Annual Report 2009

OPPORTUNITY-FOCUSED

BLG LOGISTICS

OPPORTUNITY-FOCUSED ::

The BLG LOGISTICS GROUP along with its subsidiaries and shareholdings is a logistics provider with an international commitment. No other logistics specialist in Europe can offer a comparable network with terminals on the coast and inland as well as numerous other locations for specialized logistics services. Our AUTOMOBILE and CONTAINER Divisions are European market leaders and our CONTRACT Division numbers among the leading German suppliers in its segment.

Logistics services are directly dependent on economic activity. The global crisis is clearly making itself felt, particularly in the seaports. This means our fields of activity that profited most from globalization and increasing world trade volume have been especially hard hit by the crisis. Since seaport-oriented logistics is our biggest field of activity, 2009 was a difficult financial year. Business segments like trade logistics and automobile transport, which are mainly supported by domestic demand, showed a stable trend and even recorded growth in part.

A key factor for the future development of our corporate group is: the world economy is not caught up in an economic crisis that also leads to structural changes. We respond to this with our medium- and long-term growth strategy.

We are currently pursuing a dual strategy consisting of strict cost management, on the one hand, and a market offensive and investments in the future, on the other. We save where it is economically justifiable, improve our cost structures in all divisions and at the same time consistently continue to make strategic investments. Even in the crisis the BLG LOGISTICS GROUP remains growth-oriented and consciously focuses its sights on opportunities at all times. That is why we gave our 2009 Annual Report this title.

The Board of Management

Key figures BLG Group

		2009	2008	Change
Sales and earnings				
Sales	Million EUR	818.5	**962.6**	-15.0 %
Return on sales[1]	%	4.3	**10.1**	-57.4 %
EBITDA	Million EUR	104.3	**156.6**	-33.4 %
EBIT	Million EUR	35.2	**96.9**	-63.7 %
EBT	Million EUR	16.5	**83.6**	-80.3 %
Asset and capital structure				
Balance sheet total	Million EUR	977.0	**982.3**	-0.5 %
Investments in long-term intangible and tangible assets	Million EUR	77.8	**170.7**	-54.4%
Capitalization ratio[1]	%	72.1	**70.1**	2.9 %
Equity-to-fixed-assets ratio (golden balance sheet rule)[1]	%	90.0	**89.3**	0.8 %
Working capital ratio[1]	%	70.8	**70.9**	-0.2 %
Equity	Million EUR	311.8	**353.8**	-11.9 %
Equity ratio[1]	%	31.9	**36.0**	-11.4 %
Equity ratio (adjusted for hybrid capital)	%	23.9	**28.1**	-14.9 %
Return on equity[1]	%	5.0	**24.8**	-79.8 %
Net indebtedness[1]	Million EUR	401.5	**366.1**	9.7 %
Return on total assets[1]	%	3.6	**10.7**	-66.4 %
Cash flows [2]				
Cash flow from current operating activities	Million EUR	83.4	**122.1**	-31.7 %
Cash flow from investment activities	Million EUR	-100.5	**-163.6**	38.6 %
Cash flow from financing activities	Million EUR	35.2	**24.1**	46.1 %
Capital-market-oriented key figures				
Dividend BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–	EUR	0.25	**0.40**	-37.5 %
Dividend	%	10	**15**	
Human resources				
Employees[3]	Yearly average	5,929	**6,053**	-2.0 %
Employees[3]	End of period	5,858	**6,418**	-8.7 %
Personnel cost ratio	%	46.3	**46.7**	-0.8 %

[1] For calculation of the key figures we refer to p. 79 in the Group Management Report.

[2] The composition of the cash flows is shown in the cash flow statement on p. 104.

[3] Determination in accordance with Section 267 (5) HGB

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BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–

Mastering the crisis with a dual strategy

The Deutsche Verkehrs- und Logistikzeitung (DVZ) [German Transport and Logistics Newspaper] spoke with the Supervisory Board Chairman and the Board of Management of the BLG LOGISTICS GROUP on the developments of the company in the 2009 financial year and the prospects for 2010. DVZ Editor-in-Chief Björn Helmke conducted the interview.

From left: Emanuel Schiffer, Hillert Onnen, Detthold Aden, Björn Helmke (DVZ), Josef Hattig and Hartmut Mekelburg

Aden: "... we combine port operations with intelligent logistics ..."

The special strengths of the BLG LOGISTICS GROUP are in the automotive segment and, of course, in maritime logistics. These are two sectors that have been especially hard hit by the worldwide economic crisis. Is the company not diversified enough?

Aden:

Among the port-oriented logistics service providers we are probably the only one in Europe that is in good shape at the moment. This is because we combine port operations with intelligent logistics under one roof. Our competitors cannot match us in that respect. They are either purely ports or purely logistics specialists. The division into automobile, container and contract logistics shows that our business is sensibly diversified. In contract logistics we have a very good position. In the case of containers, cars and conventional cargo, however, we have been significantly impacted by the declines in quantity.

It seems so terse to say: Take advantage of opportunities in a crisis. Were you able to look for opportunities at all in view of the staggering efforts in coping with the crisis last year?

Onnen:

We sought and found opportunities. The result is our dual strategy. We have reorganized on the cost side and launched a market offensive. At the same time we are investing in viable markets.

What does that mean in specific terms?

Onnen:

We did not make the mistake of concealing ourselves from our clients, but intensified marketing and sales and even boosted our staff in this area. On the cost side we streamlined administrative processes and reorganized operational business activities. We naturally also tackled personnel expenses – and were successful in doing so.

Aden:

BLG changed its market focus during the crisis. This is a very important realization. Whereas we barely managed to cope with the surge in container and automobile handling with our capacities in the past, we now focus on expanding our contract logistics: trade, automotive and industrial logistics. Those are the areas with the greatest growth potential. We are now tackling these markets even more vigorously than before.

Onnen: "We sought and found opportunities."

What was it like when you realized that the crisis was not just a temporary trough, but brought about even greater impacts?

Hattig:

In the initial phase I still assumed that we were dealing with a "V", a substantial downswing followed by a rapid upswing. By contrast, Mr. Schiffer with his container experience had been putting a damper on such thoughts for quite a while and turned out to be right regarding the brutal consequences. The declines at the ports that dramatically set in at the beginning of 2009 really surprised us in terms of their severity. Crises are always a call to think about what the causes are. You have to make a clear distinction between an economically induced crisis that at some point ends on its own and a crisis that also has structural aspects. If there are structural reasons behind it, it would be a mistake to react only with cost reductions and short-term measures and neglect long-term adjustments.

Schiffer: "The crisis had an influence on the behavior of our customers."

How did you assess this crisis as BLG Management? As economically induced or also structural?

Aden:

At first economically induced. Then, however, we realized that there were also structural changes and these processes are not over yet.

Schiffer:

First of all, it is certain that globalization will continue. However, the crisis had an influence on the behavior of our customers. Our main clients in container business are the big shipping companies. A look at the balance sheets of the top 10 shipping companies shows that they lost 20 billion euros in one year. You can imagine, of course, that the shipping companies did everything they could to improve their situation. For instance, we observe today that 8,000 TEU vessels sail across the Baltic Sea to Gdansk. The point is to save transshipment costs since ships are currently cheaper in many cases than additional transshipment. This is due to the surplus of vessels. Whether these changes will persist when tonnage becomes scarcer again is not foreseeable as yet. However, there will be changes on the customer side that we will have to adjust to.

Aden:

We therefore decided we would now not simply cut costs, lay off people, curl up into a ball, let the storm pass by and hope that everything will be all right again afterwards. Instead, we have developed a clear market strategy. Now we have to achieve cost leadership and we want to gain market shares. The situation offers an opportunity to do so. We naturally have to influence costs. Depreciation and interest on the terminals and quays are running, you cannot simply cut them off. With the federal government it was not possible for the terminals to hibernate. Therefore, we had no choice but to adapt our company.

Mekelburg:

In the course of this adaptation we attached special importance to securing the jobs of our core staff.

That was portrayed differently in the press.

Mekelburg:

What was written in the press did not apply to BLG's core staff, but to the labor pool of Gesamthafenbetriebsverein Bremen and Bremerhaven.

Mekelburg: "In the long term we will grow and then we will need our highly qualified personnel."

Hattig:

There is a basic problem. Personnel costs are always immediately regarded as costs that can be changed at short notice. We certainly have to be competitive in terms of cost aspects. But we have become accustomed to taking investments and depreciation for granted – aren't good employees investments, too? You cannot always think of personnel costs merely as short-term cost burdens.

Hattig: "You cannot always think of personnel costs merely as short-term cost burdens."

Can companies afford to hold on to core staff in the crisis? Personnel costs are easier to adjust than investments in tangible fixed assets once these investments have been made.

Hattig:

Initially I see that from a very level-headed and economic point of view. However, a company naturally also has social obligations, they are part of the whole.

Mekelburg:

In the long term we will grow and then we will need our highly qualified personnel. That is why we have made every effort to keep these employees at the company and qualify them for future requirements during periods of underemployment. We have made active use of short-time work to keep the employees on board. When the growth engine starts up, we can rev up immediately with the existing qualified staff.

You all have many years of professional experience. Is there anything you have additionally learned during this crisis?

Hattig:

That you should not always look for personal reasons as the explanation for success stories and explain failure as economically based, that is one of the insights of many years in management. A very important lesson is that you cannot just respond defensively to such a crisis, but have to keep an eye on strategic opportunities and challenges.

Kuhr:

The crisis in this magnitude was not foreseeable and the measures we already introduced in the form of flexibility on the part of our staff back in the good days were not adequate by a long shot. Thus, even with high growth, it is necessary to think about the next crisis and reach appropriate agreements regarding costs as well as with the customers in order to ensure our survival. We have done this. However, if you take a critical look at the entire field, you find that you could have negotiated much more intensively, particularly over cost structures.

What were the specific impacts on BLG's business?

Onnen:

For us it meant: Automobile handling in the sea ports: 40 percent drop, Container: minus 20 percent, Automotive Industry: minus 40 percent, conventional port: minus 40 percent. If we look at the year 2009, we earned 140 million euros less sales than last year. The fact that we nevertheless stayed in the black through the respective cost reductions in all divisions shows that this crisis scenario did not lead to restraints regarding management decisions. We were able to adjust quickly to this situation and take appropriate countermeasures.

Mekelburg:

The prerequisite for the rapid counteraction was that we very quickly created transparency for trade unions, works councils and employees. That led to joint perceptions and contributed to joint results.

Crises change relations. How did the relations to your employees change?

Mekelburg:

The economic situation of the individual employees was negatively influenced and that, of course, put a strain on the employees. It certainly leads to a different way of looking at things between employees and management. In spite of everything, the entire measures were jointly accepted in the end. BLG is still regarded as a good employer. There are no mutual accusations since this crisis was caused neither by poor management performance nor by inefficient employees. That is why the relationship has not been permanently impaired.

Aden:

The employees had to understand that it was important to make profits in this phase, too. The point was to safeguard our extensive financing portfolio – a requirement for our further development. We have to produce results of a reasonable magnitude in order to be attractive on the capital market. For this purpose we need a pretax profit of 40 million euros and soon we will reach this figure again.

Some of your clients are struggling to survive. What influence does that have on BLG's customer relations??

Kuhr:

The relations to our clients have become closer in the crisis. The problems prevailing especially among customers in the automobile industry have brought us closer together. It was easy to see that we were sitting in the same boat and only in this way, namely together, can the crisis be overcome.

Schiffer:

All things considered, one has to say that we have developed a good long-term and friendly relationship to our clients over many years. The talks became more difficult, of course. Think of the shipping companies. They were naturally considerably harder hit than we were and they expect a substantial contribution. The longer the friendship, the higher the expectation that something is done on the price side. That's a difficult balancing act, of course: maintaining friendship and keeping our company on course.

You traditionally have good connections to the Far East in the automobile sector. What impacts did the crisis have in that respect?

Kuhr:

At present few imports are coming from the Far East via the ports and Bremerhaven is affected by that. Last year we had good volumes for imports thanks to the "Umweltprämie" (cash for clunkers scheme). This market is currently saturated in Western Europe. We assume that next year imports will rise again and thus utilization of our technical capacity will also improve. Chinese carmakers are on their way to Europe and have set their sights in particular on Eastern Europe. We have already geared our investments to this development.

Kuhr: "Eastern Europe is a future market on our doorstep."

Is Eastern Europe exceptionally promising as an investment focal point in the Automobile Division? The crisis was most noticeable there, after all, and there is no end in sight.

Kuhr:

Eastern Europe is a future market on our doorstep. However, it is also obvious that this market has plummeted to a greater extent than in Western Europe. But it will rally within a short time and two-digit growth can be expected. For this reason we are now investing in this market, particularly in the automobile sector, so as to be present as one of the big logistics specialists when the economy advances.

Mr. Onnen, not only small enterprises are threatened by a credit squeeze. Does BLG see itself as being restricted now in terms of its financing options?

Onnen:

I don't see that at present. In 2009 I renegotiated with the banks. We have the funds necessary to meet our obligations to the capital providers in full. Our planned investments, too, are financially secured.

Senator Hattig put it in a nutshell just now. You are governed by the necessity of saving costs, on the one hand, and at the same time preparing the company for the next growth phase, on the other. How do you accomplish that, Mr. Aden?

Aden:

In a company set up on a good foundation you can even accomplish that on your own. We created the BLG 2010 program with a cost reduction potential of 30 million euros on our own and not with the help of management consultants. We are proud of that.

At the same time you have to motivate your sales staff to go into the market more intensively. We naturally had to create a basis for doing that. Thus we invested deliberately in sales-oriented human resources capacity and that is the right way.

How did you as members of the Board of Management contribute to the savings?

Aden:

That was concerted action. When we were forced to introduce short-time work in certain departments, the managers waived five percent of their fixed monthly salary, as did the members of the Board of Management. The lower profit in 2009 compared to the previous year leads to a 30 to 50 percent lower income via the variable components.

Hattig:

As an executive, you cannot sit down and say that doesn't apply to me. That's not possible.

Aden: "We created the BLG 2010 program with a cost reduction potential of 30 million euros on our own ..."

Schiffer:

In addition, we did some work on our structures. To make decisions faster and enhance our presence in the market, we significantly shortened the decision-making channels in the company.

Aden:

Another important point: before we were geared to strong growth and on the way to decentralizing our fields of activity. Now we are fully decentralized in the market, but internally, where the customer doesn't notice it, we streamlined our operations to a considerable extent and thus achieved substantial effects.

The majority of BLG is under public ownership. Did you have to act differently from managers of a company under private ownership because of this fact?

Hattig:

The owner is a political entity, but it doesn't think about politically influencing the substance of corporate management. It knows BLG has to prove itself in the market. That is a very important point, also for the owner.

Aden:

Although BLG is state-owned, it is managed on an entrepreneurial basis and it is market-oriented. Publicly owned, privately managed, that is the structure with which we arouse interest worldwide. We have become an example for many public enterprises that go over to partial privatization.

Let's look at the positive side. Are there any business segments that have not been influenced by the crisis or have even grown?

Aden:

Yes, contract logistics for customers in trade and industry has developed well. We were able to win over new clients here or expand business with existing customers.

Kuhr: "… new potential comes into being."

Why has trade logistics in particular done so well?

Kuhr:

The distributive trade was able to hold its own very well in 2009, but started to question the cost structures at an early stage and perceived that more effective logistics will be vital for survival in the future. In this situation many trading firms think about outsourcing their logistics and we advise them on such considerations. Thus new potential comes into being.

Perhaps you can mention a few examples?

Aden:

We increasingly negotiate with existing customers on further services. With Tchibo, for instance, we are moving ahead extremely well. We have won over Griesson – de Beukelaer as another trade customer. And we are in the final phase of a large number of tenders in automotive and trade logistics as well as in industrial logistics, from which we expect real leaps forward.

What share of sales does trade logistics have at the moment?

Onnen:

We have over a third in container business, based on our 50 percent share in the Eurogate joint venture. We also have over a third in the Automobile Division and just under a third in contract logistics. Of that, around a third is accounted for by the distributive trade.

And what development potential do you see for trade logistics?

Aden:

We will double our business volume in trade logistics in the next three years. That is a clear corporate goal.

Schiffer: "There were difficulties on the North Atlantic route even before the crisis."

Let me ask a few questions about the seaports. The global crisis has undoubtedly hit the seaports particularly hard. When did this effect set in? When did you notice that something was absolutely getting out of hand here?

Schiffer:

That differed, depending on the route. There were difficulties on the North Atlantic route even before the crisis. Exports and imports with the USA declined. From Asia, too, you could see that the capacity utilization of the vessels was getting less. When the financial crisis turned into an economic crisis after the Lehman failure, things happened very quickly. However, there were warning signs even beforehand.

What did the year 2009 mean very specifically for the terminal activities of the BLG Group?

Schiffer:

You cannot take an isolated look at 2009. In 2008 we had 12 percent growth in Bremerhaven. Then we had a loss of 20 percent in 2009, and now we are back on an upward trend. Though it was a drastic decline, the economy is moving towards recovery. In Hamburg things were a bit different because we are more dependent on the Far East there. As a consequence, the decline started somewhat later. In Hamburg we had a barely balanced result in 2008, then a 20 percent drop in 2009 and we will be back on a positive track again in 2010.

Are you afraid that the port locations in Hamburg and Bremerhaven will be permanently damaged, i.e. by the fact that the shipping companies changed their port strategy during the crisis?

Schiffer:

You have to differentiate. In Hamburg the situation is much more difficult because of the problem that the Elbe deepening project has not been implemented yet. We have clients that call at Hamburg with large vessels, but take on feeder containers via other ports because they cannot call at the port fully loaded due to the draft in Hamburg. When the Elbe has been deepened, the prospects of doing more business in Hamburg will improve. In Bremerhaven things are different because the tide window is significantly larger there.

Mr. Kuhr, what are the consequences, especially for the automobile sector?

Kuhr:

We assume that inventories will no longer be as high as in the past. However, we also have to implement other procedures in order to achieve better performance and thus better results with less volume. As far as the cost structure in the automobile sector and car parts segment is concerned, we have already responded and see success, particularly in the car parts segment – the Asian market is advancing rapidly. In any case we will be able to attain an acceptable result in volume with the new cost structure.

Mr. Mekelburg, there is a pledge to the workforce to maintain the core jobs in 2010, too. Isn't that somewhat rash in view of the many imponderables?

Mekelburg:

No. At present we have no employment problems for our core workforce. If they should arise, we are able to offer alternatives in other departments or also at other locations. We are sticking to the employment guarantees.

Do you have to save cost regarding employee training?

Mekelburg:

No, we are not doing that. We need quality to achieve our goals. Improvement is only possible with qualified and trained personnel. It would be entirely wrong to save here. We always kept the training capacity at the very high level of the past years and that won't change. It is our firm intention to give those who have completed their training prospects for working at the company, to integrate and keep them.

What is the outlook for 2010?

Schiffer:

In container business there has been an upward trend since the last quarter of 2009 and it has continued in the first months of 2010. Our estimate was even surpassed – up to now in any case. What it will be like in six months, however, we don't know. There are very different assessments in this regard. Some of the large shipping companies talk about two to four percent growth for 2010, others about ten to twelve percent.

Aden:

At the moment we again have two-digit growth rates in automobile export. However, we don't know yet whether that will persist. The problem is that automobile exports have a low added value. The cars are driven very quickly onto the vessels, are not stored and are not technically upgraded. Imports, which have a higher added value, have completely collapsed. We presumably won't grow this year in the entire Automobile Division.

Onnen:

In the Contract Logistics segment we will grow by around ten percent compared to 2009.

Even if previously stable consumption caves in and thus affects your trade logistics?

Aden:

In a crisis you no longer grow as a result of normal growth, but via market share gains. That is why we need optimum costs, otherwise we are not attractive.

You also want to gain market shares via the price?

Aden:

We tackle the fiercer competition, but only under economically acceptable conditions.

What is the forecast for the current financial year overall?

Aden:

Because of the aftereffects, we still view 2010 as a restructuring year in which our dual strategy takes us back to a growth path. We will be in the black and in any case make every effort to achieve better results than in the past year.

Bremen Überseehafen, 1920

From Bremer Lagerhaus-Gesellschaft to the BLG LOGISTICS GROUP

The service portfolio of the BLG LOGISTICS GROUP has grown in the course of its history and has been repeatedly extended on the basis of world economic development. This has resulted in significant expansion of the port business previously restricted to Bremen and Bremerhaven. Since 1998 we have developed the corporate group into an international logistics specialist. Now we are present in Europe, North and South America, Asia and Africa.

In February 1877 sixty-five merchants established "Bremer Lagerhaus-Gesellschaft – Actiengesellschaft von 1877 –" (BLG). They wanted to combine their warehouses, which were spread all over the city, and concentrate them on the waterfront. At first this took place in Sicherheitshafen, later called Hohentorshafen.

Through this first bundling of services in German seaport history Bremen experienced an upswing as a port and trading city. New port capacities were needed quickly. Freihafen I (Europahafen), the largest harbor basin in the world at that time, was finished back in 1888. Complete operation was assigned to BLG. Soon Freihafen II (Überseehafen) and the grain facility were added. In 1953 BLG also took over the freeports in Bremerhaven and in the 1960s Neustädter Hafen in Bremen.

The first containers came across the Atlantic to Europe in the mid-1960s. In May 1966 Bremen became the first German container port. Containers required special equipment and expansive outdoor areas. The Bremerhaven container terminal was built for this reason beginning in 1968. Down to today the terminal has grown to about five kilometers in length in the course of several stages of expansion. According to the Guinness Book of Records, Bremerhaven has the longest riverside quay in the world.

Grain facility, Bremen 1959

Beginning of construction work on Bremerhaven container terminal, 1968

Loading automobiles, Bremen 1959

At the beginning of the 1970s BLG viewed electronic data processing as a production factor. As a consequence, the database of the Ports of Bremen and Bremerhaven was created as the first port information system on the globe in 1973. Cargo handling companies, freight forwarding enterprises, shipbrokers, tally clerks and government agencies set up connections to the system. This laid the foundation for IT networking.

When the Japanese automobile industry launched its export offensive at the end of the 1970s, BLG was involved right from the start and commenced building the Bremerhaven Auto Terminal. Today Bremerhaven is one of the biggest automobile hubs in the world, handling over two million vehicles annually in peak years up to now.

Right from its establishment over 100 years ago BLG has demonstrated again and again that it assumes a pioneering role in all major developments. This innovative strength was also brought to bear when it became evident in the 1980s that port operations and storage alone were no longer enough in economic terms. To strengthen value added activities, BLG extended its vertical range of services. The first logistics centers for seaport-oriented services were set up in Bremen and Bremerhaven.

In the 1990s the eastern markets collapsed. Classic flows of goods slumped, others sought new channels. Both these phenomena affected BLG's core business. However, BLG gained new strength with a global strategy after its restructuring in 1997. It developed into an international seaport-oriented logistics provider.

On formation of the Group the company was renamed BLG LOGISTICS GROUP AG & Co. KG. BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– became the general partner and manager in this limited partnership. The municipality of Bremen is the limited partner.

Today the BLG LOGISTICS GROUP operates through the AUTOMOBILE, CONTRACT and CONTAINER Divisions. By developing new business segments, extending the vertical range of services and geographic reach, the formerly local port operating company has grown into a logistics group with international operations and complex networks.

The AUTOMOBILE Division

BLG's AUTOMOBILE, CONTRACT and CONTAINER Divisions operate in respectively specific markets, but also complement each other in numerous business segments or implement complete chains of logistics as a joint service.

The AUTOMOBILE Division develops the logistics for finished vehicles – essentially handling worldwide distribution from the manufacturers to the dealers in the countries of destination. With a volume of 4.7 million vehicles (2008: 5.7 million) this division has maintained its position as leading automobile logistics specialists in Europe in 2009.

BLG AutoTec Technical Center, Bremerhaven

Car transporter at the Bremerhaven Auto Terminal

The pillars of the division are terminals on the coast, on large rivers and inland. The terminal network is supplemented by shipments via road, rail and water as well as by the high degree of competence of the in-house technical centers. In addition to PDI (Pre-Delivery Inspection) there, such extras as DVD players, mobile phones, navigation systems and glass roofs are installed. The service profile also includes special paintwork and retrofitting special models. A modern truck fleet of 530 car transporters provides the connections between the seaport and over 7,000 dealers.

Bremerhaven Auto Terminal

Currently the company is investing in procurement of its own special railway wagons for rail transport of vehicles. Purchase of a total of 1,275 special wagons is envisaged for the coming years so that 75 block trains will be available. BLG AutoRail has been developing successfully since its entry into the market in autumn 2008. This year the transport volume is expected to double to around 200,000 vehicles.

Successful via rail – BLG AutoRail

In addition to the sea terminals in Bremerhaven, Gioia Tauro, Cuxhaven, Hamburg, Gdansk and St. Petersburg, the division operates several terminals on the Rhine and Danube. Seven barges altogether provide for automobile shipment there.

Car transport on Rhine and Danube

Transportation on the Danube is part of BLG's Eastern European strategy since the new assembly plants of the manufacturers in southeastern Europe also supply countries in Western Europe. The Kelheim automobile terminal plays a key role for further distribution to the dealers in western European countries.

BLG is also present with its logistics services in Eastern Europe – for example, in Slovakia, the Czech Republic and Slovenia. Moreover, automobile terminals are operated in Poland, the Ukraine and Russia. An automobile terminal is planned on the Black Sea.

In 2009 a total of 2.1 million vehicles (2008: 3.2 million) were handled or technically processed at the sea terminals. In forwarding business the volume declined by 9.9 percent to 0.5 million vehicles. The inland terminals, on the other hand, grew at a 12.6 percent rate to 0.6 million vehicles in 2009. This also applied to vehicle shipments, which increased by 10.3 percent to 1.2 million units in 2009. Outbound logistics business recorded significant growth of 25.2 percent at 0.3 million vehicles.

The CONTRACT Division

This division implements complex individual logistics solutions for clients in industry and the distributive trade. The focal points of its services are automotive (car parts logistics), industrial and production logistics, trade and distribution logistics, seaport logistics for conventional goods as well as the BLG COLDSTORE at the Bremerhaven Container Terminal. Currently complete logistics processes for the offshore wind energy sector are developed as a new business segment.

Car parts logistics for automobile manufacturers

Logistics for the offshore wind energy industry

Not all services can be concentrated in a fixed location network in contract logistics. For this reason the CONTRACT Division invests wherever the clients need its services. Consequently logistics centers and special facilities now operate at over 30 locations in Europe and overseas for such renowned customers as Mercedes, MAN, VW, Siemens, Konica Minolta, Ikea and Griesson – de Beukelaer.

An example from the automotive sector: procurement, production and sales in worldwide categories have become reality in the globalized automobile industry today. Automotive logistics integrates the parts production of the manufacturers and numerous suppliers by providing system services so as to ensure reliable supply to the producers' assembly lines in Germany and abroad. The manufacturers also outsource production steps to their logistics specialists.

Trade logistics for Tchibo at high-bay warehouse in Bremen

They include hardening of bonded body parts, preservation of unfinished parts and preliminary assembly of system components. Automotive logistics thus acts as the "extended workbench" of the automobile industry.

An example of industrial and production logistics: here the focus is primarily on optimizing production procedures and material flows at the customers' plants. This includes taking over personnel, facilities and equipment. The CONTRACT Division performs these forms of plant logistics for customers in the automotive industry, telecommunications sector as well as railway construction industry.

An example of trade and distribution logistics: the entire European market and parts of Africa are supplied with office equipment made by Konica Minolta centrally via Emmerich. The basic equipment is configured according to individual customer orders at BLG's European Distribution Center, provided with accessories and operating instructions on a country-specific basis and put on its way directly to the customer.

According to its motto, "Every week a new world", Tchibo has BLG handle the supplying of over 50,000 sales outlets in Germany and Europe with consumer articles – centrally via BLG's high-bay warehouse in Bremen. And Ikea, too, makes use of BLG's competence to supply its sales outlets in Germany and England.

Another example of trade and distribution logistics is Griesson – de Beukelaer, one of the leading European producers of cookies and biscuits. The takeover of the distribution center in Koblenz and the plant warehouse marked the launch in October 2008. At the beginning of 2009 BLG took over the entire operational logistics activities at the Polch, Kahla, Ravensburg and Wurzen locations.

Distribution logistics for Griesson – de Beukelaer

Seaport logistics for conventional general cargo has its focus in Bremen. It encompasses individual logistics services for project cargo, transport systems, steel products, machines and facilities as well as forestry products. Furthermore, BLG COLDSTORE offers complete logistics solutions for refrigerated and frozen goods at the Bremerhaven container terminal.

The CONTAINER Division

In the CONTAINER Division the EUROGATE joint venture is the market leader in Europe. The position is based on the pan-European terminal concept and its extensions with all services related to container transport. The network includes shipments via rail, road and water as well as logistics services for containerized goods.

The terminal network encompasses the Bremerhaven, Hamburg, Lisbon, Gioia Tauro, La Spezia, Ravenna, Salerno, Livorno, Cagliari and Tangier locations. Soon the JadeWeserPort in Wilhelmshaven and an operator partnership at the new terminal in Ust-Luga, Russia will also be part of it. In 2009 12.5 million TEU (2008: 14.2 million) were handled in the terminal network. The strongest locations are Bremerhaven, Hamburg and Gioia Tauro.

Van carrier inspection in Bremerhaven

Hamburg Container Terminal

Boom of a gantry crane

Bremerhaven Container Terminal

To optimally develop the performance potential of the terminals in Bremerhaven and Hamburg for the shipping companies, an application has been submitted to deepen the shipping channel in the Weser and Elbe. The large seaports have to be accessible for container vessels regardless of the tide. There are no shipping channel restrictions at the JadeWeserPort in Wilhelmshaven. The existing depth of 18 meters below chart datum offers optimum prerequisites even for the biggest container ships.

JadeWeserPort in Wilhelmshaven under construction

To our Shareholders : :

of
BREMER LAGERHAUS-GESELLSCHAFT
–Aktiengesellschaft von 1877–

Board of Management and Supervisory Board

The corporate constitution in Germany stipulates a dual board system for joint stock corporations with clearly defined and separate functions: the Board of Management manages the company on its own responsibility while the Supervisory Board is responsible for monitoring and advising the Board of Management.

In the following you will find out more about the composition of the two bodies at BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– as well as about the divisional responsibilities of the individual members of the Board of Management and the committees formed by the Supervisory Board.

Board of Management

Name	Town	Function / Department	Other seats*
Detthold Aden born in 1948 appointed until 2013	Bremen	Chairman Executive Staff Communications Transport Policy Corporate Strategy Shareholder Concerns	EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen, Chairman OAS Aktiengesellschaft, Bremen, Chairman MAI Mosolf Automotive International AG, Heilbronn HOCHTIEF Concessions AG, Essen (since October 13, 2009)
Manfred Kuhr born in 1949 appointed until 2011	Beverstedt	Deputy Chairman AUTOMOBILE and CONTRACT Divisions	no membership in other bodies
Hartmut Mekelburg born in 1952 appointed until 2015	Bremen	Occupational Safety / Environmental Protection Human Resources Audit	no membership in other bodies
Hillert Onnen born in 1948 appointed until 2011	Langen-Imsum	Finance Controlling Balance Sheet / Tax Investor Relations IT Purchasing Legal	dbh Logistics IT AG, Bremen EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen
Emanuel Schiffer born in 1951 appointed until 2014	Bremerhaven	CONTAINER Division	EUROGATE Container Terminal Bremerhaven GmbH, Bremerhaven EUROGATE Container Terminal Hamburg GmbH, Hamburg

* The information relates to memberships in legally required Supervisory Boards.

Supervisory Board

According to the Memorandum and the Articles of Association, the Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– is composed of sixteen members, eight Supervisory Board members whose election is carried out according to the provisions of the Stock

Name	Town	Function / Profession
Josef Hattig	Bremen	Chairman Retired senator, lawyer
Erhard Ott (since March 2, 2009)	Berlin	Deputy Chairman (since March 17, 2009) Member of national executive board of the trade union ver.di Vereinte Dienstleistungsgewerkschaft
Uwe Beckmeyer	Bremerhaven	Retired senator Member of Deutscher Bundestag
Harald Bethge	Bremen	Department Manager at ver.di Vereinte Dienstleistungs-gewerkschaft, state district Bremen-Lower Saxony
Karl-Heinz Dammann (since July 1, 2009)	Langen	Chairman of the corporate works council of EUROGATE GmbH & Co. KGaA, KG (since June 5, 2009))
Hans Driemel (until June 30, 2009)	Langen	Chairman of the corporate works council of EUROGATE GmbH & Co. KGaA, KG (until June 4, 2009)
Dr. Stephan-Andreas Kaulvers	Hatten	Chairman of the Board of Management of Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –
Wolfgang Lemke	Langen	Chairman of the corporate works council of BLG LOGISTICS GROUP AG & Co. KG
Karoline Linnert	Bremen	Deputy Mayor and Senator of Finance of the Free Hanseatic City of Bremen
Ralf Nagel (until April 30, 2010)	Hamburg	Retired senator General Manager of German Shipowners' Association (VDR)
Jürgen Oltmann	Bremen	Formerly Chairman of the Board of Management of financial holding company of the Sparkasse in Bremen as well as Die Sparkasse in Bremen AG (until January 31, 2009)
Jürgen Rolappe	Bremen	Member of the Bremen corporate works council of BLG LOGISTICS GROUP AG & Co. KG (until March 16, 2010)
Frank Schäfer	Hamburg	Deputy Chairman of the corporate works council of EUROGATE GmbH & Co. KGaA, KG
Gerrit Schützenmeister	Bremerhaven	Member of the works council of BLG AutoTec GmbH & Co. KG
Jörg Schulz	Bremerhaven	Mayor of the City of the Bremerhaven
Dieter Schumacher	Bremen	Human Resources Manager of BLG LOGISTICS GROUP AG & Co. KG
Dr. Patrick Wendisch	Bremen	Managing Director of Lampe & Schwartze KG

* The information relates to memberships in legally required Supervisory Boards as well as memberships in domestic and foreign control bodies

Corporation Act, and eight members from the employees who are elected in accordance with the provisions of the Co-Determination Act of May 4, 1976 (MitbestG).

	Committees		
Audit Committee	Human Resources Committee	Committee acc. to Section 27 (3) MitbestG	Other seats*
	■ Chairman	■ Chairman	BAUKING AG, Hanover, Deputy Chairman of EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen
	■	■	E.ON AG, Düsseldorf E.ON Energie AG, Munich
			no membership in other bodies
■			EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen (since October 13, 2009)
			EUROGATE Container Terminal Bremerhaven GmbH, Bremerhaven
	■ until June 30, 2009	■ until June 30, 2009	EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen (until June 30, 2009)
	■	■	EWE Aktiengesellschaft, Oldenburg GEWOBA Aktiengesellschaft Wohnen and Bauen, Bremen DekaBank Deutsche Girozentrale, Frankfurt/Main Norddeutsche Landesbank Luxembourg S.A., Luxembourg
	■	■	no membership in other bodies
■			Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen
	■	■	swb AG, Bremen
■			OAS Aktiengesellschaft, Bremen NRS Norddeutsche Retail-Services AG, Bremen and Hamburg (until April 2, 2009) Bremer Tageszeitungen AG, Bremen (until December 3, 2009)
■	■	■	no membership in other bodies
■	■ as of September 17, 2009	■ as of September 17, 2009	EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen
			no membership in other bodies
	■	■	no membership in other bodies
			no membership in other bodies
■ Chairman			Inbev Germany Holding GmbH, Bremen OAS Aktiengesellschaft, Bremen

of commercial enterprises.

Report of the Supervisory Board

The Supervisory Board continuously monitored and supported the work of the Board of Management in the 2009 financial year. The detailed reports of the Board of Management made in written and oral form constituted the basis for this. Furthermore, the chairman of the Supervisory Board carried out a regular exchange of information and ideas with the Board of Management. In this way the Supervisory Board was constantly informed about the planned business policy, corporate planning, including financial, investment and human resources planning, the current earnings situation, including risk situation and risk management, the course of business as well as the overall situation of the company and the Group.

Josef Hattig, Chairman of the Supervisory Board

Whenever approval was necessary for decisions or measures of the management on the basis of law, the Memorandum and Articles of Association or the rules of procedure, the members of the Supervisory Board – prepared by its committees, among others – reviewed the draft resolutions at the meetings or adopted them on the basis of written information. The members of the Board of Management invariably took part in the meetings. The Supervisory Board was intensively incorporated into decisions of major significance for the Group at an early stage. The economic situation and the development prospects of the Group described in the reports of the Board of Management, the individual divisions, departments and major affiliated companies in Germany and abroad were the subject of detailed discussion.

The Supervisory Board convened at five meetings in 2009. The average attendance at the Supervisory Board meetings in the year under review was 93 percent . One member of the Supervisory Board took part in less than half of the meetings. Average attendance at committee meetings in 2009 was 89 percent. The members of the Supervisory Board elected by the shareholders and by the employees prepared for the meetings in part at separate preliminary meetings. There were no conflicts of interest on the part of members of the Board of Management and Supervisory Board that required immediate disclosure to the Supervisory Board and about which the Annual Shareholders' Meeting had to be informed.

Focal points of the consultations on the Supervisory Board

In view of the worldwide financial and economic crisis, special focus was placed on the current earnings situation, including the risk management system and risk-conscious control of corporate development, further development of the three divisions, implementation of the JadeWeserPort project and the Eastern Europe strategy of the AUTOMOBILE and CONTAINER Divisions. All major business activities, the development of the asset, financial and earnings situation as well as the analyses of deviations from corporate planning were promptly and Intensively discussed jointly with the Board of Management. Corporate planning as well as short-term profit and financial planning were discussed at the meeting on December 17, 2009. Another focal point of consultations was the dual strategy pursued by the Board of Management, i.e. further market growth and at the same time cost reduction ("BLG 2010" project).

The following changes have occurred on the Supervisory Board of BREMER LAGERHAUS-GESELL-SCHAFT –Aktiengesellschaft von 1877– since January 1, 2009. Mr. Erhard Ott was designated as a further member of the Supervisory Board by way of a court appointment on March 2, 2009. The Supervisory Board elected Mr. Ott as its deputy chairman at its meeting on March 17, 2009. Mr. Hans Driemel stepped down from his office as a member of the Supervisory Board effective as of June 30, 2009. Mr. Karl-Heinz Dammann then took his place. Mr. Ralf Nagel stepped down from his office as a member of the Supervisory Board effective as of April 30, 2010. Mr. Martin Günthner shall take his place. The corresponding procedure has been initiated. The Supervisory Board thanks all members who have stepped down for their dedicated, constructive services and commitment for the benefit of the company.

Committees of the Supervisory Board

To perform its duties efficiently, the Supervisory Board has set up three committees altogether. As a result of its annual efficiency review, the Supervisory Board reorganized itself at its meeting on March 19, 2010 and gave itself new rules of procedure effective as of April 1, 2010. The Audit Committee, which among other things assumed the duties of the previous Balance Sheet Committee, was established in this connection. Rules of procedure were also created for the Audit Committee effective as of April 1, 2010. The list on page 30 f. contains the composition of the individual committees. For a description of the responsibility of the committees, which is also part of the report of the Supervisory Board, see the Corporate Governance report on page 40 f. of the Annual Report.

Work of the committees

In accordance with Section 27 (3) of the Co-Determination Act, the Mediation Committee did not have to hold any meetings.

The Human Resources Committee met on March 17, 2009 and on December 17, 2009. It essentially treated matters relating to the remuneration of the Board of Management. At the meeting on December 17, 2009 the Human Resources Committee had to decide on extension of the Board of Management contract for Mr. Hartmut Mekelburg from January 1, 2011 to December 31, 2015 and submitted recommendations to the plenum in this regard.

During the year under review the Balance Sheet Committee met twice, on April 17, 2009 and December 11, 2009. It primarily examined the accounting of the company and the Group. This also included the latest amendments of the IFRS and the Balance Sheet Law Modernization Act and their impacts on both the Group and the company. Another focal point of work was the risk situation, further development of risk management and aspects of compliance. Special attention was given to corporate planning, medium-term profit and loss and financial planning, taking into account the impacts of the financial and economic crisis on the Group.

The meetings and decisions of the committees were prepared on the basis of reports and other information of the Board of Management. Members of the Board of Management regularly took part in the committee meetings. Reports on the meetings of the committees were made at the plenary session.

Corporate Governance

The Supervisory Board also examined further development of the Corporate Governance principles in the company while taking into account the amendments of the German Corporate Governance Code of June 18, 2009. On December 17, 2009 the Board of Management and the Supervisory Board issued the 8th Declaration of Conformity, which has been made permanently available to the public on the homepage at www.blg.de, in accordance with Section 161 of the Stock Corporation Act.

Annual and consolidated financial statement, financial statement audit

The representatives of FIDES Treuhandgesellschaft KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Bremen, the auditing firm duly selected as auditor, were present at the balance sheet meeting of the Supervisory Board and at the preparatory meeting of the Balance Sheet Committee and reported in detail on the results of their audit.

