Performance Port

Annual Report 2013

BLG LOGISTICS

Brief profile

BLG LOGISTICS performs seaport-oriented logistics services through its international network. The experience gained in the course of a 137-year corporate history is one of our key strengths. Thanks to over 100 locations and branches in Europe, North and South America, Africa and Asia, we are present in all growth markets around the globe. We offer our customers in industry and commerce comprehensive logistics system services. Our AUTOMOBILE and CONTAINER Divisions are market leaders in Europe. Our CONTRACT Division numbers among the leading German logistics providers. Around 7,800 BLG employees assume responsibility for smooth logistics in handling high-quality products. That makes us an important interface for the performance and efficiency of our customers. Taking into account all holdings, BLG currently provides 16,000 jobs.

Key figures for the BLG Group

		2013	2012 (adjusted)	Change absolute	Change percentage
Sales and earnings					
Sales	million EUR	1,179.9	1,144.4	35.5	3.1
Return on sales[1, 4]	%	4.3	5.6	-1.3	-23.2
EBITDA	million EUR	129.1	128.6	0.5	0.4
EBIT[4]	million EUR	50.3	64.4	-14.1	-21.9
EBT	million EUR	20.2	48.6	-28.4	-58.4
Asset and capital structure					
Balance sheet total	million EUR	1,091.8	1,142.6	-50.8	-4.4
Investments in long-term intangible and tangible assets	million EUR	46.8	125.6	-78.8	-62.7
Capitalization ratio[1]	%	62.0	63.3	-1.3	-2.1
Equity-to-fixed-assets ratio (golden balance sheet rule)[1]	%	106.1	104.2	1.9	1.8
Working Capital Ratio[1]	%	98.9	91.3	7.6	8.3
Equity	million EUR	319.9	352.7	-32.8	-9.3
Equity ratio[1]	%	29.3	30.9	-1.6	-5.2
Return on equity[1]	%	6.0	13.8	-7.8	-56.5
Net indebtedness	million EUR	398.3	392.7	5.6	1.4
Return on total assets[1, 4]	%	4.5	5.9	-1.4	-23.7
Cash flows[2]					
Cash flow from current operating activities	million EUR	62.7	115.2	-52.5	-45.6
Cash flow from investment activities	million EUR	-43.9	-135.7	91.8	67.6
Cash flow from financing activities	million EUR	-14.5	-31.1	16.6	53.4
Capital-market-oriented key figures					
Dividend of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–	EUR	0.40	0.40	0.00	0.00
Dividend	%	15	15	0	0
Human resources					
Employees[3]	Yearly average	7,786	7,172	614.0	8.6
Personnel cost ratio	%	48.4	45.6	2.8	6.1
Jobs worldwide		16,000	16,000	0.0	0.0

[1] For calculation of the key figures we refer to p. 68 ff. in the Consolidated Management Report.
[2] The composition of the cash flows is shown in the Cash Flow Statement on p. 112.
[3] Determination in accordance with Section 267 (5) HGB.
[4] In 2013, adjusted for the special effects resulting from reorganization of our commitment regarding the companies BLG ViDi LOGISTICS TOW, Kiev, Ukraine and E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine.

Our divisions at a glance

1. AUTOMOBILE

The AUTOMOBILE Division encompasses complete worldwide logistics for finished vehicles from the manufacturer to the dealer. That includes cargo handling, warehousing, technical work as well as freight forwarding and transport logistics via rail, road and inland vessel.

		2013	2012	Change in %
Sales	million EUR	434.7	419.1	3.7
Return on sales[1]	%	2.2	5.2	-57.7
EBIT[2]	million EUR	9.8	21.9	-55.3
Employees		2,262	2,213	2.2

[1] Based on adjusted EBIT.
[2] In 2013, adjusted for the special effects resulting from reorganization of our commitment regarding the companies BLG ViDi LOGISTICS TOW, Kiev, Ukraine and E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine.

2. CONTRACT

The CONTRACT Division focuses on car parts, industrial, retail and seaport logistics as well as logistics services for the offshore wind industry. We have a high degree of software competence and offer our clients customized service packages with global reach for diverse goods.

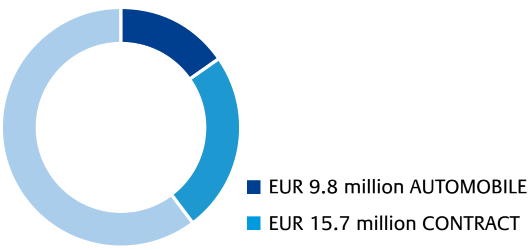
		2013	2012	Change in %
Sales	million EUR	422.0	405.3	4.1
Return on sales	%	3.7	4.4	-15.9
EBIT	million EUR	15.7	17.6	-11.2
Employees		3,348	2,819	18.8

3. CONTAINER

EUROGATE, in which BLG holds a 50 percent interest, has a European network currently comprising eleven container terminals as well as intermodal shipments and cargo-modal services. The focal point of this division is container handling business.

		2013	2012	Change in %
Sales	million EUR	328.6	327.1	0.5
Return on sales	%	11.7	12.1	-3.5
EBIT	million EUR	38.5	39.7	-2.9
Employees		1,960	1,937	1.2

EBIT 2013



Employees 2013

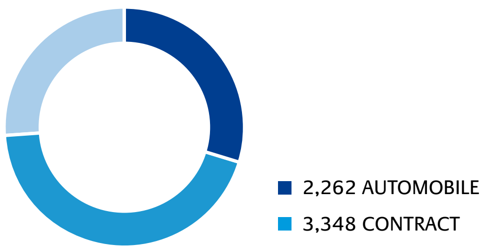
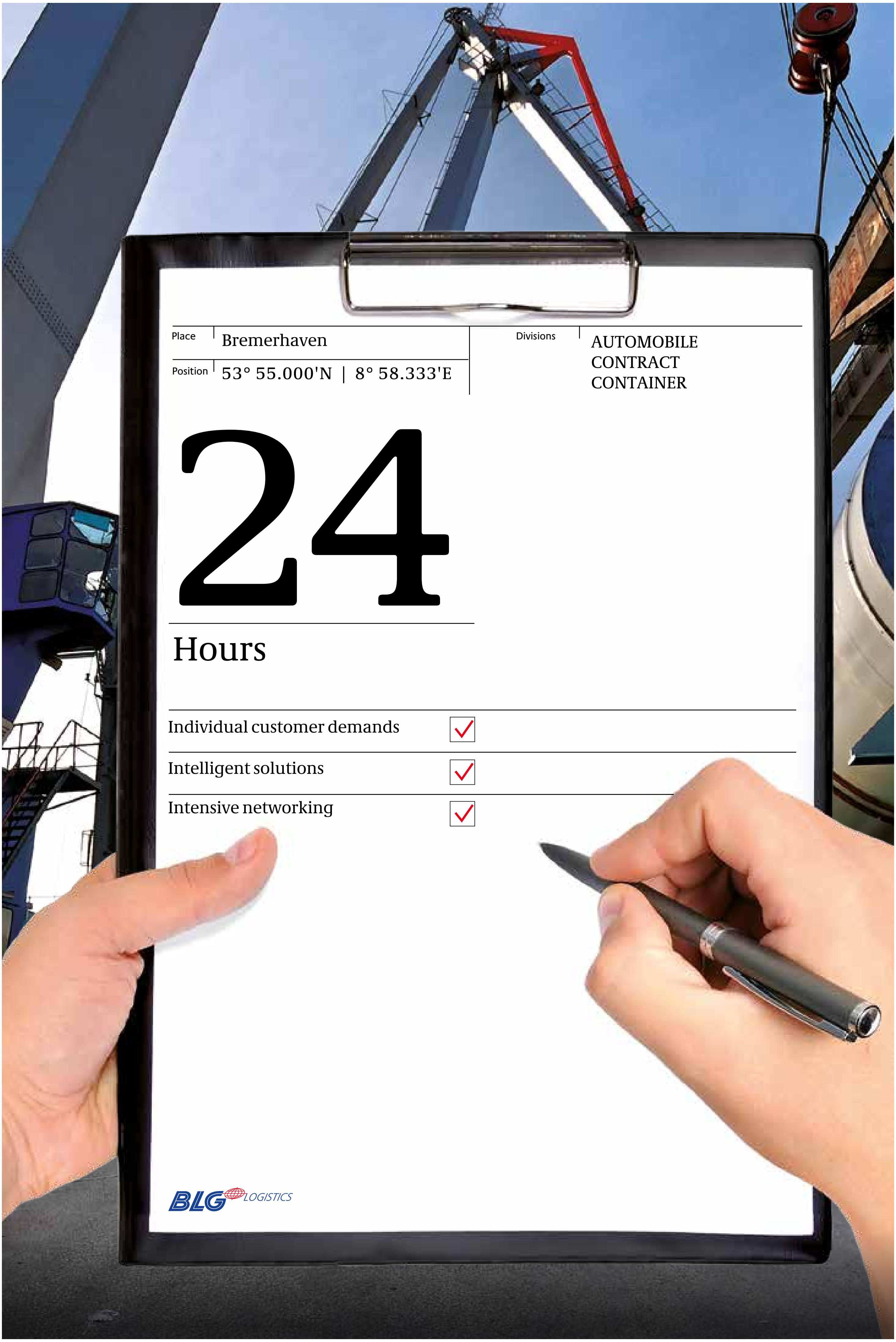


