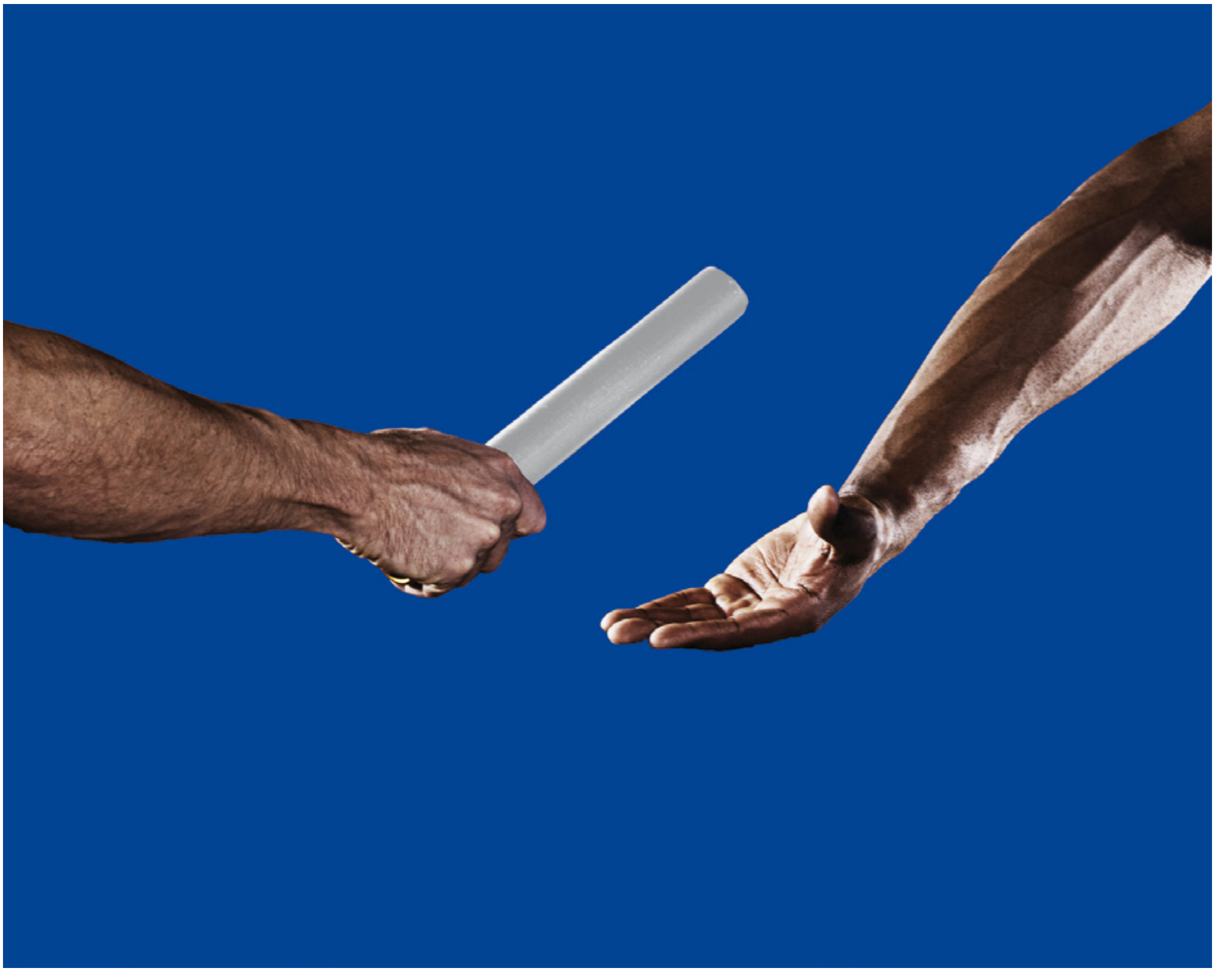
Annual Report 2012



SHAPING CHANGE

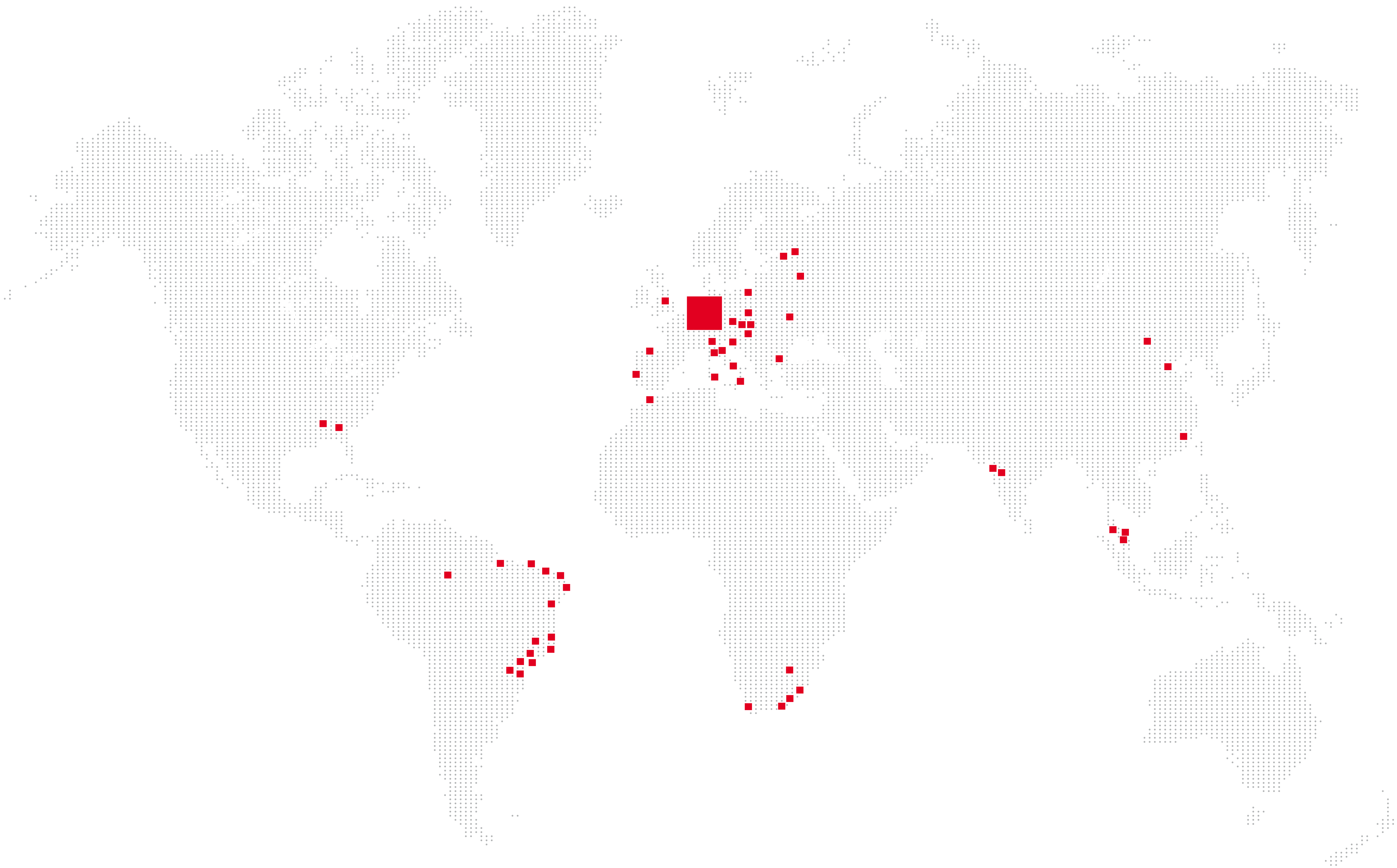
BLG LOGISTICS

SHAPING CHANGE ::

Change is permanent and takes place in shorter and shorter cycles. Companies have to tackle this challenge by taking appropriate action. At the moment BLG faces another change of management staff. Four members of the Board of Management will step down at the end of May this year and pass on their responsibility to the new members of the body appointed by the Supervisory Board, effective as of June 1.

This paves the way for further development of the BLG Group. BLG's long history since 1877 has demonstrated that the company always recognized and understood the signs of the time at an early stage and was consistently successful in setting a course of realignment, in other words simply SHAPING CHANGE.

The Board of Management



OUR LOCATIONS

Alhandra | Anchieta | Arnstadt | Atlanta | Beijing | Belem | Berlin | Böblingen | Bremen | Bremerhaven | Brotterode | Butzbach | Cagliari | Cape Town | Chennai | Curitiba | Cuxhaven | Dabrowa Gornicza | Dodendorf | Doncaster | Duisburg | Durban | East London | Eisenach | Emmerich | Erechim | Erfurt | Falkenberg | Fortaleza | Frankfurt | Fuzhou | Gdansk | Gioia Tauro | Glenmarie | Hamburg | Illychevsk | João de Pessoa | Johannesburg | Kahla | Kelheim | Kempen | Kiev | Koblenz | Kölleda | Koper | Krefeld | Kuala Lumpur | Kulim | La Spezia | Lisbon | Ludwigsfelde | Mainz | Manaus | Marcianise | Melle | Melzo | Milan | Moscow | Mumbai | Neuss | Nošovice | Offenburg | Paderborn | Padua | Paranagua | Pekan | Polch | Port Elizabeth | Port Klang | Porto Velho | Prague | Pretoria | Pune | Ranjangaon | Ravenna | Ravensburg | Recife | Remshalden | Resende | Rho | Salerno | Salvador | Santos | São Bernardo do Campo | São José dos Pinhais | São Paulo | Schöps | St. Petersburg | Tangier | Taubaté | Tianjin | Trieste | Tuscaloosa | Ust-Luga | Villesse | Vitoria | Wackersdorf | Wallenhorst | Wilhelmshaven | Wörth | Wurzen | Zilina

Key figures for BLG Group

		2012	2011	Change absolute	Change percentage
Sales and earnings					
Sales	million EUR	1,144.4	1.008.5	135.9	13.5 %
Return on sales[1]	%	5.7	6.3	-0.6	-9.5 %
EBITDA	million EUR	129.0	131.2	-2.2	-1.7 %
EBIT	million EUR	64.8	63.4	1.4	2.2 %
EBT	million EUR	49.1	48.5	0.6	1.2 %
Asset and capital structure					
Balance sheet total	million EUR	1,141.0	1.031.0	110.0	10.7 %
Investments in long-term intangible and tangible assets	million EUR	125.6	66.4	59.2	89.2 %
Capitalization ratio[1]	%	63.4	64.4	-1.0	-1.6 %
Equity-to-fixed-assets ratio (golden balance sheet rule)[1]	%	104.0	104.6	-0.6	-0.6 %
Working capital ratio[1]	%	91.3	102.5	-11.2	-10.9 %
Equity	million EUR	367.1	353.2	13.9	3.9 %
Equity ratio[1]	%	32.2	34.3	-2.1	-6.1 %
Return on equity[1]	%	13.6	14.2	-0.6	-4.2 %
Net indebtedness[1]	million EUR	392.0	340.6	51.4	15.1 %
Return on total assets[1]	%	6.0	6.3	-0.3	-4.8 %
Cash flows[2]					
Cash flow from current operating activities	million EUR	115.2	84.9	30.3	41.6 %
Cash flow from investment activities	million EUR	-135.7	-57.6	-78.1	-135.8 %
Cash flow from financing activities	million EUR	-31.1	40.4	-71.5	-189.1 %
Capital-market-oriented key figures					
Dividend of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–	EUR	0.40	0.40	0.0	0.0 %
Dividend	%	15	15	0.0	0.0 %
Human resources					
Employees[3]	Yearly average	7,172	6,261	911	14,6 %
Personnel cost ratio[1]	%	45.6	44.9	0.7	1.6 %
Jobs worldwide		16,000	15,500	500	3.2 %

[1] For calculation of the key figures we refer to p. 78 in the Group Management Report.
[2] The composition of the cash flows is shown in the cash flow statement on p. 122.
[3] Determination in accordance with Section 267 (5) HGB

Four-year Overview

Key figures for BLG Group		2012	2011	2010	2009
Sales and earnings					
Sales	million EUR	1,144.4	1,008.5	897.5	818.5
Return on sales[1]	%	5.7	6.3	5.6	4.3
EBITDA	million EUR	129.0	131.2	111.5	104.3
EBIT	million EUR	64.8	63.4	49.9	35.2
EBT	million EUR	49.1	48.5	34.1	16.5
Asset and capital structure					
Balance sheet total	million EUR	1,141.0	1,031.0	976.3	977.0
Investments in long-term intangible and tangible assets	million EUR	125.6	66.4	33.6	77.8
Capitalization ratio[1]	%	63.4	64.4	69.0	72.1
Equity-to-fixed-assets ratio (golden balance sheet rule)[1]	%	104.0	104.6	93.1	90.0
Working capital ratio[1]	%	91.3	102.5	77.0	70.8
Equity	million EUR	367.1	353.2	330.4	311.8
Equity ratio[1]	%	32.2	34.3	33.8	31.9
Return on equity[1]	%	13.6	14.2	10.6	5.0
Net indebtedness[1]	million EUR	392.0	340.6	349.1	401.5
Return on total assets[1]	%	6.0	6.3	5.1	3.6
Cash flows[2]					
Cash flow from current operating activities	million EUR	115.2	84.9	110.8	83.4
Cash flow from investment activities	million EUR	-135.7	-57.6	-22.4	-100.5
Cash flow from financing activities	million EUR	-31.1	40.4	-81.9	35.2
Capital-market-oriented key figures					
Dividend of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–	EUR	0.40	0.40	0.30	0.25
Dividend	%	15	15	12	10
Human resources					
Employees[3]	Yearly average	7,172	6,261	5,949	5,929
Personnel cost ratio[1]	%	45.6	44.9	45.3	46.3
Jobs worldwide		16,000	15,500	14,700	13,800

[1] For calculation of the key figures we refer to p. 78 in the Group Management Report.

[2] The composition of the cash flows is shown in the cash flow statement on p. 122.

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

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BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–

Photo: Nikolai Wolff - fotoetage

SHAPING CHANGE

BLG-Forum Bremen

The era of the direct current cranes started in 1906, when Überseehafen launched operation. The ports were electrified, the old hydraulic powered cranes were replaced. However, that meant the electricity has to be converted for this purpose. DC voltage had to be generated out of the high voltage supplied by the power utility.

Transformer in the power control center

The task: turning 7 KV into 440 volts. The transformer station was built for this purpose. That was the first building of the present-day complex called BLG-Forum.

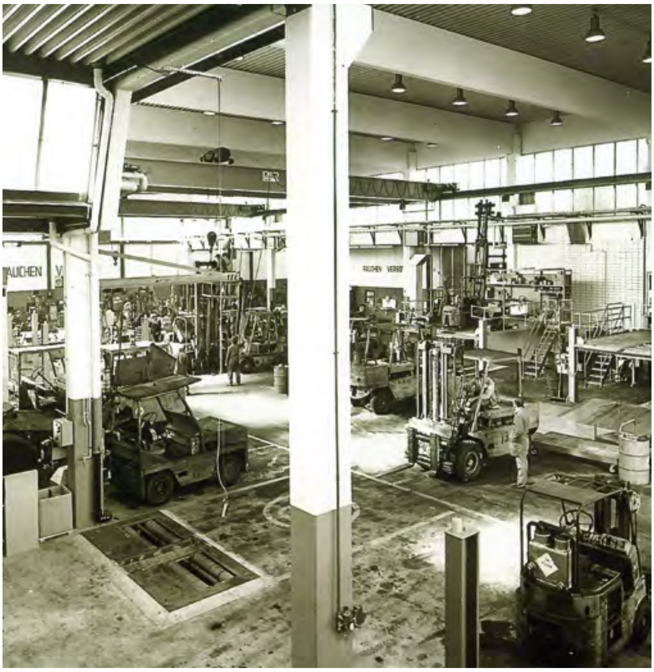
The former power control center at Europahafen

Power control center and Shed 13 prior to World War II

It stood at the head of Überseehafen, an enormous building full of huge monsters on heavy pedestals. Located at the geographic heart of the old Bremer Lagerhaus-Gesellschaft in immediate proximity to the two most important harbor basins in the city of Bremen at that time: Europahafen and Überseehafen.

After the bombing of the western sections of Bremen at the end of the Second World War, the harbors had been reduced to rubble. The sheds were razed to the ground, the cranes destroyed, the buildings devastated. Only two remained extensively unscathed: the present-day Speicher XI and the transformer station. The American occupation forces and Bremen's Mayor Wilhelm Kaisen agreed: the harbors had top priority. And thus Überseehafen resumed operation as early as late autumn 1945.

This step was accompanied by the next technological leap. Direct current cranes operated on the quays and, instead of the old converters, modern high-pressure mercury arc rectifiers were now used to transform the power. They were in operation until the end of the 1970s.



Large equipment was maintained and repaired in the "Forklift Shop"

The facilities of BLG's Technical Plant in the 1970s

Additions were built in 1975. This led tothe addition of the transverse wing in which grand music events are staged today. Originally it served as the central forklift shop for Bremer Lagerhaus-Gesellschaft. Large working platforms and hydraulic lifts, equipment washing facilities and in the adjoining buildings the various trades: electricians and bricklayers, plumbers and painters as well as what was still the company's own forging and railway wagon repair shop were based on the grounds of the present-day BLG-Forum.

Photo: musikfest bremen - fotoetage

Photo: Patric Leo

Photo: musikfest bremen

At the turn of the millennium came the end as a port building. And the biggest change. In 1997, after the restructuring of BLG, the facilities were handed over to the Free Hanseatic City of Bremen (municipality of Bremen). A short time later Überseehafen was closed down and filled in. The old functions were no longer in demand.

Investor Klaus Hübotter took over the ensemble of buildings, which has been called BLG-Forum since 2006 and has been valued as a venue for grand dramatic productions and classical concerts since that time.

Photo: Peter Rigaud

Kristjan Järvi,
Conductor of Absolute Ensemble New York

"The BLG-Forum is vast and open – a former factory that easily lends itself to a cultural venue that is inviting for the audience and the musicians. We always have fun performing in the space, and feel comfortable there. The feeling of openness complements the music, and as a conductor, I feel free and open with my group when we perform there."

Photo: musikfest bremen

Photo: Thibault Stipal Naïve

Bertrand Chamayou, worldwide celebrated pianist

“The BLG-Forum is the most unexpected place where I have ever played and in the same time one of the most fascinating. You are not in a normal concert hall, you even don’t know exactly where you are ...you just feel out of time alone with the music. Mysterious, strange and so exciting!”

Photo: musikfest bremen

Photo: Thibault Stipal Naïve

Peter Brook, exceptional director

“In the case of the ‘The Magic Flute’, which is performed worldwide, the BLG-Forum numbers among the few concert halls that provide a very special, exclusive ambience.”

Photo: Marco Borggreve

Marc Minkowski, one the most sought-after international conductors, on the BLG-Forum

“The most unbelievable opera house in the world.”

Überseehafen Bremen, 1920

SHAPING CHANGE

From Bremer Lagerhaus-Gesellschaft to the BLG LOGISTICS GROUP

In 1877 sixty five merchants established Bremer Lagerhaus-Gesellschaft. They combined their storage capacities, which were spread all over the city, on the waterfront and concentrated on cargo handling for maritime shipments. Freihafen I (Europahafen), at that time the most modern and largest harbor basin in the world, was completed as early as 1888, only eleven years after the formation of BLG. The city of Bremen as the owner assigned operation 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 mid-1960s the new Neustädter Hafen in Bremen.

The standardized "American boxes" were an entirely new dimension in port business. In 1966 the FAIRLAND made fast at Shed 15 in Überseehafen and discharged the first containers on German soil.

FAIRLAND in Bremen's Überseehafen in 1966 – the first container ship in a German port

The container was not the only innovation. According to the ferry principle, ro-ro vessels were built for overseas traffic. Large rolltrailers were stowed in the port and rolled on board via ramps using tractor trucks after the arrival of the ships. That saved time and money. Later everything with wheels rolled on board on its own wheels. Rolling cargo gained a strong position in maritime transport. Container transport required entirely new equipment with large gantry cranes and expansive outdoor areas. Neustädter Hafen was replanned within a short time and the Bremen Container Terminal came into being.

Because of booming development, a decision was made in Bremen to further develop Bremerhaven. There were sufficient outdoor areas there for the expanding traffic. Operations were launched in mid-1968, initially in

Nordhafen, after the first cut of the spade for the riverside quay of the Bremerhaven Container Terminal took place at the beginning of the year. It was inaugurated in 1971. After four stages of development up to now the terminal has grown to a length of nearly five kilometers.

At the beginning of the 1970s Bremen recognized the importance of communication as a "production factor". Thus, dbh (Datenbank Bremische Häfen) was established in 1973 and along with it COMPASS, the first port information system in the world. In the 1980s IT-aided transport procedures and intercontinental data exchange (EDI) became standard in the Ports of Bremen and Bremerhaven. As of the 1990s, PC and Internet opened up completely new opportunities of global communication via IT networking.

When the Japanese automobile industry launched its export offensive towards the end of the 1970s, BLG was involved right from the start. The cooperation with manufacturers in the Far East formed the basis for construction of the Auto Terminal. Bremerhaven is one of the biggest automobile hubs in the world, handling over two million vehicles annually. Technical centers perform comprehensive automotive services. Around 500,000 vehicles a year undergo inspection and technical processing there.


Loading automobiles in Bremen, 1959

The triumphal march of the container and rolling cargo led to a shift in maritime traffic from Bremen to Bremerhaven. The latter had sufficient space for building large specialized facilities to handle modern maritime transport. The terminals are located more or less on the North Sea and thus provide optimum conditions for large seagoing vessels. To make sure the bigger and bigger merchant vessels can continue to call at Bremerhaven on a long-term basis, it is necessary to deepen the shipping channel and turning basin in the Outer Weser.

Since the beginning of 1998, after an extensive restructuring process, the BLG Group (BLG LOGISTICS GROUP) has been operating as a seaport-oriented international logistics provider. The Group is divided into the AUTOMOBILE, CONTAINER and CONTRACT Divisions with 14 segments and performs logistics services worldwide via more than 100 companies and branches.


Bremerhaven Container Terminal, 1971

SHAPING CHANGE

The BLG Board of Management in an interview with Dr. Rüdiger Hoffmann

Detthold Aden

When in 1999 Detthold Aden was appointed the new Chairman of BLG's Board of Management at the age of 51, the company had just initiated a radical transformation. BLG had set off on the road from a local port operating company to a logistics specialist with international operations.

Detthold Aden emphasizes that Hillert Onnen, for many years Company Officer, Chief Representative and CFO, was undoubtedly the father of this transformation. In the following years, however, Aden, a qualified freight forwarding specialist and formerly founding Managing Director of UPS in Germany, sole Managing Director of Bertelsmann subsidiary VVA, later Bertelsmann Distribution GmbH, Chairman of the Board at the Union-Transport Group, in 1990 CEO of Thyssen Haniel Logistic GmbH and member of the Board at Thyssen Handelsunion AG, became the face of the transformation.

In logistics circles it is said that "logistics" was the first word spoken by Detthold Aden as a baby. In any case it is uncontested both in and outside the sector that the native of Wilhelmshaven has become a full-blooded logistics expert. Back in 1999 it was not a matter of course that a top manager from the private sector would join an enterprise under majority public ownership. The promise made to him was "publicly owned – privately managed". However, Aden could not have imagined back then that this would result in such an impressive success story, that "publicly owned – privately managed" would become a Bremen trademark that has received worldwide attention in the meantime. "Nowadays it's an international distinction, we showed that the government doesn't have to manage its assets itself when it trustingly puts the fate of its companies in the hands of experienced, independent managers," feels Detthold Aden, who describes himself as a man of change who, no matter whether in his job or in an honorary capacity, has always been involved with change processes in the world of logistics.

As BLG's "Foreign Minister", endowed with a pronounced talent for communication, he has in the course of his years of service built up a network of contacts to decision-makers in politics, industry and society from which not only BLG has profited. Even without official accreditation, Aden was always an attractive and helpful ambassador of the federal state of Bremen – everywhere in the world. Aden's delegation trips, always with high-ranking politicians on board, are legendary. "In this way Bremen constantly had the opportunity, no matter whether in Brazil, China, Korea, Japan or the US, to present itself worldwide as an interesting business location and partner for global business," underlines Detthold Aden, who "with all due respect" would strongly recommend that his successor, Frank Dreeke, keep this aspect of his "Foreign Minister mission" in mind.

With respectful recognition he repeatedly makes reference to his fellow Board member Hillert Onnen, who will leave BLG on May 31 together with Aden, Manfred Kuhr and Dr. Bernd Lieberoth-Leden. "Hillert Onnen is one of the fathers of the new BLG. He was a motivator of BLG's structural change propelling it into the new era. It is no understatement to say that if I was the Foreign Minister, then Hillert Onnen was for decades a kind of Minister of the Interior. He was involved in at least three restructuring processes in his 42 years at BLG."

Hillert Onnen

Onnen, who joined BLG as an economist in 1971, experienced the triumphal march of the container first-hand. Right from the beginning he devoted himself to the numbers and the organization, though as he himself says, without becoming a number cruncher. In the 1970s he played a major role in building up and organizing the Bremerhaven Container Terminal. In 1984 he became the youngest Company Officer with commercial power of attorney in BLG's history. Whenever someone was required to head major projects as well as design and implement new business segments, Hillert Onnen was involved. Such as when he managed the merger project for fusing Hamburgische Container Gesellschaft EUROKAI and Bremische BLG Container GmbH & Co. to form the EUROGATE and pushed forward the merger on the part of BLG jointly with Container Director Emanuel Schiffer. Onnen: "That demonstrated that after the restructuring back in 1999 we were capable of acquiring participations at the national and international level. In the meantime EUROGATE has become Europe's biggest terminal operator with terminals in Bremerhaven, Hamburg, the new deepwater port JadeWeserPort in Wilhelmshaven and the terminals in Italy, Portugal and Morocco," he underlines and recalls two other major acquisition projects in which he also lent a helping hand and which are of great significance for the development of the Automobile Logistics and Contract Logistics business units: the takeover of E.H. Harms and the acquisition of a Hamburg logistics company.

Onnen has fond memories of the good cooperation with the long-standing Chairman of the Supervisory Board Josef Hattig. “Even though he was involved in Bremen politics as Senator of Economics for several years, Josef Hattig always thought and acted in an entrepreneurial manner. He screened us off from politics whenever it was necessary and assisted us with his good contacts whenever it was possible.” One thing BLG’s “Minister of the Interior” would not like to leave unmentioned is the fact that in the past 14 years a very special Board of Management team came together, Onnen deliberately avoids the phrase “got it together”. “The Board’s work was always based on trust and cooperation and never dominating, those are genuine success factors,” he feels, while pointing to the very special role played by Hartmut Mekelburg, who as Industrial Relations Director made a key contribution to ensuring that peaceful labor relations were never jeopardized at BLG.


Hartmut Mekelburg

In 1966 Hartmut Mekelburg started at BLG as a trainee. In 1990 the committed employees’ representative was elected chairman of the works council and after BLG’s restructuring as of 1998 assumed the duties of the Chairman of the Group Works Council. He has been a member of the Board of Management as Industrial Relations Director for over seven years and is additionally responsible for occupational safety, environmental protection and auditing.

Detthold Aden says about him: he is a stroke of luck for the company. Mekelburg has always been a guarantee for social consensus and has at all times maintained the right view of the corporate goals and necessities at BLG. He is a highly recognized “working climate doctor” in the company. “No, I wouldn’t deny that,” replies Mekelburg. A service enterprise depends, after all, on people, he says. And the people have a right to live a culture in their company that permits them to enjoy working in the company. Then they can be proud of their company. On the other hand, he adds, the success of a company also acts as a foundation for social consensus, of course. “We are a co-determined company. Co-determination is taken very seriously by both sides, by the employer and the employees. Any change in a company, no matter whether small or large and important, is supported by the employees’ representatives and the workforce responsibly. That is one of the reasons why my colleagues readily identify with their BLG. BLG’s economic success,” as Hartmut Mekelburg underlines in particular, “is due to the far-sightedness to expand BLG’s classic port-oriented portfolio – via an extended geographic reach and a significantly strengthened vertical range of services.” This transformation has been successfully implemented to make BLG viable in the future, Mekelburg explains.

The Lord of the Automobiles at BLG is Deputy Chairman of the Board of Management Manfred Kuhr, another BLG long-distance man. The qualified freight forwarding specialist and economist began his career at BLG in August 1973. Soon he took over management of the operations at the container terminal and was appointed Deputy Head of all BLG facilities in Bremerhaven. "After seven years I wanted to do something different so the Board of Management gave me responsibility for the Marketing/Sales Far East business unit. My good Asia expertise and connections stem from this period and the business with container and general cargo terminals, such as in China, Japan and Korea," says the man who left BLG in 1994 to become member of the Board at Bayerischer Lloyd.

Soon came the call from Bremen again, however. Manfred Kuhr returned to BLG as Deputy Chairman of the Board of Management in 1997. "That was my best decision. Back then things really started taking off at BLG. The transformation had been initiated and I was able to co-shape it. Finally in 1999 a new Chairman of Board who took control of the helm came in the form of Detthold Aden, and I was later able to develop the Automobile Logistics and Contract Logistics business units." At the beginning BLG had only one automobile location, i.e. the Bremerhaven Auto Terminal. In 2000 a southern hub was developed in the Mediterranean in the form of Gioia Tauro – today a joint venture with NYK. In 2002 we took over E.H. Harms Automobile-Logistics. This was followed in 2008 by the establishment of BLG AutoRail, which became a success story. Since then all these activities in automobile logistics have been bundled under the name BLG.

Manfred Kuhr

Now over two million vehicles a year are handled in Bremerhaven. In 2012 the total figure for the entire terminal, transportation and technical network came to 6.8 million vehicles. BLG is the leading logistics provider in Europe. The operational pillars are terminals on the sea, on big rivers and in the hinterland, supplemented by shipments via road and rail as well as the company's own technical centers, where the vehicles are inspected and equipped according to the customers' demands. 500 automobile transporters, 1,300 special wagons for rail transport and seven inland vessels are in operation.

Is Manfred Kuhr, who has lived through and co-shaped nearly four decades of change at BLG, BLG's face for Asia or the auto man? Kuhr doesn't deliberate long before answering: "Both had their high point, the ties to Asia and to automobiles will remain." When Detthold Aden issued the slogan for the future, "Shaping Change", he, along with his colleagues on the Board, was able to look back on a successful transformation from the traditional port and location orientation to the new, internationally gear BLG with its three divisions, Automobile Logistics, Contract Logistics and Container Logistics.

"Expansion of Contract Logistics plays a key role in this process. It has become our third pillar," remarks Detthold Aden, without forgetting to point out the major successes in recent years.

Dr. Bernd Lieberoth-Leden

The person responsible for this is Dr. Bernd Lieberoth-Leden, who holds a PhD in Engineering. During his term of office he systematized contract logistics at BLG. "During his time contract logistics has grown to an outstanding extent in our company," affirms Aden and adds: "The results have doubled." Dr. Lieberoth-Leden, who came from Robert Bosch GmbH to become Chairman of the Board at Wilhelm Karmann GmbH as well as managing partner and CEO of the automotive supplier AKsys GmbH, sees himself as a man of processes, a process optimizer, among other things. "Contract logistics involves transportation. We shape the processes that are necessary in industry and commerce up to the point where the goods are ready for transport on the ramp. Our high-bay warehouse in Bremen, which we operate for Tchibo, is only one of the visible signs of that."

BLG invests in contract logistics wherever customers need its services. Now there are logistics centers and special facilities at over 30 locations in Europe and overseas working for strong brands like adidas, BMW, Mercedes, VW, Siemens, Konica Minolta, Ikea and Bosch. A relatively new business segment has recently been added to this list: logistics for offshore wind energy.

The future belongs to contract logistics, the entire Board of Management is certain of this. Progressive globalization will make sure that container logistics, too, will continue to grow. At the same time, however, the Board is aware of the sensitivity of this sector to changes in the economy, as now in a period when it is suffering from capacity and cost problems.

"Temporarily," feels Emanuel Schiffer. He is the Board member responsible for the Container Logistics segment and is head of EUROGATE GmbH & Co. KGaA, KG, of which he himself says it is a company "that should, in fact, have misfired." In this case a state-owned enterprise (BLG) joined together with a traditional private company (Eurokai). Not only are there two chairmen of the Board of Management with equal powers, one company has its headquarters in Hamburg (Eurokai) and the other in Bremen (BLG). "Theoretically merely one of the factors would have sufficed to make the joint venture go under," notes Emanuel Schiffer, who worked as a ship's engineer in the merchant marine before completing advanced studies in Business Administration and joining BLG at the beginning of 1978.


Emanuel Schiffer

After initial functions in the Technology Division he took over executive positions in the corporate management in Bremerhaven. In 1995 he was appointed to BLG's Board of Management. 1999 marked the establishment of the joint venture North Sea Terminal Bremerhaven (NTB) together with partner Maersk Germany and since that time NTB has been operating part of the Bremerhaven Container Terminal independently so as to mainly serve vessels of the Maersk Line. Since 1999 Schiffer along with his Hamburg colleague Thomas Eckelmann (Eurokai) has been Chairman of the EUROGATE's Group Board of Management. In 2004 the joint venture MSC Gate was established in Bremerhaven together with the Mediterranean Shipping Company (MSC). That is when the biggest project ever built in Bremen's history as a port started taking shape. Container Terminal 4 (CT 4) bears Schiffer's trademark: "It was a stroke of luck that we succeeded in accomplishing that, even with the help of Bremen's government. Without the great government support this future-oriented project could not have been implemented."

Up to 2008 EUROGATE was able to achieve ample annual growth rates of 10 percent. Then the world economy collapsed. But Schiffer thinks in long-term cycles. "Development on the markets will move upward again. The worldwide division of labor continues to increase. More and more people want to take part in the prosperity, that's not possible without worldwide logistics," says Schiffer and points to EUROGATE's current terminal network, the locations in Bremerhaven, Hamburg, Lisbon, Gioia Tauro, La Spezia, Ravenna, Salerno, Cagliari, Tangier and Ust-Luga as well as the new Wilhelmshaven container terminal. This makes EUROGATE Europe's largest terminal operator. Emanuel Schiffer confirms that the JadeWeser-Port plays a special role as a deepwater port in BLG's course of expansion. "That's a big challenge for us," he believes. As a member of the Board of Management, he still has time to steer container business to calmer waters. This also includes further development of the new EUROGATE Container Terminal in Wilhelmshaven, whose construction Schiffer sees as an "important decision for the future of the German ports."

Together with Industrial Relations Director Hartmut Mekelburg he will personify the continuity in BLG's new Board of Management. As of June 1 of this year, Frank Dreeke, a qualified shipping agent and Business Management graduate who was appointed to the Board of Management at BLG at the beginning of this year, will be the chairman. He has worldwide experience in the container sector. Among other things, he was General Manager Central Europe of the American container shipping company Sea-Land and head of MAERSK LINE, the biggest container shipping company in the world, in Germany. From 2004 to 2012 he worked as managing partner of the Bremen company EKB Container Logistik.

Frank Dreeke

He is extremely familiar with the Bremen economy as well as the national and international port and logistics world thanks to several functions in an honorary capacity. Since October 2012 he has traveled through the world of BLG, has conducted many talks and learned about the world of BLG from the point of view of the employees. "It was a wonderful experience to see: we work for a great company, we are proud of this company and we want to work together to move BLG ahead; yes, there seems to be a kind of BLG spirit that I would like to cultivate," says Frank Dreeke while standing in front of an old photo showing the arrival of the first container in front of Shed 15 in Bremen's Überseehafen in May 1966. "Back then I was standing as a seven-year-old right on the quay to welcome the first container discharged on German soil. My father was at BLG at that time. At any rate he worked for the company for 47 years."

Who can doubt that Detthold Aden's successor has the right logistics genes for the new challenge at BLG. And what does he plan to do, the newcomer, when he takes over the helm on June 1, 2013? "Let me answer that with an example from architecture. At BLG I am taking over a magnificent edifice that is the European champion with two of its three divisions. If we succeed in preserving the valuable fabric of this structure and even expand the edifice, we will have achieved a lot."

With Frank Dreeke at the head of the body as of June 2013 the succession in BLG's Board of Management is secure. Hartmut Mekelburg and Emanuel Schiffer will remain on the Board. The new colleagues will include Jens Bieniek (Finance), Andreas Wellbrock (Contract Logistics) and Michael Blach (Automobile Logistics).

From left to right: Emanuel Schiffer, Andreas Wellbrock, Jens Bieniek, Hartmut Mekelburg, Frank Dreeke and Michael Blach

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 with clearly defined and separate functions for joint stock corporations: 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[1]
Detthold Aden born in 1948 appointed until 2013	Bremen	Chairman Executive Staff Corporate Strategy Communication Transport Policy	EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen, Chairman OAS Aktiengesellschaft, Bremen Chairman MAI Mosolf Automotive Industries AG, Heilbronn Chairman (since Feb. 7, 2012)
Manfred Kuhr born in 1949 appointed until 2013	Beverstedt	Deputy Chairman AUTOMOBILE Division	no membership in other bodies
Frank Dreeke born in 1959 appointed until 2017	Ganderkesee	Member of the Board of Management	no membership in other bodies
Dr.-Ing. Bernd Lieberoth-Leden born in 1955 appointed until 2013	Bremen	CONTRACT Division Sustainability and New Technologies	no membership in other bodies
Hartmut Mekelburg born in 1952 appointed until 2015	Bremen	Human Resources[2] Occupational Safety Audit Environmental Protection	no membership in other bodies
Hillert Onnen born in 1948 appointed until 2013	Langen-Imsum	Finance Controlling Accounting Tax/Customs Investor Relations IT Purchasing Legal	dbh Logistics IT AG, Bremen Deputy Chairman EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen MAI Mosolf Automotive Industries AG, Heilbronn (since April 1, 2012)
Emanuel Schiffer born in 1951 appointed until 2014	Bremerhaven	CONTAINER Division	EUROGATE Container Terminal Bremerhaven GmbH, Bremerhaven Chairman EUROGATE Container Terminal Hamburg GmbH, Hamburg, Chairman

[1] The information relates to memberships in legally required Supervisory Boards as well as membership in comparable domestic and foreign control bodies of business enterprises.
[2] Industrial Relations Director

Letter of the Board of Management

from left: Manfred Kuhr, Hartmut Mekelburg, Hillert Onnen, Detthold Aden, Frank Dreeke, Dr.-Ing. Bernd Lieberoth-Leden, Emanuel Schiffer

Dear Shareholders,

A year ago we forecast positive economic developments for 2012 – in spite of existing uncertainties because of the consequential effects of the financial, economic and shipping crisis as well as the high costs of raw materials. To this extent we expected moderate sales and earnings growth for the BLG Group and its divisions.

In fact, we significantly surpassed our assumption in terms of sales. For 2012 we report Group sales of more than EUR 1.1 billion, corresponding to a 13.5 percent increase. The moderate growth in earnings of 1.2 percent to EUR 49.1 million corresponds to our expectations. Apart from an approximately equal distribution of the sales per segment, all divisions achieved positive results. And regarding return on sales, the BLG Group took a substantial step towards reaching the strategic target in the AUTOMOBILE and CONTRACT Divisions. Consequently the lower earnings in the CONTAINER Division compared to the previous year was more than compensated for by corresponding increases in earnings in the AUTOMOBILE and CONTRACT Divisions. The BLG team once again showed what it is capable of. We would like to warmly thank all employees for that.

We can live up our promise of an attractive dividend yield for the shareholders of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–. On May 23, 2013 we will propose to the Annual Shareholders' Meeting that a dividend of EUR 0.40 per share be paid out, which given a payout ratio of 58 percent corresponds to a dividend yield of around 4.5 percent as of the closing date.

The economic outlook for 2013 is weaker compared to the previous year, but positive overall. The risks on the financial markets, the complex uncertainties with respect to the CONTAINER Division, continued high raw materials costs and expected increases in personnel costs dampen the prospects and make a forecast difficult. Nevertheless, we look ahead to the year 2013 optimistically. Within the scope of our dual strategy we will continue to push forward our acquisition activities in order to tap new markets and win over additional customers. At the same time we will consistently pursue our efficiency enhancement and restructuring programs on the basis of the expected lower margins.