The annual financial statement and the consolidated financial statement as of December 31, 2009 as well as the Management Report and the Group Management Report of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– have been prepared by the Board of Management in accordance with the legal provisions and in compliance with generally accepted accounting principles and have been reviewed by FIDES Treuhandgesellschaft KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Bremen, the auditing company which was selected by the Annual Shareholders' Meeting and which submitted an unqualified auditors' report. A qualified auditors' report was issued for the consolidated financial statement in view of the equity disclosure in accordance with the IAS 32 standard revised in 2008. To avoid contradictory accounting consequences of the new IAS 32, which does not regard the economic substance of the limited liability capital, in particular minority shares, as identical to equity, IAS 32 was applied in the version valid to date. Further details are provided in the auditors' report on page 176 and in particular in the disclosures on equity in the notes to the consolidated financial statement on pages 142 ff.

The balance sheet auditor has reviewed the report on relationships to affiliated companies (dependent company report) prepared by the Board of Management for the 2009 financial year and issued the following auditors' report:

"According to our dutiful audit and evaluation, we confirm that

the actual data and statements of the report are correct,

the performance of the company was not unreasonably high given the legal transactions indicated in the report or disadvantages were compensated for,

the measures described in the report do not involve any circumstances that would support a significantly different evaluation than that given by the Board of Management."

The annual financial statement and Management Report, consolidated financial statement and Group Management Report as well as the audit reports of the financial statement auditor of the company were available to all members of the Supervisory Board.

For its part, the Supervisory Board has reviewed the annual financial statement, the consolidated financial statement, the Management Report and the Group Management Report of the Board of Management as well as the proposal of the Board of Management concerning appropriation of the balance sheet profit. The Supervisory Board agrees with the result of the audit of the annual financial statement and of the consolidated financial statement, including the Management

Reports, conducted by the balance sheet auditor. The Supervisory Board has endorsed the annual financial statement prepared by the Board of Management. It is thus adopted.

Likewise, the Supervisory Board has approved the consolidated financial statement prepared by the Board of Management. The Supervisory Board agrees with the Management Reports and in particular with the evaluation of further development of the BLG Group. This also applies to the dividend policy and the decisions regarding reserves in BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–.

Furthermore, the Supervisory Board has reviewed the report of the Board of Management on the relationships to affiliated companies and the result of the audit of this report by the balance sheet auditor. The Supervisory Board agrees with the result of the audit of the dependent company report conducted by the balance sheet auditor. After the final result of the review of the dependent company report by the Supervisory Board there are no objections to the final statement of the Board of Management in the latter report.

The Supervisory Board expresses its gratitude and recognition to the members of the Board of Management and the employees of the BLG Group for their personal commitment and the work performed in a difficult environment.

Bremen, April 2010

For the Supervisory Board

Josef Hattig
Chairman

Advisory Board

A body of renowned external experts advises the BLG LOGISTICS GROUP AG & Co. KG in its strategic international development.

Name	Function / Profession
Josef Hattig	Chairman Retired senator Lawyer
Dr. Norbert Bensel	Founding president of University for International Economics and Logistics (HIWL), Bremen
Jens Böhrnsen	Mayor and President of the Senate of the Free Hanseatic City of Bremen
Dr. Dieter Flechsenberger	Managing Director of DW Media Group GmbH
Dr. Ottmar Gast	Spokesman of the Board of Management of Hamburg Südamerikanische Dampfschifffahrts-Gesellschaft KG
Prof. Dr. Bernd Gottschalk	Managing Director of AutoValue GmbH
Dr. Hans-Jörg Grundmann (since March 1, 2010)	Chief Executive Officer Mobility Division of Siemens AG
Hans-Jörg Hager	President of Unternehmer-Coloquium Spedition (UCS)
Dr. Heinrich Hiesinger (until March 12, 2010)	Member of the Board of Management of Siemens AG
Michael Kubenz	Managing partner of Kube & Kubenz Unternehmensgruppe Vice President of German Freight Forwarding and Logistics Association (DSLV)
Volker Lange	Retired senator President of the Association of International Motor Vehicle Manufacturers
Dr. Bernd Malmström	Lawyer
Dr. Karl-Friedrich Rausch	Chairman of the Board of Transport und Logistik DB Mobility Logistics AG
Jürgen Roggemann	Managing Director of Enno Roggemann GmbH & Co. KG
Dr. Karl Sommer	Divisional Manager of Logistics, Design and Operations, Supply Network (ML) of BMW AG
Prof. Dr. Frank Straube	Technical University of Berlin, Managing Director of Logistics Division
Dr. h.c. Klaus Wedemeier	Former mayor of Bremen, Chairman of the Executive Board of Business Association "Weser" e.V.
Hans-Heinrich Weingarten	Former Executive Vice President Mercedes Car Group – Production of Daimler AG
Prof. Dr. Joachim Zentes	University of Saarland, Institute for Trade and International Marketing
Thomas Zernechel	Head of Group Logistics at Volkwagen AG

Corporate Governance Report

Corporate Governance of the BLG Group

Declaration regarding corporate management

Corporate Governance encompasses the entire system of managing and monitoring a corporation, including the organization of the corporation, its business policy principles and guidelines as well as the system of internal and external monitoring and control mechanisms. Corporate Governance structures responsible management and leadership of the company geared to the principles of a social market economy and sustainable value added.

The scope for shaping Corporate Governance on the part of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– is based on German law, in particular the Stock Corporation Act, the Co-Determination Act and capital market law as well as the Memorandum and Articles of Association of the company and the German Corporate Governance Code.

The Board of Management and the Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– issued the 8th Declaration of Conformity to the German Corporate Governance Code in the version of June 18, 2009 on December 17, 2009. The declaration has been made publicly available to the shareholders on a permanent basis through its inclusion in the company's homepage www.blg.de.

Text of the Declaration of Conformity

"BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– has complied with the recommendations of the Government Commission of the German Corporate Governance Code with the following exceptions and will comply with the recommendations during the declaration period with the following exceptions:

1. Number 2.3.4

"The Company should enable the shareholders to follow the Annual Shareholders' Meeting through modern means of communication (e.g. Internet)."

Far over 85 percent of our shareholders attend the Annual Shareholders' Meeting. The expected benefit and/or acceptance of these media by the shareholders is out of all reasonable proportion to the costs. At present the company has decided against the use of further means of communication.

2. Number 5.3.2, sentence 1

"The Supervisory Board should set up an audit committee that primarily deals with questions related to accounting, risk management and compliance, the necessary independence of the auditor, awarding of the auditor contract to the balance sheet auditor, determination of the audit focal points and the remuneration agreement."

The Supervisory Board has assigned the powers of an audit committee to the Balance Sheet Committee of the Supervisory Board.

3. Number 5.3.3

"The Supervisory Board should form a nomination committee that is solely composed of representatives of the shareholders and proposes suitable candidates to the Supervisory Board for the latter's election suggestions to the Annual Shareholders' Meeting."

The Supervisory Board has assigned the powers of a nomination committee to the Human Resources Committee.

4. Number 7.1.2, sentence 2

"The consolidated financial statement should be publicly accessible within 90 days after the end of the financial year, the interim statements within 45 days after the end of the reporting period."

Currently BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– cannot comply with all recommended deadlines. However, complete compliance with this recommendation is planned for the medium term. The consolidated financial statement will be published within four months after the end of the financial year."

The Board of Management and Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– intend to issue an updated Declaration of Conformity to the German Corporate Governance Code in the version of June 18, 2009 in accordance with Section 161 of the Stock Corporation Act (AktG) on April 20, 2010.

Code of Ethics

Sustainable value added and responsible corporate management are key elements of the corporate policy of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–. Dealings with customers, business partners, employees and shareholders based on trust form the foundation for these elements. This involves compliance with laws as well as with the Group's standardized Code of Ethics.

The Code is aimed at avoiding inappropriate behavior and fostering exemplary and responsible action. It is directed at the Board of Management, executives and staff members alike and shall serve as an orientation for proper and consistent behavior.

Working approach of the Board of Management and Supervisory Board

The German corporation law stipulates a dual system of management for BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– based on the two bodies, Board of Management and Supervisory Board. The Board of Management and Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– work closely together on a basis of trust in managing and monitoring the company.

The Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– manages the enterprise on its own responsibility and represents the company in business with third parties. It is composed of five members and is obligated to pursue the goal of achieving a sustainable increase in goodwill in the interest of the company and in line with the stakeholder approach. The divisional responsibilities of the individual members of the Board of Management are listed on page 29 f.

The Board of Management fundamentally makes its decisions based on majority resolutions. In the case of a tie vote, the chairman's vote is decisive. The Board of Management reports to the Supervisory Board on all matters relevant to the company in terms of planning, business development, the risk situation and risk management promptly and comprehensively within the framework of the legal provisions on a monthly basis and coordinates the strategic alignment of the company with the Supervisory Board. Before deciding on certain transactions specified in the Memorandum and Articles of Association, the Board of Management has to obtain the approval of the Supervisory Board. This includes acquisition and sale of companies and corporate divisions as well as bond issues and issuance of comparable financial instruments.

The relevant legal provisions for appointment and dismissal of members of the Board of Management are Sections 84, 85 of the Stock Corporation Act (AktG). Sections 133, 179 of the Stock Corporation Act (AktG) as well as Section 15 of the Memorandum and Articles of Association apply to amendments to the Memorandum and Articles of Association.

The Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– appoints, monitors and advises the Board of Management and is always involved in decisions of fundamental importance.

Composition of the Supervisory Board

The Supervisory Board is composed of 16 members and is formed according to the provisions of the Co-Determination Act as well as the Memorandum and Articles of Association. Half of the members of the Supervisory Board are elected by the shareholders at the Annual Shareholders' Meeting. The other half of the Supervisory Board consists of the representatives elected by the employees. After Hans Driemel stepped down as a member of the Supervisory Board on June 30, 2009, Karl-Heinz Dammann took his place on the Supervisory Board. As of April 30, 2010, Mr. Ralf Nagel will resign from his office. No former members of the Board of Management are represented on the Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–. The term of office of all Supervisory Board members at BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– ends on conclusion of the Annual Shareholders' Meeting in 2013.

Committees of the Supervisory Board

In addition to the committee it is required to form in accordance with Section 27 (3) of the Co-Determination Act, the Supervisory Board formed a Balance Sheet Committee and a Human Resources Committee. The members of the committees set up by the Supervisory Board are listed on page 30 f.

As a result of its annual efficiency review, the Supervisory Board reorganized itself at its meeting on March 19, 2010 and instituted new rules of procedure for itself, effective as of April 1, 2010. In this connection the Audit Committee will be established as of April 1, 2010 and will perform the functions previously carried out by the Balance Sheet Committee. Rules of procedure were also created for the Audit Committee.

The Audit Committee is composed of three representatives of the shareholders and three employee representatives. The chairman of the Balance Sheet Committee holding office in the reporting year meets the requirements in terms of independence and expertise in the fields of accounting and balance sheet audits. This committee meets regularly twice a year. Its duties include reviewing the accounting process and matters relating to company reporting as well as auditing the annual and consolidated financial statements prepared by the Board of Management, the Management Report and Group Management Report and the proposal regarding appropriation of the balance sheet profit of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–. On the basis of the reports of the balance sheet auditor on the audit of the annual financial statement and the Management Report as well as the consolidated financial statement and Group Management Report of the company, the Audit Committee elaborates proposals for approval of the financial statements by the Supervisory Board. The committee prepares awarding of the auditing contract to the balance sheet auditor selected by the Annual Shareholders' Meeting, suggests audit focal points and specifies the remuneration of the balance sheet auditor. Moreover, the committee monitors the independence, qualification, rotation and efficiency of the balance sheet auditor.

The functions of the Audit Committee also entail preparation of decisions made by the Supervisory Board on planning for the following financial year, including operating result, balance sheet, financial and investment planning.

Furthermore, the Audit Committee deals with the company's internal control system and the methods of risk identification, risk control and risk management. It is additionally responsible for matters of compliance and examines new developments in this field at each of its meetings.

The Human Resources Committee has equal representation and consists of the chairman of the Supervisory Board and seven other members of the Supervisory Board. The Human Resources Committee prepares the personnel decisions of the full Supervisory Board session, which decides on appointment and revocation of the appointment of Board of Management members. The Human Resources Committee, in place of the plenary session, decides on the employment contracts of the members of the Board of Management. In addition, it advises on long-term successor planning for the Board of Management.

The Human Resources Committee also performs the tasks of the Nomination Committee. The latter carries out preparatory measures for elections of the representatives of the shareholders to the Supervisory Board. It suggests suitable candidates for the election of the Supervisory Board members of the shareholders to the Supervisory Board for the latter's election proposal to the Annual Shareholders' Meeting.

To perform its duties in accordance with Section 27 (3) of the Co-Determination Act, the Supervisory Board forms a committee comprising the chairman of the Supervisory Board, the deputy chairman as well as three Supervisory Board members of the employees and three of the Supervisory Board members of the shareholders, elected in each case with the majority of the votes cast.

Shareholders and Annual Shareholders' Meeting

The shareholders exercise their co-administration and monitoring rights at the Annual Shareholders' Meeting. Every share in BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– is accorded a vote. There is no maximum limit for a shareholder's votes and there are no special voting rights. This means the principle of "one share, one vote" is implemented in full.

The subscribed capital is divided into 3,840,000 registered shares with voting rights and the approval of the company is required for transfer of the shares. Shareholders whose share of the share capital exceeds 3 percent are the Free Hanseatic City of Bremen – municipality of Bremen –, Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen and the financial holding company of Sparkasse in Bremen, Bremen. Details on this can be found on the following page.

Every shareholder entered in the stock record has the right to take part in the Annual Shareholders' Meeting, take the floor there regarding the respective items on the agenda and request information on company matters to the extent this is necessary for proper evaluation of an item on the agenda. The Annual Shareholders' Meeting passes resolutions primarily on formal approval of the Board of Management and Supervisory Board, appropriation of the balance sheet profit, capital measures, authorization on stock buybacks as well as amendments of the Memorandum and Articles of Association.

Disclosures relevant to takeovers in accordance with Section 315 (4) HGB

Composition of the subscribed capital

The share capital amounts to EUR 9,984,000.00 and is divided into 3,840,000 registered shares with voting rights.

Restrictions affecting voting rights or transfer of shares

BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– is not aware of any restrictions affecting voting rights. Transfer of shares requires the company's approval in accordance with Section 5 of the Memorandum and Articles of Association.

Shares in capital that exceed 10 percent of the voting rights

In a letter dated April 2, 2002 to us as well as to the Federal Supervisory Office for Securities Trading, which has since become part of the Federal Supervisory Agency for Financial Services, Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen, notified us in accordance with Section 41 (2) sentence 1 of the Securities Trading Act (WpHG) that as of April 1, 2002 it is entitled to 12.61 percent of the voting rights in BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–.

In a letter dated April 2, 2002 to us as well as to the Federal Supervisory Office for Securities Trading, Norddeutsche Landesbank Girozentrale, Hanover, as parent company of Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen, notified us in accordance with Section 41 (2) sentence 1 of the Securities Trading Act (WpHG) that as of April 1, 2002 it is entitled to 12.61 percent of the voting rights in BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–. Of that, 12.61 percent is to be allocated to Norddeutsche Landesbank Girozentrale in accordance with Section 22 (1) sentence 1 no. 1 WpHG.

In a letter dated April 8, 2002 to us as well as to the Federal Supervisory Office for Securities Trading, the financial holding company of Sparkasse in Bremen, Bremen, notified us in accordance with Section 41 (2) sentence 1 of the Securities Trading Act (WpHG) that as of April 1, 2002 it is entitled to 12.61 percent of the voting rights in BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–.

In a letter dated April 9, 2002 to us as well as to the Federal Supervisory Office for Securities Trading, the Free Hanseatic City of Bremen – municipality of Bremen – notified us in accordance with Section 41 (2) sentence 1 of the Securities Trading Act (WpHG) that as of April 1, 2002 it is entitled to 50.42 percent of the voting rights in BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–.

The company has published the above mentioned notices in accordance with Section 41 (3) of the Securities Trading Act (WpHG) in connection with Section 25 (1) sentence 1, 2 WpHG and duly informed the Federal Supervisory Agency for Financial Services, Frankfurt/Main, of that.

Shares with special rights that confer monitoring powers

There were and are no shares with special rights that confer monitoring powers.

System of control of any employee share scheme where the control rights are not exercised directly by the employees

BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– has not set up an employee share scheme. To the extent that employees hold shares in the company, they are not subject to any system of control. These shares represent insignificant portions of the company capital.

Appointment and dismissal of Board of Management members and amendment of the Memorandum and Articles of Association

We refer to the declaration regarding corporate management on page 37 ff.

Powers of the Board of Management to issue or buy back shares

The Board of Management is currently not authorized by the Annual Shareholders' Meeting to issue or buy back shares.

Significant agreements to which the company is a party and which take effect upon a change of control of the company following a takeover bid and the effects thereof

Agreements on the part of the company subject to the condition of a change of control following a takeover bid have not been made.

Compensation agreements made by the company with members of the Board of Management or employees for the event of a takeover bid

No compensation agreements were made by the company with members of the Board of Management or employees for the event of a takeover bid.

Directors and officers liability insurance

The company has taken out liability insurance for the members of the Board of Management and the members of the Supervisory Board. Currently this insurance does not provide for a reasonable deductible.

At the Supervisory Board meeting on March 19, 2010 a resolution was passed to introduce the legally prescribed deductible recommended for the Board of Management through Section 93 (3) of the Stock Corporation Act (AktG) and recommended for the Supervisory Board by the German Corporate Governance Code as of July 1, 2010.

Directors' Dealings

According to Section 15a of the Securities Trading Act (WpHG), the members of the Board of Management and of the Supervisory Board are legally required to disclose their own transactions with shares of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– or related financial instruments. This applies if the value of the transactions conducted by a member of these bodies and related parties within a calendar year reaches or exceeds an amount of EUR 5,000. This also applies to certain employees with management duties and persons having a close relationship to them.

In the 2009 financial year the members of the Board of Management and Supervisory Board of the company as well as persons related to these bodies have disclosed the acquisition of no shares as well as the sale of no shares of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– within the framework of their disclosure duties.

The shareholdings of the members of the Board of Management and Supervisory Board amount to less than 1 percent of the shares issued by the company.

FIDES selected as balance sheet auditor

The annual financial statement accounting of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– is carried out according to the provisions of the German Commercial Code (HGB). The company's consolidated financial statement accounting is carried out in accordance with the International Financial Reporting Standards (IFRS). FIDES Treuhandgesellschaft KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Bremen, was selected as the annual financial statement and consolidated financial statement auditor for the 2009 financial year by the Annual Shareholders' Meeting. Before awarding the contract, the Supervisory Board made sure that the existing relations between the auditor and the company or its bodies leave no doubt about the independence of the auditor.

Remuneration report

The remuneration report is part of the Management Report and of the Group Management Report at the same time.

Remuneration of the Board of Management

The Supervisory Board and/or its Human Resources Committee, which is headed by the Chairman of the Supervisory Board, stipulate the total remuneration of the members of the Board of Management. At the proposal of the Human Resources Committee the Supervisory Board deliberates and decides on the remuneration system for the Board of Management, including the main elements of the contract, and reviews it regularly. The remuneration of the Board of Management is oriented to the size and global alignment of the company, its economic and financial situation as well as the duties and performance of the respective member of the Board of Management. The amount of the remuneration is defined such that it is competitive in an international and national comparison and thus offers an incentive for committed and successful work. The Human Resources Committee regularly reviews whether the remuneration of the Board of Management is appropriate while taking into account the earnings, sector-related and future prospects of the company. In the current year the remuneration system for the Board of Management will be harmonized with the German Act on the Appropriateness of Management Board Remuneration (VorstAG), which came into force in August 2009, and the Board of Management contracts will be changed over to this system, regardless of the existing terms of contract, by mutual agreement and uniformly for all members of the Board of Management, effective as of January 1, 2011.

The new system is to be submitted to the Annual Shareholders' Meeting for approval in accordance with Section 120 (4) of the Stock Corporation Act (AktG) in June 2011.

The following statements refer to the remuneration system applying up to December 31, 2009:

In addition to the fixed annual salary, the contracts provide for a variable remuneration depending on the Group earnings before taxes, which is limited to a maximum of 3.5 percent of the Group earnings before taxes (EBT). From this the members of the Board of Management receive bonuses amounting to four to seven times the monthly salary. The Supervisory Board can grant the members of the Board of Management an additional individual bonus within the above mentioned overall framework. Moreover, the remuneration arrangement for the members of the Board of Management provides for customary fringe benefits, such as provision of a company car or allowances for pension insurance. In addition, members of the Board of Management receive remuneration for Supervisory Board seats at affiliated companies.

The members of the Board of Management received the following remuneration:

Remuneration of the Board of Management (in TEUR)	2009			2008		
	Basic salary	success-oriented [1]	Total	Basic salary	success-oriented [1]	Total
Detthold Aden	418	223	641	408	667	1,075
Manfred Kuhr	357	106	463	350	404	754
Hartmut Mekelburg	253	82	335	254	410	664
Hillert Onnen	283	82	365	274	410	684
Emanuel Schiffer	388	220	608	376	450	826
	1,699	**713**	**2,412**	**1,662**	**2,341**	**4,003**

[1] The success-oriented remuneration reported is based on the business success in the respective reporting year.

The members of the Board of Management were granted pension claims, some of which are against the BLG Group. Otherwise, the claims are against the Free Hanseatic City of Bremen – municipality of Bremen–. Provisions of EUR 1,977,000 (previous year: EUR 1,621,000) were recognized for the pension liabilities of the BLG Group.

The Free Hanseatic City of Bremen – municipality of Bremen – has pension liabilities to former members of the Board of Management.

As of December 31, 2009 members of the Board of Management had not been granted any loans or advance payments. As in the previous year, no contingent liabilities were contracted for the benefit of the members of the Supervisory Board.

Remuneration of the Supervisory Board

The remuneration of the Supervisory Board is stipulated in Section 17 of the Memorandum and Articles of Association of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–. Every member of the Supervisory Board receives EUR 5,000, the Chairman receives triple that amount while the Deputy Chairman as well as the chairman of the Balance Sheet Committee and the chairman of the Human Resources Committee, provided he is not chairman of the Supervisory Board at the same time, receive double that amount. Members of the Balance Sheet Committee and Human Resources Committee receive an additional amount of EUR 1,000 per year.

Members of the Supervisory Board who belong to the Board only for part of the financial year receive remuneration proportionate to the period of membership. Furthermore, the members of the Supervisory Board receive variable remuneration based on company success. This is calculated depending on the Group earnings (EBT) as follows: if the Group earnings exceed an amount of EUR 20 million, the members of the Supervisory Board receive 0.2 percent of the Group earnings. Each individual member of the Supervisory Board receives 1/20 of this amount. The Chairman of the Supervisory Board receives 3/20, the Deputy Chairman as well as the chairman of the Balance Sheet Committee and the chairman of the Human Resources Committee, provided he is not chairman of the Supervisory Board at the same time, receive 2/20 of this amount.

In addition, the members of the Supervisory Board receive EUR 500 per meeting, and any expenses going beyond that are refunded to the verified amount.

The members of the Supervisory Board received the following remuneration in the financial year:

Remuneration of the Supervisory Board (in TEUR)	2009					
	Fixed remuneratio	Variable remuneratio [1]	Committee work	Meeting allwoance	Miscellaneous [2]	Total
Josef Hattig	15	0	1	4	10	30
Erhard Ott	8	0	1	3	0	12
Uwe Beckmeyer	5	0	0	2	0	7
Harald Bethge	5	0	1	3	3	12
Karl-Heinz Dammann	3	0	0	1	0	4
Hans Driemel	2	0	1	1	5	9
Dr. Stephan-Andreas Kaulvers	5	0	1	4	0	10
Wolfgang Lemke	5	0	1	4	0	10
Karoline Linnert	5	0	1	4	9	19
Ralf Nagel	5	0	1	4	0	10
Jürgen Oltmann	5	0	1	3	0	9
Jürgen Rolappe	5	0	2	2	0	9
Frank Schäfer	5	0	1	4	10	20
Gerrit Schützenmeister	5	0	0	2	0	7
Jörg Schulz	5	0	1	4	0	10
Dieter Schumacher	5	0	0	2	0	7
Dr. Patrick Wendisch	10	0	1	4	0	15
	98	**0**	**14**	**51**	**37**	**200**

[1] The success-oriented remuneration reported is based on the business success in the respective reporting year.
[2] in-Group Supervisory Board seats

In the previous year the Supervisory Board received remuneration to a total amount of EUR 384,000, of which EUR 100,000 was accounted for by fixed components and EUR 167,000 by variable components. The meeting allowances came to EUR 60,000, the remuneration for committee work EUR 14,000 and the allowances for in-Group Supervisory Board seats EUR 43,000.

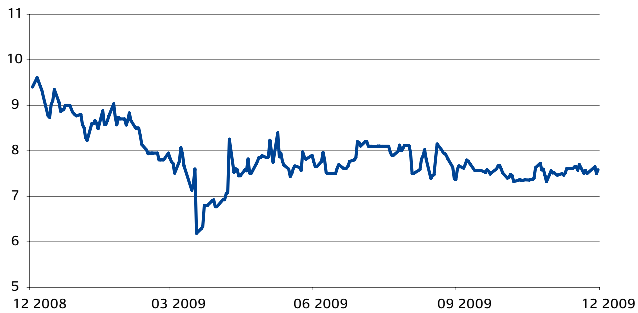
As of December 31, 2009, members of the Supervisory Board had not been granted any loans or advance payments, as was the case in the previous year. As in the previous year, no contingent liabilities were contracted for the benefit of the members of the Supervisory Board. Travel expenses were reimbursed to the customary extent.

Volatile stock market year 2009

The year 2009 was characterized by hefty price fluctuations under the influence of the financial and economic crisis. While the DAX lost around 24 percent by the beginning of March as compared to the previous year and reached the lowest level of the year at 3,666 points, a significant countermovement set in during the following months. At the end of the year the DAX attained a level of 5,957 points and thus recorded an overall increase of 24 percent over the previous year. In the past five years the DAX was able to achieve a better performance only in 2005 with a rise of approx. 27 percent.

The BLG stock, too, was affected by developments on the stock markets and reached the lowest level of the year, an average of EUR 6.19 per share on the listed stock markets, in mid-April. This means a price loss of 33.4 percent compared to the previous year. After the subsequent reversal in the trend the year closed at an average price of EUR 7.58 per share on the listed stock markets, corresponding to a price loss of 18.5 percent in relation to the previous year.

Share price development



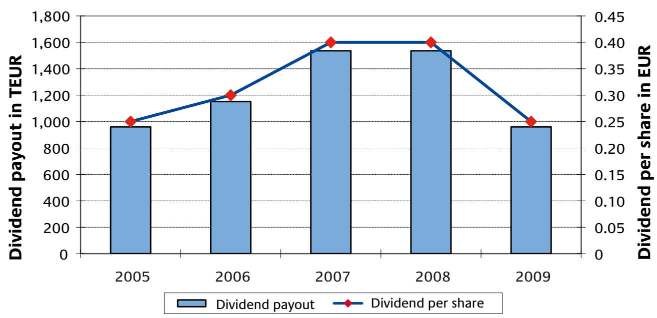
Earnings per share of EUR 0.24

The earnings per share are calculated by dividing the annual Group net income apportioned to BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– by the average number of outstanding shares during the financial year. Unchanged from the previous year, there were 3,840,000 registered shares with voting rights outstanding during the financial year. The net income in 2009 declined to around EUR 0.9 million. The reasons for this were essentially the economic crisis, which also had an impact on the earnings of BLG LOGISTICS GROUP AG & Co. KG, such that the remuneration for work in the financial year came to the minimum amount of EUR 256,000. As a consequence, the earnings per share dropped by 69 percent in comparison to the previous year.

Proposed dividend of EUR 0.25 per share

The Board of Management and Supervisory Board will propose to the Annual Shareholders' Meeting on June 3, 2010 that a dividend of EUR 0.25 per share be paid out. This means BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– adheres to its dividend policy even in economically difficult times and pays out a total of EUR 960,000 to its shareholders. This corresponds to a payout ratio of 104 percent.

Dividend development

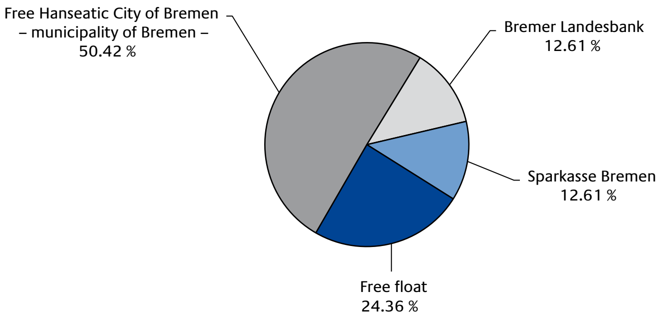


The proposed dividend is thus decoupled from the earnings, which declined substantially as compared to the previous year. Based on the closing price at the end of the year, this results in a dividend yield of 3.3 percent in the 2009 financial year.

Shareholder structure

The shareholder structure of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– has existed in its current distribution since 2002 and can therefore be regarded as extremely constant. The biggest shareholder is the Free Hanseatic City of Bremen – municipality of Bremen – which holds the majority of the shares, i.e. 50.42 percent. Other major institutional investors are Bremer Landesbank and Sparkasse Bremen. The free float amounts to 24.36 percent, corresponding to around 936,000 shares. The proportion of institutional investors of the latter is about 9 percent while the other 15 percent are held by private shareholders.

Shareholder structure



Key figures for BLG stock

		2009	2008	2007	2006	2005
Earnings per share	EUR	**0.24**	0.77	0.67	0.37	0.37
Dividend per share	EUR	**0.25**	0.40	0.40	0.30	0.25
Dividend	%	**10**	15	15	12	10
Dividend yield	%	**3.3**	4.3	3.8	2.8	2.6
Market price at end of year [1]	EUR	**7.58**	9.30	10.60	10.70	9.67
Highest price [1]	EUR	**9.61**	10.85	12.95	14.10	16.28
Lowest price [1]	EUR	**6.19**	8.22	9.82	9.10	6.90
Payout amount	TEUR	**960**	1,536	1,536	1,152	960
Payout ratio	%	**104**	52	62	78	67
Price-earnings ratio		**31.6**	12.1	15.8	28.9	26.1
Market capitalization	million EUR	**29.1**	35.7	40.7	41.1	37.1

[1] Average on listed stock markets

Annual Financial Statement and Management Report : :

of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–

Balance Sheet
as of December 31, 2009

Assets	2009-12-31	2008-12-31
	TEUR	TEUR
A. Current assets		
I. Receivables and other assets		
1. Receivables from affiliated companies	16,150	16,435
2. Other assets	0	295
	16,150	**16,730**
II. Cash in hand, bank balances	21	254
	16,171	**16,984**

Equity and liabilities	2009-12-31 TEUR	2008-12-31 TEUR
A. Equity		
I. Subscribed capital	9,984	9,984
II. Revenue reserves		
1. Legal reserves	999	999
2. Other revenue reserves	3,761	3,801
III. Balance sheet profit	960	1,536
	15,704	**16,320**
B. Provisions		
1. Provisions for taxes	2	0
2. Other provisions	408	578
	410	**578**
C. Liabilities		
1. Trade payables	9	56
2. Liabilities to affiliated companies	9	11
3. Other liabilities	39	19
	57	**86**
	16,171	**16,984**

Income Statement
from January 1 to December 31, 2009

	2009 TEUR	2008 TEUR
1. Remuneration of BLG LOGISTICS GROUP AG & Co. KG	1,072	3,245
2. Other operating income	287	443
	1,359	**3,688**
3. Other operating expenses	-878	-955
4. Other interest and similar income	627	820
5. Result from ordinary activities	**1,108**	**3,553**
6. Taxes on income	-188	-591
7. Net income	**920**	**2,962**
8. Withdrawals from other revenue reserves	40	0
9. Transfers to other revenue reserves	0	-1,426
10. Balance sheet profit	**960**	**1,536**

General disclosures

The annual financial statement was prepared in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG) in conformity with the provisions of the Memorandum and Articles of Association.

The income statement was prepared according to the total cost method (Section 275 (2) HGB).

BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– applies the provisions of the Balance Sheet Law Modernization Act (BilMoG) to the extent compliance with them is required for the annual financial statement and Management Report as of January 1, 2009.

Disclosures in respect of accounting and measurement

The receivables and other assets are reported at their nominal value.

Bank balances are recognized at their nominal value.

The provisions cover all uncertain liabilities and imminent losses from pending transactions on the basis of prudent business assessment. The principle of the lower of cost or market is applied.

The liabilities are accrued with the repayment amounts.

Disclosures in respect of the balance sheet

Accounts receivable from affiliated companies

This item contains short-terms loans to BLG LOGISTICS GROUP AG & Co. KG, Bremen amounting to EUR 5,227,000 (previous year: EUR 15,950,000). Receivables regarding cash management from BLG LOGISTICS GROUP AG & Co. KG account for EUR 10,208,000 (previous year: EUR 0). A further amount of EUR 715,000 (previous year: EUR 485,000) concerns trade receivables from BLG LOGISTICS GROUP AG & Co. KG.

All receivables have a residual term of up to one year.

Other assets

Receivables consisting of corporate tax, solidarity surcharge and input taxes were set off against liabilities consisting of value added tax in the other assets as of December 31, 2008.

Equity

The capital stock amounts to EUR 9,984,000 and is divided into 3,840,000 voting bearer shares. Transfer of the shares requires the approval of the company in accordance with Section 5 of the Memorandum and Articles of Association.

Revenue reserves

The legal reserves are allocated in full to an amount of EUR 998,400.

An amount of EUR 40,000 (previous year: transfer to the other revenue reserves EUR 1,426,000) was withdrawn from the other revenue reserves in the year under review.

Provisions

The recognition of other provisions primarily involved provisions (EUR 294,000; previous year: EUR 297,000) for costs in connection with the Annual Shareholders' Meeting, publication of the annual financial statement and the consolidated financial statement as well as the respective auditing costs. Additional provisions of EUR 114,000 (previous year: EUR 281,000 for fixed and variable remuneration) were made for fixed Supervisory Board remuneration.

Liabilities

All liabilities have a residual term of up to one year.

As in the previous year, the liabilities to affiliated companies essentially result from on-debiting of disbursed Supervisory Board ancillary expenses by BLG LOGISTICS GROUP AG & Co. KG.

Contingent liabilities

The company is the general partner of BLG LOGISTICS GROUP AG & Co. KG, Bremen. A capital share does not have to be paid in. No risks of being subject to claims are perceptible.

Investment holdings

The investment holdings, which must be allocated to the company via its subsidiary BLG LOGISTICS GROUP AG & Co. KG in accordance with Section 285 sentence 1 no. 11 of the German Commercial Code (HGB), are indicated in accordance with Section 287 HGB in a separate listing published in the electronic Federal Gazette.

Disclosures in respect of the income statement

Remuneration of BLG LOGISTICS GROUP AG & Co. KG

This item contains the liability remuneration based on the Articles of Association and the remuneration for work as general partner of BLG LOGISTICS GROUP AG & Co. KG.

Other operating income and expenses

These two items primarily include transmitted payments to the Supervisory Board (EUR 169,000; previous year: EUR 351,000). The other operating expenses additionally contain administration costs.

Other operating income contains income not relating to this period amounting to EUR 60,000 (previous year: EUR 40,000), which primarily concerns release of provisions.

Other interest and similar income

Of the interest income, EUR 626,000 (previous year: EUR 818,000) stem from affiliated enterprises.

Taxes on income

The taxes on income and earnings correspond to the lower result before taxes. Expenses due to taxes on income come to EUR 188,000 (previous year: EUR 591,000).

Other disclosures

Off-balance-sheet transactions

There were no transactions not contained in the balance sheet as of December 31, 2009.

Other financial liabilities

There were no other financial liabilities as of December 31, 2009.

Auditor fees

The total remuneration for the auditors' work in the financial year comes to EUR 115,000 (previous year: EUR 118,000). As in the previous year, this amount relates to the annual financial statement audit and the consolidated financial statement audit. Expenses for other consulting or confirmation services were not incurred, as in the previous year.

Disclosures on affiliated companies and parties

Affiliated companies and parties are in particular majority shareholders, subsidiaries that are not included in the consolidated financial statement as a consolidated company or are not directly or indirectly under 100 percent ownership, joint ventures, associated enterprises as well as persons in key positions (Board of Management, Supervisory Board) and their close family members.

The corporate interlacing of the BLG Group with BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– as general partner without capital share and the Free Hanseatic City of Bremen – municipality of Bremen – as sole limited partner of BLG LOGISTICS GROUP AG & Co. KG is explained in the Management Report in the section Organizational Integration.

The composition of the Board of Management and Supervisory Board as well as further information on these groups of persons are provided on pages 29 ff. and 39 ff., see also Section Supervisory Board and Board of Management.

Transactions with shareholders

Relationships with the Free Hanseatic City of Bremen – municipality of Bremen –

The Free Hanseatic City of Bremen – municipality of Bremen – is the majority shareholder of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– with a share of the subscribed capital of 50.42 percent and has received a dividend on the basis of the resolution regarding appropriation of the balance sheet profit.

Transactions with affiliated companies, joint ventures and associated enterprises

The scope of the business relations of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– to affiliated companies, joint ventures and associated enterprises is shown in the following overview.

Affiliated companies	2009 (in TEUR)		2009-12-31 (in TEUR)	
	Income	Expenses	Receivables	Liabilities
Affiliated companies	1,924	318	16,149	9
Associated enterprises	0.5	--	0.2	--

The transactions with affiliated companies essentially involve BLG LOGISTICS GROUP AG & Co. KG.

The composition of the receivables from affiliated companies and of the liabilities to affiliated companies are explained in the disclosures on the balance sheet.

Of the income from transactions with affiliated companies, an amount of EUR 816,000 is accounted for by the remuneration for liability assumed and EUR 256,000 by the remuneration for work as general partner of BLG LOGISTICS GROUP AG & Co. KG. A further amount of EUR 169,000 relates to transmitted payments to the Supervisory Board. Moreover, the income includes EUR 626,000 from interest. The expenses from transactions with affiliated companies contain administration costs amounting to EUR 300,000.

The transactions with associated enterprises result from deliveries and other performances.

No transactions were carried out with joint ventures in the year under report.

Supervisory Board and Board of Management

The disclosures concerning the Supervisory Board and the Board of Management have been examined by the financial statement auditor. To avoid duplication, they will be reported elsewhere in the Annual Report. For the composition of the Supervisory Board and the Board of Management as well as memberships of the Supervisory Board and Board of Management members in other bodies in accordance with Section 125 (1) sentence 5 of the Stock Corporation Act (AktG) see page 29 ff. For remuneration of the members of the Supervisory Board and Board of Management see page 44 ff. The expenses for the emoluments of the Board of Management are assumed in full by BLG LOGISTICS GROUP AG & Co. KG.

Directors' dealings

The disclosures on directors' dealings are shown in the Corporate Governance report on pages 43 f.

Shareholders

In a letter dated April 2, 2002 to us as well as to the Federal Supervisory Office for Securities Trading, which has since become part of the Federal Supervisory Agency for Financial Services, Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen, notified us in accordance with Section 41 (2) sentence 1 of the Securities Trading Act (WpHG) that as of April 1, 2002 it is entitled to 12.61 percent of the voting rights in BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–.

In a letter dated April 2, 2002 to us as well as to the Federal Supervisory Office for Securities Trading, Norddeutsche Landesbank Girozentrale, Hanover, as parent company of Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen, notified us in accordance with Section 41 (2) sentence 1 of the Securities Trading Act (WpHG) that as of April 1, 2002 it is entitled to 12.61 percent of the voting rights in BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–. Of that, 12.61 percent is to be allocated to Norddeutsche Landesbank Girozentrale in accordance with Section 22 (1) sentence 1 no. 1 WpHG.

In a letter dated April 8, 2002 to us as well as to the Federal Supervisory Office for Securities Trading, the financial holding company of Sparkasse in Bremen, Bremen, notified us in accordance with Section 41 (2) sentence 1 of the Securities Trading Act (WpHG) that as of April 1, 2002 it is entitled to 12.61 percent of the voting rights in BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–.

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The company has published the above mentioned notices in accordance with Section 41 (3) of the Securities Trading Act (WpHG) in connection with Section 25 (1) sentence 1, 2 WpHG and duly informed the Federal Supervisory Agency for Financial Services, Frankfurt/Main, of that.

Appropriation of net profit

The Board of Management in conjunction with the Supervisory Board will submit the following proposal regarding appropriation of net income to the Annual Shareholders' Meeting on June 3, 2010: distribution of a dividend of EUR 0.25 per share (corresponding to around 10 percent per share) for the 2009 financial year, corresponding to the balance sheet profit of EUR 960,000.

Consolidated financial statement

The company as the parent enterprise prepared a consolidated financial statement as of December 31, 2009 in accordance with IFRS, as is applicable in the EU, and the provisions based on commercial law to be additionally applied according to Section 315a (1) HGB. The consolidated financial statement is published in the electronic Federal Gazette and is available at the headquarters of the company in Bremen.

Corporate Governance Code

The Board of Management and the Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– issued the 8th Declaration of Conformity to the German Corporate Governance Code in the version of June 18, 2009 on December 17, 2009. The declaration has been made publicly available to the shareholders on a permanent basis through its inclusion in the company's homepage www.blg.de.