Table of contents

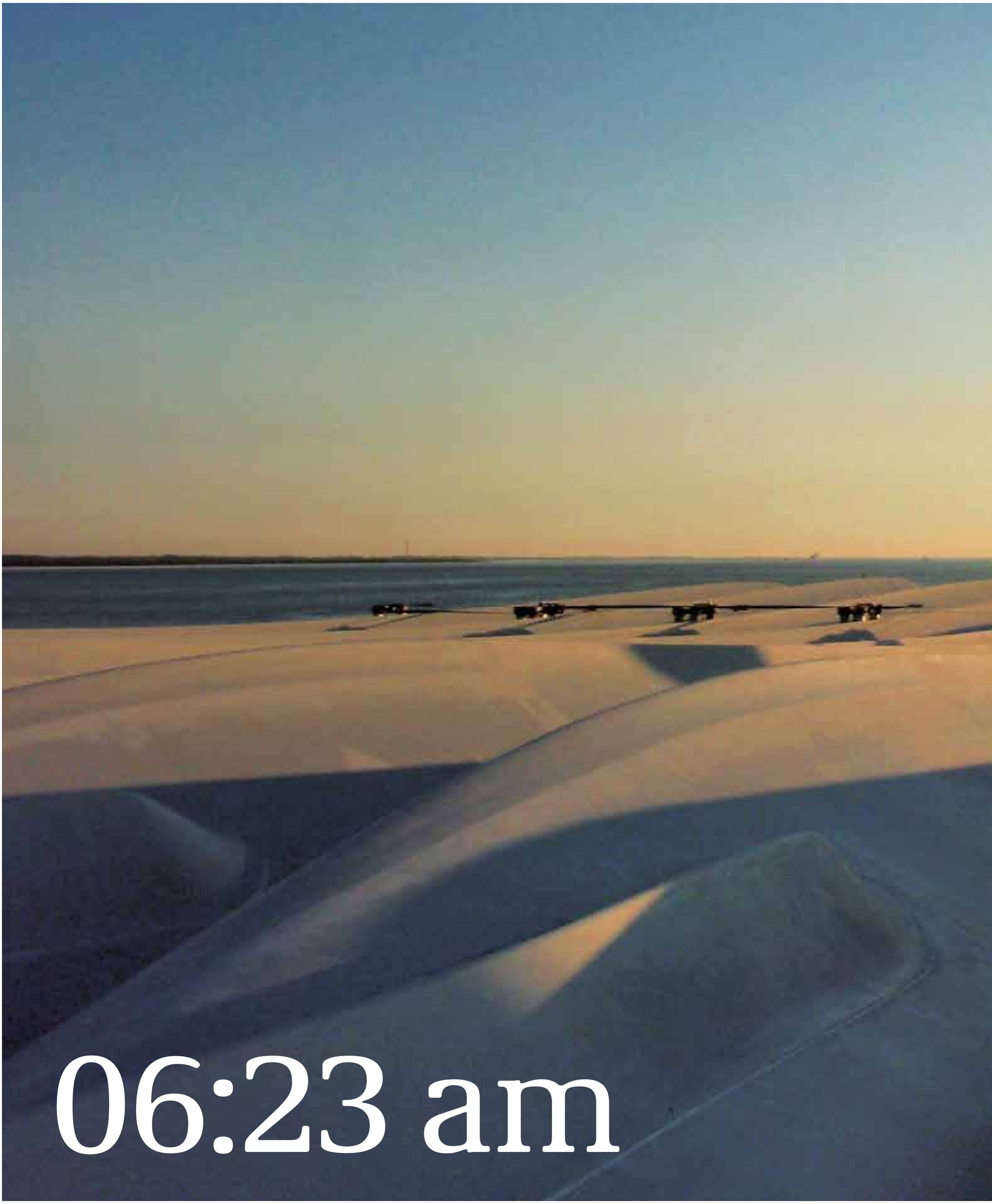

Place
Bremerhaven
Position
53° 55.000'N | 8° 58.333'E
Divisions
AUTOMOBILE
CONTRACT
CONTAINER
24
Hours
Individual customer demands
Intelligent solutions
Intensive networking
BLG LOGISTICS

Our logistics process chains are tailor-made to successfully connect industry and commerce to their markets.

We develop new opportunities based on the strong dynamics of today's markets: by implementing concepts with a high degree of customization, applying creative and solution-oriented approaches and making use of intensive networking on the structural, personal and technical level.

Developing an intelligent and at the same time pragmatic solution for every requirement is something we call modular service diversity. We go far beyond mere transportation and storage. BLG LOGISTICS displays convincing performance thanks to fresh ideas that systematically combine all interfaces and create added value. That is why well-known brands in industry and commerce place their trust in our specialized know-how.

Place	Wilhelmshaven	Division	CONTRACT	Assignment	Assembly and transport of rotor stars for Global Tech I wind farm
Position	53° 51.667'N | 8° 13.333'E	Client	Areva		



All individual components required are kept ready at the terminal --- 56.6 meter long rotor blades and hubs completely assembled ---115-ton rotor stars loaded precisely onto the vessel --- installation successfully carried out at the wind farm

Place	Bremen	Division	CONTRACT	Assignment	Assembly and delivery of car parts from Bremen to overseas destinations
Position	53° 08.333'N | 8° 80.000'E	Client	Mercedes-Benz		

Preassembly of structural components from the automotive supplier
--- tracking entire process online --- truck leaves the grounds at 8:24 am
--- shipment of the vehicle parts for overseas assembly line just in time

Starting point	Bratislava	Division	AUTOMOBILE	Assignment	Transporting SUVs from Bratislava to Bremerhaven
Destination	Bremerhaven	Client	VW		

08:17 am

228 SUVs loaded on BLG AutoRail in Bratislava at 10:30 pm --- 8:17 am via Falkenberg to Bremerhaven --- arrival after 25 hours net travel time --- unloading and provision for export

Starting point	Hungary	Division	AUTOMOBILE	Assignment	Delivery of 260 cars from Hungary to Kelheim and onward transport to the end customer
Destination	Kelheim	Client	Suzuki		

All 260 vehicles safely put on board the inland vessel --- voyage on the Danube --- punctual arrival in Kelheim – vehicles individually processed according to customer demands --- they are given a brilliant gloss in the car wash --- on-schedule delivery to the dealers

Place	Bremerhaven	Division	CONTAINER	Assignment	Discharging and loading 2,950 containers going to Asia
Position	53° 55.000'N | 8° 58.333'E	Client	Maersk		

Exchange of final information via radio communication --- wind force 7 not reached yet --- all 2,950 containers can be discharged and loaded without any delays --- over 14 million containers annually guarantee first-class handling --- onward transport via rail

16:56 pm

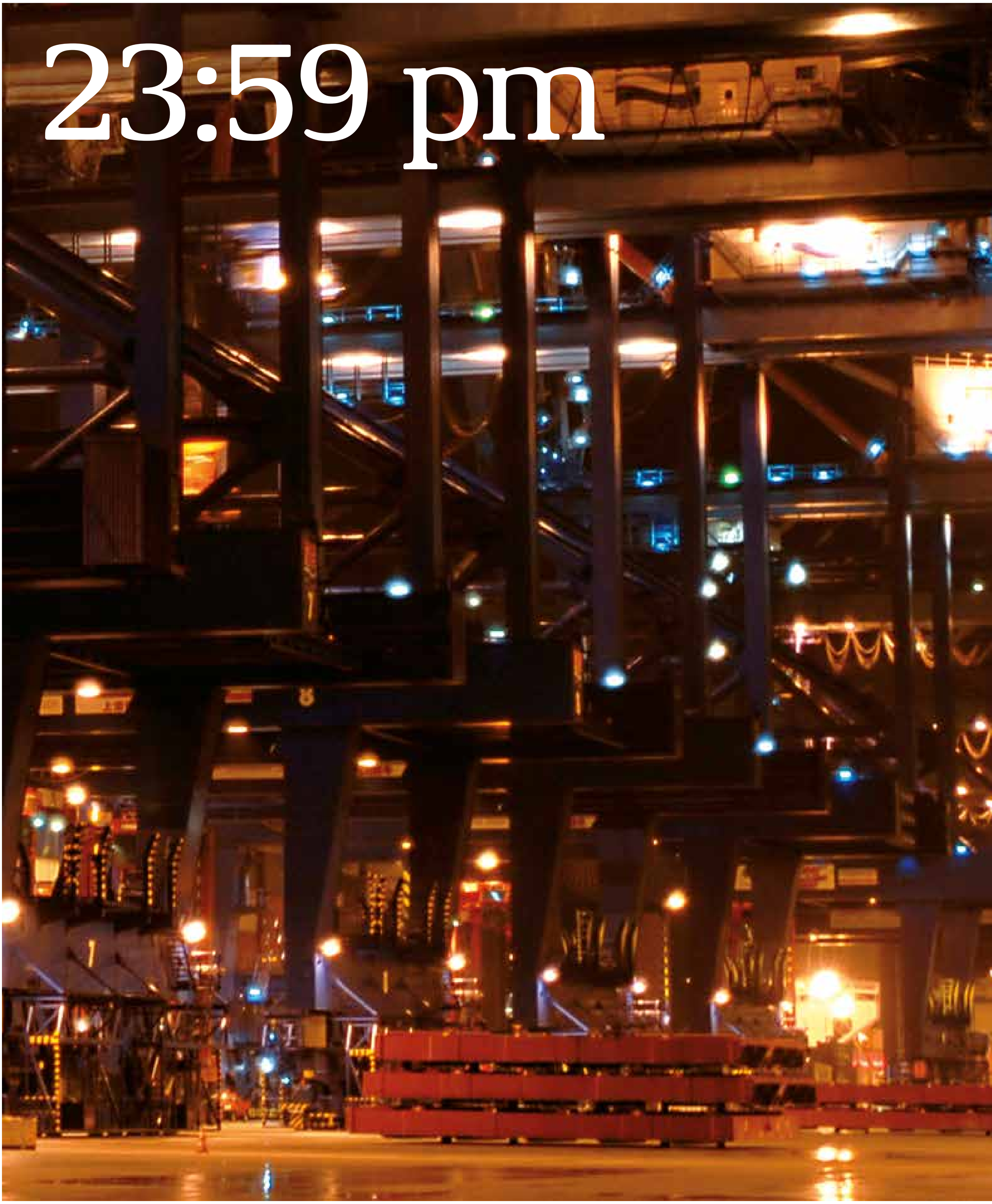
Place	Bremerhaven	Division	AUTOMOBILE	Assignment	Transporting 3,050 brand-new vehicles from Bremerhaven to China
Position	53° 55.000'N | 8° 58.333'E	Client	Mercedes-Benz		