Overall we expect sales of around EUR 1.2 billion and earnings before taxes of more than EUR 40 million once again for the BLG Group in the 2013 financial year. In view of this background, we want to offer our shareholders an attractive dividend yield. We continue to target an annual increase in the dividend, but will endeavor to at least maintain it at the level of the previous year.

Our long-term success depends on how we deal with one another, with our customers and business partners and with the company. We rely on the competence and commitment of each individual employee in this context.

We look forward to continuing down this road with you and thank you for placing your trust in BLG.

THE BOARD OF MANAGEMENT

Aden

Kuhr

Dreeke

Dr.-Ing. Lieberoth-Leden

Mekelburg

Onnen

Schiffer

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, i.e. eight Supervisory Board members who are elected according to the provisions of the Stock Corporation Act and eight members from

	Town	Function / Profession
Dr. Stephan-Andreas Kaulvers appointed since 2006-06-21	Bremen	Chairman (since 2012-05-31) Chairman of the Board of Management of Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –
Erhard Ott appointed since 2009-03-02	Berlin	Deputy Chairman Member of national executive board of the trade union ver.di Vereinte Dienstleistungsgewerkschaft
Uwe Beckmeyer appointed since 2008-06-05	Bremerhaven	Retired senator Member of Deutscher Bundestag
Karl-Heinz Dammann appointed since 2009-07-01	Langen	Chairman of the corporate works council of EUROGATE GmbH & Co. KGaA, KG Chairman of the works council of EUROGATE Container Terminal Bremerhaven GmbH
Melf Grantz appointed since 2011-03-01	Bremerhaven	Mayor of Bremerhaven
Martin Günthner appointed since 2010-05-01	Bremerhaven	Senator for Economics and Ports as well as Senator of Justice and Constitution of the Free Hanseatic City of Bremen
Wolfgang Lemke appointed since 2003-06-30	Langen	Chairman of the corporate works council of BLG LOGISTICS GROUP AG & Co. KG
Karoline Linnert appointed since 2007-09-11	Bremen	Deputy Mayor and Senator of Finance of the Free Hanseatic City of Bremen
Dr. Klaus Meier appointed since 2012-05-31	Bremen	Managing partner of wpd Windmanager GmbH & Co. KG Lawyer
Dr. Tim Nesemann appointed since 2011-04-01	Bremen	Chairman of the Board of Management of the financial holding company of Sparkasse in Bremen and of Die Sparkasse Bremen AG
Dirk Reimers appointed since 2011-02-01	Lehrte	Department Manager at ver.di Vereinte Dienstleistungsgewerkschaft, state district Bremen-Lower Saxony
Frank Schäfer appointed since 2008-06-05	Hamburg	Deputy Chairman of the corporate works council of EUROGATE GmbH & Co. KGaA, KG
Gerrit Schützenmeister appointed since 2008-06-05	Bremerhaven	Member of the works council of BLG AutoTec GmbH & Co. KG
Dieter Schumacher appointed since 2007-03-28	Bremen	Human Resources Manager of BLG LOGISTICS GROUP AG & Co. KG
Dieter Strerath appointed since 2011-03-01	Bremen	Chairman of the Bremen works council of BLG LOGISTICS GROUP AG & Co. KG
Dr. Patrick Wendisch appointed since 2008-06-05	Bremen	Managing Director of Lampe & Schwartze KG
Josef Hattig appointed until 2012-05-31	Bremen	Chairman (until 2012-05-31) Retired senator Lawyer

[1)] The information relates to memberships in legally required Supervisory Boards as well as memberships in comparable domestic and foreign the employees who are elected in accordance with the provisions of the Co-Determination Act of May 4, 1976 (MitbestG).

Audit Committee	Committees Human Resources Committee	Committee acc. to Section 27 (3) MitbestG	Other seats[1)]
	■ Chairman as of 2012-05-31	■ Chairman as of 2012-05-31	EWE Aktiengesellschaft, Oldenburg EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen (since 2012-08-16) GEWOBA Aktiengesellschaft Wohnen und Bauen, Bremen (until 2012-06-15)
	■	■	E.ON SE, Düsseldorf
			no membership in other bodies
			EUROGATE Container Terminal Bremerhaven GmbH, Bremerhaven EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen
	■	■	Klinikum Bremerhaven-Reinkenheide gGmbH, Bremerhaven
	■	■	swb AG, Bremen Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen (since 2012-10-23)
■	■	■	no membership in other bodies
■			Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen
	■ as of 2012-05-31	■ as of 2012-05-31	Deutsche Windtechnik AG, Bremen, Chairman wpd AG, Bremen, Chairman
■			Freie Internationale Sparkasse S.A., Luxembourg, Chairman GEWOBA Aktiengesellschaft Wohnen und Bauen, Bremen NRS Norddeutsche Retail-Services AG, Bremen and Hamburg
■			METRO Cash & Carry Deutschland GmbH, Düsseldorf
■	■	■	EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen EUROGATE Container Terminal Hamburg GmbH, Hamburg
			no membership in other bodies
			no membership in other bodies
	■	■	no membership in other bodies
■ Chairman			Anheuser-Busch InBev Germany Holding GmbH, Bremen (until 2012-10-01) OAS Aktiengesellschaft, Bremen
	■ Chairman until 2012-05-31	■ Chairman until 2012-05-31	EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen (until 2012-05-31)

control bodies of commercial enterprises.

Report of the Supervisory Board

Dr. Stephan-Andreas Kaulvers, Chairman of the Supervisory Board

The Supervisory Board continuously monitored and supported the work of the Board of Management in the 2012 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, promptly and comprehensively 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.

Whenever approval was necessary for decisions or measures of the management based on 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 involved in decisions of major significance for the Group from 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 seven meetings in 2012. The average attendance at the Supervisory Board meetings in the year under review was 91 percent. Average attendance at committee meetings in 2012 was 88 percent. The members of the Supervisory Board elected by the shareholders and by the employees prepared for the meetings at separate preliminary meetings in some cases. 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 consultations on the Supervisory Board

The consultations focused on matters regarding the strategy and business activities of the Group and its divisions. At its individual meetings the Supervisory Board primarily devoted its attention to the annual and consolidated financial statement, the current earnings situation, including the risk management system and risk-conscious control of corporate development, the agenda for the Annual Shareholders' Meeting in 2012, succession in the Board of Management and matters relating to Board of Management remuneration as well as developing a proposal for the election of shareholder representatives to the Annual Shareholders' Meeting in 2013. 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, short-term profit and financial planning were discussed in detail at the meeting on December 20, 2012.

The following changes have occurred on the Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– since January 1, 2012. The long-standing Supervisory Board Chairman of the company, retired senator Josef Hattig, stepped down from office at the Annual Shareholders' Meeting on May 31, 2012. The Annual Shareholders' Meeting appointed Dr. Klaus Meier as a member of the Supervisory Board in his place. The Supervisory Board plenary session met after the Annual Shareholders' Meeting and elected Dr. Stephan-Andreas Kaulvers as the new chairman. The Supervisory Board thanks Mr. Josef Hattig for his visionary, dedicated, constructive and trusting cooperation under his direction and for his commitment for the benefit of the company.

At the meeting on June 29, 2012 Mr. Frank Dreeke was appointed as the new Chairman of the Board of Management. In view of that, Mr. Frank Dreeke was appointed as a further member of the Board of Management as of January 1, 2013. Furthermore, the Supervisory Board appointed Mr. Jens Bieniek as the new CFO on November 8, 2012 and Mr. Michael Blach as well as Mr. Andreas Wellbrock as new members of the Board of Management with responsibility for the AUTOMOBILE and CONTRACT Division respectively.

As of June 1, 2013, Mr. Frank Dreeke will succeed Mr. Detthold Aden, who is leaving the company for reasons of age, as Chairman of the Board of Management and Mr. Jens Bieniek succeeds Mr. Hillert Onnen, who is stepping down for reasons of age, as CFO.

Mr. Michael Blach and Mr. Andreas Wellbrock will also commence their work on the Board of Management as of June 1, 2013. They will follow Mr. Manfred Kuhr and Dr.-Ing. Bernd Lieberoth-Leden in their functions as the latter will leave the company already as of May 31, 2013, prior to expiration of their contracts at the end of 2013, in the interest of a successful change of generation. Appropriate termination agreements were concluded with Mr. Manfred Kuhr and Dr.-Ing. Bernd Lieberoth-Leden in connection with their employment contracts.

Committees of the Supervisory Board

To perform its duties efficiently, the Supervisory Board has additionally set up three committees to which separate rules of procedure apply in each case. These committees of the Supervisory Board are the Audit Committee, the Human Resources Committee and the Mediation Committee.

Audit Committee: The Audit Committee is composed of three representatives of the shareholders and three representatives of the employees. The chairman of the committee in office during the reporting year meets the legal requirements with regard to independence and expertise in the fields of accounting and financial statement auditing. This committee meets regularly twice a year. Its functions include auditing the accounting process as well as questions of company accounting, auditing the annual and consolidated financial statements, the Management Report and Group Management Report and the proposal for appropriation of the balance sheet profit of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–. On the basis of the reports of the auditor concerning the audit of the annual financial statement and Management Report as well as of the consolidated financial statement and Group Management Report of the company, the Audit Committee develops proposals for approval of the financial statements by the Supervisory Board. The Audit Committee is also responsible for the relations of the company to the financial statement auditor. The committee submits a proposal for selection of the auditor to the Supervisory Board, organizes the placement of an auditing order to the auditor selected by the Annual Shareholders' Meeting, suggests audit focal points and specifies the remuneration of the auditor. Furthermore, the committee monitors the independence, qualifications, rotation and efficiency of the auditor.

The duties of the Audit Committee also entail preparation of the Supervisory Board's decision 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 as well as the procedures for 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.

Human Resources Committee: The Human Resources Committee, too, has equal representation and consists of the chairman of the Supervisory Board, the deputy chairman and six other members of the Supervisory Board. The Human Resources Committee prepares the personnel decisions of the Supervisory Board. It submits proposals to the Supervisory Board for adoption by the latter regarding remuneration of the Board of Management, the pay system and regular review of the latter as well as with respect to conclusion, amendment and termination of the employment contracts with members of the Board of Management. In addition, the Human Resources Committee proposes suitable candidates for Board of Management positions to the Supervisory Board.

The Human Resources Committee also performs the tasks of the nomination committee. It 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.

Mediation Committee (in accordance with Section 27 (3) of the Co-Determination Act): The Supervisory Board forms a committee to perform its duties in accordance with Section 27 (3) of the Co-Determination Act. This committee is composed of the chairman of the Supervisory Board, the deputy chairman as well as three of the Supervisory Board members of the employees and three of the Supervisory Board members of the shareholders elected with the majority of the votes cast.

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 22, 2012, August 15, 2012, September 20, 2012, October, 15, 2012, December 1, 2012 and December 20, 2012. It essentially treated matters relating to the succession on the Board of Management and Supervisory Board remuneration.

In its function as nomination committee the Human Resources Committee intensively dealt with the preparation of the elections of the representatives of the shareholders to the Supervisory Board at the Annual Shareholders' Meeting in 2013 and proposed suitable candidates to the Supervisory Board.

During the year under review the Audit Committee met twice, on April 19 and December 12, 2012. It primarily examined the accounting of the company and the Group. This also included the latest amendments of the IFRS and of the accounting guideline and their impacts on both the Group and the company. Other focal points of work were the risk situation, further development of risk management and aspects of compliance. Furthermore, the committee submitted to the Supervisory Board a recommendation for selection of the auditor by the Annual Shareholders' Meeting. Special attention was given to corporate planning, medium-term profit and loss and financial planning.

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 – prepared by the Audit Committee – also examined further development of the Corporate Governance principles in the company on the basis of the German Corporate Governance Code in the version of May 15, 2012. On December 20, 2012 the Board of Management and the Supervisory Board issued the 11th Declaration of Conformity, which has been made permanently available to the public on the website 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 Treuhand GmbH & Co. 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 Audit Committee and reported in detail on the results of their audit.

The annual financial statement and the consolidated financial statement as of December 31, 2012 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 Treuhand GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Bremen, the auditing company which was selected by the Annual Shareholders' Meeting and which submitted a fundamentally 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, particularly 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 200 and in particular in the disclosures on equity in the notes to the consolidated financial statement on pages 163 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 2012 financial year and issued the following auditors' report:

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

1. the actual data and statements of the report are correct,
2. the performance of the company was not unreasonably high given the legal transactions indicated in the report or disadvantages were compensated for,
3. 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 at 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. According to 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 to the members of the Board of Management and all employees for their commitment and performance in the 2012 financial year.

Bremen, April 2013

For the Supervisory Board

Dr. Stephan-Andreas Kaulvers

Chairman

Advisory Board

Prof. Dr.-Ing. Frank Straube, Chairman of the Advisory Board

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

Name	Function / Profession
Prof. Dr.-Ing. Frank Straube	Chairman Managing Director / Head of Logistics Division Technical University of Berlin
Jens Böhrnsen	Mayor and President of the Senate Free Hanseatic City of Bremen
Dr. Dieter Flechsenberger	Managing partner DVV Media Group GmbH
Dr. Ottmar Gast	Spokesman of the Board of Management of Hamburg Südamerikanische Dampfschifffahrts-Gesellschaft KG
Rainer Genes	Head of Production Planning for Mercedes-Benz Passenger Cars Daimler AG
Prof. Dr. Bernd Gottschalk	Managing Director AutoValue GmbH
Dr. Hans-Jörg Grundmann	Chief Compliance Officer Siemens AG
Hans-Jörg Hager	President Unternehmer-Colloquium Spedition
Dr. Stephan-Andreas Kaulvers	Chairman of the Board of Management Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –
Dr. h.c. 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. Karl A. May	Head of Vehicle Distribution and VDCs BMW AG
Dr. Karl-Friedrich Rausch	Director of Transport and Logistics DB Mobility Logistics AG
Michael Westhagemann	CEO Region Nord Siemens AG
Prof. Dr.-Ing. Katja Windt	Deputy Rector of the University and Head of Chair for Global Production Logistics Jacobs University Bremen
Prof. Dr. Joachim Zentes	University of Saarland Director of Institute for Trade and International Marketing
Thomas Zernechel	Head of Group Logistics Volkswagen AG

Declaration on 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 11th Declaration of Conformity to the German Corporate Governance Code in the version of May 15, 2012 on December 20, 2012. The declaration has been made publicly available to the shareholders on a permanent basis through its inclusion in the company's website at 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:

Number 2.3.1, clauses 2 and 3

> "The calling of the Annual Shareholders' Meeting as well as the reports and documents required by law for this meeting, including the Annual Report, shall be made available to the shareholders on the website of the company along with the agenda to the extent that they cannot be transmitted directly to the shareholders. If an absentee ballot is offered, the same applies to the forms used for this purpose."

Number 2.3.3, clause 1

> "The company shall make it easy for the shareholders to personally exercise their rights and be represented via proxy."

The company complies with the provisions of number 2.3.1 and number 2.3.3 of the German Corporate Governance Code and the provisions of Section 124a sent. 1 no. 1 – 4 of the Stock Corporation Act (AktG).

Since far more than 85 percent of our shareholders attend the Annual Shareholders' Meetings, the benefit expected from an absentee ballot would be out of all proportion to the costs. For this reason we have currently decided against the use of an absentee ballot so that support in holding an absentee ballot is not necessary. The Memorandum and Articles of Association of the company have been amended such that the Board of Management is authorized to make provisions for an absentee ballot.

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' Meetings. 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.

Number 4.2.3, 4th subsection, clauses 1 and 2

> "On conclusion of contracts with the Board of Management it should be ensured that, in the case of premature termination of the Board of Management position, payments to a member of the Board of Management, including additional compensation, do not exceed the amount of two years' remuneration (severance pay cap) and do not provide remuneration for longer than the remaining term of the employment contract. If the employment contract is terminated for a substantial reason for which the member of the Board of Management is responsible, no payments shall be made to the member of the Board of Management."

The code recommends inclusion of an agreement on the upper limit for severance pay in the contracts with members of the Board of Management. The contracts with the members of the Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– concluded before this recommendation comes into force do not contain such an arrangement. Such an upper limit for severance pay shall be provided for new contracts.

Number 5.1.2, 2nd subsection, clause 1

> "In the case of first appointments, the maximum possible term of the appointment, i.e. five years, should not be the rule."

First appointments as a member of the Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– shall fundamentally be for a period of three years. Contrary to this, Mr. Frank Dreeke as designated Chairman of the Board of Management has been appointed member of the Board of Management for a period of five years. This first appointment has been stipulated in this way so that the company is assured of Mr. Frank Dreeke's exceptional experience and know-how on a long-term basis.

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. The Human Resources Committee is composed of representatives of the shareholders and of the employees.

Number 5.4.1, 2nd subsection, 3rd subsection, clause 1

> "The Supervisory Board should stipulate specific goals for its composition that take into account the international activities of the company, potential con-

flicts of interest, the number of independent Supervisory Board members in accordance with number 5.4.2, an age limit to be defined for members of the Supervisory Board and diversity while keeping in mind the company's specific situation. These specific goals should, in particular, provide for appropriate participation of women.

Proposals of the Supervisory Board to the responsible election bodies should give consideration to these goals."

The Supervisory Board has defined an age limit for its members in the rules of procedure. In proposals to the responsible election bodies the Supervisory Board takes into account the age limit it has defined and the actual age of the candidate. A static election of candidates according to their age and the defined age limits alone does not take place. The actual age is put in proportion to the professional and personal aptitude of the candidate and further requirements based on the criteria of diversity, among other things. The Board of Management and Supervisory Board ensure diversity in connection with the appointment of management positions and target appropriate involvement of women.

Number 5.4.2, clauses 1 and 2

"The Supervisory Board should have what it considers to be an appropriate number of independent members. A Supervisory Board member shall not be regarded as independent in line with this recommendation, in particular if the member has a personal or business relationship to the company, its bodies, a controlling shareholder or an affiliated company that may constitute a substantial and not only temporary conflict of interest."

There is uncertainty about the indefinite legal term "independence", especially in view of the specific shareholder structure of the company.

Number 5.4.3, clause 2

"An application for court appointment of a member of the Supervisory Board should be limited in time until the next Annual Shareholders' Meeting."

The Board of Management and Supervisory Board reserve the right not to limit applications for court appointment of Supervisory Board members until the next Annual Shareholders' Meeting. In this way the company wishes to be able to respond flexibly to vacancies on the Supervisory Board. The right of the Annual Shareholders' Meeting to elect Supervisory Board members of the shareholders is not curtailed.

Number 7.1.2, last clause

"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 in accordance with the legal provisions.

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 ethical conduct as well as 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 six 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 in the notes to the consolidated financial statement on page 21.

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. These transactions include 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.

In the course of successor planning for the Board of Management the Supervisory Board set the course in 2012. At its meeting on June 29, 2012 Mr. Frank Dreeke was appointed as the new Chairman of the Board of Management.

In view of this, Mr. Frank Dreeke was appointed as an additional member of the Board of Management on January 1, 2013. Furthermore, the Supervisory Board appointed Mr. Jens Bieniek as the new CFO on November 8, 2012 and Mr. Michael Blach as well as Mr. Andreas Wellbrock as new members of the Board of Management with responsibility for the AUTOMOBILE Division and the CONTRACT Division respectively on December 20, 2012.

As of June 1, 2013, Mr. Frank Dreeke will succeed Mr. Detthold Aden, who is leaving the company for reasons of age, as Chairman of the Board of Management and Mr. Jens Bieniek succeeds Mr. Hillert Onnen, who is stepping down for reasons of age, as CFO.

Mr. Michael Blach and Mr. Andreas Wellbrock will also commence their work on the Board of Management as of June 1, 2013. They will follow Mr. Manfred Kuhr and Dr.-Ing. Bernd Lieberoth-Leden in their functions as the latter will leave the company already as of May 31, 2013, prior to expiration of their contracts at the end of 2013, in the interest of a successful change of generation.

Composition of the Supervisory Board

The Supervisory Board is composed of 16 members. 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 according to the provisions of the Co-Determination Act of 1976.

The long-standing Chairman of the Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–, retired senator Josef Hattig, stepped down from his office at the Annual Shareholders' Meeting on May 31, 2012.

In his place the Annual Shareholders' Meeting elected Dr. Klaus Meier on May 31, 2012. The Supervisory Board plenary session met after the Annual Shareholders' Meeting and elected Dr. Stephan-Andreas Kaulvers as the new chairman.

No former members of the Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– are represented on the Supervisory Board. 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 an Audit Committee and a Human Resources Committee. The members of the committees set up by the Supervisory Board are listed in the notes to the consolidated financial statement.

The Audit Committee is composed of three representatives of the shareholders and three employee representatives. The chairman of the Audit Committee holding office in the reporting year complies with the statutory requirements in terms of independence and expertise in the fields of accounting and balance sheet audits that a member of the Supervisory Board and of the Audit Committee is required to meet. 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 concerning 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 Audit Committee is also responsible for the relations between the company and the balance sheet auditor. 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, the deputy chairman and six other members of the Supervisory Board. The Human Resources Committee prepares the personnel decisions. The Supervisory Board plenary session adopts resolutions for appointment and revocation of the appointment of Board of Management members. The Human Resources Committee, instead of the plenary session, decides on employment contracts with members of the Board of Management. In addition, it provides advice on long-term successor planning for the Board of Management.

The Human Resources Committee also performs the tasks of the nomination committee. It 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.

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 fundamentally required to disclose their own transactions with shares of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– or related financial instruments.

The shareholdings of all members of the Board of Management and Supervisory Board amount to less than 1 percent of the shares issued by the company. There were no purchases and sales requiring disclosure during the reporting year.

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

Composition of the subscribed capital, voting rights and transfer of shares

The subscribed capital amounts to EUR 9,984,000.00 and is divided into 3,840,000 registered shares with voting rights. Transfer of shares requires the company's approval in accordance with Section 5 of the Memorandum and Articles of Association.

Every share is accorded one vote. BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– is not aware of any restrictions or agreements between shareholders affecting voting rights. There is no maximum limit for a shareholder's votes and there are no special voting rights. In particular there are no shares with special rights that confer monitoring powers. This means the principle of "one share, one vote" is implemented in full.

The shareholders exercise their co-administration and monitoring rights at the Annual Shareholders' Meeting. Section 19 of the Memorandum and Articles of Association stipulates what requirements have to be met in order to participate in the Annual Shareholders' Meeting as a shareholder and exercise voting rights. Only persons who are entered in the stock record shall be regarded as a shareholder of the company.

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 for stock buybacks as well as amendments of the Memorandum and Articles of Association.

Shares in capital that exceed 10 percent of the voting rights

Shareholders whose share of the share capital exceeds 10 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 in the notes to the consolidated financial statement in disclosure no. 44. For further information on shareholder structure we refer you to the report on the earnings, financial and asset situation on page 54.

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 in the section Working approach of the Board of Management and Supervisory Board on page 34.

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.

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

Remuneration report

Remuneration 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 criteria for the appropriateness of the remuneration of the Board of Management are the duties and personal performance of the respective member of the Board of Management, the economic and financial situation, the size and global alignment of the company as well as sustainable corporate development. 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.

At its meeting on September 17, 2010 the Supervisory Board unanimously approved the current pay system for members of the Board of Management and it has applied since January 1, 2011. Furthermore, the Annual Shareholders' Meeting in 2011 approved the new system of Board of Management remuneration in accordance with Section 120 (4) of the Stock Corporation Act (AktG) ("say on pay"). The main elements of this system are:

The total remuneration of the members of the Board of Management consists of the basic annual salary, the variable annual bonus and variable long-term bonus.

The basic salary is paid on a proportionate monthly basis as non-success-oriented remuneration. Furthermore, the remuneration rules for the members of the Board of Management provide for other customary compensation (fringe benefits), such as provision of a company car or allowances for a preventive health care examination. The other compensation also includes payment of premiums for an appropriate directors and officers liability insurance. Moreover, the members of the Board of Management are able to take out a separate deductible insurance to the amount stipulated in accordance with Section 93 (2) sent. 3 of the Stock Corporation Act (AktG), which is based on the terms and conditions of the main D & O insurance contract. In addition, members of the Board of Management receive remuneration for Supervisory Board seats at affiliated companies.

Aside from 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 the disposable bonus budget the members of the Board of Management receive an annual bonus limited by maximum amounts on which the Human Resources Committee decides and makes a recommendation for adoption by the Supervisory Board.

If the bonus budget has not been exhausted after granting of the variable annual bonus, the remaining amount is available for the variable long-term bonus. The latter is granted depending on attainment of the Group earnings before taxes (EBT) in the three following years on the basis of the planning adopted by the Supervisory Board. Another criterion is attainment of the return on capital employed (ROCE) based on the three-year plan agreed upon with the Supervisory Board. This means the criteria for granting the bonuses as a performance incentive correspond to the key control figures used in the Group.

Payment of the variable long-term remuneration is made in the third following year in each case if the criteria for sustainability have been met. The long-term bonus is granted from the disposable bonus budget and is limited by maximum amounts on which the Human Resources Committee decides and makes a recommendation for adoption by the Supervisory Board. If the criteria are not met, the variable long-term bonus can be reduced on a percentage basis accordingly.

All contracts concluded with the Board of Management as of January 1, 2011 provide for severance pay to an amount of two years' remuneration in the case of premature termination of the position on the Board of Management without substantial reason. If the remaining period of the contract is less than two years, the severance pay shall be calculated pro rata temporis. In this case, however, the severance pay amounts to at least one year's remuneration. The amount of the severance pay is fundamentally determined according to the sum of basic salary and variable annual bonus excluding remuneration in kind and other additional compensation for the last full financial year prior to the end of the employment contract. No compensation agreements were made by the company for the case of premature termination of the position on the Board of Management in the event of a takeover bid. The Board of Management members Manfred Kuhr and Dr.-Ing. Bernd Lieberoth-Leden receive the agreed fixed remuneration as well as a proportionate annual bonus for the 2013 financial year as severance for the remaining term of their employment contracts. For this appropriate financial precaution has been made in the reporting year.

The current remuneration of the individual members of the Board of Management in the year under review and in the previous year was as follows:

Remuneration of the Board of Management (in TEUR*)	**2012** Fixed remuneration	Other compensation	Variable remuneration [1) 2)]	Total	**2011** Fixed remuneration	Other compensation	Variable remuneration [1) 2)]	Total
Detthold Aden	605	42	450	1,097	605	41	450	1,096
Manfred Kuhr	424	40	300	764	424	42	300	766
Dr.-Ing. Bernd Lieberoth-Leden	330	13	300	643	330	13	300	643
Hartmut Mekelburg	330	22	300	652	330	71	300	701
Hillert Onnen	330	34	300	664	330	90	300	720
Emanuel Schiffer [3)]	458	60	300	818	458	36	300	794
	2,477	**211**	**1,950**	**4,638**	**2,477**	**293**	**1,950**	**4,720**

* TEUR = thousand EUR [1)] The variable remuneration reported is based on the business success in the respective reporting year.

[2)] The variable remuneration does not contain any variable long-term bonus. In 2012, as in the previous year, no amount was set aside for the rules regarding the variable long-term bonus to be taken into account for the first time as of 2011.

[3)] EUROGATE GmbH & Co. KGaA, KG refunds the remuneration in full.

The pension commitments of the individual members of the Board of Management in the reporting year and in the previous year are as follows:

Pension commitments[1] (in TEUR*)	Present value of pension commitment		Total addition	Market value of reinsurance coverage		Total addition
	12-12-31	11-12-31	2012	12-12-31	11-12-31	2012
Detthold Aden	**2,548**	**2,256**	**292**	**2,825**	**2,219**	**606**
of that, BLG	2,548	2,256	292	2,825	2,219	606
of that, third parties	0	0	0	0	0	0
Manfred Kuhr	**1,721**	**1,620**	**0**	**0**	**0**	**0**
of that, BLG	0	0	0	0	0	0
of that, third parties	1,721	1,620	0	0	0	0
Hartmut Mekelburg	**1,263**	**1,142**	**60**	**471**	**389**	**82**
of that, BLG	647	587	60	471	389	82
of that, third parties	616	555	0	0	0	0
Hillert Onnen	**1,751**	**1,673**	**0**	**0**	**0**	**0**
of that, BLG	0	0	0	0	0	0
of that, third parties	1,751	1,673	0	0	0	0
Emanuel Schiffer	**2,850**	**2,405**	**0**	**0**	**0**	**0**
of that, BLG	896	659	0	0	0	0
of that, third parties	1,954	1,746	0	0	0	0
	10,133	**9,096**	**352**	**3,296**	**2,608**	**688**

[1] The data relate to the present and market values determined according to provisions of commercial law.
* TEUR = thousand EUR

The members of the Board of Management were granted pension claims, some of which are against the companies of the BLG Group (BLG). Otherwise, the claims are against third parties. For purposes of comparability these claims are disclosed here. Pension liabilities to former members of the Board of Management are also directed against third parties.

The current members of the Board of Management are fundamentally entitled to receive pension benefits after leaving the BLG Group, but not before reaching the age of 63. Defined benefit pension commitments from the time before January 1, 1998 exist vis-à-vis third parties. The annual pension claims of defined benefit pension commitments come to between 40 and 60 percent of the pensionable annual income, which is substantially below the respective basic annual salary (fixed remuneration of a member of the Board of Management). The pensionable annual income of the members of the Board of Management is adjusted similarly to the increases in standard pay of the Central Association of German Seaport Operators (ZDS).

A similarly measured defined benefit BLG pension commitment additionally exists for Mr. Mekelburg. For Mr. Aden there are solely defined benefit BLG pension commitments that are comparably structured. There is no pension commitment for Dr.-Ing. Lieberoth-Leden.

Furthermore, it is possible for Board of Management members to acquire defined benefit pension commitments through deferred compensation.

As was the case in the previous year, members of the Board of Management had not been granted any loans or advance payments as of December 31, 2012. There were no loan redemptions in the reporting year. As in the previous year, no contingent liabilities were contracted for the benefit of the members of the Board of Management.

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 Audit 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 Audit 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 service on the Board. 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 Audit 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*)	2012					
	Fixed remunera-tion	Variable remunera-tion[2]	Commit-tee work	Meeting allowance	Mis-cella-neous[3]	Total
Dr. Stephan-Andreas Kaulvers	11	10	1	7	4	33
Erhard Ott	10	10	1	6	0	27
Uwe Beckmeyer	5	5	0	2	0	12
Karl-Heinz Dammann	5	5	0	3	9	22
Melf Grantz	5	5	1	7	0	18
Martin Günthner [1]	5	5	1	6	0	17
Wolfgang Lemke	5	5	2	8	0	20
Karoline Linnert [1]	5	5	1	3	9	23
Dr. Klaus Meier	3	2	1	5	0	11
Dr. Tim Nesemann	5	5	1	4	0	15
Dirk Reimers	5	5	1	4	0	15
Frank Schäfer	5	5	2	8	8	28
Gerrit Schützenmeister	5	5	0	3	0	13
Dieter Schumacher	5	5	0	3	0	13
Dieter Strerath	5	5	1	6	0	17
Dr. Patrick Wendisch	10	9	1	4	0	24
Josef Hattig	6	6	0	2	4	18
	100	**97**	**14**	**81**	**34**	**326**

[1] In accordance with Section 5a of the Senate law of the state parliament of Bremen, there is a requirement to surrender remuneration received for Supervisory Board work to the state.
[2] The success-oriented remuneration reported is based on the business success in the respective reporting year.
[3] in-Group Supervisory Board seats
* TEUR = thousand EUR

In the previous year the Supervisory Board received remuneration to a total amount of EUR 290,000, of which EUR 99,000 was accounted for by fixed components and EUR 89,000 by variable components. The meeting allowances came to EUR 47,000, the remuneration for committee work to EUR 14,000 and the allowances for in-Group Supervisory Board seats to EUR 41,000.

As of December 31, 2012, members of the Supervisory Board had not been granted any loans or advance payments, as was the case in the previous year. There were no loan redemptions in the reporting 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.

Annual Financial Statement and Management Report : :

of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–

Balance Sheet
as of December 31, 2012

Assets	2012-12-31 TEUR*	2011-12-31 TEUR*
A. Current assets		
I. Receivables and other assets		
1. Receivables from affiliated companies	19,227	17,983
2. Other assets	1	1
	19,228	**17,984**
II. Cash in hand, bank balances	24	22
	19,252	**18,006**

* TEUR = thousand EUR

Equity and liabilities	2012-12-31 TEUR*	2011-12-31 TEUR*
A. Equity		
I. Subscribed capital	9,984	9,984
II. Revenue reserves		
1. Legal reserves	999	999
2. Other revenue reserves	5,718	4,588
III. Balance sheet profit	1,536	1,536
	18,237	**17,107**
B. Provisions		
1. Provisions for taxes	436	332
2. Other provisions	504	495
	940	**827**
C. Liabilities		
1. Trade payables	8	7
2. Liabilities to affiliated companies	0	1
3. Other liabilities	67	64
	75	**72**
	19,252	**18,006**

Income Statement
from January 1 to December 31, 2012

	01-01 - 2012-12-31 TEUR*	01-01 - 2011-12-31 TEUR*
1. Remuneration of BLG LOGISTICS GROUP AG & Co. KG	3,225	2,655
2. Other operating income	441	407
	3,666	**3,062**
3. Other operating expenses	-1,021	-963
4. Other interest and similar income	553	557
5. Result from ordinary activities	**3,198**	**2,656**
6. Taxes on income	-532	-440
7. Net income	**2,666**	**2,216**
8. Transfers to other revenue reserves	-1,130	-680
9. Balance sheet profit	**1,536**	**1,536**

* TEUR = thousand EUR

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).

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 are recognized to the settlement amount necessary to cover all uncertain liabilities and imminent losses from pending transactions on the basis of prudent business assessment. The strict principle of the lower of cost or market is applied.

The liabilities are accrued at their settlement amounts.

Deferred tax assets are based on loss carry-forwards related to trade tax. For the measurement the company examined a five-year period based on the company's extrapolated three-year medium-term planning. The deferred taxes are measured at a tax rate of 15.40 percent. They are not regarded as having sustainable value because of expected losses related to trade tax.

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, amounting to EUR 5,227,000 (previous year: EUR 5,227,000). Receivables regarding cash management from BLG LOGISTICS GROUP AG & Co. KG account for EUR 11,072,000 (previous year: EUR 10,377,000). A further amount of EUR 2,929,000 (previous year: EUR 2,379,000) concerns trade receivables from BLG LOGISTICS GROUP AG & Co. KG.

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

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 1,130,000 (previous year: EUR 680,000) was transferred to other revenue reserves from the net income for the year 2012.

Provisions

The recognition of other provisions entailed provisions to an amount of EUR 293,000 (previous year: EUR 293,000) for costs in connection with the Annual Shareholders' Meeting, publication of the annual financial statement and the consolidated financial statement as well as the auditing costs. Additional provisions of EUR 211,000 (previous year: EUR 202,000) were made for fixed and variable Supervisory Board remuneration.

Liabilities

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

Of the other liabilities, EUR 44,000 (previous year: EUR 42,000) relate to taxes.

Contingent liabilities

The company is the general partner of the subsidiary 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 on the basis of the equity capitalization and the positive results expected for BLG LOGISTICS GROUP AG & Co. KG in the following years.

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 sent. 1 no. 11 of the German Commercial Code (HGB), are part of the audited annual financial statement, which is published in the Federal Gazette.

A condensed list of the subsidiaries included in the consolidated financial statement, joint ventures, associated enterprises and other participations is contained in the section Further information on page 202 ff.

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 include transmitted payments to the Supervisory Board to an amount of EUR 299,000 (previous year: EUR 254,000). The other operating expenses additionally contain administration costs. Furthermore, the disclosure encompasses expenses not relating to this period to an amount of EUR 1,000 (previous year: EUR 0).

Other operating income contains income not relating to this period amounting to EUR 66,000 (previous year: EUR 75,000), which primarily concerns release of provisions.

Other interest and similar income

Of the interest income, EUR 553,000 (previous year: EUR 557,000) stem from affiliated companies.

Taxes on income

The taxes on income and earnings correspond to the improved result before taxes. Expenses due to taxes on income come to EUR 532,000 (previous year: EUR 440,000).

Other disclosures

Off-balance-sheet transactions

There were no transactions that were not contained in the balance sheet as of December 31, 2012.

Other financial liabilities

There were no other financial liabilities as of December 31, 2012.

Auditor fees

The total remuneration for the auditors’ work in the financial year comes to EUR 117,000 (previous year: EUR 118,000). As in the previous year, EUR 116,000 of this amount relate to the annual financial statement audit and the consolidated financial statement audit. Expenses for tax-related consulting services accounted for EUR 1,000 (previous year: EUR 2,000).

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 and persons in key positions, such as Board of Management, Supervisory Board and level 1 executives, as well as their close family members.

The corporate interlacing of the BLG Group with BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– as general partner without a 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 21, 24 f. and 34 ff.; see also the section Board of Management and Supervisory Board.

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

There were no transactions with affiliated companies, joint ventures and associated enterprises in the reporting year.

Board of Management and Supervisory Board

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) sent. 5 of the Stock Corporation Act (AktG) see pages 21 and 24 f. The disclosures on individualized remuneration in accordance with Section 285 (1) no. 9 HGB as well as the description of the basic features of the remuneration systems are summarized in the Corporate Governance report, whose remuneration report is at the same time part of the Management Report and the Group Management Report, on pages 38 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 page 36.

Disclosures of voting rights

In accordance with Section 160 (1) no. 8 of the Stock Corporation Act (AktG), disclosures have to be made regarding the existence of shareholdings that have been communicated to the company according to Section 21 (1) or (1a) of the Securities Trading Act (WpHG).

A disclosure requirement applies in accordance with the Securities Trading Act (WpHG) if certain shares in voting rights of the Company are reached, exceeded or not reached as a result of acquisition, sale or otherwise. The disclosure shall be made both to the Company and to the Federal Supervisory Office for Securities Trading. The lowest threshold value for the disclosure requirement is 3 percent of the voting rights.

The following table shows all disclosures of shareholders who have informed us of the amount of their share of voting rights in accordance with Section 41 (2) sent. 1 of the Securities Trading Act (WpHG):

Shareholder	Disclosure according to Section 41 (2) sent. 1 WpHG as of	Voting rights in % direct	Voting rights in % indirect
Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen (BLKO)	April 2, 2002	12.61	
Norddeutsche Landesbank Girozentrale, Hanover	April 2, 2002		via BLKO
Financial holding company of Sparkasse in Bremen, Bremen	April 8, 2002	12.61	
Free Hanseatic City of Bremen (municipality of Bremen)	April 9, 2002	50.42	

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 May 23, 2013: distribution of a dividend of EUR 0.40 per share (corresponding to around 15 percent per share) for the 2012 financial year, corresponding to the balance sheet profit of EUR 1,536,000.

Consolidated financial statement

The company as the parent enterprise prepared a consolidated financial statement as of December 31, 2012 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 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 11th Declaration of Conformity to the German Corporate Governance Code in the version of May 15, 2012 on December 20, 2012. The declaration has been made publicly available to the shareholders on a permanent basis through its inclusion in the company's website at www.blg.de.

Management Report

Organizational integration

BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–, Bremen, a listed company, is exclusively the general partner of BLG LOGISTICS GROUP AG & Co. KG, Bremen. In this function the company has assumed management of BLG LOGISTICS GROUP AG & Co. KG.

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 company's profit. 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). The business of BLG LOGISTICS GROUP AG & Co. KG is conducted by the Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– as a body of the general partner. The Board of Management conducts business on its own responsibility in accordance with Section 76 (1) of the Stock Corporation Act (AktG) and is not subject to instructions of the shareholders.

For the assumed liability BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– receives remuneration from BLG LOGISTICS GROUP AG & Co. KG to an amount of five 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 (HGB). This liability remuneration shall be paid independent of the year-end results of BLG LOGISTICS GROUP AG & Co. KG. For its management work BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– receives remuneration to an amount of five percent of the net income of BLG LOGISTICS GROUP AG & Co. KG prior to deduction of this remuneration. The remuneration for work amounts to at least EUR 256,000 and at most EUR 2,500,000.

