary depreciation on property, plant and equipment made by the HOCHBAHN in 2007 amounted to: € 28,430,000 (previous year: € 28,042,000) under § 6b EStG and € 1,284,000 (previous year: € 1,284,000) under R 6.6 EstR 2005.

(17) Other operating income

Other operating income includes expenses for prior or future periods of € 5,481,000, with allocations to special reserves for the year (under R 6.6 EStR 2005) amounting to € 6,000 (previous year: € 0).

(18) Income from investments in shares of subsidiaries and affiliated companies

in € '000	2007	2006
Income from profit transfer agreements	5,755	4,686
Income from shareholdings	3,536	2,934
from affiliated companies	(3,460)	(2,377)
	9,291	7,620

(19) Interest and similar income

in € '000	2007	2006
Interest from loans from financial assets	153	163
from affiliated companies	(153)	(163)
Other interest and similar income	2,399	1,912
from affiliated companies	(1,873)	(1,605)
Interest and similar expenses	-19,952	-19,955
to affiliated companies	(-470)	(-209)
	-17,400	-17,880

OTHER INFORMATION**(20) Contingent liabilities**

Liabilities arising from guarantees: € 8,185,000.

Liabilities arising from guarantee contracts mainly occurred through contract liabilities by HOCHBAHN shareholding companies to the financial authorities to which they are under contract for transport services.

Liabilities arising from warranty agreements: € 360,484,000.

Liabilities to foreign leasing companies amounting to € 360,484,000 arose in connection with the conclusion of five financial contracts for the leasing of U-Bahn rolling stock and with one leasing transaction for QTE (qualified technological equipment). For these, recourse claims for the same amount were made with three domestic and two foreign banks. Security for the liabilities is in the form of chattel mortgage (trust receipt) for U-Bahn units, and usufructuary rights for QTE.

Liabilities also exist through a cross-border leasing transaction for pleasure boats and ferries, for which purchase payments were made by the HOCHBAHN in NZ\$ to ATG/HADAG AG. These are balanced out by accounts receivable from ATG/HADAG AG, which cover the same ratable amounts and arise from leasing payments in NZ\$.

(21) Other financial obligations

in € '000	2007
Purchase commitment for investments	306,107
Obligations from rental and leasing contracts	
due 2008	4,178
due 2009 - 2012	17,409
due after 2012	38,536
	60,123
Other liabilities	663
	366,893

Included under “Other financial obligations” are liabilities to affiliated companies amounting to € 64,000.

Purchase commitments for investments include € 175,000,000 for the construction of the U4 U-Bahn Line, to be reimbursed by the Federal German state and the Free and Hanseatic City of Hamburg in the form of subsidies.

(22) Employee information

	2007	2006
Bus, Rail and Infrastructure Divisions	3,425	3,399
Company Control, Marketing and Central Services	396	401
Shareholding companies, dormant employment relationships etc.	472	488
	4,293 ¹⁾	4,288
Apprentices/Trainees	101	100

¹⁾ excluding the four Management Board members

(23) Total remuneration to the Supervisory and Management Boards

Provided that the remuneration proposed at the Annual General Meeting is passed by vote, it will amount to € 40,000 for the year under review. Total remuneration to the Management Board was € 1,078,000. Altogether € 2,963,000 has been set aside for pension payments to retired members of the Management Board and their surviving dependents. € 357,000 were paid to former Board members and their surviving dependents in the 2007 financial year.

(24) Company boards and members**Supervisory Board members**

Dr. Michael Freytag, Senator, Hamburg
Chairman

Dietmar Stretz*, Hamburg
Vice Chairman

Dr. Horst-Michael Pelikahn, Hamburg

Klaus Cegllicki*, Hamburg
as of March 6, 2008

Ludwig Görtz, Hamburg

Heino Greve, Hamburg

Heinrich Hanebuth*, Hamburg

Gerhard Fuchs, Hamburg

Dr. Rainer Klemmt-Nissen, Hamburg

Helmut Koprian, Hamburg

Max Leininger*, Hamburg

Gabriele Redmann*, Hamburg

Hans-Joachim Stoffers*, Hamburg

Hans-Jürgen Wendland*, Hamburg

Dr. Martin Willich, Hamburg

Dr. Wolfgang Zwickert*, Hamburg

Retired Supervisory Board member

Eike Laurich*, Hamburg
(since December 31, 2007)

Management Board

Günter Elste
Chairman

Dr. Ulf Lange

Ulrich Sieg

Jost Knebel

*) employee representative

(25) Name of parent company and its established seat of business

HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH,
Mönckebergstraße 31, 20095 Hamburg.