21:08 pm

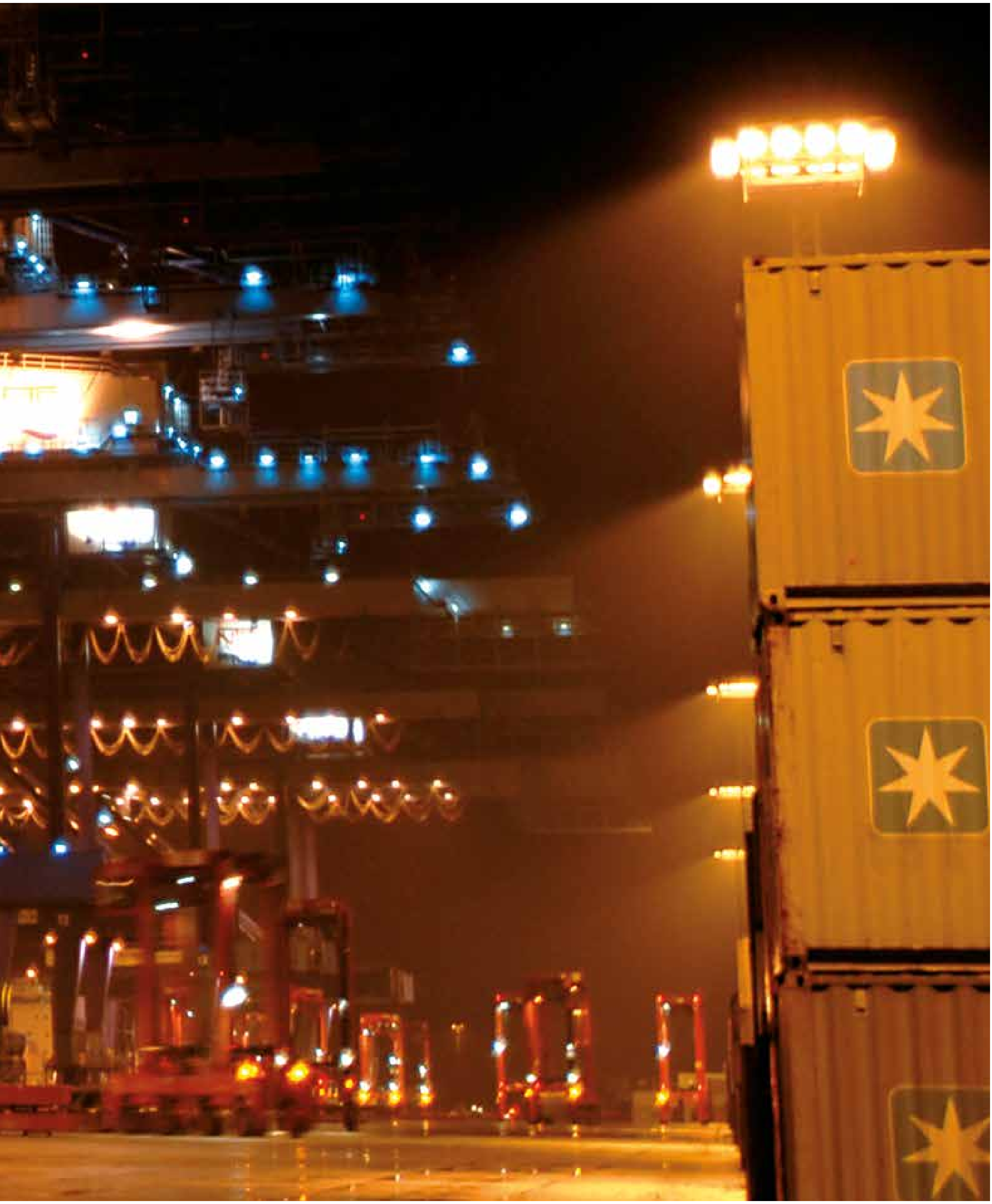
Car carrier punctually arrives in Bremerhaven --- loading of the car carrier in Nordhafen goes like clockwork --- high & heavy goods roll on board – soon the carrier leaves the port --- all preparations have been made for arrival in China

Place	Hamburg	Division	CONTAINER	Assignment	Transshipment of 4,305 containers for USA
Position	53° 55.000'N | 10° 00.000'E	Client	Maersk		

23:59 pm



Handling work for a container vessel runs precisely even just before midnight -- 4,305 containers are discharged and loaded within shortest possible time --- port pilot leaves the container ship --- colleagues at the port of destination have already prepared onward transport



We move goods safely and reliably around the globe. Nothing works without smooth logistics. And exactly that is our job. 365 days a year, 7 days a week, 24 hours a day.

MARKET AND DYNAMICS

The BLG GROUP has developed into a global logistics provider with a strong local base. Our clients include leading German carmakers as well as powerful brands in the retail trade. Our business gets more demanding every day due to the increasing complexity of products, markets and customer requests. We respond to these demands with a flexible, high-performance system. A high degree of IT competence is needed to develop process chains. We provide it on the basis of our unique systems. In addition, BLG invests substantial funds in port and logistics facilities as well as in transport systems. Through the JadeWeserPort in Wilhelmshaven we keep pace with the development towards bigger and bigger ships.

Our IT and logistics experts work out individual solutions together with the clients.

CUSTOMER ORIENTATION AND INTELLIGENCE

By virtue of our logistics solutions, we are a major interface for the success of our clients. No matter how complex the job at hand, customers want a simple solution. And that's what we offer them – thanks to the modular service diversity of BLG's three divisions, we can put together the right logistics package for every requirement. That may comprise such different tasks as shipping car parts or importing finished vehicles. We combine ship, rail and truck into efficient logistics chains. Our customers profit from our speedy service and absolute reliability.

Our customers profit from the modular service diversity of our three divisions.

EMPLOYEES OF OUTSTANDING COMPETENCE

Today we provide around 16,000 jobs worldwide, more than half of them in Bremen and Bremerhaven. This means considerable responsibility for the region. We are a growing company that has to meet a wide variety of constantly changing customer requirements. That is why the competence of our employees is a major success factor. This applies in particular to our IT and logistics experts who develop complex global process chains. We are greatly committed to initial and further training and have set up our own junior management training program.

AUTOMOBILE

Growth prospects

In the AUTOMOBILE Division the export segment will remain decisive for the volume in the seaports. In 2014 the German Association of the Automotive Industry expects growth in domestic passenger car production to 5.55 million units and a rise in exports to 4.28 million vehicles. Our cargo handling volume will also profit from that.

Major projects

We want to take advantage of the growth prospects in the AUTOMOBILE Division to increase our cargo handling volume.

We are expanding our market and sales activities on a global level. For this purpose we are planning, among other things, a joint venture with a Turkish company in the automobile freight forwarding sector. To cover logistics needs in China, especially in the automobile logistics segment, we have established a service and sales company there.

CONTRACT

Growth prospects

The growth prospects in the CONTRACT Division vary greatly. The Automotive segment (Europe), for instance, will profit from the rates in increase in parts logistics while industrial logistics will benefit from the outsourcing trend in mechanical and plant engineering. Retail logistics business will also grow and we expect stable development in the seaport logistics sector.

Major shipping routes. The largest cargo volume is moved between Europe and Asia and the USA as well as within Europe.

Major projects

Because manufacturers are reducing their own vertical range of production to a substantial degree, BLG handles additional production steps for the automobile industry. This includes preassembly of system components. In the Retail Logistics segment we operate various logistics centers, above all the high-bay warehouse complex in Bremen. Online business has great growth potential in this context. In addition, BLG WindEnergy Logistics is networking the activities of the wind energy sector and making a significant contribution to the development of German offshore wind farms..

CONTAINER

Growth prospects

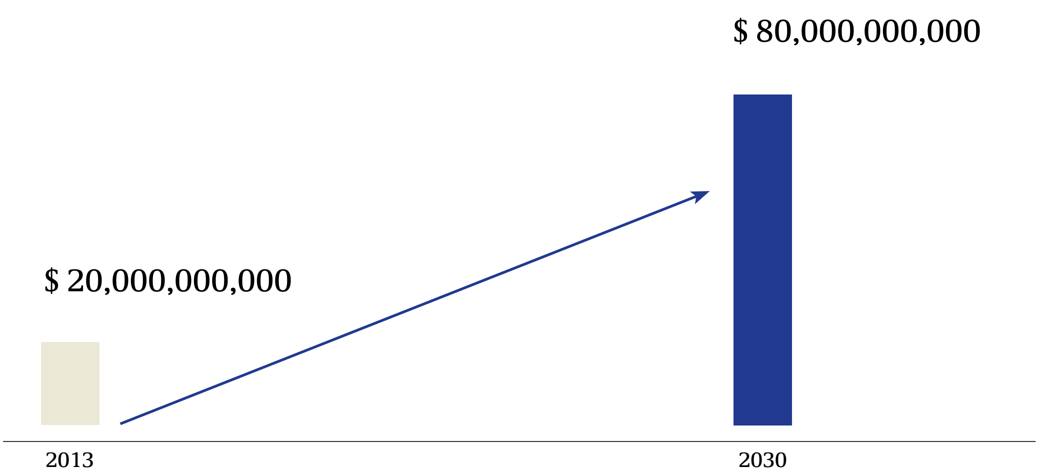
The rising number of large container vessels going into operation with a capacity of over 10,000 TEU is gaining further importance. World trade will continue to increase in the long run and container traffic in particular will profit from that.

The Chinese market holds great potential for our AUTOMOBILE and CONTAINER Divisions.