Moreover, all expenses directly incurred in connection with management of BLG LOGISTICS GROUP AG & Co. KG shall be reimbursed by the latter to BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–. Further information on transactions with affiliated companies and related parties can be found in the notes to the consolidated financial statement. For the 2012 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 on relationships to affiliated companies in accordance with Section 312 (3) sent. 3 AktG is as follows:

"BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– received an appropriate consideration for each legal transaction indicated in the report on 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."

The company maintains a branch office in Bremerhaven.

Report on earnings, financial and asset 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 the previous year. 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 (EUR 855,000) and remuneration for work (EUR 2,350,000) for 2012. In addition, expenses directly incurred by the company in connection with management of BLG LOGISTICS GROUP AG & Co. KG were reimbursed by the latter.

Earnings per share of EUR 0.69

The earnings per share are calculated by dividing the annual net income of 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 2012 climbed to EUR 2.7 million (previous year: EUR 2.2 million). The rise is essentially attributable to the significant increase in the remuneration for work to EUR 2,350,000 (previous year: EUR 1,850,000).

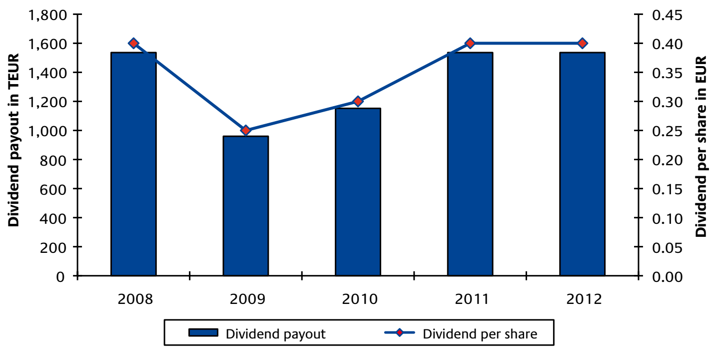
Sustained dividend of EUR 0.40 per share

At BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– the Board of Management and Supervisory Board approve the annual financial statement.

Within the scope of their management discretion they allocated a partial amount of EUR 1,130,014.76 from the net income of EUR 2,666,014.76 to the other revenue reserves. As a result, the annual financial statement for the 2012 financial year (HGB) of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– shows a balance sheet profit of EUR 1,536,000.00 (previous year: EUR 1,536,000.00). According to German law, the balance sheet profit is the basis for distribution of dividends. Based on the development of earnings and in accordance with a dividend policy geared to a sustained level, the Board of Management, in conjunction with the Supervisory Board, will propose to the Annual Shareholders' Meeting on May 23, 2013 that the balance sheet profit to an amount of EUR 1,536,000.00 be used for distribution of a dividend of EUR 0.40 per share (previous year: EUR 0.40 per share) on the share capital eligible for dividends amounting to EUR 9,984,000.00, corresponding to 3,840,000 registered shares. This corresponds to a payout ratio of 58 percent.

Based on the year-end price of EUR 8.93, this results in a dividend yield of 4.5 percent for the 2012 financial year.

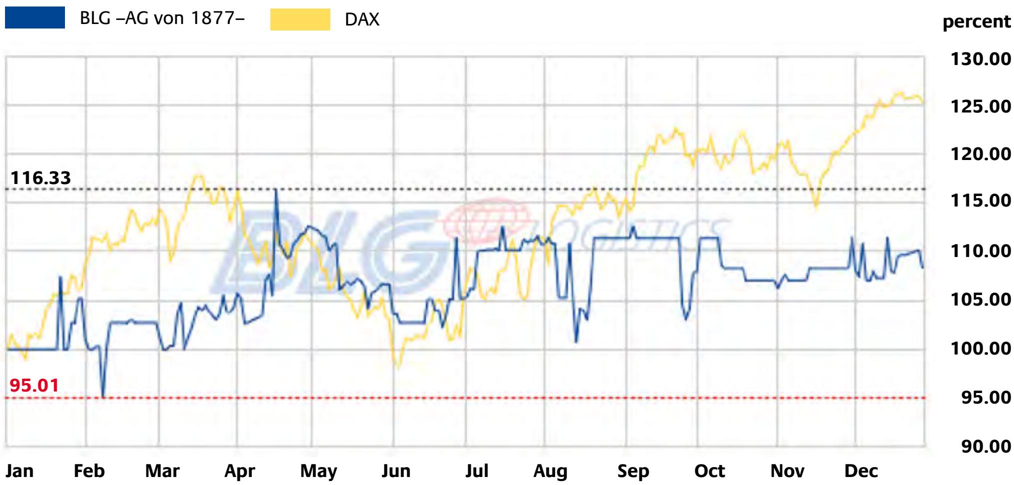
Dividend development



Gratifying stock market year 2012

In contrast to the previous year, the DAX developed very positively in 2012. The rise from 5,898 points at the beginning of the year to 7,612 points at the end of the year corresponded to growth of around 29 percent.

Share price development



Source: EquityStory AG / Ariva.de AG

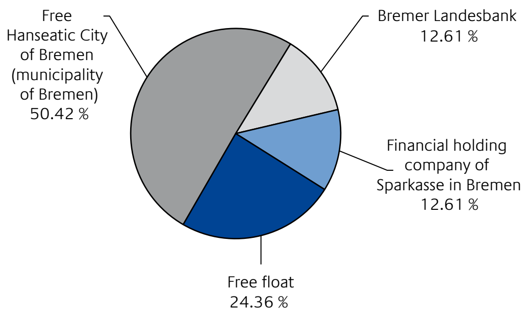
The BLG stock, too, developed positively in 2012. Starting from an average of EUR 8.06 per share at the beginning of the year, the price rose by around 11 percent to an average of EUR 8.93 per share at the end of the year. As a result, the price decline in the previous year was made up for. The price fixed at the close of the year is thus above the mean value of the year-end stock market prices of the last five years (EUR 8.67 per share).

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 the financial holding company of Sparkasse in 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 8 percent while the remaining 16 percent are held by private shareholders.

Shareholder structure



Key figures for BLG stock

		2012	2011	2010	2009	2008
Earnings per share	EUR	**0.69**	0.58	0.34	0.24	0.77
Dividend per share	EUR	**0.40**	0.40	0.30	0.25	0.40
Dividend	%	**15**	15	12	10	15
Dividend yield	%	**4.5**	5.0	3.2	3.3	4.3
Market price at end of year[1]	EUR	**8.93**	8.06	9.48	7.58	9.30
Highest price[1]	EUR	**9.25**	9.83	9.61	9.61	10.85
Lowest price[1]	EUR	**7.89**	7.52	8.20	6.19	8.22
Payout amount	TEUR	**1,536**	1,536	1,152	960	1,536
Payout ratio	%	**58**	69	89	104	52
Price-earnings ratio		**12.9**	13.9	27.9	31.6	12.1
Market capitalization	million EUR	**34.3**	31.0	36.4	29.1	35.7

[1] Average on listed stock markets

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 289a HGB; see page 31 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 37 f.

Remuneration report

The remuneration report in accordance with Section 289 (2) no. 5 HGB is contained in the Corporate Governance report on pages 38 ff.

Supplementary report

No events of special importance have occurred to date.

Risk report

Opportunity and risk management

Corporate action involves opportunities and risks. Responsible handling of potential risks is a key 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 opportunity and 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 of 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. 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 according to Section 289 (5) HGB

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 94 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. A risk of default is not perceptible.

Report on forecasts and other statements regarding expected development

As forecast in the previous year, a higher net income of around EUR 2.7 million was achieved in 2012. For the years 2013 and 2014 we assume declining or comparable net income based on sound planning. Our objective for the 2013 financial year is continuation of the solid dividend policy, with a dividend of at least EUR 0.40 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 such formulations 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 19, 2013
THE BOARD OF MANAGEMENT

Aden

Kuhr

Dreeke

Dr.-Ing. Lieberoth-Leden

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 the Management Report of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–, Bremen, for the financial year from January 1 to December 31, 2012. 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, giving consideration to 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 reliable 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, March 19, 2013

FIDES Treuhand GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Bitter Auditor	Kersten Auditor

Group Management Report : :

of

BREMER LAGERHAUS-GESELLSCHAFT
–Aktiengesellschaft von 1877–

Group Management Report

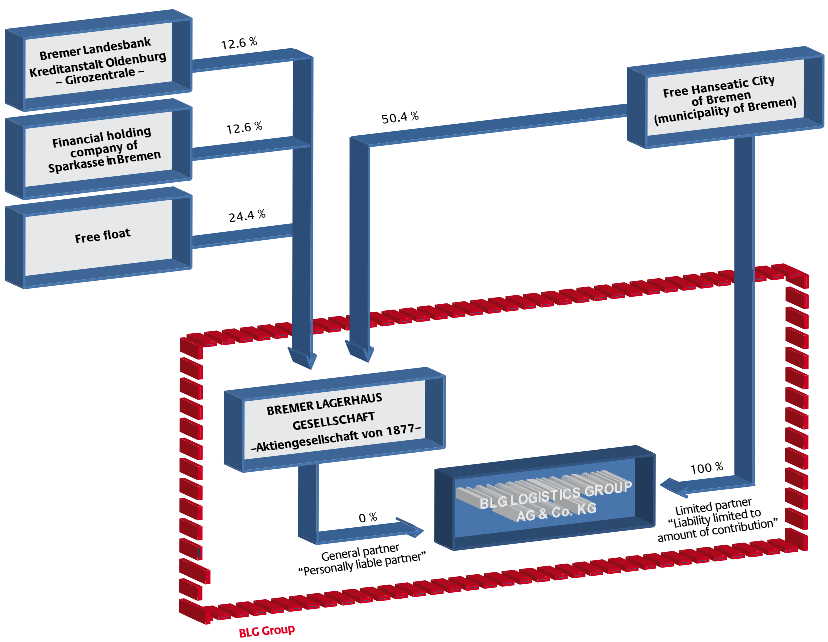
Business model and conditional framework

Legal Group structure

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 company's profit. It receives remuneration for the liability assumed as well as for its management work. All limited partnership shares of BLG LOGISTICS GROUP AG & Co. KG are held by the Free Hanseatic City of Bremen (municipality of Bremen). The business of BLG LOGISTICS GROUP AG & Co. KG is conducted by the Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– as a body of the general partner. The Board of Management conducts business on its own responsibility in accordance with Section 76 (1) of the Stock Corporation Act (AktG) and is not subject to instructions of the shareholders.

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 fourteen 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 and staff units of the holding company perform consulting and other services Group-wide.



Business model and organizational structure

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

The reporting of the BLG Group is divided into the three divisions, which are linked to one another strategically and economically.

The AUTOMOBILE Division

The AUTOMOBILE Division focuses on logistics for finished vehicles, essentially involving worldwide distribution from the manufacturers to the dealers in the countries of destination. With a volume of 6.8 million vehicles this division further boosted its position as leading automobile logistics specialist in Europe in 2012.

The key pillars are terminals on the sea, on major rivers and in the hinterland, supplemented by shipments via road, rail and water as well as the company's own technical centers. In addition to PDI (Pre-Delivery Inspection), extras like DVD systems, cell phones, navigation systems and glass roofs are installed there. The service profile also includes modifications for special series. A modern fleet of trucks, including over 500 automobile transporters, provides a permanent link between the seaport and over 7,000 dealers. Furthermore, more than 1,100 special railway wagons were used for rail transport of vehicles in 2012.

In addition to the seaport terminals in Bremerhaven, Gioia Tauro, Cuxhaven, Hamburg, Gdansk and St. Petersburg, the AUTOMOBILE Division also operates several terminals on the Rhine and Danube. Seven inland vessels are in operation there for automobile transport. The Danube connection is part of our Eastern Europe strategy. Moreover, we perform logistics services in Poland, Russia, Slovakia, Slovenia, the Czech Republic and Ukraine.

The CONTRACT Division

The CONTRACT Division implements comprehensive individual logistics solutions for customers in industry and commerce. The focal points of its services are car parts logistics as well as industrial and production logistics, retail and distribution logistics, seaport logistics for conventional goods in Bremen as well as BLG Coldstore at the Bremerhaven Container Terminal. Logistics for offshore wind energy has already established itself as a new business segment in Bremerhaven.

In contract logistics BLG invests wherever customers need its services. As a result, there are now logistics centers and special facilities operating at over 30 locations in Europe and overseas for strong brands like adidas, BMW, Mercedes, MAN, VW, Siemens, Konica Minolta, Ikea, Tchibo, Griesson – de Beukelaer, Hansgrohe, Bosch and Automotive Lighting.

The CONTAINER Division

The CONTAINER Division is developed by the EUROGATE joint venture, the leading terminal operator in Europe. Its position is based on the continental terminal concept and complementary services relating to container transport. The network encompasses shipments via rail, road and water as well as logistics services for containerized goods.

The terminal network includes the Bremerhaven, Hamburg, Wilhelmshaven, Lisbon, Gioia Tauro, La Spezia, Ravenna, Salerno, Cagliari, Tangier and Ust-Luga locations.

Changes in entities to be consolidated of the divisions

In the course of partial restructuring in the AUTOMOBILE and CONTRACT Divisions, BLG CONTRACT LOGISTICS GmbH & Co. KG left the group of domestic entities to be consolidated by way of accretion to BLG LOGISTICS GROUP AG & Co. KG. The same applies to BLG AutoTerminal Wörth GmbH & Co. KG due to accretion to BLG AutoTerminal Kelheim GmbH & Co. KG as well as to E.H. Harms GmbH & Co. Auto-Terminal Bremerhaven due to accretion to BLG AutoTerminal Bremerhaven GmbH & Co. KG. Stemming from the previous BLG Logistics Solutions GmbH, BLG Logistics Solutions GmbH & Co. KG came into being through a change in corporate form.

Apart from operational measures, the restructuring took place in the framework of a set of measures aimed at improving the asset, financial and earnings situation of various affiliated companies and is not market-oriented. This did not involve sale of assets or grounds for liability risks.

Management and control

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 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 page 31 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 37 f.

Remuneration report

The remuneration report in accordance with Section 315 (2) no. 4 HGB is contained in the Corporate Governance report on pages 38 ff.

Relevant legal and economic factors

The BLG Group has to take into account a large number of national and international legal regulations. Besides regulations based on public law, capital market law, labor law, including occupational safety and health laws, transportation and customs law as well as antitrust law have particular relevance for us. The main economic factors relevant for the BLG Group include pay settlements in Germany since a large portion of the workforce is employed in Germany and the personnel expenses for our own staff as well as external personnel represent the main cost item. Moreover, because our business model is capital-intensive in all divisions, capital costs play a significant role.

Überseehäfen in Bremerhaven with Auto Terminal and Container Terminal

Nonfinancial performance indicators

Employees

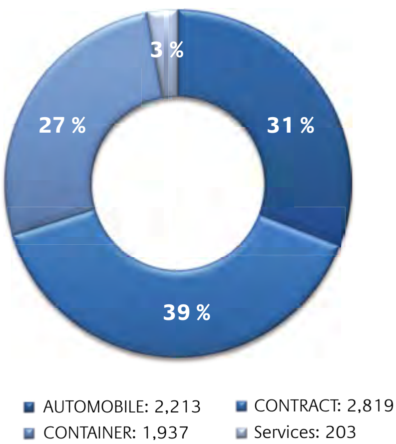
As an international seaport-oriented logistics specialist, the BLG LOGISTICS GROUP not only needs committed and motivated employees, but also qualified staff members in order to operate successfully in the market on a sustained basis and tackle the challenges posed by globalization and demographic change. To be able to recruit, develop and keep the best employees, the BLG Group pursues the goal of consistently maintaining an image as an attractive employer. That is why performance-oriented pay, targeted further training opportunities, measures ensuring the compatibility of career and family as well as the opportunity of participation in a company pension scheme model are elements of our personnel policy.

The number of persons employed in the Group – excluding members of the Board of Management – according to division, determined in accordance with Section 267 (5) HGB (annual average), is shown below:

Division	2012	2011	Change %
AUTOMOBILE	**2,213**	**2,116**	**+4.6**
of those, blue-collar employees	1,798	1,720	
of those, white-collar employees	415	396	
CONTRACT	**2,819**	**2,094**	**+34.6**
of those, blue-collar employees	1,966	1,436	
of those, white-collar employees	853	658	
CONTAINER	**1,937**	**1,871**	**+3.5**
of those, blue-collar employees	1,431	1,398	
of those, white-collar employees	506	473	
Services	**203**	**180**	**+12.8**
of those, blue-collar employees	8	2	
of those, white-collar employees	195	178	
Total	**7,172**	**6,261**	**+14.6**
of those, blue-collar employees	5,203	4,556	
of those, white-collar employees	1,969	1,705	

The average number of employees in the reporting year was 7,172 and thus rose by 14.6 percent compared to the average of the previous year. This significant increase is primarily attributable to newly hired personnel in the course of expansion of business in the Automotive segment of the CONTRACT Division. This relates in particular to the acquisition of new large-scale orders at the Mercedes plant in Tuscaloosa (USA) in the 2011 financial year, expanded business with the key accounts BMW and General Motors in South Africa and the takeover of operational plant logistics for a new client, Automotive Lighting, in Brotterode, Thuringia.

The number of employees worldwide rose to 16,000 by the end of 2012.



Employees according to age groups

up to 29 years	17 %
from 30 to 39 years	25 %
from 40 to 49 years	29 %
from 50 to 60 years	22 %
over 60 years	7 %

Occupational safety and health care

For the BLG LOGISTICS GROUP the safety and health of its employees at their workplace represent a corporate goal that has the same priority as economic success. A preventive, in-house health policy, measures for improving workplace safety and the working conditions are therefore major elements of our corporate policy.

BLG regards occupational safety as the joint responsibility of everyone concerned in the company. The only way to prevent occupational accidents and minimize downtimes is through planning, coordination and consideration when performing specific duties at work.

This applies in particular to service enterprises like BLG, where people play a significantly greater role in the performance of work in relation to the machines used. For this reason it is extremely important for BLG to make the workstations as safe as possible.

During company operations deficits sometimes become very clearly evident as a result of accidents or are hidden from view in the form of so-called near-accidents. Only through the interplay between corporate management, works councils and the occupational safety specialist is it possible to achieve the goal of accident-free work.

An examination of accidents at work may provide valuable insights for accident prevention. Analysis and interpretation of every accident report provide a realistic picture of the events and circumstances that led to an accident at work. Expertise, experience and knowledge of human nature facilitate an evaluation of whether an occupational accident is more of a minor incident that can be classified as a “general risk in life” or whether the circumstances leading to the accident or the seriousness of the injury could recur at any time and thus require rapid correction of the processes or efforts to alter behavior accordingly.

The staff talks conducted by the Safety and Environmental Protection Department are aimed at encouraging those concerned, as well as their colleagues and superiors, to talk openly, and self-critically, on a cooperative basis, about the circumstances surrounding the accident and the actual or felt background that lead to an accident or near-accident at work. The primary objective is to permanently incorporate the concept of prevention into daily work. Promoting personal behavioral competence and continuous improvement impetus on the part of employees are indispensable elements to ensure that people working in our companies work safer and operating costs due to material damage and downtimes are reduced. Constantly improving the existing level of safety means that efforts to achieve accident-free work also represent a business management task that has to be performed anew every day.

Accident prevention and health protection cannot be detached from the economic organization of the processes. It is a responsibility of management to motivate the staff again and again to work safely and get actively involved in improving the processes.

BLG's social responsibility for its employees with respect to accident prevention and health protection is practiced actively. The vigorous involvement of the employees in the continuous improvement process is clear evidence of this. Necessary corrections to the work process are thus carried out quickly together. Technical innovations on machines and ergonomic improvements are also a consequence of such activities and make work in the BLG LOGISTICS GROUP safer.

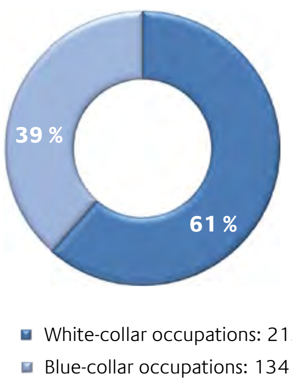
Employee survey

In the year under review the external survey institute "Great place to work" conducted a Germany-wide survey among all employees on behalf of BLG, asking them how they experience their work and workplace and what goes to make a good workplace in their view. 90 organizational units were formed for the survey. The permanently assigned GHBV employees in Bremen and Bremerhaven were also included.

In the overall evaluation 59 percent of all employees agreed to the statement "All in all I can say this here is a very good workplace." We thus reached the threshold to a "good place to work".

A core message of the survey was that there is a solid attachment to BLG.

To check whether the measures initiated were successful, another survey will be conducted in 2014.



Recruiting junior staff and developing talent

Training occupations

Training holds the potential for a successful future. For this reason BLG trains its own junior staff in 13 white-collar and blue-collar occupations altogether. After successful completion of their training the company fundamentally hires all trainees and supports them in broadening and reinforcing the skills and know-how they have learned.

In the 2012 financial year the number of trainees in our Group, comprising 347 (previous year: 338) persons in white-collar and blue-collar occupations, was at a higher level than in the previous year.

The commitment of the BLG Group in terms of training was again given special recognition by the Chamber of Industry and Commerce in the 2011/2012 training year in the form of an award as a company that ensures "Quality through training".

Dual course of study

In-house talent development also takes place in the form of a dual course of study. The Logistics and Process Management program is a practice-oriented and at the same time science-based course of study as an alternative to university studies.

The bachelor's program at Hanse Berufsakademie encompasses six semesters. Each semester is divided into an 11-week study phase at the vocational academy and a 12-week practical phase at the BLG LOGISTICS GROUP. During the practical phase the students are involved in operational projects, among other things.

In addition to the science-oriented studies, students have the opportunity of taking the examination for junior freight forwarding and logistics managers at the Oldenburg Chamber of Industry and Commerce. In 2012 the dual course of study entitled Bachelor of Arts in Logistics and Process Management was offered in connection with training as a junior industrial manager for the first time.

Scholarship program

As another module for human resources development, BLG established an in-company scholarship program for trainees, employees as well as children of employees. The scholarship holders not only receive financial support, but also the opportunity to do internships or write their theses at our affiliated companies. After successful completion of the studies the graduates are offered a position in the BLG Group. The objective of the program is to bind students of Economics + Engineering as well as other technical courses of study to BLG. For the first time two scholarship holders were selected by a company commission in the reporting year and have been receiving the scholarship support since then.

Junior manager trainee program

To train specialists and executives in a targeted manner, the BLG Group offers university graduates a junior manager trainee program. The program is divided into an 18-month project phase and a six-month assignment in the possible target position. The project phase is complemented by an extensive seminar package on leadership and social competence.

This program supports both internal and external applicants. On January 1, 2012 17 new junior manager trainees started the 7th cycle of the program. Women make up around 50 percent of the participants.

We provide detailed information on the junior manager trainee program in the Career section on our website at www.blg.de.

Further training

Further occupational training is not only necessary to maintain the level of qualification and quality assurance, but is also a tool for employee loyalty.

Since the 2011 financial year the "Staff development planning 2020" project (PEP 2020) has formed the focal point of the further training programs of the BLG Group, providing employees with future-oriented employment prospects. Moreover, specialists and executives acquire qualifications so BLG can continue to prevail in the increasing competition for the best minds.

On the basis of the training needs determined, 1,700 employees have already been trained. In 2013 another 1,500 employees are to profit from the training opportunities.

Career and family

The family-conscious personnel policy is another key element of the BLG Group's human resources strategy. It is intended to make a major contribution to enhancement of its attractiveness as an employer and thus to the sustained success of the BLG Group. Particularly the awareness of and sensitivity to compatibility of working and private life should be further intensified and established at all levels. This is also aimed at binding employees to the company and acquiring qualified new staff members.

The already established in-company social counseling service additionally encompasses counseling with regard to family-friendly aspects. Questions concerning the compatibility of career and family, such as parental leave and parental leave allowance, active paternity, opportunities for providing care to children and other members of the family in need of care as well as applying for benefits, are focal points of the counseling service.

To further exploit the potential for improving the compatibility of career and family, two companies in the BLG Group again took part in the auditing procedure for the audit berufundfamilie® certificate (career and family audit) of the Hertie Foundation.

Furthermore, cooperation with the care support points in Bremen and Bremerhaven has been in place since 2012. BLG employees can obtain neutral and anonymous counseling with regard to the subject of care free of charge at three locations in Bremen and Bremerhaven.

Health management

The functions of in-house health promotion include maintaining and enhancing the employees' ability to cope with their work. The aim is to optimize the work load of the employees and strengthen their personal resources. Good working conditions and quality of life at the workplace serve to promote health and motivation on a long-term basis, on the one hand, and increase productivity, product and service quality as well as the innovativeness of the companies, on the other hand.

Health management focuses on preventive health care. For this purpose the BLG Group has a competent medical team at its disposal that provides the employees with advice and medical care. In addition to occupational safety training and the social counseling offered, the preventive measures include flu protection vaccinations and offering supplementary meal options in the company canteens. Projects related to age-oriented work and involving external experts are also part of the company's prevention efforts.

Within the framework of the Fit & Fun project BLG cooperates with a chain of fitness studios so employees have the opportunity of exercising at regional facilities in immediate proximity to home and the workplace. Studies show that this project continues to meet with acceptance and that a reduction in days of unfitness for work due to illnesses of the muscular and skeletal system as well as of the cardiovascular system is achieved among Fit & Fun participants.

Employee pension scheme

At retirement age BLG employees should have adequate pension benefits to allow them to maintain their standard of living. The monthly disposable income in retirement is still mainly provided through the statutory pension insurance fund.

In recent years the level of the statutory pension benefits has undergone enormous change as a consequence of several modifications. To close gaps in the pension scheme, BLG offers an employee-financed system (contingency scheme) as part of its social security for the future and supports this system with profit-based bonus payments and other premiums (bonus plan).

In 2012 a total of 1,934 employees (previous year: 1,786) took part in the pension plan in the CONTRACT and AUTOMOBILE Divisions and the Service departments.

The volume of employee-financed contributions in the Group rose to approx. EUR 7.0 million (previous year: EUR 6.6 million). In 2012, as in the previous year, the bonus plan was endowed with approx. EUR 1.7 million. This means the voluntary contribution accounts for about EUR 5.3 million.

Corporate responsibility

The high mobility of the globalized world contributes to the constant further increase in worldwide CO_2 emissions and thus to climate change and Earth warming. Logistics profits to a great degree from globalization, but also makes a 5.5 percent contribution to worldwide CO_2 emissions. It therefore has a responsibility to do its share in reducing Earth warming and consumption of increasingly scarce resources.

In view of this situation, the BLG Group sees sustainable action as the endeavor to combine economic success with ecological and social responsibility. We are convinced that sustainable corporate success for all stakeholders can only be achieved through the best possible balance between ecology and economy.

sustainable
with BLG LOGISTICS

Ecological sustainability

In October 2012 the Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– decided to reduce the Group's CO_2 footprint by 20 percent by 2020 and thus specified a binding target for our contribution to climate protection. The CO_2 emissions measured as the CO_2 equivalent for 2011 to an amount of 153,500 tons form the basis. We therefore want to cut our CO_2 emission by around 31,000 tons. Converted into diesel fuel, with this amount one of our fully loaded automobile transporters could travel around the globe 740 times or run over the entire road network of the Earth once.

Establishment of the staff unit "Sustainability and New Technologies" (HNT) in the 2011 financial year was a decisive step towards making the existing activities of the BLG Group for a sustainable corporate policy more visible and providing new impetus.

We have deliberately decided in favor of combining the topics of sustainability and new technologies because the use of new technologies plays an important role in determining specific energy consumption and is additionally decisive for more efficient use of resources and avoiding energy waste.

In 2011 we started to record energy consumption (electricity, gas, fuels, etc.) at our German locations. Our objective is to scrutinize all processes and determine focal points for energy savings. In this way we are also preparing to transmit to our customers specific data on the CO_2 footprint of all our services, something that is increasingly demanded of service providers.

Major initiatives for reducing resource consumption also come from our employees at the logistics centers. Technical improvements start with intelligent control of heating systems and fully automatic high-bay warehouses and extend all the way to drastic cuts in freshwater consumption at car wash facilities for passenger vehicles or small load carriers.

In the AUTOMOBILE Division we have expanded environmentally sound transport of finished vehicles via rail. In mid-2012 the 1,000th railway wagon was put into operation and by 2013 there will be another 275 wagons. A train with modern, double-decker railway wagons can transport up to 228 passenger cars and thus replace 29 truck shipments. In addition, our trains are equipped with so-called whispering brakes and reduce noise emissions by 35 percent. As a result, they remain significantly below the officially permissible maximum level of 82 decibels.

Inland vessels are considered to be the most environmentally compatible means of transportation. On the Rhine we transport vehicles from the Ford plant in Cologne to the dealers in Europe by means of five BLG inland vessels and four barges. An inland vessel holds up to 650 passenger cars. That corresponds to 70 to 80 trucks or three freight trains. On the Danube two BLG inland vessels sail back and forth between Budapest and our automobile terminal in Kelheim.

BLG AUTOMOBILE LOGISTICS GmbH & Co. KG has been a member of 'partnerschaft umwelt unternehmen' ('partnership environment company') since September 2011.

The CONTRACT Division is characterized by a broad spectrum of services along the entire supply chain, such as transport, warehousing, packing, finishing and preproduction of such different goods as car parts, T-shirts and frozen food. This makes it more difficult to record specific CO_2 consumption, but holds great potential for savings and innovative solutions.

In a new logistics building for a major client of the Retail Logistics segment that is currently undergoing commissioning we use a combined heat and power station with 50 kilowatt-hours in electric capacity and 80 kilowatt-hours in thermal capacity. Moreover, the compressor for the transport system is coupled to a heat recovery unit. The waste heat generated by the compressor is utilized to preheat the water for the heating system. Heat recovery is also employed for the ventilation system in the new building.

The BLG Group is testing the use of electric cars. We have had two electric cars in operation as pool vehicles at the holding company and Retail Logistics since the beginning of 2012. Compared to an average diesel vehicle, an electric car produces two thirds less emissions with an average power mix. Since February 2013 BLG has been taking part in the company initiative entitled Model Region Electric Mobility Bremen/Oldenburg and funded by the German Federal Ministry for Transport, Building and Urban Development. The objective is to support and further develop electric mobility as well as expand the charging station infrastructure.

We also see great potential for energy savings in the lighting system at our facilities through the use of LED lights. We have already set up test fields at our cold store in Bremerhaven, in part of a parking deck at the Bremerhaven Auto Terminal, in the Port Logistics segment as well as in Quality Management in Duisburg. Use in other departments is being looked at.

The CONTAINER Division has committed itself to introducing an energy management system in accordance with DIN EN 16001 as of the 2012 financial year. The aim is to systematically reduce specific energy use at the container terminals. The division has been recording and assessing energy consumption and CO_2 emissions since 2007. In 2012 recording and evaluation were integrated into the in-house controlling software so that the numbers can be evaluated even more effectively and depicted more clearly.

In the reporting year EUROGATE took a decisive step towards achieving the goal of reducing CO_2 emissions by 20 percent by 2020 as compared to 2011. Energy consumption per container handled dropped by 7 percent in comparison to 2011. This was primarily made possible by a technical and operational reduction in straddle carrier fuel consumption. The gantry cranes also underwent intensive scrutiny and the duty cycle of many peripheral devices was shortened. Overall, it was thus possible to save 6 percent in energy per container. With regard to terminal lighting, another improvement in the control led to a measurable reduction in energy of 13 percent.

Currently the CONTAINER Division is working on construction of a wind turbine at the container terminal in Hamburg and is examining the feasibility at the Bremerhaven and Wilhelmshaven locations. Wind turbines near the coast can produce up to nine million kilowatt-hours of CO_2-free power per year.

The EUROGATE container terminals in Bremerhaven and Hamburg are environmental partners of the Free Hanseatic City of Bremen and the Free and Hanseatic City of Hamburg respectively.

Social sustainability

The BLG LOGISTICS GROUP sees itself as part of society and in this role assumes social responsibility through various projects, primarily in the local area around our locations. The following examples provide an insight into these endeavors.

Starting in 2013, BLG will cooperate with Martinshof. This is a recognized workshop for people with disabilities and also performs car parts logistics services. To optimize these services such that employment opportunities are created for intellectually and emotionally challenged persons or those with multiple disabilities, trainees and junior management staff are to be exchanged between BLG and Martinshof. This is also intended to further develop the social competencies of young BLG staff members.

Furthermore, social projects are carried out regularly in the framework of the junior manager trainee program. Every year social commitment is incorporated into this program as an integral element since social competencies represent essential know-how for the prospective executives. The 2012/2013 program year, for instance, focused on an aid program for the Jekabpils region in Latvia. In addition to clothing, toys and furniture, orthopedic aids, such as walking aids, were collected and given to needy families, old age homes and schools.

Aside from social commitment, BLG examines how its high level of logistics competence can be increasingly applied to disaster logistics as part of its particular responsibility for society. Natural events like the earthquake in Haiti in 2010, the drought disasters in Africa, most recently in West Africa in 2012 and in the Sahel zone, or the misery of war refugees repeatedly show that relief supplies often get to the places where they are needed most urgently either late or not at all.

Thus far Bundesvereinigung Logistik (BVL) has set up two working groups in which prominent representatives from science and industry take part. The focal points are creation of a platform for those involved in humanitarian supply chains (HumLog@BVL) and improvement of material aid logistics in seaports by means of targeted training programs ("Get Seaports Ready for Disaster"). On the basis of its many years of experience in seaport logistics, BLG can make a substantial contribution to improvement of operational logistics.

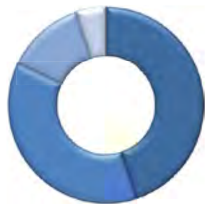
Economic sustainability

For us the main elements of economic sustainability are satisfied customers, employees and shareholders in the context of ecological and social responsibility. A sensible measure of this is the net value added. This serves as an indicator of the "economic added value" of the business activity. It is calculated from the production value minus all intermediate consumption and depreciation. The net value added in the 2012 financial year comes to EUR 456.7 million (previous year: EUR 414.3 million). This corresponds to an increase of 10 percent as compared to 2011.

The value added is spread between employees, shareholders, public sector (taxes) and lenders. The largest portion, to an amount of EUR 371.5 million and a share of 81 percent, was accounted for by employees. This is followed by the share accounted for by shareholders to an amount of EUR 41.9 million (9 percent), the public sector to an amount of EUR 27.1 million (6 percent) and payments to lenders to an amount of EUR 16.2 million (4 percent).

Creation of value added

Production value EUR 1,224.5 million = 100 %



Use of value added

Net value added EUR 456.7 million = 100 %

Value added in BLG Group

million EUR	2012	2011
Employees	371.5	326.9
Shareholders *)	41.9	45.0
Public sector	27.1	25.8
Lenders	16.2	16.6
Total	**456.7**	**414.3**
*) of those external third parties	17.3	24.0

BLG highlight in 2012: innovation

For us innovation is a prerequisite for the future viability of our company. It is also what customers expect of us. We work on continuous improvement of our processes by cooperating with external experts from research and practice.

Together with the University of Bremen we have developed a system (RoTrail) for our High&Heavy Terminal in Bremerhaven that allows us to optimize the movements of the tractor units at the terminal. Up to now a relatively long time was required before the rolltrailers (load carriers for high & heavy goods) were coupled, resulting in additional diesel consumption. By equipping the trailers with RFID transponders and tracking with GPS antennas, every parking space can immediately be displayed at the terminal and in the tractor units. That saves time and fuel, enables more efficient terminal management and thus reduces spatial consumption. The test run has been completed and implementation at the terminal was launched in summer 2012. The system has been completely implemented since spring 2013. Two clients have already indicated interest in using the system.

Other sustainability topics and projects can be found in the sustainability report, which is available in the download section on our website at www.blg.de.

Research and development

The business model of the company does not require any research and development.

Economic conditional framework

Macroeconomic development

After the substantial economic recovery in 2010 (5.2 percent) and to a weaker extent in 2011 (3.8 percent) the upswing of the world economy slowed down significantly in the 2012 financial year. This applies in particular to the economic performance of the industrialized countries while growth in the newly industrialized countries weakened, but still achieved a considerable increase. Positive impetus came primarily from the Asian and Latin American regions. The reconstruction process and recovery effects in Japan after the big earthquake and especially China are characteristic of this trend. Overall, economic performance in 2012 rose by 3.2 percent (previous year: 3.8 percent).

This development also had an impact of the growth of world trade, which declined by around 3.7 percent compared to the previous year (6.0 percent). The main factors for this were prices for raw materials that fluctuated at a very high level, the public debt crises in the euro area and in the US as well as the growth in the newly industrialized countries, primarily in China, that was increasingly influenced by domestic demand.

Contrary to the trend in other industrial countries, particularly in the euro area, growth in Germany developed more dynamically than forecast at the beginning of the year with 0.7 percent (previous year: 3.0 percent) growth in the gross domestic product, primarily due to the robust foreign and domestic demand. In Germany, too, however, the European recession resulted in a substantial weakening of the positive development in the second half of the year and closed with a minus in the final quarter. A noticeable slump in the world economy and above all the uncertainty of market players, which is related to the high indebtedness of the industrialized states and enormously reduced the readiness to invest in the German economy even at the beginning of 2012, are seen as the main reasons for the situation at the end of 2012.

Sector development

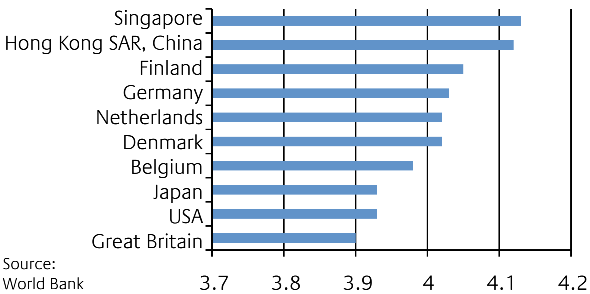
As a major link between producers, trade and consumers, the logistics sector is greatly dependent on the economic trend. As a result of the intense networking of logistics processes, local disturbance may lead to global impacts.

Thus, the development of the logistics sector in 2012 was negatively influenced by such factors as the high energy prices, the European public debt crisis, the weak condition of the American economy, in particular the high unemployment, increasing sovereign levies as well as the sluggish development of infrastructure projects.

Growth impetus came predominantly from East Asia. China plays a leading role here as a major market for business in Asia. Brazil established itself as another growth market. However, investments in the existing markets also remained an important factor.

In 2012 sales in the logistics sector in Germany reached a level of around EUR 230 billion, thus surpassing the previous record year in 2011, when sales came to about EUR 223 billion. This means the German logistics market is by far the biggest market segment in Europe. Aside from economic strength and the large population, another factor accounting for the significance of the German market is that a large proportion of the economic performance takes place in industry and commerce. Other reasons are the traditionally high export share, the central location in Europe and the resulting hub function. The quality of the transport infrastructure and high level of logistics competence also contribute to the attractiveness of Germany as a logistics location.

Top 10 Logistics Performance Index, 2012



Source:
World Bank

This is also indicated by the logistics performance index calculated every two years by the World Bank. In 2012 Germany came in fourth and thus continued to hold a top rank among 155 countries, but could not maintain its position in 2010 as the leading logistics location. To calculate the total value, six key indicators are evaluated on a scale from 1 to 5. The criteria evaluated include customs clearance, infrastructure, international transport, logistics competence, shipment tracking as well as punctuality. In terms of infrastructure Germany still holds first place and has a total value of 4.03.

Challenges exist in the logistics sector especially in connection with the demographic development, primarily in Germany, and thus together with the availability of well trained workers, necessary infrastructure investments, new technologies, the dynamics of the world economy and globalization, expansion of services as well as the impacts of the energy policy change. Moreover, a high readiness to invest and innovative strength are expected of logistics companies in the framework of logistics outsourcing. A focal point of investments is in cargo handling, distribution and order picking centers in favorable locations in terms of transportation. Since contracts with the customers are usually only for a few years, the areas and cargo handling equipment are frequently rented or leased in order to avoid long-term capital tie-up and increase flexibility. Because of the rising customer demands, the use of information and communication technologies has expanded significantly in the logistics sector to ensure a continuous flow of information along the process chains.