The HOCHBAHN has a control and profit transfer agreement with the HGV.

The HGV draws up Group Accounts and the Group Report for the majority of companies in the Group under § 291 HGB.

Disclosure of annual accounts: in Federal Bulletin (electronic version).

Sole shareholder in the HGV is the Free and Hanseatic City of Hamburg.

(26) Annual earnings

Due to absorption of losses, the financial Statement for the Hamburger Hochbahn AG showed balanced accounts.

Hamburg, March 14, 2008

Hamburger Hochbahn Aktiengesellschaft
Management Board



Elste



Dr. Lange



Sieg



Knebel

SHARE OWNERSHIP HELD BY THE HAMBURGER HOCHBAHN AKTIENGESELLSCHAFT as of December 31, 2007¹⁾

Name of company and established seat of business	Subscribed capital € '000	Ownership		Earnings 2007 € '000	Control and profit transfer agreement
		Name	%		
BeNEX GmbH, Hamburg	49,241	HOCHBAHN	51.0	1,076	–
FFG Fahrzeugwerkstätten Falkenried GmbH, Hamburg	4,100	HOCHBAHN	100.0	0	yes
HADAG Seetouristik und Fährdienst AG, Hamburg	4,096	HOCHBAHN	100.0	0	yes ²⁾
HHW Hamburger Hochbahn-Wache GmbH, Hamburg	26	HOCHBAHN	100.0	0	yes
HSG Hanseatische Siedlungsgesell- schaft mbH, Hamburg	8,891	HOCHBAHN Beteiligungs- gesellschaft	100.0	345 ³⁾	–
HOCHBAHN Beteiligungsgesellschaft mbH & Co. KG, Hamburg	56,038	HOCHBAHN	100.0	17	–
HOCHBAHN Grundstücksverwaltungs- gesellschaft mbH & Co. KG, Hamburg	39,572	HOCHBAHN	100.0	2,344	–
Friedrich Jasper Rund- und Gesells- chaftsfahrten GmbH, Hamburg	4,163	HOCHBAHN	100.0	0	yes
HOCHBAHN-Verwaltungsgesellschaft mbH, Hamburg	136	HOCHBAHN	100.0	8	–
TEREG Gebäudedienste GmbH, Hamburg	1,731	HOCHBAHN Beteiligungs- gesellschaft	56.0	0	yes

¹⁾ excluding those of minor interest
²⁾ the company has a profit transfer agreement with the HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH.
³⁾ Net profit for the HSG 2007 financial year

AUDITORS' REPORT

We certify that we have audited the Annual Statement of Accounts for the Hamburg Hochbahn Aktiengesellschaft of Hamburg, which includes the Financial Statement, Statement of Income and Appendix, drawn up for the year January 1 to December 31, 2007. Responsibility for presenting the documentary items according to the German commercial regulations and the supplementary rules of the constitution, lay with the company's Management Board. We were instructed to issue a report on the audit we carried out on the Annual Statement of Accounts, which included the company's accounting principles and the Group Management Report.