Major projects

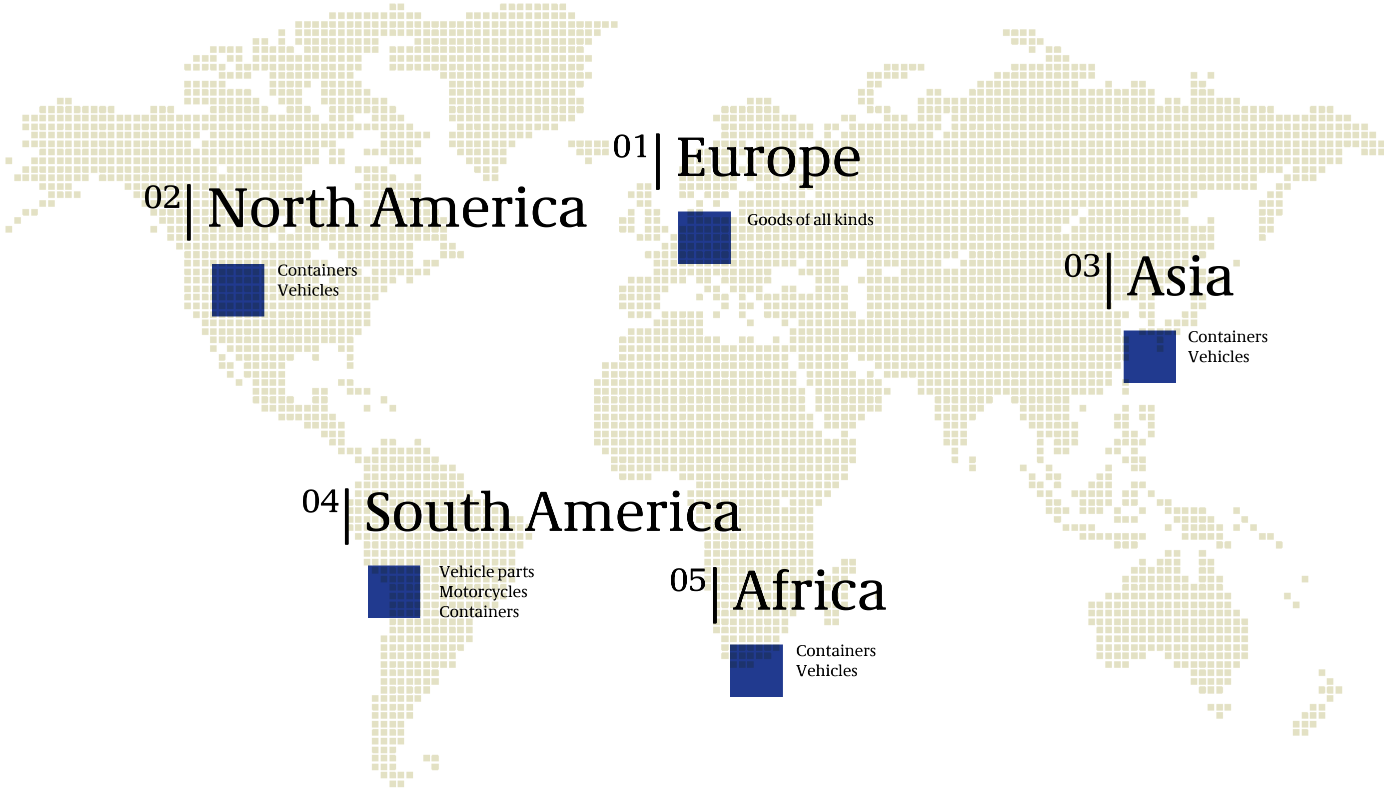
To optimally exploit the potential of the EUROGATE terminals in Bremerhaven and Hamburg, it is necessary to deepen the shipping channel in the Outer Weser and Elbe. This is the only way to make the two ports accessible to container ships at all times. The new JadeWeserPort in Wilhelmshaven secures the capacity needs for container handling on the German North Sea coast on a long-term basis.

Development of world trade volume



Source: Handelsblatt

Main types of goods



PRESENT WORLDWIDE

Globalization is one the main trends of our time. BLG clients from industry and commerce depend on reliably managed flows of material and goods – on a worldwide scale.

Over 100 locations worldwide, provides our customers with a comprehensive and global logistics network.

BLG combines its traditional port services with the performance profiles of modern logistics. In the past years, particularly since 1999, we have set up an unmatched global network based on our subsidiaries and holdings. It encompasses terminals on the sea and inland as well as numerous other locations for specialized logistics services in Europe, North and South America, Africa and Asia. With over 100 locations we are present in the growth markets around the world, especially at the hubs of the automotive industry. This is the only way we can provide our customers with a comprehensive range of logistics services from the site of production to the site of use – everywhere on the globe.

To our Shareholders

BREMER LAGERHAUS-GESELLSCHAFT
–Aktiengesellschaft von 1877–

Letter of the Board of Management

Dear Shareholders,

“Shaping change” was the title we gave to the Annual Report for 2012. Today we can say to you: we have done just that. The good mixture of two colleagues remaining from the previous Board of Management with two new members from the ranks of BLG LOGISTICS having many years of experience in the company and two additional members with decades of experience in the transportation and logistics sector has resulted in an excellent and dynamic team.

A year ago we assumed that the economic trend in 2013 would weaken. And this is exactly what happened. It was a difficult year worldwide with special impacts on specific sectors and individual regions around the globe.

Sales in the automobile industry in Europe stagnated or declined. The demand for heavy-lift cargo handling has dropped dramatically on a global scale. We have felt the effects of this on high & heavy volume in Bremerhaven and cargo handling in Neustädter Hafen. Times have become uncertain for the offshore wind energy sector in Germany.

Production companies in Germany’s strongest wind energy location, Bremerhaven, have thinner order books and had to introduce short-time working schemes. That naturally also has an effect on the downstream logistics services. Due to the absence of a pronounced upswing in world trade, we significantly fell short of our expectations for 2013 with respect to the container terminals in Wilhelmshaven and remained slightly below these expectations in Bremerhaven.

Nevertheless, we were able to record growth in sales Group-wide. For 2013 we reported around EUR 1.2 billion, corresponding to a slight rise of 3.1 percent. This is primarily attributable to growth with our long-standing customers and acquisition of new business, particularly in contract logistics.

However, the difficult economic situation led to more intensive competition and considerable price pressure. This explains why we reported lower earnings before taxes in spite of slightly increased Group sales. The operating earnings came to EUR 37 million – a decline essentially due to the drop in high & heavy volumes in Bremerhaven and the change in structural conditions at the Auto Terminal. There we recorded less value added because of a decrease in import volume. And we have to accept the fact that there will be no turnaround in this development. Furthermore, we have decided to restructure and deconsolidate our commitment in Ukraine. That results in a valuation allowance of EUR 16.6 million and leads to earnings before taxes of EUR 20.2 million for the BLG GROUP.

Nonetheless, we can live up our promise of an attractive dividend yield for the shareholders of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–. On May 30, 2014 we will propose to the Annual General Meeting that a dividend of EUR 0.40 per share be paid out. This amount is at the same level as in the previous year and, given a payout ratio of 68 percent, corresponds to a dividend yield of 4.2 percent.

The economic prospects for 2014 indicate that we can expect a difficult financial year. The economic recovery in Europe will proceed, if at all, in slow steps. Political crises will have a noticeable influence on worldwide commodity trade. We will spare no effort to conduct profitable business and consistently implement the initiated efficiency enhancement and restructuring programs.

In economic terms, we expect sales and earnings before income taxes at the previous year's level (previous year adjusted for special effects) for the BLG GROUP in the 2014 financial year. The goal will be to offer our shareholders an attractive dividend yield again in the coming year.

Such long-lasting economic success depends on how well we are able to apply the competence and commitment of each single employee for the common cause and convince customers, business partners and shareholders of our entrepreneurial approach.

Dear Shareholders, we look forward to pursuing this path together with you and would like to thank you for the trust you place in BLG.

THE BOARD OF MANAGEMENT

Frank Dreeke | Jens Bieniek | Michael Blach

Hartmut Mekelburg | Emanuel Schiffer | Andreas Wellbrock

The Board of Management

Frank Dreeke
Chairman of the Board

Frank Dreeke (born in 1959) has more than three decades of worldwide management experience in the port and logistics sector. He was appointed to the Board of Management by the Supervisory Board at the beginning of 2013 and took over as Chairman on June 1. Furthermore, his area of responsibility encompasses Corporate Strategy, Corporate Communications and Transport Policy.

Jens Bieniek
Chief Financial Officer

Jens Bieniek (born in 1964) has a degree in Business Administration and Engineering and has been working for the company since 1999. As a Company Officer with commercial power of attorney, he has headed Corporate Investment Management as well as Finance and Controlling since 2002. Jens Bieniek has been a member of the Board of Management as CFO since June 1, 2013.

Michael Blach
AUTOMOBILE Division

Michael Blach (born in 1964) is a port and shipping manager with international experience. His last position was Vice President Key Account Management in the A.P. Møller-Maersk Group. He has been a member of the Board of Management since June 1, 2013 and is responsible for the AUTOMOBILE Division.

Hartmut Mekelburg
Industrial Relations Director

Hartmut Mekelburg (born in 1952) has been Industrial Relations Director at BLG since 2006. In 1990 he was elected chairman of the works council and after BLG's restructuring as of 1998 assumed the functions of chairman of the corporate works council.

Emanuel Schiffer
CONTAINER Division

Emanuel Schiffer (born in 1951), holder of a degree in Engineering and Business Administration, assumed executive positions in Bremerhaven at an early date. In 1995 he was appointed to the BLG Board of Management. At the same time he has been Chairman of the Group Board of Management at EUROGATE since 1999.

Andreas Wellbrock
CONTRACT Division

Andreas Wellbrock (born in 1964), a Business Administration and Engineering graduate, has been performing management duties at the company since 1999. He also set up the new segment of logistics for offshore wind energy. He has been a member of the Board of Management since June 1, 2013 and is responsible for the Contract Logistics Division.

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

Interviews with the Board of Management

Germany is the world champion in logistics. This is the bottom line of the 2014 Logistics Performance Index (LPI), for which the World Bank surveyed 6,000 logistics companies around the globe. Experts feel that German enterprises will have to boost their efforts to maintain this position. BLG LOGISTICS is already aware of that. The Board of Management expresses its views on old and new challenges, optimization potential and the special importance of customers and employees.

A weak world economy, lower growth rates, unforeseen political and economic developments. Mr. Dreeke, how do you and your colleagues on the Board want to organize BLG LOGISTICS in the future so you can steer the company confidently even through stormy times?