Business trend and position of the Group

Overall statement of the Board of Management

The 2012 financial year shows that our strategy of developing the three divisions equally worked out well. The lower results in the CONTAINER Division compared to the previous year were able to be compensated for by significant growth in the AUTOMOBILE and CONTRACT Divisions.

In view of this situation, the BLG Group will continue to pursue its dual strategy of cost reduction and market growth in 2013. We expect to achieve the necessary success in the future in this way.

Key balance sheet and financial figures

		2012 %	2011 %
Return on sales (%)	$\frac{\text{operating result (EBIT)}}{\text{sales}} =$	**5.7**	**6.3**
Capitalization ratio (%)	$\frac{\text{tangible and intangible assets}}{\text{assets}} =$	**63.4**	**64.4**
Equity-to-fixed-assets ratio (%) (golden balance sheet rule)	$\frac{\text{equity and long-term liabilities}}{\text{assets}} =$	**104.0**	**104.6**
Working capital ratio (%)	$\frac{\text{short-term assets}}{\text{short-term liabilities}} =$	**91.3**	**102.5**
Equity ratio (%)	$\frac{\text{equity}}{\text{balance sheet total}} =$	**32.2**	**34.3**
Return on equity (%)	$\frac{\text{earnings before taxes (EBT)}}{\text{avg. equity}} =$	**13.6**	**14.2**
Total return on equity (%)	$\frac{\text{operating result (EBIT)}}{\text{avg. assets}} =$	**6.0**	**6.3**
Personnel cost rate (%)	$\frac{\text{personnel expenses and expenses for external personnel}}{\text{sales}} =$	**45.6**	**44.9**

Earnings situation

Key figures regarding earnings situation		2012	2011	Change %
Sales	million EUR	1,144.4	1,008.5	13.5
Return on sales	%	5.7	6.3	-9.9
EBIT	million EUR	64.8	63.4	2.3
EBT	million EUR	49.1	48.5	1.1
Group net income	million EUR	41.9	45.0	-6.9
Earnings per share	EUR	0.69	0.58	19.0

Compared to the previous year, Group sales in the 2012 financial year rose by EUR 135.9 million to EUR 1,144.4 million. This increase was essentially accounted for by quantity-related growth.

In line with the development of sales, material expenses also rose by EUR 80.1 million to EUR 546.4 million. The overproportionate rise in material expenses as compared to sales can be primarily explained by the continued substantial assignment of outside personnel, the necessary purchase of transport services and increased energy consumption at higher energy prices.

The personnel expenses increased by EUR 43.2 million, i.e. slightly less proportionally to the development of sales. The rise results both from the increase in the number of workers employed on average (14.6 percent) and the pay adjustments made in the financial year.

The depreciation of long-term intangible and tangible assets declined by EUR 3.7 million to EUR 64.2 million. The decline results from exceptional depreciation to an amount of EUR 7.1 million in the 2011 financial year. As a result of continued extensive payments for investments of EUR 125.6 million, the systematic depreciation was slightly above the previous year's level. Part of the multi-year investments made in large-scale projects continued to be reported as assets under construction on the balance sheet date and were thus not yet subject to depreciation.

The other operating expenses and income come to EUR 98.9 million on balance and thus rose by EUR 14.8 million in comparison to the previous year. Of that amount, EUR 4.6 million was accounted for by rise in other operating income and EUR 19.4 million to the rise in other operating expenses.

In relation to the previous year, the Group's operating result (EBIT) climbed slightly by EUR 1.4 million to EUR 64.8 million. For the 2012 financial year the return on sales based on the EBIT was calculated at 5.7 percent (previous year: 6.3 percent).

The financial result worsened by EUR 0.9 million in the current year to EUR -15.8 million and is thus again at the level of the 2010 financial year. Of that, EUR -16.8 million is accounted for by the interest result and EUR 1.0 million by the participation result.

The earnings before taxes (EBT) rose again by EUR 0.6 million to EUR 49.1 million.

The taxes on income for the year 2012 amounted to EUR 7.2 million (previous year: EUR 3.5 million). Based on the earnings before taxes (EBT), this results in a Group tax rate of 14.6 percent (previous year: 7.2 percent). The tax expenses for the reporting year were essentially influenced by the measurement of deferred tax assets on loss carry-forwards as well as on temporary differences and the improved tax-related earnings situation of individual companies. You will find further disclosures regarding the taxes on income in point 16 of the notes to the consolidated financial statement.

In comparison to the previous year the Group net income dropped by EUR 3.1 million to EUR 41.9 million because of the significantly increased tax rate. The earnings per share improved in the reporting year from EUR 0.58 to EUR 0.69.

Asset situation

Key figures regarding asset situation		2012-12-31	2011-12-31	Change %
Balance sheet total	million EUR	1,141.0	1,031.0	10.7
Capitalization ratio	%	63.4	64.4	-1.6
Working capital ratio	%	91.3	102.5	-10.9
Equity	million EUR	367.1	353.2	3.9
Equity ratio	%	32.2	34.3	-6.1
Net indebtedness	million EUR	392.6	340.6	15.3

The balance sheet amount to an amount of EUR 1,141.0 million is above the billion mark, as in the previous year. The long-term assets account for EUR 86.7 million of the rise. The short-term assets increased by EUR 23.4 million compared to the previous year.

The growth in **long-term assets** is essentially due to an increase in tangible assets (EUR 43.2 million), in long-term financial receivables (EUR 33.5 million) and in intangible assets (EUR 16.3 million) while at the same time financial assets declined (EUR -7.2 million).

Investments amounting to EUR 125.6 million were made in long-term intangible and tangible assets in the financial year and depreciation of EUR 64.2 million carried out.

The additions to tangible assets were for the most part accounted for by large-scale projects that were partially reported under assets under construction on the balance sheet date. This includes construction of suprastructure for the container terminal in Wilhelmshaven and refurbishment of outdoor areas for the performance of services related to wind energy business at the Bremerhaven Automobile Terminal and expansion of the high-bay warehouse in Neustädter Hafen.

Compared to December 31, 2011, the capitalization ratio dropped again by 1.0 percentage point to 63.4 percent.

The financial assets decreased particularly due to dividend payouts of associated enterprises amounting to EUR 6.3 million and derecognition of the option of the co-shareholder of OJSC Ust-Luga Container Terminal, Ust-Luga, Russia to an amount of EUR 3.8 million as compared to the write-up of proportionate annual results at the carrying amounts of the associated enterprises amounting to EUR 1.6 million and the sale of shares of an indirectly associated enterprise to an amount of EUR 1.1 million.

The rise in long-term financial receivables essentially results from granting loans within the EUROGATE Group.

The rise in deferred tax assets predominantly relates to the formation of deferred tax assets on loss carry-forwards of subsidiaries.

96.4 percent (previous year: 101.0 percent) of the long-term assets were financed via long-term capital as of the balance sheet date.

Significant changes occurred in the **short-term assets** only in connection with trade receivables (EUR +28.8 million) as well as cash and cash equivalents (EUR -7.6 million). In future we have pay special attention to our receivables management, especially consistently following up on due receivables.

The reduction in liquid funds reflects in part the rise in receivables. However, the liquidity situation of the Group can continue to be viewed as positive. The existing amount serves to secure liquidity and is kept to finance strategic projects in Germany and abroad as well as to ensure distribution of profits to company shareholders. Refer to the section on the financial situation for an explanation of the liquid funds.

As of December 31, 2012, the Group had unused current account credit lines of around EUR 67 million (previous year: approx. EUR 113 million). Thus, liquidity bottlenecks do not exist at present nor are they expected in the near future.

The working capital ratio as the ratio of short-term assets to short-term liabilities dropped from 102.5 percent to 91.3 percent as of December 31, 2012.

Equity rose in the reporting year by EUR 13.9 million to EUR 367.1 million. In this context the equity-reducing dividend payouts (EUR 28.4 million) and income and expenses reported directly in equity (EUR 1.1 million) compared to the capital appreciation from the Group operating result (EUR 41.9 million). Because of the overproportionate increase in the balance sheet total, the equity ratio as of December 31, 2012 dropped nevertheless to 32.2 percent (previous year: 34.3 percent). The development of equity is described in detail in the statement of changes in equity. Further disclosures in this connection are provided in the notes to the consolidated financial statement.

Long-term liabilities increased by EUR 35.8 million compared to the previous year while **short-term liabilities** in the year under review rose by EUR 60.3 million.

Within the liabilities the long-term loans, including short-term portion, rose by EUR 8.2 million altogether. Taking out of loans and promissory note loans to an amount of EUR 48.5 million compared to repayment amounting to EUR 40.3 million. Among other things, the differential amount was used for premature reduction of loan liabilities at higher interest rates.

The other long-term financial liabilities also rose by EUR 13.6 million.

The short-term financial liabilities increased by EUR 41.5 million in the financial year. In particular greater use of current account credit and borrowing of call and time deposits had an impact here.

The long-term provisions increased in the financial year by EUR 6.1 million. Dismantling liabilities accounted for EUR 4.6 million of the rise and anniversary provisions for EUR 1.3 million. These effects are essentially attributable to the decline in the interest rate at the end of the financial year.

The CONTAINER Division accounts for the accruals for government grants in full. See point 32 in the notes to the consolidated financial statement for further details on the accruals for government grants.

Contrary impacts result from the decline in the other long-term liabilities of EUR 5.0 million influenced by the reduction in liabilities for part-time work arrangements for employees approaching retirement.

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 financial instruments.

million EUR	Carrying amount 2012-12-31	Fair value 2012-12-31	Carrying amount 2011-12-31	Fair value 2011-12-31
Long-term loans	276.6	283.1	268.4	277.8
Liabilities from finance leasing	63.0	66.8	58.7	63.4
Total	**339.6**	**349.9**	**327.1**	**341.2**

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.

The net financial debt of the Group rose to EUR 392.6 million in 2012 particularly because of taking out additional loans.

Net debt	2012-12-31 million EUR	2011-12-31 million EUR
Long-term loans	243.8	221.0
Other long-term financial liabilities	89.3	75.7
Short-term financial liabilities	181.6	140.1
Financial debt	**514.7**	**436.8**
Long-term financial receivables	46.9	13.5
Cash and cash equivalents	75.1	82.7
Net debt	**392.6**	**340.6**

Off-balance-sheet financial instruments and assets not reported

Essentially customary operating leases, including the leaseholds and quay use rights granted to the Group are employed. For more detailed information we refer to disclosure no. 43 (Other financial liabilities) in the notes to the consolidated financial statement. Otherwise there are no off-balance-sheet financial instruments or assets not reported 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.

Financial situation

The following cash flows were realized in the years 2011 and 2012:

	2012 million EUR	2011 million EUR
Inflow of funds from current business operating activities	115.2	84.9
Outflow of funds from investment activities	-135.8	-57.6
Free cash flow	-20.6	27.3
Inflow/Outflow of funds from financing activities	-31.0	40.4
Cash-related change in financial resource funds	**-51.6**	**67.7**
Changes in financial resource funds due to currency translation influences	0.2	-0.2
Financial resource funds at beginning of financial year	72.5	5.0
Financial resource funds at end of financial year	**21.1**	**72.5**
Composition of financial resource funds:		
Liquid funds	75.1	82.7
Short-term liabilities to banks	-54.0	-10.2
Financial resource funds at end of financial year	**21.1**	**72.5**

On the basis of the earnings before taxes achieved in 2012 to an amount of EUR 49.1 million, the company earned a cash flow from current business activities of EUR 115.2 million (previous year: EUR 84.9 million).

The free cash flow declined by EUR 47.9 million primarily due to the increased inflow of funds from investment activities. The rise in the inflow of funds from investment activities can be attributed predominantly to increased payments for investments in intangible assets and tangible assets in the CONTAINER (+ EUR 41.4 million) and CONTRACT (+ EUR 27.2 million) Divisions.

Outstanding investments were financed using the Group's own capital resources, long-term borrowed capital (loans) as well as by means of leasing, while taking into account the operating cash flows that were earned in the divisions and depending on the capital market situation. Besides bank financing, promissory note loans were issued for the first time in the 2011 financial year.

Derivative financial instruments (interest rate swaps) are employed selectively to hedge against the long-term interest level of investment financing.

You will find a detailed cash flow statement in the consolidated financial statement. For the disclosures on the cash flow statement we refer to disclosure no. 38 of the notes to the consolidated financial statement.

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 2012 financial year (HGB) BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– reports a balance sheet profit of EUR 1,536,000 (previous year: EUR 1,536,000). The Board of Management, in conjunction with the Supervisory Board, will propose to the Annual Shareholders' Meeting on May 23, 2013 that a dividend of EUR 0.40/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 company thus continues its solid dividend policy of the previous years. Based on the year-end closing price of EUR 8.93, the dividend yield is 4.5 percent.

Business development according to segments

AUTOMOBILE Division

Key figures		2012	2011	Change %
Sales	million EUR	419.1	381.9	9.7
Return on sales	%	5.3	3.9	35.0
EBIT	million EUR	22.1	14.9	48.1
EBT	million EUR	17.9	10.8	66.1

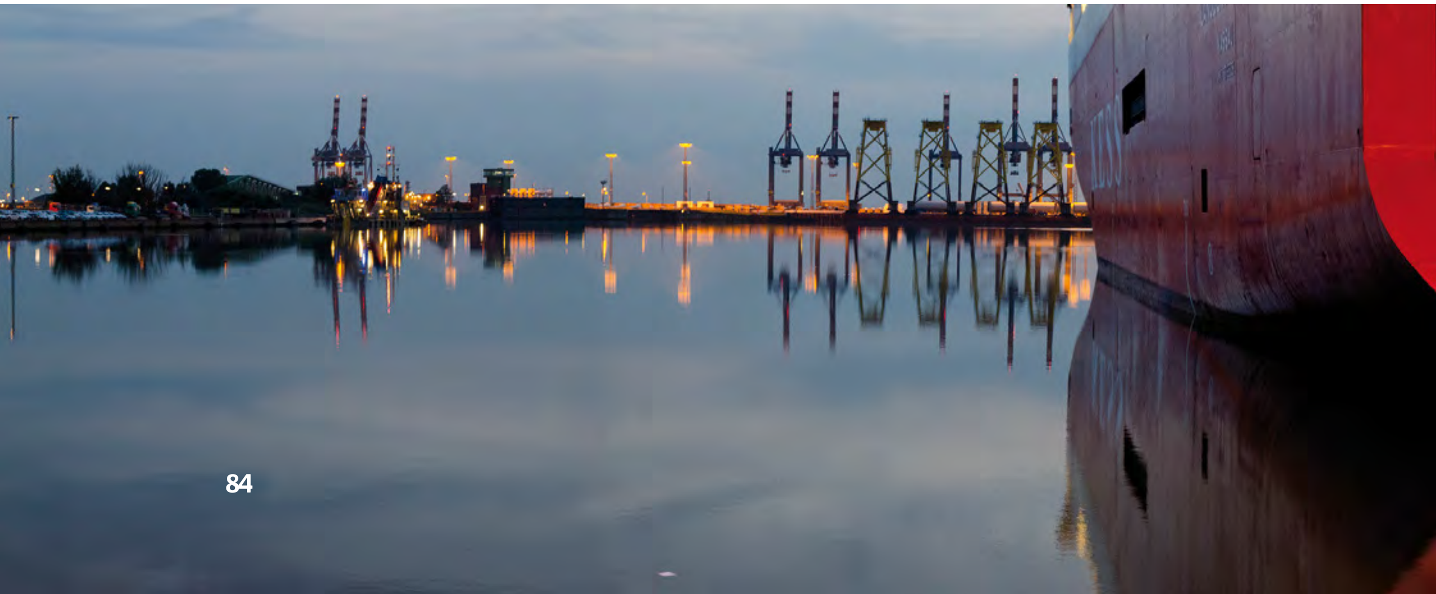
In the segments comprising seaport terminals, inland terminals, intermodal services and Eastern Europe the AUTOMOBILE Division offers all services related to finished vehicle logistics, such as cargo handling, storage, technical services as well as freight forwarding and transport logistics via rail, road, inland and coastal shipping. This means the range of logistics services from the automobile manufacturers to the end customers is complete.

In relation to the previous year the vehicle handling volume in this network climbed by 4.7 percent to a level of 6.8 million units in the 2012 financial year, thus strengthening the position of the leading automobile logistics specialist in Europe.

Division sales increased by EUR 37.2 million to EUR 419.1 million. All segments recorded growth. The return on sales based on the operational earnings (EBIT) of 5.3 percent (previous year: 3.9 percent) also improved. Despite the rise in the reporting year, however, the return on sales remains unsatisfactory.

On the basis of economic development in the AUTOMOBILE Division in the 2012 financial year, the earnings before taxes came to EUR 17.9 million. This represents a significant rise in earnings again compared to the previous year (EUR +7.1 million).

In 2012 the domestic automobile production of German manufacturers remained 4 percent below the previous year's volume at a level of approx. 5.4 million new vehicles. At the same time the export rate for passenger cars from Germany declined by 3 percent to 4.1 million. This corresponds to an export rate of about 77 percent as in the previous year.



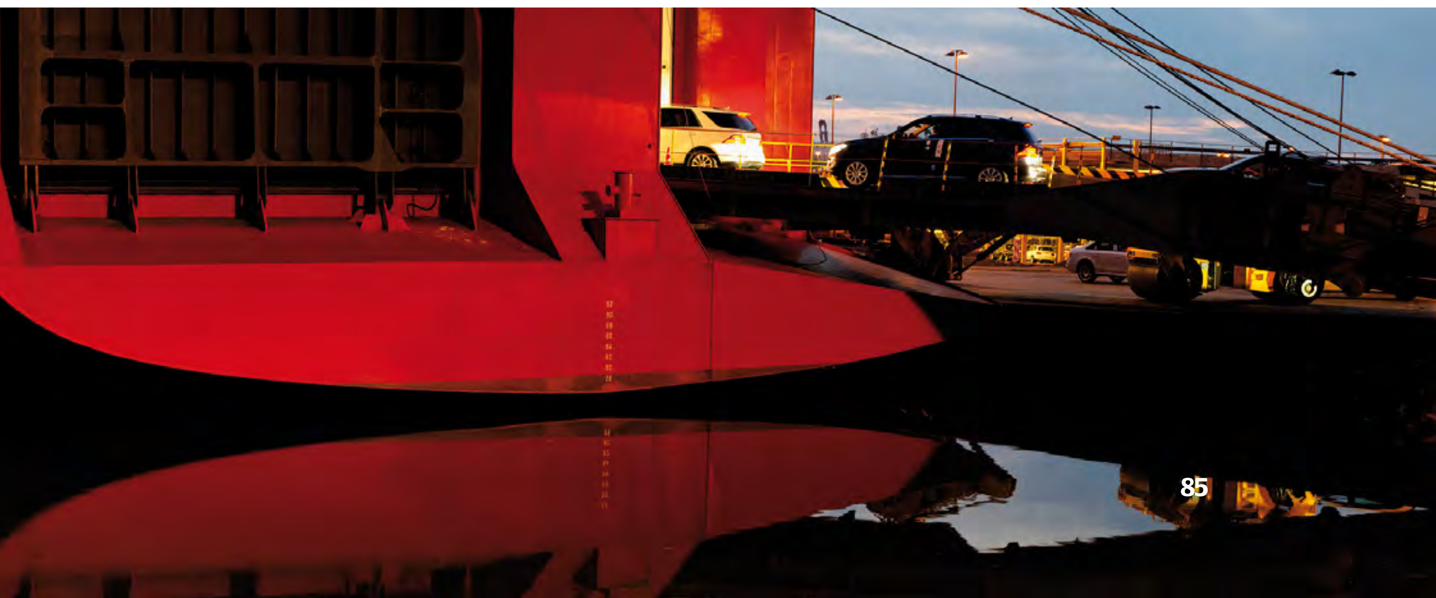
BLG's seaport terminals were able to significantly augment their cargo handling volume once again thanks to the increased export activities of their key clients. Further growth, though to a considerably lower extent than in exports, was also achieved in the import segment.

At the Bremerhaven location automobile handling rose by 4.5 percent to around 2.2 million passenger vehicles. BLG's Bremerhaven Auto Terminal thus again secured for itself the top position among European automobile handling ports in 2012.

The increasing shift in the production capacities of Korean manufacturers to Eastern Europe results in a sustained reduction in the imports of these vehicles from Asia via Bremerhaven. This has led to overcapacity at the technical centers in Bremerhaven. The necessary measures for adjusting the technical capacities are still in the process of implementation. Initial success has been achieved through these measures.

The cargo handling volume in Gioia Tauro (Italy) did not develop as planned based on the annual average. The reason for this is essentially the persistently weak demand for new vehicles in the Mediterranean region. Since October 2012, however, the cargo handling volume has risen considerably due in part to implementation of the Gioia Tauro port as a Mediterranean hub for client Glovis.

In addition to the seaport terminals in Bremerhaven, Cuxhaven and Hamburg as well as the foreign terminals in Gioia Tauro, Gdansk and St. Petersburg, the division also operates several inland terminals on the Rhine and Danube. Because of their more pronounced incorporation into the domestic new and used car market, the inland terminals depend to a substantially greater degree on the development of the automobile industry in Germany as compared to the seaport terminals.



In the reporting year the inland terminals recorded 4.9 percent decline in cargo handling and a 4.6 percent decrease in technically processed vehicles. This roughly corresponds to the decline in newly registered cars in Germany (-3 percent). The inland terminals are increasingly involved in activities through integration into the division's network. Furthermore, this integration into the network provides a competitive advantage, leading to greater success in acquiring orders from new invitations to tender.

A major element of the AUTOMOBILE Division's network is intermodal transport. The shipment volume via truck, rail and inland vessel rose again in comparison to the previous year by 5.4 percent.

The division is boosting capacity for special railway wagons for rail transport. BLG AutoRail GmbH, which was established in 2008, is developing positively. As of December 31, 2012, its rolling stock consisted of around 1,100 railway wagons and will increase to the targeted level of 1,300 in 2013. Wagon capacity is extensively fully utilized through contractually agreed regular shipments. Demand for wagon capacity on the part of carmakers is high and will continue to rise in the following years.

To maintain rail activities on a long-term basis, BLG purchased a railway station in Falkenberg (Brandenburg) in 2011 and has developed it into a consolidation point for rail shipments from the Eastern European production plants to the seaports. This results in a substantial competitive advantage for BLG AutoRail. The company also envisages creating its own workshop facilities in Falkenberg in 2014.

BLG extends this portfolio by operating several inland vessels on the Danube and Rhine for the shipment of new vehicles from the production plants to the inland terminals or western ports. As far as transport via inland vessel on the Danube is concerned, our terminal in Kelheim serves as a central point for storage, technical processing and further distribution of the vehicles. The terminals in Duisburg and Neuss are utilized for shipments via inland vessel on the Rhine.

Eastern Europe has recorded high growth in new car registrations and sales of new vehicles, particularly in the Russian (+10.6 percent) and Ukrainian (+15 percent) markets. As a result, vehicle volume in the Eastern Europe segment rose by over 10 percent compared to the previous year starting from a low base.

CONTRACT Division

Key figures		2012	2011	Change %
Sales	million EUR	405.3	304.3	33.2
Return on sales	%	4.4	3.4	29.4
EBIT	million EUR	17.6	10.2	72.4
EBT	million EUR	14.7	7.2	105.9

The CONTRACT Division encompasses different logistics services in the Automotive, Industrial Logistics, Offshore Wind Energy as well as Retail and Seaport Logistics segments.

A 33.2 percent rise in sales to EUR 405.3 million was recorded in the reporting year, primarily because of the positive quantitative development in the Automotive segment. The return on sales based on earnings before interest and taxes (EBIT) also increased to 4.4 percent (previous year: 3.4 percent) and shows long-term potential.

Against this backdrop, the EBT for the CONTRACT Division doubled to EUR 14.7 million in the year under review (previous year: EUR 7.2 million).

The development of the Automotive segment in the 2011 financial year was continued domestically in 2012 via implementation of process optimization and quality improvements. Furthermore, the volume for key account Daimler further increased significantly.

In the Automotive Overseas segment we succeeded in acquiring new large-scale orders at the Mercedes plant in Tuscaloosa in the 2011 financial year. These large orders led to a substantial expansion of business starting in 2012. A negative operating result was recorded in 2012 due to high startup and project costs.

In Brazil the operating result was characterized by low volume, particularly in shipments of motorcycles.

In the Industrial Logistics segment existing business at all locations developed as planned.

In the Offshore Wind Energy segment BLG is developing logistics services for the wind energy sector. In the 2011 financial year the company acquired a major order embracing transport, storage and cargo handling for foundation structures in Bremerhaven. In 2011 extensive investments were made in surface paving, cargo handling equipment and a pontoon for this purpose. Operational business started in February 2012 and has been stable since then. A sustainably positive operating result was achieved in connection with supplementary business on the ABC peninsula.

Significant growth in volume was recorded in the Seaport Logistics segment. The results in this segment are persistently positive.

In the Retail Logistics segment BLG commenced rebuilding work during ongoing operation after conclusion of the new Tchibo Direct transaction with key account Tchibo at the end of 2011. The production losses resulting from the construction work as well as the project costs for the new deal are compensated for by additional business with existing customers.

Expansion of the high-bay warehouse in Bremen for the performance of logistics services for the online business of our key account Tchibo as of 2014 was successfully continued in 2012. This requires considerable investments in a new sorter building, an automated small parts warehouse, a conveyor bridge for connecting the sorter building to the existing complex as well as extensive technical and IT equipment. The total investment volume comes to over EUR 50 million.

At present initial supply for the northern and western German sales outlets as well as all distribution centers and replenishment for the entire European retail trade run via the high-bay warehouse. After the expansion BLG can then also map the growing online business. The new deal means a doubling of the logistics volume for Tchibo.

One of the advantages of logistics concentration at the high-bay warehouse is that soon all Tchibo distribution channels will be served from one facility. That means higher efficiency and a favorable cost-benefit ratio. The additional order volume will be integrated smoothly during ongoing operation within a tight timetable.

Additional locations with new customers, such as Frankfurt/Main, were acquired in the financial year.

CONTAINER Division

Key figures		2012	2011	Change %
Sales	million EUR	327.1	328.4	-0.4
Return on sales	%	12.2	15.2	-19.7
EBIT	million EUR	39.8	49.8	-20.0
EBT	million EUR	30.4	41.4	-26.6

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, Salerno, Cagliari and Ravenna (all Italy) as well as in Lisbon (Portugal), Tangier (Morocco) and Ust-Luga (Russia). Furthermore, the EUROGATE Group has an interest in the operator of the German deepwater container terminal in Wilhelmshaven. The EUROGATE Group also has a share in several inland terminals and railway transport companies.

This division is primarily active in container handling business. The secondary services it offers include cargo-modal 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 services.

In the 2012 financial year the EUROGATE Group recorded a declining EBIT of EUR 79.8 million (previous year: EUR 99.3 million) with stagnating sales of EUR 654.1 million (previous year: EUR 656.8 million). The return on sales dropped accordingly to 12.2 percent (previous year: 15.2 percent). The EBT in the reporting year declined to EUR 60.8 million (previous year: EUR 82.8 million). The CONTAINER Division of the BLG Group proportionately accounts for 50 percent of that.

The increased cargo handling volumes of the container terminals in Bremerhaven as well as the increased earnings from storage and cargo handling of wind energy components at the Bremerhaven Container Terminal nearly compensated for the sales decline resulting from a reduction in containers handled at the Hamburg container terminal. Consequently constant sales were achieved in relation to the previous year.

The result is negatively influenced primarily because of the scheduled pre-operating costs and the expected startup losses in connection with the construction and commissioning of the EUROGATE container terminal in Wilhelmshaven, the handling-related decline in earnings of the EUROGATE container terminal in Hamburg as well as the declining and negative results of the foreign participations OJSC Ust-Luga Container Terminal, Ust-Luga, Russia, and EUROGATE Tanger S.A., Tangier, Morocco.

Container handling at the container terminals of the EUROGATE Group basically remained at the previous year's level with a decline of 0.1 percent in 2012. Altogether the container terminals in Germany, Italy, Portugal and Morocco handled a volume of 13.3 million TEU (previous year: 13.3 million TEU).

While the cargo handling volume of the German terminals (7.9 million TEU) remained at the previous year's level, the total cargo handling volume of the Italian terminals increased by 0.3 million TEU in relation to the previous year. This rise compares with constant cargo handling volumes in Portugal and a volume that declined by 0.3 million TEU in Morocco. In Russia OJSC Ust-Luga Container Terminal, Ust-Luga, in which EUROGATE International GmbH holds a 20 percent interest, handled only minor volumes after operation of the first stage of development of the container terminal was launched in December 2011.

In the CONTAINER Division assets were acquired with pro rata purchasing costs amounting to EUR 79.3 million. The investments primarily include investments in surface paving, building extensions, software, technical facilities, gantry cranes, van carriers and various other cargo handling equipment. Moreover, they include the capitalized future payment commitments in connection with operation of container terminals.

The additions in the reporting year essentially relate to cargo handling equipment and surface paving as well as prepayments for assets under construction at the container terminals. The focus here is on completion of the suprastructure for the first phase of construction work on the EUROGATE container terminal in Wilhelmshaven. EUROGATE is investing a total of EUR 350 million in further development of the suprastructure of the container terminal in Wilhelmshaven. In the final stage of development the terminal facility will provide 1,000 direct jobs.

The construction work to be carried out by EUROGATE as well as commissioning of the necessary gantry cranes and van carriers took place on schedule. After JadeWeserPort Realisierungsgesellschaft mbH & Co. KG, which is responsible for the infrastructure construction work, failed to deliver the contracted operationally ready 1,000 m of quay by May 5, 2012 due to construction defects in the quay structure, commencement of the three-month trial run and thus the beginning of operations had to be postponed. A restricted trial run was launched in mid-July 2012. At the beginning of August the trial run was expanded after execution of renovation measures on the quay structure over a length of 1,000 m. The EUROGATE Group launched operation of the container terminal on September 21, 2012.

The container terminal has been built in Germany's only deepwater port. Suitable water depths and a short estuary voyage are the location-related advantages of the terminal on the Jade. With a water depth of 18 m it offers ideal conditions for large container vessels. It will be available to all shipping companies worldwide as a common user terminal.

Among other things, the EUROGATE container terminal in Wilhelmshaven is planned as a transshipment port for feeder traffic to Scandinavia, the Baltic countries and Russia. Because of its strategic location, it will develop into a hub for the Rhine/Ruhr region as an alternative to the northern range ports of Rotterdam, Antwerp and Le Havre. The operator concept envisages connecting the EUROGATE container terminal in Wilhelmshaven to the intermodal network of the EUROGATE Group. Other logistics providers have already pledged to include Wilhelmshaven in their concept. This applies in particular to feeder shipping companies with respect to setting up a feeder network.

Supplementary report

No events of special importance have occurred to date.

Risk report

Opportunity and risk management

Basic principles

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 goodwill without taking unreasonably high risks.

We view risks as the possibility of a future development that is unfavorable or dangerous in terms of achievement of the short-term and strategic Group goals or even threatens the existence of the Group. Accordingly, opportunities represent uncertain asset-increasing events that may result in more favorable development in comparison with planning targets.

In the BLG Group risk management is geared to early identification of potential risks so as to be able to avoid imminent damage for the company via suitable counteractive measures and rule out risks to continuity of operations.

The Board of Management is responsible for the risk management system and internal control system. The Supervisory Board and Audit Committee monitor and review their effectiveness. The responsibility for identification and assessment of major risks is divided among different levels and organizational units within the BLG Group.

To achieve our goals, such as earnings before taxes (EBT) or return on capital employed (ROCE), the broad spectrum of our logistics service processes requires early identification of opportunities as well as potential risks. This is intended to ensure sustained value added and prevent risks to continuity of operations. The key elements of the opportunity and risk management system are therefore the planning and controlling process, the in-Group rules and 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 in the BLG Group are documented in a directive. In the divisions and units of the holding company Risk Officers at the management level as well as Risk Management Coordinators were appointed to ensure an efficient risk management system. The Group Controlling Department is responsible for coordinating Group-wide acquisition and documentation of data on fields of risk and for further developing the risk management system. The Internal Auditing Department is integrated into risk communication as a process-independent monitoring body within the BLG Group.

As a company with international operations and a heterogeneous range of services, the BLG Group is exposed to a number of risks. To minimize the financial impacts of possible damage, insurance is taken out whenever available and economically justifiable. The scope and amount of these insurance policies are constantly reviewed.

To counteract possible risks that may arise above all from the diverse regulations and laws regarding taxes, competition, cartels, the capital market and the environment, the BLG Group bases its decisions and shaping of the business processes on comprehensive legal counsel provided both by its own experts and recognized external specialists. If legal risks relate to past circumstances, the balance sheet provisions necessary for that purpose shall be formed and their appropriateness reviewed at regular intervals.

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. As a matter of principle, derivatives are not used for trade or speculation purposes.

The objective of financial risk management is to limit the main risks to the Group resulting from the financial instruments (default risks, foreign currency risks, liquidity risks and interest rate risks). The company management draws up risk management guidelines for each of these risks, which are described in detail in the section on financial risks starting on page 104, and monitors compliance with them. In addition, the existing market price risk for all financial instruments is observed at the Group level.

Capital risk management

The key objective of the Group with respect to capital management is to ensure operation according to the going concern concept so the company can continue to provide shareholders with earnings and the other stakeholders with benefits to which they are entitled. A further goal is to maintain an optimum capital structure to reduce capital costs.

The Group monitors its capital on the basis of the equity ratio and the debt-equity ratio, calculated from the ratio between net indebtedness and EBITDA. The net indebtedness is measured according to covenants negotiated with the financing banks.

In 2012 the Group strategy was to continue to secure access to borrowed funds at acceptable costs in compliance with the covenants agreed upon with the banks.

Description of the essential features of the internal control and risk management system with respect to the accounting process in accordance with Section 315 (2) no. 5 HGB

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, preparation and presentation 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 in-house 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-integrated checks mainly include the cross-check principle and IT-aided checks, but also entail the involvement 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 primarily examines 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, including 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.

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 on 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 uploads. 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, apart from 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 allocation 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 reports.

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.

A special software developed by one of the large auditing companies is used for tax accounting. The current and deferred taxes are calculated at the level of the individual subsidiaries and the change in value of the deferred tax assets is reviewed. On that basis, the current and deferred taxes to be recognized in the balance sheet as well as in the income statement at the Group level are determined taking into account consolidation effects.

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

Operating activities

As an international corporate group with three divisions, BLG is subject to diverse developments in 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 continue to take optimum advantage of the opportunities available to us in the different fields of activity in the future.

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 long-term business success from targeted broadening of our marketing and sales activities in Eastern Europe.

The established business model in the Retail Logistics and Automotive segments opens up extensively non-cyclical sales and acquisition opportunities for the CONTRACT Division in Germany and Europe. On the basis of our logistics expertise and the location-based advantage of quay facilities with a water depth adequate for seagoing vessels, we are further developing the growth-oriented field of offshore wind energy together with partners.

Particularly through the opening of the Wilhelmshaven container terminal, we anticipate additional opportunities for the CONTAINER Division based on the realignment of the European 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 dual strategy composed of cost reduction, on the one hand, and targeted market growth, on the other. Projects and measures initiated in this connection are constantly implemented.

Strategic opportunities

Bundling logistics services in China

China numbers among the most important partners of the Ports of Bremen and Bremerhaven, especially with regard to containers and automobiles. Currently China is the strongest market for German vehicles that are exported via our Auto Terminal in Bremerhaven.

We assume that as the quality of Chinese vehicles increases, so will China's significance for the worldwide automobile markets continue to grow and Chinese carmakers will soon be exporting to the demanding Western European markets as well.

Based on our logistics network, we form an ideal starting point for the European market. This applies both to vehicle transport from China to Western Europe and to distribution of vehicles in the countries located within reach of the Trans-Siberian Railway route.

Further potential may result in connection with expansion of the logistics infrastructure in China. Up to now rail and inland waterways have hardly been used as means of transportation and there has been a lack of modern transport capacities for automobile transport. Decisive factors for efficient and low-cost logistics include a high-performance traffic infrastructure as well as intelligent control and operational processes. Chinese automakers are currently conducting talks with us to optimize their automobile logistics. This applies in particular to CKD logistics.

In the reporting year BLG Logistics Consulting (Beijing) Co., Ltd., a service and sales enterprise aimed at bundling all logistics services and further boosting the performance potential in China, was established in Beijing.

Planned joint venture in Turkey

As part of its broadening of market and sales activities, BLG plans to establish a joint venture in the automobile freight forwarding sector together with the Turkish Arkas Group. A key function of the joint venture is distribution of finished vehicles in the growing passenger car markets in Turkey and the Black Sea region.

Other opportunities

In the year under review BLG formulated binding climate protection targets for the first time and resolved to reduce the CO_2 footprint by 20 percent by 2020. The basis for the planned reduction is the recording of consumption that was compiled by our Sustainability and New Technologies Department. Automated recording of CO_2–relevant consumption (electricity, gas, fuels, etc.) at the terminals and branches is to serve as the basis for identifying focal points for energy savings in future. Furthermore, our customers can obtain detailed information on how big our logistics share of the total CO_2 footprint of a product is. This requirement will gain further significance in the future. Even now some companies demand environmentally efficient logistics in their invitations to tender.

Parallel to recording consumption, efforts have been initiated to put together practice-oriented measures for CO_2 reduction jointly with the responsible technology staff in all three divisions and to examine possible applications of renewable energies.

Risks

Risk categories and individual risks

The main risks faced by the BLG Group are presented according to risk categories in the following sections. They are subdivided into strategic risks, market risks, political, legal and social risks, service and infrastructure risks as well as financial risks. Insofar as new risks or an altered risk evaluation arises in the course of time, they will be communicated in our intermediate reports.

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

Strategic risks

Risks related to acquisitions and investments

In the last decade the BLG Group has grown by virtue of various domestic and foreign acquisitions. In the framework of process and quality management a consistent guideline (M&A guideline) on the procedure has been formulated for this purpose and has to be complied with in all purchases of shares. Both in-Group and external consultants are involved in this process. This ensures that all risks associated with an acquisition or shareholding are taken into account and assessed.

Nevertheless, we cannot rule out that political, legal or economic risks will arise, particularly in the case of acquisition of shares in other EU countries. The social environment in the procurement of employee capacity and the integration of the respective foreign corporate cultures into the structures and processes of the BLG Group represent other special challenges here.

Due to strategic alignment and expansion in the AUTOMOBILE Division towards Eastern Europe all the way to China there are risks, especially in the area of economic capital maintenance and securing service know-how. This fact is taken into account in the form of a separate Eastern Europe segment that pools experienced specialized, language and consulting competence.

In the CONTRACT Division an independent organization for developing and tracking foreign activities has been set up as a separate segment in the Automotive Department.

Risks related to cooperative arrangements and strategic alliances

The BLG Group has currently not entered into strategic alliances and cooperative arrangements.

Market risks

Threat to market position and competitive advantages

The AUTOMOBILE Division continues to devote particular attention to the competition with automobile terminal operators at the west 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 situation arose 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.

The contractually agreed prices for seaport cargo handling coupled with the persistently strong competitive pressure as well as the tremendous change in the ratio between export and import business, with consequential effects on employment at 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.

Consolidation in the container shipping sector will continue to advance in the future. Beginning in the last quarter of 2011, new cooperative ventures and consortiums have already come into being. Since container terminals have available capacity, at least in the medium term, the market power of the remaining consortiums/shipping companies and the related revenue pressure as well as the necessity of implementing sustained cost reductions at the container terminals will increase.

The CONTAINER Division continues to feel that deepening of the shipping channel in the Outer Weser and Elbe Rivers for the purpose of securing and positioning the German ports in the Northern Range is urgently necessary so the larger and larger container vessels can call at Bremerhaven and Hamburg without any problem. In the 2012 financial year the nautical problems posed by the constantly rising number of container ships of increasing size intensified further. If either or both measures should fail or be delayed further, this may have substantial negative impacts on future cargo handling development.

Furthermore, modernization of the existing locks, construction of a fifth lock and full expansion of the Kiel Canal (uniform deepening by one meter, adjustments to passing places, curves and locks) are 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 takes 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 approaching 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 the future, too.

A reinforcing factor regarding market risks is the fact that additional new port capacity will be available in the Northern Range in the next few years (Wilhelmshaven, Maasvlakte II Rotterdam, Port 2000 Le Havre). This and other enlargements 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.