Organizational integration

BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–, Bremen, is exclusively the general partner of BLG LOGISTICS GROUP AG & Co. KG, Bremen. It maintains a branch office in Bremerhaven. The diverse logistics services of BLG LOGISTICS GROUP AG & Co. KG are performed in the three divisions, AUTOMOBILE, CONTRACT and CONTAINER, via the operational subsidiaries and affiliated companies.

In accordance with the Articles of Association, BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– has not made any capital contribution to BLG LOGISTICS GROUP AG & Co. KG and does not share in its profit. All limited partnership shares in BLG LOGISTICS GROUP AG & Co. KG are held by the Free Hanseatic City of Bremen – municipality of Bremen – and are disclosed in our consolidated financial statement as “Minority interests”.

Besides the customary reimbursement of costs, BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– receives from BLG LOGISTICS GROUP AG & Co. KG remuneration as general partner to an amount of 5 percent of the equity reported in the annual financial statement of the respective previous year in accordance with Sections 266 ff. of the German Commercial Code. The remuneration as general partner shall be paid independent of the year-end results of BLG LOGISTICS GROUP AG & Co. KG. In addition, BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– receives remuneration for work to an amount of 5 percent of the net income of BLG LOGISTICS GROUP AG & Co. KG prior to deduction of this remuneration for work. The remuneration for work is at least EUR 256,000 and at most EUR 2,500,000.

Moreover, all expenses directly incurred by our company in connection with management of BLG LOGISTICS GROUP AG & Co. KG shall be reimbursed by the latter.

Further information on transactions with related parties can be found in the notes to the consolidated financial statement.

For the 2009 financial year a report on the relationships to affiliated companies was prepared by the Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–. The final statement of the Board of Management is as follows:

“BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– received an appropriate consideration for each legal transaction indicated in the report through relationships to affiliated companies and was not disadvantaged by the measures taken, which were indicated in the report. Action in accordance with Section 312 AktG was not forborne. This assessment is based on the circumstances of which we were aware at the time the legal transactions were conducted.”

Report on earnings, financial and assets situation

In accordance with its corporate function, BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– lent all financial facilities available to it to BLG LOGISTICS GROUP AG & Co. KG for pro rata financing of the working capital necessary for performing its services. This essentially takes place via the central cash management of BLG LOGISTICS GROUP AG & Co. KG in which the company has been included since December 22, 2009. The loans existing to date were transferred to cash management with one exception. The interest on the funds provided is based on unchanged customary market terms. This financing holds minimal risk.

For performance of the general partner function in BLG LOGISTICS GROUP AG & Co. KG and for management of the BLG Group BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– received a liability compensation of EUR 816,000 and remuneration for work of EUR 256,000 in 2009. In addition, expenses directly incurred by the company in connection with management of BLG LOGISTICS GROUP AG & Co. KG were reimbursed by the latter.

The net income for 2009 dropped to EUR 0.9 million (previous year: EUR 3.0 million). The primary reason for this was the economic crisis, which also had an impact on the result of BLG LOGISTICS GROUP AG & Co. KG such that the remuneration for work in the financial year came to the minimum amount of EUR 256,000 (previous year: EUR 2,500,000).

Dividend of EUR 0.25 per share

The basis for the distribution of profits to the shareholders is the respective annual financial statement of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–.

Based on the development of earnings and in accordance with an appropriate dividend policy, the Board of Management, in conjunction with the Supervisory Board, proposes to the Annual Shareholders' Meeting that the available balance sheet profit to an amount of EUR 960,000.00 be used for distribution of a dividend of EUR 0.25 per share (previous year: EUR 0.40 per share), corresponding to a return of around 10 percent on the share capital eligible for dividends amounting to EUR 9,984,000.00. The proposed dividend is thus decoupled from the significantly lower result in comparison to the previous year.

Corporate Governance Report

Declaration on corporate management

The disclosures concerning Corporate Governance in accordance with Section 289 of the German Commercial Code (HGB) have been examined by the financial statement auditor. To avoid duplication, they will be reported elsewhere in the Annual Report together with the unreviewed declaration on corporate management in accordance with Section 289 HGB; see pages 37 ff. in this connection.

Disclosures relevant to takeovers in accordance with Section 289 (4) HGB

Disclosures relevant to takeovers are provided in the Corporate Governance Report on pages 41 ff.

Remuneration report

The remuneration report in accordance with Section 289 (2) no. 5 HGB is contained in the Corporate Governance Report on pages 44 ff.

Supplementary report

No events of special important have occurred to date.

Risk report

Risk management

Responsible handling of potential risks is an integral element of solid corporate management for BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–. At the same time it is important to identify and take advantage of opportunities. Our risk policy pursues the goal of increasing goodwill without taking unreasonably high risks.

The Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– assumes responsibility for formulation of risk policy principles and profit-oriented management of the overall risk. The Board of Management regularly reports to the Supervisory Board on decisions holding potential risk in connection with its dutiful assumption of responsibility based on company law.

Early identification of potential risk takes place within the framework of continuous risk controlling as well as a risk management and reporting system geared to the corporate structure based on company law. We give special consideration to possible risks to continuity of operations based on strategic decisions.

Our Internal Auditing Department has been integrated into risk communication as a process-independent monitoring body within the BLG Group.

Furthermore, the auditors evaluate the efficiency of the early risk identification system and report regularly on the result of their audits and reviews to the Board of Management and Supervisory Board.

To counteract possible risks that may arise especially from the diverse regulations and laws pertaining to tax, competition, cartels, the capital market and environmental protection, the BLG Group bases its decisions and the shaping of business processes on comprehensive legal consulting by our own experts as well as by qualified external experts. If legal risks relate to past circumstances, we establish the necessary balance sheet provisions for this purpose and review their appropriateness at regular intervals.

Currently no risks to continuity of operations and to the future development of our company can be identified on the basis of an overall analysis. Our financial base in connection with extension of the range of services in all strategic business units of the Group continues to offer good opportunities for stable corporate development on the part of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–.

Description of the main features of the internal control and risk management system with regard to the accounting process

The description of the main features of the internal control and risk management system with regard to the accounting process in accordance with Section 289 (5) HGB was reviewed by the auditors. To avoid duplication, we refer to the respective disclosures in accordance with Section 315 (2) no. 5 HGB in the Group Management Report on pages 85 ff.

Risks and opportunities of future development

Risks for the company result from its position as general partner of BLG LOGISTICS GROUP AG & Co. KG, Bremen. There is no perceptible risk of being subject to claims. A risk as well as an opportunity arise from the development of earnings of BLG LOGISTICS GROUP AG & Co. KG, on which the amount of the company's remuneration for work depends. A default risk results mainly from the receivables from loans and cash management with respect to BLG LOGISTICS GROUP AG & Co. KG.

Report on forecasts and other statements regarding expected development

As forecast in the previous year, a significantly lower net income of around EUR 0.9 million was achieved in 2009 due to the difficult overall economic development. Taking into account savings and positive impetus from intensified sales activities on the part of BLG's affiliated companies, we expect higher net income figures in 2010 and 2011. Our objective for the 2010 financial year is continuation of the solid dividend policy, but at least a dividend of EUR 0.25 per share.

Apart from historical financial information, this annual report contains future-oriented statements on the development of business and earnings of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– that are based on assessments, forecasts and expectations and are characterized by formulations such as "assume" or "expect" and similar expressions. These statements may naturally deviate from actual future events or developments. We do not assume any obligation to update the future-oriented statements in view of new information.

Assurance of the legal representatives

We declare according to the best of our knowledge and belief that, in accordance with the accounting principles to be applied, the annual financial statement presents a true and fair view of the net worth, financial position and results of the company and the Management Report conveys a true and fair view of the business trend, including the business result, and of the situation of the company and describes the major opportunities and risks in connection with the expected development of the company.

Bremen, March 31, 2010

THE BOARD OF MANAGEMENT

Aden Kuhr Mekelburg

Onnen Schiffer

Auditors' Report

We have audited the annual financial statement, consisting of the balance sheet, income statement, and the notes to the financial statement, including the accounting and Management Report of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–, Bremen, for the financial year from January 1 to December 31, 2009. The legal representatives of the company assume responsibility for the accounting and preparation of the annual financial statement and the Management Report in accordance with the provisions of German commercial law. Our function is to submit an evaluation of the annual financial statement, taking into account the accounting, and of the Management Report on the basis of the audit conducted by us.

We have conducted our audit of the annual financial statement in accordance with Section 317 of the German Commercial Code (HGB), taking into consideration the German principles of proper financial statement auditing stipulated by the Institute of Auditors (IDW). According to these principles, the audit is to be planned and conducted such that any incorrectness and violations that have a significant impact on the view of the net worth, financial position and results conveyed by the annual financial statement in conformity with generally accepted accounting principles and by the Management Report are identified with adequate certainty. Knowledge of the business activities, economic environment and legal framework of the company as well as the expectations regarding possible errors are taken into account in the definition of the auditing procedures. The effectiveness of the accounting-related system of internal audits as well as documentary evidence for the data in the accounting, annual financial statement and Management Report are predominantly evaluated on the basis of spot checks within the framework of the audit. The audit encompasses evaluation of the accounting principles applied and of the relevant assessments of the legal representatives as well as an appraisal of the overall presentation of the annual financial statement and the Management Report. We are of the view that our audit forms an adequately secure basis for our evaluation.

Our audit did not lead to any objections.

In our assessment, the annual financial statement conforms to the legal regulations on the basis of the findings gained through the audit and presents a true and fair view of the net worth, financial position and results of the company in compliance with generally accepted accounting principles. The Management Report is in accordance with the annual financial statement, conveys overall an accurate view of the situation of the company and represents the opportunities and risks of future development accurately.

Bremen, April 6, 2010

FIDES Treuhandgesellschaft KG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Bitter	de Witt
Auditor	Auditor

Group Management Report : :

of
BREMER LAGERHAUS-GESELLSCHAFT
–Aktiengesellschaft von 1877–

Group Management Report

Publicly owned – privately managed

As general partner for the BLG Group and a listed company, BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– has assumed management of BLG LOGISTICS GROUP AG & Co. KG. BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– has prepared the consolidated financial statement in this function.

BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– does not hold an interest in the share capital of BLG LOGISTICS GROUP AG & Co. KG and it has no right to a proportionate share of the result of the company. It receives remuneration for the liability assumed as well as for its work respectively. All limited partnership shares of BLG LOGISTICS GROUP AG & Co. KG are held by the Free Hanseatic City of Bremen – municipality of Bremen –.


Bremerhaven Container Terminal

As the holding company, BLG LOGISTICS GROUP AG & Co. KG concentrates on strategic alignment and development of the BLG Group with its three divisions, AUTOMOBILE, CONTRACT and CONTAINER. The divisions in turn are divided into nine business segments. Operational management of the business segments, including profit responsibility, is under the charge of the respective business segment management of the AUTOMOBILE and CONTRACT Divisions as well as the Group Management of EUROGATE GmbH & Co. KGaA, KG for the CONTAINER Division. The central departments of the holding company perform services Group-wide.

The BLG Group (BLG LOGISTICS GROUP) operates externally as BLG LOGISTICS. BLG LOGISTICS is a seaport-oriented logistics service provider with international networks in the operational divisions, including over 100 branch offices in Europe, North and South America, Africa and Asia.

Economic background

A major factor for the development of the BLG Group is the process of globalization, which continues to bring about an increasing international division of labor with respect to procurement, production and sales of products and commodities. Among other things, this is reflected by the fact that the annual growth rates of the worldwide logistics market are substantially higher than world economic growth as a whole. Studies demonstrate that Germany has the highest level of logistics competence in a Europe that is growing together. This competence as well as the resulting future potential are now recognized in both the economic and the political arena.

The globalization effect in particular results in increasingly complex demands placed on logistics services. The BLG Group sees itself well positioned for this development based on its clear performance profile, a streamlined corporate organization and a management structure that enables quick and customer-oriented decisions.

Export vehicles at Bremerhaven Auto Terminal

Business trend and situation of the Group

Business development of the BLG Group was hard hit by the global recession. Incoming orders and sales declined significantly in 2009. After a record profit in the previous year the Group earnings before taxes dropped to EUR 16.5 million. Within the framework of the Group's robust capital and personnel intensive business model the reduced quantities as well as the even fiercer competition, brought to bear almost exclusively through prices, exerted a decisive influence on the development of earnings. In addition, various special effects, such as restructuring expenses and impairment depreciation in the two-digit million euro range, were a burden on the net result.

World economic development in 2009 was characterized by the severest recession since the end of World War II. As a consequence of the global financial and economic crisis, the real gross domestic product declined in nearly all regions – though to an exceptionally high degree in the industrial nations. Export-dependent economies like Germany and Japan were overproportionately affected.

With the help of concerted action on the part of national banks of issue and governments it was possible to initially stabilize the global financial markets. Increased fiscal policy measures in the form of economic stimulus programs, including special short-time work schemes, above all in Germany, helped to alleviate the economic downswing in the course of the year. According to a unanimous assessment, the recession bottomed out in the second half of 2009. In spite of perceptible growth impetus to a varying degree in some regions, the world economy remains in an unstable condition.

Bremerhaven Auto Terminal

The logistics sector was not able to disengage itself from these developments. On the contrary, international trade slumped by more than 10 percent as a result of the global recession. Fears of a possible significant expansion of protectionist measures have not materialized yet. Experts at Deutsche Bundesbank (the German Central Bank) assume that the recovery in world trade which started at the end of 2009 will develop steadily and gain strength.

Against this background the BLG Group will press ahead in 2010 with the dual strategy of cost reduction and market growth pursued in the previous year.

The AUTOMOBILE Division offers all services related to finished vehicle logistics, such as cargo handling, storage, technical services as well as freight forwarding and transport logistics via rail, road, inland and coastal shipping. This means the range of logistics services from the automobile manufacturers to the end customers is complete. On the basis of this network, the leading automobile logistics specialist in Europe was able to consolidate its position in the 2009 financial year. In line with this development the division acquired another 44 percent of the shares in E.H. Harms GmbH & Co. KG Automobile-Logistics so that it now holds 94 percent of the shares.

The market for new finished vehicles was especially hard hit worldwide by the financial and economic crisis. In Germany the negative economic effect was partially compensated for by the "cash for clunkers" ("Umweltprämie") scheme. The business segment Intermodal Transport in the division's network profited from this. Overall, however, the total volume of automobiles handled by the division in 2009 declined to 4.7 million vehicles (previous year: 5.7 million units). The main reason for the decline was the lower cargo handling volume at the seaports.

BLG AutoRail

Further enlargement of the network by building up our own rail activities through BLG AutoRail GmbH and further implementation of the strategic objective of expansion in Eastern Europe form the basis for maintaining our market position as leading automobile logistics specialist in Europe.

Since 2008 BLG has been investing in procurement of its own special wagons for rail transport of vehicles. Rail shipments were previously purchased from external providers according to need, though this meant lack of a secure basis for acquisition of rail shipments. In the segment of Intermodal Transport our own railway wagons now complement the performance portfolio and constitute the foundation for expanding transport services and strengthening the network by incorporating inland terminals as rail destinations.

BLG automobile transporters

Car shipments on Rhine and Danube

BLG AutoRail GmbH operates the company's own railway wagons.

Procurement of a total of 1,275 new special wagons is earmarked by the end of 2014. This means 75 block trains will then be available. As of December 31, 2009, 266 special wagons had been put into operation.

Within the framework of our Eastern European strategy we intensified our business activities in the Ukraine by acquiring shares of BLG ViDi LOGISTICS TOW, Kiev, Ukraine.

In addition to the sea terminals in Bremerhaven, Gioia Tauro, Cuxhaven, Hamburg, Gdansk and St. Petersburg, the division also runs several terminals on the Rhine and Danube. Seven barges altogether operate there for automobile shipment – five on the Rhine and two on the Danube.

Transportation on the Danube is part of BLG's Eastern European strategy in the division since the new assembly plants of manufacturers in southeastern Europe also supply countries in Western Europe. In this context the Kelheim automobile terminal plays a key role for further distribution to the dealers in the Western European countries.

The division is also present with its logistics services in Eastern Europe – for example, in the Slovak and the Czech Republics. Moreover, an automobile terminal for regional distribution is operated in the Ukraine. Further intensification of our projects in Eastern Europe remains an element of our growth strategy in the AUTOMOBILE Division.

In 2009 the AUTOMOBILE Division attained sales of EUR 298.4 million (previous year: EUR 335.6 million). The earnings before taxes (EBT) amounted to EUR 4.2 million (previous year: EUR 22.7 million). The decline in sales would have been considerably greater without the effects of the "cash for clunkers" scheme. The drop in earnings primarily affects the seaport terminals.

Gioia Tauro automobile terminal, Italy

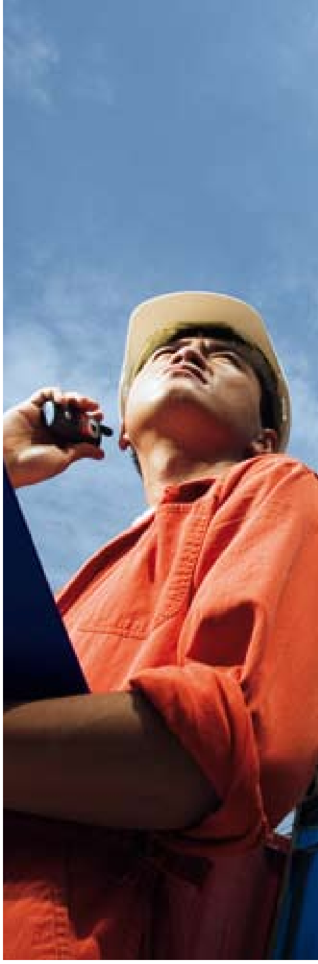
The CONTRACT Division encompasses different logistics services in the business segments Automotive, Industrial, Trade and Seaport Logistics. Contract Logistics is a very heterogeneous market in terms of its structure and complexity with correspondingly varying growth and profit prospects. While the economic crisis has impacted Trade Logistics only to a minor extent thus far, the Automotive segment has been very hard hit by the economic crisis due to the substantial dependence on the economic development of the automobile industry coupled with the dependence on a key account. In the Seaport Logistics segment fierce competition prevails, attributable to overcapacity in conventional general cargo traffic. In addition, conventional general cargo traffic, in particular in the steel and pipe sector, has suffered to a great extent from the worldwide economic crisis. In the Industrial Logistics segment BLG Logistics Solutions Adriatica S.r.l. (FIAT business in Atessa, Italy), which showed unsatisfactory results in past years, was sold to the FIAT Group on February 28, 2009.

Car parts at Bremen Logistics Center

Neustädter Hafen in Bremen

In 2009 the CONTRACT Division earned sales of EUR 231.2 million (previous year: EUR 276.2 million). The earnings before taxes (EBT) to an amount of EUR 2.0 million (previous year: EUR 8.8 million) are not satisfactory. This applies equally to the Automotive, Industrial Logistics and Seaport Logistics segments. In view of new business acquired in the past two years as well as the expected business expansion with existing customers, we envisage an increase in sales and earnings in the Trade Logistics segment for the year 2010. Efforts will be made to reduce existing dependencies in the Automotive segment by expanding business relations to other automobile manufacturers. Additional impetus is anticipated from increased sales activities and quality optimization.

The CONTAINER Division of the BLG Group is represented by half of the shares in the major joint venture EUROGATE GmbH & Co. KGaA, KG along with its participations. The latter – in some cases with partners – operate container terminals in Bremerhaven, Hamburg (both Germany), Gioia Tauro, La Spezia, Livorno, Salerno, Cagliari and Ravenna (all Italy) as well as in Lisbon (Portugal) and Tangier (Morocco). Furthermore, the EUROGATE Group is involved in terminal projects in Wilhelmshaven (Germany) and Ust-Luga (Russia). Moreover, the EUROGATE Group has an interest in several inland terminals and railway transport companies.



This division is primarily active in container handling business. The secondary services it offers include cargomodal services like distribution and storage of goods, intermodal services such as shipments of sea containers to and from the terminals, as well as repair, warehousing and trading of containers, supplemented by technical and IT services.

In spite of the persistent slump resulting from the global crisis, the container handling segment is a future-oriented market which, on the one hand, still profits from the restructuring of conventional cargo handling to containerized cargo handling and in which, on the other hand, the continued increase in international flows of goods will have a positive impact on the quantities transported and thus handled.

CT 4 at Bremerhaven Container Terminal

The strongest impetus in this context can be expected from the mounting world economic integration of the newly industrializing countries in Asia as well as Central and Eastern Europe and the related flows of commodities between Asia and Europe.

Construction of the new container terminal 4 (CT 4) in Bremerhaven was finally completed in 2009. All remaining areas are in operation. This facility will be entirely operated by an affiliated company of the EUROGATE Group.

The facility for combined transport (rail terminal) in the eastern section of CT 4 was also completely equipped and put into operation in 2009.

The operator is Rail Terminal Bremerhaven GmbH, a joint venture of the EUROGATE Group with APM Terminals Deutschland GmbH, Bremerhaven. The multimodal facility received support from Eisenbahn-Bundesamt within the scope of the “Combined Transport Directive”.

The planning approval procedure for the western expansion of the EUROGATE container terminal in Hamburg commenced at the end of August 2009. Besides complete backfilling of Petroleumhafen, plans call for immediate extension of Predöhlkai by approx. 650 m as well as creation of an additional 400 m of berths at Bubendey-Ufer. The resulting growth in area is approx. 400,000 m². Furthermore, enlargement of the turning basin in Waltershofer Hafen to a turning circle of 600 m is envisaged.

As things stand today, the project will presumably not be completed before 2016. The western expansion will lead to an increase of 1.9 million TEU in the cargo handling capacity of the EUROGATE container terminal from currently 4.1 million TEU to around 6.0 million TEU.

After the driving of the first pile for construction of the quay wall for berth 3 took place at the end of 2008, BLG awarded the contract for creation of the related container storage and cargo handling areas in the 2009 financial year. Operational use of the first sections will be possible at the beginning of the second quarter in 2010.

Hamburg Container Terminal

Modernization work on the quay walls of EUROGATE Container Terminal Hamburg GmbH started at the beginning of 2004. The overall project includes renovation of 900 m of quay walls altogether with the goal of equipping the facility for clearance of the new class of large container vessels. In 2005 berth 1 initially went into operation and then berth 2 in 2007. Modernization of the third berth marks the end of the project. Completion is scheduled for 2010. The 700 m long quay wall section has already been equipped with ten high-performance gantry cranes, all of which span 23 container rows on a ship's deck. The quay wall was shifted forward by 35 m and the harbor basin dredged to a target depth of 16.7 m.

In the 2009 financial year the EUROGATE Group acquired a 34 percent share of FLZ Hamburger Feeder Logistik Zentrale GmbH (FLZ). FLZ's mission is to optimize and accelerate clearance of feeder vessels in Hamburg and thus reduce costs for shipping companies. The aim of these efforts is to strengthen the competitiveness of the Port of Hamburg together with Hamburger Hafen und Logistik AG, which holds the remaining shares in FLZ.

In October 2009 APMT Wilhelmshaven GmbH, Bremerhaven acquired a 30 percent share of EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG, the operator of the JadeWeserPort container terminal. APMT Wilhelmshaven GmbH is an indirect 100 percent subsidiary of A.P. Møller Maersk A/S, Copenhagen, which operates the MAERSK Line, the largest container shipping company in the world. The EUROGATE Group and the A.P. Møller Maersk Group hold to construction of the JadeWeserPort container terminal despite the severe shipping crisis and thus reaffirm their commitment in Wilhelmshaven. Both partners feel construction of the JadeWeserPort container terminal is an absolutely necessary project.

The current situation in shipping, however, has induced the partners to extend the time frame for authorization of some investments. Nevertheless, implementation of the project will still take place within the framework of the terms stipulated in the operator contract. The individual project phases will be closely coordinated with JadeWeserPort Realisierungsgesellschaft.

At the end of October 2009 the EUROGATE Group made use of its right to extend the project by three months within the scope of the existing contracts. According to the adjusted schedule, start of operation is currently planned for February 5, 2012.

The construction measures carried out by OJSC Ust-Luga Container Terminal, Ust-Luga, Russia, in which EUROGATE International GmbH holds a 20 percent interest, were temporarily suspended due to the drastic fall in cargo handling volumes in the Russian market. Commissioning of the first section with a cargo handling capacity of approx. 500,000 TEU is now set for the end of 2010 at the earliest.

In Germany, Italy, Morocco and Portugal the container terminals of the EUROGATE Group handled a total of 12.5 million TEU (previous year: 14.2 million TEU), corresponding to a decline of 12.3 percent growth. At the same time container handling in Germany dropped by 18.5 percent whereas the decline for the Italian terminals turned out to be more moderate at 9.9 percent because of stronger growth in volume at the terminal in Cagliari. The cargo handling volumes in Morocco developed satisfactorily in the first full year of operation considering the difficult economic conditions and amounted to 435,575 TEU in 2009 (previous year: 64,178 TEU).

In 2009 sales fell by 17.3 percent to EUR 591.4 million (previous year: EUR 715.0 million). The decline in sales is essentially due to the decrease in the number of containers handled. This resulted in earnings before taxes (EBT) of EUR 48.0 million (previous year: EUR 128.4 million). The CONTAINER Division of the BLG Group accounts for 50 percent of that on a proportionate basis. The overproportionate drop in earnings before taxes as compared to the decline in sales, however, is primarily attributable to exceptional depreciation of intangible and tangible assets as well as high depreciation resulting from the high level of investment activities in the 2007 and 2008 financial years combined at the same time with a significant increase in financial expenses. The underproportionately lower personnel expenses result from maintenance of the core staff and at the same time a reduction in external personnel.

Earnings situation	**2009 million EUR**	**%**	**2008 million EUR**	**%**	**Change %**
Sales	818.5	100.0	962.6	100.0	-15.0
Material expenses	-309.5	-37.8	-380.3	-39.5	-18.6
Personnel expenses	-319.8	-39.1	-349.0	-36.3	-8.4
Depreciation of long-term intangible and tangible assets	-69.1	-8.4	-59.6	-6.2	15.9
Other operating expenses and income	-84.9	-10.4	-76.8	-8.0	10.4
Operating result (EBIT)	**35.2**	**4.3**	**96.9**	**10.1**	**-63.7**
Financial result	-18.7	-2.3	-13.3	-1.4	40.6
Earnings before taxes (EBT)	**16.5**	**2.0**	**83.6**	**8.7**	**-80.3**
Taxes on income	-8.5	-1.0	-9.1	-0.9	-6.6
Group net income	**8.0**	**1.0**	**74.5**	**7.7**	**-89.3**

Group sales of EUR 818.5 million declined in relation to the previous year by 15.0 percent. This is due to the impacts of the worldwide economic and financial crisis. The main components involved were varying decreases in volume in the AUTOMOBILE (-11.1 percent), CONTRACT (-16.3 percent) and CONTAINER (-17.3 percent) Divisions. If we take the breakdown of sales according to areas of activity shown in point 7 of the notes to the consolidated financial statement into account in the analysis, it becomes evident that sales in the segment of forwarding and transport services developed contrary to the other sales based on a 9.2 percent rise. This effect predominantly results from the "cash for clunkers" scheme and applies primarily to the AUTOMOBILE Division. The decline in cargo handling income of 21.6 percent mainly applies to the AUTOMOBILE and CONTAINER Divisions.

Against the background of the negative development of the overall economic conditional framework the operating result (EBIT) in the 2009 financial year declined significantly in relation to the previous year. The EBIT dropped by EUR 61.7 million to EUR 35.2 million. Correspondingly, the return on sales based on the EBIT fell to 4.3 percent (previous year: 10.1 percent). This key parameter is shown in the segment reporting for each division on page 100 f. This results in a return on sales of 11.5 percent for the CONTAINER Division while the AUTOMOBILE and CONTRACT Divisions display returns on sales of 3.5 percent and 2.3 percent respectively.

The overproportionate decline in material expenses compared to sales essentially results from the reduced expenses for external personnel.

There is a corresponding underproportionate decline in personnel expenses, which in connection with job security is primarily accounted for by the application of short-time work, the reduction in residual vacation entitlement and balances on working-time accounts as well as waivers of salary on the part of executives. Furthermore, the workforce was reduced through the sale of BLG Logistics Solutions Adriatica S.r.l. as of March 1, 2009.

The rise in depreciation of long-term intangible and tangible assets is predominantly attributable to the investments during the reporting year to an amount of EUR 77.8 million, of which EUR 48.4 million applies to the CONTAINER Division, as well as the high investment volumes of the previous years. Exceptional depreciation is contained to an amount of EUR 5.7 million (previous year: EUR 3.0 million).

The other operating income and expenses contain a result from other periods of EUR 15.5 million and a neutral result of EUR -4.9 million. Further disclosures on the result from other periods and the neutral result can be found in points 8 and 12 of the notes to the consolidated financial statement.

The financial result dropped by EUR 5.4 million in the year under review to EUR -18.7 million. This is essentially due to a EUR 4.1 million lower interest result and a EUR 1.2 million lower participation result, taking into account the depreciation of financial assets and long-term financial receivables. The decrease in the interest result in spite of the favorable interest rate level is directly related to the financing of investments in 2009 as well as refinancing of investments made in the previous years by taking out new loans. You will find further disclosures regarding the composition of the interest result in point 13 of the notes to the consolidated financial statement.

The earnings before taxes (EBT) thus diminished by 80.3 percent to EUR 16.5 million.

The taxes on income in 2009 came to EUR 8.5 million (previous year: EUR 9.1 million). The high tax expenses in relation to the lower EBT primarily results from the valuation allowance for capitalized deferred taxes on loss carry-forwards and temporary differences.

In comparison to the previous year the Group net income declined by 89.3 percent to EUR 8.0 million.

Asset and capital structure	2009-12-31 million EUR	2009-12-31 %	2008-12-31 million EUR	2008-12-31 %	Change %
Long-term assets	761.1	77.9	746.0	75.9	2.0
Short-term assets	215.9	22.1	236.3	24.1	-8.6
Assets	**977.0**	**100.0**	**982.3**	**100.0**	**-0.5**
Equity	311.8	31.9	353.8	36.0	-11.9
Long-term liabilities	360.3	36.9	295.4	30.1	22.0
Short-term liabilities	304.9	31.2	333.1	33.9	-8.5
Equity and liabilities	**977.0**	**100.0**	**982.3**	**100.0**	**-0.5**

The balance sheet amount decreased by EUR 5.3 million to EUR 977.0 million. This decline primarily results from the item short-term assets and is essentially due to the reduced business volume in the course of the worldwide economic and financial crisis and the related drop in trade receivables of EUR 6.2 million, higher liquid funds of EUR 6.5 million as well as lower other assets of EUR 20.0 million. The decrease in short-term assets compares with around EUR 15 million in net investments in long-term assets. The net investments are primarily composed of investments in intangible assets to an amount of EUR 8.4 million and investments in financial assets of EUR 3.1 million as well as changes in the entities to be consolidated with regard to tangible fixed assets to an amount of EUR 9.9 million. Countereffects resulted from disinvestments of tangible fixed assets to an amount of EUR 2.8 million and disinvestments of long-term financial receivables to an amount of EUR 1.1 million as well as a reduction in deferred tax assets of EUR 4.0 million. The other changes apply to a rise in the other long-term assets in addition to transfers and currency translation differences to an amount of EUR 0.5 million. You will find further information on the composition of the investments and changes in the entities to be consolidated in the notes to the consolidated financial statement under points 21 to 23 as well as 6 q. As of the closing date, 88.3 percent (previous year: 87.0 percent) of the long-term assets were financed by long-term capital.

The equity dipped by EUR 42.0 million to EUR 311.8 million. The decrease essentially results from equity-reducing dividend payments to an amount of EUR 34.8 million coupled at the same time with a decline in the Group net income in the reporting year to EUR 8.0 million. Furthermore, acquisition of shares from a minority shareholder and the losses from previous years taken over in this connection contributed to the reduction in equity. The development of equity is shown in detail in the statement of changes in equity. Further disclosures in this connection are provided in the notes to the consolidated financial statement. Compared to the previous year, the equity ratio as of December 31, 2009 dropped to 31.9 percent (previous year: 36.0 percent).

With the exception of the long-term loans from banks, other long-term loans of third parties and liabilities from finance leasing, there are no significant differences between the carrying amounts and applicable fair values of the assets and liabilities.

million EUR	Carrying amount 2009-12-31	Fair value 2009-12-31	Carrying amount 2008-12-31	Fair value 2008-12-31
Long-term loans	241.5	245.0	211.0	214.7
Liabilities from finance leasing	72.3	74.7	51.8	53.8
Total	**313.8**	**319.7**	**262.8**	**268.5**

A detailed list of the applicable fair values of the financial assets and liabilities is contained in point 41 of the notes to the consolidated financial statement.

Off-balance-sheet financial instruments and assets not reported

Apart from the customary operating leases, including the leaseholds and quay use rights granted to the Group, the BLG Group does not employ any off-balance-sheet financial instruments that have a significant impact on the asset, financial and earnings situation of the Group either at present or in the future. In particular, there are no special purpose entities included in the consolidated financial statement. Further details on the operating leases as well as the leaseholds and quay use rights are provided in points 42 and 46 of the notes to the consolidated financial statement.

Net debt	2009-12-31 million EUR	2008-12-31 million EUR
Long-term loans	180.9	170.4
Other long-term financial liabilities	96.0	57.5
Short-term financial liabilities	169.5	177.8
Financial debt	**446.4**	**405.7**
Long-term financial liabilities	-9.0	-10.1
Cash and cash equivalents	-35.9	-29.5
Net debt	**401.5**	**366.1**

The significant increase in net debt by EUR 35.4 million to EUR 401.5 million in the 2009 financial year is primarily attributable to financing of investments in 2009 and refinancing of investments in the previous years by taking out new loans to an amount of EUR 74.2 million and by way of leasing to an amount of EUR 27.5 million. This compares with repayment of loans to an amount of EUR 43.7 million and repayment of leasing liabilities to an amount of EUR 7.1 million as well as a rise in cash and cash equivalents of EUR 6.5 million.

Furthermore, the Group had unused current account credit lines of around EUR 73 million (previous year: around EUR 57 million) as of December 31, 2009.

Thus liquidity bottlenecks neither exist at present nor are they anticipated in the near future.

Key balance sheet and financial figures

			2009 %	2008 %
Return on sales (%)	$\frac{\text{operating result (EBIT)}}{\text{sales}}$	=	**4.3**	10.1
Capitalization ratio (%)	$\frac{\text{tangible and intangible assets}}{\text{assets}}$	=	**72.1**	70.1
Equity-to-fixed-assets ratio (%) (golden balance sheet rule)	$\frac{\text{equity and long-term liabilities}}{\text{assets}}$	=	**90.0**	89.3
Working capital ratio (%)	$\frac{\text{short-term assets}}{\text{short-term liabilities}}$	=	**70.8**	70.9
Equity ratio (%)	$\frac{\text{equity}}{\text{balance sheet total}}$	=	**31.9**	36.0
Return on equity (%)	$\frac{\text{earnings before taxes (EBT)}}{\text{avg. equity}}$	=	**5.0**	24.8
Total return on equity (%)	$\frac{\text{operating result (EBIT)}}{\text{avg. assets}}$	=	**3.6**	10.7
Personnel cost rate [1] (%)	$\frac{\text{personnel expenses and expenses for external personnel}}{\text{sales}}$	=	**46.3**	46.7

[1] In contrast to the calculation in the previous year, the personnel cost rate includes not only the expenses for the company's own staff, but also the expenses for external personnel in order to show more clearly the personnel intensity of the services.

Employee at BLG Logistics Inc., USA

Appropriation of net income of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–

According to German law, the basis for distribution of a dividend is the balance sheet profit. In its annual financial statement for the 2009 financial year (HGB) BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– reports a balance sheet profit of EUR 960,000 (previous year: EUR 1,536,000). The Board of Management, in conjunction with the Supervisory Board, will propose to the Annual Shareholders' Meeting on June 3, 2010 that a dividend of EUR 0.25/share (previous year: EUR 0.40/share) on the share capital eligible for dividends to an amount of EUR 9,984,000, corresponding to 3,840,000 registered shares, be paid out from the balance sheet profit. The solid dividend policy of the previous years is thus continued. Based on the year-end closing price of EUR 7.58, the dividend yield is 3.3 percent.

Employees

Our employees are important for our success. Through their qualifications, performance and commitment they determine the viability and competitiveness of the BLG Group. For this reason we want to win over, develop and keep the best employees. We do this, for example, through performance-oriented pay, targeted further training opportunities and measures to ensure the compatibility of career and family.

The number of persons employed in the Group – excluding members of the Board of Management – determined in accordance with Section 267 no. 5 HGB (annual average) is shown below:

	2009	2008	Change %
AUTOMOBILE	2,077	2,023	+2.7
CONTRACT	1,787	2,046	-12.7
CONTAINER	1,939	1,862	+4.1
Services	126	122	+3.3
Total	**5,929**	**6,053**	**-2.0**

The number of persons employed in the Group – excluding members of the Board of Management – as of the balance sheet date is as follows:

	2009-12-31	2008-12-31	Change %
AUTOMOBILE	2,062	2,080	-0.9
CONTRACT	1,667	2,181	-23.6
CONTAINER	2,005	2,033	-1.4
Services	124	124	0.0
Total	**5,858**	**6,418**	**-8.7**

In comparison to the balance sheet date in the previous year the number of persons employed in the Group dropped by 560 employees (-8.7 percent). This change results primarily (344 employees) from the sale of the Italian subsidiary BLG Logistics Solutions Adriatica S.r.l. in the CONTRACT Division in 2009. Adjusted for this, the calculated decline in employment is 3.4 percent.

Trainee at BLG AutoTec, Bremerhaven

Against the background of the poor overall economic development the number of employees in the BLG Group dropped moderately. The goal of extensive employment security was achieved by means of various human resources policy instruments. The most important human resources policy instrument was short-time work, supplemented by a reduction in balances on working-time accounts as well as residual vacation entitlement. In addition, the employment of external personnel was substantially restricted. Furthermore, the senior executives waived 5 percent of their fixed pay and additionally 30 to 50 percent of their variable remuneration.

Training of young persons was maintained at a high level. Traditionally great importance is attached to giving young people the opportunity of vocational training in the BLG Group. With 344 trainees in the year under review the company again achieved a high training rate of around 6 percent.

The CONTAINER Division continued to take part in the "Training offensive for long-term unemployed persons in port logistics", established jointly by the Central Association of German Seaport Operating Companies, the Federal Employment Agency and the Federal Ministry of Transportation in 2007. The objective of the training offensive is to meet the future requirements for skilled workers. To achieve this, further professionalization of the port occupations is effected on the basis of a qualitatively uniform and longer training period (with final examination). In this connection the company makes use of the services of the northern German educational institution "ma-co" (maritime competence center) with locations in Hamburg, Bremen, Bremerhaven and Wilhelmshaven.

We have maintained our further training program at a high level even in an economically different environment. In employee talks we define the development and further training needs of the staff on an annual basis. In addition to seminars and workshops, we offer an extensive range of courses for autonomous learning. The demand on the part of our staff for such courses confirms the appropriateness of our long-term approach.

Corporate Governance

Declaration on corporate management

The disclosures concerning Corporate Governance in accordance with Section 315 of the German Commercial Code (HGB) have been examined by the consolidated financial statement auditor. To avoid duplication, they will be reported elsewhere in the Annual Report together with the unreviewed declaration on corporate management in accordance with Section 289a HGB; see pages 37 ff. in this connection.

Disclosures relevant to takeovers in accordance with Section 315 (4) HGB

Disclosures relevant to takeovers are provided in the Corporate Governance report on pages 41 ff.

Remuneration report

The remuneration report in accordance with Section 315 (2) no. 4 HGB is contained in the Corporate Governance report on pages 44 ff.

Research and development

The company's business model does not require research and development.

Supplementary report

No events of special important have occurred to date.

Sustainability report

For some time now the logistics sector, too, has been focusing on protecting the environment and operating in a sustainable manner. This field is called "green logistics" and means for the transportation sector, for instance, reducing air and noise pollution and producing according to energy efficiency criteria. Sustainable management is the core of our corporate policy. We constantly work on creating and reinforcing an awareness of the successful interplay of economy and ecology. The following examples illustrate our sustainable activities.

About a third of the finished vehicles in Europe are currently transported via rail. Consequently car shipments can be carried out in an environmentally sound and at the same time very economical fashion – because of the high volume per unit. Besides reduction of CO_2 emissions and sustainable handling of resources, protection of human health is also considered to be an aspect of "green logistics". Our BLG AutoRail wagons have a number of benefits in this respect.

Transport securing device at BLG AutoRail

These railway wagons are equipped with specific brake shoe inserts made of composite materials. They make is possible to reduce the noise emission of wagons by four to five decibels. Further developments on the wagons in the meantime have made them another two decibels quieter. The official figure is sustainably below the limit of 82 decibels. In the coming months the "Whisper Train" project will work on making the wagons even quieter.

Moreover, all BLG AutoRail wagons are provided with special stop block rails. These are very back-friendly in comparison to other types of stop blocks available on the market and have been well received by shippers. They can be shifted sideways without great effort and can easily be locked in place using the foot by means of a tilting mechanism.