» **Frank Dreeke:** In the past we concentrated on reliably managing existing processes. That's not enough today. It's time to think outside the box. Many of our strengths help us in this context: we are able to put together logistics packages for our customers. We have a high level of IT competence. We are masters of the supreme discipline – car parts logistics – and are able to strengthen our value chain by offering additional services. I would like to maintain a relationship with our customers based on partnership in which we act as the logistics interface, improve the processes of our customers and receive commensurate payment for this service.

» **Michael Blach:** : In times of increasingly volatile business we have to organize ourselves and our processes in such a way that we can operate successfully even in phases in which there is little or no continuity. A deep understanding of how workflows function in detail is indispensable in this context. In the future we will focus even more on clear, unambiguous written process descriptions so as to improve, simplify and standardize the entire network. Real time status messages will further improve transparency and efficiency.

Mr. Blach, you are constantly in contact with BLG's most important customers. Why is that of such great significance in your view?

» **Michael Blach:** A sound and in-depth understanding of what our customers want and how the market functions is essential for us. That helps us to identify and process changes quickly. And only in this way can we be sure about what our strengths are and concentrate on them. We are interested in long-term business relations. After all, the longer a business relationship exists, the more mutual time and energy we can invest in process and business optimization. Continuously offering our customers high-quality and competitive services – that's our highest goal. In the AUTOMOBILE Division, for instance, we constantly work on more intensively intermeshing strategic hubs by means of our own truck, rail and inland vessel connections.

» Andreas Wellbrock: Strengthening networks – this is what the heterogeneous portfolio of our CONTRACT Division is geared to. We have to successfully manage the balancing act between consolidation and cost discipline, on the one hand, and at the same time profitable growth, on the other hand. We will also link our international locations to one another much more intensively so as to perform services in the framework of intercontinental flows of goods. However, networking also takes place in-house. We are in the process of pooling competencies in the division in order to transfer them selectively to other sectors. Here I'm thinking of industrial clients and also delivery in connection with end customer business. On a complementary basis, we will also provide freight forwarding services to a greater extent.

The container volumes handled in the European North Sea ports in 2013 are far short of the existing terminal capacities. That significantly increases competitive pressure. How are you responding to this development, Mr. Schiffer?

» **Emanuel Schiffer:** The year 2014 will be decisively influenced by the concentration of shipping companies into three main mega-alliances. The predominant one is the "P3" operating alliance comprising the three largest carriers worldwide. That will pose entirely new challenges for us and will additionally hold risks, but also opportunities, and we will have to identify and exploit them faster and better than the competition. Moreover, we have to keep our procedures, facilities and equipment fit for the further development of ultra-large container vessels. After all, it's obvious that the trend towards bigger and bigger ships is not over yet.

Furthermore, we will expand secondary business, such as assembly of rotor stars for the offshore industry, particularly in Wilhelmshaven. And we are still ambitious as far as reduction of energy costs is concerned. We have been operating our own wind turbine at our Hamburg container terminal since summer 2013 and in this way cover a substantial portion of the power needs there. And that will not remain the only one. The milestones on the way to reducing energy consumption by 20 percent and CO_2 emissions by 25 percent per container by 2020 have been achieved.

Mr. Bieniek, BLG has been consistently investing in new projects for years, thus maintaining its capacity for growth. How do you shape this permanent change as Chief Financial Officer?

» **Jens Bieniek:** Up to now we have mainly focused on the operating profit, i.e. the actual figure, of the BLG GROUP. In future we will steer the Group more and more towards sustainable development and devote our attention to specifically stipulated key balance sheet figures – not only volumes and EBT, but also margins, cash flow and ROCE have to be achieved. To able to attain an appropriate return, we also have to examine whether the capital employed is in proportion to the result. We call that liquidity-oriented corporate management! The conflicting interests of very heterogeneous stakeholders remains a challenge, however. Shareholders expect from us payout capability, investors expect risk-compatible interest rates, customers pay us for service and, not least of all, we want and have to be an attractive employer.

Speaking of employers, Mr. Mekelburg, BLG repeatedly emphasizes its special responsibility for the Bremen and Bremerhaven region based on the fact that the company has over half of its 16,000 jobs here. How do you meet this responsibility in the area of human resources?

» **Hartmut Mekelburg:** : The quality and efficiency of our services are mainly determined by the competence of the people working for BLG LOGISTICS. That is stipulated in our mission statement and is consistently further developed by our management principles. Secure jobs, staff development, esteem, communication and information in all directions – these are not empty words for us. We regularly examine the extent to which these premises are practiced: institutionalized for the first time in the framework of an employee survey in cooperation with the external institute "Great Place to Work" in 2012. We are continuously working on implementation of the constructive ideas and suggestions resulting from that. We want to stand for something – that's why we went a step further in 2013 with a BLG code for labor relations.

Modern personnel management involves a wide variety of other topics today, doesn't it?

» **Hartmut Mekelburg:** Modern personnel management means not only acting as a staff recruiter in a service function for the Group and for our operational units, but providing one's own special value added for their success. That's why we, of course, devote our attention to such topics as demographic change, talent development, integration and employer branding. As the "BLG LOGISTICS" brand, we simply want to be attractive on the labor market.

» **Frank Dreeke:** : BLG is in good shape! We can take advantage of the fact that we are dynamic and customer-oriented. That's an excellent starting point combined with our very highly qualified, committed and motivated employees. As long as we keep our strengths in mind and at the same time face new challenges in an open-minded fashion, I look ahead with confidence and am sure that BLG can continue to operate successfully in the interest of its customers and shareholders.

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 2013 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 and risk situation and the development prospects of the Group described in the reports of the Board of Management, the individual divisions and segments as well as major affiliated companies in Germany and abroad were the subject of detailed discussion.

The Supervisory Board convened at five meetings in 2013. The average attendance at the Supervisory Board meetings in the year under review was 96 percent. Average attendance at committee meetings in 2013 was 98 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 General 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 Statements, the current earnings situation, including the risk management system and risk-conscious control of corporate development, the agenda for the Annual General Meeting in 2013 and matters relating to Board of Management remuneration. 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 18, 2013. In addition, formation of an investment committee was decided on, effective as of January 1, 2014.

The conclusion of the Annual General Meeting on May 23, 2013 marked the end of the term of office of all members of the Supervisory Board. The previous members of the Supervisory Board were reelected, with one exception. Ms. Christine Behle, a member of the federal executive board of ver.di Vereinte Dienstleistungsgewerkschaft, was elected as a new member of the Supervisory Board. Mr. Erhard Ott, a member of the federal executive board of ver.di Vereinte Dienstleistungsgewerkschaft who no longer ran as a candidate, stepped down. Former members of the Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– are not represented on the Supervisory Board. Dr. Stephan-Andreas Kaulvers was elected as Chairman of the Supervisory Board during the constituent Supervisory Board meeting after the Annual General Meeting. Ms. Christine Behle was appointed as Deputy Chairman.

Effective as of October 14, 2013, Mr. Frank Schäfer resigned from his office on the Supervisory Board. Mr. Reiner Thau took his place as a member of the Supervisory Board on October 15, 2013. Effective as of December 31, 2013, Mr. Uwe Beckmeyer stepped down from his office on the Supervisory Board. The election of an additional Supervisory Board member as a representative of the shareholders will be part of the agenda of the Annual General Meeting of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– on May 30, 2014.

In the framework of succession 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 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 as well as Mr. Michael Blach and Mr. Andreas Wellbrock as new members of the Board of Management with responsibility for the AUTOMOBILE and CONTRACT Division respectively on December 20, 2012.

As of June 1, 2013, Mr. Frank Dreeke succeeded Mr. Detthold Aden, who left the company for reasons of age, as Chairman of the Board of Management and Mr. Jens Bieniek succeeded Mr. Hillert Onnen, who stepped down for reasons of age, as CFO.

Mr. Michael Blach and Mr. Andreas Wellbrock also commenced their work on the Board of Management as of June 1, 2013. They follow Mr. Manfred Kuhr and Dr.-Ing. Bernd Lieberoth-Leden in their functions since the latter left the company 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.

Mr. Emanuel Schiffer was again appointed as a member of the Board of Management with responsibility for the CONTAINER Division for the period from January 1, 2015 to December 31, 2016.

Committees of the Supervisory Board

To perform its duties efficiently, the Supervisory Board has additionally set up four committees to which separate rules of procedure apply in each case. These committees of the Supervisory Board are the Audit Committee, Human Resources Committee, Investment Committee and 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 reviewing the accounting process and questions of company accounting as well as auditing the annual and Consolidated Financial Statements, the Management Report and Consolidated Management Report and the proposal for appropriation of the balance sheet profit of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–, prepared by the Board of Management. 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 Statements and Consolidated 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 General Meeting, suggests audit focal points and specifies the remuneration of the auditor. Furthermore, the committee monitors the independence, qualifications, rotation and efficiency of the audi-

tor.
The duties of the Audit Committee also entail preparation of the Supervisory Board's decision on planning for the following financial years, 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 General Meeting.

Investment Committee

Effective as of January 1, 2014, the Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– formed the Investment Committee. It has six members, three of them representatives of the shareholders and three employee representatives of the Supervisory Board. The chairman of the Supervisory Board is also chairman of this committee. At least one member of the Investment Committee has to be a financial expert. The Investment Committee makes decisions on certain especially urgent unplanned investments in material assets.

Mediation Committee

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

The Mediation Committee in accordance with Section 27 (3) of the Co-Determination Act did not hold any meetings.

The Human Resources Committee met on March 15, 2013, April 11, 2013, September 20, 2013 and December 18, 2013. It essentially treated matters relating to the renewed appointment of Mr. Emanuel Schiffer to the Board of Management from January 1, 2015 to December 31, 2016 and Supervisory Board remuneration.

In its function as nomination committee the Human Resources Committee intensively dealt with preparation of the election of an additional representative of the shareholders to the Supervisory Board at the Annual General Meeting in 2014 and proposed a suitable candidate to the Supervisory Board.