Cyclical influence

Macroeconomic risks

As a globally geared and operating logistics provider, the BLG Group is greatly dependent on production and the related flows of goods in the world economy. The dependence on the production industry and on consumer behavior can be seen as the biggest risk. Other factors that additionally influence our business are the high energy and raw material prices, increasing international trade restrictions as well as persistent foreign trade imbalances and expansion of political conflicts.

The increasingly acute debt problems of many industrialized countries have led to greater instability in the finance and foreign exchange markets and the international bank system. Together with the growing uncertainty of market players and the difficult situation on the refinancing markets, this may influence the risk situation for the BLG Group. At present we view the danger of another global recession as relatively small. However, the above mentioned developments could bring about a longer phase of below average growth for the world economy.

Changes in legislation, taxes or customs regulations in individual countries may also considerably impair international trade and result in significant risks for the BLG Group.

Sector risks

The growth markets in Asia, South America as well as Central and Eastern Europe are of particular importance given the worldwide development of finished vehicle logistics. These markets have the greatest potential, though the conditional framework in some countries of these regions makes an increase in logistics business there difficult.

The risk of a shift in freight shipments from commercial vehicles to other means of transportation cannot be ruled out completely either.

Western Europe is the main market for the BLG Group. Thanks to the opening of Western Europe to the East, increasing Eastern European transport capacity continues to enter our main market. This leads to cutthroat competition and a price drop.

Furthermore, there is a dependence on the export volume of the automobile industry in Europe to overseas markets, especially in the US, Russia and China.

Employment in Car Parts Logistics (Automotive segment) depends on production at the foreign plants of German OEMs that are supplied worldwide by our logistics centers.

In the Industrial Logistics segment BLG has built up the wind energy field. Extensive investments were necessary for this purpose. The business trend depends directly on the development of the offshore sector.

Political, legal and social risks

Legal and political environment

Full expansion of the Kiel Canal depends on the provision of the necessary funds by the federal government. If this expansion does not take place, there is a risk that feeder volume will be lost, primarily at the Hamburg location. From the present perspective it remains unclear when these funds can be provided. Currently no consideration is given to this project either in the German Federal Transport Infrastructure Plan nor in the medium-term financial planning of the federal government.

Moreover, it is possible that additional costs in the transportation sector due to price rises in the international crude oil markets, tolls and other traffic-regulating charges as well as increased fiscal burdens cannot be passed on directly to our clients, thus affecting income.

Contract risks

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 preventively counter such pollution – caused by external parties – without being able to completely rule out this risk.

Provisions were taken for risks arising from onerous contracts. The amount of the risks may increase considerably in the course of time as a result of a change in the situation. Such a risk is viewed as minimal according to current assessment.

Service and infrastructure risks

Risks in connection with business relations

Due to intense customer loyalty, particularly on the part of some major clients, as well as customary but short contract periods, very demanding terms of contract, possible changes in economic developments, in the demand and product lifecycles and in concentration processes in the markets, it is imperative to constantly keep a careful eye on all operational divisions and departments.

Infrastructure capacity and safety

Due to high volume fluctuations among our customers, temporary capacity bottlenecks may arise in the various areas and buildings. Through proactive market analysis BLG is aware of additional area and building capacity among external third parties and rents them as required. This leads to higher cost burdens, however.

By contrast, insufficient utilization of our own capacity usually means no other use can be generated. This leads to impairment of results due to fixed costs that are not covered.

The areas, buildings, transport and cargo handling equipment are maintained and repaired regularly at defined intervals. This provides for long-term performance security.

Personnel risks

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.

To minimize personnel risks in connection with demographic change in society, the age structure as well as 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 in the case that medium-term business development does not proceed as planned. However, flexibility is provided for 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 increasingly intensifying. 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 specialists and executives 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, opportunities for 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.

Risks related to information technology

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. Nonetheless, 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.

Financial risks

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.

Foreign currency risk

With minor exceptions, the affiliated companies operate in the euro zone 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.

Liquidity risk

Liquidity risks may arise from payment bottlenecks and resulting higher financing costs. 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 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.

Customary covenants on the basis of the equity ratio as well as the net indebtedness were secured for loan liabilities to banks. If deviations should arise in this connection, they will be treated proactively with the banks. All covenants were complied with in the 2012 financial year.

Interest rate risk

The interest rate risk to which the Group is exposed arises mainly from the long-term loans and 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 and 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 depicted 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 applicable 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.

At the moment the probability of the described financial risks arising in the BLG Group is regarded as minimal.

You will find further details on the management of financial risks in the notes to the consolidated financial statement in point 41.


Photo: dpa picture-alliance

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 particular influence on the asset, financial and earnings situation, do not exist at present.

The main risks for the Group result from the persisting public debt crises in the US and Europe and their impacts on the real economy.

Evaluation of the overall risk situation

The risk structure of the BLG Group has not changed significantly during the period under review as compared to the previous year. On the basis of our risk management system and the unanimous assessment of the Board of Management, no risks were discernible in the reporting period that, individually or in their totality, jeopardize the continued existence of the company. 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 medium-plan planning. The evaluation of the overall risk did not take into account compensating future opportunities.

Forecast

Alignment of the Group in the future

Change in Group Board of Management

The year 2013 is highlighted by the change in top management effective as of June 1, 2013. As contractually provided for, the current Chairman of the Board of Management, Mr. Detthold Aden, and the CFO, Mr. Hillert Onnen, will leave the company for reasons of age on May 31, 2013.
To give the new Board of Management under the chairmanship of Mr. Frank Dreeke the opportunity to commence its work as of June 1, 2013, Board Members Manfred Kuhr and Dr.-Ing. Bernd Lieberoth-Leden, whose contracts run until December 31, 2013, will also step down by mutual agreement as of May 31, 2013.

As of June 1, 2013, the Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– will be composed of Mr. Frank Dreeke (Chairman), Mr. Jens Bieniek (Finance), Mr. Michael Blach (AUTOMOBILE Division), Mr. Andreas Wellbrock (CONTRACT Division) as well as the two Board members still in office, Mr. Hartmut Mekelburg (Human Resources) and Mr. Emanuel Schiffer (CONTAINER Division).

Retention of the business model

There are no plans for a fundamental change in our business model in the coming years. The strong competitive position of the BLG Group is the best prerequisite for further growth. At the same time efficiency increase and restructuring programs are consistently implemented on the basis of expected low margins.

Expected economic conditional framework

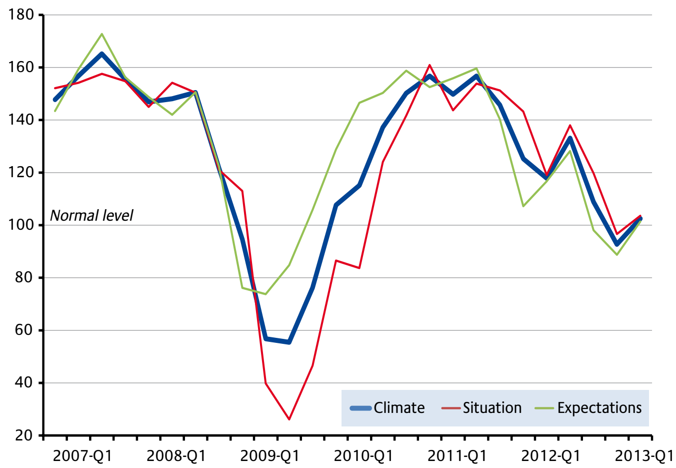
Macroeconomic outlook

In its current monthly report for February 2013 the Deutsche Bundesbank states that, taking everything into consideration, the world economy is moving on a course of moderate recovery. The IMF assumes a 3.5 percent increase in the world economic output for the entire year and has thus hardly adjusted its forecast from the first quarter of 2012 by 0.1 percent. Particularly in Europe, delayed or inadequate political measures in connection with the European public debt crisis are seen as a risk for further weakening of the economic trend. Growth of over 2.0 percent is still assumed for the US. The dynamics in the newly industrialized countries in Asia, especially China, will increase again. For the world trade volume the IMF forecasts a rise of 3.8 percent based on the entire year. That means the forecast for 2013 remains within the range of growth for 2012.

In its forecast of January 2013 for the entire year, the 2013 annual economic report of the German Federal Government reckons with a 0.4 percent increase in the gross domestic product for Germany in 2013. It expects key impetus from domestic demand while exports will presumably pick up only to a minor extent in view of the weak demand in the euro zone.

Sector development

For the year 2013 cautious sales growth of up to EUR 240 billion is assumed in Germany, our most important market, depending on the overall economic development. In spite of an unfavorable assessment of the current economic situation, expectations regarding business development are rising again. Based on this reversal in trend, we can expect a further increase in the number of employees.



Increasing performance and quality demands on the part of customers, achievement of sustainability targets, changes in consumer behavior resulting from innovative communication technologies as well as persistent cost and margin pressure coupled with the necessity of further process optimization and cost reductions are considered to be key factors of future sector development. The BLG Group sees itself in a good position within this framework thanks to its clear performance profile as well as a streamlined corporate organization and management structure enabling quick and customer-oriented decisions.

As far as price development in freight traffic is concerned, current assessments of experts within the scope of the so-called Transport Market Barometer of ProgTrans AG Basel and Zentrum für Europäische Wirtschaftsforschung GmbH (ZEW) in Germany expect a predominantly moderate rise.

Parallel to this, there are signs of a slightly increasing demand for most carriers in connection with transport volume. Overall, the expected price rise is greater than the expected increase in volume.

The prospects for road freight traffic are viewed as cautiously optimistic. This applies in particular to long-distance domestic and Eastern European traffic. At the same time expectations are for a generally moderate price rise primarily due to the high diesel prices and increasing driver wages.

The forecast for rail freight traffic assumes slight growth in volume combined with a weak increase in prices (by 1 – 3 percent), especially in Germany. There is potential for the more rapidly growing international transport segment.

The majority of experts view the transport volume in the inland shipping sector as stable. The same applies to freight rates. As a result, the outlook is assessed as moderate in comparison to the other means of transportation.

Stable development is expected for sea freight volumes in European traffic while the assumption for the North America route is for slight growth and for the Asia/Pacific route stronger growth. Parallel to that, an increase in sea freight is expected, particularly in Asia/Pacific traffic.

Development of the Group in the following two years

AUTOMOBILE Division

In the AUTOMOBILE Division exports will remain the key factor for the volume in the seaports. The German Association of the Automotive Industry (VDA) reckons with a production volume of over 5.4 million passenger cars for 2013 and a stable export volume of over 4.1 million vehicles. In Bremerhaven we again expect a cargo handling volume of around 2.2 million vehicles. Here we assume a persistently positive development of exports of German premium manufacturers. A latent risk is seen in the development of the export volume, above all for the Chinese market. However, planning on the part of German OEMs presumes a rising export volume for the following years up to 2015 as well. Since at the same time ship capacity is not rising, the warehouse volume in the seaport terminals will increase.

With regard to the development of imports, we assume a slight rise that will essentially be determined by imports of the Mercedes M Class and BMW X series from the US. Imports from Asia are expected to remain at a weak level. The volume for technical processing of imported vehicles will not rise in the following months. A sustained increase in imports from the Far East is not expected in the short to medium term. The forecast for the high & heavy volume calls for a rise to a slightly higher level at 1.35 million t in 2013.

To guarantee the future viability of the Bremerhaven location, we have examined the processes at the Bremerhaven Auto Terminal and are currently responding to the described developments through organizational changes.

Imports of vehicles from England and Spain constitute a determining factor for the results of the seaport terminals in Cuxhaven and Hamburg. In spite of this customer's weak sales on the domestic market, we assume a constant cargo handling volume and complete utilization of spatial capacity in 2013.

In the coming months the cargo handling volume in Gioia Tauro will stay at the level reached after a significant rise in 2012. Despite the persistently weak market for new vehicles in the Mediterranean region, there is potential based on the additional transhipment volume of the EUKOR shipping company for North Africa and implementation of Gioia Tauro as a Mediterranean hub for client Glovis. The sustainability of this positive trend essentially depends on the market development in North Africa.

The business development of the inland terminals basically depends on new registrations for passenger cars in Germany. The VDA expects a continued high level of new registrations at 3.0 million units for 2013 in view of a stable overall economic trend in Germany. At the same time, however, it assumes that the domestic demand could remain impaired by uncertainty in connection with the European debt crisis. We expect a declining trend of approx. 3 percent compared to 2012.

For the automobile terminal in Duisburg we expect a significant drop in volume as of the beginning of 2013 due to the loss of a key account. New acquisitions for the automobile terminal have been initiated. Acquisitions focus on orders with adequate vehicle volume and a broad range of technical services.

The measures taken for better exploitation of truck capacity in the Shipments segment are being implemented during ongoing operation. Centralized planning and scheduling of long-distance transport in Bremerhaven is in the process of implementation. Further improvement in results is expected in the future. The declining new registrations in Germany will have a counteractive effect. The expected decrease in deliveries to the distributive trade will be compensated for by a higher volume of truck shipments of export vehicles to the seaports as well as by the reduction of subcontractors.

The target level of 1,275 railway wagons will be reached in 2013. The transport volume will be determined by the development of the export volume. The wagon capacities are predominantly utilized through customer contracts. We will also be able to utilize available capacity by means of spot shipments in 2013. By acquiring regular transport services with OEMs, we will ensure full utilization of railway wagon capacity in the medium term.

In the Eastern Europe segment we will concentrate further on building up transport capacity in Russia. In Ukraine we expect another significant rise in new vehicle registrations that will lead to considerably increasing volumes of transported vehicles as well as of vehicles processed at our automobile terminals.

CONTRACT Division

The economic trend in the Automotive (Europe) segment is essentially influenced by the development of the vehicle markets in China, South Africa, Eastern Europe and the USA. Similar to the development of the export volume of finished vehicles, automakers also plan on high rates of increase for parts logistics in the following years. Furthermore, business acquired in the reporting year leads to positive contributions to results. We are developing concepts for expanding capacity and implementing them promptly. The measures initiated for process and quality improvement at the locations will be continued.

In the Industrial Logistics segment existing business is developing as planned at all locations and is generating overall slightly positive results.

In the Wind Energy segment we expect that transport, cargo handling and other value added activities in connection with foundation structures for offshore wind turbines (tripods) in Bremerhaven will continue to run at a stable pace. In spite of the current uncertainty regarding the development of the offshore sector, we assume roughly the same volume in 2013 and positive contributions to results as in 2012.

The Retail Logistics segment will remain stable at a high level. Additional business with existing customers will continue to cover project costs and productivity losses because of construction work for the new Tchibo Direct deal. After commissioning of the facility in 2014 significantly increasing contributions to earnings are expected from this business. The Erfurt and Emmerich locations will also supply stable positive contributions to earnings in the following years. Additional locations with new customers, such as Frankfurt/Main, could be acquired.

In the Port Logistics segment we presume the market environment will remain positive at a sustained high level of volume.

CONTAINER Division

Economic growth slowed down significantly in the course of 2012. In addition, uncertainty continues to exist regarding further macroeconomic development and thus market development in container handling, too, remains difficult to assess.

Moreover, the successively increasing number of large container vessels (> 10,000 TEU) going into service are gaining more and more significance, as expected. Among other things, this relates to the discontinuously developing cargo volumes on the individual routes, the overproportionately increasing transport capacity as well as the related persistent pressure on the sea freight rates among container shipping lines. An additional negative factor is the increasing nautical difficulties associated with arrival and departure of these large container vessels to and from the German North Sea ports Bremerhaven and Hamburg, especially in view of the further delay in the deepening of the shipping channel in the Outer Weser and Elbe Rivers.

Due to the high competitive pressure on container shipping companies, caused not least of all by the great number of newly built container ships, considerable uncertainty also results for the container terminals. Overall, the competitive pressure on the container terminals can be expected to rise so that a slightly declining revenue and volume level cannot be ruled out.

For the EUROGATE Group the 2013 financial year stands out as the first full year of operation of the first stage of construction of the EUROGATE container terminal in Wilhelmshaven and by virtue of securing an appropriate and profitable utilization of the capacity of the EUROGATE container terminal in Hamburg.

Planned investments

We constantly adapt our investment projects to the current market conditions. Large-scale investments are planned in the AUTOMOBILE Division to increase the number of railway wagons and expand the infrastructure of the Bremerhaven AutoTerminal, in the CONTRACT Division to expand retail logistics and develop wind energy logistics as well as in the CONTAINER Division for replacement investments and further construction work on the container terminal in Wilhelmshaven. The majority of the investments will be financed through borrowing.

Overall statement on expected development of the Group

Overall, we expect sales of EUR 1.2 billion as well as an EBT of over EUR 40 million once again for the BLG Group in the 2013 financial year.

Regarding sales, we assume a rise of 9.7 percent in the CONTRACT Division, 5.9 percent in the AUTOMOBILE Division and 4.4 percent in the CONTAINER Division. The sales increases will result in significant rises in the EBT in the AUTOMOBILE and CONTRACT Divisions. In view of the previously described outlook for the CONTAINER Division and the startup losses expected for the Wilhelmshaven container terminal, we assume a substantial decline in the EBT in this division in 2013.

For the year 2014 we expect a positive environment, strong growth especially in the Automotive, Retail and Wind Energy Logistics segments of the CONTRACT Division as well as further long-term innovations of our intermodal business activities and persistently high vehicle export volumes in the AUTOMOBILE Division. According to our expectations, the CONTAINER Division will be characterized by rising container handling, on the one hand, and operation of the Wilhelmshaven container terminal, on the other hand. We assume a further rise in sales and earnings before taxes (EBT) for all divisions. The cost reduction and restructuring measures initiated in the previous years will then have a full impact on the result. We expect Group sales of EUR 1.3 billion and Group EBT of over EUR 50 million.

In this context we want to offer our shareholders an attractive dividend yield. We will continue to target an annual increase in the dividend, but plan at least to maintain it at the level of the previous year.

This annual report was prepared on the basis of the German accounting standards DRS 5 and DRS 15 in the currently applicable version. Apart from historical financial information, it 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, 2012

	Notes	2012 TEUR*	2011 TEUR*
1. Sales	7	1,144,392	1,008,486
2. Other operating income	8	73,273	68,715
3. Cost of materials	9	-546,368	-466,239
4. Personnel expenses	10	-370,143	-326,917
5. Depreciation of long-term intangible fixed assets and tangible fixed assets	11	-64,160	-67,833
6. Other operating expenses	12	-172,166	-152,818
7. Income from long-term financial receivables	13	2,092	598
8. Other interest and similar income	13	2,709	2,423
9. Interest and similar expenses	13	-21,578	-22,236
10. Income from long-term equity investments in associated enterprises	14	342	3,401
11. Income from other long-term equity investments and affiliated companies	14	679	940
12. Depreciation of financial assets and long-term financial receivables	15	0	-2
13. Results before taxes		**49,072**	**48,518**
14. Taxes on income	16	-7,162	-3,493
15. Group net income for the financial year		**41,910**	**45,025**
The Group net income is allocated as follows:			
BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–		2,666	2,215
BLG LOGISTICS GROUP AG & Co. KG		31,551	35,272
Other minorities		7,693	7,538
		41,910	**45,025**
Earnings per share (diluted and undiluted)	17	**EUR 0.69**	**EUR 0.58**
of that from continued operations		EUR 0.69	EUR 0.58
Dividend of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–	18	**EUR 0.40**	**EUR 0.40**

*TEUR (thousand EUR)

Consolidated Statement of Income and Accumulated Earnings
from January 1 to December 31, 2012

	Notes	2012 TEUR*	2011 TEUR*
1. Group net income		**41,910**	**45,025**
Earnings and expenses reported directly in equity			
2. Currency translation		-707	-221
3. Change in measurement of derivative financial instruments		-728	-1,133
4. Change in measurement of derivative financial instruments of associated enterprises		8	21
5. Income taxes on earnings and expenses reported directly in equity	20	349	442
6. Total earnings and expenses reported directly in equity	19	**-1,078**	**-891**
7. Total result		**40,832**	**44,134**
Of the other income for the year, the following amounts are allocated to:			
BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–		2,666	2,215
BLG LOGISTICS GROUP AG & Co. KG		30,745	34,132
Other minorities		7,421	7,787
		40,832	**44,134**

*TEUR (thousand EUR)

Consolidated Balance Sheet
as of December 31, 2012

Assets	Notes	2012-12-31 TEUR*	2011-12-31 TEUR*
A. Long-term assets			
I. Intangible fixed assets	21		
1. Goodwill		7,077	7,167
2. Other intangible fixed assets		36,429	19,244
3. Prepayments on account of intangible fixed assets		5,547	6,375
		49,053	**32,786**
II. Tangible fixed assets	22		
1. Land, land rights and buildings, including those on third-party land		360,116	327,021
2. Technical equipment and machinery		253,225	235,834
3. Other equipment, operating and office equipment		21,041	19,331
4. Prepayments and assets under construction		40,246	49,282
		674,628	**631,468**
III. Long-term financial assets	23		
1. Shares in affiliated companies		373	399
2. Shares in associated enterprises, reported at equity		40,504	47,653
3. Other financial assets		1,688	1,695
		42,565	**49,747**
IV. Long-term financial receivables	24	46,931	13,462
V. Other long-term assets		84	375
VI. Deferred taxes	16	13,456	12,203
		826,717	**740,041**
B. Short-term assets			
I. Inventories	25	13,051	11,064
II. Trade receivables	26	179,977	151,205
III. Other assets	26	45,302	45,538
IV. Refund claims from taxes on income	27	843	406
V. Cash and cash equivalents	28	75,136	82,744
		314,309	**290,957**
		1,141,026	**1,030,998**

*TEUR (thousand EUR)

Equity and liabilities

	Notes	2012-12-31 TEUR*	2011-12-31 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		5,734	4,604
3. Balance sheet profit		1,521	1,521
		18,237	**17,107**
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		188,084	161,302
d. Balance sheet profit		23,054	19,497
e. Foreign currency adjustment items		532	801
f. Reserves from fair value measurement of financial instruments		-4,286	-3,679
g. Balance sheet result of companies included		-49,651	-32,920
		258,915	**246,183**
2. Equity of other minorities			
a. Hybrid equity		78,010	78,010
b. Other minorities		11,967	11,909
		348,892	**336,102**
		367,129	**353,209**
B. Long-term liabilities			
I. Long-term loans (excluding short-term share)	30	243,823	221,039
II. Other long-term financial liabilities	31	89,297	75,685
III. Deferred government grants	32	31,860	32,906
IV. Other long-term liabilities	35	3,706	8,733
V. Long-term provisions	33	55,918	49,810
VI. Deferred taxes	16	5,127	5,711
		429,731	**393,884**
C. Short-term liabilities			
I. Trade payables	34	87,449	72,173
II. Short-term financial liabilities	31	181,550	140,063
III. Short-term share for government grants	32	2,334	1,889
IV. Other short-term liabilities	35	48,936	46,497
V. Liabilities on taxes on income	36	9,325	7,278
VI. Short-term provisions	37	14,572	16,005
		344,166	**283,905**
		1,141,026	**1,030,998**

Segment Reporting

(in TEUR*)	AUTOMOBILE 2012-12-31	AUTOMOBILE 2011-12-31
Sales		
with external third parties	**419,069**	**381,944**
Inter-segment sales	2,578	255
EBITDA	34,235	32,429
Depreciation	-12,108	-17,491
Segment result (EBIT)	**22,127**	**14,938**
in % of sales	*5.3 %*	*3.9 %*
Interest income	738	562
Depreciation of financial assets	0	0
Interest expenses	-6,363	-6,007
Result from companies included at equity	1,407	1,284
Result from other long-term equity investments	10	11
Earnings before taxes (EBT)	**17,919**	**10,788**
Other information		
Other non-cash-related items	416	234
Included in segment result		
Income not relating to this period	8,624	9,282
Expenses not relating to this period	-3,190	-1,118
Impairments	0	-6,000
Shares in associated enterprises and other companies included at equity	10,964	10,425
Goodwill contained in segment assets	6,565	6,655
Segment assets	255,767	257,590
Investments in long-term intangible fixed assets and tangible fixed assets	11,338	19,495
Segment liabilities	110,540	151,134
Equity	72,989	68,168
Employees	2,213	2,116

* TEUR (thousand EUR)

[1)] The number of employees relates to companies included on proportionate basis (50 percent).

CONTRACT		CONTAINER		Reconciliation		GROUP	
2012-12-31	2011-12-31	2012-12-31	2011-12-31	2012-12-31	2011-12-31	2012-12-31	2011-12-31
405,322	**304,263**	**327,067**	**328,406**	**-7,066**	**-6,127**	**1,144,392**	**1,008,486**
545	992	3,943	4,880	-7,066	-6,127	**0**	**0**
31,579	22,962	77,044	86,639	-13,870	-10,803	**128,988**	**131,227**
-13,942	-12,732	-37,243	-36,859	-867	-751	**-64,160**	**-67,833**
17,637	**10,230**	**39,801**	**49,780**	**-14,737**	**-11,554**	**64,828**	**63,394**
4.4 %	*3.4 %*	*12.2 %*	*15.2 %*	*n/a*	*n/a*	***5.7 %***	***6.3 %***
1,014	1,017	2,541	966	508	476	**4,801**	**3,021**
0	-2	0	0	0	0	**0**	**-2**
-4,683	-5,269	-10,528	-10,840	-4	-120	**-21,578**	**-22,236**
727	1,144	-2,035	616	243	357	**342**	**3,401**
37	36	619	882	13	11	**679**	**940**
14,732	**7,156**	**30,398**	**41,404**	**-13,977**	**-10,830**	**49,072**	**48,518**
57	-37	1,354	-8	0	35	**1,827**	**224**
4,996	6,141	3,650	2,392	2,715	3,275	**19,985**	**21,090**
-1,037	-2,768	-655	-1,193	-1,051	-59	**-5,933**	**-5,138**
-298	0	-929	-1,060	0	0	**-1,227**	**-7,060**
4,907	4,986	21,818	29,386	2,815	2,856	**40,504**	**47,653**
0	0	512	512	0	0	**7,077**	**7,167**
260,617	180,209	556,904	492,727	12,935	40,210	**1,086,223**	**970,736**
33,957	6,747	79,330	37,888	978	798	**125,603**	**64,928**
107,842	95,597	176,608	167,191	-2,301	-93,220	**392,689**	**320,702**
53,058	30,237	217,189	217,620	23,893	37,184	**367,129**	**353,209**
2,819	2,094	1,937 [1)]	1,871 [1)]	203	180	**7,172**	**6,261**

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, 2010	**9,984**	**4,923**	**1,137**	**16,044**
Changes in financial year				
Group net income	0	679	1,536	2,215
Earnings and expenses reported directly in equity	0	0	0	0
Total result	0	679	1,536	2,215
Dividends / withdrawals	0	0	-1,152	-1,152
Contribution to capital	0	0	0	0
Control-preserving acquisitions of shares	0	0	0	0
Other changes	0	0	0	0
As of December 31, 2011	**9,984**	**5,602**	**1,521**	**17,107**
Changes in financial year				
Group net income	0	1,130	1,536	2,666
Earnings and expenses reported directly in equity	0	0	0	0
Total result	0	1,130	1,536	2,666
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	0	0	0
As of December 31, 2012	**9,984**	**6,732**	**1,521**	**18,237**

*TEUR (thousand EUR)

II. Minority shares								Equity of the other minorities		
Capital of BLG LOGISTICS GROUP AG & Co. KG included										
Limited liability capital	Capital reserves	Revenue reserves	Balance sheet profit	Foreign currency adjust-ment items	Reserves from fair value measure-ment of financial instru-ments	Balance sheet result of com-panies included	Total	Hybrid equity	Other minori-ties	Total
51,000	**50,182**	**142,430**	**13,077**	**1,157**	**-2,743**	**-27,414**	**227,689**	**78,010**	**8,703**	**330,446**
0	0	18,875	19,497	0	0	-3,100	35,272	5,063	2,475	45,025
0	0	152	0	-356	-936	0	-1,140	0	249	-891
0	0	19,027	19,497	-356	-936	-3,100	34,132	5,063	2,724	44,134
0	0	0	-13,077	0	0	0	-13,077	-5,063	-1,374	-20,666
0	0	0	0	0	0	0	0	0	700	700
0	0	-16	0	0	0	-2,538	-2,554	0	1,155	-1,399
0	0	-139	0	0	0	132	-7	0	1	-6
51,000	**50,182**	**161,302**	**19,497**	**801**	**-3,679**	**-32,920**	**246,183**	**78,010**	**11,909**	**353,209**
0	0	22,748	23,054	0	0	-14,251	31,551	5,063	2,630	41,910
0	0	114	0	-313	-607	0	-806	0	-272	-1,078
0	0	22,862	23,054	-313	-607	-14,251	30,745	5,063	2,358	40,832
0	0	0	-19,497	0	0	0	-19,497	-5,063	-2,300	-28,396
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	3,920	0	44	0	-2,480	1,484	0	0	1,484
51,000	**50,182**	**188,084**	**23,054**	**532**	**-4,286**	**-49,651**	**258,915**	**78,010**	**11,967**	**367,129**

Consolidated Cash Flow Statement

(in TEUR[1])	2012	2011
Result before taxes	49,072	48,518
Depreciation of long-term intangible fixed assets, tangible fixed assets, financial assets and long-term financial receivables	64,160	67,835
Result from disposals of fixed assets	625	-4,283
Result from associated enterprises	-342	-3,401
Result from other long-term equity investments	-679	-940
Interest result	16,777	19,215
Other cash-neutral expenses and income	1,827	224
	131,440	**127,168**
Change in trade receivables	-28,772	-4,664
Change in other assets	2,693	-14,683*
Change in inventories	-1,987	-816
Change in government grants	-601	9,681
Change in provisions	3,901	-4,979
Change in trade payables	15,276	1,434
Change in other liabilities	14,198	-6,143
	4,708	**-20,170**
Proceeds from interest	3,592	1,959
Payments for interest	-17,255	-16,584
Payments for taxes on income	-7,268	-7,527
	-20,931	**-22,152**
Cash flow from current operating activities	**115,217**	**84,846**
Proceeds from disposals of fixed tangible assets and intangible fixed assets	768	6,963
Payments for investments in fixed tangible assets and intangible fixed assets	-129,154	-64,904
Proceeds from disposals of financial assets	58	81
Payments for financial assets	-18	-490
Payments for granting loans to companies in which long-term equity is held	-14,330	0
Proceeds from repayment of loans to companies in which long-term equity is held	21	249
Payments for control-preserving acquisitions of shares	0	-1,400
Proceeds from dividends received	6,909	1,830
Cash flow from investment activities	**-135,746**	**-57,671**
Proceeds from repayment of loans to company owners	674	291
Payments for granting loans to company owners	-1,013	-674
Payments to owners of hybrid capital	-5,063	-5,063
Proceeds from additions to equity from minority companies	0	700
Payments to company owners	-23,333	-15,603
Proceeds from issuing promissory note loans	10,000	50,000
Proceeds from taking out financial loans	20,122	64,341
Payments for repayment of financial loans	-40,277	-37,438
Proceeds from taking out loans from companies in which long-term equity is held	8,830	2,750
Payments for repayment of loans from companies in which long-term equity is held	-4,330	-8,339
Payments for granting other loans	-8	-2,868
Payments to lessees	-1,130	-478
Proceeds from repayment of leasing receivables	90	104
Taking out leasing liabilities	12,930	160
Payment to repay leasing liabilities	-8,550	-7,369
Cash flow from financial activities	**-31,058**	**40,514***
Net increase/decrease in financial resource fund	-51,587	67,689
Change in cash and cash equivalents due to currency translation influences	181	-155
Financial resource fund at beginning of financial year	72,485	4,951
Financial resource fund at end of financial year	**21,079**	**72,485**
Composition of financial resource fund at end of financial year		
Liquid funds	75,136	82,744
Short-term liabilities to banks	-54,057	-10,259
	21,079	**72,485**

* The previous year's figures were adjusted in accordance with IAS 8.42. – [1] 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 2012 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, 2012, 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 European Union 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. The estimations and assumptions that pose a significant risk in the form of a major adjustment of the carrying amounts of assets and liabilities within the next financial year apply in particular to the assessment of goodwill (disclosures no. 6 b and no. 21), the reporting of deferred tax assets (disclosures no. 6 q and no. 16), the assessment of the parameters for impairments (disclosure no. 6 m) and long-term provisions (disclosure no. 33) as well as scope of discretion in connection with the assessment of provisions (disclosure no. 37) and uncertain liabilities (disclosure no. 31). The estimations made were extensively 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 2012 financial year:

- Amendment to IFRS 7 'Financial instruments: Disclosures' (transfers of financial assets): The amendments to IFRS 7 relate to extended disclosure requirements in the transfer of financial assets and are intended to enable the balance sheet target groups to gain a better understanding of the impacts of the risks remaining for the company. The extended disclosure requirements are contained in the section 'Transferred, but not completely retired financial assets' in disclosure no. 41.

Adjustments of previous year's figures

With the exception of additional information in the notes to the financial statement, the new/revised standards and interpretations that are relevant to the Group's business activities did not have any significant impacts. To this extent, there were no adjustments to the previous year's amounts.

To the extent previous year's amounts are not comparable to the amounts for the year under review or were corrected in accordance with IAS 8.42, the data in this connection are contained in the respective disclosures. This applies to the cash flow statement on page 122 and the disclosures on the cash flow statement (disclosure no. 38).

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 2012 financial year:

Standards/Interpretations	Application requirement for financial years beginning as of	Adoption by EU Commission
Standards		
Amendments to IFRS 1 'Accounting for government loans'	January 1, 2013	No
Amendments to IFRS 7 'Financial instruments: Disclosures' (offsetting financial assets and financial liabilities)	January 1, 2013	Yes
IFRS 9 'Financial instruments'	January 1, 2015	No
Amendments to IFRS 9 'Financial instruments' and to IFRS 7 'Financial instruments: Disclosures' (mandatory effective date and transition disclosures)	January 1, 2015	No
IFRS 10 'Consolidated financial statements'	January 1, 2014 [1)]	Yes
IFRS 11 'Joint arrangements'	January 1, 2014 [1)]	Yes
IFRS 12 'Disclosure of interests in other entities'	January 1, 2014 [1)]	Yes
Amendments to transitional requirements of IFRS 10 'Consolidated financial statements', IFRS 11 'Joint arrangements' and IFRS 12 'Interests in other entities'	January 1, 2013	No
Amendments to IFRS 10 'Consolidated financial statements', IFRS 12 'Interests in other entities' and IAS 27 'Separate financial statements' (investment companies)	January 1, 2014	No
IFRS 13 'Fair value measurement'	January 1, 2013	Yes
Amendments to IAS 1 'Presentation of items of other comprehensive income'	July 1, 2012	Yes
Amendments to IAS 19 'Employee benefits'	January 1, 2013	Yes
IAS 27 'Separate financial statements' (revised)	January 1, 2014 [1)]	Yes
IAS 28 'Investments in associates and joint ventures' (revised)	January 1, 2014 [1)]	Yes
Amendments to IAS 32 'Financial instruments: Presentation' (offsetting financial assets and financial liabilities)	January 1, 2014	Yes
Diverse standards: Annual Improvements Project 2009-2011	January 1, 2013	No
Interpretations		
IFRIC 20 'Stripping costs in the production phase of a surface mine'	January 1, 2013	Yes

[1)] Standards according to version of IASB to be applied at the latest to financial years that begin on or after January 1, 2013; in accordance with Regulation VO (EC) no. 1254/2012 of the European Commission of December 11, 2012, to be applied at the latest at the beginning of the first financial year starting on or after January 1, 2014.

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, with the following exceptions:

IFRS 11 'Joint arrangements': The standard replaces IAS 31 'Interests in joint ventures' and SIC 13 'Jointly controlled entities – non-monetary contributions by venturers' and contains requirements regarding identification, classification and accounting of joint arrangements. **The most significant amendment of IFRS 11 in relation to IAS 31 is the elimination of the proportionate consolidation of joint ventures** that always have to be reported according to the equity method in future. This affects the companies of the EUROGATE Group that currently represent the CONTAINER Division. When IFRS 11 is applied, the assets, liabilities earnings and expenses reported in disclosure no. 47 are no longer included in the consolidated financial statement. The profit for the year in the CONTAINER Division (see also disclosure no. 39 and no. 40 in this connection) will have to be reported as a result from participations of EUROGATE GmbH & Co. KGaA, KG, Bremen, as of the 2014 financial year. The Group has not conclusively assessed the impacts resulting from IFRS 11.

Amendments to IAS 19 'Employee benefits': The most significant amendment of IAS 19 is that actuarial gains and losses of the pension liabilities and plan assets have to be recognized directly in the other comprehensive income in future. The previously existing option between immediate recognition in the income statement or in the other comprehensive income and the deferred recognition according to the corridor method is eliminated. Furthermore, the rate of return on the plan assets is no longer according to the expected return, but to the amount of the discount rate of the pension liabilities. Moreover, the amended IAS 19 requires more extensive disclosures. Other amendments relate to the amounts of the increase that were pledged in the framework of agreements on part-time work arrangements for employees approaching retirement and now represent other employee benefits due on the basis of an altered definition for benefits on termination of the employment relationship. The impacts that would have resulted from application of the amended standards according to the circumstances on the balance sheet date are described in disclosure no. 33.

The Board of Management of BLG released the consolidated financial statement for transmission to the Supervisory Board on March 19, 2013. It is the responsibility of the Supervisory Board to review the consolidated financial statement and state whether the Board approves it.

2 Operating activities of the BLG Group

The BLG Group (BLG LOGISTICS GROUP) performs seaport-oriented logistics services for its customers in industry and commerce through its three operational divisions, AUTOMOBILE, CONTRACT and CONTAINER, and is represented in over 100 companies and branches in Europe, North and South America, Africa and Asia.

The range of services extends from seaport terminals in Europe all the way to complex international supply chain management with value added services.

AUTOMOBILE

The services offered by the AUTOMOBILE Division encompass port cargo handling, storage, technical processing, shipment via road, rail and water, supply chain management and freight forwarding services as well as the entire administrative vehicle handling procedure, including documentation and customs clearance. In addition, the division handles heavy or bulky goods, such as agricultural equipment, buses and trucks, transformers, locomotives and railway wagons.

A total of 6.8 million vehicles (previous year: 6.5 million) were handled, transported and technically processed in 2012. This makes the AUTOMOBILE Division the market leader in Europe.

The European network comprises automobile terminals on the North Sea and Baltic Sea, on the Mediterranean, on the Rhine and Danube as well as inland. Currently Eastern Europe is one of the focal points of investment. BLG is already present with several seaport and inland terminals in Poland, Russia, Ukraine, the Czech Republic, Slovakia and Slovenia. Other locations are planned.

The automobile terminals on coasts and rivers have truck, railway and ship connections. The inland terminals offer short distances to the European highway network and their own sidings. BLG has over 500 trucks of its own as well as 1,103 railway wagons for car transportation. Through the network the company sets up reliable chains of logistics – from the automobile manufacturers all over the globe to the car dealers in the specific countries of destination. Moreover, technical centers provide pre-delivery inspection (PDI) and individual extras according to the demands of the end customers. The entire range of services is certified.

CONTRACT

The CONTRACT Division develops customized logistics solutions for individual customers. The focal points are car parts and plant logistics for the automotive industry. This includes procurement logistics from the suppliers and supply to the production lines as well as packing and shipment. Complex system services ensure reliable supply to the assembly lines in Germany and abroad. BLG represents the link between manufacturers and suppliers. The Consolidation Center and supplier logistics centers are the hubs of the worldwide services. Through preassembly of vehicle components and production-related work processes BLG acts as an extended workbench for automobile manufacturers.

In the Retail Logistics segment the division designs, implements, manages and carries out complex logistics processes for trading enterprises. Here again BLG stands for transparent and reliable procedures as well as optimization of commodity and information flows. Individual solutions for well-known clients ensure comprehensive information and movements of goods based on in-house IT competence. The Retail Logistics segment also encompasses cargo handling and storage of refrigerated and frozen goods at the Bremerhaven Container Terminal as well as all related services.

Another segment covered by the CONTRACT Division is Industrial and Production Logistics, which involves shaping and optimizing complex commodity flows for the production sector. The range of services additionally includes supply and disposal for production lines, on-site logistics for optimized in-company flows of goods, empties management and complex assembly operations.