In the CONTAINER Division a district heating power station with an efficiency of 90.6 percent has been in operation at the terminal in Bremerhaven since 1987. Through this in-house generation of energy the company saves more than 50 percent in primary energy compared to conventional power generation. To heat offices and workshops, furthermore, BLG operates a wood chip-fired heating plant, which in part converts chopped stowage wood residues into heat, at both the Bremerhaven and the Hamburg location. In this way a waste product is used to produce energy and, at the same time, a regenerative raw material.

Arrival of new gantry cranes in Bremerhaven

The biggest electricity consumers in terminal business are gantry cranes, which utilize the energy very efficiently by means of an intelligent technology. The lowering and braking of the lifting gear results in excess kinetic energy. Normally this "surplus" energy is given off into the atmosphere as waste heat. The energy recovery technology implemented in the gantry cranes generates current out of this kinetic energy and transfers it back into the power system where it is again available to other electrical loads. Altogether the gantry cranes return 20-25 percent of the consumed electricity to the power system, corresponding to annual CO_2 savings of 4,000 t.

Sunset at the Bremerhaven Container Terminal

Shipment of vintage cars via Bremerhaven

Opportunity and risk report

Opportunity and risk management

Entrepreneurial action involves opportunities and risks. Responsible handling of potential opportunities and risks is an integral element of solid corporate management in the BLG Group. Our opportunity and risk policy endeavors to increase the goodwill without taking unreasonably high risks.

To achieve our goals, such as the earnings before taxes (EBT) or return on capital employed (ROCE), the diverse spectrum of our logistics service processes requires early identification of opportunities as well as potential risks. The key elements of the opportunity and risk management system are therefore the planning and controlling process, the in-Group code and the reporting system. At the same time we give special consideration to opportunities and risks linked to strategic decisions, markets, operational business, financing and liquidity.

The basic principles of risk management at the BLG Group are documented in a directive. In the divisions and units of the holding company Risk Officers were appointed at the management level as well as Risk Management Coordinators to ensure an efficient risk management system. The Group Controlling Department is responsible for coordinating Group-wide acquisition and documentation of risk field data and for further developing the risk management system.

Our Internal Auditing Department is integrated into risk communication as a process-independent monitoring body within the BLG Group.

Furthermore, the auditors evaluate the efficiency of the early risk identification system and report regularly on the result of their audits to the Board of Management and Supervisory Board. The risk management system undergoes a continuous improvement process.

Description of the essential features of the internal control and risk management system with respect to the accounting process

Definition of terms and elements of the internal control and risk management system

In terms of accounting, the internal control system of the BLG Group comprises all basic principles, procedures and measures for ensuring correct and proper reporting, processing and representation of corporate and balance sheet data in the accounting system according to legal provisions. The goal is to avoid major inaccuracies in bookkeeping and external reporting.

Since the internal control system represents an integral part of risk management, it is described in summary form.

Elements of the internal control system form the internal controlling and monitoring system. The Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– has assigned responsibility for the internal control system primarily to the Controlling, Finance and Accounting Departments.

The internal monitoring system encompasses checks integrated into the accounting process as well as process-independent checks. The process-independent checks mainly include the cross-check principle and IT-aided checks, but also the incorporation of internal departments, such as the Legal or Tax Department, as well as external experts.

Process-independent checks are carried out by the Internal Auditing and Quality Management Departments as well as by the Supervisory Board, in the latter case primarily by the Audit Committee. The Audit Committee examines in particular company and Group accounting, including reporting. Other focal points of the Audit Committee are the risk situation, further development of risk management and questions of compliance. This also embraces the effectiveness of the internal control system.

Furthermore, external auditing bodies, such as the financial statement auditor or the tax auditor, also carry out process-independent auditing activities. With regard to the accounting process, the audit of the annual and consolidated financial statement by the balance sheet auditor constitutes the main element of the process-independent review.

Pre-delivery inspection in Bremerhaven

Car terminal in St. Petersburg

Accounting-related risks

Accounting-related risks may, for example, arise from conclusion of unusual or complex transactions or from processing of non-routine transactions.

Latent risks also result from discretionary powers in connection with recognition and measurement of assets and liabilities or from the influence of estimates in connection with the annual financial statement, such as with provisions or contingent liabilities.

Process of accounting and measures to ensure adequacy

Accounting-related reporting of business transactions in the individual financial statements of the subsidiaries of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– essentially takes place using the standard software SAP R/3. The SAP consolidation module EC-CS is applied to prepare the consolidated financial statement. The individual financial statements of the companies included, after adaptation to the generally accepted international accounting principles as required, are summarized in this process. Foreign subsidiaries are included via standardized, Excel-based reporting packages that are transferred to the EC-CS consolidation system by means of flexible upload. This involves a standard interface in SAP.

To guarantee consistent accounting and measurement within the Group, BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– has published balance sheet directives for accounting in accordance with the International Financial Reporting Standards (IFRS) in which, in addition to general principles, basic accounting and measurement principles and methods as well as rules regarding the income statement, consolidation principles and special topics are treated. To implement consistent, standardized and efficient bookkeeping and accounting, guidelines on consistent allocations to accounts within the Group were drawn up. In addition to that, a manual on the notes to the financial statements and Management Report is available that enables consistent harmonization of the sets of accounting figures.

Impairment tests for the cash-generating units of the Group are conducted centrally. This ensures application of consistent and standardized measurement criteria. The same applies to definition of the parameters to be applied to measurement of provisions for pensions and other provisions based on expert opinions.

In preparation for liability consolidation internal balance reconciliations are carried out regularly so as to be able to clarify and eliminate any differences at an early stage. Besides system-based validation of the reporting data from the individual financial statements, the reporting packages are checked for plausibility at the Group level and adjusted as necessary.

The disclosures for the notes to the financial statement are essentially developed from the EC-CS consolidation system and supplemented by further information from the subsidiaries.

Restrictions

The internal control and risk management system serves to ensure adequacy of accounting as well as compliance with the key legal provisions.

The effectiveness of the internal control and risk management system may, however, be restricted by discretionary decisions, erroneous checks or fraud in such a way that the installed systems cannot ensure absolute security for the identification and control of risks.

Opportunities and risks of future development

Opportunities

As an international corporate group with three divisions, BLG is subject to diverse developments on the various national and international markets. On the basis of the business development described in this report and the corporate situation, there are various potential opportunities within the given conditional framework. The effects arising from a sustained positive development of the economy are of paramount importance in this context.

We want to take optimum advantage of the opportunities available to us in the different fields of activity in the future as well.

The basis for this is our unique network as well as the innovative range of intermodal services offered by the AUTOMOBILE Division. Moreover, we expect largely long-term business success from the targeted broadening of our marketing and sales activities in Eastern Europe.

The established business model in the Trade Logistics segment opens up extensively noncyclical sales and acquisition opportunities in the CONTRACT Division. On the basis of our logistics expertise and by exploiting the location-based advantage of quay facilities with a water depth adequate for seagoing vessels in the northwest range, we are developing the growth-oriented field of offshore wind energy together with partners.

We anticipate major opportunities for the CONTAINER Division through further development of the terminal network consisting of seaport and inland terminals in combination with intermodal business activities.

Continuous evaluation of additional potential opportunities takes place in all divisions. It is an elementary part of our current dual strategy composed of cost reduction on the one hand and market growth on the other. The BLG 2010 project set up in this connection is in the implementation phase. The financial resources necessary for this are available.

Risks

Given positive development, all risks described in the following contrast with corresponding opportunities.

To counteract possible risks that may arise particularly from the diverse provisions and regulations of tax, competition, cartel, capital market and environment law, the BLG Group supports its decisions and shaping of business processes through comprehensive legal consulting provided by in-house experts as well as qualified external experts. If legal risks are based on past circumstances, the balance sheet provisions necessary for this purpose are established and their appropriateness is reviewed at regular intervals.

Due to the high personnel intensity and capitalization of our logistics services, there are fundamental risks in terms of a high fixed cost burden based on inadequate utilization of equipment and human resources capacity.

Deepening of the navigation channel of the Outer Weser and River Elbe is urgently necessary in order to secure and position German ports in the northern range. Should one or the other or both of these measures fail or be delayed significantly, this may have significant negative impacts on the future development of the CONTAINER Division.

Furthermore, full expansion of the Kiel Canal (consistent deepening by one meter, including adjustments to passing places, curves and locks) is extremely important. Because of the geographic proximity of the Hamburg Port to the Baltic Sea region, a large portion of the container flows of the states bordering the Baltic Sea take place in the form of transshipment traffic via Hamburg. As a rule, this traffic runs through the Kiel Canal based on time, cost and distance advantages. However, the Kiel Canal is increasingly reaching its limits because of the mounting size of the feeder vessels involved in Baltic Sea traffic. If feeder services can no longer operate via the Kiel Canal, they have to take the significantly longer route via Skagen. This would lead to a loss of the natural competitive advantages of German ports over the western ports. A substantial risk of losses in quantity would thus result at our container terminals. To this extent it is urgently necessary to enhance the capacity of the Kiel Canal so it can efficiently handle the shipping flows between the North and

Baltic Sea in future, too. According to current expansion planning, approval for traffic by the beginning of 2018 is feasible.

A reinforcing factor regarding market risks is the fact that additional new port capacity will be available in the northern range in the next three to four years (JadeWeserPort Wilhelmshaven, Maasvlakte II Rotterdam). This enlargement of terminal capacity may lead to changes in cargo flows and customer structure and thus also negatively influence the rate structure and amount. This applies in particular to feeder traffic.

It must also be expected that consolidation in the container shipping sector will advance further, especially because of the losses of the shipping companies. The impacts of market concentration on the consortium, service and volume structure are currently not foreseeable in detail. In principle, the market power of the remaining consortiums/shipping companies, and thus the revenue pressure, increases due to consolidation. On the other hand, an increase in the size of consortiums/shipping companies makes it difficult to change to another container terminal.

The drastic drop in sea freight rates related to declining cargo handling volumes and persistent growth in container vessel capacity have triggered economic problems for a large number of container lines/shipping companies. We are observing this development with a critical eye.

It is imperative for the AUTOMOBILE Division to continue targeted observation of competition with automobile terminal operators at the Western European ports. As a consequence of the takeover of the high-performance terminals Vrasene Dock in Antwerp and Bastenaken Kai/Northern Inlet in Zeebrügge by the world's biggest ro-ro shipping company, NYK from Japan, in the 2006 financial year, a new situation came into being in this context that may still involve considerable risks. This applies especially to the shifting of import volumes from the Far East and to the price structure at our Bremerhaven seaport terminal. Based on our many years of cooperation with ro-ro shipping company NYK on a foundation of trust as well as our current cooperation in Europe and South Africa, we also see opportunities in this connection.

Encounter in the mouth of the Weser

Expansion of Kaiserschleuse in Bremerhaven

The contractually agreed prices coupled with the unchanged increase in competitive pressure for this location necessitate extensive productivity improvements and cost reductions on a long-term basis.

Due to the increasing shareholdings of shipping companies in seaport terminals on the Baltic Sea in Scandinavia, shifts in transshipment volumes at the expense of the Bremerhaven seaport terminal may occur as a consequence of internal optimization on the part of shipping companies.

Loss or shutdown of the Nordschleuse lock facility in the seaport of Bremerhaven may jeopardize the location. To this extent, extremely great importance is attached to rebuilding the Kaiserschleuse facility as an additional lock for car carriers with scheduled completion in 2010. However, the operator of Nordschleuse, bremenports GmbH & Co. KG, guarantees brief downtimes for the worst case.

Immissions typical of ports, such as paint spray mist and soot particles, result in massive recourse claims on the part of manufacturers and marine insurance companies at the very least. In the future, too, we will continue to make every possible effort to avoid such pollution – caused by external parties – through preventive action without being able to completely rule out this risk.

The development of the AUTOMOBILE Division will depend on diverse market aspects in 2010, too. Market risks result, for instance, from the overall economic situation, the continuing structural crisis in the European automobile industry, rapidly falling registrations of new vehicles after the expiration of the "cash for clunkers" scheme in Germany and the massive business slump in Eastern Europe.

Furthermore, it is possible that additional costs in the transportation sector due to price rises in the international crude oil markets, tolls and increased fiscal burdens cannot be passed on directly to our clients, thus affecting income.

Due to intense customer loyalty, particularly with some major clients, it is imperative to constantly place special focus in various business segments of the CONTRACT Division on customary but short contract periods, very demanding terms of contract, possible changes in economic developments and on the demand and product lifecycles as well as on concentration trends in the markets.

To minimize personnel risks in connection with demographic change in society, the age structure, the qualifications and fluctuation of the workforce, BLG coordinates and implements recruitment of qualified staff, for instance in close coordination with educational and further training institutions, and pursues a comprehensive staff development policy from initial training for those entering the labor market for the first time to training for long-term unemployed persons.

This necessarily long-term staff development holds certain personnel cost risks for the case that medium-term business development does not proceed as planned. However, flexibility is achieved among blue-collar workers by means of the GHB pool of employees (Gesamt-Hafen-Betriebe in Bremen and Hamburg) and other temporary workers. To a certain extent this makes it possible to adapt personnel needs to business development.

The competition among companies for qualified human resources is intensifying increasingly. To secure and strengthen our position in this context, we emphasize the attractiveness of the BLG Group as an employer through our personnel management activities and strive to bind the skilled and executive staff to the Group on a long-term basis. In addition to performance-oriented pay and progressive social benefits, we place special focus here on the broad prospects in the BLG Group through trainee programs, interdisciplinary career paths, opportunity of assignment in different affiliated companies as well as attractive further training courses. We minimize risks due to staff fluctuation by means of suitable substitute arrangements and early successor planning.

A key factor for the success of our logistics and service processes is information technology. The systems have to be accessible and ready for operation at all times, unauthorized data access and manipulation must be ruled out and we have to ensure that new software is delivered on time without any defects. Our services require the use of constantly updated or even newly developed software. Nevertheless, it is never possible to completely rule out delays and deficient functionality in connection with the creation and initial operation of new, complex applications. Efficient project management – from the concept to introduction – reduces this risk. We expect only minor impacts on individual business segments in this regard.

GHB employee at Bremen Logistics Center

Currently no strategic or operational risks to continuity of operations and to the future development of our Group can be identified on the basis of an overall analysis.

Financial risks

The disclosures on the management of financial risks were reviewed by the consolidated financial statement auditor. To avoid duplication, they are presented in point 41 of the notes to the consolidated financial statement.

At present no major financial risks are discernible in the BLG Group.

Other risks

As a service enterprise, we do not carry out any research and development in the strict sense and thus cannot report on any major risks in this field.

Other risks that may negatively influence the development of the Group in the long run are currently not discernible. Potential risks to continuity of operations, such as overindebtedness, insolvency or other risks with a special influence on the asset, financial and earnings situation, do not exist at present.

The main risks for the Group result from the worldwide financial crisis, which still persists to some extent, and its impacts on the real economy.

No risks, either individually or in their entirety, jeopardizing the continuity of company operation and existence were discernible for the Group in the past financial year. Such risks do not pose a threat in the near future either.

Bremerhaven Auto Terminal

Overall statement on expected development of the company – evaluation from the Management's perspective –

The economic prospects for the 2010 financial year remain fraught with great uncertainty based on the continuing financial, economic and shipping crisis. To this extent it is difficult to make any forecasts about the further economic trend and its impacts on our Group.

After the severe recession the world economy stabilized in the second half of 2009. For 2010 we reckon with a slow recovery of economic activity in all divisions.

In view of the forecast economic conditional framework we anticipate that our sales in 2010 will remain roughly at the previous year's level in spite of improved capacity utilization. Based on economic prospects and expected lower margins, we consistently continue to pursue our efficiency enhancement and restructuring programs and adapt our investment projects to the current market conditions.

Within the framework of our dual strategy we are boosting our acquisition activities to develop new markets and win over new clients.

We expect that the Group earnings before taxes (EBT) will end up slightly above the previous year's level in 2010. As of 2011, we anticipate a significant rise in sales and earnings before taxes for all divisions based on the assumed recovery of the world economy as well as the cost reduction and restructuring measures that will take full force then.

Even in economically very difficult times we want to offer our shareholders an attractive dividend yield. We continue to target an annual increase in the dividend, but plan at least to maintain it at the level of the previous year.

Apart from historical financial information, this annual report contains future-oriented statements on the development of business and earnings of the BLG Group that are based on assessments, forecasts and expectations and are characterized by formulations such as "assume" or "expect" and similar expressions. These statements may naturally deviate from actual future events or developments. We do not assume any obligation to update the future-oriented statements in view of new information.

Consolidated Financial Statement : :

of
BREMER LAGERHAUS-GESELLSCHAFT
–Aktiengesellschaft von 1877–

Consolidated Income Statement
from January 1 to December 31, 2009

		Notes	2009 TEUR*	2008 TEUR*
1.	Sales	7	818,460	962,633
2.	Other operating income	8	67,570	75,812
3.	Cost of materials	9	-309,498	-380,258
4.	Personnel expenses	10	-319,813	-349,029
5.	Depreciation of long-term intangible fixed assets and tangible fixed assets	11	-69,127	-59,580
6.	Other operating expenses	12	-152,390	-152,599
7.	Income from long-term financial receivables	13	441	567
8.	Other interest and similar income	13	1,802	2,960
9.	Interest and similar expenses	13	-22,737	-19,909
10.	Income from long-term equity investments in associated enterprises	14	763	2,194
11.	Income from other long-term equity investments and affiliated companies	14	1,052	1,077
12.	Depreciation of financial assets and long-term financial receivables	15	0	-250
13.	**Results before taxes**		**16,523**	**83,618**
14.	Taxes on income	16	-8,489	-9,075
15.	**Group net income for the financial year**		**8,034**	**74,543**
The Group net income is allocated as follows:				
	BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–		920	2,962
	BLG LOGISTICS GROUP AG & Co. KG		1,739	63,277
	Other minorities		5,375	8,304
			8,034	**74,543**
Earnings per share (diluted and undiluted)		17	**EUR 0.24**	**EUR 0.77**
Dividend of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–		18	**EUR 0.25**	**EUR 0.40**

* TEUR (thousand EUR)

Consolidated Statement of Income and Accumulated Earnings

from January 1 to December 31, 2009

		Notes	2009 TEUR *	2008 TEUR*
1.	**Group net income**		**8,034**	**74,543**
Earnings and expenses reported directly in equity				
2.	Currency translation		863	-784
3.	Change in measurement of derivative financial instruments		-179	-5,480
4.	Change in measurement of derivative financial instruments of associated enterprises		-70	-68
5.	Income taxes on other comprehensive income	20	24	856
6.	**Total earnings and expenses reported directly in equity**	19	**638**	**-5,476**
7.	**Total result**		**8,672**	**69,067**
Of the other income for the year, the following amounts are allocated to:				
	BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–		920	2,962
	BLG LOGISTICS GROUP AG & Co. KG		2,201	57,801
	Other minorities		5,551	8,304
			8,672	**69,067**

* TEUR (thousand EUR)

Consolidated Balance Sheet : : as of December 31, 2009

Assets	Notes	2009-12-31 TEUR*	2008-12-31 TEUR*
A. Long-term assets			
I. Intangible fixed assets	21		
1. Goodwill		12,720	4,800
2. Other intangible fixed assets		9,234	10,048
3. Prepayments on account of intangible fixed assets		13,381	11,820
		35,335	**26,668**
II. Tangible fixed assets	22		
1. Land, land rights and buildings, including those on third-party land		357,070	330,641
2. Technical equipment and machinery		266,313	250,327
3. Other equipment, operating and office equipment		22,245	22,229
4. Prepayments and assets under construction		23,835	58,927
		669,463	**662,124**
III. Long-term financial assets	23		
1. Shares in affiliated companies		492	406
2. Shares in associated enterprises, reported at equity		39,388	35,753
3. Other financial assets		1,924	2,037
		41,804	**38,196**
IV. Long-term financial receivables	24	8,978	10,053
V. Other long-term assets		576	31
VI. Deferred taxes	16	4,963	8,940
		761,119	**746,012**
B. Short-term assets			
I. Inventories	25	11,015	10,374
II. Trade receivables	26	129,421	135,636
III. Other assets	26	39,287	59,254
IV. Refund claims from taxes on income	27	266	1,551
V. Cash and cash equivalents	28	35,933	29,457
		215,922	**236,272**
* TEUR (thousand EUR)		**977,041**	**982,284**

Equity and liabilities

	Notes	2009-12-31 TEUR*	2008-12-31 TEUR*
A. Equity	29		
I. Capital of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– included			
1. Subscribed capital		9,984	9,984
2. Revenue reserves			
a. Legal reserves		998	998
b. Other revenue reserves		3,777	3,817
3. Balance sheet profit		945	1,521
		15,704	**16,320**
II. Minority shares			
1. Capital of BLG LOGISTICS GROUP AG & Co. KG included			
a. Limited liability capital		51,000	51,000
b. Capital reserves		50,182	50,182
c. Revenue reserves		138,455	95,390
d. Balance sheet profit		11,828	57,542
e. Foreign currency adjustment items		-55	-569
f. Reserves from fair value measurement of financial instruments		-2,917	-2,692
g. Balance sheet result of companies included		-35,447	19,158
		213,046	**270,011**
2. Equity of other minorities			
a. Hybrid equity		78,010	78,010
b. Other minorities		5,001	-10,571
		296,057	**337,450**
		311,761	**353,770**
B. Long-term liabilities			
I. Long-term loans (excluding short-term share)	30	180,890	170,361
II. Other long-term financial liabilities	31	96,013	57,531
III. Deferred government grants	32	20,215	14,111
IV. Other long-term liabilities	35	9,487	4,018
V. Long-term provisions	33	48,968	47,086
VI. Deferred taxes	16	4,782	2,298
		360,355	**295,405**
C. Short-term liabilities			
I. Trade payables	34	58,467	86,500
II. Short-term financial liabilities	31	169,462	177,767
III. Short-term share for government grants	32	1,379	982
IV. Other short-term liabilities	35	49,727	46,124
V. Liabilities on taxes on income	36	10,531	12,025
VI. Short-term provisions	37	15,359	9,711
		304,925	**333,109**
		977,041	**982,284**

Segment Reporting

(in TEUR*)	AUTOMOBILE 2009-12-31	AUTOMOBILE 2008-12-31
Sales		
with external third parties	**298,402**	**335,616**
Inter-segment sales	120	111
EBITDA	21,909	38,930
Depreciation	-11,374	-10,298
EBIT	**10,535**	**28,632**
in % of sales	*3.5 %*	*8.5 %*
Interest income	233	866
Depreciation of financial assets	0	0
Interest expenses	-6,437	-7,592
Result from companies included at equity	-204	690
Result from other long-term equity investments	52	54
Segment result (EBT)	**4,179**	**22,650**
Other information		
Other non-cash-related items	-251	-74
Included in segment result		
Income not relating to this period	9,147	6,253
Expenses not relating to this period	-4,011	-775
Impairments	-263	0
Shares in associated enterprises and other companies included at equity	9,386	9,615
Segment assets	245,990	223,296
Investments in long-term intangible fixed assets and tangible fixed assets	21,032	43,716
Segment liabilities	152,199	141,257
Equity	57,680	53,092
Employees	2,077	2,023

* TEUR (thousand EUR)
[1] The number of employees relates to companies included on proportionate basis (50 percent).
[2] Changes in the previous year's figures were made in the CONTRACT segment and in the reconciliation to the Group in accordance with IAS 8.42.

CONTRACT 2)		CONTAINER		Reconciliation 2)		GROUP	
2009-12-31	2008-12-31	2009-12-31	2008-12-31	2009-12-31	2008-12-31	2009-12-31	2008-12-31
231,200	**276,247**	**295,699**	**357,491**	**-6,841**	**-6,721**	**818,460**	**962,633**
984	600	5,737	6,010	-6,841	-6,721	**0**	**0**
21,555	30,267	74,824	101,329	-13,959	-13,966	**104,329**	**156,560**
-16,161	-16,643	-40,794	-31,861	- 798	-778	**-69,127**	**-59,580**
5,394	**13,624**	**34,030**	**69,468**	**-14,757**	**-14,744**	**35,202**	**96,980**
2.3 %	*4.9 %*	*11.5 %*	*19.4 %*	*n/a*	*n/a*	***4.3 %***	***10.1 %***
1,012	1,273	668	1,458	330	-71	**2,243**	**3,526**
0	-250	0	0	0	0	**0**	**-250**
-6,065	-7,539	-10,742	-7,415	507	2,637	**-22,737**	**-19,909**
1,579	1,656	-863	-289	251	137	**763**	**2,194**
37	42	911	981	52	0	**1,052**	**1,077**
1,957	**8,806**	**24,004**	**64,203**	**-13,617**	**-12,041**	**16,523**	**83,618**
-126	389	-103	0	205	0	**-275**	**315**
8,265	8,739	1,273	1,784	3,722	2,942	**22,407**	**19,718**
-1,460	-2,101	-541	-571	-855	-320	**-6,867**	**-3,767**
-1,447	-1,211	-4,018	-1,787	0	0	**-5,728**	**-2,998**
3,251	1,668	23,944	21,651	2,807	2,818	**39,388**	**35,752**
189,125	204,735	478,561	469,681	18,748	38,329	**932,424**	**936,041**
4,722	7,475	48,402	119,019	3,669	515	**77,825**	**170,725**
100,094	106,864	128,224	167,294	-64,384	-61,878	**316,133**	**353,537**
13,784	17,709	207,549	190,859	32,748	92,110	**311,761**	**353,770**
1,787	2,046	1,939[1)]	1,862[1)]	126	122	**5,929**	**6,053**

Consolidated Statement of Changes in Equity

(in TEUR*)	I. Capital of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– included			
	Subscribed capital	Revenue reserves	Balance sheet profit	Total
As of December 31, 2007	**9,984**	**3,389**	**1,521**	**14,894**
Changes in financial year				
Group net income	0	1,426	1,536	2,962
Earnings and expenses reported directly in equity	0	0	0	0
Total result	0	1,426	1,536	2,962
Dividends/withdrawals	0	0	- 1,536	- 1,536
Contribution to capital	0	0	0	0
Other changes	0	0	0	0
As of December 31, 2008	**9,984**	**4,815**	**1,521**	**16,320**
Changes in financial year				
Group net income	0	0	920	920
Earnings and expenses reported directly in equity	0	0	0	0
Total result	0	0	920	920
Dividends/withdrawals	0	0	- 1,536	- 1,536
Contribution to capital	0	0	0	0
Control-preserving acquisitions of shares	0	0	0	0
Other changes	0	- 40	40	0
As of December 31, 2009	**9,984**	**4,775**	**945**	**15,704**

* TEUR (thousand EUR)

II. Minority shares Capital of BLG LOGISTICS GROUP AG & Co. KG included								Equity of the other minorities		
Limited liability capital	Capital reserves	Revenue reserves	Balance sheet profit	Foreign currency adjustment items	Reserves from fair value measurement of financial instruments	Balance sheet result of companies included	Total	Hybrid equity	Other minorities	Total
51,000	**50,182**	**85,936**	**29,495**	**215**	**2,000**	**22,746**	**241,574**	**77,981**	**- 14,293**	**320,156**
0	0	9,575	57,542	0	0	- 3,840	63,277	5,063	3,241	74,543
0	0	0	0	- 784	- 4,692	0	- 5,476	0	0	- 5,476
0	0	9,575	57,542	- 784	- 4,692	- 3,840	57,801	5,063	3,241	69,067
0	0	0	- 29,495	0	0	0	- 29,495	- 5,034	- 963	- 37,028
0	0	0	0	0	0	0	0	0	1,976	1,976
0	0	- 121	0	0	0	252	131	0	- 532	- 401
51,000	**50,182**	**95,390**	**57,542**	**- 569**	**- 2,692**	**19,158**	**270,011**	**78,010**	**- 10,571**	**353,770**
0	0	34,773	0	0	0	- 33,034	1,739	5,063	312	8,034
0	0	0	0	687	- 225	0	462	0	176	638
0	0	34,773	0	687	- 225	- 33,034	2,201	5,063	488	8,672
0	0	0	- 28,196	0	0	0	- 28,196	- 5,063	- 55	- 34,850
0	0	0	0	0	0	97	97	0	0	97
0	0	5,224	0	- 173	0	- 36,119	- 31,068	0	11,133	- 19,935
0	0	3,068	- 17,518	0	0	14,451	1	0	4,006	4,007
51,000	**50,182**	**138,455**	**11,828**	**- 55**	**- 2,917**	**- 35,447**	**213,046**	**78,010**	**5,001**	**311,761**

Consolidated Cash Flow Statement

(in TEUR*)	2009	2008
Result before taxes	16,523	83,618
Depreciation of long-term intangible fixed assets, tangible fixed assets, financial assets and long-term financial receivables	69,127	59,831
Additions to long-term financial receivables	-342	-1,110
Result from disposals of fixed assets	-1,380	-1,156
Result from associated enterprises	-763	-2,194
Result from other long-term equity investments	-1,052	-1,077
Interest result	20,494	16,382
Other cash-neutral expenses and income	-279	315
	102,328	**154,609**
Change in trade receivables	3,431	-7,404
Change in other assets	20,533	-19,432
Change in inventories	-640	-1,827
Change in government grants	6,501	9,076
Change in provisions	2,119	-4,502
Change in trade payables	-26,597	3,140
Change in other liabilities	-3,104	10,588
	2,243	**-10,361**
Proceeds from interest	1,719	2,772
Payments for interest	-18,270	-15,903
Payments for taxes on income	-4,641	-9,011
	-21,192	**-22,142**
Cash flow from current operating activities	**83,379**	**122,106**
Proceeds from disposals of fixed tangible assets and intangible fixed assets	4,455	9,603
Payments for investments in fixed tangible assets and intangible fixed assets	-75,914	-169,435
Proceeds from disposals of financial assets	88	0
Payments for investments in financial assets	-3,218	-6,475
Changes in entities to be consolidated	3,278	5,720
Payments for granting loans to companies in which long-term equity is held	-125	-2,765
Proceeds from repayment of loans to companies in which long-term equity is held	735	2,761
Proceeds from acquisitions of companies minus liquid funds sold	207	0
Payments for acquisitions of companies minus liquid funds acquired	-11,908	-6,380
Payments for control-preserving acquisitions of shares	-19,935	0
Proceeds from dividends received	1,814	3,362
Cash flow from investment activities	**-100,523**	**-163,609**
Proceeds from repayment of loans to company owners	312	523
Payments for granting loans to company owners	-378	-312
Payments to owners of hybrid capital	-5,063	-5,035
Proceeds from additions to equity from minority companies	4,006	1,976
Payments to company owners	-29,690	-31,994
Proceeds from taking out financial loans	74,176	64,111
Payments for repayment of financial loans	-43,745	-37,736
Proceeds from taking out loans from companies in which long-term equity is held	17,800	18,900
Payments for repayment of loans from companies in which long-term equity is held	-18,990	-19,204
Change in clearing account for joint venture partners	16,395	-531
Taking out leasing liabilities	27,500	39,121
Payment to repay leasing liabilities	-7,074	-5,734
Cash flow from financial activities	**35,249**	**24,085**
Net increase/decrease in cash and cash equivalents	18,105	-17,418
Change in cash and cash equivalents due to currency translation influences	97	-487
Cash and cash equivalents at beginning of financial year	-20,045	-2,140
Cash and cash equivalents at end of financial year	**-1,843**	**-20,045**
Composition of cash and cash equivalents at end of financial year		
Liquid funds	35,933	29,457
Short-term liabilities to banks	-37,776	-49,502
	-1,843	**-20,045**

* TEUR (thousand EUR)

Notes to the Consolidated Financial Statement : :

of

BREMER LAGERHAUS-GESELLSCHAFT

–Aktiengesellschaft von 1877–

Notes to the Consolidated Financial Statement

Accounting principles and methods

1 Group accounting and reporting principles

With the exception of the provisions of IAS 32 on accruals and deferrals of equity and borrowed capital (for details see disclosure no. 29), the consolidated financial statement of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–, Bremen (BLG) for the 2009 financial year has been prepared in accordance with the International Financial Reporting Standards (IFRS), which were adopted and published by the International Accounting Standards Board (IASB) and whose application became mandatory on December 31, 2009, and with their interpretation by the International Financial Reporting Interpretations Committee (IFRIC). Apart from the above exception, all IFRS and IFRIC that have been published and adopted by the EU within the framework of the endorsement procedure and whose application is mandatory have been complied with.

By preparing its consolidated financial statement in accordance with IFRS, BLG meets its obligation according to Section 315a (1) of the German Commercial Code (HGB) in connection with Article 4 of Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of July 19, 2002 regarding the application of international accounting standards in the respectively valid version.

The accounting and measurement methods, as described in disclosure no. 6, have been consistently applied by all affiliated companies for all periods indicated in the consolidated financial statement.

The financial year of BLG and of its subsidiaries included in the consolidated financial statement corresponds to the calendar year. The closing date for the consolidated financial statement corresponds to the closing date of the parent company.

BLG, which is registered in the register of companies of the Bremen Local Court, has its headquarters at Präsident-Kennedy-Platz 1, Bremen, Germany.

The consolidated financial statement is prepared in euros. All figures are given in thousands of euros (TEUR), unless otherwise indicated or TEUR is not specified.

The consolidated financial statement has been fundamentally prepared on the basis of historical purchase costs. Exceptions result solely in the case of derivative financial instruments and financial instruments of the category “Available for sale”, provided that the market values for such financial instruments can be determined reliably.

Preparation of the financial statement in accordance with IFRS requires assessments and estimations of individual facts and circumstances by the management that may have impacts on the figures reported in the consolidated financial statement. This applies in particular to the assessment of the parameters for impairments (see disclosure no. 6 l in this connection) as well as long-term provisions (disclosure no. 33). The estimations made were carried out on the basis of empirical values and further relevant factors, taking into account the going concern premise. The actual results may differ from the estimations.

Changes in the accounting and measurement methods

The accounting and measurement methods applied correspond in principle to the methods applied in the previous year. Furthermore, the Group applied the following new/revised standards and interpretations which were relevant for the operating activities of the Group and whose application was mandatory for the first time in the 2009 financial year:

- IAS 1 ‘Presentation of financial statements’: The revised standard IAS 1 was published in September 2007 and must be applied for the first time for financial years that begin on or after January 1, 2009. The revision of the standard contains major changes in the presentation and disclosure of financial information in the statement. The new aspects include in particular introduction of a statement of income and accumulated earnings, which encompasses both the income earned in a period and the profits and losses not yet realized that were previously reported as part of equity, and it replaces the income statement in its previous form.
- IAS 23 ‘Borrowing costs’: The revised standard IAS 23 was published in March 2007 and has to be applied for the first time for financial years that begin on or after January 1, 2009. The standard requires capitalization of borrowing costs that are attributable to a qualifying asset. Since application of the standard leads to a change in the previous accounting method and it thus has to be applied prospectively in accordance with transitional provisions, no impacts on the consolidated financial statement resulted in the 2009 financial year.
- The amendments to IAS 32 ‘Financial instruments: disclosures’ and IAS 1 ‘Presentation of financial statements’ regarding balance sheet reporting of financial instruments subject to call were published in February 2008 and had to be applied on a mandatory basis for the first time in the 2009 financial year. These amendments, which introduce criteria according to which financial instruments subject to call have to be reported as equity, did not result in any changes to the current accounting methods.
- The amendments to IAS 39 ‘Financial instruments: recognition and measurement’ and IFRS 7 ‘Financial instruments: disclosures’ were published in November 2008 and were translated into EU law on September 9, 2009. The changes merely serve to clarify the time of application of the reclassification of financial assets in connection with the financial crisis and have to be applied retroactively as of July 1, 2008.
- Amendments to IFRS 1 ‘First-time adoption of IFRS’ and IAS 27 ‘Consolidated and separate financial statements’: The amendments were published in May 2008 and have to be applied for the first time for financial years that begin on or after January 1, 2009. They involve determination of purchase costs of shares in subsidiaries, joint ventures or associated enterprises. The amendments relate exclusively to individual financial statements in accordance with IFRS and did not have any impacts on the consolidated financial statement.
- The amendments to IFRS 7 ‘Financial instruments: disclosures’ mainly pertain to the disclosures on the applicable fair value as well as the disclosures on the liquidity risk. They were published on March 5, 2009 and have to be applied on a mandatory basis for the first time in the 2009 financial year.
- IFRS 8 ‘Operating segments’: IFRS 8 was published in November 2006 and has to be applied for the first time for financial years that begin on or after January 1, 2009. IFRS 8 replaces IAS 14 and requires reporting of information on the operating segments of a company and replaces the requirement of the previous IAS 14, according to which primary (operating segments) and secondary (geographic segments) segment reporting formats must be specified for a company. IFRS 8 follows the so-called management approach in which segment reporting is oriented solely to financial information used by decision-makers of the company for the purpose of internal control.
- IFRIC 9 ‘Reassessment of embedded derivatives’ and IAS 39 ‘Financial instruments: recognition and measurement’: This interpretation was published in March 2009 and has to be applied for the first time for financial years that begin on or after January 1, 2009.
- IFRIC 13 ‘Customer loyalty programs’: This interpretation was published in June 2007 and has to be applied for the first time for financial years that begin on or after July 1, 2008.

- 'Improvements to IFRS': A standard on 'Improvements to IFRS' was published in May 2008. The changes contained there concern non-urgent, but necessary minor amendments of 21 standards altogether resulting from the "Annual Improvements Project 2006-08" of the IASB. Most of the changes have to be applied for financial years that begin on or after January 1, 2009.

The new/revised standards and interpretations relevant for the operating activities of the Group did not result in any significant impacts with the exception of additional disclosures on the notes.

Premature application of new or revised standards and interpretations

The following standards and interpretations already adopted, revised or newly issued by the IASB did not have to be applied on a mandatory basis in the 2009 financial year:

Standards/Interpretations	Application requirement for financial years beginning as of	Adoption by EU Commission
Standards:		
Amendments to IFRS 1 'Additional exemptions for first-time adopters'	January 1, 2010	No
Changes to IFRS 2 'Group cash-settled share-based payment transactions'	January 1, 2010	No
IFRS 3 'Business combinations' and IAS 27 'Consolidated and separate financial statements according to IFRS'	July 1, 2009	Yes
IFRS 9 'Financial instruments: classification and measurement of financial assets'	January 1, 2013	No
IAS 24 'Related party disclosures' (revised)	January 1, 2011	No
Amendment to IAS 32 'Classification of rights issues'	February 1, 2010	Yes
IAS 39 'Financial instruments: recognition and measurement' (permissible hedging instruments within framework of hedge accounting relationships)	July 1, 2009	Yes
Diverse standards: Annual Improvements Project 2007-2009	mainly January 1, 2010	No
Interpretations:		
IFRIC 12 'Service concession arrangements'	April 1, 2009	Yes
Amendments to IFRIC 14 'Prepayments for minimum funding requirements'	January 1, 2011	No
IFRIC 15 'Agreements for the construction of real estate'	January 1, 2010	Yes
IFRIC 16 'Hedges of a net investment in a foreign operation'	July 1, 2009	Yes
IFRIC 17 'Distributions of non-cash assets to owners'	November 1, 2009	Yes
IFRIC 18 'Transfers of assets from customers'	November 1, 2009	Yes
IFRIC 19 'Extinguishing financial liabilities with equity instruments'	January 1, 2011	No

The Group plans to take the new standards and interpretations into account in the consolidated financial statement as of the date of first required application. The new standards and interpretations relevant for the Group's operating activities will have an influence on the way in which financial information of the Group is published. However, this will not result in significant impacts on the recognition and measurement of assets and liabilities in the consolidated financial statement.

The Board of Management of BLG released the consolidated financial statement for transmission to the Supervisory Board on April 6, 2010. It is the responsibility of the Supervisory Board to review the consolidated financial statement and declare whether the Board approves it.

2 Operating activities of the BLG Group

The BLG Group (BLG LOGISTICS GROUP) performs seaport-oriented logistics services on a worldwide scale in its three divisions: AUTOMOBILE, CONTRACT and CONTAINER. The range of logistics services extends from standardized to complex individual solutions for industry and trade.

AUTOMOBILE

The AUTOMOBILE Division operates a Europe-wide network. Automobile terminals located at strategically important transport nodes on the North Sea, Baltic Sea and Mediterranean Sea as well as on large rivers and inland form the basis.

All terminals are networked to each other and accessible via truck, rail or ship. This guarantees continuous logistics chains to the customers, i.e. from the car manufacturers all the way to the dealers. To extend the vertical range of services, all terminals also perform numerous technical services as well as intermediary and administrative services.

The largest location in the network is Bremerhaven, one of the biggest automobile ports in the world. Particularly general cargo handling ("High & Heavy"), which profits from the general trend towards shipment of ro-ro cargo, is undergoing increasing expansion. With a volume of over five million vehicles every year this division is the market leader among European automobile logistics specialists.

CONTRACT

The CONTRACT Division operates logistics and distribution centers and performs worldwide logistics services, in particular for the automotive industry. It provides plant logistics services as well as logistics services between the plants and the companies of large corporate groups located all over the world. These services encompass procurement logistics from suppliers all the way to production supply, in-company transport, production-related disposal as well as packaging and shipment. Furthermore, the BLG Group also carries out individual production-related services, such as hardening of bonded body components, preservation of unfinished vehicle parts and preassembly of system components.