In the 2013 financial year the Audit Committee met twice, on April 19 and December 12, 2013. 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 General 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 13, 2013. The Board of Management issued the 12th Declaration of Conformity to the German Corporate Governance Code in the version of May 13, 2013 on November 19, 2013 and the Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– did so on December 18, 2013. The declaration has been made permanently available to the shareholders on the website at **www.ir.blg.de**.

http://www.ir.blg.de

Annual and Consolidated Financial Statements, financial statement audit

The representatives of Ernst & Young GmbH, Wirtschaftsprüfungsgesellschaft, 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 Statements as of December 31, 2013 as well as the Management Report and the Consolidated 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 audited by Ernst & Young GmbH, Wirtschaftsprüfungsgesellschaft, Bremen, the auditing company which was selected by the Annual General Meeting, and given a fundamentally unqualified auditors' report. A qualified auditors' report was issued for the Consolidated Financial Statements 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 the Consolidated Financial Statements on page 187 and in particular in the disclosures on equity in the notes to the Consolidated Financial Statements on pages 149 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 2013 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,
3. the measures described in the report do not involve any circumstances that would support a signifi cantly different evaluation than that given by the Board of Management."

The annual financial statement and Management Report, Consolidated Financial Statements and Consolidated 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 in due time.

For its part, the Supervisory Board has reviewed the annual financial statement, the Consolidated Financial Statements, the Management Report and the Consolidated 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 Statements, 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 Statements 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 great commitment and performance and their consistent efforts to keep our company on a course to success. The Supervisory Board is convinced that the Group is headed in the right direction in securing its earnings power on a long-term basis.

Bremen, April 2014

For the Supervisory Board

Dr. Stephan-Andreas Kaulvers
Chairman

Corporate Governance Report

Declaration on Corporate Governance

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 control 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 issued the 12th Declaration of Conformity to the German Corporate Governance Code in the version of May 13, 2013 on November 19, 2013 and the Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– did so on December 18, 2013. The declaration has been made permanently available to the shareholders on the Internet at **www.ir.blg.de**.

http://www.ir.blg.de in section Corporate Governance under Declaration of Conformity

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

Der BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– ist durch das deutsche Gesellschaftsrecht ein duales Führungssystem mit den Organen Vorstand und Aufsichtsrat gesetzlich vorgegeben. Vorstand und Aufsichtsrat der BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– arbeiten bei der Leitung und Überwachung des Unternehmens eng und vertrauensvoll zusammen.

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 LAGERHAUSGESELLSCHAFT –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 the enterprise value 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 specified below.

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 succeeded Mr. Detthold Aden, who is left the company for reasons of age, as Chairman of the Board of Management and Mr. Jens Bieniek succeeded Mr. Hillert Onnen, who stepped down for reasons of age, as CFO.

Mr. Michael Blach and Mr. Andreas Wellbrock also commenced their work on the Board of Management as of June 1, 2013. They follow Mr. Manfred Kuhr and Dr.-Ing. Bernd Lieberoth-Leden in their functions since the latter left the company 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.

Since June 1, 2013 the Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– has been 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 members of the Board of Management remaining in office, Mr. Hartmut Mekelburg (Human Resources) and Mr. Emanuel Schiffer (CONTAINER Division).

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 General 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.

The conclusion of the Annual General Meeting on May 23, 2013 marked the end of the term of office of all members of the Supervisory Board. The previous members of the Supervisory Board were reelected, with one exception. Ms. Christine Behle, a member of the federal executive board of ver.di Vereinte Dienstleistungsgewerkschaft, was elected as a new member of the Supervisory Board. Mr. Erhard Ott, a member of the federal executive board of ver.di Vereinte Dienstleistungsgewerkschaft who no longer ran as a candidate, stepped down. Former members of the Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– are not represented on the Supervisory Board.

Dr. Stephan-Andreas Kaulvers was elected as Chairman of the Supervisory Board during the constituent Supervisory Board meeting after the Annual General Meeting. Ms. Christine Behle was appointed as Deputy Chairman. Effective as of October 14, 2013, Mr. Frank Schäfer resigned from his office on the Supervisory Board. Mr. Reiner Thau took his place as a member of the Supervisory Board on October 15, 2013. Effective as of December 31, 2013, Mr. Uwe Beckmeyer stepped down from his office on the Supervisory Board. The election of an additional Supervisory Board member as a representative of the shareholders will be part of the agenda of the Annual General Meeting of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– on May 30, 2014.

http://www.ir.blg.de/
in section IR calendar and events under Annual General Meeting

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, a Human Resources Committee and an Investment Committee. The members of the committees set up by the Supervisory Board are listed in the notes to the Consolidated Financial Statements.

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 Consolidated Management Report and the proposal regarding appropriation of the balance sheet profit of BREMER LAGERHAUSGESELLSCHAFT –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 of the Consolidated Financial Statements and Consolidated 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 General Meeting, suggests audit focal points and specifies the remuneration of the balance sheet auditor.

Moreover, the committee monitors the independence, qualifications, 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 is composed 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 General 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.

Effective as of January 1, 2014, the Supervisory Board formed the Investment Committee. It has six members, three of them representatives of the shareholders and three employee representatives of the Supervisory Board. The chairman of the Supervisory Board is also chairman of this committee. The committee meets according to need. The Investment Committee is involved in making preparatory decisions and resolutions for specifically defined and urgent investment projects.

Director's 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 315 (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. The Board of Management at 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 General Meeting. Section 19 of the Memorandum and Articles of Association stipulates what requirements have to be met in order to participate in the Annual General 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 General 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 General 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 holding more than ten percent of the share capital are the Freie Hansestadt Bremen (municipality of Bremen), Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen and the Finanzholding der Sparkasse in Bremen, Bremen. Details on this can be found in the notes to the Consolidated Financial Statements in the section on disclosures of voting rights. For further information on shareholder structure we refer you to the economic report.

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 this connection.

Powers of the Board of Management to issue or buy back shares
The Board of Management is currently not authorized by the Annual General 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 pay system for members of the Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– in accordance with the Act on the Appropriateness of Management Board Compensation (VorstAG) that came into force in August 2009 at the proposal of the Human Resources Committee. New and existing contracts with Board of Management members were changed over to this system by mutual agreement and uniformly for all Board of Management members, regardless of the existing contract periods, effective as of January 1, 2011. The new system was approved by the Annual General Meeting in 2011 in accordance with Section 120 (4) of the Stock Corporation Act (AktG).

The following statements are based on the pay system applying since January 1, 2011:

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.

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 pay for the remaining term of their employment contracts. Corresponding provision was made for this in the previous 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 TEUR	2013				2012			
	Fixed remuneration	Other compensation	Variable remuneration[1, 2]	Total	Fixed remuneration	Other compensation	Variable remuneration[1, 2]	Total
Detthold Aden	252	18	188	458	605	42	450	1.097
Jens Bieniek	193	15	102	310	0	0	0	0
Michael Blach	193	14	102	309	0	0	0	0
Frank Dreeke	490	38	225	753	0	0	0	0
Manfred Kuhr[3]	424	16	287	727	424	40	300	764
Dr.-Ing. Bernd Lieberoth-Leden[4]	330	8	175	513	330	13	300	643
Hartmut Mekelburg	330	22	175	527	330	22	300	652
Hillert Onnen	138	15	116	269	330	34	300	664
Emanuel Schiffer[5]	458	36	282	776	458	60	300	818
Andreas Wellbrock	193	9	102	304	0	0	0	0
	3.001	**191**	**1.754**	**4.946**	**2.477**	**211**	**1.950**	**4.638**

1 The variable remuneration reported is based on the business success in the respective reporting year.
2 The presentation of the success-oriented remuneration is based on the business success in the respective reporting year.
3 Fixed and variable remuneration to an amount of EUR 410,000 have been agreed upon for premature termination of the position.
4 Fixed and variable remuneration to an amount of EUR 243,000 have been agreed upon for premature termination of the position.
5 EUROGATE GmbH & Co. KGaA, KG refunds the remuneration in full.

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. Pension claims of Mr. Aden are directed exclusively against BLG.

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 from 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. There are no pension commitments for Michael Blach, Frank Dreeke and Dr.-Ing. Lieberoth-Leden.

Pension commitments[1] TEUR	Present value of pension commitment		Total addition	Market value of reinsurance coverage		Total addition
	2013-12-31	2012-12-31 (adjusted)	2013	2013-12-31	2012-12-31 (adjusted)	2013
Detthold Aden[2]	1,727	2,548	135	2,034	2,825	130
of that, BLG	1,727	2,548	135	2,034	2,825	130
of that, third parties	0	0	0	0	0	0
Jens Bieniek	106	94	12	61	53	8
of that, BLG	106	94	12	61	53	8
of that, third parties	0	0	0	0	0	0
Michael Blach	0	0	0	0	0	0
of that, BLG	0	0	0	0	0	0
of that, third parties	0	0	0	0	0	0
Frank Dreeke	0	0	0	0	0	0
of that, BLG	0	0	0	0	0	0
of that, third parties	0	0	0	0	0	0
Manfred Kuhr	1,820	1,721	0	0	0	0
of that, BLG	0	0	0	0	0	0
of that, third parties	1,820	1,721	0	0	0	0
Dr.-Ing. Bernd Lieberoth-Leden	0	0	0	0	0	0
of that, BLG	0	0	0	0	0	0
of that, third parties	0	0	0	0	0	0
Hartmut Mekelburg	1,382	1,263	52	557	471	86
of that, BLG	699	647	52	557	471	86
of that, third parties	683	616	0	0	0	0
Hillert Onnen	1,827	1,751	0	0	0	0
of that, BLG	0	0	0	0	0	0
of that, third parties	1,827	1,751	0	0	0	0
Emanuel Schiffer	3,189	2,850	0	0	0	0
of that, EUROGATE	1,007	896	0	0	0	0
of that, third parties	2,182	1,954	0	0	0	0
Andreas Wellbrock	91	81	10	41	49	8
of that, BLG	91	81	10	41	49	8
of that, third parties	0	0	0	0	0	0
	10,142	**10,308**	**209**	**2,693**	**3,398**	**232**

[1] The data relate to the present and market values determined according to provisions of commercial law.
[2] In contrast to the previous year, a pension commitment to an amount of EUR 929,000 is reported under miscellaneous financial liabilities as of December 31, 2013.