The company is currently developing logistics for offshore wind turbines as a new business segment. Sections of the container and automobile terminals in Bremerhaven are being used temporarily for storing and handling large offshore components. After completion of the planned offshore terminal existing business can be shifted to the new facility, for the operation of which BLG is submitting an application.

The Cargo Department operates multifunctional terminals in Bremen where tailored logistics solutions are offered for goods with special requirements. This includes in particular transshipment, storage and proper handling of steel, forestry and paper products, pipes, sheet metal and project cargo.

CONTAINER

The joint venture EUROGATE GmbH & Co. KGaA, KG, Bremen, in which BLG holds 50 percent of the shares, is responsible for development of the CONTAINER Division. EUROGATE has its own 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. EUROGATE operates – in some cases with partners – container terminals in Bremerhaven, Hamburg, Wilhelmshaven (all in Germany), La Spezia, Gioia Tauro, Cagliari, Ravenna and Salerno (all in Italy), Lisbon, Portugal as well as Tangier, Morocco and Ust-Luga, Russia. EUROGATE additionally holds an interest in several inland terminals and railway transportation enterprises.

The secondary services it offers embrace intermodal services – transporting sea containers to and from the terminals – repairing, warehousing and trading containers, cargo-modal activities 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. Apart from BLG and BLG LOGISTICS GROUP AG & Co. KG, the entities to be consolidated encompass 17 domestic subsidiaries and nine foreign subsidiaries (in the previous year 20 domestic and nine foreign enterprises), which are included in the consolidated financial statement through full consolidation.

In February 2012 BLG AUTOMOBILE LOGISTICS GmbH & Co. KG established the joint venture BLG – Cinko Auto Logistics (Tianjin) Co., Ltd. together with the Chinese CINKO SCM. The object of the joint venture is operation of a PDI center in the port of Tianjin where both export vehicles from Chinese production are cleaned, modified and prepared for shipment and imported vehicles are prepared for the Chinese market. The joint venture partners plan an annual cargo handling volume of up to 38,000 vehicles. The joint venture is included at equity.

Furthermore, a service and sales enterprise intended to pool all logistics services and boost further expansion of the service potential in China was established in the form of BLG Logistics Consulting (Beijing) Co., Ltd. in Beijing in the reporting year. The company is included at equity.

AutoLogistics International GmbH, Bremen, was established in April 2012. The mission of the company is operation of logistics and distribution centers as well as acquiring and holding company shareholdings and providing holding services for companies in Germany and abroad, particularly in the automobile and automotive logistics sector. In June 2012 50 percent of the shares in Horst Mosolf GmbH & Co. KG Internationale Spedition were sold. The company is included at equity.

In the course of partial restructuring of the entities to be consolidated, BLG CONTRACT LOGISTICS GmbH & Co. KG left the group of domestic entities to be consolidated by way of accretion to BLG LOGISTICS GROUP AG & Co. KG. The same applies to BLG AutoTerminal Wörth GmbH & Co. KG due to accretion to BLG AutoTerminal Kelheim GmbH & Co. KG as well as to E.H. Harms GmbH & Co. Auto-Terminal Bremerhaven due to accretion to BLG AutoTerminal Bremerhaven GmbH & Co. KG and to EUROGATE Container Terminal Wilhelmshaven Administration GmbH, included via proportionate consolidation, which merged with EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG.

Three companies were included in the consolidated financial statement at equity because of immateriality in spite of a majority of the voting rights. Altogether 16 companies in which there is a majority of shares and of 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 subsidiaries, joint ventures, associated enterprises and other participations can be found in the section Participations on pages 202 ff.

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 260,000.

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 at their applicable fair values on the assets or liabilities side respectively. 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 non-controlling shares in the acquired company are reported on the basis of the proportionate share of the net assets of the acquired company.

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.

Transactions with non-controlling shares are treated like transactions with equity holders of the Group. A difference between the paid service and the relevant share of the carrying amount of the net asset of the subsidiary resulting from acquisition of a non-controlling share is reported in equity. Profits and losses arising from sale of non-controlling shares are also reported in equity.

If the Group loses either control or significant influence over a company, the remaining share is revaluated at the applicable fair value and the resulting difference is reported as a profit or loss. The applicable fair value is the fair value determined on initial recognition of an associated company, joint venture or a financial asset. Furthermore, all amounts disclosed in the other operating result are reported with respect to this company as would have been required if the parent company had sold the related assets and liabilities directly. That means a profit or loss previously reported in the other comprehensive income is transferred from equity to the operating result.

If the participation share in an associated company has declined, but it still remains an associated company, only the proportionate amount of the profits or losses previously reported in other comprehensive income is transferred to profit or loss.

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 the 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 while 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 since 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, 2012, currency translation differences of EUR 532,000 (in previous year: EUR 801,000) 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 2012-12-31	Average exchange rate 2012	Exchange rate 2011-12-31	Average exchange rate 2011
1 American dollar	0.7566	0.7782	0.7723	0.7190
1 Brazilian real	0.3695	0.3996	0.4145	0.4312
1 British pound	1.2227	1.2331	1.1936	1.1528
1 Chinese renminbi yuan	0.1200	0.1233	0.1213	0.1111
1 Indian rupee	0.0138	0.0145	0.0142	0.0166
1 Malaysian ringgit	0.2481	0.2520	0.2435	0.2417
1 Moroccan dirham	0.0898	0.0901	0.0901	0.0895
1 Polish zloty	0.2454	0.2392	0.2258	0.2441
1 Russian ruble	0.0248	0.0251	0.0241	0.0245
1 South African rand	0.0892	0.0949	0.0951	0.0997
1 Czech crown	0.0398	0.0398	0.0389	0.0407
1 Ukrainian grivna	0.0941	0.0963	0.0978	0.0912

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 existence 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

Goodwill represents the surplus of purchase cost of the acquisition above the applicable fair value of the shares of the Group in the net assets of the acquired company at the time of acquisition. Goodwill resulting from an acquisition is reported in intangible assets. The reported goodwill is subjected to an annual impairment test and measured at its original purchase cost minus cumulated impairments. Reversals of impairment losses are not permissible. Profits and losses from the sale of a company encompass the carrying amount of the goodwill allocated to the transferred company.

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 m 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. The revaluation method is not applied in the BLG Group.

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 m in this connection).

d) Leasing

Finance leasing:

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 lives 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 of the companies 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 m.

If the market value cannot be determined reliably, either because a public quotation does not exist or because it is not possible 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 m 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 m 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 assets 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 and is determined on the basis of normal capacity utilization. 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 m in this connection). In addition to any necessary specific valuation allowances, lump-sum specific valuation allowances shall be formed and reported with effect on the income statement 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 m).

If the market value cannot be determined reliably either because a public quotation does not exist or it is not possible 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 m).

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 a 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. Measurement in the case of additions is carried out at the applicable fair value. Subsequent measurement is also carried out at the applicable fair value on the respective balance sheet date. 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. In the reporting year and in the previous year hedging operations were exclusively undertaken to hedge against the interest rate risk arising from variable interest payments on loans (cash flow hedges). The credit spread is not part of the hedge relationship. Derivative financial instruments that do not meet the requirements for hedge accounting are classified as "held for trading" in accordance with IAS 39.

To meet the requirements for reporting hedging operations, the hedge relationship between the hedged item and the hedging tool as well as the objective and strategy of risk management are documented at the beginning of the hedging. This also involves a description of how the effectiveness of the hedge relationship is determined. Continuous monitoring of whether the derivative instruments employed compensate for the hedged risks from the hedged item is carried out by means of effectiveness tests conducted at the beginning of the hedge relationship and on every balance sheet date.

The changes in the applicable fair values of the effective portions of the cash flow hedges are reported directly in equity. The changes in the applicable fair values of the ineffective portions of the cash flow hedges and interest rate swaps that are not designated as hedging tools in the framework of hedge relationships are reported in the income statement.

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 a third party that qualifies for derecognition. The amounts reported in equity are transferred to the income statement in the period in which the hedging operation for the hedged item takes place.

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) Balancing out financial instruments

Financial assets and liabilities are balanced out and reported as a net amount in the balance sheet only if a legal claim exists in this regard and the intention is to achieve the balance on a net basis or at the same time to redeem the corresponding liability on realization of the asset concerned.

l) Cash and cash equivalents

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

m) Exceptional valuation allowances (impairments)

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 calculations are carried out in the respective local currency. The three-year plan serves 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. The risk-equivalent interest rates were 5.7 percent for the CONTRACT Division (previous year: 8.0 percent) and fundamentally for the companies of the AUTOMOBILE Division 4.2 percent (previous year: 6.5 percent). A risk-equivalent interest rate of 9.8 percent (previous year: 12.5 percent) was calculated for an impairment test of a cash-generating unit of the AUTOMOBILE Division in Ukraine. A risk-equivalent interest rate of 5.1 percent (previous year: 5.5 percent) was calculated for the CONTAINER Division. The cash flows of this division were extrapolated over a planning horizon of three years using a growth rate of 0.5 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.

n) 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.

o) Provisions

Pensions and retirement plans are post-employment benefits in accordance with IAS 19. Provisions for pensions are measured according to the actuarial projected unit credit method stipulated in IAS 19 for defined benefit pension plans. Aside from the pension benefits existing on the balance sheet date, the future remuneration development, the expected pension increases and the presumed fluctuation are taken into account in the measurement with this method. IAS 19 allows application of different methods for treating actuarial profits and losses. To avoid volatility in the equity in connection with the applicable date, the BLG Group applies the so-called corridor method (see disclosure no. 33). 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 actuarial projected unit credit 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. The amount of the provisions also includes the expected cost increases. Long-term provisions with a remaining term of more than a year are discounted at a capital market interest rate with an appropriate term.

Taking into account future cost increases, 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.

p) 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 termination benefits according to the actuarial projected unit credit method.

Liabilities shall be retired after settlement, release or expiration.

The claims of the shareholders for dividend payouts are reported as liabilities in the period in which the corresponding resolution is adopted.

q) 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. The measurement is carried out on the basis of the individual tax rates of the affiliated companies. For domestic partnerships these tax rates comprise only trade tax and vary between 11.9 percent and 17.1 percent because of the differing municipal rates. 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 income tax rates applied to foreign companies vary from 15.0 percent to 38.0 percent.

r) Business combinations

Business combinations in accordance with IFRS 3 exist if a company gains control over one or more business operations through acquisition of shares or other events. Business operations according to IFRS 3 are integrated groups of activities and assets that are aimed at obtaining income, cost reductions or other economic benefits for the shareholders or other owners, partners or co-partners. The establishment of joint ventures and mergers of companies under joint control do not represent business combinations in accordance with IFRS 3.

In the case of a successive merger, the previously acquired equity share of the company is redefined at the applicable fair value at the time of acquisition. The resulting profit or loss shall be reported in the income statement.

During the reporting period no business combinations were established.

Summary of selected measurement methods

Balance sheet item	Measurement method
Assets	
Intangible assets	
Goodwill	lower value from purchase cost and recoverable amount
Other intangible assets	(amortized) purchase cost
Tangible assets	(amortized) purchase cost
Financial assets	
Shares in associated enterprises	equity method
Financial receivables	(amortized) purchase cost
Trade receivables	(amortized) purchase cost
Cash and cash equivalents	nominal value
Liabilities	
Provisions for pensions	projected unit credit method
Other provisions	settlement amount
Financial liabilities	
Derivatives	applicable fair value
Other financial liabilities	(amortized) purchase cost
Trade payables	(amortized) purchase cost
Other liabilities	
Liabilities for part-time work arrangements for employees approaching retirement	projected unit credit method
Other miscellaneous liabilities	(amortized) purchase cost

Consolidated income statement disclosures

7 Sales

(in TEUR)	2012	2011
Freight forwarding and transport services	422,231	346,853
Sales	394,363	388,529
Logistics services	87,923	71,515
Technical services and consulting	74,970	65,790
Rental and warehouse income	53,305	46,185
Ship income	26,163	23,634
Provision of personnel and equipment	21,859	7,190
Material sales	11,463	11,915
Container packing	4,832	4,696
Miscellaneous	47,283	42,179
Total	**1,144,392**	**1,008,486**

Sales increased by a total of EUR 135,906,000 or 13.5 percent compared to the previous year. The rise essentially results from the expansion of business activities. 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)	2012	2011
Interest on heritable building rights and rents	14,221	12,562
Provision of personnel	11,202	11,627
Income from the release of liabilities	11,066	13,503
Neutral earnings	10,439	7,268
Income not relating to this period	8,150	3,203
Income from on-debiting expenses	6,879	6,576
Insurance compensation and other reimbursements	6,864	6,773
Income from sale of assets	769	4,385
IT and other consulting services	446	392
Miscellaneous	3,237	2,426
Total	**73,273**	**68,715**

The neutral earnings are composed of reimbursement of expenses to an amount of EUR 3,307,000, income from compensation for damages and contractual penalties to an amount of EUR 2,586,000, subsidies from the Employment Agency to an amount of EUR 1,014,000, public funding to an amount of EUR 1,005,000 and income from cash discounts and rebates to an amount of EUR 643,000.

9 Material expenses

(in TEUR)	2012	2011
Expenses for raw materials, consumables and supplies	128,776	106,833
Expenses for outside personnel	151,303	125,640
Expenses for other purchased services	266,289	233,775
Change in amount of work in progress as well as finished goods inventories	0	-9
Total	**546,368**	**466,239**

Material expenses rose by a total of EUR 80,129,000 or 17.2 percent compared to the previous year due once again to the significant expansion in business activities.

The change in expenses for raw materials, consumables and supplies essentially results from significantly greater needs for materials for plant logistics in the Automotive segment, the rise in quantity and price of fuels for the vehicle fleets used for automobile handling and transport as well as the terminal vehicles for container handling.

2012 again saw substantial employment of external workers to cover personnel needs. The main areas of assignment were automobile handling in Bremerhaven as well as car parts and plant logistics in Bremen.

The increase in expenses for purchased services essentially results from additional use of subcontractors in the offshore wind energy sector and once again significantly higher utilization of traction capacity in transport per railway wagon.

10 Personnel expenses

(in TEUR)	2012	2011
Wages and salaries	308,868	271,909
Statutory social security expenses	56,360	50,734
Expenses for pensions, support and anniversaries	6,216	4,812
Miscellaneous	82	51
	371,526	**327,506**
Own work capitalized relating to internally generated intangible and tangible assets	-1,383	-589
Total	**370,143**	**326,917**

The personnel expenses increased compared to the previous year by a total of EUR 43,226,000 or 13.2 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 25,550,000 (previous year: EUR 23,274,000) for payments of contributions to the statutory pension scheme.

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)	2012	2011
Systematic depreciation		
Depreciation of intangible assets	3,810	3,245
Depreciation of tangible assets	59,123	57,528
	62,933	**60,773**
Exceptional depreciation of tangible assets	1,227	7,060
Total	**64,160**	**67,833**

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)	2012	2011
Interest on heritable building rights and rents	87,198	75,943
Sales and marketing costs	9,334	8,230
Expenses from damage claims	9,181	9,356
IT costs	8,813	8,011
Security costs and other property expenses	8,389	6,343
Legal, consulting and audit costs	8,067	5,890
Expenses for insurance premiums	7,722	8,964
Other personnel-related expenses	5,545	4,502
Other expenses not relating to this period	4,538	5,037
Administration expenses and contributions	4,137	3,758
Other taxes	2,901	2,825
Postal and telephone costs	2,098	1,880
On-debited expenses	1,785	2,643
Expenses for further training	1,711	1,131
Bookkeeping losses from sales of fixed assets	1,394	101
Other neutral expenses	1,266	1,144
Expenses from procurement business for third parties	93	112
Miscellaneous	7,994	6,948
Total	**172,166**	**152,818**

The sales and marketing costs contain travel expenses to an amount of EUR 5,217,000 (previous year: EUR 4,358,000) and marketing expenses to an amount of EUR 4,117,000 (previous year: EUR 3,872,000).

The main items of the administration expenses are fees and contributions and expenses for office supplies.

Own work capitalized to an amount of EUR 214,000 (previous year: EUR 23,000) was set off in the miscellaneous other operating expenses.

13 Interest result

(in TEUR)	2012	2011
Miscellaneous interest and similar income		
Interest income from long-term financial receivables	2,092	598
Interest income from bank balances	601	541
Interest income from finance leasing	173	176
Interest income from amortization of other assets	1,209	1,062
Other interest income	726	644
	2,709	**2,423**
Interest and similar expenses		
Interest expenses for long-term loans and other financial liabilities	-10,215	-8,407
Interest expenses for finance leasing	-2,859	-3,202
Interest expenses for provisions and liabilities	-5,378	-5,652
Interest expenses for short-term liabilities to banks	-390	-743
Other interest expenses	-3,790	-4,240
Capitalized costs of loan capital	1,054	8
	-21,578	**-22,236**
Total	**-16,777**	**-19,215**

The other interest income includes income from interest swaps to an amount of EUR 346,000 (previous year: EUR 560,000) as compared to the corresponding expenditures from interest swaps contained in the other interest expenses amounting to EUR -2,607,000 (previous year: EUR -2,633,000).

On balance, the CONTAINER Division accounts for EUR -1,145,000 (previous year: EUR -1,148,000) of the income and expenses from interest swaps, the CONTRACT Division for EUR -619,000 (previous year: EUR -626,000) and the central departments for EUR -497,000 (previous year: EUR -299,000).

14 Result from participations

(in TEUR)	2012	2011
Result from associated enterprises		
CONTSHIP Italia S.p.A., Genoa, Italy	1,067	686
FESCO BLG Automobile Logistics Russia LTD, Nicosia, Cyprus	479	345
Schultze Stevedoring GmbH & Co. KG, Bremen, Germany	425	200
AUTOMOBILE LOGISTICS CZECH s.r.o., Nošovice, Czech Republic	308	148
Automobile Logistics Slovakia s.r.o., Bratislava, Slovakia	302	160
NYK Logistics & BLL (NLB) of South Africa Pty. Ltd., Port Elizabeth, South Africa	296	342
dbh Logistics IT AG, Bremen, Germany	243	357
ATN Autoterminal Neuss GmbH & Co. KG, Neuss, Germany	221	24
ZLB Zentrallager Bremen GmbH & Co. KG, Bremen, Germany	140	182
E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine	102	246
OLB Offshore Logistics Bremerhaven GmbH, Bremerhaven, Germany	90	-27
ICO BLG Automobile Logistics Italia S.p.A., Gioia Tauro, Italy	19	25
BMS Logistica Ltda., São Paulo, Brazil	-104	351
Autoterminal Slask Logistic Sp. z o.o., Dabrowka Gornicza, Poland	-156	230
AutoLogistics International GmbH, Bremen, Germany	-172	0
TangerMedGate Management S.a.r.l., Tangier, Morocco	-881	264
OJSC Ust-Luga Container Terminal, Ust-Luga, Russia	-2,243	-337
Others	206	205
	342	**3,401**
Result from other participations and affiliated companies		
LISCONT Operadores de Contentores S.A., Lisbon, Portugal	428	428
DHU Gesellschaft Datenverarbeitung Hamburger Umschlagbetriebe mbH, Hamburg, Germany	94	94
Others	157	418
	679	**940**
Total	**1,021**	**4,341**

15 Depreciation of financial assets and long-term financial receivables

(in TEUR)	2012	2011
Depreciation of long-term financial receivables		
Depreciation of loans to affiliated companies	0	2
Total	**0**	**2**

16 Taxes on income

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

(in TEUR)	2012	2011
Current taxes		
Tax expenses during the period	8,160	6,530
Tax expenses for previous periods	768	648
Income from tax refunds	-333	-28
Total current taxes	**8,595**	**7,150**
of that		
Tax expenses, domestic	8,488	6,444
Tax income, domestic	-193	-15
Tax expenses, foreign	440	734
Tax income, foreign	-140	-13
	8,595	**7,150**
Deferred taxes		
Deferred taxes on temporary differences	1,078	-1,838
Deferred taxes on loss carry-forwards	-2,511	-1,819
Total deferred taxes	**-1,433**	**-3,657**
of that		
Deferred taxes, domestic	-715	-3,559
Deferred taxes, foreign	-718	-98
	-1,433	**-3,657**
Total	**7,162**	**3,493**

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 items for deferred taxes reported on the various balance sheet dates as well as the movements of deferred tax assets within the reporting year include the following:

Deferred tax assets (in TEUR)	2011	Change: Reported in income statement	Change: Reported in equity	2012
Goodwill recognized in tax balance sheet	468	421	0	889
Recognition and measurement of intangible assets	1,965	-506	0	1,459
Measurement of tangible fixed assets	5,273	-1,104	283	4,452
Recognition and measurement of other assets	28	1	0	29
Recognition of liabilities from finance leases	9,387	-254	0	9,133
Measurement of personnel-related provisions	7,594	9	0	7,603
Measurement of provisions for dismantling liabilities	1,047	673	0	1,720
Recognition and measurement of other miscellaneous provisions	1,018	35	0	1,053
Recognition of derivative financial instruments	878	45	121	1,044
Recognition of accruals and deferred income	613	-162	0	451
Recognition and measurement of other liabilities	564	-160	0	404
Write-down of deferred taxes from temporary differences	-1,248	-367	0	-1,615
Recognition of tax-related loss and interest carry-forwards	4,922	2,510	0	7,432
Gross deferred taxes	**32,509**	**1,141**	**404**	**34,054**
Balance	-20,306			-20,598
Reported deferred taxes	**12,203**			**13,456**

The reported changes in equity included tax changes to an amount of EUR 349,000 and currency translation differences amounting to EUR 55,000.

Deferred tax liabilities (in TEUR)	2011	Change: Reported in income statement	Change: Reported in equity	2012
Recognition and measurement of intangible assets	-2,624	-276	0	-2,900
Measurement of tangible fixed assets	-12,429	-60	0	-12,489
Capitalization of finance leases	-8,572	364	0	-8,208
Recognition of a special item with reserve element in the tax balance sheet	-159	55	0	-104
Recognition and measurement of other assets	-359	158	0	-201
Measurement of personnel-related provisions	-1,657	11	0	-1,646
Recognition and measurement of other miscellaneous provisions	-68	6	0	-62
Recognition and measurement of other liabilities	-8	-79	0	-87
Elimination of intragroup profits and losses	-141	113	0	-28
Gross deferred taxes	**-26,017**	**292**	**0**	**-25,725**
Balance	20,306			20,598
Reported deferred taxes	**-5,711**			**-5,127**

The following deferred tax credits were not capitalized:

(in TEUR)	2012-12-31	2011-12-31
Deductible temporary differences	1,615	1,248
Loss and interest carry-forwards	33,548	36,774
Total	**35,163**	**38,022**

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 plan of the respective affiliated companies is the basis of the measurement.

Deferred tax assets to an amount of EUR 5,152,000 (previous year: EUR 3,347,000) were formed for subsidiaries that suffered losses in the reporting year or previous year because of the improved prospects of profit.

As of December 31, 2012, the Group had tax loss carry-forwards of EUR 264,749,000 (previous year: EUR 271,290,000). As of December 31, 2012, no deferred tax receivables were capitalized for tax loss carry-forwards of EUR 218,172,000 (previous year: EUR 238,297,000) 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 adequate tax gains in the near future.

Deductible differences for which no deferred taxes were capitalized as of December 31, 2012 and as of December 31, 2011 apply to subsidiaries whose expected tax income situation will presumably not enable use of deferred tax assets.

Reconciliation of the effective tax rate and effective expenses for taxes on income:

Reconciliation statement (in TEUR)	**2012**		**2011**	
Profit for the year before taxes according to IFRS		49,072		48,518
Group tax rate %	15.4 %		15.4 %	
Expected expenses for taxes on income in the financial year		7,557		7,472
Reconciliation items				
Effects of changes in tax rates		6		-46
Tax-free income/curtailments related to trade tax		-640		-524
Non-tax-deductible expenses/additions related to trade tax/ effects of tax barrier		4,873		2,150
Use of additional tax-related special operating expenses		-4,942		-6,042
Current tax expenses/income not relating to this period		435		620
Deferred tax expenses/income not relating to this period		-681		-444
Effects due to differing tax rates		974		1,678
Effects of non-recognized loss carry-forwards in reporting year		1,877		3,281
Effects of adjustment of recognition of loss carry-forwards in previous years		-3,001		-2,723
Effects of adjustments of tax-related loss carry-forwards in reporting year		267		210
Recognition adjustments of deferred taxes on temporary differences		367		-2,220
Other effects		70		81
Total reconciliation items	-0.8 %	-395	-8.2 %	-3,979
Income tax expenses reported in the Group	**14.6 %**	**7,162**	**7.2 %**	**3,493**

The group tax rate of 15.4 percent (previous year: 15.4 percent) applied to determine the expected expenses for taxes on income includes, as in the previous year, only the trade tax in Germany on the basis of the trade tax rate relevant for BLG LOGISTICS GROUP AG & Co. KG since the latter, as a partnership, is not subject to the corporate tax and solidarity surcharge as an independent taxable entity.

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 2012 financial year are EUR 0.69 (previous year: EUR 0.58). This calculation is based on the share of the annual Group net income of EUR 2,666,000 (previous year: EUR 2,215,000) 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.

The diluted earnings per share, like the undiluted earnings per share, result in full from amortized activities.

18 Dividend per share

A dividend payout of EUR 1,536,000 (previous year: EUR 1,536,000) is proposed for the 2012 financial year. This corresponds to a dividend per share of EUR 0.40 (previous year: EUR 0.40).

Disclosures regarding consolidated statement of income and accumulated earnings

19 Income and expenses reported directly in equity

(in TEUR)	2012	2011
Currency translation	-461	-438
Proportion of currency translation of associated enterprises	-246	217
	-707	**-221**
Change in fair value of derivative		
financial instruments (cash flow hedges)	-728	-1,133
of that, transferred to the income statement	0	0
	-728	**-1,133**
Change in fair value of derivative		
financial instruments of associated enterprises	8	21
of that, realized in the income statement	0	0
	8	**21**
Taxes on other comprehensive income	349	442
Total	**-1,078**	**-891**

20 Taxes on the income and expenses reported directly in equity

(in TEUR)	2012 Gross value	2012 Tax expense/ income	2012 Net value	2011 Gross value	2011 Tax expense/ income	2011 Net value
Currency translation	-461	0	-461	-438	0	-438
Proportion of currency translation of associated enterprises	-246	0	-246	217	0	217
Change in fair value of derivative financial instruments (cash flow hedges)	-728	121	-607	-1,133	176	-957
Change in fair value of derivative financial instruments of associated enterprises	8	0	8	21	0	21
Tax rate changes	0	228	0	0	266	0
Total	**-1,427**	**349**	**-1,306**	**-1,333**	**442**	**-1,157**

Consolidated balance sheet disclosures

21 Intangible assets

(in TEUR) 2012 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, 2012	14,032	42,089	6,375	62,496
Changes in entities to be consolidated	0	0	0	0
Additions	0	18,655	1,351	20,006
Disposals	0	-30	-67	-97
Transfers	0	2,347	-2,112	235
Currency translation differences	-90	-9	0	-99
As of December 31, 2012	**13,942**	**63,052**	**5,547**	**82,541**
Depreciation				
As of January 1, 2012	6,865	22,845	0	29,710
Changes in entities to be consolidated	0	0	0	0
Additions	0	3,810	0	3,810
Disposals	0	-27	0	-27
Transfers	0	0	0	0
Currency translation differences	0	-5	0	-5
As of December 31, 2012	**6,865**	**26,623**	**0**	**33,488**
Carrying amounts as of 2012-12-31	**7,077**	**36,429**	**5,547**	**49,053**
Carrying amounts as of 2011-12-31	7,167	19,244	6,375	32,786

(in TEUR) 2011 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, 2011	12,720	38,190	7,166	58,076
Changes in entities to be consolidated	0	0	0	0
Additions	0	2,156	2,244	4,400
Disposals	0	-1,751	0	-1,751
Transfers	0	3,493	-3,035	458
Currency translation differences	1,312	1	0	1,313
As of December 31, 2011	**14,032**	**42,089**	**6,375**	**62,496**
Depreciation				
As of January 1, 2011	0	21,333	0	21,333
Changes in entities to be consolidated	0	0	0	0
Additions	6,000	3,245	0	9,245
Disposals	0	-1,739	0	-1,739
Transfers	0	0	0	0
Currency translation differences	865	6	0	871
As of December 31, 2011	**6,865**	**22,845**	**0**	**29,710**
Carrying amounts as of 2011-12-31	**7,167**	**19,244**	**6,375**	**32,786**
Carrying amounts as of 2010-12-31	12,720	16,857	7,166	36,743

In conformity with the accounting and measurement methods described in disclosure 6 b) and 6 m), the Group examines on an annual basis whether there is an impairment of goodwill. The recoverable amount from cash-generating units was determined on the basis of calculations of the value in use. The following table shows the main goodwill figures examined and the assumptions on which the calculations are based:

Impairment test		
Designation of CGU	BLG ViDi LOGISTICS TOW Kiev, Ukraine	BLG AutoRail GmbH, Bremen, Germany
Division	AUTOMOBILE	AUTOMOBILE
Carrying amount of goodwill	UAH 24,197,000	EUR 4,288,000
Exceptional depreciation	--	--
Sales growth p.a. (planning period)	11.7 % - 16.7 %	4.2 % - 34.8 %
Other parameters for corporate planning	new car registration figures, market share, real net output ratio, price per vehicle	no. of railway wagons, capacity utilization, price per vehicle
Length of planning period	3 years	3 years
Sales growth p.a. after end of planning period	0.00 %	0.00 %
Discount rate	9.80 %	4.20 %

In the 2009 financial year goodwill to an amount of UAH 94.4 million resulted from the acquisition of 50 percent of the shares in BLG ViDi LOGISTICS TOW, Kiev, Ukraine within the framework of purchase price allocation. After exceptional depreciation of UAH 70.2 million the goodwill was subjected to valuation allowance in the previous year resulting in a carrying amount of UAH 24.2 million.

To determine the value in use of this goodwill, a common cash-generating unit (BLG ViDi LOGISTICS) allocated to the Eastern Europe segment (Automobile Terminal, Shipments) is formed out of the two companies BLG ViDi LOGISTICS TOW and its holding E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine. The market shares on which planning is based reflect the assessment of the Board of Management that a new location, fully operational in 2013, can be operated with an appropriate basic capacity utilization and an annual increase in the market share of 2 percentage points. A reduction in the assumptions regarding sales growth or a rise in the discount rate would result in a recoverable amount below the carrying amount.

Translation of the goodwill into euros results in currency translation differences reported in equity without effect on the income statement amounting to EUR 0.1 million.

Based on the assumptions shown in the above table, the recoverable amount for BLG AutoRail GmbH, Bremen, is significantly above the carrying amount of the cash-generating unit. Planning takes into account a capacity utilization of the railway wagons corresponding to the empirical values of the previous years. Even in the event of a substantial reduction in the assumptions regarding sales growth and the other parameters or an increase in the discount rate, a recoverable amount greater than the carrying amount would result. The sales expectations on which planning in the AUTOMOBILE Division is based were derived from market forecasts for new car registrations, market shares to date and customer surveys.

The other existing goodwill amounting to EUR 512,000 relates to the container repair segment in the CONTAINER Division. The impairment tests conducted using the expected future cash flows determined on the basis of a 3-year plan did not result in any indications of impairment need. The cash flows were extrapolated beyond the planning period using a growth rate of 0.5 percent.

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	2012	2011
Software licenses	2 -10 years	2 - 10 years
Internally developed software	3 - 5 years	3 - 5 years
Supply and sluice use rights	20 years	20 years
Rights to operation of container terminals	40 years	---

No impairments arose in the financial year.

No financing costs were capitalized for qualified assets.

22 Tangible assets

(in TEUR) 2012 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, 2012	553,156	454,680	61,852	49,282	1,118,970
Changes in entities to be consolidated	0	0	0	0	0
Additions	30,780	35,513	7,876	31,428	105,597
Disposals	-89	-11,885	-2,704	0	-14,678
Transfers	24,146	15,438	468	-40,287	-235
Currency translation differences	-448	145	-28	-177	-508
As of December 31, 2012	**607,545**	**493,891**	**67,464**	**40,246**	**1,209,146**
Depreciation					
As of January 1, 2012	226,135	218,846	42,521	0	487,502
Changes in entities to be consolidated	0	0	0	0	0
Additions	21,365	31,698	7,287	0	60,350
Disposals	-68	-9,772	-3,515	0	-13,355
Transfers	-3	-155	158	0	0
Currency translation differences	0	49	-28	0	21
As of December 31, 2012	**247,429**	**240,666**	**46,423**	**0**	**534,518**
Carrying amounts as of 2012-12-31	**360,116**	**253,225**	**21,041**	**40,246**	**674,628**
Carrying amounts as of 2011-12-31	327,021	235,834	19,331	49,282	631,468

(in TEUR) 2011 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, 2011	557,624	451,807	62,010	10,932	1,082,373
Changes in entities to be consolidated	0	0	0	0	0
Additions	4,342	9,420	4,734	42,032	60,528
Disposals	-8,858	-9,532	-5,075	0	-23,465
Transfers	-165	3,177	291	-3,761	-458
Currency translation differences	213	-192	-108	79	-8
As of December 31, 2011	**553,156**	**454,680**	**61,852**	**49,282**	**1,118,970**
Depreciation					
As of January 1, 2011	210,554	193,411	41,711	0	445,676
Changes in entities to be consolidated	0	0	0	0	0
Additions	19,781	32,969	5,838	0	58,588
Disposals	-4,020	-7,819	-4,815	0	-16,654
Transfers	-179	337	-158	0	0
Currency translation differences	-1	-52	-55	0	-108
As of December 31, 2011	**226,135**	**218,846**	**42,521**	**0**	**487,502**
Carrying amounts as of 2011-12-31	**327,021**	**235,834**	**19,331**	**49,282**	**631,468**
Carrying amounts as of 2010-12-31	347,070	258,396	20,299	10,932	636,697

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

Useful life periods of tangible assets	2012	2011
Buildings of lightweight design	10 years	10 years
Buildings of solid design	20 - 40 years	20 - 40 years
Outdoor areas	10 - 25 years	10 - 25 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	3 - 20 years	3 - 20 years
Low-value assets	1 year	1 year

Impairment to an amount of EUR 1,227,000 (previous year: EUR 1,060,000) arose in the 2012 financial year. Of that, the CONTRACT Division accounted for EUR 296,000 and the CONTAINER Division for EUR 929,000.

After termination of a customer contract the useful life periods of rack facilities were adjusted to the remaining term of the contract in the CONTRACT Division because of a lack of other possible uses and the remaining carrying amounts of the facilities were correspondingly impaired. In the CONTAINER Division the impairments essentially result from the premature return of areas to the City of Hamburg for construction of a locomotive service station.

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 40,246,000 (previous year: EUR 49,282,000), exclusively comprise assets under construction.

Financing costs to an amount of EUR 1,054,000 (previous year: EUR 8,000) were capitalized for qualified assets. The average interest rate in this connection was 2.12 percent.

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)	2012-12-31	2011-12-31
Buildings	415	456
Technical equipment and machinery	57,838	53,369
Operating and office equipment	173	253
Total	**58,426**	**54,078**

The rented or leased assets compare with leasing liabilities to an amount of EUR 63,038,000 (previous year: EUR 58,658,000), see disclosure no. 31. The terms of the leasing agreements are up to 15 years.

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) Financial year 2012	Shares in affiliated companies	Financial assets at equity	Other partici-pations	Long-term securities	Total
Purchase costs					
As of January 1, 2012	422	47,792	1,320	628	50,162
Changes in entities to be consolidated	0	0	0	0	0
Additions	25	3,780	0	0	3,805
Disposals	-64	-10,646	-7	0	-10,717
Transfers	0	0	0	0	0
Currency translation differences	0	-283	0	0	-283
As of December 31, 2012	**383**	**40,643**	**1,313**	**628**	**42,967**
Depreciation					
As of January 1, 2012	23	139	253	0	415
Changes in entities to be consolidated	0	0	0	0	0
Additions	0	0	0	0	0
Disposals	-13	0	0	0	-13
Currency translation differences	0	0	0	0	0
As of December 31, 2012	**10**	**139**	**253**	**0**	**402**
Carrying amounts as of 2012-12-31	**373**	**40,504**	**1,060**	**628**	**42,565**
Carrying amounts as of 2011-12-31	399	47,653	1,067	628	49,747

(in TEUR) Financial year 2011	Shares in affiliated companies	Financial assets at equity	Other partici-pations	Long-term securities	Total
Purchase costs					
As of January 1, 2011	663	41,901	1,326	628	44,518
Changes in entities to be consolidated	0	0	0	0	0
Additions	2	6,547	0	0	6,549
Disposals	-75	-275	-6	0	-356
Transfers	-168	168	0	0	0
Currency translation differences	0	-549	0	0	-549
As of December 31, 2011	**422**	**47,792**	**1,320**	**628**	**50,162**
Depreciation					
As of January 1, 2011	21	139	253	0	413
Changes in entities to be consolidated	0	0	0	0	0
Additions	2	0	0	0	2
Disposals	0	0	0	0	0
Currency translation differences	0	0	0	0	0
As of December 31, 2011	**23**	**139**	**253**	**0**	**415**
Carrying amounts as of 2011-12-31	**399**	**47,653**	**1,067**	**628**	**49,747**
Carrying amounts as of 2010-12-31	642	41,762	1,073	628	44,105

Shares in affiliated companies

The shares in affiliated companies to an amount of EUR 373,000 (previous year: EUR 399,000) 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 of 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. 47.

Shares in associated enterprises

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

	2012-12-31		2011-12-31	
	Share	Carrying amount in TEUR	Share	Carrying amount in TEUR
dbh Logistics IT AG, Bremen, Germany	26.8 %	1,082	26.8 %	1,053
ZLB Zentrallager Bremen GmbH & Co. KG, Bremen, Germany	33.3 %	1,733	33.3 %	1,803
NYK Logistics & BLL (NLB) of South Africa Pty. Ltd., Port Elizabeth, South Africa	44.0 %	835	44.0 %	594
BMS Logistica Ltda., São Paulo, Brazil	50.0 %	1,354	50.0 %	3,350
DCP Dettmer Container Packing GmbH & Co. KG, Bremen, Germany	50.0 %	157	50.0 %	57
Hansa Marine Logistics GmbH, Bremen, Germany	100.0 %	96	100.0 %	96
BLG-ESF Warehouse GmbH, Bremen, Germany	50.0 %	68	50.0 %	71
Schultze Stevedoring GmbH & Co. KG, Bremen, Germany	50.0 %	400	50.0 %	250
ICC Independent Cargo Control GmbH, Bremen, Germany	33.3 %	23	33.3 %	23
OLB Offshore Logistics Bremerhaven GmbH, Bremerhaven, Germany	42.5 %	402	42.5 %	313
AutoLogistics International GmbH, Bremen, Germany [1)]	50.0 %	1,396	--	--
BLG MILS Logistics Sdn. Bhd., Kuala Lumpur, Malaysia	60.0 %	0	60.0 %	0
BLG Parekh Logistics Pvt. Ltd., Mumbai, India	50.0 %	176	50.0 %	232
ICO BLG Automobile Logistics Italia S.p.A., Gioia Tauro, Italy	50.0 %	2,866	50.0 %	2,847
Automobile Logistics Slovakia s.r.o., Bratislava, Slovakia	50.0 %	339	50.0 %	232
AUTOMOBILE LOGISTICS CZECH s.r.o., Nošovice, Czech Republic	50.0 %	347	50.0 %	178
BLG CarShipping Koper d.o.o., Koper, Slovenia	100.0 %	139	100.0 %	84
E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine	50.0 %	1,135	50.0 %	1,070
ATN Autoterminal Neuss GmbH & Co. KG, Neuss, Germany	50.0 %	3,692	50.0 %	3,581
Autoterminal Slask Logistic Sp. z o.o., Dabrowka Gornicza, Poland	50.0 %	540	50.0 %	1,823
FESCO BLG Automobile Logistics Russia LTD, Nicosia, Cyprus	50.0 %	1,421	50.0 %	434
BLG Interrijn Auto Transport RoRo B.V., Rotterdam, Netherlands	50.0 %	165	50.0 %	176
BLG – Cinko Auto Logistics (Tianjin) Co., Ltd., Tianjin, People's Republic of China [1)]	50.0 %	320	--	--
BLG Logistics Consulting (Beijing) Co., Ltd., Beijing, People's Republic of China [1)]	100.0 %	0	--	--
CONTSHIP Italia S.p.A., Genoa, Italy	16.7 %	18,875	16.7 %	20,502
TangerMedGate Management S.a.r.l., Tangier, Morocco	26.7 %	1,306	26.7 %	2,186
ACOS Holding AG, Bremen, Germany	25.0 %	1,633	25.0 %	1,612
OJSC Ust-Luga Container Terminal, Ust-Luga, Russia	10.0 %	0	10.0 %	5,082
FLZ Hamburger Feeder Logistik Zentrale GmbH, Hamburg, Germany	17.0 %	4	17.0 %	4
Total		**40,504**		**47,653**

[1)] consolidated at equity for first time in 2012

The change in the carrying amount of the shares in associated enterprises is essentially attributable to the increase due to the proportionate profits for the year (EUR 1,559,000), dividend payouts (EUR 6,289,000), the sale of shares of a company in which an indirect participation is held (EUR 1,097,000), an increase due to currency translations differences (EUR -283,000) as well as derecognition of the option (EUR 3,810,000) of the co-shareholder of OJSC Ust-Luga Container Terminal, Ust-Luga, Russia.