Another business segment comprises retail trade logistics. Trade logistics means developing concepts as well as implementing and managing complex logistics business processes. The division offers innovative and tailored logistics services that meet the challenges of our customers: effective and transparent procedures, continuous optimization of material and information flows and complex management under one roof. On the basis of technological and IT expertise, business processes are mapped by using modern software and hardware. Comprehensive chains of information and automated movements of goods through in-house IT and engineering competence ensure individual solutions for our customers.

A further activity of the CONTRACT Division entails storage and handling of refrigerated goods in a cold store at the container terminal in Bremerhaven as well as carrying out related secondary business and services.

The Cargo Department operates Europe's largest conventional inland terminal in Neustädter Hafen and at the Kap-Horn facility in Bremen. The focus is on transport and logistics services for steel, pipes, machines and equipment in the export sector as well as transshipment and storage of wood products (timber, paper and cellulose) for the import sector. Moreover, one of the divisional companies is an authorized warehouse of the London Metal Exchange in Great Britain.

CONTAINER

The CONTAINER Division consists of the joint venture EUROGATE GmbH & Co. KGaA, KG, Bremen, in which a company of the BLG Group holds 50 percent of the shares, as well as its subsidiaries and affiliated companies. The companies of the EUROGATE Group are included in the consolidated financial statement through proportionate consolidation.

The activities of the EUROGATE Group focus on container handling on the European continent. The EUROGATE Group operates – in some cases with partners – maritime terminals in Bremerhaven, Hamburg (both in Germany), La Spezia, Gioia Tauro, Cagliari, Livorno, Ravenna and Salerno (all in Italy) as well as in Lisbon (Portugal) and Tangier (Morocco). The EUROGATE Group additionally holds an interest in terminals being set up in Wilhelmshaven (Germany) and Ust-Luga (Russia) as well as in several inland terminals and railway transportation enterprises.

The secondary services it offers embrace such cargo-modal services as distribution and storage of goods, intermodal services – shipments of sea containers to and from the terminals – repair and warehousing of containers as well as technical services.

3 Entities to be consolidated

BLG is the general partner of BLG LOGISTICS GROUP AG & Co. KG, which holds – directly or indirectly – the shares in the other companies included in the Group. On the basis of its status as general partner, BLG has control of BLG LOGISTICS GROUP AG & Co. KG, but does not own any share in the latter's assets. Besides BLG and BLG LOGISTICS GROUP AG & Co. KG, the entities to be consolidated encompass 20 domestic subsidiaries and six foreign subsidiaries (in the previous year 22 domestic and six foreign enterprises), which are included in the consolidated financial statement through full consolidation.

Effective as of January 1, 2009, BLG LOGISTICS GROUP AG & Co. KG acquired another 44 percent of the shares in E.H. Harms GmbH & Co. KG Automobile-Logistics. This means the BLG Group has held, since that time, 94 percent of the shares in this major company of the former Harms Group, which is allocated to the AUTOMOBILE Division. This company and its subsidiaries were already fully consolidated in the previous years because of control based on a majority of the voting rights. The acquisition of shares thus did not lead to a change in control.

Within the scope of the Eastern European strategy BLG and the Ukrainian ViDi Group each took over 50 percent of the shares in BLG ViDi LOGISTICS TOW, Kiev, Ukraine in the 2009 financial year. Since the BLG Group has de facto control of this company, it was taken into account in the framework of full consolidation.

The BLG Group has owned 50 percent of the shares in BLG AutoRail GmbH since 2008. Because BLG has a majority of the voting rights based on provisions of the Articles of Association, this company was taken into account in the framework of full consolidation.

In the course of restructuring of the CONTRACT Division BLG Kontraktlogistik GmbH and DIALOG Distribution and Automobile Logistics GmbH were merged to form BLG Automotive Logistics GmbH & Co. KG effective as of January 1, 2009 and BLG Logistics Solutions Adriatica S.r.l., Milan, Italy was deconsolidated effective as of February 28, 2009. This resulted in income from the deconsolidation amounting to EUR 86,000.

The changes in the entities to be consolidated in the EUROGATE Group essentially relate to the sale of 30 percent of the shares in EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG and in EUROGATE Container Terminal Wilhelmshaven Beteiligungsgesellschaft mbH to APM Terminals Wilhelmshaven GmbH as of October 27, 2009. The purchase price was paid in cash and cash equivalents. Within the framework of the sale the contracting parties concluded a "Partners Agreement" that provided for formation of an Advisory Board. Furthermore, it was agreed that major decisions had to be made jointly by the contracting parties, thus forming the basis for a joint venture.

EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG and EUROGATE Container Terminal Wilhelmshaven Beteiligungsgesellschaft mbH were therefore deconsolidated by reporting 30 percent of the assets (share of BLG Group: EUR 138,000) and 30 percent of the liabilities (share of BLG Group: EUR 15,000) at carrying amounts as disposals. The remaining 70 percent of the assets and liabilities were included in consolidated financial statement within the framework of proportionate consolidation into the EUROGATE subgroup as of October 27, 2009. This resulted in pro rata income from the deconsolidation for the BLG Group amounting to EUR 566,000.

Three companies were included in the consolidated financial statement at equity because of immateriality in spite of a majority of the voting rights. Altogether 26 companies in which there is a majority of shares and voting rights were not included through full consolidation because of immateriality. Nine companies in which the BLG Group holds a major interest were not included in the consolidated financial statement at equity because of immateriality.

A listing of the major subsidiaries, joint ventures, associated enterprises and other participations is attached to these notes to the consolidated financial statement as Annex 1. The complete list of the investment holdings of the Group in accordance with Section 313 (2) of the German Commercial Code (HGB) is published in the electronic Bundesanzeiger (Federal Gazette).

4 Consolidation principles

All major subsidiaries that are under the legal and/or de facto control of BLG are included in the consolidated financial statement.

As a matter of principle, subsidiaries are included through full consolidation in accordance with IAS 27. As an exception to this rule, certain companies in the Group are not consolidated on the basis of materiality aspects. The cumulative profit for the year of the companies not included in the consolidated financial statement amounts to EUR 374,000.

When subsidiaries are first included in the consolidated financial statement, the purchase values of the participations are balanced against the Group share of the equity of the respective company, which is revaluated in accordance with IFRS 3. At the same time assets and liabilities are recognized at their fair values and intangible assets that were not reported previously and are capable of being shown on the balance sheet according to IFRS as well as contingent liabilities are entered on the assets or liabilities side respectively at their applicable fair values. Within the framework of subsequent consolidation the hidden reserves and liabilities disclosed in this way are amortized, depreciated and/or released according to treatment of the corresponding assets and liabilities. A surplus in the purchase cost of the participation over the proportionate net fair values of the identifiable assets, liabilities and contingent liabilities (positive difference) resulting within the framework of first consolidation is reported on the assets side as goodwill and subjected to an annual impairment test (see disclosure no. 6).

If a negative difference remains, the identification and measurement of the assets, liabilities and contingent liabilities as well as the derivation of the purchase price are checked again. If a negative goodwill still remains after this check, it is reported immediately with effect on the income statement.

The CONTAINER Division with the participation in the operational management company EUROGATE GmbH & Co. KGaA, KG is included in the consolidated financial statement through proportionate consolidation according to the 50 percent share.

Other joint ventures and associated enterprises are reported according to the equity method provided that the Group has joint management with another partner company or can exert significant influence.

The carrying amounts of participations included according to the equity method are increased or decreased annually by the changes in the equity of the joint venture or associated enterprise allocated to the BLG Group. The basic principles valid for full consolidation are applied accordingly to the allocation and adjustment of a difference contained in the carrying amount of the participation between the purchase cost of the participation and the proportionate equity of the company.

Other participations are recognized at market values according to IAS 39 or, if the market values cannot be determined reliably, at purchase cost.

The date chosen as time of first consolidation is that on which the requirements for the existence of a subsidiary, an associated enterprise or a joint venture are met in accordance with IFRS for the first time based on an economic analysis. By the same token the time of deconsolidation is determined by the date of discontinuation of economic power of disposal, joint management or significant influence.

The effects of intragroup transactions are eliminated.

Accounts receivable and liabilities between the consolidated companies are set off against each other, intragroup profits and losses in the fixed assets and inventories are eliminated. Intragroup income is set off against the corresponding expenses. The tax deferrals necessary according to IAS 12 were carried out for temporary differences resulting from the consolidation.

The consolidation methods were retained unchanged from the previous year.

5 Translation of foreign currency

The annual financial statements of the companies included that were prepared in foreign currency are translated into euros in accordance with IAS 21 according to the concept of functional currencies. The respective national currency is the functional currency in all foreign companies of the BLG Group because the companies conduct their business independently in terms of financial, economic and organizational aspects. Accordingly the assets and liabilities are fundamentally converted at the exchange rates on the reporting date while the expenses and income are converted at the annual average exchange rates. Currency translation differences resulting from this are contained in equity without effect on the income statement.

As of December 31, 2009, currency translation differences of EUR -55,000 (in previous year: EUR -569,000) are reported in equity (see also statement of changes in equity in this connection).

The translation of currency is based on the following exchange rates:

Unit/Currency in EUR	Exchange rate 2009-12-31	Average exchange rate 2009	Exchange rate 2008-12-31	Average exchange rate 2008
1 British pound	1.1113	1.1230	1.0272	1.2597
1 Brazilian real	0.4023	0.3635	0.3030	0.3775
1 South African rand	0.0944	0.0862	0.0752	0.0836
1 Polish zloty	0.2421	0.2322	0.2407	0.2864
1 American dollar	0.6977	0.7192	0.7095	0.6834
10 Slovak crowns	-	-	0.3307	0.3211
1 Czech crown	0.0379	0.0379	0.0377	0.0402
1 Ukrainian grivna	0.0881	0.0906	0.0895	0.1343
10 Moroccan dirhams	0.8910	0.8951	0.8919	0.8878
1 Russian ruble	0.0231	0.0228	0.0243	0.0275

In the individual financial statements of the consolidated companies prepared in local currency accounts receivable and liabilities are translated at the exchange rate on the balance sheet date in accordance with IAS 21. Currency translation differences are contained in the other operating expenses and income with effect on the income statement. Non-monetary assets that are measured at purchase cost are measured at the rate of exchange on the date of the transaction.

6 Accounting and measurement methods

a) Recognition of profits and losses

Revenues and other income are recognized in accordance with IAS 18 when the service has been rendered, an economic benefit is sufficiently likely to accrue and the latter can be reliably quantified. Income and expenses from the same transactions or events are reported according to the “matching principle” in the same period.

In the case of service orders, the sales are recognized according to the stage of completion method in accordance with IAS 18 in connection with IAS 11 according to the performance progress. The performance progress is determined on the basis of the hours of work performed in relation to the expected total number of hours for an order.

Interest income is reported pro rata temporis, taking into account the effective interest rate of a financial asset.

Shares in the profits from partnerships are realized immediately at the end of the financial year, unless the Memorandum and Articles of Association make the creation of a claim to withdrawal subject to a separate resolution of the shareholders. Dividends of joint stock companies, by contrast, are not reported with effect on the income statement until after a resolution on the appropriation of profits has been made.

b) Intangible assets

Acquired intangible assets are reported on the assets side at purchase cost while internally generated intangible assets from which a future benefit is likely to accrue to the Group and which can be measured reliably are reported on the assets side at their production costs and in each case depreciated systematically on a linear basis over the expected useful life. The production costs include all costs directly apportionable to the manufacturing process as well as appropriate portions of the production-related overhead. Financing costs are reported on the assets side to the extent they can be apportioned to qualified assets.

Systematic depreciation is carried out according to the linear method, based on the useful life in the course of ordinary company operations. As a rule, residual values are not taken into account in the determination of the depreciation.

If there are indications of impairment and the recoverable amount is below the amortized purchase or production cost, exceptional depreciation of the intangible assets is carried out. In the case of intangible assets with an indefinite useful life, including capitalized goodwill, an impairment test shall be conducted at least once a year regardless of whether there are indications of impairment; see also disclosure no. 6 l) in this connection.

c) Tangible assets

Tangible assets are reported at purchase or production cost minus systematic linear depreciation in accordance with the useful life. The production costs contain the individual costs as well as appropriate portions of the apportionable production overhead. Costs of loan capital are taken into account in the production costs to the extent they relate to qualified assets. Dismantling liabilities are recognized to the amount of the present value as ancillary purchase costs in accordance with IAS 16.

Property is examined to determine whether it is investment property in accordance with IAS 40. The scale of the investment properties is of minor importance and for this reason IAS 40 is not applied at the BLG LOGISTICS GROUP.

If the requirements are met for application of the component approach in accordance with IAS 16 and IFRIC 1, the assets are broken down into their components and the latter are reported individually on the assets side and depreciated over the respective useful life.

Asset-related government grants are reported on the liabilities side and written off through linear depreciation over the useful life of the subsidized asset.

Systematic depreciation is carried out according to the linear method, based on the useful life in the course of ordinary company operations. Expected residual values are taken into account in the determination of the depreciation.

If there are indications of impairment and the recoverable amount is below the amortized purchase or production cost, exceptional depreciation of the tangible assets is carried out; see also disclosure no. 6 l) in this connection.

d) Leasing

Finance leasing:

The economic ownership of leased items is assigned to the lessee in accordance with IAS 17 if the latter assumes the major risks and opportunities related to ownership and resulting from the leased item. If the BLG LOGISTICS GROUP is considered to be the economic owner, reporting on the assets side is carried out at the time of conclusion of the agreement either at the fair value or at the present value of the minimum leasing payments if this present value is less than the fair value.

The depreciation methods and useful life conform with those of comparable acquired assets.

Disclosure is carried out taking into account the asset classes together with the acquired assets.

Operate leases:

All other leasing arrangements in which economic ownership is not assigned to the lessee, but to the lessor, constitute operate leases. The rental and leasing expenses resulting from such agreements are reported spread over the contractual term with effect on the income statement.

e) Financial assets and long-term financial receivables

Financial assets shall fundamentally be recognized as of the time at which the BLG Group becomes a contracting party and is entitled to performance or required to provide consideration. If time differences exist between the date of the order and the date of performance, a financial asset is not reported on the assets side until as of the date of performance.

The participations in associated enterprises and joint ventures (with the exception of the EUROGATE Group, which is consolidated on a proportionate basis) are measured according to the equity method. Based on the purchase cost at the time of the acquisition of the shares, the respective participation carrying amount is increased or decreased by the equity changes provided that they apply to the shares of BLG.

Furthermore, the financial assets and long-term financial receivables include fixed-asset securities, loans and other participations.

In accordance with IAS 39, financial assets are differentiated into those that are available for sale, those that are held to maturity and other loans and receivables.

Provided they can be determined reliably, financial assets of the category “available for sale” are recognized at their market value. Fluctuations in value between the balance sheet dates are fundamentally allocated to the revaluation reserves without effect on the income statement. Release of the reserves with effect on the income statement takes place either on sale or when there is a long-term drop in the market value to a level below the purchase cost (impairment). With regard to exceptional depreciation, see also disclosure no. 6 l).

If the market value cannot be determined reliably because neither a public quotation exists nor can the market value be determined reliably on the basis of measurement methods, measurement is carried out at purchase cost.

Financial assets of the category “held to maturity” are measured at amortized purchase cost as of the balance sheet date taking into account the effective interest method. If the recoverable amount falls below the carrying amount, exceptional valuation allowances are made with effect on the income statement; see also disclosure no. 6 l) in this connection.

Financial assets of the category “loans and receivables”, which primarily include loans, are measured at amortized purchase cost taking into account the effective interest method. Long-term low-interest or interest-free loans and receivables are recognized at the present value. If the recoverable amount drops below the carrying amount, valuation allowances are made with effect on the income statement; see also disclosure no. 6 l) in this connection.

In principle, financial assets are retired when the BLG Group loses power of disposal, either entirely or in part, over the rights forming the basis due to realization, expiration or transfer to a third party that qualifies for derecognition. Transfer to a third party qualifies for derecognition if the contractual rights to the cash flows from asset are relinquished, no agreements for retention of individual cash flows exist, all risks and opportunities are transferred to the third party and the BLG Group no longer has power of disposal over the asset.

f) Inventories

Inventories encompass raw materials and supplies, work in progress as well as finished goods and merchandise. Initial recognition is carried out at purchase costs that are determined on the basis of average prices or at production cost. The production cost includes all costs directly apportionable to the production process as well as appropriate portions of the production-related overhead. Financing costs are not recognized. Balance sheet accounting for services is based on the stage-of-completion method.

On the one hand, measurement as of the balance sheet date takes place at the lower amount resulting from purchase/production cost in each case and, on the other hand, at the realizable net sale price minus any other costs incurred as well as any other completion costs incurred. The net sale price of the end product is fundamentally taken as the basis here.

g) Trade receivables

In accordance with IAS 39, trade receivables shall be allocated to the category "loans and receivables" and reported as of the date of performance. They are measured accordingly at amortized purchase cost taking into account the effective interest method. If the recoverable amount drops below the carrying amount, exceptional valuation allowances are made with effect on the income statement; see also disclosure no. 6 l) in this connection. In addition to any necessary specific valuation allowances, lump-sum specific valuation allowances shall be formed in the event that risks discernible on the basis of empirical values result from the general credit risk. Receivables subjected to valuation allowance are retired if cash inflows are improbable.

Derecognition of trade receivables is carried out on realization (expiration) or on transfer of the receivables to a third party that qualifies for derecognition in accordance with IAS 39.

h) Other short-term financial assets

Other short-term financial assets comprise derivative financial instruments (see disclosure no. 6 i), short-term financial receivables and, if applicable, short-term current-asset securities.

In accordance with IAS 39, current-asset securities are differentiated into those that are available for sale and those held for trading and are capitalized as of the date of performance.

Financial assets of the category "available for sale" are recognized at their market value provided that they can be determined reliably. Fluctuations in value between the balance sheet dates are fundamentally allocated to the revaluation reserves without effect on the income statement. Release of the reserves with effect on the income statement takes place either on sale or when there is a long-term drop in the market value to a level below the purchase cost (see disclosure no. 6 l).

If the market value cannot be determined reliably because neither a public quotation exists nor can the market value be determined reliably on the basis of measurement methods, measurement is carried out at purchase cost.

Financial assets of the category "held for trading" are fundamentally recognized at their market value. Fluctuations in value between the balance sheet dates are reported in the financial result with effect on the income statement.

Other short-term financial receivables are allocated to the category "loans and receivables" and reported in the balance sheet as of the date of performance. They are measured accordingly at amortized purchase cost taking into account the effective interest method. If the recoverable amount drops below the carrying amount, valuation allowances are made with effect on the income statement (see disclosure no. 6 l).

Financial assets are fundamentally retired when the BLG Group loses power of disposal, either entirely or in part, over the rights forming the basis due to realization, expiration or transfer to an third party that qualifies for derecognition.

i) Derivative financial instruments and financial risk management

Derivative financial instruments are reported in the balance sheet as of conclusion of the contract and are usually recognized at a value determined by using listed prices of similar financial instruments from active markets or models whose main parameters are based on observed market data. Fluctuations in value between the balance sheet dates are fundamentally reported in the financial result with effect of the income statement. If derivative financial instruments are employed as hedging tools and the requirements are met for hedge accounting in accordance with IAS 39, the way they are reported in the balance sheet depends on the type of hedge relationship and the hedged item.

Like other financial assets, derivatives are retired when the BLG Group loses power of disposal, either entirely or in part, over the rights forming the basis due to realization, expiration or transfer to an third party that qualifies for derecognition.

A prerequisite for the use of derivatives is the existence of a risk to be hedged against. Open derivative positions may result at best in connection with hedging operations in which the corresponding hedged item is not applicable or fails to come into being contrary to planning. Interest derivatives are exclusively used to optimize credit terms and minimize risks of changes in the interest rate within the framework of financing strategies with matching maturities. Derivatives are not used for trading or speculation purposes.

j) Other short-term assets

Other short-term assets primarily comprise receivables due from the Tax Office, advance payments and deferrals and accruals. They are reported at nominal values.

k) Cash and cash equivalents

All cash and cash equivalents are reported at the nominal value.

l) Exceptional valuation allowances (impairment)

Overview

As of the balance sheet date, all assets of the Group, with the exception of inventories and deferred tax claims, are examined for indications of possible impairments in accordance with IAS 36 or IAS 39. If such indications are identified, the expected recoverable amount is estimated and compared to the carrying amount.

Furthermore, on every balance sheet date the recoverable income is estimated for goodwill, assets with an indefinite useful life and intangible assets not yet completed, regardless of the existence of indications of impairment.

Impairment shall be taken into account with effect on the income statement in accordance with IAS 36 if the carrying amount of an asset or of the corresponding cash-generating unit exceeds the recoverable amount.

If need for a valuation allowance is determined for a cash-generating unit, first the goodwill of the cash-generating unit concerned is reduced. If further need for a valuation allowance remains, the latter is distributed evenly to the carrying amounts of the remaining assets of the cash-generating unit.

Determination of the recoverable amount

The expected recoverable amount is the higher figure from the net sales price minus sales costs and value in use. The value in use is the present value of the future cash flows expected from the asset or the cash-generating unit. The three-year plan (CONTRACT and AUTOMOBILE Divisions) or the five-year plan (CONTAINER Division) was used as the basis. A current market interest rate is used as the discount rate and taken as the basis while taking into account the fair value of the cash and specific risks involved with the asset or cash-generating unit. As in the previous year, a weighted cost of capital rate of 10.00 percent was fundamentally applied for the AUTOMOBILE and CONTRACT Divisions as well as 8.20 percent (previous year: 7.60 percent) for the CONTAINER Division. It includes a risk-free basic interest rate of 4.25 percent (previous year: 5.00 percent) and a market risk premium of 5.75 percent (previous year: 5.00 percent).

Reversal of impairment losses

If the reasons for the exceptional depreciation no longer apply, there is a need for reversal of impairment losses. The reversal of impairment losses is limited to the purchase or production cost minus the systematically continued depreciation that would have resulted without the exceptional depreciation.

If the exceptional depreciation was spread evenly over assets of a cash-generating unit, the same procedure is applied for the additions.

Reversal of impairment losses for depreciated goodwill is not permissible.

Exceptional depreciation of financial assets of the categories “held to maturity” and “loans and receivables” as well as loan capital instruments of the category “available for sale” shall be withdrawn with effect on the income statement if the reasons for the exceptional depreciation no longer apply. In the case of equity instruments of the category “available for sale”, reversal of impairment losses is carried out via the revaluation reserves without effect on the income statement.

m) Government grants

Investment grants from the public sector are taken into account in the balance sheet if there is reasonable certainty that the related terms and conditions will be met and the grants will be provided. The grants are reported separately under liabilities according to the gross method. The release takes place pro rata temporis in accordance with the depreciation of the subsidized assets.

n) Provisions

Pensions and retirement plans are post-employment benefits in accordance with IAS 19. Provisions for pensions are measured according to the projected unit credit actuarial method stipulated in IAS 19 for defined benefit pension plans. The interest portion contained in the pension expenses is shown in the financial result.

Provisions for anniversaries represent other long-term benefits in accordance with IAS 19. Measurement is also carried out according to the projected unit credit actuarial method. The interest portion contained in the anniversary expenses is shown in the financial result.

Provisions for taxes and other provisions are recognized if a liability to third parties resulting from a past event exists, indicates asset outflows and can be determined reliably. They represent uncertain liabilities that are recognized at the amount determined according to the best possible estimate. Long-term provisions with a remaining term of more than a year are discounted at a capital market interest rate with an appropriate term.

Dismantling liabilities are capitalized as ancillary purchase costs of the asset concerned at the time they come into being at the present value of the liability and at the same time provisions are accrued to an appropriate amount. The expense is distributed over the periods of use via the depreciation of the capitalized asset and the interest cost of the provisions.

o) Liabilities

Financial liabilities shall be reported on the liabilities side as soon as the BLG Group has become a contracting party. In the case of the other liabilities, the time of recognition is based on the general rules of the IFRS framework.

The liabilities are recognized to the amount of the payment or consideration received. The subsequent measurement is carried out at amortized purchase cost.

Liabilities resulting from finance leasing are reported at the present value of the leasing rates and amortized over the course of the contractual term. To determine the amortization share of the leasing rates, the latter are divided such that a constant interest rate is applied to the remaining liability.

Liabilities resulting from agreements regarding part-time work arrangements for employees approaching retirement are recognized as liabilities due to the termination benefits according to the projected unit credit actuarial method.

Liabilities shall be retired after settlement, release or expiration.

p) Deferred taxes

Deferred taxes are determined in accordance with IAS 12 while applying the liability method. According to this method, deferred tax items are recognized for all accounting and measurement differences between the carrying amount measurements in accordance with IFRS and the tax-related carrying amount measurements provided that they are temporary differences that balance out in the course of time. If assets are valued higher in accordance with IFRS than in the tax balance sheet and temporary differences are involved, a liability is recognized for deferred taxes. Deferred tax assets from balance sheet differences as well as advantages from the future use of tax loss carry-forwards are capitalized provided it is probable that results which are taxable in future will be achieved.

In accordance with IAS 12, determination of the deferred taxes is based on application of the tax rates expected at the time of realization. Since the major affiliated companies are commercial partnerships, the relevant Group tax rate of 15.4 percent only comprises the trade tax. The tax rate of 31.2 percent applied to German joint stock companies is composed of the corporate tax plus the solidarity surcharge as well as the trade tax rate applying to the major companies included in the consolidated financial statement. The foreign affiliated companies use their individual tax on income in calculating the deferred tax items. The income tax rates applied for foreign companies vary from 19.0 percent to 31.4 percent.

q) Business combinations

During the reporting period the following business combinations took place in the AUTOMOBILE Division:

BLG ViDi LOGISTICS TOW, Kiev, Ukraine

As of October 1, 2009, ViDi LOGISTICS TOW, Kiev, Ukraine was established with the ViDi Group, Ukraine with shares of 50 percent each in the share capital. Payment was made with cash and cash equivalents to an amount of EUR 11,926,000. The ViDi Group brought its operational automobile logistics business into this company. Based on a contractually specified majority of voting rights on the Supervisory Board, the BLG Group can decide on adoption of budgets and approval of the annual financial statements and thus exercises de facto control over the company. The ViDi Group was already part of the joint venture E.H. Harms Automobile Logistics Ukraine TOW via its subsidiary Avtor ZAT, Kiev, Ukraine before takeover of the shares of the Ukrainian partners of E.H. Harms GmbH & Co. KG Automobile-Logistics. Expansion of activities in the Eastern European growth markets will be further boosted through the new company. The company is included in the consolidated financial statement through full consolidation. Goodwill of EUR 7,920,000 resulted within the framework of purchase price allocation.

The fair values of the identifiable assets and liabilities corresponded to the carrying amounts for the acquired company, with the exception of a property that was recognized at the current market value on the basis of an expert opinion. The fair values applicable at the time of acquisition are broken down as follows:

Fair value applicable at the time of acquisition for 100 percent (in TEUR)	2009-10-01
Intangible assets	1
Tangible assets	10,437
Inventories	1
Cash and cash equivalents	18
Trade receivables	76
Other assets	8
	10,541
Short-term financial liabilities	36
Trade payables	42
Other liabilities	13
Deferred tax liabilities	2,437
	2,528
Total identifiable assets	**8,013**

Through BLG ViDi LOGISTICS TOW, Kiev, Ukraine the BLG Group has acquired cash and cash equivalents to a net proportionate amount of EUR 18,000. In the 2009 financial year BLG ViDi LOGISTICS TOW, Kiev, Ukraine made a contribution of EUR 406,000 to Group sales and EUR -73,000 to Group profit based on the newly acquired shares. If acquisition had taken place at the beginning of the financial year, sales would have been EUR 926,000 higher and the Group net income EUR 43,000 lower, without taking financing costs into account.

Consolidated income statement disclosures

7 Sales

(in TEUR)	2009	2008
Sales	327,325	417,448
Freight forwarding and transport services	253,515	232,091
Logistics services	61,906	83,825
Technical services and consulting	53,254	64,038
Rental/warehouse income	47,419	47,211
Ship income	15,211	23,745
Material sales	11,262	19,363
Container packing	8,332	12,314
Provision of personnel and equipment	5,026	9,727
Miscellaneous	35,210	52,871
Total	**818,460**	**962,633**

Because of the worldwide financial crisis, sales decreased compared to the previous year by a total of EUR 144,173,000 or 14.97 percent. The sales were primarily earned in the areas of container handling, seaport logistics, procurement, production and distribution logistics as well as automobile transport and technical vehicle services.

See disclosure no. 39 and 40 respectively with regard to the breakdown according to segments.

8 Other operating income

(in TEUR)	2009	2008
Income from the release of liabilities	16,450	13,147
Interest on heritable building rights and rents	10,485	9,655
Income from on-debiting expenses	7,512	9,431
Provision of personnel	6,910	9,329
Insurance compensation and other reimbursements	6,494	13,220
Other income not relating to this period	3,630	4,413
Income from sale of assets	2,326	2,156
IT and other consulting services	301	482
Miscellaneous	13,462	13,979
Total	**67,570**	**75,812**

The other operating income primarily includes neutral earnings of EUR 5,817,000 (previous year: EUR 820,000) accounted for by contract penalties received from the CONTAINER Division to an amount of EUR 3,377,000, income from deconsolidation to an amount of EUR 652,000, reimbursement of expenses to an amount of EUR 993,000 and income from receivables subjected to valuation allowance to an amount of EUR 410,000.

9 Material expenses

(in TEUR)	2009	2008
Expenses for raw materials, consumables and supplies	74,676	95,896
Expenses for outside personnel	59,351	100,424
Expenses for other purchased services	175,307	183,947
Change in amount of work in progress as well as finished goods inventories	164	-9
Total	**309,498**	**380,258**

The decline in expenses for outside personnel of EUR 41,073,000 primarily results from the reduced assignment of workers from the Gesamthafenbetrieb labor pool in Bremen and Hamburg.

The reduction in material expenses of 18.6 percent is attributable to the decline in operating activities in the course of the economic crisis.

10 Personnel expenses

(in TEUR)	2009	2008
Wages and salaries	268,807	294,375
Statutory social security expenses	47,342	48,893
Expenses for pensions, support and anniversaries	3,917	6,012
Miscellaneous	186	79
	320,252	**349,359**
Own work capitalized relating to internally generated intangible assets	-439	-330
Total	**319,813**	**349,029**

The personnel expenses dropped compared to the previous year by a total of EUR 29,216,000 or 8.4 percent. Amounts resulting from the interest cost of the provisions for personnel, particularly provisions for pensions, are not reported as personnel expenses. These amounts are reported as part of the interest result.

The statutory social security expenses contain EUR 22,344,000 (previous year: EUR 22,651,000) for payments of contributions to the statutory pension scheme. The figure for the previous year was corrected.

The average number of employees is indicated in the Group Management Report as well as in the Segment Reporting (disclosure no. 39).

11 Depreciation of long-term intangible assets and tangible assets

(in TEUR)	2009	2008
Systematic depreciation		
Depreciation of intangible assets	2,371	2,829
Depreciation of tangible assets	61,028	53,753
	63,399	**56,582**
Exceptional depreciation of tangible assets	5,728	2,998
Total	**69,127**	**59,580**

A breakdown of the depreciation and impairment into the individual asset classes can be seen in disclosures no. 21 and 22.

12 Other operating expenses

(in TEUR)	2009	2008
Interest on heritable building rights and rents	73,294	67,085
Other neutral expenses	10,687	5,504
Expenses for insurance premiums	10,667	9,569
Expenses for cases of damage	7,337	12,998
Sales and marketing costs	6,832	8,915
IT costs	6,218	7,270
Other expenses not relating to this period	5,921	2,767
Security costs and other property expenses	5,475	6,379
Legal, consulting and audit costs	5,016	6,901
Other personnel-related expenses	3,649	4,890
Administration expenses and contributions	3,179	2,598
Postal and telephone costs	1,920	2,279
Other taxes	963	961
Bookkeeping losses from sales of fixed assets	946	1,000
Expenses for further training	802	893
Expenses from procurement business for third parties	148	247
Miscellaneous	9,336	12,343
Total	**152,390**	**152,599**

The other neutral expenses result from expenses for commitments within the framework of agreements regarding part-time work arrangements for employees approaching retirement and waivers of work performance due from employees to an amount of EUR 7,000,000 as well as from additions to short-term provisions for risks in connection with possible guarantee commitments to an amount of EUR 1,700,000. The other miscellaneous operating expenses contain expenses amounting to EUR 3,827,000 that were on-debited to customers.

13 Interest result

(in TEUR)	2009	2008
Miscellaneous interest and similar income		
Interest income from long-term financial receivables	441	567
Interest income from bank balances	248	573
Interest income from amortization of other assets	524	755
Other interest income	1,030	1,632
	1,802	**2,960**
Interest and similar expenses		
Interest expenses for long-term loans and other financial liabilities	-13,524	-11,515
Interest expenses for finance leasing	-62	-131
Interest expenses for provisions and liabilities	-4,466	-4,006
Interest expenses for short-term liabilities to banks	-422	-1,175
Other interest expenses	-4,263	-3,082
	-22,737	**-19,909**
Total	**-20,494**	**-16,382**

The other interest income in 2009 includes EUR 1,142,000 (previous year: EUR 0) for expenses from interest swaps relating to the CONTAINER Division.

14 Result from participations

(in TEUR)	2009	2008
Result from associated enterprises		
CONTSHIP Italia S.p.A., Genoa, Italy	958	1,658
BMS Logistica Ltda., São Paulo, Brazil	794	590
Schultze Stevedoring GmbH & Co. KG, Bremen	493	699
dbh Logistics IT AG, Bremen	251	137
Autoterminal Slask Logistic Sp. z o. o., Dabrowka Gornicza, Poland	226	323
ZLB Zentrallager Bremen GmbH & Co. KG, Bremen	75	382
ICO BLG Automobile Logistics Italia S.p.A., Gioia Tauro, Italy	68	328
OJSC Ust-Luga Container Terminal, Ust-Luga, Russia	-716	-1,078
TangerMedGate Management S.a.r.l., Tangier, Morocco	-1,105	-870
Others	-281	25
	763	**2,194**
Result from affiliated companies		
Others	**105**	**0**
Result from other participations		
Medgate FeederXpress Ltd., Monrovia, Liberia	634	329
Others	313	748
	947	**1,077**
Total	**1,815**	**3,271**

15 Depreciation of financial assets and long-term financial receivables

(in TEUR)	2009	2008
Depreciation of long-term financial receivables		
Depreciation of loans to affiliated companies	0	250
Total	**0**	**250**

16 Taxes on income

The primary components of the expenses for taxes on income comprise the following:

(in TEUR)	2009	2008
Current taxes		
Tax expenses during the period	4,802	10,177
Tax expenses for previous periods	515	5
Income from tax refunds	-755	-915
Total current taxes	**4,562**	**9,267**
Deferred taxes		
Deferred taxes on temporary differences	1,511	-16
Deferred taxes on loss carry-forwards	2,416	-176
Total deferred taxes	**3,927**	**-192**
Total	**8,489**	**9,075**

The tax expenses include the corporate and trade income tax of the domestic companies as well as comparable taxes on income of the foreign companies.

Taxation is carried out regardless of whether profits are distributed or retained. Implementation of the proposed distribution of BLG's balance sheet profit has no impacts on the tax expenses of the Group.

The deferred taxes result from carrying amounts differing in terms of the period on which they are based between the tax balance sheets of the companies and the carrying amounts in the consolidated balance sheet according to the liability method as well as from the valuation allowance for deferred taxes on temporary differences and loss carry-forwards capitalized in previous years, from the reversal of valuation allowances for temporary differences and loss carry-forwards, from the consumption of loss carry-forwards on the basis of which the deferred taxes were capitalized and from the initial recognition of deferred taxes on loss carry-forwards.

The calculation of the deferred tax claims and liabilities is based on the tax rates that are valid at the time of realization of the asset or at the time of discharge of the liability.

Deferred taxes on income

The deferred taxes reported on the various balance sheet dates apply to the following items:

(in TEUR)	2009-12-31		2008-12-31	
	Assets	Liabilities	Assets	Liabilities
Intangible assets – periods of use / impairment	206	-138	0	-202
Tangible assets – periods of use / impairment	311	-6,503	865	-3,911
Goodwill – only recognized in tax balance sheet	622	0	705	0
Capitalization of finance leasing arrangements	0	-11,103	0	-8,039
Capitalization of dismantling costs	0	-945	0	-800
Other measurement differences between intangible and tangible assets	2,247	-1,619	449	-1,737
Provisions for pensions	1,243	-33	1,018	-25
Social future concept	637	0	571	0
Fictive BLG company pension (indirect pension liabilities)	3,355	0	3,356	0
Provisions for anniversaries	179	-8	136	0
Provisions for part-time work arrangements for employees approaching retirement	1,310	0	608	0
Dismantling liabilities	1,049	0	775	0
Other provisions – recognition and measurement	1,876	-3	1,381	-118
Liabilities from finance leasing	11,603	0	8,285	0
Measurement of long-term financial receivables	46	0	46	0
Discounting of long-term interest-free loans	210	0	5	0
Derivative financial instruments	598	0	607	0
Measurement of receivables	0	-30	0	-67
Elimination of tax-related special item with reserve element	0	-187	0	-240
Sales-market-oriented inventory measurement	0	-1	7	0
PoC / SoC receivables	19	0	24	0
Deferrals and accruals	1,032	0	1,217	0
Recognition of deferred taxes on hybrid capital costs	47	0	53	0
Miscellaneous	331	-15	220	-148
Deferred taxes on temporary differences	**26,921**	**-20,585**	**20,328**	**-15,287**
Elimination of intragroup profits and losses	0	-275	0	-195
Recognition of tax loss carry-forwards	354	0	2,770	0
Gross deferred taxes	**27,275**	**-20,860**	**23,098**	**-15,482**
Valuation allowance for temporary differences	-6,234	0	-974	0
Offsetting	-16,078	16,078	-13,184	13,184
Reported deferred taxes	**4,963**	**-4,782**	**8,940**	**-2,298**

Movements in deferred taxes during the year under review:

(in TEUR)	Balance sheet 2009-01-01	Reported in income statement	Reported in balance sheet	Balance sheet 2009-12-31
Intangible assets – periods of use / impairment	-202	270	0	68
Tangible assets – periods of use / impairment	-3,046	-588	-2,558	-6,192
Goodwill – only recognized in tax balance sheet	705	-83	0	622
Capitalization of finance leasing arrangements	-8,039	-3,064	0	-11,103
Capitalization of dismantling costs	-800	-145	0	-945
Other measurement differences between intangible and tangible assets	-1,288	1,916	0	628
Provisions for pensions	993	217	0	1,210
Social future concept	571	66	0	637
Fictive BLG company pension (indirect pension liabilities)	3,356	-1	0	3,355
Provisions for anniversaries	136	35	0	171
Provisions for part-time work arrangements for employees approaching retirement	608	702	0	1,310
Dismantling liabilities	775	274	0	1,049
Other provisions – recognition and measurement	1,263	610	0	1,873
Liabilities from finance leasing	8,285	3,318	0	11,603
Measurement of long-term financial receivables	46	0	0	46
Discounting of long-term interest-free loans	5	205	0	210
Derivative financial instruments	607	-33	24	598
Measurement of receivables	-67	37	0	-30
Elimination of tax-related special item with reserve element	-240	53	0	-187
Sales-market-oriented inventory measurement	7	-8	0	-1
PoC / SoC receivables	24	-5	0	19
Deferrals and accruals	1,217	-185	0	1,032
Recognition of deferred taxes on hybrid capital costs	53	-6	0	47
Miscellaneous	72	244	0	316
Valuation allowance for temporary differences	-974	-5,260	0	-6,234
Elimination of intragroup profits and losses	-195	-80	0	-275
Recognition of tax loss carry-forwards	2,770	-2,416	0	354
Total	**6,642**	**-3,927**	**-2,534**	**181**

The following deferred tax credits were not capitalized:

(in TEUR)	2009-12-31	2008-12-31
Deductible temporary differences	6,234	974
Loss carry-forwards	30,624	30,095
Total	**36,858**	**31,069**

Measurement of the change in value of deferred tax assets is primarily based on an assessment of the probability of reversal of the measurement differences and the usefulness of the loss carry-forwards that led to deferred tax assets. This depends on the accrual of future taxable profits during the periods in which tax-related measurement differences reverse and tax loss carry-forwards can be applied. The three-year medium-term planning of the respective affiliated companies is the basis of the measurement.

As of December 31, 2009, the Group had tax loss carry-forwards of EUR 200,868,000 (previous year: EUR 212,377,000). As of December 31, 2009, no deferred tax receivables were capitalized for tax loss carry-forwards of EUR 198,569,000 (previous year: EUR 194,389,000) from various subsidiaries. No deferred tax claims were recognized for these losses since the latter may not be used for offsetting against the taxable profit of other affiliated companies and the losses arose in subsidiaries that have already been making tax losses for a long time and/or will not make any tax gains in the near future.

Deductible differences for which no deferred taxes were capitalized as of December 31, 2009 and as of December 31, 2008 apply to subsidiaries whose expected tax income situation will presumably not enable use of deferred tax assets.