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, 2013. 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 2013 financial year:

Remuneration of the Supervisory Board TEUR	2013					
	Fixed remunera-tion[2]	Variable remunera-tion[2]	Committee work	Meeting allowance	Miscella-neous[3]	Total
Dr. Stephan-Andreas Kaulvers	15	6	1	5	10	37
Christine Behle	6	2	1	3	0	12
Erhard Ott	4	2	0	2	0	8
Uwe Beckmeyer	5	2	0	2	0	9
Karl-Heinz Dammann	5	2	1	4	9	21
Melf Grantz	5	2	1	5	0	13
Martin Günthner[1]	5	2	1	5	0	13
Wolfgang Lemke	5	2	2	5	0	14
Karoline Linnert[1]	5	2	1	3	9	20
Dr. Klaus Meier	5	2	1	4	0	12
Dr. Tim Nesemann	5	2	1	3	0	11
Dirk Reimers	5	2	1	3	0	11
Frank Schäfer	4	2	1	2	8	17
Dieter Schumacher	5	2	0	3	0	10
Gerrit Schützenmeister	5	2	0	3	0	10
Dieter Strerath	5	2	1	5	0	13
Reiner Thau	1	1	0	0	3	5
Dr. Patrick Wendisch	10	4	1	3	0	18
	100	**41**	**14**	**60**	**39**	**254**

[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 mandates

In the previous year the Supervisory Board received remuneration to a total amount of EUR 326,000, of which EUR 100,000 was accounted for by fixed components and EUR 97,000 by variable components. The meeting allowances came to EUR 81,000, the remuneration for committee work EUR 14,000 and the allowances for in-Group Supervisory Board seats EUR 34,000.

As of December 31, 2013, 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.

BLG share

» BLG share climbs by over 7 percent
» Dividend continuity is maintained
» Shareholder structure constant for more than ten years
» Earnings per share come to EUR 0.59

General development of the capital market

The stock markets were in good shape in the 2013 trading year in spite of worldwide trouble spots and only slightly increasing dynamics in world economic development. In view of the generally attractive valuation of many stocks and at the same time a relatively low interest level for investment alternatives with a fixed interest rates, market prices rose on a broad front. The most important indices in Europe, the US and Asia thus recorded a gratifying development in 2013.

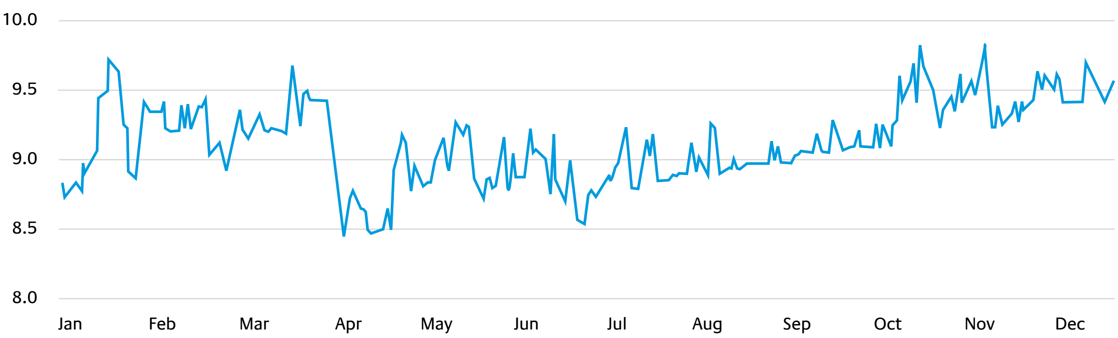
In this generally positive situation the German stock market index (DAX) also increased in the course of the 2013 financial year and closed on the last trading day at 9,552 points with a significant total market price plus of 22.8 percent.

Value development of BLG share [1]

BLG share also developed positively in the course of the reporting year. On the first trading day of the new financial year, on January 2, 2013, the stock opened at a market price of EUR 8.78. After an initially extremely positive development the opening price on the stock market on April 9, EUR 8.33, marked the absolute low point for the year. The strong upswing starting in May led to attainment of the maximum level for the year at EUR 9.70 shortly before the end of the 2013 financial year. Like the most important German indices, i.e. DAX, MDAX and TecDAX, the stock profited from the generally solid economic development in Germany. On the last day of trading, December 30, 2013, the stock closed the financial year at a price of EUR 9.48 and thus recorded growth in value of over 7 percent for the entire year.

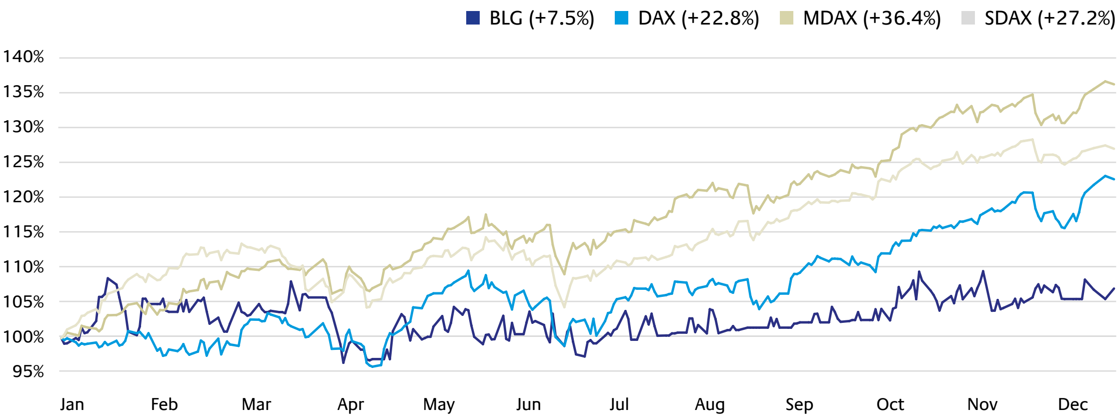
+ 7.5%
growth in value

Share price development of BLG in EUR (in period from January 1, 2013 to December 31, 2013)



[1] All market prices indicated as average on the listed stock markets.

Relative development of BLG share compared to DAX, MDAX and SDAX



Key figures for BLG share

Key figures for the share		2013	2012	2011	2010	2009
Earnings per share	EUR	0.59	0.69	0.58	0.34	0.24
Dividend per share	EUR	0.40	0.40	0.40	0.30	0.25
Dividend	%	15	15	15	12	10
Dividend yield	%	4.2	4.5	5.0	3.2	3.3
Market price at end of year[1]	EUR	9.48	8.93	8.06	9.48	7.58
Highest price[1]	EUR	9.70	9.25	9.83	9.61	9.61
Lowest price[1]	EUR	8.33	7.89	7.52	8.20	6.19
Payout amount	million EUR	1.5	1.5	1.5	1.2	1.0
Payout ratio	%	68.3	57.6	69.3	88.6	104.3
Price-earnings ratio		16.1	12.9	13.9	27.9	31.6
Market capitalization	million EUR	36.4	34.3	31.0	36.4	29.1

[1] Average on listed stock markets

Dividend continuity

Even in times of economic turbulence we pursue the goal of a profit-oriented and continuous dividend policy. In the future we intend to adhere to this strategy and continue to give our shareholders an appropriate share in our corporate success.

Within the scope of their management discretion the Board of Management and the Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– allocated a partial amount of EUR 712,505.88 from the net income of EUR 2,248,505.88 to the other revenue reserves. As a result, the annual financial statement of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– for the 2013 financial year 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.

0.40 EUR
dividend per share

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 General Meeting on May 30, 2014 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 68 percent. Based on the closing price for the year of EUR 9.48, this results in a dividend yield of 4.2 percent for the 2013 financial year.

Shareholder structure

Shareholder structure as of December 31, 2013

- 50.4% Freie Hansestadt Bremen (municipality of Bremen)
- 12.6% Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –
- 12.6% Finanzholding der Sparkasse in Bremen
- 24.4% Free float

The share capital of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– comes 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 Freie Hansestadt Bremen (municipality of Bremen) is the main shareholder of our company with 50.4 percent. Other major institutional investors are Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale – and the Finanzholding der Sparkasse in Bremen. The free float amounts to 24.4 percent, corresponding to around 936,000 shares. The proportion of institutional investors of the latter is about 2 percent while the remaining 22 percent are held by private shareholders.

Investor relations

In the 2013 financial year our investor relations work again focuses on the goal of providing comprehensive information on corporate development and our investor relations activities. For this purpose we devoted particular attention to a dialogue with institutional investors, analysts and private shareholders. However, we also offer all other interested parties information on our company and at the same time endeavor to maintain maximum transparency for everyone. Our IR calendar as well as the financial reports and all information concerning our stock are available on our website at **www.ir.blg.de**.

Annual Financial Statement of BREMER LAGERHAUS-GESELLSCHAFT

–Aktiengesellschaft von 1877–

Income Statement

TEUR	01-01 – 2013-12-31	01-01 – 2012-12-31
1. Remuneration of BLG LOGISTICS GROUP AG & Co. KG	2,790	3,225
2. Other operating income	342	441
	3,132	**3,666**
3. Other operating expenses	-1,020	-1,021
4. Other interest and similar income	574	553
5. Result of ordinary activities	**2,686**	**3,198**
6. Taxes of income	-437	-532
7. Net income	**2,249**	**2,666**
8. Transfers to other revenue reserves	-713	-1,130
9. Balance sheet profit	**1,536**	**1,536**

Balance Sheet

TEUR	2013-12-31	2012-12-31
Assets		
A. Current assets		
I. Receivablesand other assets		
1. Receivables from affiliated companies	20,123	19,227
2. Other assets	4	1
	20,127	**19,228**
II. Cash in hand, bank balances	26	24
	20,153	**19,252**

	2013-12-31	2012-12-31
Equity and liabilities		
A. Equity		
I. Subscribed capital	9,984	9,984
II. Revenue reserves		
1. Legal reserves	999	999
2. Other revenue reserves	6,430	5,718
III. Balance sheet profit	1,536	1,536
	18,949	**18,237**
B. Provisions for taxes		
1. Subscribed capital	260	436
2. Other provisions	495	504
	755	**940**
C. Liabilities		
1. Trade payables	26	8
2. Liabilities to affiliated companies	0	0
3. Other liabilities	423	67
	449	**75**
	20,153	**19,252**

Notes

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.