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 on a proportionate basis via the EUROGATE Group. 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).

Goodwill to an amount of EUR 1,368,000, included in the carrying amount of the shares, came into being in connection with acquisition of ACOS Holding AG, Bremen as of December 23, 2008.

Because of preceding losses, proportionate profits of associated enterprises to an amount of EUR 40,000 (previous year: EUR 186,000) were not reported in the Group result in the 2012 financial year. On the closing date the cumulated loss shares not reported in the Group result totaled EUR 170,000 (previous year: EUR 205,000).

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

(in TEUR)	2012	2011
Assets	147,698	126,955
Liabilities	-100,270	-78,139
Net assets	**47,428**	**48,816**
Income	122,398	123,404
Expenses	-118,699	-119,979
Net result	**3,699**	**3,425**

Other participations

(in TEUR)	2012	2011
Medgate FeederXpress Ldt., Monrovia, Liberia	795	795
Miscellaneous	265	272
Total	**1,060**	**1,067**

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

2012 financial year (in TEUR)	< 1 year	> 1 - 5 years	> 5 years	2012-12-31 Total
Loans to affiliated companies	100	0	0	100
Loans to joint ventures	0	0	18,375	18,375
Loans to associated enterprises	562	18,831	2,448	21,841
Loans to shareholders	0	0	0	0
Other loans	169	2,246	500	2,915
Other receivables from shareholders	1,013	0	0	1,013
Excess of direct insurance assets over pension liabilities	0	0	101	101
Financial receivables from shareholder accounts at joint ventures	17,142	0	0	17,142
Financial receivables from shareholder accounts at associated enterprises	934	0	0	934
Receivables from leasing companies	7,081	0	0	7,081
Financial receivables from finance leasing	428	1,267	3,025	4,720
Other financial receivables	925	19	119	1,063
Total	**28,354**	**22,363**	**24,568**	**75,285**

2011 financial year (in TEUR)	< 1 year	> 1 - 5 years	> 5 years	2011-12-31 Total
Loans to affiliated companies	100	0	0	100
Loans to joint ventures	0	0	0	0
Loans to associated enterprises	0	3,087	3,755	6,842
Loans to shareholders	0	0	0	0
Other loans	0	2,318	550	2,868
Other receivables from shareholders	674	0	0	674
Excess of direct insurance assets over pension liabilities	0	0	4	4
Financial receivables from shareholder accounts at joint ventures	17,680	0	0	17,680
Financial receivables from shareholder accounts at associated enterprises	1,019	0	0	1,019
Receivables from leasing companies	4,966	0	0	4,966
Financial receivables from finance leasing	90	436	3,155	3,681
Other financial receivables	398	98	59	555
Total	**24,927**	**5,939**	**7,523**	**38,389**

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

The loans to joint ventures are accounted for in full by EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG, are due in 2022 and have an interest rate of 6 percent.

The long-term loans to associated enterprises are granted with interest rates from 3 percent to 12 percent.

Because of the predominantly 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.

With regard to on-schedule performance by the contracting parties and the default risk, the financial receivables on the closing dates are as follows:

Financial receivables (in TEUR)	**2012-12-31**	**2011-12-31**
Neither overdue nor impaired receivables	74,944	38,243
Overdue but not impaired receivables	341	146
Impaired receivables	0	0
Carrying amounts	**75,285**	**38,389**

Impaired financial receivables or valuation allowances recognized on that basis did not exist on the past two balance sheet dates.

Valuation allowances for financial receivables (in TEUR)	**2012-12-31**	**2011-12-31**
As of beginning of financial year	0	87
Consumption / derecognition of receivables	0	-87
As of end of financial year	**0**	**0**

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

25 Inventories

(in TEUR)	**2012-12-31**	**2011-12-31**
Raw materials, consumables and supplies	11,722	10,290
Work in progress	934	368
Finished goods and merchandise	395	406
Total	**13,051**	**11,064**

The inventories are not pledged as security for liabilities. Valuation allowances for the inventories were recognized to an amount of EUR 477,000 (previous year: EUR 438,000) as of December 31, 2012.

26 Trade receivables and other assets

Trade receivables (in TEUR)	2012-12-31	2011-12-31
Receivables – third parties	174,174	145,852
Receivables – third parties, stage of completion method	701	553
Receivables – affiliated companies	19	152
Receivables – companies in which a participation is held	5,083	4,648
Total	**179,977**	**151,205**

The trade receivables shall be paid interest-free within a year and do not serve as securities for liabilities. The average term of payment is 57 days (previous year: 54 days). 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)	2012-12-31	2011-12-31
Neither overdue nor impaired receivables	142,292	113,871
Overdue but not impaired receivables	36,975	36,798
Impaired receivables	710	536
Total	**179,977**	**151,205**

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)	2012-12-31	2011-12-31
Less than 30 days	26,121	27,184
Between 30 and 60 days	5,638	4,624
Between 61 and 90 days	3,160	1,730
Between 91 and 180 days	1,846	2,405
Between 181 and 360 days	113	531
More than 360 days	97	324
Total	**36,975**	**36,798**

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

Impaired trade receivables (in TEUR)	2012-12-31	2011-12-31
Nominal amounts	2,602	2,196
Valuation allowances	-1,892	-1,660
Carrying amounts	**710**	**536**

The valuation allowances for trade receivables developed as follows:

Valuation allowances for trade receivables (in TEUR)	2012	2011
As of beginning of financial year	1,660	1,267
Impairments in financial year		
- Additions	1,376	1,160
- Releases	-521	-353
- Changes in exchange rate	-2	-7
Consumption / derecognition of receivables	-621	-407
As of end of financial year	**1,892**	**1,660**

Furthermore, derecognition of trade receivables amounting to EUR 137,000 (previous year: EUR 332,000) was carried out in the reporting year and reported under Other operating expenses.

Other assets

	2012-12-31		2011-12-31	
(in TEUR)	short-term	long-term	short-term	long-term
Short-term financial receivables (disclosure no. 24)	28,354	--	24,927	--
Receivables from the Tax Office	6,780	--	5,819	--
Claims to refund from insurance companies	4,731	--	140	--
Deferrals / accruals	2,282	--	1,042	--
Receivables from the employees	330	--	175	--
Receivables from the Employment Office	77	--	56	--
Claims to public grants	47	--	11,528	--
Other assets	2,701	84	1,851	375
Total	**45,302**	**84**	**45,538**	**375**

The claims to refund from insurance companies contain EUR 4,160,000 for the insurance taxes from the compensation for liability damage of the big cities in Germany (Haftpflichtschadenausgleich) in the period from 2004 to 2010 that were excessively charged on the basis of an amended assessment basis and are refunded based on a German Federal Fiscal Court (BFH) decision.

The claims to public grants of the previous year relate, to an amount of EUR 11,217,000, to non-repayable construction cost subsidies of Eisenbahn-Bundesamt for further expanding the multimodal terminals in Wilhelmshaven and Hamburg that were paid out in the reporting year.

The Other assets relate, to an amount of EUR 1,207,000, to a claim for refund of the CONTAINER Division because of a delay in the start of operation at the Wilhelmshaven container terminal.

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 537,000 (previous year: EUR 349,000) as well as claims for refunds for previous years to an amount of EUR 306,000 (previous year: EUR 57,000).

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

28 Cash and cash equivalents

(in TEUR)	2012-12-31	2011-12-31
Balance on current account	61,141	19,659
Call and short-term time deposits	13,846	62,968
Cash	149	117
Total	**75,136**	**82,744**

Bank balances bear interest at variable interest rates for balances subject to call on a daily basis. 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 2012 and 2011 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, 2012.

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, 2012.

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 5,734,000 (previous year: EUR 4,604,000). An amount of EUR 1,130,000 (previous year: EUR 679,000) was transferred from the Group net income to the other revenue reserves in the financial year.

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 23,054,000 corresponds to the disclosure in the financial statement as of December 31, 2012 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)	**2012**	**2011**
As of January 1	**-3,679**	**-2,743**
Change in the reserves	-607	-936
As of December 31	**-4,286**	**-3,679**

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 -5,046,000 (previous year: EUR -4,309,000), the deferred taxes of EUR 777,000 (previous year: EUR 656,000) 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 -17,000 (previous year: EUR -26,000).

The balance sheet result of companies included to an amount of EUR -49,651,000 (previous year: EUR -32,920,000) relates to subsidiaries of BLG LOGISTICS GROUP AG & Co. KG.

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 11,967,000 (previous year: EUR 11,909,000).

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 2012 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, 2012 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 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 2012 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 three companies.

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 32AG.29A. On the basis of the existing rights of termination of the limited partner of BLG LOGISTICS GROUP AG & Co. KG, the proportionate net assets of the limited partner would have to be recognized in borrowed capital. Correspondingly the shares of the result allotted to the limited partner would have to be reported as financing expenses.

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. 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 determined according to IFRS.

Regarding development of the individual equity components, reference is made to the separate consolidated statement of changes in equity on page 120 f.

30 Long-term loans

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

2012-12-31 (in TEUR)		Residual terms			
Interest rate		< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks					
	0.870 - 0.999 %	775	532	0	1,307
	1.000 - 1.999 %	13,694	60,197	40,320	114,211
	2.000 - 2.999 %	1,968	8,375	35,188	45,531
	3.000 - 3.999 %	3,692	13,143	8,252	25,087
	4.000 - 4.999 %	8,104	14,575	24,234	46,913
	5.000 - 5.999 %	2,485	0	0	2,485
	6.000 - 6.293 %	2,000	8,000	12,000	22,000
		32,718	**104,822**	**119,994**	**257,534**
Loans of APM Terminals Wilhelmshaven GmbH					
	6.170 %	0	0	18,375	18,375
Loans of Eisenbahn-Bundesamt					
	interest-free	92	317	315	724
Total		**32,810**	**105,139**	**138,684**	**276,633**

2011-12-31 (in TEUR)		Residual terms			
Interest rate		< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks					
	2.103 - 2.999 %	14,519	56,039	25,606	96,164
	3.000 - 3.999 %	3,168	8,823	33,125	45,116
	4.000 - 4.999 %	24,330	25,900	41,366	91,596
	5.000 - 5.999 %	3,265	7,490	0	10,755
	6.000 - 6.293 %	2,000	8,000	14,000	24,000
		47,282	**106,252**	**114,097**	**267,631**
Loans of Eisenbahn-Bundesamt					
	interest-free	92	317	373	782
Total		**47,374**	**106,569**	**114,470**	**268,413**

In December 2011 non-subordinated, non-hedged promissory note loans to an amount of EUR 50 million as well as in March 2012 an additional amount of EUR 10 million, contained in the above table, were issued for the first time at the following terms:

Terms of promissory note loans 1	Tranche 1	Tranche 2
Loan amount	EUR 19 million	EUR 31 million
Interest	fixed	variable
Interest rate	4.028 %	6M-EURIBOR + 1.7 %
Interest period	semiannually	semiannually
Term	7 years	7 years
Repayment	100 percent payable when due	100 percent payable when due
Due date	December 20, 2018	December 20, 2018

Terms of promissory note loans 2	
Loan amount	EUR 10 million
Interest	variable
Interest rate	6M-EURIBOR + 1.35 %
Interest period	semiannually
Term	7 years
Repayment	semiannually in 5 rates as of April 2017

Of the loans taken out from banks, a total of EUR 104,736,000 (previous year: EUR 142,474,000) was subject to a fixed interest rate while EUR 152,798,000 (previous year: EUR 125,157,000) were subject to a variable interest rate.

The interest-free loan of Eisenbahn-Bundesamt had an interest rate of 5.0 percent.

As a hedge for liabilities of joint ventures to banks to a proportionate amount of EUR 66,710,000 (previous year: EUR 53,874,000), buildings, operating facilities and mobile items of the fixed assets served as security.

Liabilities to banks are hedged by virtue of real estate mortgages to an amount of EUR 25,756,000 (previous year: EUR 35,111,000). 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 (including promissory note loans) of EUR 194,627,000 (previous year: EUR 189,512,000).

For the case of failure to comply with the covenants agreed for the promissory note loans the terms provided for interest increases in two steps of 0.5 percent each. After that there is a right to terminate.

All covenants were met in the reporting year.

31 Other financial liabilities

The other financial liabilities comprise the following:

(in TEUR)	2012-12-31		2011-12-31	
	short-term	long-term	short-term	long-term
Short-term portion of long-term loans	32,810	--	47,374	--
Finance leasing	10,150	52,888	7,279	51,379
Current account credit	44,057	--	10,259	--
Loan BLG Unterstützungskasse GmbH	25,600	0	26,090	0
Clearing account EUROKAI KGaA	17,139	0	17,679	0
Time and call deposits	10,000	--	0	--
Derivatives with negative market value	6,826	--	5,785	--
Accruals and deferred income	1,895	3,957	1,985	5,747
Miscellaneous	33,073	32,452	23,612	18,559
Total	**181,550**	**89,297**	**140,063**	**75,685**

The other miscellaneous short-term financial liabilities include liabilities resulting from reductions in sales proceeds to an amount of EUR 17,361,000 (previous year: EUR 12,353,000) and cash management clearing accounts for participations to an amount of EUR 8,765,000 (previous year: EUR 4,008,000).

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 12,109,000 (previous year: EUR 13,436,000). Furthermore, an amount of EUR 15,205,000 relates to liabilities regarding a license for operation of a container terminal.

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	2012-12-31	2011-12-31
Current account liabilities to banks	0.99 %	1.62 %
Call and time deposits taken out	1.07 %	1.92 %

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

(in TEUR)	2012-12-31			2011-12-31		
	Minimum leasing rates	of that, repayment	of that, interest	Minimum leasing rates	of that, repayment	of that, interest
up to one year	12,907	10,150	2,757	10,138	7,279	2,859
1 - 5 years	34,918	27,675	7,243	31,855	23,931	7,923
more than 5 years	30,611	25,213	5,398	34,227	27,448	6,780
Total	**78,436**	**63,038**	**15,398**	**76,220**	**58,658**	**17,562**

32 Accruals for government grants

(in TEUR)	2012-12-31		2011-12-31	
	short-term	long-term	short-term	long-term
Container terminal in Bremerhaven	663	9,830	663	10,404
Container terminal in Hamburg	921	11,558	955	11,816
Container terminal in Wilhelmshaven	554	10,251	271	10,686
Miscellaneous	196	221	--	--
Total	**2,334**	**31,860**	**1,889**	**32,906**

With one exception, 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 1,838,000 (previous year: EUR 1,585,000) was reported for 2012.

The grants for the Bremerhaven, Hamburg and Wilhelmshaven container terminals apply to the EUROGATE Group and represent the amounts resulting from proportionate consolidation. They were essentially granted by Eisenbahn-Bundesamt for expansion and/or construction of new multimodal terminals in Bremerhaven, Hamburg-Waltershof and Wilhelmshaven.

Eisenbahn-Bundesamt provides these grants for construction, extension and expansion of cargo handling facilities used for multimodal transport to the extent they are absolutely necessary to achieve the purpose of the support and the facilities are accessible to the public, insofar as financing by means of private capital does not lead to economic efficiency of the facilities and competition is not distorted by the support. The facility supported is to be operated over a period of at least 20 years. The funding institution is responsible for approval, payment, invoicing and examination of the use of funds documentation.

The other public grants result from subsidies received to an amount of EUR 1,253,000, of which an amount of EUR 836,000 was reported with effect on the income statement in the course of the year. The income predominantly relates to support funds from the European Union in the framework of the support program for European commodity traffic “Marco Polo” to an amount of EUR 825,000.

33 Long-term provisions

(in TEUR)	2012-12-31	2011-12-31
Personnel-related provisions		
Direct commitments	10,535	10,296
BLG company pension	20,044	20,059
Working-life time accounts	0	25
Social future concept	5,096	4,905
Provisions for anniversaries	7,157	5,892
	42,832	**41,177**
Other provisions		
Provisions for dismantling commitments	12,097	7,519
Miscellaneous other long-term provisions	989	1,114
	13,086	**8,633**
Total	**55,918**	**49,810**

Long-term benefits to employees (in TEUR)	As of 2012-01-01	Claiming	Release	Addition	Transfer	As of 2012-12-31
Direct commitments	10,296	55	26	312	8	10,535
BLG company pension	20,059	31	0	16	0	20,044
Working-life time accounts	25	0	25	0	0	0
Social future concept	4,905	0	0	560	-369	5,096
Provisions for pensions	**35,285**	**86**	**51**	**888**	**-361**	**35,675**
Provisions for anniversaries	5,892	3	0	1,268	0	7,157
Total	**41,177**	**89**	**51**	**2,156**	**-361**	**42,832**

Short-term benefits to employees (in TEUR)	As of 2012-01-01	Claiming	Release	Addition	Transfer	As of 2012-12-31
Direct commitments	284	284	0	297	0	297
BLG company pension	1,307	1,291	0	1,286	0	1,302
Provisions for pensions	**1,591**	**1,575**	**0**	**1,583**	**0**	**1,599**
Provisions for anniversaries	458	453	0	447	0	452
Total	**2,049**	**2,028**	**0**	**2,030**	**0**	**2,051**

Provisions for pensions

The legal framework for granting employee benefits is based, first of all, on individual commitments of the affiliated companies. Moreover, obligations 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 the Free Hanseatic City of Bremen (municipality of 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 & Co. KG (formerly: 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 dependents 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.

In the case of premature application of IAS 19 (rev.) or alternatively possible immediate reporting of the actuarial losses with effect on the income statement or reporting in the other operating result without effect on the income statement, the pension liabilities would have increased by EUR 16,146,000 and the equity would have decreased accordingly, taking into account deferred taxes. In the previous year the pension liabilities would have increased by EUR 2,712,000 and the equity would have decreased accordingly, taking into account deferred taxes.

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)	**2012**	**2011**
	Status at beginning of reporting year	99,091	86,644
+	Current employment period expenses	3,308	2,340
+	Pay conversion expense	4,392	2,801
+	Interest expense	5,128	4,503
+/-	Actuarial gains or losses amortized in the financial year	108	374
+/-	Actuarial gains and losses	13,434	5,458
-	Claiming	-3,864	-3,090
+	Employment period expenses to be subsequently set off	-78	76
+/-	Transfers	33	-15
+/-	Changes in the entities to be consolidated	0	0
	Status at end of reporting year	**121,552**	**99,091**

	Development of plan assets (in TEUR)	**2012**	**2011**
	Status at beginning of reporting year	59,403	52,370
+	Expected income	2,618	1,947
+/-	Actuarial gains or losses amortized in the financial year	542	1,782
+	Additions of the employees included in the plan (e.g. pay conversions)	4,392	2,801
+	Contributions of the employer	3,146	1,979
-	Claiming	-1,984	-1,447
+/-	Transfers	66	-29
	Status at end of reporting year	**68,183**	**59,403**

	Reconciliation of the present values from DBO and plan assets to the net liability recognized in the balance sheet (in TEUR)	**2012**	**2011**
	Present value of liabilities not covered by a fund	37,283	32,538
+	Present value of liabilities from completely or partially covered pension liabilities	84,269	66,553
	Total present value of the liabilities	**121,552**	**99,091**
	Present value of plan assets	-68,183	-59,403
+	Refund claims capitalized as assets	101	0
	Present value of plan assets	**-68,082**	**-59,403**
+/-	Actuarial gains and losses not reported in the balance sheet, previous years (net)	-2,712	2,746
+/-	Actuarial gains and losses not reported in the balance sheet, current year (net)	-13,434	-5,458
+/-	Other amounts recognized in the balance sheet	-52	-100
	Net liabilities	**37,272**	**36,876**

	Components of the pension expenses (in TEUR)	**2012**	**2011**
	Current employment period expenses	3,308	2,340
+	Interest expense	5,128	4,503
-	Expected income from plan assets and refund claims	-2,618	-1,947
+/-	Actuarial gains or losses amortized in the financial year	-434	-1,408
+	Employment period expenses to be subsequently set off and amortized in the financial year	-78	76
	Total pension expenses	**5,306**	**3,564**

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	**2012-12-31**	**2011-12-31**
Discount rate	3.80 - 4.20 %	4.80 - 5.10 %
Expected wage and salary development	2.00 - 2.50 %	2.00 - 2.50 %
Expected pension increases	0.00 - 2.00 %	1.00 - 2.00 %
Expected fluctuation rate	0.00 - 3.00 %	0.00 - 3.00 %
Expected returns from plan assets	4.00 %	4.00 - 4.10 %

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

The present value of the pension liabilities depends on numerous factors based on actuarial assumptions. The assumptions used to determine the net expenses (or income) for pensions include the discount rate. Any change in these assumptions will have impacts on the carrying amount of the pension liabilities.

The Group calculates the appropriate discount rate as of the end of each year. This is the interest rate used to determine the present value of the expected future cash outflows to pay the liabilities. The basis used by the Group to determine the discount rate is the interest rate for industrial loans with the highest credit rating in the currency in which the services are paid and with terms that correspond to those of the pension liabilities.

Other major assumptions for pension liabilities are based on market conditions in some cases. If the assumptions were based on a discount rate differing from the management estimates by 0.5 percentage points upward or downward, the carrying amount of the pension liabilities would be approx. EUR 7.5 million lower or approx. EUR 8.2 million higher.

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)	**2012**	**2011**	**2010**	**2009**	**2008**
Pension liabilities (DBO)	121,552	99,091	86,644	73,418	63,575
Assets shown separately (plan assets)	-68,183	-59,403	-52,370	-47,167	-38,703
Liabilities exceeding assets	**53,369**	**39,688**	**34,274**	**26,251**	**24,872**

Adjustments in percent	**2012**	**2011**	**2010**	**2009**
Increase based on experience (+)/ Reduction (-) in pension liabilities	0.7	1.2	0.5	0.5
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 3.2 percent (previous year: 4.4 percent). The addition of the reporting year amounting to EUR 1,715,000 contains the annual accrued interest to an amount of EUR 271,000.

Other long-term provisions

(in TEUR)	As of 2012-01-01	Claiming	Release	Addition	Reorganization	As of 2012-12-31
Other provisions						
Provisions for dismantling commitments	7,519	26	0	4,604	0	12,097
Miscellaneous	1,114	35	0	46	-136	989
Total	**8,633**	**61**	**0**	**4,650**	**-136**	**13,086**

The provisions for dismantling commitments predominantly relate to the CONTAINER Division to an amount of EUR 12,007,000 and were recognized for the restoration of the leased grounds in Hamburg at the time of the expiration of the leases. 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 4.2 percent (previous year: 5.1 percent). The addition of the reporting year to an amount of EUR 4,604,000 contains the annual accrued interest to an amount of EUR 518,000. The remaining amount essentially relates to accrued interest based on a shortening of the residual term of a contract of lease forming the basis.

The other long-term provisions primarily relate to impending losses deriving from a non-terminable lease to an amount of EUR 512,000 and noise protection measures in the CONTAINER Division to an amount of EUR 448,000.

34 Trade payables

(in TEUR)	2012-12-31	2011-12-31
Liabilities – third parties	63,821	49,784
Liabilities from outstanding income	18,829	17,918
Liabilities – companies in which a participation is held	4,654	4,340
Liabilities – affiliated companies	145	131
Total	**87,449**	**72,173**

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

35 Other liabilities

Other long-term liabilities (in TEUR)	2012-12-31	2011-12-31
Liabilities for part-time work arrangements for employees approaching retirement	3,702	8,731
Miscellaneous	4	2
Total	**3,706**	**8,733**

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 0.75 percent (previous year: 2.4 percent).

Other short-term liabilities (in TEUR)	2012-12-31	2011-12-31
Liabilities on outstanding vacation	13,844	12,409
Liabilities to employees for wages and salaries	10,820	9,372
Liabilities on sales tax	9,256	7,134
Liabilities for part-time work arrangements for employees approaching retirement	4,730	3,471
Accruals and deferrals	4,154	2,056
Short-term benefits to employees	2,051	2,047
Miscellaneous taxes	1,761	2,823
Liabilities on social security	643	664
Payments received for orders	171	210
Liabilities to employees based on restructuring	158	1,272
Disbursed customs duties	28	291
Miscellaneous	1,320	4,748
Total	**48,936**	**46,497**

The liabilities to employees based on restructuring relate to severance pay and a social compensation plan as those customary in Germany.

The other short-term liabilities contain a liability from an option for acquisition of shares in EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG, Wilhelmshaven, and in EUROGATE Container Terminal Wilhelmshaven Beteiligungsgesellschaft mbH, Wilhelmshaven, amounting to EUR 3,810,000. This option was directly connected with the acquisition of shares in OJSC Ust-Luga Container Terminal, Ust-Luga, Russia. For this reason the applicable fair value of the option was taken into account in the equity recognition as additional purchase costs. Since the requirements for the option were no longer met on the balance sheet date, the obligation was set off against the equity recognition of OJSC Ust-Luga Container Terminal (see also disclosure no. 23 in this connection).

36 Payment obligations resulting from taxes on income

(in TEUR)	2012-12-31	2011-12-31
Corporate and trade tax for reporting year	3,168	2,344
Corporate and trade tax for previous years	6,157	4,934
Liabilities on current taxes, total	**9,325**	**7,278**

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 2012-01-01	Claiming	Release	Reorganization	Addition	As of 2012-12-31
Insurance levies	874	129	708	-391	1,615	1,261
Onerous contracts	4,834	921	2,413	0	522	2,022
Guarantee risks	3,607	0	1,100	0	2,538	5,045
Cases of damage	311	157	56	0	218	316
Restructuring	1,053	113	0	0	49	989
Miscellaneous other provisions	5,326	646	1,015	158	1,116	4,939
Total	**16,005**	**1,966**	**5,292**	**-233**	**6,058**	**14,572**

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

The provisions for onerous contracts relate to the AUTOMOBILE Division to an amount of EUR 1,500,000 and to the CONTRACT Division to an amount of EUR 522,000. The provisions correspond to the estimated costs for existing contracts that presumably are not covered by agreed revenues. The amount of the risks from onerous contracts may increase significantly as a result of a change in the situation in the course of time. In our current estimation such a risk can be viewed as minimal.

Provisions from previous years amounting to EUR 2,507,000 were retained for guarantee risks based on possible initial obligations and ex gratia obligations and new provisions amounting to EUR 2,538,000 were formed. Overall a large scope of discretion is available for assessment of these provisions since no comparable circumstances or other empirical values exist.

The provisions for restructuring relate to personnel measures in the CONTRACT Division that were essentially begun in previous years and are scheduled to be completed by 2013. The estimate is based on historical empirical figures.

The other miscellaneous provisions contain interest for trade tax (EUR 1,382,000), other operating taxes (EUR 1,096,000), contractual maintenance measures (EUR 983,000) and archiving costs (EUR 666,000).

The provisions are primarily due to the reported amount in the course of 2013.

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 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)	**2012-12-31**	**2011-12-31**
Cash and cash equivalents acc. to balance sheet	75,136	82,744
Short-term liabilities to banks[1)]	-54,057	-10,259
Total	**21,079**	**72,485**

[1)] Disclosure in balance sheet in the item "Short-term financial liabilities" (see also disclosure no. 31)

Of the financial resource funds, an amount of EUR 64,189,000 (previous year: EUR 64,425,000) is allocated to companies included on a proportionate basis. The development of the financial resource funds of companies included on a proportionate basis is attributable to the following cash flows:

(in TEUR)	**2012-12-31**	**2011-12-31**
Financial resource funds at beginning of financial year	64,425	41,083
Cash flow from current operating activities	71,116	61,862
Cash flow from investment activities	-63,217	-28,102
Cash flow from financing activities	-8,135	-10,418
Cash-related changes in financial resource funds	**-236**	**23,342**
Financial resource funds at end of financial year	**64,189**	**64,425**

The inflow of funds from current business operating activities increased by EUR 30,371,000 in comparison with the previous year to a total of EUR 115,217,000. Major portions of the change include the higher inflow of funds from the other assets (EUR 17,376,000), other liabilities (EUR 14,253,000), trade payables (EUR 13,842,000), provisions (EUR 8,880,000) and liabilities resulting from reductions in sales proceeds (EUR 5,860,000) as well as the higher inflows of funds from trade receivables (EUR -24,108,000) and public grants (EUR -10,282,000).

The inflow of funds from investment activities increased by EUR 78,075,000 compared to the previous year to a total of EUR 135,746,000. Of this, net payments for intangible assets and tangible fixed assets of EUR 128,386,000 (previous year: EUR 57,941,000) were made in the financial year. The other changes essentially result from inflows of funds from the granting of loans to companies in which a participation is held (EUR 14,330,000) and inflows of funds from dividends received (EUR 6,909,000).

The inflow of funds from financing activities amounted to EUR 31,058,000. A net inflow of funds of EUR 10,155,000 resulted from the issue of promissory note loans (EUR 10,000,000), the taking out of new financial loans (EUR 20,122,000) and repayment of financial loans (EUR 40,277,000). The change in leasing receivables and liabilities led to inflows of funds amounting to EUR 3,340,000 (previous year: inflow of funds EUR 7,583,000).

A total amount of EUR 28,396,000 (previous year: EUR 20,666,000) was paid out to company owners and owners of the hybrid equity capital.

Segment reporting

39 Segment reporting

For details see page178 f.

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, i.e. broken down into 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 display 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.

The AUTOMOBILE Division essentially encompasses BLG AutoTerminal Bremerhaven GmbH & Co. KG, BLG AutoTransport GmbH & Co. KG, BLG CarShipping GmbH & Co. KG as well as BLG AutoRail GmbH.

The main enterprises of the CONTRACT Division are BLG Automotive Logistics GmbH & Co. KG, BLG Handelslogistik GmbH & Co. KG, BLG Logistics Solutions GmbH & Co. KG and BLG Cargo Logistics GmbH & Co. KG.

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 1,094,277,000 (previous year: EUR 975,845,000) and the foreign portion EUR 50,115,000 (previous year: EUR 32,641,000). The basis for allocation is the place of performance by the Group. The domestic portion of the Group's long-term intangible assets and tangible assets comprises EUR 705,083,000 (previous year: EUR 645,570,000) and the foreign portion EUR 18,598,000 (previous year: EUR 18,684,000).

Sales of EUR 142,688,000 (previous year: EUR 118,865,000) were earned with the Group's biggest client, representing more than 12 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).

Segment reporting (in TEUR*)	AUTOMOBILE 2012-12-31	2011-12-31
Sales with external third parties	**419,069**	**381,944**
Inter-segment sales	2,578	255
EBITDA	34,235	32,429
Depreciation	-12,108	-17,491
Segment result (EBIT)	**22,127**	**14,938**
in % of sales	*5.3 %*	*3.9 %*
Interest income	738	562
Depreciation of financial assets	0	0
Interest expenses	-6,363	-6,007
Result from companies included at equity	1,407	1,284
Result from other long-term equity investments	10	11
Earnings before taxes (EBT)	**17,919**	**10,788**
Other information		
Other non-cash-related items	416	234
Included in segment result		
Income not relating to this period	8,624	9,282
Expenses not relating to this period	-3,190	-1,118
Impairments	0	-6,000
Shares in associated enterprises and other companies included at equity	10,964	10,425
Goodwill contained in segment assets	6,565	6,655
Segment assets	255,767	257,590
Investments in long-term intangible fixed assets and tangible fixed assets	11,338	19,495
Segment liabilities	110,540	151,134
Equity	72,989	68,168
Employees	2,213	2,116

* TEUR (thousand EUR)
[1)] The number of employees relates to companies included on proportionate basis (50 percent).

CONTRACT		CONTAINER		Reconciliation		GROUP	
2012-12-31	2011-12-31	2012-12-31	2011-12-31	2012-12-31	2011-12-31	2012-12-31	2011-12-31
405,322	**304,263**	**327,067**	**328,406**	**-7,066**	**-6,127**	**1,144,392**	**1,008,486**
545	992	3,943	4,880	-7,066	-6,127	**0**	**0**
31,579	22,962	77,044	86,639	-13,870	-10,803	**128,988**	**131,227**
-13,942	-12,732	-37,243	-36,859	-867	-751	**-64,160**	**-67,833**
17,637	**10,230**	**39,801**	**49,780**	**-14,737**	**-11,554**	**64,828**	**63,394**
4.4 %	*3.4 %*	*12.2 %*	*15.2 %*	*n/a*	*n/a*	***5.7 %***	***6.3 %***
1,014	1,017	2,541	966	508	476	**4,801**	**3,021**
0	-2	0	0	0	0	**0**	**-2**
-4,683	-5,269	-10,528	-10,840	-4	-120	**-21,578**	**-22,236**
727	1,144	-2,035	616	243	357	**342**	**3,401**
37	36	619	882	13	11	**679**	**940**
14,732	**7,156**	**30,398**	**41,404**	**-13,977**	**-10,830**	**49,072**	**48,518**
57	-37	1,354	-8	0	35	**1,827**	**224**
4,996	6,141	3,650	2,392	2,715	3,275	**19,985**	**21,090**
-1,037	-2,768	-655	-1,193	-1,051	-59	**-5,933**	**-5,138**
-298	0	-929	-1,060	0	0	**-1,227**	**-7,060**
4,907	4,986	21,818	29,386	2,815	2,856	**40,504**	**47,653**
0	0	512	512	0	0	**7,077**	**7,167**
260,617	180,209	556,904	492,727	12,935	40,210	**1,086,223**	**970,736**
33,957	6,747	79,330	37,888	978	798	**125,603**	**64,928**
107,842	95,597	176,608	167,191	-2,301	-93,220	**392,689**	**320,702**
53,058	30,237	217,189	217,620	23,893	37,184	**367,129**	**353,209**
2,819	2,094	1,937 [1)]	1,871 [1)]	203	180	**7,172**	**6,261**

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 for the main items of segment reporting is as follows:

Sales with external third parties	**2012-12-31**	**2011-12-31**
Total of segments subject to reporting requirements	1,151,458	1,014,613
Central divisions/Other sales	0	0
Consolidation	-7,066	-6,127
Group sales	**1,144,392**	**1,008,486**

EBIT	**2012-12-31**	**2011-12-31**
Total of segments subject to reporting requirements	79,565	74,948
Central divisions/Other EBIT	-12,659	-10,571
Consolidation	-2,078	-983
Group EBIT	**64,828**	**63,394**

Segment earnings/Earnings before taxes (EBT)	**2012-12-31**	**2011-12-31**
Total of segments subject to reporting requirements	63,049	59,348
Central divisions/Other EBT	47,094	37,750
Consolidation	-61,071	-48,580
Group segment earnings (EBT)	**49,072**	**48,518**

Assets	**2012-12-31**	**2011-12-31**
Total of segments subject to reporting requirements	1,073,288	930,526
Central divisions/Other assets	584,909	510,790
Shares in associated enterprises and other companies included at equity	40,504	47,653
Deferred tax assets	13,456	12,203
Refund claims from taxes on income	843	406
Consolidation	-571,974	-470,580
Group assets	**1,141,026**	**1,030,998**

Liabilities	**2012-12-31**	**2011-12-31**
Total of segments subject to reporting requirements	394,990	413,922
Central divisions/Other liabilities	132,164	73,917
Equity	367,129	353,209
Long-term loans (excluding short-term portion)	243,823	221,039
Other long-term financial liabilities	89,297	75,685
Deferred tax liabilities	5,127	5,711
Short-term portion of long-term loans	32,811	47,374
Short-term portion of finance leasing	10,150	7,279
Consolidation	-134,465	-167,138
Group liabilities	**1,141,026**	**1,030,998**

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. As a matter of principle, derivatives are not used for trade or speculation purposes.

The major risks of the Group resulting from the financial instruments encompass default risks, foreign currency risks, liquidity risks and interest rate 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 i).

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. Allocation of the carrying amounts of the trade receivables taking into account punctual performance by the contracting parties and the default risk is contained in disclosure 26.

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 11,950,000 (previous year: EUR 11,368,000).

No significant concentrations of default risk exist in the Group.

Transferred, but not completely retired financial assets

BLG entered into an agreement with a bank on the conclusion of reverse repurchase agreements in accordance with Section 340b (1, 3 and 5) HGB via trade receivables to an amount of EUR 9,289,000 (previous year: EUR 6,989,000) for the purpose of short-term improvement of the liquidity situation. The framework agreement grants the lender the right to resell the purchased receivables or to pledge them to the benefit of third parties. BLG has thus relinquished the power of disposal over the receivables.

The transaction is reported in the consolidated financial statement as liabilities to banks under the short-term financial liabilities to the amount of the outstanding receivables. Since the risk of loss of receivables remains with BLG and the reverse repurchase agreements thus do not qualify for derecognition in accordance with IAS 39, no impacts result from disclosure.

As of the balance sheet date, outstanding receivables and liabilities existed based on the reverse repurchase agreements to the following amounts:

(in TEUR)	2012-12-31	2011-12-31
Trade receivables	9,064	3,774
Liabilities to banks	9,064	3,774
Net position	**0**	**0**

The applicable fair values of the receivables and liabilities correspond to the carrying amounts. The receivables were paid in full by the time of preparation of the consolidated financial statement so that no risk results for the Group from the transaction.

The financial instruments are compiled on the following pages according to classes, balance sheet item and measurement categories in accordance with IAS 39.