Reconciliation of effective tax rate and effective income tax expenses:

Reconciliation statement (in TEUR)	**2009**		**2008**	
Income before taxes		16,523		83,618
Taxes on income with application of Group tax rate	15.4 %	2,544	15.4 %	12,877
Reconciliation items				
Use of additional tax-related special operating expenses		-5,863		-8,250
Taxes on derivatives with effect on income statement		11		-214
Tax-free income and other curtailments		-1,608		-1,806
Non-tax-deductible expenses and other additions		1,567		5,240
Differing tax rates at affiliated companies		1,062		527
Use of non-capitalized tax loss carry-forwards		0		-1,055
Effect of change in tax rates		442		-2
Derecognition of deferred taxes on loss carry-forwards and temporary differences		11,366		5,207
Reversal of a previous derecognition of deferred taxes on loss carry-forwards and temporary differences		-508		-2,465
Deferred tax expenses/income not relating to this period		-230		216
Current tax expenses/income not relating to this period		-243		-910
Miscellaneous		-51		-290
Total reconciliation items	36.0 %	5,945	-4.5 %	-3,802
Income tax expenses reported in the Group	**51.4 %**	**8,489**	**10.9 %**	**9,075**

The applied tax rate of 15.4 percent (previous year: 15.4 percent) includes, as in the previous year, only the trade tax in Germany on the basis of the relevant trade tax rate since BLG LOGISTICS GROUP AG & Co. KG, as a partnership, is not subject to the corporate tax and solidarity surcharge as an independent taxable entity. The high Group tax rate in relation to the previous year essentially results from the valuation allowance of deferred tax assets on temporary differences and loss carry-forwards.

17 Earnings per share of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–

In accordance with IAS 33, the undiluted earnings per share are calculated by dividing the annual Group net income apportioned to the parent company by the average number of shares. The undiluted earnings per share for the 2009 financial year are EUR 0.24 (previous year: EUR 0.77). This calculation is based on the share of the annual Group net income of EUR 920,000 (previous year: EUR 2,962,000) accounted for by BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– and the unchanged number of ordinary shares, i.e. 3,840,000.

The average number of issued shares is adjusted by the number of all potentially diluted shares for the calculation of the diluted earnings per share. In the year under review, as in the previous year, there was no difference from the undiluted earnings in terms of amount.

18 Dividend per share

A dividend payout of EUR 960,000 (previous year: EUR 1,536,000) is proposed for the 2009 financial year. This corresponds to a dividend per share of EUR 0.25 (previous year: EUR 0.40).

Disclosures regarding consolidated statement of income and accumulated earnings

19 Income and expenses reported directly in equity

(in TEUR)	2009	2008
Currency translation	863	-784
Change in fair value of derivative financial instruments (cash flow hedges)	-179	-5,480
of those, transferred to the income statement	0	0
	-179	**-5,480**
Change in fair value of derivative financial instruments of associated enterprises	-70	-68
of those, realized in the income statement	0	0
	-70	**-68**
Taxes on other comprehensive income	24	856
Total	**638**	**-5,476**

20 Taxes on the income and expenses reported directly in equity

(in TEUR)	2009 Gross value	2009 Tax expense/income	2009 Net value	2008 Gross value	2008 Tax expense/income	2008 Net value
Currency translation	863	0	863	-784	0	-784
Change in fair value of derivative financial instruments (cash flow hedges)	-179	21	-158	-5,480	844	-4,636
Change in fair value of derivative financial instruments of associated enterprises	-70	3	-67	-68	12	-56
Total	**614**	**24**	**638**	**-6,332**	**856**	**-5,476**

Consolidated balance sheet disclosures

21 Intangible assets

(in TEUR) 2009 financial year	Goodwill	Concessions, industrial property rights and similar rights as well as licenses in such rights and assets	Prepay-ment	Total
Purchase costs				
As of January 1, 2009	4,800	32,447	11,820	49,067
Changes in entities to be consolidated	0	-34	0	-34
Additions	7,920	1,495	3,017	12,432
Disposals	0	-6,510	-1,431	-7,941
Transfers	0	263	0	263
Currency differences	0	1	0	1
As of December 31, 2009	12,720	27,662	13,406	53,788
Depreciation				
As of January 1, 2009	0	22,399	0	22,399
Changes in entities to be consolidated	0	-20	0	-20
Additions	0	2,526	1,450	3,976
Disposals	0	-6,477	-1,425	-7,902
Transfers	0	0	0	0
Currency differences	0	0	0	0
As of December 31, 2009	0	18,428	25	18,453
Carrying amounts as of 2009-12-31	**12,720**	**9,234**	**13,381**	**35,335**
Carrying amounts as of 2008-12-31	4,800	10,048	11,820	26,668

(in TEUR) 2008 financial year	Goodwill	Concessions, industrial property rights and similar rights as well as licenses in such rights and assets	Prepay-ment	Total
Purchase costs				
As of January 1, 2008	177	31,367	6,813	38,357
Changes in entities to be consolidated	0	10	0	10
Additions	4,623	6,664	5,777	17,064
Disposals	0	-5,839	-413	-6,252
Transfers	0	251	-357	-106
Currency differences	0	-6	0	-6
As of December 31, 2008	4,800	32,447	11,820	49,067
Depreciation				
As of January 1, 2008	0	25,382	0	25,382
Changes in entities to be consolidated	0	1	0	1
Additions	0	2,829	0	2,829
Disposals	0	-5,822	0	-5,822
Transfers	0	16	0	16
Currency differences	0	-7	0	-7
As of December 31, 2008	0	22,399	0	22,399
Carrying amounts as of 2008-12-31	**4,800**	**10,048**	**11,820**	**26,668**
Carrying amounts as of 2007-12-31	177	5,985	6,813	12,975

Systematic depreciation is carried out exclusively on a linear pro rata temporis basis and is reported in the income statement under the item "Depreciation of long-term intangible assets and tangible assets".

The following periods of useful life were used as the basis here:

Useful life periods of intangible assets	2009	2008
Software licenses	3 - 5 years	3 - 5 years
Internally developed software	3 - 5 years	3 - 5 years
Supply and sluice use rights	20 years	20 years

Impairments amounting to EUR 1,605,000 (previous year: EUR 0) arose. They primarily related to software, to an amount of EUR 1,225,000, which is no longer used.

The impairments are reported under the item "Depreciation of long-term intangible assets and tangible assets".

Goodwill of EUR 7,920,000 resulted in the 2009 financial year within the framework of initial consolidation of a foreign subsidiary.

No financing costs were capitalized for qualified assets.

Rented or leased assets from finance leasing agreements to an amount of EUR 0 (previous year: EUR 15,000) are contained in the above listed intangible assets.

The rented or leased assets compare with leasing liabilities amounting to EUR 0 (previous year: EUR 185,000); see disclosure no. 31.

The assets capitalized within the framework of finance leasing and hire purchase agreements are legally owned by the respective lessor.

22 Tangible assets

(in TEUR) 2009 financial year	Land, land rights and buildings, including buildings on third-party land	Technical equipment and machinery	Other equipment, operating and office equipment	Prepayments and assets under construction	Total
Purchase and manufacturing costs					
As of January 1, 2009	509,288	400,849	58,802	58,927	1,027,866
Changes in entities to be consolidated	10,216	-520	-261	60	9,495
Additions	16,167	29,881	4,909	14,436	65,393
Disposals	-5,027	-6,142	-1,608	-231	-13,008
Transfers	22,671	23,668	2,750	-49,352	-263
Currency differences	511	-16	2	-6	491
As of December 31, 2009	553,826	447,720	64,594	23,834	1,089,974
Depreciation					
As of January 1, 2009	178,647	150,522	36,573	0	365,742
Changes in entities to be consolidated	-1	-211	-194	0	-406
Additions	22,828	35,056	7,267	0	65,151
Disposals	-4,718	-3,958	-1,296	0	-9,972
Transfers	0	0	0	0	0
Currency differences	0	-2	-1	-1	-4
As of December 31, 2009	196,756	181,407	42,349	-1	420,511
Carrying amounts as of 2009-12-31	**357,070**	**266,313**	**22,245**	**23,835**	**669,463**
Carrying amounts as of 2008-12-31	330,641	250,327	22,229	58,927	662,124

(in TEUR) 2008 financial year	Land, land rights and buildings, including buildings on third-party land	Technical equipment and machinery	Other equipment, operating and office equipment	Prepayments and assets under construction	Total
Purchase and manufacturing costs					
As of January 1, 2008	447,897	334,890	54,554	61,679	899,020
Changes in entities to be consolidated	0	318	57	0	375
Additions	35,208	64,329	8,355	45,770	153,662
Disposals	-3,614	-15,801	-4,789	-1,037	-25,241
Transfers	29,797	17,154	633	-47,485	99
Currency differences	0	-41	-8	0	-49
As of December 31, 2008	509,288	400,849	58,802	58,927	1,027,866
Depreciation					
As of January 1, 2008	158,842	132,688	34,752	0	326,282
Changes in entities to be consolidated	0	0	24	0	24
Additions	20,667	29,884	6,200	0	56,751
Disposals	-1,026	-11,829	-4,368	0	-17,223
Transfers	162	-148	-38	0	-24
Currency differences	2	-73	3	0	-68
As of December 31, 2008	178,647	150,522	36,573	0	365,742
Carrying amounts as of 2008-12-31	**330,641**	**250,327**	**22,229**	**58,927**	**662,124**
Carrying amounts as of 2007-12-31	289,055	202,202	19,802	61,679	572,738

Revaluation of a property was carried out in connection with the purchase price allocation in the framework of the purchase of shares of BLG ViDi Logistics TOW, Ukraine as of October 1, 2009. The basis for the revaluation was an expert opinion oriented to the applicable fair value of the property based on a price observed in an active market. As of October 1, 2009, the carrying amount of the property was EUR 464,000; after the revaluation the carrying amount increased to EUR 10,213,000.

Systematic depreciation is carried out exclusively on a linear pro rata temporis basis and is reported in the income statement under the item “Depreciation of long-term intangible assets and tangible assets”.

The disposals for assets under construction to an amount of EUR 0 (previous year: EUR 368,000) relate to sale and leaseback transactions in the reporting year as well as reductions in the purchase price of EUR 231,000 (previous year: EUR 669,000).

The useful life periods of the relevant asset classes serving as the basis are as follows:

Useful life periods of tangible assets	2009	2008
Buildings of lightweight design	10 years	10 years
Buildings of solid design	20-40 years	20-40 years
Outdoor areas	10-20 years	10-20 years
Floating cranes	40 years	40 years
Other cargo handling equipment	4-34 years	4-34 years
Technical equipment and machinery	5-20 years	5-20 years
Operating and office equipment	4-20 years	4-20 years
Low-value assets	1 year	1 year

Impairments arose to an amount of EUR 4,123,000 (previous year: EUR 2,998,000). They primarily related to areas in Hamburg (to an amount of EUR 1,206,000) that were set up in the 2000 financial year to create storage space and torn down in the 2008 financial year.

An expert opinion for a logistics center at the Eisenach location determined a need for a valuation allowance of EUR 1,447,000. The necessary depreciation was primarily carried out on technical equipment.

Furthermore, impairments of EUR 1,207,000 were effected on operating equipment and areas no longer required.

The impairments are reported under the item "Depreciation of long-term intangible assets and tangible assets".

The prepayments and assets under construction, amounting to EUR 23,835,000 (previous year: EUR 58,927,000), exclusively comprise assets under construction.

No financing costs were capitalized in the year under review.

The tangible assets also include rented or leased assets from finance leasing agreements amounting to the carrying amounts shown below.

Finance leasing (carrying amounts in TEUR)	2009-12-31	2008-12-31
Buildings	480	582
Technical equipment and machinery	68,586	49,288*
Operating and office equipment	362	433
Total	**69,428**	**50,303**

* Adjustment of previous year's figure in accordance with IAS 8.42

The rented or leased assets compare with leasing liabilities to an amount of EUR 72,269,000 (previous year: EUR 51,658,000), see disclosure no. 31.

The assets capitalized within the framework of finance leasing and hire purchase agreements are legally owned by the respective lessor. Reference is made to disclosure no. 30 with respect to the other assets reported under tangible assets and serving as security for long-term loans.

23 Financial assets

(in TEUR) 2009 financial year	Shares in affiliated companies	Financial assets at equity	Other partici-pations	Long-term securities	Total
Purchase costs					
As of January 1, 2009	872	35,753	2,029	628	39,282
Additions	86	4,135	1	0	4,222
Disposals	0	-1,003	-87	0	-1,090
Transfers	0	27	-27	0	0
Currency translation differences	0	476	0	0	476
As of December 31, 2009	**958**	**39,388**	**1,916**	**628**	**42,890**
Depreciation					
As of January 1, 2009	466	0	620	0	1,086
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
Currency translation differences	0	0	0	0	0
As of December 31, 2009	**466**	**0**	**620**	**0**	**1,086**
Carrying amounts as of 2009-12-31	**492**	**39,388**	**1,296**	**628**	**41,804**
Carrying amounts as of 2008-12-31	406	35,753	1,409	628	38,196

(in TEUR) 2008 financial year	Shares in affiliated companies	Financial assets at equity	Other partici-pations	Long-term securities	Total
Purchase costs					
As of January 1, 2008	841	30,730	1,730	628	33,929
Additions	37	6,838	293	0	7,168
Disposals	0	-784	0	0	-784
Transfers	-6	0	6	0	0
Currency translation differences	0	-1,031	0	0	-1,031
As of December 31, 2008	**872**	**35,753**	**2,029**	**628**	**39,282**
Depreciation					
As of January 1, 2008	466	0	620	0	1,086
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
As of December 31, 2008	**466**	**0**	**620**	**0**	**1,086**
Carrying amounts as of 2008-12-31	**406**	**35,753**	**1,409**	**628**	**38,196**
Carrying amounts as of 2007-12-31	375	30,730	1,110	628	32,843

Shares in affiliated companies

The shares in affiliated companies to an amount of EUR 492,000 (previous year: EUR 406,000) primarily contain the non-consolidated general partner enterprises of the fully consolidated operational limited partnerships.

Joint ventures

The joint venture EUROGATE GmbH & Co. KGaA, KG, in which BLG LOGISTICS GROUP AG & Co. KG owns 50 percent of the capital shares, is recorded, including its subsidiaries, in the listing regarding investment holdings under the item "Companies included through proportionate consolidation".

The share of the assets, liabilities, sales and expenses of this joint venture that are apportionable to the Group is shown in the segment reporting (disclosure no. 39) by the CONTAINER Division. Further information is provided in disclosure no. 48.

Shares in associated enterprises

The shares in associated enterprises that are consolidated at equity relate to the following companies:

	2009-12-31		2008-12-31	
	Share	Carrying amount in TEUR	Share	Carrying amount in TEUR
dbh Logistics IT AG, Bremen	26.8 %	775	26.8 %	631
ZLB Zentrallager Bremen GmbH & Co. KG, Bremen	33.3 %	2,032	33.3 %	2,187
BLG Logistics of South Africa (Pty) Ltd, Port Elizabeth, South Africa	89.8 %	675	89.8 %	371
BMS Logistica Ltda., São Paulo, Brazil	50.0 %	2,327	50.0 %	1,084
DCP Dettmer Container Packing GmbH & Co. KG, Bremen	50.0 %	0	50.0 %	0
Hansa Marine Logistics GmbH, Bremen	100.0 %	94	50.0 %	45
BLG-ESF Warehouse GmbH, Bremen	50.0 %	74	50.0 %	77
Schultze Stevedoring GmbH & Co. KG, Bremen	50.0 %	50	50.0 %	50
ICC Independent Cargo Control GmbH, Bremen	33.3 %	30	33.3 %	42
ICO BLG Automobile Logistics Italia S.p.A., Gioia Tauro, Italy	50.0 %	2,966	60.0 %	2,898
Automobile Logistics Slovakia s.r.o., Bratislava, Slovakia	50.0 %	271	50.0 %	209
AUTOMOBILE LOGISTICS CZECH S.r.o., Nošovice, Czech Republic [1]	50.0 %	32	50.0 %	--
E.H. Harms Car Shipping Autotransport Koper d.o.o., Koper, Slovenia	94.0 %	210	50.0 %	86
Cuxcargo Hafenbetrieb GmbH & Co. KG, Cuxhaven [2]	47.0 %	--	25.0 %	34
ATN Autoterminal Neuss GmbH & Co. KG, Neuss	47.0 %	3,382	25.0 %	3,899
Autoterminal Slask Logistic Sp. z o.o., Dabrowka Gornicza, Poland	47.0 %	1,492	25.0 %	1,259
B.V. Interrijn E.H.Harms Automobil-Transporte RoRo, Rotterdam, Netherlands	47.0 %	262	25.0 %	169
E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine	47.0 %	772	25.0 %	1,062
CONTSHIP Italia S.p.A., Genoa, Italy	16.7 %	17,406	16.7 %	14,978
TangerMedGate Management S.a.r.l., Tangier, Morocco	26.7 %	3,000	26.7 %	2,435
OJSC Ust-Luga Container Terminal, Ust-Luga, Russia	10.0 %	1,850	10.0 %	2,554
ACOS Holding AG, Bremen	25.0 %	1,684	25.0 %	1,683
FLZ Hamburger Feeder Logistik Zentrale GmbH, Hamburg	17.0 %	4	--	--
Total		**39,388**		**35,753**

[1] consolidated at equity for the first time in 2009 [2] measured at cost since 2009

CONTSHIP Italia S.p.A., Genoa, Italy, TangerMedGate Management S.a.r.l., Tangier, Morocco, OJSC Ust-Luga Container Terminal, Ust-Luga, Russia, ACOS Holding AG, Bremen and FLZ Hamburger Feeder Logistik Zentrale GmbH, Hamburg, are taken into account via the EUROGATE Group on a proportionate basis. The EUROGATE Group's share in the companies amounts to 33.4 percent (CONTSHIP Italia S.p.A.), 53.4 percent (TangerMedGate Management S.a.r.l.), 20.0 percent (OJSC Ust-Luga Container Terminal), 49.9 percent (ACOS Holding AG) and 34.0 percent (FLZ Hamburger Feeder Logistik Zentrale GmbH).

Because of preceding losses, proportionate profits of associated enterprises to an amount of EUR 83,000 (previous year: EUR 391,000) were not reported in the Group result in the 2009 financial year. On the closing date the cumulated loss shares not reported in the Group result totaled EUR 568,000 (previous year: EUR 651,000).

The share of the assets, liabilities, income and expenses of the associated enterprises apportionable to the Group are as follows:

(in TEUR)	2009	2008
Assets	107,708	109,274
Liabilities	-67,173	-71,437
Net assets	**40,535**	**37,837**
Income	129,809	117,177
Expenses	-128,371	-112,196
Net result	**1,438**	**4,981**

To increase the informative value, the apportionable shares were shown differently from the previous year.

Other participations

(in TEUR)	2009	2008
Medgate FeederXpress Ldt., Monrovia, Liberia	795	795
Miscellaneous	501	614
Total	**1,296**	**1,409**

Companies with suspended or only minor operating activities in which BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– is directly or indirectly entitled to at least 20 percent of the voting rights and which are only of minor importance for conveying an appropriate view of the net worth, financial position and results of the BLG Group are shown with their respective purchase costs or the lower applicable fair value in the consolidated financial statement.

No impairments were effected in the reporting year.

24 Financial receivables

2009 financial year (in TEUR)	< 1 year	> 1 - 5 years	> 5 years	2009-12-31 Total
Loans to affiliated companies	281	647	0	928
Other receivables from affiliated companies	750	0	0	750
Loans to joint ventures	0	0	0	0
Loans to associated enterprises	50	2,588	5,468	8,106
Other receivables from participations	377	0	0	377
Loans to shareholders	385	159	0	544
Other receivables from shareholders	378	0	0	378
Excess of direct insurance assets over pension liabilities	0	0	101	101
Financial receivables from shareholder accounts at joint ventures	10,557	0	0	10,557
Financial receivables from shareholder accounts at associated enterprises	1,087	0	0	1,087
Other financial receivables	2,887	6	9	2,902
Total	**16,752**	**3,400**	**5,578**	**25,730**

2008 financial year (in TEUR)	< 1 year	> 1 - 5 years	> 5 years	2008-12-31 Total
Loans to affiliated companies	0	953	0	953
Other receivables from affiliated companies	0	0	0	0
Loans to joint ventures	65	0	0	65
Loans to associated enterprises	0	4,600	3,685	8,285
Other receivables from participations	386	0	0	386
Loans to shareholders	363	544	0	907
Other receivables from shareholders	312	0	0	312
Excess of direct insurance assets over pension liabilities	0	0	94	94
Financial receivables from shareholder accounts at joint ventures	26,952	0	0	26,952
Financial receivables from shareholder accounts at associated enterprises	1,391	0	0	1,391
Other financial receivables	1,825	177	0	2,002
Total	**31,294**	**6,274**	**3,779**	**41,347**

The short-term financial receivables are reported under Other assets (disclosure no. 26).

Because of the fixed interest rate, the loans are subject to an interest-related market price risk which, however, is not significant for the BLG Group given the amount and term of the receivables.

The maximum default risk corresponds to the carrying amounts. There are no indications of significant concentrations of the default risk.

Of the total amount, EUR 25,457,000 (previous year: EUR 39,944,000) were neither overdue nor impaired. The impaired financial receivables and the valuation allowances recognized on that basis have developed as follows:

Impaired financial receivables (in TEUR)	2009-12-31	2008-12-31
Nominal amounts	4,575	2,845
Valuation allowances	-4,302	-1,442
Carrying amounts	**273**	**1,403**

Valuation allowances for financial receivables (in TEUR)	2009	2008
As of beginning of financial year	1,442	2,012
Impairments in the financial year		
- additions	3,202	250
- releases	-342	-820
Consumption / derecognition of receivables	0	0
As of end of financial year	**4,302**	**1,442**

Income and expenses from the above shown impairments in the financial year are reported under Other operating income or Other operating expenses.

25 Inventories

(in TEUR)	2009-12-31	2008-12-31
Raw materials, consumables and supplies	9,785	8,808
Work in progress	325	898
Finished goods and merchandise	905	668
Total	**11,015**	**10,374**

The inventories are not pledged as security for liabilities. Valuation allowances for the inventories were recognized to an amount of EUR 84,000 (previous year: EUR 224,000) as of December 31, 2009.

26 Trade receivables and other assets

Trade receivables (in TEUR)	2009-12-31	2008-12-31
Receivables – third parties	123,864	127,762
Receivables – third parties, stage of completion method	305	574
Receivables – affiliated companies	755	997
Receivables – companies in which a participation is held	4,497	6,303
Total	**129,421**	**135,636**

The trade receivables shall be paid interest-free within a year and do not serve as securities for liabilities. The maximum default risk corresponds to the carrying amounts. There are no indications of significant concentrations of the default risk.

Taking into account punctual performance by the contracting parties and the default risk, the carrying amounts of the trade receivables as of the closing dates can be allocated as follows:

Trade receivables (in TEUR)	2009-12-31	2008-12-31
Neither overdue nor impaired receivables	98,631	85,097
Overdue but not impaired receivables	30,168	49,852
Impaired receivables	622	687
Total	**129,421**	**135,636**

The overdue but not impaired receivables are broken down into the following ranges:

Outline of the trade receivables overdue but not impaired as of the closing dates according to ranges of overdue periods (in TEUR)	2009-12-31	2008-12-31
Less than 30 days	23,775	31,143
Between 30 and 60 days	3,622	11,939
Between 61 and 90 days	1,067	4,825
Between 91 and 180 days	1,053	1,572
Between 181 and 360 days	159	224
More than 360 days	492	149
Total	**30,168**	**49,852**

Valuation allowances were recognized for impaired trade receivables depending on the respective default risk.

Impaired trade receivables (in TEUR)	2009-12-31	2008-12-31
Nominal amounts	3,131	3,761
Valuation allowances	-2,509	-3,074
Carrying amounts	**622**	**687**

The valuation allowances for trade receivables developed as follows:

Valuation allowances for trade receivables (in TEUR)	2009	2008
As of beginning of financial year	3,074	2,575
Changes in entities to be consolidated	0	7
Impairments in financial year		
- additions	1,624	2,272
- releases	-1,904	-1,250
Consumption/derecognition of receivables	-285	-530
As of end of financial year	**2,509**	**3,074**

Furthermore, direct derecognition of trade receivables amounting to EUR 483,000 (previous year: EUR 169,000) was carried out in the reporting year and reported under Other operating expenses. The Other operating income contains receipts from trade receivables derecognized in previous years to an amount of EUR 0 (previous year: EUR 35,000).

Other assets

Other assets in TEUR (excluding long-term)	2009-12-31	2008-12-31
Short-term financial receivables (disclosure no. 24)	16,752	31,294
Receivables from the Free Hanseatic City of Bremen	4	11
Receivables from employees	154	145
Claims to refund from insurance companies	2,804	2,667
Receivables from the Employment Office	1,097	498
Receivables from the Tax Office	2,067	2,965
Deferrals/accruals	2,368	2,148
Other assets	14,041	19,526
Total	**39,287**	**59,254**

The other assets relate to advance payments on railway wagons amounting to EUR 4,970,000 (previous year: EUR 5,703,000) and claims to public grants to an amount of EUR 7,724,000 (previous year: EUR 10,710,000). The latter results from receivables based on non-repayable construction cost subsidies of Eisenbahn-Bundesamt for expanding the multimodal terminal in Hamburg-Waltershof as well as for building the new multimodal terminal in Bremerhaven.

The Other assets excluding short-term financial receivables shall be paid interest-free within a year and do not serve as security for liabilities.

27 Claims for refund from tax on income

The tax claims relate to claims for refunds for the reporting year to an amount of EUR 190,000 (previous year: EUR 1,476,000) as well as claims for refunds for previous years to an amount of EUR 76,000 (previous year: EUR 75,000).

With regard to claims from deferred taxes, reference is made to disclosure no. 16.

28 Cash and cash equivalents

(in TEUR)	2009-12-31	2008-12-31
Balance on current account	10,957	21,157
Call and short-term time deposits	24,813	8,148
Cash	163	152
Total	**35,933**	**29,457**

Bank balances bear interest at variable interest rates for balances subject to call. Short-term contributions are made for different periods that vary between one day and one month depending on the respective cash needs of the Group. They bear interest at the respectively valid interest rates for short-term contributions.

29 Equity

The breakdown and development of equity in the 2009 and 2008 financial years is shown separately in the statement of changes in equity as an independent part of the consolidated financial statement as of December 31, 2009.

a) Capital of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– included

The share capital (subscribed capital) amounts to EUR 9,984,000.00 and is divided into 3,840,000 registered shares with voting rights. The approval of the company is required for transfer of the shares in accordance with Section 5 of the Memorandum and Articles of Association. The share capital was paid in, in full, as of December 31, 2009.

The revenue reserves include the legal reserves in accordance with Section 150 of the Stock Corporation Act (AktG) to an amount of EUR 998,000 (previous year: EUR 998,000), which are completely allocated to the revenue reserves, as well as other revenue reserves of EUR 3,777,000 (previous year: EUR 3,817,000). An amount of EUR 40,000 was withdrawn from the other revenue reserves and transferred to the balance sheet profit in the financial year. In the previous year an amount of EUR 1,426,000 was transferred from the Group net income to the other revenue reserves.

b) Capital of BLG LOGISTICS GROUP AG & Co. KG included

The capital allotted to the limited partner of BLG LOGISTICS GROUP AG & Co. KG is disclosed. The limited partnership capital and the capital reserves were provided nearly exclusively through contribution in kind.

The capital reserves contain offsets of capitalized differences from the time prior to the changeover of the consolidated financial statements to IFRS.

The revenue reserves encompass retained profits from the previous years, dividend payments and other withdrawals, earlier changes in the entities to be consolidated without effect on the income statement as well as other changes and shares in the Group net income for the year. In addition, the revenue reserves contain differences between HGB and IFRS existing on January 1, 2004 (time of transition).

The balance sheet profit of EUR 11,828,000 corresponds to the disclosure in the financial statement as of December 31, 2009 of BLG LOGISTICS GROUP AG & Co. KG.

Dividend payouts are reported as liabilities in the period in which the dividend resolution was adopted.

The foreign currency adjustment item contains translation effects resulting from the translation of annual financial statements of included companies reported in currencies other than the euro.

The reserves from the fair value measurement of financial instruments (hedge reserves) contain net gains or losses from the change in the market value of the effective part of cash flow hedges reported without effect on the income statement. As a rule, the reserves are released on liquidation of the hedged item. Furthermore, the reserves shall be released in the event of expiration, sale, termination or exercise of the hedging instrument, revocation of the designation of the hedge relationship or failure to meet the requirements for hedging in accordance with IAS 39.

Development of the hedge reserves (in TEUR)	2009	2008
As of January 1	**-2.692**	**2.000**
Change in the reserves	-225	-4.692
As of December 31	**-2.917**	**-2.692**

As of the balance sheet date, the reserves consisted of the fair values of interest rate swaps qualifying as hedging to the amount of EUR -3,329,000 (previous year: EUR -3,151,000), the deferred taxes of EUR 518,000 (previous year: EUR 498,000) without effect on the income statement as well as the fair values of derivative financial instruments for associated enterprises, reported without effect on the income statement, amounting to EUR -106,000 (previous year: EUR -39,000).

The balance sheet result of companies included to an amount of EUR -35,447,000 (previous year: EUR 19,158,000) relates to subsidiaries of BLG LOGISTICS GROUP AG & Co. KG and essentially comprises deficits in the reporting year as well as the purchase price for shares acquired from a minority shareholder and losses taken over from the latter from previous years.

The balance sheet result of the previous year primarily consisted of non-distributed profits of the reporting year and previous years.

c) Other minority shares in equity

The third-party shares in the equity of the other subsidiaries included in the financial statement through full consolidation, besides BLG LOGISTICS GROUP AG & Co. KG, are reported in this item to an amount of EUR 5,001,000 (previous year: EUR -10,571,000).

The disclosure of hybrid equity amounting to EUR 78,010,000 (previous year: EUR 78,010,000) relates to a bond issued by the EUROGATE Group and taken into account on a proportionate basis, including the interest taken into account on a pro rata temporis basis for owners of hybrid capital as profit share for the 2009 financial year.

The subordinated indefinite-term bond having a nominal value of EUR 150,000,000 was issued with a coupon of initially 6.75 percent p.a. by EUROGATE GmbH & Co. KGaA, KG, Bremen, the holding company of the EUROGATE Group (“EUROGATE KG”), effective as of May 30, 2007.

The issuer has the opportunity to redeem the bond for the first time after a period of ten years. If the bond is continued, a variable interest rate with a higher interest margin is then contractually specified. The owners of the hybrid bond do not have a contractual, ordinary right of termination.

This bond is reported as hybrid capital within the equity as of December 31, 2009 because it is an instrument with which, on the one hand, the owners of the bond cannot demand redemption on the basis of the contractual arrangements and, on the other hand, EUROGATE KG cannot be required to make a payment to the owners of this instrument on the basis of the contractually stipulated requirements. This means there are no obligations to surrender liquid funds or other financial assets that may be mandatory for EUROGATE KG on the basis of contractual provisions of owners of the hybrid capital. The bond must therefore be classified in itself as equity in accordance with IAS 32. Since the bond is held by an affiliated company of BLG LOGISTICS GROUP AG & Co. KG and, from the point of view of the Group, would thus be affected by the limited partner's exercising of the right of termination, it has to be included in the following examination of IAS 32.

The coupons to be paid as compensation to the owners of the hybrid capital are shown as part of the appropriation of profits in the consolidated income statement and in the development of equity.

Pro rata temporis coupon payments of EUR 5,063,000 were taken into account as profit share in equity of the owners of the hybrid capital in the 2009 financial year.

Application of IAS 32

Both BLG LOGISTICS GROUP AG & Co. KG and the other subsidiaries whose minority shares are reported in the Group equity as "Other minorities" are limited partnerships, with the exception of one company.

In accordance with IAS 32, in the version to be applied for financial years as of January 1, 2009, the termination options of the limited partners are a key criterion for accruals and deferrals of equity and borrowed capital. Financial instruments that grant the owner (in this case the limited partner) the right to terminate, and thus require in the event of termination that the company transfer liquid funds or other financial assets, may represent equity, if the conditions of IAS 32.16A to IAS 32.16D are met. However, these provisions are not applicable to minority shares in accordance with IAS 32.AG.29A. On the basis of the existing rights of termination of the limited partners of BLG LOGISTICS GROUP AG & Co. KG as well as in the case of the other subsidiaries whose minority shares are reported in Group equity, the "net assets of the limited partners" corresponding to the total amount of the minority shares according to the balance sheet would have to be recognized in borrowed capital. Correspondingly the shares of the result allotted to the limited partners would have to be reported as financing expenses.

This also applies to the hybrid equity here since it is held by BLG LOGISTICS GROUP AG & Co. KG and would therefore be affected by its right of termination for limited partners. In view of this background it must be regarded as a part of the "net assets of the limited partners".

To avoid the contradictory accounting consequences of IAS 32 that counteract the economic substance of the limited liability capital as equity, IAS 32 (revised in 2000) shall continue to be applied in this consolidated financial statement with respect to accruals and deferrals of the equity and borrowed capital components of the limited liability capital. IAS 32 does not require disclosure of the "net assets of the limited partners" in the liabilities or recognition of the result portions of the limited partners in the financing expenses. For this reason the "net assets of the limited partners" are reported as equity and the related reimbursement is reported as part of the Group net income for the year.

Measurement of this item is carried out at the carrying amount of the "net assets of the limited partners" according to IFRS.

Regarding development of the individual equity components, reference is made to the separate consolidated statement of changes in equity.

30 Long-term loans

The long-term loans according to residual term ranges are composed of the following:

2009-12-31 (in TEUR)	Residual terms			
	< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks	60,495	103,531	76,538	240,564
Loans of Eisenbahn-Bundesamt	92	326	495	913
Total	**60,587**	**103,857**	**77,033**	**241,477**

2008-12-31 (in TEUR)	Residual terms			
	< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks	40,593	101,828	67,687	210,108
Loans of Eisenbahn-Bundesamt	92	325	521	938
Total	**40,685**	**102,153**	**68,208**	**211,046**

Of the loans taken out from banks, a total of EUR 129,530,000 (previous year: EUR 100,805,000) was subject to a fixed interest rate while EUR 111,034,000 (previous year: EUR 109,303,000) were subject to a variable interest rate.

Liabilities to banks are hedged by virtue of real estate mortgages to an amount of EUR 44,512,000 (previous year: EUR 49,041,000) and through a guarantee to an amount of EUR 690,000 (previous year: EUR 2,071,000). The customary covenants on the basis of the equity ratio as well as the net indebtedness were agreed upon with the banks granting the loans for loan liabilities of EUR 150,457,000 (previous year: EUR 74,464,000).

As a hedge for liabilities of joint ventures to banks to a proportionate amount of EUR 39,713,000 (previous year: EUR 46,230,000), buildings, operating facilities and mobile items of the fixed assets served as security.

31 Other financial liabilities

The other financial liabilities comprise the following:

(in TEUR)	2009-12-31		2008-12-31	
	short-term	long-term	short-term	long-term
Short-term portion of long-term loans	60,587	-	40,685	-
Finance leasing	6,874	65,395	4,102	47,740
Current account credit	25,776	-	22,301	-
Time and call deposits	12,000	-	27,200	-
Clearing account EUROKAI KGaA	10,557	0	26,952	0
Loan BLG Unterstützungskasse GmbH	33,391	0	34,581	0
Derivatives with negative market value	4,099	0	3,836	0
Accruals and deferred income	1,200	5,500	1,200	6,700
Miscellaneous	14,978	25,118	16,910	3,091
Total	**169,462**	**96,013**	**177,767**	**57,531**

The other short-term financial liabilities include liabilities resulting from reductions in sales proceeds to an amount of EUR 6,723,000 (previous year: EUR 6,601,000). The other miscellaneous long-term financial liabilities contain liabilities from acquisition of shares in E.H. Harms GmbH & Co. KG Automobile-Logistics to an amount of EUR 15,838,000 (previous year: EUR 0).

With the exception of the liabilities due to finance leasing, the carrying amounts correspond to the market values of the liabilities.

The average effective interest rates of the major groups of short-term financial liabilities as of the balance sheet date are as follows:

Average effective interest rates	2009-12-31	2008-12-31
Current account liabilities to banks	1.13 %	3.09 %
Call and time deposits taken out	1.10 %	4.00 %

The discounted future cash flows from liabilities due to finance leasing are as follows:

(in TEUR)	2009-12-31			2008-12-31		
	Minimum leasing rates	of that, repayment	of that, interest	Minimum leasing rates	of that, repayment	of that, interest
up to one year	10,411	6,874	3,537	6,716	4,102	2,614
1 – 5 years	38,947	28,287	10,660	20,314	11,430	8,884
more than 5 years	47,158	37,108	10,050	48,158	36,310	11,848
Total	**96,516**	**72,269**	**24,247**	**75,188**	**51,842**	**23,346**

32 Accruals for government grants

(in TEUR)	2009-12-31		2008-12-31	
	short-term	long-term	short-term	long-term
Container terminal in Bremerhaven	674	11,641	277	4,832
Container terminal in Hamburg	705	8,574	705	9,279
Total	**1,379**	**20,215**	**982**	**14,111**

These are accruals for investment grants that are reported separately according to the gross method. The accruals are released analogously to the depreciation of subsidized assets. Total income from the release of accruals to an amount of EUR 982,000 (previous year: EUR 366,000) was reported for 2009.

The grant for the Bremerhaven and Hamburg container terminals was taken from the financial statement of the EUROGATE Group at the amount resulting from proportionate consolidation. It was essentially granted by Eisenbahn-Bundesamt for expansion and/or construction of new multimodal terminals respectively in Hamburg-Waltershof and in Bremerhaven.

33 Long-term provisions

(in TEUR)	2009-12-31	2008-12-31
Personnel-related provisions		
Direct commitments	9,372	9,420
BLG company pension	20,041	20,199
Working-life time accounts	322	520
Social future concept	4,210	4,079
Provisions for anniversaries	5,135	4,420
	39,080	**38,638**
Other provisions		
Provisions for dismantling commitments	9,083	7,482
Miscellaneous other long-term provisions	805	966
	9,888	**8,448**
Total	**48,968**	**47,086**

Long-term benefits to employees (in TEUR)	As of 2009-01-01	Claiming	Release	Addition	Change in entity to be consolidated	As of 2009-12-31
Direct commitments	9,420	254	6	926	-714	9,372
BLG company pension	20,199	25	133	0	0	20,041
Working-life time accounts	520	198	0	0	0	322
Social future concept	4,079	0	81	212	0	4,210
Provisions for pensions	**34,218**	**477**	**220**	**1,138**	**-714**	**33,945**
Provisions for anniversaries	4,420	0	54	769	0	5,135
Total	**38,638**	**477**	**274**	**1,907**	**-714**	**39,080**

Short-term benefits to employees (in TEUR)	As of 2009-01-01	Claiming	Release	Addition	Change in entity to be consolidated	As of 2009-12-31
Direct commitments	289	289	0	303	0	303
BLG company pension	1,281	1,281	0	1,333	0	1,333
Provisions for pensions	**1,570**	**1,570**	**0**	**1,636**	**0**	**1,636**
Provisions for anniversaries	231	220	0	438	0	449
Total	**1,801**	**1,790**	**0**	**2,074**	**0**	**2,085**

Provisions for pensions

The legal framework for granting employee benefits is based, first of all, on individual commitments of the affiliated companies. Moreover, further liabilities for payment of a disability and old age pension result from the framework wage agreement for the port employees of the German seaport operating companies, including the special provisions for the ports in the federal state of Bremen of May 12, 1992.

As of January 1, 1998, the employee benefit liabilities of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– existing at that time were assumed by BLG Unterstützungskasse GmbH, Bremen. The legal basis for assessment of the amount of the contributions is the framework wage agreement for the port employees of the German seaport operating companies, including the special provisions for the ports in the federal state of Bremen of May 12, 1992.

Furthermore, there are employee benefit liabilities in accordance with the directives of the Siemens old age welfare scheme for employees who transferred to BLG Logistics Solutions GmbH, Bremen from SRI Radio Systems GmbH, Durach as of October 1, 2001 and from Siemens AG, Berlin, as of May 1, 2003.

Finally, there are commitments for the granting and payment of old age, disability and surviving dependent's benefits on the basis of a Group company agreement on future social security of March 15, 2005 (social future concept).

Major portions of this benefit plan are covered by a waiver of pay on the part of the employees taking part in the benefit plan that is agreed upon anew every year. The portions from the bonus plan result annually from employee profit sharing determined after the end of the financial year.

The provisions are calculated according to the projected unit credit method in accordance with IAS 19, taking into account the contractual agreement forming the basis in each case. All plans of the BLG Group are defined benefit plans in accordance with IAS 19. Actuarial gains or losses are recognized in accordance with IAS 19.92 only to the extent they exceed 10 percent of the maximum of the present value of the liabilities prior to deduction of plan assets or of the current market value of the plan assets (corridor method). The excess amount is recognized on a linear basis over the average remaining working life of the employees with effect on the income statement.