Our audit of the Annual Statement of Accounts was carried out in accordance with § 317 of the HGB (German Commercial Code), properly and with due regard to the provisions of the principles set out by the German Institute of Auditors (IDW). These stipulate that an audit should be planned and carried out so that sufficient light is brought to bear on any irregularities and infringements which may have a significant bearing on how investment, finance and revenue are presented in the Group Management Report, and with due regard to accepted accounting principles. Taken into consideration when stipulating how acts of auditing were to be carried out, were knowledge of the company's business activities, its commercial and legal background and whether any errors were likely to be anticipated. In the course of audit inspections – which largely took the form of spot checks – appraisals were made on how effectively accounts were rendered with respect to internal control systems and on whether there was proof of the data given in the company's system of accounting, its Annual Accounts and Group Management Report. The audit included a report on the principles of accounting, the principal assessments made by the Management Board and our assessment of how the Annual Statement of Accounts and the Group Management Report were presented in toto. In our view, our inspection was an adequate basis for our audit appraisal.

No objections were raised in the course of the audit.

From our findings during the audit, we are of the firm opinion that the Annual Statement of Accounts of the Hamburger Hochbahn Aktiengesellschaft of Hamburg was undertaken properly, with due consideration to statutory regulations and the supplementary rules of the constitution. It complied with accepted accounting principles and represented the actual state of affairs with respect to the company's investments, finance and revenue. The Group Management Report is consistent with the Financial Statement and gives an entirely satisfactory picture of the company's financial affairs. It also correctly demonstrates the risks of prospective development.

Hamburg, March 20, 2007.

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

(Tesch)
Auditor

(pp. Werner)
Auditor

REPORT OF THE SUPERVISORY BOARD

During the 2007 financial year, the Supervisory Board kept itself informed of the company's state of affairs and important management issues through regular verbal and written reports from the Management Board. The Supervisory Board set up a Finance Committee. During the year under review, the Supervisory Board held a total of five meetings (of which one was an extraordinary Supervisory Board meeting), and the Finance Committee altogether 8 meetings (of which 6 were extraordinary Finance Committee meetings concerning the company's plans for expansion).

The Annual Statement of Accounts of the Hamburger Hochbahn AG for the year ending December 31, 2007, and the Group Management Report of the Hamburger Hochbahn AG and the company's accounting principles were audited by Deloitte & Touche GmbH, Wirtschaftsprüfungsgesellschaft, the company chosen to act as auditors at the last Annual General Meeting. No objections were made during the audit and an audit certificate was granted without reservation.

The audit reports were sent to members of the Supervisory Board. In addition, the auditor presented reports on the most important points arising from the audit at financial accounts meetings held by the Finance Committee.

The Supervisory Board examined the Annual Statement of Accounts and the Group Management Report of the Hamburger Hochbahn AG and, in agreement with the auditors, raised no objections. It has therefore accepted and passed the Annual Statement of Accounts as presented by the Management Board.

The Supervisory Board wishes to thank Mr. Eike Laurich for his work on the Supervisory Board. He retired from the Board on December 31, 2007. Mr. Klaus Ceglecki was appointed as his successor on the Board for the remaining term of office.

The Supervisory Board extends its thanks to all Management Board members and company staff for the work they contributed in 2007.

Hamburg, July 7, 2008.

The Supervisory Board



Dr. Michael Freytag
Chairman

Services

Overview of subsidiaries and holding companies



ATG Alster-Touristik GmbH (www.alstertouristik.de)

Shareholder: Hamburger Hochbahn AG 100% • Business objective: pleasure boat and ferry trips for tourists, mainly on the Alster Lake, its canals and waterways • No. of vessels: 18 • No. of staff: 41



FFG Fahrzeugwerkstätten Falkenried GmbH (www.ffg-hamburg.com)

Shareholder: Hamburger Hochbahn AG 100% • Business objective: technical up-keep of the HOCHBAHN's bus fleet, maintenance and repair of all types of motor vehicles, fitting out vehicles for dual-purpose use with gas, development and construction of special rolling stock • No. of staff: 268



Friedr. Jasper Rund- und Gesellschaftsfahrten GmbH (www.jasper.de)

Shareholder: Hamburger Hochbahn AG 100% • Business objective: running regular bus and special coach services, Airport Express buses to Hamburg's airport, under commission to the HOCHBAHN for bus route services, bus services for special events, congresses, trade fairs and cruise ships, special "insider" city tours • No. of buses and coaches: 94 • No. of staff: 234