Carrying amounts of the financial instruments broken down into balance sheet item, classes and categories (in TEUR)	2012-12-31						
	Carrying amount 2012-12-31	**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	1,432	afs	0	1,432	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	46,830	lar	46,830	0	0	0	46,830
Other long-term assets							
Miscellaneous	84	lar	84	0	0	0	84
short-term							
Trade receivables	179,977	lar	179,977	0	0	0	179,977
Other assets							
Short-term financial receivables	28,354	lar	28,354	0	0	0	28,354
Other miscellaneous short-term assets	7,886	lar	7,886	0	0	0	7,886
Cash and cash equivalents	75,136		75,136	0	0	0	75,136
Total financial assets	**340,327**		**338,267**	**2,060**	**0**	**0**	
LIABILITIES							
Financial liabilities							
long-term							
Long-term loans	243,823	flac	243,823	0	0	0	249,822
Other long-term financial liabilities							
Liabilities for finance leasing (lessee)	52,888	flac	52,888	0	0	0	56,650
Miscellaneous long-term financial liabilities	36,409	flac	36,409	0	0	0	36,409
Other long-term liabilities							
Liabilities for part-time work arrangements for employees approaching retirement	3,702	flac	3,702	0	0	0	3,702
Other miscellaneous long-term liabilities	4	flac	4	0	0	0	4
short-term							
Trade payables	87,449	flac	87,449	0	0	0	87,449
Short-term financial liabilities							
Short-term financial liabilities to banks	86,867	flac	86,867	0	0	0	87,331
Derivatives with hedge relationship	5,134	hedging	0	0	5,134	0	5,134
Derivatives without hedge relationship	1,692	hft	0	0	0	1,692	1,692
Other short-term financial liabilities	85,962	flac	85,962	0	0	0	85,962
Other short-term liabilities	17,028	flac	17,028	0	0	0	17,028
Total financial liabilities	**620,958**		**614,132**	**0**	**5,134**	**1,692**	

* afs = available for sale; lar = loans and receivables; flac = financial liability at cost; n.r.d. = not reliably determinable; hft = held for trading

Carrying amounts of the financial instruments broken down into balance sheet item, classes and categories (in TEUR)

	2011-12-31						
	Carrying amount 2011-12-31	**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	1,466	afs	0	1,466	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	13,458	lar	13,458	0	0	0	13,458
Other long-term assets							
Miscellaneous	375	lar	375	0	0	0	375
short-term							
Trade receivables	151,205	lar	151,205	0	0	0	151,205
Other assets							
Short-term financial receivables	24,927	lar	24,927	0	0	0	24,927
Other miscellaneous short-term assets	13,750	lar	13,750	0	0	0	13,750
Cash and cash equivalents	82,744		82,744	0	0	0	82,744
Total financial assets	**288,553**		**286,459**	**2,094**	**0**	**0**	
LIABILITIES							
Financial liabilities							
long-term							
Long-term loans	221,039	flac	221,039	0	0	0	228,719
Other long-term financial liabilities							
Liabilities for finance leasing (lessee)	51,379	flac	51,379	0	0	0	56,140
Miscellaneous long-term financial liabilities	24,306	flac	24,306	0	0	0	24,306
Other long-term liabilities							
Liabilities for part-time work arrangements for employees approaching retirement	8,731	flac	8,731	0	0	0	8,731
Other miscellaneous long-term liabilities	2	flac	2	0	0	0	2
short-term							
Trade payables	72,173	flac	72,173	0	0	0	72,173
Short-term financial liabilities							
Short-term financial liabilities to banks	57,633	flac	57,633	0	0	0	59,387
Derivatives with hedge relationship	4,363	hedging	0	0	4,363	0	4,363
Derivatives without hedge relationship	1,422	hft	0	0	0	1,422	1,422
Other short-term financial liabilities	74,660	flac	74,660	0	0	0	74,660
Other short-term liabilities	18,863	flac	18,863	0	0	0	18,863
Total financial liabilities	**534,571**		**528,786**	**0**	**4,363**	**1,422**	

* 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 from third parties and liabilities from finance leasing, there are no significant differences between the carrying amounts and applicable fair values of the financial instruments.

The following key methods and assumptions were used as the basis for determining the applicable fair values.

The market values were determined according to the discounted cash flow method on the basis of the expected future cash flows and current interest rates for comparable loan agreements that can be observed directly or indirectly in the market.

The interest curve of risk-free German government bonds plus a company-specific risk surcharge with an appropriate term are 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

The following net results are allocated to the individual measurement categories of the financial instruments:

2012 (in TEUR)	from interest	Follow-up measurement: Fair value	Follow-up measurement: Valuation allowance	from disposal	Net result
Loans and receivables (lar)	4,455	0	-1,371	-424	2,660
Available-for-sale financial assets (afs)	0	0	0	0	0
Financial instruments held for trading (hft)	-336	12	0	0	-324
Hedging instruments (hedging)	-2,054	0	0	0	-2,054
Financial liabilities at amortized cost (flac)	-18,842	0	0	0	-18,842
Total	**-16,777**	**12**	**-1,371**	**-424**	**-18,560**

2011 (in TEUR)	from interest	Follow-up measurement: Fair value	Follow-up measurement: Valuation allowance	from disposal	Net result
Loans and receivables (lar)	2,461	0	-807	-333	1,321
Available-for-sale financial assets (afs)	0	0	-2	0	-2
Financial instruments held for trading (hft)	-412	18	0	0	-394
Hedging instruments (hedging)	-1,661	0	0	0	-1,661
Financial liabilities at amortized cost (flac)	-19,603	0	0	0	-19,603
Total	**-19,215**	**18**	**-809**	**-333**	**-20,339**

Foreign currency risk

With minor exceptions, the affiliated companies operate in the euro zone 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, 2012 and as of December 31, 2011.

Capital risk management

A key objective of the Group with respect to capital management is to ensure operation according to the going concern concept so the company can continue to provide shareholders with earnings and the other stakeholders with benefits to which they are entitled. Another goal is to maintain an optimum capital structure to reduce capital costs.

The Group monitors its capital in the CONTAINER Division on the basis of the equity ratio and in the AUTOMOBILE und CONTRACT Divisions on the basis of the equity ratio as well as the debt-equity ratio, calculated from the ratio between net indebtedness and EBITDA. The net indebtedness is measured according to covenants negotiated individually with the financing banks.

The Group strategy pursued in 2012 focused on continuing to secure access to outside funds at reasonable costs by complying with the covenants agreed upon with the banks.

Liquidity risk

Liquidity risks may arise from payment bottlenecks and resulting higher financing costs. 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 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 liquidity needs of the Group are covered by liquid funds and pledged credit lines. As of December 31, 2012, the Group had unused current account credit lines of around EUR 67 million (previous year: EUR 113 million).

2012-12-31 (in TEUR)		Cash flows			
		Long-term loans from banks	Other long-term loans	Liabilities from finance leasing	Interest rate swaps
Cash flows 2013	Fixed interest	4,305	1,102	2,757	2,692
	Variable interest	2,557	0	0	-404
	Repayment	32,718	92	10,150	0
Cash flows 2014	Fixed interest	3,646	1,102	2,336	2,229
	Variable interest	2,318	0	0	-384
	Repayment	26,094	85	9,446	0
Cash flows 2015 - 2017	Fixed interest	8,107	3,308	4,907	3,662
	Variable interest	5,625	0	0	-628
	Repayment	78,728	232	18,229	0
Cash flows 2018 - 2022	Fixed interest	2,560	5,513	4,568	2,200
	Variable interest	2,459	0	0	-302
	Repayment	113,646	18,690	16,392	0
Cash flows 2023 ff.	Fixed interest	116	0	831	28
	Variable interest	39	0	0	-7
	Repayment	6,348	0	8,821	0
Total		**289,266**	**30,124**	**78,437**	**9,086**
Carrying amounts (derivatives balanced)		**257,534**	**19,099**	**63,038**	**-6,826**

2011-12-31 (in TEUR)		Cash flows			
		Long-term loans from banks	Other long-term loans	Liabilities from finance leasing	Interest rate swaps
Cash flows 2012	Fixed interest	6,017	0	2,859	2,619
	Variable interest	3,491	0	0	-1,036
	Repayment	47,282	92	7,279	0
Cash flows 2013	Fixed interest	4,545	0	2,495	2,298
	Variable interest	3,251	0	0	-807
	Repayment	31,019	85	7,504	0
Cash flows 2014 - 2016	Fixed interest	10,096	0	5,428	3,816
	Variable interest	7,465	0	0	-1,268
	Repayment	75,233	232	16,427	0
Cash flows 2017 - 2021	Fixed interest	5,138	0	5,364	773
	Variable interest	4,038	0	0	-487
	Repayment	108,914	319	15,306	0
Cash flows 2022 ff.	Fixed interest	341	0	1,417	0
	Variable interest	0	0	0	0
	Repayment	5,183	54	12,142	0
Total		**312,013**	**782**	**76,221**	**5,908**
Carrying amounts (derivatives balanced)		**267,631**	**782**	**58,658**	**-5,785**

The contractually agreed (non-discounted) interest payments and repayments of the long-term primary financial liabilities as well as of the derivative financial instruments (interest rate swaps) are compiled in the two preceding tables.

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.

Interest rate risk

The interest rate risk to which the Group is exposed arises mainly from the long-term loans and 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 or 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 micro-hedges 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 applicable 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)	**2012-12-31**		**2011-12-31**	
	higher	**lower**	**higher**	**lower**
Result effects	-1,288	1,581	62	-201
Equity effects (excluding result effects	1,708	-1,648	2,217	-2,256

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.

2012-12-31 (in TEUR)	Remaining terms			
	< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks	17,082	38,980	48,674	104,736
Other long-term loans from third parties	0	0	18,375	18,375
Interest rate swaps	16,143	50,987	35,803	102,933
Liabilities from finance leasing	10,150	27,675	25,213	63,038
Total	**43,375**	**117,642**	**128,065**	**289,082**

2011-12-31 (in TEUR)	Remaining terms			
	< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks	33,011	51,971	57,491	142,473
Other long-term loans from third parties	0	0	0	0
Interest rate swaps	10,482	50,536	20,577	81,595
Liabilities from finance leasing	7,279	23,931	27,448	58,658
Total	**50,772**	**126,438**	**105,516**	**282,726**

The fixed interest rate in the case of fixed-interest liabilities to banks, which had a value of EUR 79,506,000 (previous year: EUR 104,787,000) 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:

2012-12-31 (in TEUR)	Remaining value on expiration of fixed interest rate period			
	< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks	1,396	8,500	18,160	28,056
Total	**1,396**	**8,500**	**18,160**	**28,056**

2011-12-31 (in TEUR)	Remaining value on expiration of fixed interest rate period			
	< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks	21,322	15,543	18,278	55,143
Total	**21,322**	**15,543**	**18,278**	**55,143**

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 corresponding interest rate swaps are preceded by a negative sign because the interest rate risk resulting from them has a contrary effect to the interest rate risk arising from loans taken out.

2012-12-31 (in TEUR)	Remaining terms			
	< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks	15,636	65,842	71,320	152,798
Interest rate swaps	-14,810	-45,653	-31,136	-91,599
Total	**826**	**20,189**	**40,184**	**61,199**

2011-12-31 (in TEUR)	Remaining terms			
	< 1 year	> 1 to 5 years	> 5 years	Total
Long-term loans from banks	14,271	54,281	56,606	125,158
Interest rate swaps	-9,148	-45,203	-14,577	-68,928
Total	**5,123**	**9,078**	**42,029**	**56,230**

Furthermore, there are running interest rate swaps for nominal amounts totaling EUR 17,833,000 (previous year: EUR 21,167,000), 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 102,932,000 (previous year: EUR 81,595,000) 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) 2012-12-31 in TEUR	Hedged item	Variable interest rate	Fixed interest rate	Term until	Market value 2012-12-31 in TEUR
75,099	loans	3/6M EURIBOR	1.28 - 4.60 %	2023	-3,593
11,333	planned loans	6M EURIBOR	3.70 %	2021	-1,339
10,000	overnight credit lines	EONIA	3.085 %	2021	-1,729
96,432					**-6,661**
6,500	not allocated	3M EURIBOR	3.26 - 3.74 %	2019	-165
102,932					**-6,826**

Nominal amount (reference amount) 2011-12-31 in TEUR	Hedged item	Variable interest rate	Fixed interest rate	Term until	Market value 2011-12-31 in TEUR
50,428	loans	3/6M EURIBOR	2.75 - 4.60 %	2018	-3,416
12,667	planned loans	6M EURIBOR	3.70 %	2021	-1,010
10,000	overnight credit lines	EONIA	3.085 %	2021	-1,147
73,095					**-5,573**
8,500	not allocated	3M EURIBOR	3.26 - 3.74 %	2019	-212
81,595					**-5,785**

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.

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.

The effectiveness of the hedge relationships between interest rate swaps and hedged items is assessed prospectively using the critical terms match method in accordance with IAS 39.AG108. The effectiveness is reviewed retrospectively as of every balance sheet date by means of an effectiveness test according to the hypothetical derivative method.

Of the interest rate swaps existing as of December 31, 2012, swaps having a nominal volume of EUR 85,099,000 (previous year: EUR 60,428,000) 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 -607,000, previous year: EUR -936,000).

The changes in the fair values of the ineffective portions of the cash flow hedges and of the interest rate swaps that were not designated as hedging instruments within the framework of hedge relationships were recognized with effect on expenses taking into account deferred taxes (EUR -225,000, previous year: EUR -271,000).

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 applicable fair values of the interest rate swaps are disclosed under short-term financial liabilities (EUR 6,826,000, previous year: EUR 5,785,000).

The residual terms of the interest rate swaps are as follows:

2012-12-31 (in TEUR)	Remaining terms			
Nominal amounts of interest rate swaps	**< 1 year**	**> 1 to 5 years**	**> 5 years**	**Total**
for current loans	9,810	45,653	19,636	75,099
for planned loans	1,333	5,333	4,667	11,333
for overnight credit lines	0	0	10,000	10,000
not allocated	5,000	0	1,500	6,500
Total	**16,143**	**50,986**	**35,803**	**102,932**

2011-12-31 (in TEUR)	Remaining terms			
Nominal amounts of interest rate swaps	**< 1 year**	**> 1 to 5 years**	**> 5 years**	**Total**
for current loans	7,148	40,203	3,077	50,428
for planned loans	1,334	5,333	6,000	12,667
for overnight credit lines	0	0	10,000	10,000
not allocated	2,000	5,000	1,500	8,500
Total	**10,482**	**50,536**	**20,577**	**81,595**

42 Contingent liabilities

In the BLG Group there are contingent liabilities for the benefit of affiliated companies as follows:

Contingent liabilities (in TEUR)	2012	2011
Liabilities from guarantees	12,268	10,722
Liabilities from guarantee agreements	2,085	1,684
Miscellaneous	125	125
Total	**14,478**	**12,531**

The contingent liabilities are measured at nominal amounts. Maximum amount guarantees are recognized at their maximum amount. According to the situation on the balance sheet date, the actual level of the contingent liabilities on the basis of the liabilities involved comes to EUR 11,950,000 (previous year: EUR 11,368,000) altogether.

The liabilities from guarantees were assumed to a total amount of EUR 0 (previous year: EUR 300,000) to secure the business relations and to an amount of EUR 1,350,000 (previous year: EUR 1,350,000) to proportionately hedge against a current account credit line of an affiliated company vis-à-vis a bank. On the balance sheet date the liabilities to the bank came to EUR 6,763,000 net. Recourse to the guarantees is improbable because the liabilities from operating activities can be reduced.

Furthermore, in the reporting year an affiliated company in Ukraine submitted guarantees for third parties to a maximum amount of EUR 5,000,000 as security for interest payments and a maximum amount of USD 5,000,000 as security for repayment of the respective due loans to the benefit of the financing bank. Claims from the interest payments amounted to EUR 2,063,000 on the balance sheet date and were reported under the short-term bank liabilities. In view of the improvement in the liquidity situation of the borrower due to generation of new business, another claim is currently regarded as improbable. Repayment of the loans is to take place via the proceeds from sale of a property. Because of the central location of the property and expected appreciation in value, the probability of a claim from the security for the repayment is currently assessed as low.

The other liabilities from guarantees relate to contingent liabilities included on a proportionate basis from the EUROGATE Group to an amount of EUR 2,135,000 (previous year: EUR 2,135,000) to provide security for third-party liabilities.

Of the liabilities from guarantee agreements, an amount of EUR 1,937,000 (previous year: EUR 1,518,000) relates to joint and several liability and EUR 148,000 (previous year: EUR 166,000) to a letter of comfort.

Liabilities from joint and several co-liability to an amount of EUR 1,000,000 exist vis-à-vis a bank to provide security for liabilities of an affiliated company. On the balance sheet date use of the corresponding credit line amounted to EUR 1,000,000 (previous year: EUR 521,000). The bank assumed a guarantee to an amount of BRL 1,625,000 for another affiliated company in connection with granting of a loan. The loan had a value of BRL 1,476,000 on the balance sheet date. There are also liabilities to another bank from provision of security for credit lines of another affiliated company to an amount of INR 24,400,000, which was made use of on the balance sheet date to an amount of INR 5,381,000. A claim from the joint and several liability is not expected because the loans and credit lines from operating activities can be reduced.

In a letter of comfort regarding an affiliated company a group company has undertaken vis-à-vis a bank to ensure fulfillment of existing obligations in connection with a current account credit line of BRL 400,000. As of the balance sheet date, the current account credit line was not drawn on. A risk of implementation of guarantee obligations thus does not exist at present.

Furthermore, contingent liabilities included on a proportionate basis from the EUROGATE Group and stemming from the land transfer tax existed from the collateral assignment of buildings on third-party land to an amount of EUR 125,000 (previous year: EUR 125,000).

It is not expected that significant actual obligations for which no liability has been recognized yet and no provisions have been formed yet will arise from these contingent liabilities.

43 Other financial liabilities

(in TEUR)	2012-12-31	2011-12-31
Order liabilities	48,657	18,379
Share of order liabilities on the part of joint ventures	16,009	70,005
Minimum leasing payments from operate leases	127,635	113,926
Minimum payment liabilities from leases for areas, buildings and quay walls	1,049,275	1,085,452
Other minimum payment liabilities from leasing and leases	4,183	4,588
Total	**1,245,759**	**1,292,350**

The other financial liabilities have been measured at nominal values.

The order liabilities result from agreements concluded for the acquisition of tangible fixed assets.

The share in the order liabilities of joint ventures is accounted for to the full amount by the EUROGATE Group and also relates to the acquisition of fixed tangible assets. The order liabilities of the EUROGATE Group as of the balance sheet date totaled EUR 32,018,000 (previous year: EUR 140,009,000).

The net liabilities from the order liabilities are predominantly due within the next two years.

The operate leases relate in particular to industrial trucks, technical conveying equipment, trucks, tractor units and railway wagons and have terms between three and ten years. The liabilities from operate leases are shown below according to maturity:

Minimum leasing payments from operate leases (in TEUR)	2012-12-31	2011-12-31
Maturity up to one year after balance sheet date	29,024	26,581
Maturity more than one year and up to five years	64,921	57,025
Maturity more than five years	33,690	30,320
Total	**127,635**	**113,926**

Due to the shorter term of the leases as compared to the useful life in the course of ordinary company operations, there is greater flexibility with respect to an acquisition in terms of the development of the order volume and more rapid adaptation to technical progress. The leasing agreements additionally serve to reduce capital tie-up and improve the liquidity situation in the medium term.

The minimum payment liabilities from leases for areas, buildings and quay walls also represent operate leases in accordance with IAS 17, but are shown separately because of their great significance for the Group. They relate in particular to leaseholds in the ports of Bremen and Bremerhaven and have terms of up to 36 years. In this way the Group secures long-term rights to use of the property that is necessary for company operation. The liabilities are shown below according to maturity:

Minimum payment liabilities from leases for areas, buildings and quay walls (in TEUR)	2012-12-31	2011-12-31
Maturity up to one year after balance sheet date	41,393	41,980
Maturity more than one year and up to five years	143,471	146,319
Maturity more than five years	864,411	897,153
Total	**1,049,275**	**1,085,452**

Claims from operate leases – Group as lessor

The liabilities from operate leases compare to the following payment liabilities from subtenancy arrangements:

Minimum payment liabilities from leases for areas, buildings, quay walls and operating equipment (in TEUR)	2012-12-31	2011-12-31
Maturity up to one year after balance sheet date	8,304	8,222
Maturity more than one year and up to five years	33,356	32,980
Maturity more than five years	171,424	187,380
Total	**213,084**	**228,582**

The terms of these subtenancy arrangements essentially correspond to those of the main leases.

Payments of EUR 91,758,000 (previous year: EUR 78,059,000) from leases and subtenancy contracts were reported with effect on the income statement in the reporting year.

44 Disclosures of voting rights

In accordance with Section 160 (1) no. 8 of the Stock Corporation Act (AktG), disclosures have to be made regarding the existence of shareholdings that have been communicated to the company according to Section 21 (1) or (1a) of the Securities Trading Act (WpHG).

A disclosure requirement applies in accordance with the Securities Trading Act (WpHG) if certain shares in voting rights of the Company are reached, exceeded or not reached as a result of acquisition, sale or otherwise. The disclosure shall be made both to the company and to the Federal Supervisory Office for Securities Trading. The lowest threshold value for the disclosure requirement is 3 percent of the voting rights.

The following table shows all disclosures of shareholders who have informed us of the amount of their share of voting rights in accordance with Section 41 (2) of the Securities Trading Act (WpHG):

Shareholder	Disclosure according to Section 41 (2) sent. 1 WpHG as of	Voting rights in % direct	Voting rights in % indirect
Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen (BLKO)	April 2, 2002	12.61	
Norddeutsche Landesbank Girozentrale, Hanover	April 2, 2002		via BLKO
Financial holding company of Sparkasse in Bremen, Bremen	April 8, 2002	12.61	
Free Hanseatic City of Bremen (municipality of Bremen)	April 9, 2002	50.42	

45 Disclosures on related party relationships

Identification of related 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 or on which the BLG Group can exert significant influence.

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– as well as level 1 executives also constitute related parties in accordance with IAS 24. This also includes family members of the above mentioned group of persons. 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. 46. In the 2012 financial year there were no business transactions subject to reporting requirements between the Board of Management, Supervisory Board, level 1 executives, members of their families and the BLG Group.

Major 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 50.4 percent share of the subscribed capital. In accordance with the constitution of the Free Hanseatic City of Bremen, the Bremen Senate is the state government and at the same time the statutory body of the municipality of Bremen. Because the bodies of the Free Hanseatic City of Bremen (municipality of Bremen) and of the Free Hanseatic City of Bremen – Land (federal state) – are identical, they must accordingly be assessed as a related party or highest controlling enterprise 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 36 years on the real estate used by the company and its subsidiaries. The BLG Group paid a total of EUR 13.5 million (previous year: EUR 13.4 million) in ground rent for the year 2012.

Legal transactions with affiliated companies of the Free Hanseatic City of Bremen (municipality of Bremen) and (Land)

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).

BLG LOGISTICS GROUP AG & Co. KG has taken out various loans from BLG Unterstützungskasse GmbH, Bremen. The loan liabilities amounted to EUR 25,600,000 as of December 31, 2012. In the reporting year new loans to an amount of EUR 8,830,000 were taken out and loan liabilities amounting to EUR 4,330,000 were amortized. A partial amount of the loans of EUR 4,990,000 was transferred to the central cash management of BLG LOGISTICS GROUP AG & Co. KG in which BLG Unterstützungskasse GmbH has been included since September 1, 2012. As of the balance sheet date, the liabilities from cash management to BLG Unterstützungskasse GmbH came to EUR 370,000.

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. The scope of the business relations of the joint ventures and associated enterprises is shown in the following overview:

				Balance as of December 31 (in TEUR)	
Related parties	**Year**	**Income**	**Expenses**	**Receivables**	**Liabilities**
Affiliated companies	2012	19	31	3	255
	2011	21	38	0	383
Joint ventures	2012	5,111	116	17,220	0
(proportionate consolidation)	2011	5,544	587	17,748	110
Associated enterprises	2012	8,323	18,910	2,629	4,622
	2011	7,971	14,639	2,359	3,200

No valuation allowances were recognized for receivables from non-consolidated affiliated companies, as in the previous year. Receivables from associated enterprises to an amount of EUR 0 (previous year: EUR 12,000) were retired.

46 Disclosures on the Supervisory Board and Board of Management

The disclosures on the Supervisory Board and Board of Management have been reviewed by the consolidated financial statement auditor. To avoid duplication, they are reported elsewhere in the Annual Report. For the composition of the Board of Management and Supervisory Board as well as memberships of the Board of Management and Supervisory Board members in other bodies in accordance with section 125 (1) sentence 5 of the Stock Corporation Act see page 21 and 24 f.

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.

For BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– as a listed stock corporation the disclosures regarding individualized remuneration and the description of the basic features of the remuneration systems are summarized in the corporate governance report, whose remuneration report is at the same time part of the Management Report and Group Management Report, on page 31 ff. in the interest of clarity and comprehensibility.

47 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)	2012	2011
Long-term assets	384,683	317,332
Short-term assets	113,749	124,502
Long-term liabilities	-234,833	-178,439
Short-term liabilities	-130,923	-129,618
Net assets	**132,676**	**133,777**
Income	357,884	354,291
Expenses	-326,877	-311,940
Profit before taxes	**31,007**	**42,351**

48 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 their option of exemption from the requirement to prepare a management report in accordance with Section 264 (3) and/or Section 264b HGB:

- BLG LOGISTICS GROUP AG & Co. KG, Bremen, Germany
- BLG AUTOMOBILE LOGISTICS GmbH & Co. KG, Bremen, Germany
- BLG Automotive Logistics GmbH & Co. KG, Bremen, Germany
- BLG AutoRail GmbH, Bremen, Germany
- BLG AutoTec GmbH & Co. KG, Bremerhaven, Germany
- BLG AutoTerminal Bremerhaven GmbH & Co. KG, Bremerhaven, Germany
- BLG AutoTerminal Cuxhaven GmbH & Co. KG, Cuxhaven, Germany
- BLG AutoTerminal Duisburg GmbH & Co. KG, Duisburg, Germany
- BLG AutoTerminal Hamburg GmbH & Co. KG, Hamburg, Germany
- BLG AutoTerminal Kelheim GmbH & Co. KG, Saal an der Donau, Germany
- BLG AutoTransport GmbH & Co. KG, Bremen, Germany
- BLG Cargo Logistics GmbH & Co. KG, Bremen, Germany
- BLG CarShipping GmbH & Co. KG, Bremen, Germany
- BLG Coldstore Logistics GmbH, Bremerhaven, Germany
- BLG Handelslogistik GmbH & Co. KG, Bremen, Germany
- BLG Logistics Solutions GmbH & Co. KG, Bremen, Germany
- BLG RailTec GmbH, Falkenberg/Elster, Germany
- E.H. Harms GmbH & Co. KG Automobile-Logistics, Bremen, Germany

49 Business transactions after the balance sheet date

Thus far there have been no transactions of special significance since closing of the reporting year.

50 Fee of the consolidated financial statement auditor

The fee of the consolidated financial statement auditor for the 2012 financial year in accordance with Section 314 (1) no. 9 of the German Commercial Code (HGB) comes to a total of EUR 641,000. Of that, EUR 492,000 are accounted for by financial statement audits, EUR 139,000 by tax consulting work and EUR 10,000 by other services.

51 Corporate Governance Code

The Board of Management and the Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– issued the 11th Declaration of Conformity to the German Corporate Governance Code in the version of May 15, 2012 on December 20, 2012. 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, March 19, 2013

THE BOARD OF MANAGEMENT

Aden

Kuhr

Dreeke

Dr.-Ing. Lieberoth-Leden

Mekelburg

Onnen

Schiffer

Auditors' Report for Consolidated Financial Statement

We have audited the consolidated financial statement, consisting of the income statement, statement of income and accumulated earnings, balance sheet, statement of changes in equity, cash flow statement and the notes to the financial statement, as well as the Group Management Report of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–, Bremen, for the financial year from January 1 to December 31, 2012. 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 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, of the definition of the entities to be consolidated, of 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 258.9 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 31.6 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 these provisions. The Group Management Report is in accordance with the consolidated financial statement, conveys overall an accurate view of the situation of the Group and presents the opportunities and risks of future development accurately.

Bremen, March 19, 2013

FIDES Treuhand GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Bitter	Kersten
Auditor	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, please refer to our Investor Relations staff or Communications Department staff. 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 Handelslogistik GmbH & Co. KG, Bremen	100.00	1
4	BLG Logistics (UK) Ltd., Felixstowe, Great Britain	100.00	3
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 & Co. KG, Bremen	100.00	1
8	BLG Logistics Solutions Italia S.r.l., Milan, Italy	100.00	7
9	BLG Cargo Logistics GmbH & Co. KG, Bremen	100.00	1
10	BLG Logistics, Inc., Atlanta, USA	100.00	5
11	BLG Logistics of South Africa (Pty) Ltd., Port Elizabeth, South Africa	89.82	5
12	BLG Soluciones Logisticas Integradas España S.L.U., Vitoria, Spain	100.00	5
13	BLG AUTOMOBILE LOGISTICS GmbH & Co. KG, Bremen	100.00	1
14	BLG AutoRail GmbH, Bremen	50.00	13
15	BLG RailTec GmbH, Falkenberg/Elster	50.00	14
16	BLG AutoTerminal Bremerhaven GmbH & Co. KG, Bremerhaven	100.00	1
17	BLG AutoTec GmbH & Co. KG, Bremerhaven	100.00	16
18	BLG Automobile Logistics Italia S.r.l., Gioia Tauro, Italy	98.77	16
19	E.H. Harms GmbH & Co. KG Automobile-Logistics, Bremen	100.00	1
20	BLG AutoTerminal Hamburg GmbH & Co. KG, Hamburg	100.00	19
21	BLG AutoTerminal Kelheim GmbH & Co. KG, Saal an der Donau	100.00	19
22	BLG AutoTerminal Duisburg GmbH & Co. KG, Duisburg	100.00	24
23	BLG AutoTerminal Cuxhaven GmbH & Co. KG, Cuxhaven	100.00	19
24	BLG AutoTransport GmbH & Co. KG, Bremen	100.00	19
25	BLG CarShipping GmbH & Co. KG, Bremen	100.00	19
26	BLG AutoTerminal Gdansk Sp. z o.o., Gdansk, Poland	100.00	24
27	BLG ViDi LOGISTICS TOW, Kiev, Ukraine	50.00	19

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 KV-Anlage Wilhelmshaven GmbH, Wilhelmshaven	50.00	28
36	EUROGATE Intermodal GmbH, Hamburg	50.00	28
37	EUROGATE International GmbH, Hamburg	50.00	44
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	36
55	Rail Terminal Bremerhaven GmbH, Bremerhaven	25.00	31
56	IPN Inland Port Network GmbH & Co. KG, Hamburg	25.00	36
57	IPN Inland Port Network Verwaltungsgesellschaft mbH, Hamburg	25.00	36

Cons. no.	Name, headquarters	Share in %	held through cons. no.
	Companies included on basis of equity method		
58	dbh Logistics IT AG, Bremen	26.75	91
59	ZLB Zentrallager Bremen GmbH & Co. KG, Bremen	33.33	1
60	NYK Logistics & BLL (NLB) of South Africa Pty. Ltd., Port Elizabeth, South Africa	44.01	11
61	BMS Logistica Ltda., São Paulo, Brazil	50.00	6
62	DCP Dettmer Container Packing GmbH & Co. KG, Bremen	50.00	9
63	Hansa Marine Logistics GmbH, Bremen	100.00	9
64	BLG-ESF Warehouse GmbH, Bremen	50.00	9
65	Schultze Stevedoring GmbH & Co. KG, Bremen	50.00	9
66	ICC Independent Cargo Control GmbH, Bremen	33.33	9
67	OLB Offshore Logistics Bremerhaven GmbH, Bremerhaven	42.50	7
68	AutoLogistics International GmbH, Bremen	50.00	5
69	BLG MILS Logistics Sdn. Bhd., Kuala Lumpur, Malaysia	60.00*	5
70	BLG Parekh Logistics Pvt. Ltd., Mumbai, India	50.00	5
71	ICO BLG Automobile Logistics Italia S.p.A., Gioia Tauro, Italy	49.49	18
72	Automobile Logistics Slovakia s.r.o., Bratislava, Slovakia	50.00	16
73	AUTOMOBILE LOGISTICS CZECH s.r.o., Nošovice, Czech Republic	50.00	16
74	BLG CarShipping Koper d.o.o., Koper, Slovenia	100.00	25
75	E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine	50.00	19
76	ATN Autoterminal Neuss GmbH & Co. KG, Neuss	50.00	19
77	Autoterminal Slask Logistic Sp. z o.o., Dabrowka Gornicza, Poland	50.00	19
78	BLG Interrijn Auto Transport RoRo B.V., Rotterdam, Netherlands	50.00	24
79	FESCO BLG Automobile Logistics Russia LTD, Nicosia, Cyprus	50.00	13
80	BLG-Cinko Auto Logistics (Tianjin) Co., Ltd., Tianjin, People's Republic of China	50.00	13
81	BLG Logistics Consulting (Beijing) Co., Ltd., Beijing, People's Republic of China	100.00	13
82	CONTSHIP Italia S.p.A., Genoa, Italy	16.70	37
83	TangerMedGate Management S.a.r.l., Tangier, Morocco	26.68	37/82
84	ACOS Holding AG, Bremen	24.95	36
85	OJSC Ust-Luga Container Terminal, Ust-Luga, Russia	10.00	37
86	FLZ Hamburger Feeder Logistik Zentrale GmbH, Hamburg	17.00	32

* The share of voting rights is 40 percent and non-voting preference shares are additionally held.

Cons. no.	Name, headquarters	Share in %	held through cons. no.
	Companies not included		
87	BLG Handelslogistik Beteiligungs GmbH, Bremen	100.00	1
88	BLG Logistics Solutions Beteiligungs-GmbH, Bremen	100.00	1
89	ZLB Zentrallager Bremen GmbH, Bremen	33.33	1
90	DCP Dettmer Container Packing GmbH, Bremen	50.00	9
91	Interessengemeinschaft Datenbank Umschlagbetriebe GbR, Bremen	94.00	1
92	Ausbildungsverbund Bremerhaven gemeinnützige Gesellschaft mbH, Bremerhaven	33.40	1
93	EUROGATE Beteiligungsgesellschaft mbH, Bremen	50.00	1
94	EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen	50.00	1
95	BLG Automotive Logistics Beteiligungs-GmbH, Bremen	100.00	1
96	Paul Günther S.r.l. Italia i. L., Genoa, Italy	90.00	7
97	BLG Cargo Logistics Beteiligungs-GmbH, Bremen	100.00	1
98	Schultze Stevedoring Beteiligungs-GmbH, Bremen	50.00	9
99	BLG AUTOMOBILE LOGISTICS Beteiligungs-GmbH, Bremen	100.00	1
100	BLG AutoTerminal Bremerhaven Beteiligungs-GmbH, Bremerhaven	100.00	1
101	BLG AutoTec Beteiligungs-GmbH, Bremerhaven	100.00	16
102	BLG AutoTerminal Kelheim Beteiligungs-GmbH, Saal an der Donau	100.00	19
103	BLG AutoTerminal Duisburg Beteiligungs-GmbH, Duisburg	100.00	19
104	BLG AutoTerminal Hamburg Beteiligungs-GmbH, Bremen	100.00	19
105	BLG AutoTerminal Cuxhaven Beteiligungs-GmbH, Cuxhaven	100.00	24
106	BLG CarShipping Beteiligungs-GmbH, Bremen	100.00	19
107	BLG AutoTransport Beteiligungs-GmbH, Bremen	100.00	19
108	E.H. Harms Automobile-Logistics Beteiligungs-GmbH, Bremen	100.00	1
109	ATN Autoterminal Neuss Verwaltungs-GmbH, Neuss	50.00	76
110	Cuxcargo Hafenbetrieb Verwaltungs-GmbH, Cuxhaven	50.00	24
111	Cuxcargo Hafenbetrieb GmbH & Co. KG, Cuxhaven	50.00	24

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 rate, 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.

Hypothetical derivative method
Method of measuring the effectiveness of derivative financial instruments by comparing the change in market value of the derivative to that of a hypothetical derivative that perfectly hedges against the risk to be hedged against.

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 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/or 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.

Promissory note loan
Large long-term loan similar to a security.

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.

ROCE
Return on capital employed. Key economic parameter for measuring the effectiveness and profitability of the capital employed by a company, calculated as a quotient of EBIT and total capital minus short-term, non-interest-bearing liabilities and liquid funds.

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

Barge
Cargo vessel without an engine that is pushed by a motor vessel.

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 warehousing 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.

RFID transponder
Radio communication device that enables automatic identification and localization of objects (radio frequency identification), thus facilitating data acquisition.

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 for BLG Group		2012	2011	2010	2009	2008
Sales and earnings						
Sales	million EUR	1,144.4	1,008.5	897.5	818.5	962.6
Return on sales[1]	%	5.7	6.3	5.6	4.3	10.1
EBITDA	million EUR	129.0	131.2	111.5	104.3	156.6
EBIT	million EUR	64.8	63.4	49.9	35.2	96.9
EBT	million EUR	49.1	48.5	34.1	16.5	83.6
Asset and capital structure						
Balance sheet total	million EUR	1,141.0	1,031.0	976.3	977.0	982.3
Investments in long-term intangible and tangible assets	million EUR	125.6	66.4	33.6	77.8	170.7
Capitalization ratio[1]	%	63.4	64.4	69.0	72.1	70.1
Equity-to-fixed-assets ratio (golden balance sheet rule)[1]	%	104.0	104.6	93.1	90.0	89.3
Working capital ratio[1]	%	91.3	102.5	77.0	70.8	70.9
Equity	million EUR	367.1	353.2	330.4	311.8	353.8
Equity ratio[1]	%	32.2	34.3	33.8	31.9	36.0
Return on equity[1]	%	13.6	14.2	10.6	5.0	24.8
Net indebtedness[1]	million EUR	392.0	340.6	349.1	401.5	366.1
Return on total assets[1]	%	6.0	6.3	5.1	3.6	10.7
Cash flows[2]						
Cash flow from current operating activities	million EUR	115.2	84.9	110.8	83.4	122.1
Cash flow from investment activities	million EUR	-135.7	-57.6	-22.4	-100.5	-163.6
Cash flow from financing activities	million EUR	-31.1	40.4	-81.9	35.2	24.1
Capital-market-oriented key figures						
Dividend of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–	EUR	0.40	0.40	0.30	0.25	0.40
Dividend	%	15	15	12	10	15
Human resources	Yearly average					
Employees[3]		7,172	6,261	5,949	5,929	6,053
Personnel cost ratio	%	45.6	44.9	45.3	46.3	46.7
Jobs worldwide		16,000	15,500	14,700	13,800	15,000

[1] For calculation of the key figures we refer to p. 78 in the Group Management Report.

[2] The composition of the cash flows is shown in the cash flow statement on p. 122.

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

[4] The BLG Group has carried out its accounting in accordance with the International Financial Reporting Standards (IFRS) since the 2005 financial year. The disclosures for 2004 were adapted accordingly.

2007	2006	2005	2004 [4]
889.3	759.8	701.7	636.2
10.2	9.1	8.9	7.2
145.8	114.3	106.3	86.6
90.8	69.3	62.5	45.6
78.3	55.0	49.7	30.5
837.9	741.2	690.2	634.2
122.0	96.3	97.6	90.2
69.9	71.0	70.5	70.6
87.2	80.7	86.5	90.3
66.3	57.9	67.8	63.1
320.2	199.3	173.7	133.3
38.2	26.9	25.2	21.0
30.1	29.5	32.4	24.8
281.3	346.9	313.2	314.2
11.5	9.7	9.4	7.5
152.0	76.3	75.6	81.8
-109.3	-80.8	-60.2	-80.7
-11.9	-13.6	-18.3	-1.6
0.40	0.30	0.25	0.25
15	12	10	10
5,402	5,298	4,773	4,653
46.9	46.8	45.4	45.8
13,650	12,350	11,100	10,300

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 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 “Bundesanzeiger” (Federal Gazette). In this case the version submitted to the Bundesanzeiger shall be considered to be the binding version.

Paper and print from responsible sources

This Annual Report is printed on paper from 100 percent recycled paper certified with the EU Ecolabel. The printing shop uses a climate-neutral printing process.

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Investor Relations

Conception and Design
Investor Relations and Communications

Print
ZERTANI, Bremen, Germany

Dates

Financial calendar

Reporting 1st quarter 2013	May 10, 2013
Annual Shareholders' Meeting 2013	May 23, 2013
Payment of the dividend for the 2012 financial year	May 24, 2013
Reporting 2nd quarter 2013	August 9, 2013
Reporting 3rd quarter 2013	November 8, 2013
Reporting Entire year 2013 Balance sheet press conference	March 25, 2014
Publication 2013 Annual Report	April 15, 2014
Reporting 1st quarter 2014	May 9, 2014
Annual Shareholders' Meeting 2014	May 30, 2014
Payment of the dividend for the 2013 financial year	June 2, 2014
Reporting 2nd quarter 2014	August 12, 2014
Reporting 3rd quarter 2014	November 7, 2014

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Publication

This Annual Report was published on April 23, 2013. The Report is also available as the German original. In the case of differences, the German version of the Annual Report shall apply in lieu of the English translation. A pdf version of the Annual Report is available for downloading in both languages on the Internet a www.blg.de.

To order the Annual Report, please contact:

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BLG ANNUAL REPORT EXEMPLARY AGAIN ::

The publishing house Deutsche Standards Editionen regularly analyzes the annual reports of German companies and presents the best ones every year in its standard reference "BEISPIELHAFTE GESCHÄFTSBERICHTE" (EXEMPLARY ANNUAL REPORTS). BLG's annual reports have been included in the book since 2008. The multi-page description gives the layout, design and content a positive rating.

The Board of Management

www.blg.de

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