Reconciliation of the present values of the liabilities (DBO = defined benefit obligation) to the provisions for pensions recognized in the balance sheet is as follows:

Development of DBO of pension liabilities (in TEUR)		2009	2008
Status at beginning of reporting year		63,575	64,399
+	Current employment period expenses	3,030	3,240
+	Pay conversion expense	5,155	4,132
+	Interest expense	3,918	3,519
+/-	Actuarial gains or losses amortized in the financial year	-225	-89
+/-	Actuarial gains and losses	1,583	-9,386
-	Claiming	-3,021	-2,351
+	Employment period expenses to be subsequently set off	133	117
+/-	Transfers	-16	-6
+/-	Changes in the entities to be consolidated	-714	0
Status at end of reporting year		**73,418**	**63,575**

Development of plan assets (in TEUR)		2009	2008
Status at beginning of reporting year		38,703	31,815
+	Expected income	1,769	1,339
+/-	Actuarial gains or losses amortized in the financial year	474	166
+	Additions of the employees included in the plan (e.g. pay conversions)	4,817	3,612
+	Contributions of the employer	2,809	2,759
-	Claiming	-1,389	-982
+/-	Transfers	-16	-6
Status at end of reporting year		**47,167**	**38,703**

Reconciliation of the present values from DBO and plan assets to the net liability recognized in the balance sheet (in TEUR)		2009	2008
Present value of liabilities not covered by a fund		27,191	26,462
+	Present value of liabilities from completely or partially covered pension liabilities	46,227	37,113
	Total present value of the liabilities	**73,418**	**63,575**
	Present value of plan assets	-47,167	-38,703
+	Refund claims capitalized as assets	102	94
	Present value of plan assets	**-47,065**	**-38,609**
+/-	Actuarial gains and losses not reported in the balance sheet for previous years (net)	10,824	1,435
+/-	Actuarial gains and losses not reported in the balance sheet for the current year (net)	-1,513	9,386
+/-	Other amounts recognized in the balance sheet	-83	1
Net liabilities/assets		**35,581**	**35,788**

Components of the pension expenses (in TEUR)		2009	2008
Current employment period expenses		3,030	3,240
+	Interest expense	3,918	3,519
-	Expected income from plan assets and refund claims	-1,769	-1,339
+/-	Actuarial gains or losses amortized in the financial year	-699	-255
+	Employment period expenses to be subsequently set off and amortized in the financial year	133	117
Total pension expenses		**4,613**	**5,282**

The plan assets include in particular reinsurance coverage taken out for the social future concept as well as individual commitments. The asset values calculated by the insurance companies are recognized as market values.

The employment period expenses, the amortized actuarial gains or losses and the amortized employment period expenses still to be set off are reported in the income statement as personnel expenses while the accrued interest for the expected pension liabilities is reported as an interest expense. The income from plan assets and refund claims reduces the interest expense.

The actuarial measurement of the major pension plans was carried out on the basis of the following parameters:

Actuarial parameters	2009-12-31	2008-12-31
Discount rate	6.10 - 6.45 %	6.30 - 6.45 %
Expected wage and salary development	2.00 %	2.00 - 2.50 %
Expected pension increases	2.00 %	2.00 %
Expected fluctuation rate	0.00 - 3.00 %	0.00 - 3.00 %
Expected returns from plan assets	4.00 - 4.75 %	4.00 - 4.95 %

In the reporting year the reference tables 2005 G of Prof. Klaus Heubeck are used as the basis for calculation of life expectancy.

Contributions for the current year and the four preceding years of the pension liabilities, the assets shown separately, liabilities exceeding assets and adjustments based on experience are as follows:

As of December 31 in each case (in TEUR)	2009	2008	2007	2006	2005
Pension liabilities (DBO)	73,418	63,575	64,399	61,850	58,430
Assets shown separately (plan assets)	-47,167	-38,703	-31,815	-24,420	-18,939
Liabilities exceeding assets (funded status)	**26,251**	**24,872**	**32,584**	**37,430**	**39,491**

Adjustments in %	2009	2008	2007	2006
Increase based on experience (+) / reduction (-) in pension liabilities	0.5	0.8	0.6	0.3
Increase based on experience (+) / reduction (-) in assets shown separately	0.0	0.0	0.0	0.0

Provisions for anniversaries

The provisions for anniversaries recognize the claims contractually promised to the employees of the Group for receipt of anniversary grants. Accounting for these provisions is based on actuarial assessments in which calculations were carried out using a discount rate of 5.5 percent (previous year: 6.0 percent). The addition of the reporting year amounting to EUR 1,207,000 contains the accrued interest to an amount of EUR 379,000.

Other long-term provisions

(in TEUR)	As of 2009-01-01	Claim-ing	Release	Addition	Reor-ganiza-tion	Amorti-zation	As of 2009-12-31
Other provisions							
Provisions for dismantling commitments	7,482	225	0	1,911	-90	5	9,083
Impending losses from pending transactions	605	0	300	0	-305	0	0
Miscellaneous	361	0	0	444	0	0	805
Total	**8,448**	**225**	**300**	**2,355**	**-395**	**5**	**9,888**

The provisions for dismantling commitments predominantly relate to the CONTAINER Division and were recognized for the restoration of the leased grounds in Hamburg at the time of the expiration of the leases in the years 2031 to 2036. The affiliated companies are required to remove all buildings and equipment from the leased grounds on expiration of the leases. The estimated dismantling liabilities were discounted at an interest rate of 5.80 percent (previous year: 6.45 percent).

An amount of EUR 305,000 was transferred from the provisions for impending losses to the short-term provisions.

The other long-term provisions primarily relate to noise protection measures in the CONTAINER Division to an amount of EUR 800,000.

34 Trade payables

(in TEUR)	2009-12-31	2008-12-31
Liabilities – third parties	34,091	60,070
Liabilities – affiliated companies	130	106
Liabilities – companies in which a participation is held	4,259	8,090
Liabilities from outstanding income	19,987	18,234
Total	**58,467**	**86,500**

As a logistics company, the BLG Group does not receive deliveries and services from individual external third parties to a significant extent.

35 Other liabilities

Other long-term liabilities (in TEUR)	2009-12-31	2008-12-31
Liabilities for part-time work arrangements for employees approaching retirement	9,466	4,016
Miscellaneous	21	2
Total	**9,487**	**4,018**

Liabilities for part-time work arrangements for employees approaching retirement are reported on the liabilities side on the basis of collective and individual wage agreements. The disclosure, which includes the arrears in settling obligations in connection with current part-time work arrangements for employees approaching retirement and the amounts of the increase, is based on actuarial assessments. The liabilities were discounted at a rate of 3.25 percent (previous year: 5.50 percent).

Other short-term liabilities (in TEUR)	2009-12-31	2009-12-31
Liabilities on outstanding vacation	9,809	10,308
Liabilities to employees based on restructuring	9,407	0
Liabilities on sales tax	7,682	5,262
Liabilities to employees for wages and salaries	6,569	12,639
Liabilities for part-time work arrangements for employees approaching retirement	2,860	3,186
Accruals and deferrals	2,364	2,016
Short-term benefits to employees	2,084	1,801
Liabilities on social security	585	1,535
Payments received for orders	211	186
Miscellaneous	8,156	9,191
Total	**49,727**	**46,124**

The other short-term liabilities contain other taxes to an amount of EUR 1,591,000 (previous year: EUR 2,135,000). Furthermore, they include a liability from an option for acquisition of shares in EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG, Wilhelmshaven and EUROGATE Container Terminal Wilhelmshaven Beteiligungsgesellschaft mbH, Wilhelmshaven amounting to EUR 3,709,000 (previous year: EUR 2,547,000).

36 Payment obligations resulting from taxes on income

(in TEUR)	2009-12-31	2008-12-31
Corporate and trade tax for reporting year	3,600	6,650
Corporate and trade tax for previous years	6,931	5,375
Liabilities on current taxes, total	**10,531**	**12,025**

Reference is made to disclosure no. 16 with regard to liabilities on deferred taxes.

37 Short-term provisions

Other short-term provisions (in TEUR)	As of 2009-01-01	Claiming	Release	Reorganization	Addition	As of 2009-12-31
Insurance levies	345	107	158	0	4,439	4,519
Impending losses	1,961	705	1,041	305	3,504	4,024
Guarantee commitments	2,000	0	0	0	1,700	3,700
Cases of damage	650	285	0	0	0	365
Restructuring	1,191	884	595	595	0	307
Deferred part-time work arrangements for employees approaching retirement	801	206	0	-595	0	0
Miscellaneous other provisions	2,763	253	1,126	0	1,060	2,444
Total	**9,711**	**2,440**	**2,920**	**305**	**10,703**	**15,359**

The insurance levies result in particular from payments connected with the compensation for liability damage of the big cities in Germany.

The provisions for impending losses contain risks of the CONTAINER Division from a non-terminable lease to an amount of EUR 754,000.

The provisions for restructuring relate to human resources measures in the CONTRACT Division that were essentially begun in previous years and are scheduled to be completed by 2010.

The provisions are primarily due to the reported amount in the course of 2010.

Cash flow statement disclosures

38 Cash flow statement disclosures

The cash flow statement has been prepared according to the provisions of IAS 7 and is structured according to cash flows from current operating, investment and financing activities.

The cash flow from current operating activities is shown according to the indirect method. The cash flow from investment activities is disclosed according to the direct method. This cash flow stems from cash flows with which income has been earned on a long-term basis, usually longer than a year, with effect on the income statement. The cash flow from financing activities is also disclosed according to the direct method. As a matter of principle, payments from transactions with the company owners, minority shareholders of consolidated subsidiaries as well as from raising or repaying loan capital are allocated to this cash flow.

The financial resource funds are defined as the difference between liquid funds and short-term liabilities to banks. The liquid funds are composed of cash in hand, call deposits due daily as well as short-term, extremely liquid funds that can be converted into legal tender at any time and are subject only to insignificant fluctuations in value.

The change in cash due to currency translation influences is shown separately according to IAS 7.28.

Composition of the financial resource funds (in TEUR)	2009-12-31	2008-12-31
Cash and cash equivalents acc. to balance sheet	35,933	29,457
Short-term liabilities to banks[1)]	-37,776	-49,502
Total	**-1,843**	**-20,045**

[1)] Disclosure in balance sheet in the item “Other financial liabilities” (see also disclosure no. 31)

Of the financial resource funds, an amount of EUR 26,893,000 (previous year: EUR 19,120,000) is allocated to companies included on a proportionate basis.

The inflow of funds from current business operating activities dropped by EUR 38,727,000 in comparison with the previous year to a total of EUR 83,379,000. The inflow of funds from the result of EUR 102,328,000 adjusted for non-cash-related expenses and income essentially compares with an inflow of funds of EUR 16,551,000 from paid and received interest.

The inflow of funds from investment activities dropped by EUR 63,086,000 compared to the previous year to a total of EUR 100,523,000. Of this, net payments for intangible assets and tangible fixed assets of EUR 71,459,000 (previous year: EUR 159,832,000) were made in the financial year. The remaining amount of EUR 29,064,000 is accounted for by investments in financial assets and long-term financial receivables.

The inflow of funds from financing activities came to EUR 35,249,000. This amount was thus EUR 11,164,000 above the inflow of funds achieved in the previous year. Major inflows of funds resulted from the change in financial loans to an amount of EUR 30,341,000 (previous year: EUR 26,375,000), the change in leasing liabilities to an amount of EUR 20,426,000 (previous year: EUR 33,387,000) and the change in the clearing account of a joint venture to an amount of EUR 16,395,000 (previous year: EUR -531,000). A total amount of EUR 34,753,000 (previous year: EUR 37,030,000) was paid out to company owners and owners of the hybrid equity capital.

Segment reporting

39 Segment reporting

Segment reporting (in TEUR*)	AUTOMOBILE 2009-12-31	AUTOMOBILE 2008-12-31
Sales		
with external third parties	**298,402**	**335,616**
Inter-segment sales	120	111
EBITDA	21,909	38,930
Depreciation	-11,374	-10,298
EBIT	**10,535**	**28,632**
in % of sales	*3.5 %*	*8.5 %*
Interest income	233	866
Depreciation of financial assets	0	0
Interest expenses	-6,437	-7,592
Result from companies included at equity	-204	690
Result from other long-term equity investments	52	54
Segment result (EBT)	**4,179**	**22,650**
Other information		
Other non-cash-related items	-251	-74
Included in segment result		
Income not relating to this period	9,147	6,253
Expenses not relating to this period	-4,011	-775
Impairments	-263	0
Shares in associated enterprises and other companies included at equity	9,386	9,615
Segment assets	245,990	223,296
Investments in long-term intangible fixed assets and tangible fixed assets	21,032	43,716
Segment liabilities	152,199	141,257
Equity	57,680	53,092
Employees	2,077	2,023

* TEUR (thousand EUR)

[1] The number of employees relates to companies included on proportionate basis (50 percent).

[2] Changes in the previous year's figures were made in the CONTRACT segment and in the reconciliation to the Group in accordance with IAS 8.42.

CONTRACT 2) 2009-12-31	CONTRACT 2) 2008-12-31	CONTAINER 2009-12-31	CONTAINER 2008-12-31	Reconciliation 2) 2009-12-31	Reconciliation 2) 2008-12-31	GROUP 2009-12-31	GROUP 2008-12-31
231,200	**276,247**	**295,699**	**357,491**	**-6,841**	**-6,721**	**818,460**	**962,633**
984	600	5,737	6,010	-6,841	-6,721	**0**	**0**
21,555	30,267	74,824	101,329	-13,959	-13,966	**104,329**	**156,560**
-16,161	-16,643	-40,794	-31,861	-798	-778	**-69,127**	**-59,580**
5,394	**13,624**	**34,030**	**69,468**	**-14,757**	**-14,744**	**35,202**	**96,980**
2.3 %	*4.9 %*	*11.5 %*	*19.4 %*	*n/a*	*n/a*	***4.3 %***	***10.1 %***
1,012	1,273	668	1,458	330	-71	**2,243**	**3,526**
0	-250	0	0	0	0	**0**	**-250**
-6,065	-7,539	-10,742	-7,415	507	2,637	**-22,737**	**-19,909**
1,579	1,656	-863	-289	251	137	**763**	**2,194**
37	42	911	981	52	0	**1,052**	**1,077**
1,957	**8,806**	**24,004**	**64,203**	**-13,617**	**-12,041**	**16,523**	**83,618**
-126	389	-103	0	205	0	**-275**	**315**
8,265	8,739	1,273	1,784	3,722	2,942	**22,407**	**19,718**
-1,460	-2,101	-541	-571	-855	-320	**-6,867**	**-3,767**
-1,447	-1,211	-4,018	-1,787	0	0	**-5,728**	**-2,998**
3,251	1,668	23,944	21,651	2,807	2,818	**39,388**	**35,752**
189,125	204,735	478,561	469,681	18,748	38,329	**932,424**	**936,041**
4,722	7,475	48,402	119,019	3,669	515	**77,825**	**170,725**
100,094	106,864	128,224	167,294	-64,384	-61,878	**316,133**	**353,537**
13,784	17,709	207,549	190,859	32,748	92,110	**311,761**	**353,770**
1,787	2,046	1,939[1)]	1,862[1)]	126	122	**5,929**	**6,053**

40 Segment reporting disclosures

In accordance with IFRS 8, segmenting is geared to the internal control and reporting structure. With regard to the BLG Group, this means that segment reporting is carried out according to the corporate structure comprising in divisions. Entire companies are allocated to the AUTOMOBILE, CONTRACT and CONTAINER Divisions respectively. In each case these companies represent operational segments that are combined for segment reporting according to the divisions since they operate in a comparable economic environment and show substantial similarities in terms of their services, processes and clientele. The respective divisional managers who report to the Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– are responsible for the success of the divisions. No significant changes resulted from application of IFRS 8, which has been applicable since January 1, 2009, in relation to the consolidated financial statement of the previous year.

The AUTOMOBILE Division essentially encompasses BLG AutoTerminal Bremerhaven GmbH & Co. KG, BLG AutoTec GmbH & Co. KG, BLG AutoTransport GmbH & Co. KG as well as BLG Automobile Logistics Italia S.r.l.

The major enterprises of the CONTRACT Division are BLG Automotive Logistics GmbH & Co. KG, BLG Logistics Solutions GmbH, BLG in.add.out. LOGISTICS GmbH & Co. KG, BLG Cargo Logistics GmbH & Co. KG as well as BLG Coldstore Logistics GmbH.

The CONTAINER Division encompasses the 50 percent shareholding in the operating management company of the EUROGATE Group, EUROGATE GmbH & Co. KGaA, KG. Through this shareholding the companies of the EUROGATE Group are included in the consolidated financial statement on a proportionate consolidation basis.

The operating activities of the divisions are described in disclosure no. 2.

BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– and BLG LOGISTICS GROUP AG & Co. KG as the management and financial holding company of the BLG Group do not form an operational segment in accordance with IFRS 8. These central divisions with their assets, liabilities and net income are contained in the reconciliation column.

The BLG Group operates predominantly in Germany. The domestic portion of Group sales comprises EUR 798,909,000 (previous year: EUR 921,946,000) and the foreign portion EUR 19,551,000 (previous year: EUR 40,687,000). The basis for allocation is the place of performance by the Group. The domestic portion of the Group's long-term intangible assets and the tangible assets comprises EUR 692,754,000 (previous year: EUR 687,859,000) and the foreign portion EUR 12,044,000 (previous year: EUR 933,000).

Sales of EUR 86,316,000 (previous year: EUR 98,296,000) were earned with the Group's biggest client, representing at least 10 percent of the total Group sales. They were primarily accounted for by the AUTOMOBILE and CONTRACT Divisions.

Management and control of the BLG Group are carried out on the basis of the data of the operational segments determined in accordance with IFRS. The accounting and measurement methods described in disclosure no. 6 apply to the segments in the same way as for the entire Group. The key parameter for the success of the segments is the EBT (earnings before taxes).

The sales between the segments are earned at customary market terms on the basis of business conducted with external third parties.

The depreciation is based on the segment fixed assets.

The segment assets do not include shares in associated enterprises that are included at equity as well as the deferred and current taxes.

All segment assets are necessary for company operation.

The segment liabilities encompass the short-term liabilities necessary for financing and provisions excluding interest-bearing loans.

The investments comprise additions of tangible assets as well as of long-term intangible assets.

The reconciliation of the total of the segments subject to reporting requirements to the Group data is as follows for the main items of segment reporting:

Sales with external third parties	2009-12-31	2008-12-31
Total of segments subject to reporting requirements	825,301	969,354
Central divisions / Other sales	0	0
Consolidation	-6,841	-6,721
Group sales	818,460	962,633

EBIT	2009-12-31	2008-12-31
Total of segments subject to reporting requirements	49,959	111,724
Central divisions / Other EBIT	-37,333	-14,726
Consolidation	22,576	-18
Group EBIT	35,202	96,980

Segment earnings / EBT	2009-12-31	2008-12-31
Total of segments subject to reporting requirements	30,140	95,659
Central divisions / Other EBT	-15,108	60,920
Consolidation	1,491	-72,961
Segment earnings (EBT) of the Group	16,523	83,618

Assets	2009-12-31	2008-12-31
Total of segments subject to reporting requirements	913,676	897,711
Central divisions / Other asset	469,823	483,935
Shares in associated enterprises and other companies included at equity	39,388	35,753
Deferred tax assets	4,963	8,940
Refund claims from taxes on income	266	1,551
Consolidation	-451,075	-445,606
Group assets	977,041	982,284

Liabilities	2009-12-31	2008-12-31
Total of segments subject to reporting requirements	380,517	415,415
Central divisions / Other liabilities	105,773	114,553
Equity	311,761	353,770
Long-term loans (excluding short-term portion)	180,890	170,361
Other long-term financial liabilities	96,013	57,531
Deferred tax liabilities	4,782	2,298
Short-term portion of long-term loans	60,587	40,685
Short-term portion of finance leasing	6,874	4,102
Consolidation	-170,156	-176,431
Group liabilities	977,041	982,284

Other disclosures

41 Financial instruments

Goals and methods of financial risk management

The primary financial instruments used for financing the Group, with the exception of derivative instruments, encompass long-term loans, finance leasing, including hire purchase agreements, short-term borrowing as well as cash and cash equivalents and short-term contributions at banks. The main purpose of these financial instruments is to finance the operating activities of the Group. The Group has various other financial instruments, such as trade receivables and payables, which arise in direct connection with its operating activities.

Derivatives for interest hedging are only used for the purpose of hedging against open risks. Interest derivatives are exclusively employed to optimize credit terms and minimize interest rate risks within the framework of financing strategies with matching maturities. Derivatives are not used for trade or speculation purposes.

The significant risks of the Group resulting from the financial instruments encompass interest rate risks, liquidity risks, foreign currency risks and default risks. The company management draws up and reviews guidelines for risk management for each of these risks, which will be described in the following.

In addition, the existing market price risk for all financial instruments is observed at the Group level. The accounting and measurement methods of the Group for derivatives are shown in disclosure no. 6.

Interest rate risk

The interest rate risk to which the Group is exposed arises mainly from the long-term loans and the other long-term financial liabilities.

The interest rate risks of the Group are managed by means of a combination of loan capital with a fixed and a variable interest rate. The overwhelming majority of the bank liabilities are set up on a long-term basis, i.e. there are fixed interest agreements up to the end of the financing term, either within the framework of the loan agreements or via interest rate swaps, which are concluded within the scope of microhedges for individual loans with a variable interest rate. Furthermore, to a certain extent interest hedging is carried out for loans to be taken out in the future through agreement of forward interest rate swaps.

Interest rate risks are shown by means of sensitivity analyses in accordance with IFRS 7. They represent effects of changes in market interest rates on interest payments, interest income and expenses, other result components as well as on equity. The interest sensitivity analyses are based on the following assumptions.

With regard to primary financial instruments with a fixed interest rate, changes in market interest rates have an effect on the result only if these financial instruments are measured at the applicable fair value. All financial instruments measured at amortized purchase costs with a fixed interest rate are not subject to any interest rate risks in accordance with IFRS 7. This applies to all loan liabilities of the Group with a fixed interest rate, including liabilities from finance leasing.

In the case of interest rate swaps designed to hedge against interest rate risks in the form of cash flow hedges, the changes in cash flows and result contributions of the hedged primary financial instruments and the interest rate swaps induced by changes in the market interest rates compensate for each other almost completely so that, to this extent, no interest rate risk exists. Measurement of the hedging instruments – without effect on the income statement – at the applicable fair value has impacts on the hedge reserves in the equity and is therefore recognized in the equity-based sensitivity analysis.

Changes in the market interest rate of primary financial instruments with a variable interest rate, whose interest payments are not designed as underlying transactions within the framework of cash flow hedges against interest rate risks, have an effect on the interest result and accordingly are included in the calculation of result-related sensitivities. The same applies to interest payments based on interest rate swaps that, as an exception, are not included in a hedge relationship in accordance with IAS 39. In the case of these interest rate swaps, changes in market interest rates also have an effect on the fair value and thus have impacts on the measurement result from the adjustment of the financial assets to the fair value and are taken into account in the result-based sensitivity analysis.

If the market interest rate level on the respective balance sheet date had been 100 base points higher (lower), this would have had the following impacts on the earnings before tax and the equity (before deferred taxes).

Assumed market interest rate level in comparison to actual level, 100 base points higher/lower (in TEUR)	2009-12-31		2008-12-31	
	higher	lower	higher	lower
Result effects	-1,504	1,626	-1,122	1,108
Equity effects (excluding result effects)	3,224	-3,369	3,427	-3,575

Foreign currency risk

With minor exceptions, the affiliated companies in the euro zone operate and invoice exclusively in euros (EUR). To this extent, a currency risk can only arise in individual cases, e.g. due to foreign dividend revenues or purchase of work and services abroad.

No significant currency risks existed in the Group as of December 31, 2009 and as of December 31, 2008.

Default risk

The default risk of the Group results mainly from the trade receivables. The amounts reported in the balance sheet include deductions for valuation allowances for expected irrecoverable receivables that were estimated on the basis of past experience and the current economic environment. At present the Group is not exposed to any significant default risk due to constant monitoring of receivables at the management level.

The default risk is limited in connection with liquid funds and derivative financial instruments since the latter are held at banks which international rating agencies have certified as having a high credit standing.

The maximum default risk of the Group is reflected, on the one hand, by the carrying amounts of the financial assets recognized in the balance sheet (including derivative financial instruments with a positive market value). As of the closing date, there were no significant agreements or hedges reducing the default risk. On the other hand, the Group is also exposed to a default risk by virtue of assuming financial guarantees. As of the balance sheet date, this risk amounted to a maximum of EUR 2,368,000 (previous year: EUR 18,553,000).

No significant concentrations of default risk exist in the Group.

Liquidity risk

The liquidity of the Group is secured through central cash management at the level of BLG LOGISTICS GROUP AG & Co. KG. All major subsidiaries are included in the cash management. The EUROGATE Group has an independent cash management system. Provision of financing funds (loans/leasing/rent) in due time to meet all payment obligations is ensured through central investment control and central credit management.

The contractually agreed (non-discounted) interest payments and repayments of the long-term primary financial liabilities are compiled in the following tables.

2009-12-31 (in TEUR)		Cash flows		
		Long-term loans from banks	Other long-term loans	Liabilities from finance leasing
Cash flows 2010	Fixed interest	5,956	0	3,537
	Variable interest	2,367	0	0
	Repayment	60,495	92	6,874
Cash flows 2011	Fixed interest	5,210	0	3,195
	Variable interest	1,959	0	0
	Repayment	31,300	87	6,940
Cash flows 2012 - 2014	Fixed interest	8,904	0	7,465
	Variable interest	4,672	0	0
	Repayment	72,147	238	21,347
Cash flows 2015 - 2019	Fixed interest	5,074	0	6,973
	Variable interest	2,525	0	0
	Repayment	66,281	327	18,908
Cash flows 2020 ff.	Fixed interest	963	0	3,077
	Variable interest	204	0	0
	Repayment	10,341	169	18,200
Total		**278,398**	**913**	**96,516**
Carrying amounts		**240,564**	**913**	**72,269**

2008-12-31 (in TEUR)		Cash flows		
		Long-term loans from banks	Other long-term loans	Liabilities from finance leasing
Cash flows 2009	Fixed interest	4,812	0	2,613
	Variable interest	4,195	0	0
	Repayment	40,593	92	4,102
Cash flows 2010	Fixed interest	3,968	0	2,442
	Variable interest	3,233	0	0
	Repayment	29,285	87	2,913
Cash flows 2011 - 2013	Fixed interest	8,079	0	6,441
	Variable interest	6,363	0	0
	Repayment	72,543	238	8,517
Cash flows 2014 - 2018	Fixed interest	5,565	0	7,697
	Variable interest	4,011	0	0
	Repayment	54,613	327	15,170
Cash flows 2019 ff.	Fixed interest	1,524	0	4,153
	Variable interest	363	0	0
	Repayment	13,074	194	21,140
Total		**252,221**	**938**	**75,188**
Carrying amounts		**210,108**	**938**	**51,842**

All long-term financial instruments that existed on the balance sheet date and for which payments were already contractually agreed were included. Target figures for future new liabilities are not included, and short-term liabilities that are due in up to a year can be found in the disclosures on the individual balance sheet items.

The variable interest payments from the financial instruments were determined on the basis of the interest rates last fixed before the balance sheet date. In cases where the fixed interest rate of the loans expires prior to their final maturity, the market interest rate with matching maturity on the balance sheet date was taken as the basis for the residual term.

Credit lines

As of December 31, 2009, the Group had unused current account credit lines of around EUR 73 million (previous year: around EUR 57 million).

Carrying amounts and fair values of the financial instruments according to balance sheet items, classes and measurement categories of IAS 39

The financial instruments are compiled according to the above criteria on the following pages.

Carrying amounts of the financial instruments broken down into balance sheet item, classes and categories (in TEUR)

	2009-12-31						
	Carrying amount 2009-12-31	**Category acc. to IAS 39***	Amortized purchase costs	Purchase costs	Fair value without effect on income statement	Fair value with effect on income statement	Applicable fair value
ASSETS							
Financial assets							
long-term							
Financial assets							
Shares in affiliated companies and other participations	1,788	afs	0	1,788	0	0	n.r.d.
Other financial assets	628	afs	0	628	0	0	n.r.d.
Long-term financial receivables							
Other long-term financial receivables	8,877	lar	8,877	0	0	0	8,877
Other long-term assets							
Miscellaneous	576	lar	576	0	0	0	576
short-term							
Trade receivables	129,421	lar	129,421	0	0	0	129,421
Other assets							
Short-term financial receivables	16,752	lar	16,752	0	0	0	16,752
Other miscellaneous short-term assets	18,100	lar	18,100	0	0	0	18,100
Cash and cash equivalents	35,933		35,933	0	0	0	35,933
Total financial assets	**212,075**		**209,659**	**2,416**	**0**	**0**	
LIABILITIES							
Financial liabilities							
long-term							
Long-term loans	180,890	flac	180,890	0	0	0	184,177
Other long-term financial liabilities							
Liabilities for finance leasing (lessee)	65,395	flac	65,395	0	0	0	67,847
Miscellaneous long-term financial liabilities	30,618	flac	30,618	0	0	0	30,618
Other long-term liabilities							
Liabilities for part-time work arrangements for employees approaching retirement	9,466	flac	9,466	0	0	0	9,466
Other miscellaneous long-term liabilities	21	flac	21	0	0	0	21
short-term							
Trade payables	58,467	flac	58,467	0	0	0	58,467
Short-term financial liabilities							
Short-term financial liabilities to banks	98,363	flac	98,363	0	0	0	98,563
Derivatives with hedge relationship	3,325	hedging	0	0	3,325	0	3,325
Derivatives without hedge relationship	774	hft	0	0	0	774	774
Other short-term financial liabilities	65,800	flac	65,800	0	0	0	65,800
Other short-term liabilities	17,585	flac	17,585	0	0	0	17,585
Total financial liabilities	**530,704**		**526,605**	**0**	**3,325**	**774**	

* afs = available for sale
flac = financial liability at cost
hft = held for trading
lar = loans and receivables
n.r.d. = not reliably determinable

Carrying amounts of the financial instruments broken down into balance sheet item, classes and categories (in TEUR)	2008-12-31						
ASSETS	**Carrying amount 2008-12-31**	**Category acc. to IAS 39***	Amortized purchase costs	Purchase costs	Fair value without effect on income statement	Fair value with effect on income statement	Applicable fair value
Financial assets							
long-term							
Financial assets							
Shares in affiliated companies and other participations	1,815	afs	0	1,815	0	0	n.r.d.
Other financial assets	628	afs	0	628	0	0	n.r.d.
Long-term financial receivables							
Other long-term financial receivables	9,959	lar	9,959	0	0	0	9,959
Other long-term assets							
Miscellaneous	31	lar	31	0	0	0	31
short-term							
Trade receivables	135,636	lar	135,636	0	0	0	135,636
Other assets							
Short-term financial receivables	31,294	lar	31,294	0	0	0	31,294
Other miscellaneous short-term assets	22,847	lar	22,847	0	0	0	22,847
Cash and cash equivalents	29,457		29,457	0	0	0	29,457
Total financial assets	**231,667**		**229,224**	**2,443**	**0**	**0**	
LIABILITIES							
Financial liabilities							
long-term							
Long-term loans	170,361	flac	170,361	0	0	0	173,615
Other long-term financial liabilities							
Liabilities for finance leasing (lessee)	47,740	flac	47,740	0	0	0	49,700
Miscellaneous long-term financial liabilities	9,791	flac	9,791	0	0	0	9,791
Other long-term liabilities							
Liabilities for part-time work arrangements for employees approaching retirement	4,016	flac	4,016	0	0	0	4,016
Other miscellaneous long-term liabilities	2	flac	2	0	0	0	2
short-term							
Trade payables	86,500	flac	86,500	0	0	0	86,500
Short-term financial liabilities							
Short-term financial liabilities to banks	90,186	flac	90,186	0	0	0	90,545
Derivatives with hedge relationship	3,396	hedging	0	0	3,396	0	3,396
Derivatives without hedge relationship	440	hft	0	0	0	440	440
Other short-term financial liabilities	82,545	flac	82,545	0	0	0	82,545
Other short-term liabilities	25,016	flac	25,016	0	0	0	25,016
Total financial liabilities	**519,993**		**516,157**	**0**	**3,396**	**440**	

* afs = available for sale
flac = financial liability at cost
hft = held for trading
lar = loans and receivables
n.r.d. = not reliably determinable

With the exception of the long-term loans from banks, other long-term loans of third parties and the liabilities from finance leasing, there are no significant differences between the carrying amounts and fair values of the financial instruments.

The following key methods and assumptions were used as the basis for determining the market values.

The market values were determined according to the discounted cash flow method on the basis of the expected future cash flows and current market-oriented interest rates for comparable loan agreements.

The interest curve of risk-free German government bonds plus a company-specific risk surcharge with an appropriate term is used as the market interest rate. In the case of installment payment agreements, the risk surcharge is recognized according to the average term.

Net results according to measurement categories

2009 (in TEUR)	from interest	Follow-up measurement Fair value	Follow-up measurement Valuation allowance	from disposal	Net result
Loans and receivables (lar)	1,380	0	-2,580	-485	-1,685
Available-for-sale financial assets (afs)	0	0	0	0	0
Financial instruments held for trading (hft)	0	-629	0	0	-629
Hedging instruments	-1,140	0	0	0	-1,140
Financial liabilities at amortized cost (flac)	-20,105	0	0	0	-20,105
Total	**-19,865**	**-629**	**-2,580**	**-485**	**-23,559**

2008 (in TEUR)	from interest	Follow-up measurement Fair value	Follow-up measurement Valuation allowance	from disposal	Net result
Loans and receivables (lar)	2,371	0	-1,181	-169	1,021
Available-for-sale financial assets (afs)	124	0	0	0	124
Financial instruments held for trading (hft)	0	-833	0	0	-833
Hedging instruments	512	0	0	0	512
Financial liabilities at amortized cost (flac)	-19,389	0	0	0	-19,389
Total	**-16,382**	**-833**	**-1,181**	**-169**	**-18,565**

[1] The previous year's figures were corrected in accordance with IAS 8.42.

Interest rate risk

Fixed-interest financial instruments

Fixed interest rates were agreed upon for the following loans and other financial instruments at carrying amounts. This means the Group is exposed to an interest rate risk for the fair value.

2009-12-31 (in TEUR)	Remaining terms			
	< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks	20,680	65,690	43,160	129,530
Liabilities from finance leasing	6,874	28,287	37,108	72,269
Total	**27,554**	**93,977**	**80,268**	**201,799**

2008-12-31 (in TEUR)	Remaining terms			
	< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks	19,673	49,407	31,725	100,805
Liabilities from finance leasing	4,102	11,430	36,310	51,842
Total	**23,775**	**60,837**	**68,035**	**152,647**

The fixed interest rate in the case of fixed-interest liabilities to banks, which had a value of EUR 92,962,000 (previous year: EUR 42,875,000) on the balance sheet date, expires prior to the expiration of the final maturity. The remaining value of these loans after expiration of the fixed interest rate period is as follows:

2009-12-31 (in TEUR)	Remaining terms			
	< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks	1,278	15,341	19,070	35,689
Total	**1,278**	**15,341**	**19,070**	**35,689**

2008-12-31 (in TEUR)	Remaining terms			
	< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks	2,655	5,554	15,723	23,932
Total	**2,655**	**5,554**	**15,723**	**23,932**

Floating-rate financial instruments

Floating interest rates were agreed upon for the following financial instruments. As a result, the Group is exposed to an interest rate risk for cash flows. The interest rate risk from the corresponding interest rate swaps has the opposite effect.

2009-12-31 (in TEUR)	Remaining terms			
	< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks	39,815	37,841	33,378	111,034
Total	**39,815**	**37,841**	**33,378**	**111,034**

2008-12-31 (in TEUR)	Remaining terms			
	< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks	20,920	52,421	35,962	109,303
Total	**20,920**	**52,421**	**35,962**	**109,303**

Furthermore, there are running interest rate swaps for nominal amounts totaling EUR 23,584,000 (previous year: EUR 24,917,000), which do not meet the criteria for cash flow hedges due to lack of allocation to floating-rate loans.

The other financial instruments of the Group not included in the above tables are not subject to any significant interest rate risk.

Derivative financial instruments

To reduce the interest rate risk of existing or planned bank liabilities, there were interest rate swaps with a total reference amount of EUR 88,589,000 (previous year: EUR 81,432,000) as of the balance sheet date. These swaps enable long-term hedging of the interest amount at the relatively low interest rate level prevailing at the time of conclusion of the swaps.

Through the interest rate swaps variable interest payments are replaced by fixed interest payments. The Group is the payer of the fixed interest and recipient of the variable interest. The swaps were concluded according to the risk management strategy solely for hedging purposes.

The main terms of the interest rate swaps are as follows:

Nominal amount (reference amount) 2009-12-31 in TEUR	Hedged item	Variable interest rate	Fixed interest rate	Term until	Market value 2009-12-31 in TEUR
65,006	loans	3/6M EURIBOR	2.75 - 4.60 %	2018	-3,325
15,333	planned loans	6M EURIBOR	3.70 %	2021	-498
80,339					**-3,823**
8,250	not allocated	3M EURIBOR	3.26 - 3.29 %		-276
88,589					**-4,099**

Nominal amount (reference amount) 2008-12-31 in TEUR	Hedged item	Variable interest rate	Fixed interest rate	Term until	Market value 2008-12-31 in TEUR
56,515	loans	3/6M EURIBOR	2.94 - 4.60 %	2018	-1,551
16,667	planned loans	6M EURIBOR	3.70 %	2021	-59
73,182					**-1,610**
8,250	not allocated	3M EURIBOR	3.26 - 3.29 %	2013	-86
81,432					**-1,696**

The nominal amounts represent the gross volume of all purchases and sales. This figure is a reference variable for determination of mutually agreed payments, but does not constitute receivables or liabilities that can be included in the balance sheet.

To limit the risks related to price fluctuations in connection with diesel purchases in the CONTAINER Division, a collar with a term from July 1, 2008 to June 30, 2009 was instituted in the 2008 financial year. The internal value of this collar was designed as a hedging instrument for half of the diesel purchases of the terminals expected in this period within the framework of accounting for hedging relationships (cash flow hedging of future transactions assessed as highly probable). The change in the effective portion of the internal value of the collar was reported directly in equity (EUR -1,257,000) as of December 31, 2008, taking into account deferred taxes, while the ineffective portion was reported with effect on the income statement, taking into account deferred taxes (EUR -152,000). The fair value component of the collar was reported with effect on the income statement (EUR -281,000), taking into account deferred taxes. The portion reported in equity was released with effect on the income statement in 2009 taking into account deferred taxes on commencement of the transaction. The collar was reported in Other liabilities as of December 31, 2008 with a negative applicable fair value of EUR 2,011,000.

The balance sheet measurement is carried out at the applicable fair value. To determine the fair value of an interest rate swap, the expected cash flows on both sides of the swap are discounted in accordance with the current interest structure curve. The difference between the two calculated amounts results in the net market value of the interest rate swap. This market measurement of the financial derivatives forms the price at which one party would acquire the rights and obligations from the other party based on the existing agreements. The market values were determined on the basis of the market terms existing on the balance sheet date.

Of the interest rate swaps existing as of December 31, 2009, swaps having a nominal volume of EUR 65,006,000 (previous year: EUR 56,515,000) meet the criteria for cash flow hedges. The changes in the fair values of the effective portions of the cash flow hedges were recognized directly in the equity while taking into account deferred taxes (EUR -225,000, previous year: EUR -4,612,000).

The changes in the fair values of the ineffective portions of the cash flow hedges and of the interest rate swaps that do not meet the criteria for cash flow hedges were recognized with effect on expenses (EUR -629,000, previous year: EUR -833,000).

Since the reference amounts decrease parallel to the loan values in the course of repayment of the loans forming the basis, no gains or losses are realized as long as the financial instruments are not sold. Sale is not planned.

The fair values of the interest rate swaps are disclosed under short-term financial liabilities (EUR 4,099,000, previous year: EUR 3,836,000).

42 Disclosures on operate lease agreements

Leasing agreements that represent operate leases in accordance with IAS 17 are structured according to the following maturities:

Minimum leasing payments from operate leases (in TEUR)	2009-12-31	2008-12-31
Maturity up to one year after balance sheet date	17,103	14,448
Maturity more than one year and up to 5 years	37,541	33,893
Maturity more than 5 years	12,703	7,719
Total	**67,347**	**56,060**

The operate leases relate in particular to industrial (warehouse) trucks, technical conveying equipment, trucks, tractors and railway wagons and have terms between 3 and 8 years.

Minimum payment liabilities from leases for areas, buildings and quay walls (in TEUR)	2009-12-31	2008-12-31
Maturity up to one year after balance sheet date	43,013	43,300
Maturity more than one year and up to 5 years	148,464	155,219
Maturity more than 5 years	774,035	844,471
Total	**965,512**	**1,042,990**

The leases relate in particular to leaseholds in the ports of Bremen and Bremerhaven and have terms of up to 39 years.

Claims from operate leases – Group as lessor

Minimum payment liabilities from leases for areas, buildings, quay walls and operating equipment (in TEUR)	2009-12-31	2008-12-31
Maturity up to one year after balance sheet date	7,966	7,391
Maturity more than one year and up to 5 years	32,353	31,737
Maturity more than 5 years	200,479	211,549
Total	**240,798**	**250,677**

The terms of these subtenancy arrangements essentially correspond to those of the main leases.

43 Contingent liabilities

As of the balance sheet date, contingent liabilities included on a proportionate basis from the EUROGATE Group exist from the granting of guarantees to an amount of EUR 1,325,000 (previous year: EUR 1,325,000) to provide security for third-party liabilities.