HADAG Seetouristik und Fährdienst AG (www.hadag.de)

Shareholder: Hamburger Hochbahn AG 100% • Business objective: public ferry services in the Port of Hamburg and on the River Elbe • No. of vessels: 20 • No. of staff: 77



HC Hamburg-Consult (www.hamburg-consult.de)

Gesellschaft für Verkehrsberatung und Verkehrsmanagement mbH • Shareholders: Hamburger Hochbahn AG 49%, BSL Management Consulting Group GmbH 51% • Fields of operation: consultancy, planning, design, organisation, operation, maintenance and training in public transport sector; marketing at home and abroad • No. of staff: 30


HanseCom (www.hansecom.com)

Gesellschaft für Informations- und Kommunikationsdienstleistungen mbH • Shareholders: Hamburger Hochbahn AG 26%, Siemens Business Services GmbH & Co. OHG 74% • Business objective: operating information and communications systems; marketing and provision of all kinds of information and communications systems • No. of staff: 145


HSG Hanseatische Siedlungs-Gesellschaft mbH

Shareholder: Hamburger Hochbahn AG via the Hochbahn Beteiligungsgesellschaft mbH & Co. KG 100% • Business objective: renting out company-owned apartments to staff of the HOCHBAHN Group • No. of apartments: 2,040 • No. of staff: 49 (39 of whom are part-time)


HHW Hamburger Hochbahn-Wache GmbH

Shareholder: Hamburger Hochbahn AG 100% • Business objective: providing security services for passengers and operating staff; protection of rolling stock, installations and facilities; carrying out ticket inspections; collecting fare surcharges • No. of staff: none (staff hired)


HVW Hamburger Verkehrsmittel-Werbung GmbH

Shareholders: Hamburger Hochbahn AG 24.9%, DSM Deutsche Städte-Medien GmbH 75.1% • Business objective: setting up, running and leasing out bill-poster advertising at stations; marketing and design of advertisements in and on buses and trains • No. of staff: 11


hySOLUTIONS GmbH (www.hysolutions-hamburg.de)

Shareholders: Hamburger Hochbahn AG 61%, Vattenfall Europe 25%, Germanischer Lloyd 6%, Handelskammer Hamburg (Chamber of Commerce) 4% • Business objective: promotion and co-ordination of hydrogen technology and fuel cell applications in Hamburg • No. of staff: 3

**SBG Süderelbe Bus GmbH**

Shareholder: Hamburger Hochbahn AG 100% • Business objective: running bus routes on commission for the HOCHBAHN; operation of own bus route, with own concessions in the Harburg district • No. of city buses: 48 • No. of staff: 110

**TEREG Gebäudedienste GmbH** (www.tereg.de)

Shareholders: Hamburger Hochbahn AG via the Hochbahn Beteiligungsgesellschaft mbH & Co. KG 56%, Vattenfall Europe 44% • Business objective: cleaning of sites, buildings, offices, apartments, glass, containers, vehicles, open spaces, streets; also rubbish disposal • No. of staff: 1,644

**Zentral-Omnibus-Bahnhof „ZOB“ Hamburg GmbH** (www.zob-hamburg.de)

Shareholders: Hamburger Hochbahn AG 69.2%, Autokraft 11.7%, VHH 10.4%, Jasper 2.9%, nine other blocks of shareholders 5.8% • Business objective: running Hamburg's central bus station, renting out shops and cafés/restaurants • No. of staff: 10

**BeNEX GmbH** (www.benex.de)

Shareholders: Hamburger Hochbahn AG 51%, Babcock & Brown Public Partnerships 49% • Business objective: management of a group of companies that provide miscellaneous road/rail transport services outside the boundaries of the Free and Hanseatic City of Hamburg; also purchasing, maintaining and selling shareholdings of this kind for the above sphere of business, including all associated financing, negotiating, consultancy and other services (insofar as they do not require legal approval or official permission with respect to the KWG, German Banking Act) • No. of staff: 15

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Für unsere Zukunft ●