From the collateral assignment of buildings on third-party land contingent liabilities included on a proportionate basis from the EUROGATE Group existed from the land transfer tax to an amount of EUR 228,000 (previous year: EUR 228,000) as of December 31, 2009.

There were no further contingent liabilities resulting from guarantees (previous year: EUR 17.0 million) as of December 31, 2009.

For liabilities of an affiliated company there is an absolute guaranty to a bank. Use of the corresponding credit line amounted to EUR 815,000 on the balance sheet date.

44 Other financial liabilities

The order liabilities from agreements concluded for the acquisition of tangible fixed assets amounted to EUR 41,969,000 (previous year: EUR 112,701,000) as of the balance sheet date.

In addition, the share of the BLG LOGISTICS GROUP in the order liabilities for the acquisition of tangible fixed assets of the EUROGATE Group amounts to EUR 7,966,000 (previous year: EUR 47,344,000). The order liabilities of the EUROGATE Group as of the balance sheet date amounted to EUR 15,932,000 (previous year: EUR 94,687,000).

The amounts mentioned are nominal values. The net liabilities are predominantly due within the next two years.

45 Shareholders

In a letter dated April 2, 2002 to us as well as to the Federal Supervisory Office for Securities Trading, which has since become part of the Federal Supervisory Agency for Financial Services, Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen, notified us in accordance with Section 41 (2) sentence 1 of the Securities Trading Act (WpHG) that as of April 1, 2002 it is entitled to 12.61 percent of the voting rights in BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–.

In a letter dated April 2, 2002 to us as well as to the Federal Supervisory Office for Securities Trading, Norddeutsche Landesbank Girozentrale, Hanover, as the parent company of Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen, notified us in accordance with Section 41 (2) sentence 1 of the Securities Trading Act (WpHG) that as of April 1, 2002 it is entitled to 12.61 percent of the voting rights in BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–. Of that, 12.61 percent is to be allocated to Norddeutsche Landesbank Girozentrale in accordance with Section 22 (1) sentence 1 no. 1 WpHG.

In a letter dated April 8, 2002 to us as well as to the Federal Supervisory Office for Securities Trading, the financial holding company of Sparkasse in Bremen, Bremen, notified us in accordance with Section 41 (2) sentence 1 of the Securities Trading Act (WpHG) that as of April 1, 2002 it is entitled to 12.61 percent of the voting rights in BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–.

In a letter dated April 9, 2002 to us as well as to the Federal Supervisory Office for Securities Trading, the Free Hanseatic City of Bremen – municipality of Bremen – notified us in accordance with Section 41 (2) sentence 1 of the Securities Trading Act (WpHG) that as of April 1, 2002 it is entitled to 50.42 percent of the voting rights in BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–.

The company has published the above mentioned notices in accordance with Section 41 (3) of the Securities Trading Act (WpHG) in connection with Section 25 (1) sentence 1, 2 WpHG and duly informed the Federal Supervisory Agency for Financial Services, Frankfurt/Main of that.

46 Disclosures on related party relationships

Identification of affiliated parties:

In accordance with IAS 24, disclosure is required for relationships to related parties that control the Group of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– or are controlled by the latter.

Related parties are in particular majority shareholders, subsidiaries, provided they are not already included in the consolidated financial statement of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– as a consolidated company, associated enterprises, joint ventures or intermediary companies.

Furthermore, the Board of Management and Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– also constitute related parties in accordance with IAS 24. A list of the members of the Board of Management and Supervisory Board as well as additional information on these groups of persons is provided in disclosure no. 47.

Transactions with shareholders: Relationships to the Free Hanseatic City of Bremen – municipality of Bremen –

The Free Hanseatic City of Bremen – municipality of Bremen – is the majority shareholder of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– with a 50.42 percent share of the subscribed capital and must accordingly be assessed as a related party in accordance with IAS 24. For BLG LOGISTICS GROUP AG & Co. KG the Free Hanseatic City of Bremen – municipality of Bremen – has ordered leaseholds with an average remaining term of 39 years on the real estate used by the company and its subsidiaries. A total of EUR 11.6 million (previous year: EUR 11.3 million) in ground rent was paid by the BLG Group for the year 2009.

In the Ports of Bremen and Bremerhaven the Free Hanseatic City of Bremen – municipality of Bremen – has granted to the subsidiaries of BLG LOGISTICS GROUP AG & Co. KG, as of January 1, 2007, rights of quay use whose terms are tied to the leasehold contracts of the adjoining lots. A total of EUR 2.4 million (previous year: EUR 2.4 million) in quay use fees was paid by the BLG Group for the year 2009.

As of December 31, 2009, BLG LOGISTICS GROUP AG & Co. KG had receivables from the Free Hanseatic City of Bremen – municipality of Bremen – to an amount of EUR 378,000 (previous year: EUR 312,000) resulting from allowable capital gains tax and solidarity surcharge.

Furthermore, BLG LOGISTICS GROUP AG & Co. KG assigned automobile handling areas in Bremerhaven to two companies on behalf of the Free Hanseatic City of Bremen – municipality of Bremen –. BLG LOGISTICS GROUP AG & Co. KG performed and prefinanced maintenance measures for the legal owner of these cargo handling areas, the Free Hanseatic City of Bremen – municipality of Bremen –. Prefinancing was carried out through a loan agreement in 1996. This loan represents a receivable of BLG LOGISTICS GROUP AG & Co. KG from the Free Hanseatic City of Bremen – municipality of Bremen – and has a value of EUR 544,000 as of December 31, 2009. Repayment of the loan is carried out through ground rent, rental income and use fees due to the Free Hanseatic City of Bremen – municipality of Bremen – for assignment of the automobile handling areas to two companies in Bremerhaven.

Long-term receivables of EUR 246,000 result from granting of another loan to the Free Hanseatic City of Bremen – municipality of Bremen –.

To provide relief for the public road at the grounds of an affiliated company and ensure the necessary traffic safety, the Free Hanseatic City of Bremen – municipality of Bremen – has constructed a bridge structure. As support for the construction work, this affiliated company agreed in previous years, in the interest of its own business operations, to pay a single lost grant to the Free Hanseatic City of Bremen – municipality of Bremen – and WFB Wirtschaftsförderung Bremen GmbH respectively as contractual partners. In the year under review a first payment of EUR 537,000 was made in connection with this assumption of costs.

Legal transactions with affiliated companies of the Free Hanseatic City of Bremen – municipality of Bremen –

Individual companies of the BLG Group maintain day-to-day business relations with companies affiliated to the Free Hanseatic City of Bremen – municipality of Bremen – at customary market terms in each case.

BLG LOGISTICS GROUP AG & Co. KG has taken out various loans from Bremer Aufbau-Bank GmbH. The loan liabilities amounted to EUR 3,611,000 (previous year: EUR 5,627,000) as of December 31, 2009. In the reporting year loan liabilities to an amount of EUR 2,016,000 were amortized.

BLG in.add.out. LOGISTICS GmbH & Co. KG has taken out a loan from Bremer Aufbau-Bank GmbH. The loan liabilities amounted to EUR 3,062,000 as of December 31, 2009. In the reporting year loan liabilities to an amount of EUR 340,000 were amortized.

BLG LOGISTICS GROUP AG & Co. KG has taken out various loans from BLG Unterstützungskasse GmbH, Bremen. The loan liabilities amounted to EUR 33,391,000 as of December 31, 2009. In the reporting year loan liabilities to an amount of EUR 18,990,000 were amortized and new loans amounting to EUR 17,800,000 were taken out.

BLG LOGISTICS GROUP AG & Co. KG performs services for administration, accounting, human resources management and accounting as well as IT services for BLG Unterstützungskasse GmbH on the basis of an agency agreement. The payment for this in 2009 was EUR 216,000.

Relationships to non-consolidated affiliated companies, joint ventures and associated enterprises

The transactions of the affiliated companies with joint ventures, associated enterprises and non-consolidated affiliated companies are apportioned without exception to the ordinary operating activities of the respective companies involved and were concluded at customary market terms. The scope of the business relations to joint ventures and associated enterprises is shown in the following overview:

Related parties		Balance as of December 31 (in TEUR)			
	Year	Income	Expenses	Receivables	Liabilities
Affiliated companies	2009	849	211	1,223	516
	2008	910	601	603	52
Joint ventures	2009	5,632	414	10,689	35
(proportionate consolidation)	2008	5,013	489	27,311	108
Associated enterprises	2009	6,514	10,594	2,441	2,522
	2008	7,874	12,212	3,516	3,487

Valuation allowances of EUR 0 (previous year: EUR 250,000) were recognized for receivables from non-consolidated affiliated companies in the financial year. As in the previous year, no valuation allowances were recognized for receivables from associated enterprises.

There are provisions of EUR 0 (previous year: EUR 700,000) for risks arising from the liability for associated enterprises.

47 Disclosures on the Supervisory Board and Board of Management

The disclosures concerning the Supervisory Board and the Board of Management have been examined by the consolidated financial statement auditor. To avoid duplication, they will be reported elsewhere in the Annual Report. For the composition of the Supervisory Board and the Board of Management as well as memberships of the Supervisory Board and Board of Management members in other bodies in accordance with Section 125 (1) sentence 5 of the Stock Corporation Act (AktG) see page 29 ff.

Transactions with the Board of Management and Supervisory Board

The transactions with the Board of Management and Supervisory Board are limited to the work and services performed within the framework of the position of the executive body within the company and employment contract provisions and the remuneration for such work and services.

In the financial year the members of the Supervisory Board received remuneration of EUR 200,000, composed of a fixed component amounting to EUR 98,000. There were no variable components in the financial year. The meeting allowances contributed EUR 51,000 to the total amount, remuneration for committee work EUR 14,000 and remuneration for in-Group Supervisory Board seats EUR 37,000.

In the previous year the Supervisory Board received remuneration totaling EUR 384,000, of which fixed components accounted for EUR 100,000 and variable components for EUR 167,000. The meeting allowances contributed EUR 60,000 to the total amount, remuneration for committee work EUR 14,000 and remuneration for in-Group Supervisory Board seats EUR 43,000.

As of December 31, 2009, members of the Supervisory Board, as in the previous year, were not granted any loans or advance payments. By the same token, as in the previous year, no contingent liabilities were contracted for the benefit of members of the Supervisory Board. Travel expenses were reimbursed to the customary extent.

In the financial year the active members of the Board of Management received total remuneration of EUR 2,412,000, composed of a basic salary of EUR 1,699,000 and success-oriented remuneration of EUR 713,000.

Further disclosures on the individualized remuneration of the Board of Management and Supervisory Board can be found in the Corporate Governance report on Page 45 f. Its remuneration report is at the same time part of the Management Report and of the Group Management Report.

The members of the Board of Management were granted pension claims, some of which are against the BLG Group. Otherwise, the claims are against the Free Hanseatic City of Bremen – municipality of Bremen –. Provisions of EUR 1,977,000 (previous year: EUR 1,621,000) were recognized for the pension liabilities of the BLG Group in comparison to asset values of EUR 1,774,000.

The Free Hanseatic City of Bremen – municipality of Bremen – has pension liabilities to former members of the Board of Management.

As of December 31, 2009, members of the Board of Management, as in the previous year, were not granted any loans or advance payments. By the same token, as in the previous year, no contingent liabilities were contracted for the benefit of members of the Board of Management.

The remuneration systems for the Supervisory Board and the Board of Management are shown in the Group Management Report on page 44 ff.

48 Disclosures on joint ventures

The subgroup EUROGATE is a joint venture of BLG LOGISTICS GROUP AG & Co. KG, Bremen, and EUROKAI KGaA, Hamburg. The BLG LOGISTICS GROUP has a 50 percent share (previous year: 50 percent) in the joint venture.

The IFRS consolidated subgroup financial statement of the EUROGATE Group is consolidated on a 50 percent proportionate basis. The line-by-line method was selected as the report format.

The proportionately recognized shares of the BLG LOGISTICS GROUP in the assets and liabilities, income and expenses of the EUROGATE Group – according to proportionate consolidation – are as follows:

(in TEUR)	2009	2008
Long-term assets	344,776	335,582
Short-term assets	76,986	73,879
Long-term liabilities	-181,538	-154,681
Short-term liabilities	-106,022	-121,134
Net assets	**134,202**	**133,646**
Income	316,827	378,043
Expenses	-293,289	-314,863
Profit before taxes	**23,538**	**63,180**

49 Exercising of exemption options on the part of subsidiaries

The following subsidiaries, which are included in this consolidated financial statement by way of full consolidation, exercise their option of exemption from the disclosure provisions in accordance with Section 325 of the German Commercial Code (HGB) and in part also further such exemptions in accordance with Section 264b HGB:

- BLG LOGISTICS GROUP AG & Co. KG, Bremen
- BLG Automotive Logistics GmbH & Co. KG, Bremen
- BLG AutoTerminal Bremerhaven GmbH & Co. KG, Bremerhaven
- BLG AUTOMOBILE LOGISTICS GmbH & Co. KG, Bremen
- BLG in.add.out. LOGISTICS GmbH & Co. KG, Bremen
- BLG Cargo Logistics GmbH & Co. KG, Bremen
- BLG AutoTec GmbH & Co. KG, Bremerhaven
- E.H. Harms GmbH & Co. KG Automobile-Logistics, Bremen
- BLG AutoTerminal Hamburg GmbH & Co. KG, Hamburg
- BLG AutoTerminal Kelheim GmbH & Co. KG, Saal an der Donau
- BLG AutoTerminal Duisburg GmbH & Co. KG, Duisburg
- BLG AutoTerminal Wörth GmbH & Co. KG, Wörth
- BLG AutoTerminal Cuxhaven GmbH & Co. KG, Cuxhaven
- BLG AutoTransport GmbH & Co. KG, Bremen
- E.H. Harms GmbH & Co. Auto-Terminal Bremerhaven, Bremerhaven
- BLG CarShipping GmbH & Co. KG, Bremen
- BLG CONTRACT LOGISTICS GmbH & Co. KG, Bremen

50 Business transactions after the balance sheet date

Thus far there have been no transactions of major importance after the end of the reporting year.

51 Fee of the consolidated financial statement auditor

The fee of the consolidated financial statement auditor for the 2009 financial year in accordance with Section 314 (2) no. 9 of the German Commercial Code (HGB) comes to a total of EUR 718,000 (of that, EUR 90,000 in other periods). Of that, EUR 589,000 are accounted for by financial statement audits, EUR 5,000 by other auditing and measurement services, EUR 123,000 by tax consulting work and EUR 1,000 by other services.

52 Corporate Governance Code

The Board of Management and the Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– issued the 8th Declaration of Conformity to the German Corporate Governance Code in the version of June 18, 2009 on December 17, 2009. The declaration has been made available to the public on a permanent basis through its inclusion in our homepage (www.blg.de).

Group Assurance of the Legal Representatives

We declare according to the best of our knowledge and belief that, in accordance with the accounting principles to be applied, the consolidated financial statement presents a true and fair view of the net worth, financial position and results of the Group and the Group Management Report conveys a true and fair view of the business trend, including the business result, and of the situation of the Group and describes the major opportunities and risks in connection with the expected development of the Group.

Bremen, April 6, 2010

THE BOARD OF MANAGEMENT

Aden Kuhr Mekelburg

Onnen Schiffer

Auditors' Report for Consolidated Financial Statement

We have audited the consolidated financial statement, consisting of the balance sheet, income statement, and the notes to the financial statement, including the Group Management Report of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–, Bremen, for the financial year from January 1 to December 31, 2009. The legal representatives of the Company assume responsibility for the accounting and preparation of the consolidated financial statement and the Group Management Report in accordance with IFRS, as they have to be applied in the EU, and according to the provisions of German commercial law to be applied additionally in accordance with Section 315a (1) of the German Commercial Code (HGB). Our function is to submit an evaluation of the consolidated financial statement, taking into account the accounting, and of the Group Management Report on the basis of the audit conducted by us.

We have conducted our audit of the consolidated financial statement in accordance with Section 317 of the German Commercial Code (HGB), taking into consideration the German principles of proper financial statement auditing stipulated by the Institute of Auditors (IDW). According to these principles, the audit is to be planned and conducted such that any incorrectness and violations that have a significant impact on the view of the net worth, financial position and results conveyed by the consolidated financial statement in conformity with generally accepted accounting principles and by the Group Management Report are identified with adequate certainty. Knowledge of the business activities, economic environment and legal framework of the Group as well as the expectations regarding possible errors are taken into account in the definition of the auditing procedures. The effectiveness of the accounting-related system of internal audits as well as documentary evidence for the data in the consolidated financial statement and Group Management Report are predominantly evaluated on the basis of spot checks within the framework of the audit. The audit encompasses evaluation of the annual financial statements of the companies included in the consolidated financial statement, the definition of the entities to be consolidated, the accounting and consolidation principles applied and of the major assessments of the legal representatives as well as an appraisal of the overall presentation of the consolidated financial statement and the Group Management Report. We are of the view that our audit forms an adequately secure basis for our evaluation.

Our audit did not lead to any objections with the exception of the following restriction:

The Company has reported and measured the shares of minority shareholders to an amount of EUR 296.1 million (previous year: EUR 337.5 million), which relate to shares of limited partners, as equity although these items must be classified as borrowed capital in accordance with IAS 32. Correspondingly the payment related to these financial instruments amounting to EUR 7.1 million (previous year: EUR 71.6 million) was reported as part of the Group net income for the year and not as a financing expense.

In our assessment, taking into account this restriction, the consolidated financial statement conforms to the IFRS, as they have to be applied in the EU, and to the provisions of German commercial law to be applied additionally in accordance with Section 315a (1) of the German Commercial Code (HGB) on the basis of the findings gained through the audit and presents a true and fair view of the net worth, financial position and results of the Group in compliance with generally accepted accounting principles. The Group Management Report is in accordance with the consolidated financial statement, conveys overall an accurate view of the situation of the Group and represents the opportunities and risks of future development accurately.

Bremen, April 6, 2010

FIDES Treuhandgesellschaft KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft	Bitter Auditor	de Witt Auditor

Further Information : :

On the following pages we have compiled selected further information for you. These facts and figures help to round off your picture of the BLG Group.

If you still have any questions, talk to our staff members on the Public Relations or Investor Relations team. It is also worthwhile paying us a visit on the Internet at www.blg.de.

Participations

Compressed listing of the investment holdings of the Group of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–

cons. no.	Name, headquarters	Share in %	held through cons. no.
Companies included on basis of full consolidation			
1	BLG LOGISTICS GROUP AG & Co. KG, Bremen	0.00	
2	BLG Coldstore Logistics GmbH, Bremerhaven	100.00	1
3	BLG CONTRACT LOGISTICS GmbH & Co. KG, Bremen	100.00	1
4	BLG in.add.out. LOGISTICS GmbH & Co. KG, Bremen	100.00	1
5	BLG Automotive Logistics GmbH & Co. KG, Bremen	100.00	1
6	BLG Automotive Logistics of South America Ltda., São Paulo, Brazil	100.00	5
7	BLG Logistics Solutions GmbH, Bremen	100.00	3
8	BLG Logistics (UK) Ltd., Felixstowe, Great Britain	100.00	7
9	BLG Logistics Solutions Italia S.r.l., Milan, Italy	100.00	7
10	BLG Cargo Logistics GmbH & Co. KG, Bremen	100.00	1
11	BLG AUTOMOBILE LOGISTICS GmbH & Co. KG, Bremen	100.00	1
12	BLG AutoRail GmbH, Bremen	50.00	11
13	BLG AutoTerminal Bremerhaven GmbH & Co. KG, Bremerhaven	100.00	1
14	BLG AutoTec GmbH & Co. KG, Bremerhaven	97.00	13/23
15	BLG Automobile Logistics Italia S.r.l., Gioia Tauro, Italy	98.77	13
16	E.H. Harms GmbH & Co. KG Automobile-Logistics, Bremen	94.00	1
17	BLG AutoTerminal Hamburg GmbH & Co. KG, Hamburg	94.00	16
18	BLG AutoTerminal Kelheim GmbH & Co. KG, Saal an der Donau	94.00	16
19	BLG AutoTerminal Duisburg GmbH & Co. KG, Duisburg	94.00	22
20	BLG AutoTerminal Wörth GmbH & Co. KG, Wörth	94.00	22
21	BLG AutoTerminal Cuxhaven GmbH & Co. KG, Cuxhaven	94.00	16
22	BLG AutoTransport GmbH & Co. KG, Bremen	94.00	16
23	E.H. Harms GmbH & Co. Auto-Terminal Bremerhaven, Bremerhaven	94.00	16
24	BLG CarShipping GmbH & Co. KG, Bremen	94.00	16
25	BLG Auto-Terminal Gdansk Sp. z o. o., Gdansk, Poland	94.00	22
26	Automotive Services Beteiligungsgesellschaft mbH, Bremerhaven	94.00	16
27	BLG ViDi LOGISTICS TOW, Kiev, Ukraine	47.00	16

cons. no.	Name, headquarters	Share in %	held through cons. no.
Companies included on basis of proportionate consolidation			
28	EUROGATE GmbH & Co. KGaA, KG, Bremen	50.00	1
29	EUROCARGO Container Freight Station and Warehouse GmbH, Hamburg	50.00	30
30	EUROGATE City Terminal GmbH, Hamburg	50.00	28
31	EUROGATE Container Terminal Bremerhaven GmbH, Bremerhaven	50.00	28
32	EUROGATE Container Terminal Hamburg GmbH, Hamburg	50.00	28
33	EUROGATE Container Terminal Wilhelmshaven Beteiligungsgesellschaft mbH, Wilhelmshaven	35.00	28
34	EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG, Wilhelmshaven	35.00	28
35	EUROGATE Intermodal GmbH, Hamburg	50.00	28
36	EUROGATE International GmbH, Hamburg	50.00	44
37	EUROGATE IT Services GmbH, Bremen	50.00	28
38	EUROGATE Landterminal GmbH, Hamburg	50.00	28
39	EUROGATE Port Systems GmbH & Co. KG, Hamburg	50.00	31/32
40	EUROGATE Port Systems Beteiligungs GmbH, Hamburg	50.00	31/32
41	EUROGATE Technical Services GmbH, Bremerhaven	50.00	28
42	EUROGATE Terminal Services GmbH, Bremen	50.00	28
43	OCEANGATE Distribution GmbH, Hamburg	50.00	28
44	PCO Stauereibetrieb PAETZ & Co. Nfl. GmbH, Hamburg	50.00	28
45	PEUTE Speditions GmbH, Hamburg	50.00	30
46	REMAIN GmbH Container-Depot and Repair, Hamburg	50.00	28
47	SCL Service-Centrum Logistik Bremerhaven GmbH, Bremerhaven	50.00	28
48	SWOP Seaworthy Packing GmbH, Hamburg	50.00	32
49	EUROKOMBI Terminal GmbH, Hamburg	25.00	32
50	North Sea Terminal Bremerhaven GmbH & Co., Bremerhaven	25.00	28
51	North Sea Terminal Bremerhaven Verwaltungsgesellschaft mbH, Bremerhaven	25.00	28
52	MSC Gate Bremerhaven Verwaltungsgesellschaft mbH, Bremerhaven	25.00	28
53	MSC Gate Bremerhaven GmbH & Co. KG, Bremerhaven	25.00	28
54	FLOYD Zrt., Budapest, Hungary	25.50	35
55	Rail Terminal Bremerhaven GmbH, Bremerhaven	25.00	31

cons. no.	Name, headquarters	Share in %	held through cons. no.
Companies included on basis of equity method			
56	dbh Logistics IT AG, Bremen	26.75	84
57	ZLB Zentrallager Bremen GmbH & Co. KG, Bremen	33.33	1
58	BLG Logistics of South Africa (Pty) Ltd, Port Elizabeth, South Africa	89.82	5
59	BLL Ikhwezi Logistics Pty. Ltd. i.L., Port Elizabeth, South Africa	53.89	58
60	NYK Logistics & BLL (NLB) of South Africa Pty. Ltd., Port Elizabeth, South Africa	44.01	58
61	BMS Logistica Ltda., São Paulo, Brazil	50.00	6
62	DCP Dettmer Container Packing GmbH & Co. KG, Bremen	50.00	5
63	Hansa Marine Logistics GmbH, Bremen	100.00	10
64	BLG-ESF Warehouse GmbH, Bremen	50.00	10
65	Schultze Stevedoring GmbH & Co. KG, Bremen	50.00	10
66	ICC Independent Cargo Control GmbH, Bremen	33.33	10
67	ICO BLG Automobile Logistics Italia S.p.A., Gioia Tauro, Italy	50.00	15
68	Automobile Logistics Slovakia s.r.o., Bratislava, Slovakia	50.00	13
69	AUTOMOBILE LOGISTICS CZECH S.r.o., Nošovice, Czech Republic	50.00	13
70	E.H.Harms Car Shipping Autotransport Koper d.o.o., Koper, Slovenia	94.00	24
71	E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine	47.00	16
72	ATN Autoterminal Neuss GmbH & Co. KG, Neuss	47.00	26
73	Autoterminal Slask Logistic Sp. z o. o., Dabrowka Gornicza, Poland	47.00	16
74	B.V. Interrijn E.H.Harms Automobil-Transporte RoRo, Rotterdam, Netherlands	47.00	22
75	CONTSHIP Italia S.p.A., Genoa, Italy	16.70	36
76	TangerMedGate Management S.a.r.l., Tangier, Morocco	26.68	36/75
77	ACOS Holding AG, Bremen	24.95	35
78	OJSC Ust-Luga Container Terminal, Ust-Luga, Russia	10.00	36
79	FLZ Hamburger Feeder Logistik Zentrale GmbH, Hamburg	17.00	32

cons. no.	Name, headquarters	Share in %	held through cons. no.
Companies not included			
80	BLG CONTRACT LOGISTICS Beteiligungs-GmbH	100.00	1
81	BLG in.add.out. LOGISTICS Beteiligungs GmbH, Bremen	100.00	1
82	ZLB Zentrallager Bremen GmbH, Bremen	33.33	1
83	DCP Dettmer Container Packing GmbH, Bremen	50.00	5
84	Interessengemeinschaft Datenbank Umschlagbetriebe GbR, Bremen	94.00	1
85	Ausbildungsverbund Bremerhaven gemeinnützige Gesellschaft mbH, Bremerhaven	33.40	1
86	EUROGATE Beteiligungsgesellschaft mbH, Bremen	50.00	1
87	EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen	50.00	1
88	BLG Automotive Logistics Beteiligungs-GmbH, Bremen	100.00	1
89	BLG Logistics, Inc., Atlanta, USA	100.00	5
90	BLG Parekh Logistics Pvt. Ltd., Mumbai, India	50.00	5
91	BLG Soluciones Logisticas Integradas España S.L.U., Vitoria, Spain	100.00	5
92	Paul Günther S.r.l. Italia i. L., Genoa, Italy	90.00	7
93	BLG InTime s.r.o. i.L., Žiar nad Hronom, Slovakia	100.00	5/7
94	BLG Logistics CZ s.r.o., Prague, Czech Republic	100.00	5/7
95	BLG Cargo Logistics Beteiligungs-GmbH, Bremen	100.00	1
96	Schultze Stevedoring Beteiligungs-GmbH, Bremen	50.00	10
97	BLG MILS Logistics Sdn. Bhd., Kuala Lumpur, Malaysia	60.00*	5
98	BLG AUTOMOBILE LOGISTICS Beteiligungs-GmbH, Bremen	100.00	1
99	BLG AutoTerminal Bremerhaven Beteiligungs-GmbH, Bremerhaven	100.00	1
100	Automobile Port Services (APS) S.r.l., i.L., Gioia Tauro, Italy	50.95	15
101	BLG Logistics Automobile St. Petersburg Co. Ltd., St. Petersburg, Russia	50.00	13
102	BLG AutoTec Beteiligungs-GmbH, Bremerhaven	97.00	13/23
103	E.H. Harms Auto-Terminal Bremerhaven Beteiligungs-GmbH, Bremerhaven	94.00	16
104	BLG AutoTerminal Kelheim Beteiligungs-GmbH, Saal an der Donau	94.00	16
105	BLG AutoTerminal Duisburg Beteiligungs-GmbH, Duisburg	94.00	16
106	BLG AutoTerminal Wörth Beteiligungs-GmbH, Wörth	94.00	22
107	BLG AutoTerminal Hamburg Beteiligungs-GmbH, Bremen	94.00	16
108	BLG AutoTerminal Cuxhaven Beteiligungs-GmbH, Cuxhaven	94.00	22
109	BLG Auto-Terminal Zwickau GmbH & Co. KG, Bremen	94.00	16
110	BLG AutoTerminal Zwickau Beteiligungs-GmbH, Bremen	94.00	16
111	BLG CarShipping Beteiligungs-GmbH, Bremen	94.00	16
112	BLG AutoTransport Beteiligungs-GmbH, Bremen	94.00	16
113	E.H. Harms Automobile-Logistics Beteiligungs-GmbH, Bremen	94.00	1
114	ATN Autoterminal Neuss Verwaltungs-GmbH, Neuss	47.00	72
115	Cuxcargo Hafenbetrieb Verwaltungs-GmbH, Cuxhaven	47.00	22
116	Cuxcargo Hafenbetrieb GmbH & Co. KG, Cuxhaven	47.00	22

* = The share of voting rights is 40 percent and non-voting preference shares are additionally held.

Glossary

Commercial glossary

Amortization

Return flow of invested capital by means of sales.

at equity / equity method

Method for recognition of affiliated companies that are not included in the consolidated financial statement on the basis of full consolidation with all assets and liabilities. The carrying amount of the participation is increased or decreased by the development of the proportionate equity of the participation. This change goes into the income statement of the parent company.

Available for sale

Category of financial instruments in accordance with IFRS.

Cash flow

Key figure that describes the addition to cash and cash equivalents within the financial year.

Cash-generating unit

Smallest identifiable group of assets that, by virtue of continued use, generates inflow of liquidity, which, in turn, is extensively independent of the cash inflows of other assets.

Compliance

The totality of measures taken to ensure compliance with all legal obligations, provisions and directives relevant for a company as well as with corporate governance. Another objective of compliance is to achieve a harmonization between corporate actions and social values.

Corporate Governance

Rights and obligations of the various parties involved in the company, in particular the shareholders, Board of Management and Supervisory Board.

Covenant

Special binding commitment of the borrower to the lender.

Current account

Designation for an account on which all transactions of two business partners are conducted and the mutual receivables are set off (balanced) against each other at regular intervals.

Current account credit

Credit limit contractually pledged to a customer by the bank up to which the customer may overdraw beyond his credit balance.

DBO

Defined Benefit Obligation = benefit-oriented pension commitment for pension claims earned and measured as of the applicable date, including probable future increases of pensions and salaries.

Derivative financial instruments

Financial instruments that are classically used to hedge existing investments or liabilities and whose value is derived from a reference investment (e.g. share or bond).

Discounted cash flow method

Measurement method: future payment surpluses or deficits are discounted with the help of capital costs on the measurement date. Taxes due are included in the measurement. The present value determined in this way is the discounted cash flow.

EBIT

Earnings before interest and taxes = operating result.

EBITDA

Earnings before interest, taxes, depreciation and amortization.

EBT

Earnings before taxes.

Finance leasing

Method for financing investments in intangible or tangible assets that involves a series of payments over the entire expected period of use of an investment.

The investment appears on the assets side, the leasing liability on the liabilities side of the balance sheet of the lessee.

Forward interest rate swap

A forward interest rate swap is an agreement on a swap in the future whose terms are defined immediately.

Full consolidation

Method for recognition of subsidiaries that are included in the consolidated financial statement with all assets and liabilities.

Functional currency

The currency in which a company carries out the majority of its business activities and reports its financial results to the parent company.

Hedging

A strategy of protection against interest, currency and price risks through derivative financial instruments (options, swaps, forward transactions, etc.).

Held for trading

Category of financial instruments in accordance with IFRS.

Held to maturity

Category of financial instruments in accordance with IFRS.

Hybrid loan

Loan allocated to equity, with above average interest, without a defined term and is the last of all liabilities served in the event of insolvency.

IAS

International Accounting Standards (see also “IFRS”).

IASB

International Accounting Standards Board: body which develops and publishes international accounting regulations.

IFRIC

International Financial Reporting Interpretations Committee: body which publishes interpretations regarding the IFRS and IAS accounting standards. After approval by the IASB the interpretations are binding for all IFRS users.

IFRS

International Financial Reporting Standards (up to 2001 “IAS”): international accounting regulations that are published by an international independent body (IASB) with the aim of creating a transparent and comparable accounting system which can be applied by companies and organizations all over the world.

Impairment test

Test to determine change in value in accordance with IFRS.

Interest rate swap

An interest rate swap describes a contractual agreement on the exchange of interest payment flows in the same currency where the cash flows are based on a defined amount of capital.

Investment properties

Land, buildings and parts of buildings that are maintained to earn rental income and/or for the purpose of value enhancement.

Joint venture

Legally and organizationally independent company that is jointly established or acquired by at least two independent partners.

Leasehold

Right of the leaseholder to have a building on third-party land in return for payment of consideration (so-called ground rent).

Liability method

Method of measurement of deferred tax claims and deferred tax liabilities. A measurement is carried out on the basis of the tax rate that is expected at the time when the future tax burden or relief arises.

Line-by-line method

IFRS: Method for recognizing joint ventures on a proportionate consolidation basis.

Matching principle

IFRS: Recognition of income and expenses of the same events in the same period.

Operate leasing

Method of renting intangible or tangible assets for a certain period that is shorter than the expected life of the asset. In the case of operate leasing, neither the asset nor a liability appears in the balance sheet of the lessee.

Other comprehensive income

The totality of all income and expenses that are not contained in the net income for the year. It includes, for example, foreign currency gains and losses from the translation of foreign financial statements that are reported directly in equity in accordance with IAS 21.

Other long-term benefits

Additional long-term benefits to employees that are reported under long-term provisions.

Percentage of completion method (PoC)

IFRS: Allocation of order costs incurred according to degree of completion to order proceeds.

Post-employment benefits

Benefits after termination of employment contract.

Pro rata temporis

Proportionate to the period.

Profit retention

Retention of profits.

Projected unit credit method

Special method for measurement of pension and similar liabilities in accordance with IFRS.

Proportionate consolidation

Method for recognition of joint ventures that are included in the consolidated financial statement with their assets and liabilities on a proportionate basis.

Recoverable amount

Amount presumed to be achievable through use or sale of an asset.

Sale and leaseback

Special form of leasing in which intangible or tangible assets are sold to a leasing company and at the same time leased back for further use.

Stage of completion method (SoC)

IFRS: Recognition of service orders according to their progress.

Working capital

Difference between short-term assets and short-term liabilities. Used to evaluate the liquidity of the company.

Logistics glossary

Car carriers

Ships specially designed for overseas transport of automobiles.

Cargo-modal services

Services such as storage, customs clearance, distribution logistics and supply chain management.

Distribution

All processes carried out in the sales channel between producers and dealers all the way to the consumer.

Finishing

Formation of units ready for sale.

GHBV

Gesamthafenbetriebsverein im Lande Bremen e.V. / Gesamthafenbetriebs GmbH Hamburg. Special personnel provider for the transport and storage sector, particularly for port operation companies. Enterprises that employ GHB staff members pay contributions into the GHB guaranteed wage fund.

Hub port

Seaport with regional distribution function.

Intermodal chain of transport

Use of different means of transportation (air, water, rail, road) for a shipment.

Order picking

Putting together the articles requested according to a customer's order or an equipment order.

Outsourcing

Assignment of logistics functions to external suppliers.

Ro-ro

Roll-on / Roll-off = transport of vehicles (with or without load) on vessels in which the vehicles go on board and leave the vessel on their own power.

TEU

Twenty-foot container equivalent unit. Standardized container unit with a length of 20 feet (1 foot = 30 cm).

Multi-year Overview

Key figures BLG Group		2009	2008	2007	2006	2005
Sales and earnings						
Sales	million EUR	818.5	962.6	889.3	759.8	701.7
Return on sales[1]	%	4.3	10.1	10.2	9.1	8.9
EBITDA	million EUR	104.3	156.6	145.8	114.3	106.3
EBIT	million EUR	35.2	96.9	90.8	69.3	62.5
EBT	million EUR	16.5	83.6	78.3	55.0	49.7
Asset and capital structure						
Balance sheet total	million EUR	977.0	982.3	837.9	741.2	690.2
Investments in long-term intangible and tangible assets	million EUR	77.8	170.7	122.0	96.3	97.6
Capitalization ratio[1]	%	72.1	70.1	69.9	71.0	70.5
Equity-to-fixed-assets ratio (golden balance sheet rule)[1]	%	90.0	89.3	87.2	80.7	90.0
Working capital ratio[1]	%	70.8	70.9	66.8	57.9	67.8
Equity	million EUR	311.8	353.8	320.2	199.3	173.7
Equity ratio[1]	%	31.9	36.0	38.2	26.9	25.2
Equity ratio (adjusted for hybrid capital)	%	23.9	28.1	29.0	26.9	32.4
Return on equity[1]	%	5.0	24.8	30.1	29.5	32.4
Net indebtedness[1]	million EUR	401.5	366.1	281.3	346.9	313.2
Return on total assets[1]	%	3.6	10.7	11.5	9.7	9.4
Cash flows[2]						
Cash flow from current operating activities	million EUR	83.4	122.1	152.0	76.3	75.6
Cash flow from investment activities	million EUR	-100.5	-163.6	-109.3	-80.8	-60.2
Cash flow from financing activities	million EUR	35.2	24.1	-11.9	-13.6	-18.3
Capital-market-oriented key figures						
Dividend BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–	EUR	0,25	0,40	0,40	0,30	0,25
Dividend	%	10	15	15	12	10
Human resources						
Employees [3]	Yearly average	5,929	6,053	5,402	5,298	4,773
Personnel cost ratio	%	46.3	46.7	46.9	46.8	45.4

[1] For calculation of the key figures we refer to p. 79 in the Group Management Report.

[2] The composition of the cash flows is shown in the cash flow statement on p. 104.

[3] Determination in accordance with Section 267 (5) HGB.

Future-related statements

This Annual Report contains future-related statements that are based on current assessments of the Management on future developments. Such statements are subject to risks and uncertainties that lie outside the scope of control or precise assessment of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–, for example in connection with the future market environment and the economic conditional framework, the behavior of other market players, successful integration of new acquisitions and realization of expected synergy effects as well as measures taken by government offices. If one of these or other uncertainty factors and imponderables should arise or should the assumptions on which these statements are based turn out to be incorrect, the actual results may differ significantly from the results explicitly specified or implicitly contained in these statements. BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– neither intends to update future-related statements nor does it assume any specific or separate obligation to update such statements in order to adjust them to events or developments after the date of this report.

Deviations for technical reasons

For technical reasons (e.g. conversion of electronic formats) deviations may arise between the accounting documents contained in this Annual Report and those submitted to the electronic Federal Gazette. In this case the version submitted to the electronic Federal Gazette shall be considered to be the binding version.

The Annual Report is also provided as a German original. In the case of differences, the German version of the Annual Report shall apply instead of the English translation.

The Annual Report is available for downloading in both languages on the Internet at www.blg.de.

Contacts and Dates

Financial calendar

Reporting for entire year 2009 Balance sheet press conference	May 4, 2010
Reporting 1st quarter 2010	May 7, 2010
Annual Shareholders' Meeting 2010	June 3, 2010
Payment of the dividend for the 2009 financial year	June 4, 2010
Reporting 1st six months 2010	August 13, 2010
Reporting 3rd quarter 2010	November 12, 2010
Reporting for entire year 2010 Balance sheet press conference	May 3, 2011
Annual Shareholders' Meeting 2011	June 7, 2011

Contacts

In case of questions, the following contact persons are at your disposal:

Public Relations
Andreas Hoetzel
Tel.: +49 (0) 421 398 3475
Fax: +49 (0) 421 398 3404
E-mail: ahoetzel@blg.de

Investor Relations
Dietmar Krull
Tel.: +49 (0) 421 398 3382
Fax: +49 (0) 421 398 3233
E-mail: dkrull@blg.de

Address
BREMER LAGERHAUS-GESELLSCHAFT
–Aktiengesellschaft von 1877–
Präsident-Kennedy-Platz 1
28203 Bremen, Germany

Internet: www.blg.de

BLG ANNUAL REPORT AND FILM RECEIVE AWARD::

The company Deutsche Standards Editionen regularly analyzes the annual reports of German enterprises. The best ones are presented every year in the publication EXEMPLARY ANNUAL REPORTS. The BLG annual report for the 2008 financial year was included in the 2009 edition. The four-page assessment comes to a positive result for layout, design and content. Among other things, it states: “The 2008 Annual Report submitted by the BLG LOGISTICS GROUP represents a convincing publication that provides the necessary information in a businesslike manner and additionally provides an exciting insight into the history and present-day situation of an international seaport logistics specialist.”

BLG’s current image clip received recognition at two film festivals. The Bremen-based company Bock Film that produced the clip received two prizes for it: the “Award of Master” and the special award “Member of the European Masterclass“ for the best editing of all productions submitted. In addition, it was nominated among the best five films in the Corporate TV & Video category at the European Communication Excellence Awards.

To give you the opportunity of getting a personal impression of this film, we have attached the DVD to our Annual Report.

The Board of Management

www.blg.de

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