Disclosures in respect of the balance sheet

Accounts receivable from affiliated companies
The accounts receivable from affiliated companies apply to the full amount to BLG LOGISTICS GROUP AG & Co. KG. They include short-term loans 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 12,402,000 (previous year: EUR 11,072,000). A further amount of EUR 2,495,000 (previous year: EUR 2,929,000) 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 713,000 (previous year: EUR 1,130,000) was transferred to other revenue reserves from the net income for the year 2013.

Provisions
The recognition of other provisions entailed provisions to an amount of EUR 341,000 (previous year: EUR 293,000) for costs in connection with the Annual General Meeting, publication of the annual financial statement and the Consolidated Financial Statements as well as the auditing costs. Additional provisions of EUR 155,000 (previous year: EUR 211,000) 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 397,000 (previous year: EUR 44,000) 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 sentence 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 Statements, joint ventures, associated enterprises and other participations is contained in the section Further information on page 188 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 215,000 (previous year: EUR 299,000). The other operating expenses additionally contain administration costs. Furthermore, the disclosure encompasses expenses not relating to this period to an amount of EUR 0 (previous year: EUR 1,000).

Other operating income contains income not relating to this period amounting to EUR 35,000 (previous year: EUR 66,000), which primarily concerns release of provisions.

Other interest and similar income
Of the interest income, EUR 572,000 (previous year: EUR 553,000) stem from affiliated companies and EUR 2,000 (previous year: EUR 0) from tax refunds for previous years.

Taxes on income
The taxes on income correspond to the reduced earnings before taxes. Expenses due to taxes on income come to EUR 437,000 (previous year: EUR 532,000).

Other disclosures

Off-balance-sheet transactions
There were no transactions that were not contained in the balance sheet as of December 31, 2013.

Other financial liabilities
There were no other financial liabilities as of December 31, 2013.

Auditor fees
The total remuneration for the auditors' work in the financial year comes to EUR 115,000 (previous year: EUR 117,000). EUR 94,000 of this amount relate to the annual financial statement audit and the Consolidated Financial Statements audit for the previous year and EUR 21,000 to the auditor's review of the condensed consolidated interim financial statement as of June 30, 2013 in accordance with Sections 37w, 37y of the Securities Trading Act (WpHG).

Disclosures on affiliated companies and parties
Affiliated companies and parties are in particular majority shareholders, subsidiaries that are not included in the Consolidated Financial Statements 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 Freie Hansestadt Bremen (municipality of Bremen) as sole limited partner of BLG LOGISTICS GROUP AG & Co. KG is explained in the Management Report in the section "Basic features of the company".

The composition of the Board of Management and Supervisory Board as well as further information on these groups of persons are provided in the sections Supervisory Board and Board of Management.

Transactions with shareholders
Relationships with the Freie Hansestadt Bremen (municipality of Bremen)
The Freie Hansestadt Bremen (municipality of Bremen) is the majority shareholder of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– with a share of the subscribed capital of 50.4 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) sentence 5 of the Stock Corporation Act (AktG) see pages 183 ff. The disclosures on individualized remuneration in accordance with Section 285 sentence 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 Consolidated Management Report, on pages 40 ff. The expenses for the emoluments of the Board of Management are assumed in full by BLG LOGISTICS GROUP AG & Co. KG.

Director's Dealings

The disclosures on directors' dealings are shown in the Corporate Governance report on page 39.

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	indirect
1. Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen	April 2, 2002	12.61	
2. Norddeutsche Landesbank Girozentrale, Hannover	April 2, 2002		über 1.
3. Finanzholding der Sparkasse in Bremen, Bremen	April 8, 2002	12.61	
4. Freie Hansestadt 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 General Meeting on May 30, 2014: distribution of a dividend of EUR 0.40 per bearer voting share for the 2013 financial year, corresponding to the balance sheet profit of EUR 1,536,000.

Consolidated Financial Statements

The company as the parent enterprise prepared a Consolidated Financial Statements as of December 31, 2013 in accordance with IFRS, as is applicable in the European Union, and the provisions based on commercial law to be additionally applied according to Section 315a (1) HGB. The Consolidated Financial Statements is published in the Federal Gazette and is available at the headquarters of the company in Bremen.

Corporate Governance Code

The Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– issued the 12th Declaration of Conformity to the German Corporate Governance Code in the version of May 13, 2013 on November 19, 2013 and the Supervisory Board did so on December 18, 2013. The declaration has been made available to the shareholders on a permanent basis on the Internet at **www.ir.blg.de**.

Management Report of BREMER LAGERHAUS-GESELLSCHAFT

–Aktiengesellschaft von 1877–

Basic features of the company

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.

62
Graphics on Group structure

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. All limited partnership shares of BLG LOGISTICS GROUP AG & Co. KG are held by the Freie Hansestadt Bremen (municipality of Bremen). It receives remuneration for the liability assumed as well as for its work respectively. 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 LAGERHAUSGESELLSCHAFT –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 Statements. For the 2013 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.

Business report

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 is included. 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 0.9 million) and remuneration for work (EUR 1.9 million) for 2013. 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 0.59

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 2013 dropped to EUR 2.2 million (previous year: EUR 2.7 million). The drop is essentially attributable to the decrease in the remuneration for work to EUR 1.9 million (previous year: EUR 2.4 million). This development was due to various effects that, altogether, impacted the operating result of BLG LOGISTICS GROUP AG & Co. KG accordingly.

The share of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–

For detailed information on the share of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– we refer to the respective data in this Annual Report on pages 46 ff. in order to avoid duplication.

46 ff.
BLG share

Corporate Governance report

Declaration on Corporate Governance

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 declaration on Corporate Governance in accordance with Section 289a HGB; see pages 36 ff. in this connection.

36 ff.
Corporate Governance Report

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

Disclosures relevant to takeovers are provided in the Corporate Governance Report on pages 39 f.

Remuneration report

The remuneration report in accordance with Section 289 (2) no. 5 HGB is contained in the Corporate Governance report on pages 40 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 the enterprise value 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 Consolidated Management Report on pages 83 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 from the receivables from loans and cash management with respect to BLG LOGISTICS GROUP AG & Co. KG. A risk of default is not perceptible.

Outlook

Report on forecasts and other statements regarding expected development

As forecast in the previous year, a lower net income of around EUR 2.2 million was earned in 2013. For the year 2014 we assume a comparable net income based on sound planning. Our objective for the 2014 financial year is continuation of the solid dividend policy with a dividend of 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.

Responsibility Statement

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 18, 2014

THE BOARD OF MANAGEMENT

Frank Dreeke — Jens Bieniek — Michael Blach

Hartmut Mekelburg — Emanuel Schiffer — Andreas Wellbrock

Audit Opinion

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, 2013. 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 inaccuracies 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 main 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 presents the opportunities and risks of future development accurately.

Bremen, April 10, 2014

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Ludwig Auditor	Hantke Auditor

Consolidated Management Report

of BREMER LAGERHAUS-GESELLSCHAFT
–Aktiengesellschaft von 1877–

Basic features of the Group

» AUTOMOBILE Division: Leading automobile logistics provider in Europe
» CONTRACT Division: Bringing success to our clients in Germany when it comes to industrial and retail logistics
» CONTAINER Division: Leading terminal operator in Europe

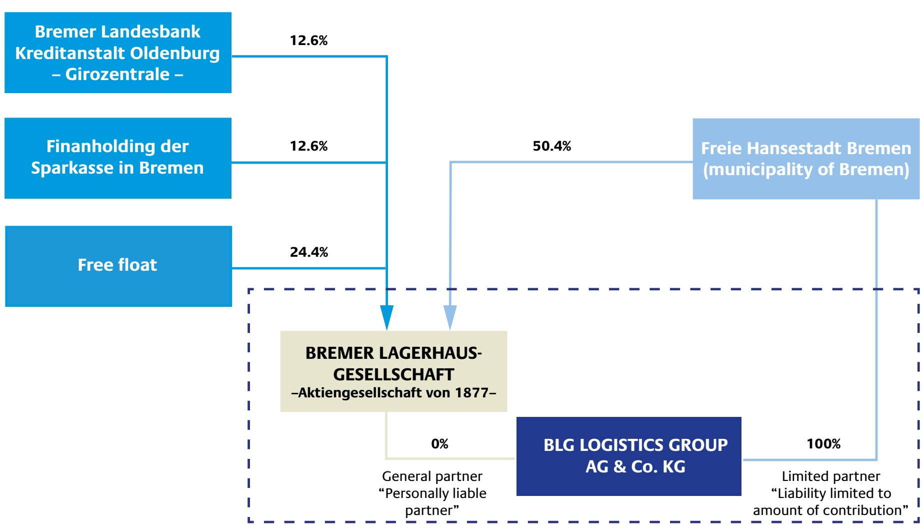
Group structure

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. In this function BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– has prepared the Consolidated Financial Statements.

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 Freie Hansestadt 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 14 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.

Group structure



Business model and organizational structure

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

Reporting within the BLG Group is divided into three divisions, which are linked to one another strategically and economically.

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 7.5 million vehicles this division secured its position as leading automobile logistics specialist in Europe in 2013.

The European network encompasses terminals on the sea, on major rivers and in the hinterland, supplemented by shipments via road, rail and water as well as in-house technical centers. 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 1,200 special railway wagons were used for rail transport of vehicles in 2013.

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 waterway vessels are in operation there for automobile transport. Moreover, we perform logistics services in Poland, Russia, Slovakia, Slovenia, the Czech Republic and Ukraine.

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 logistics for the offshore wind energy sector in Bremerhaven.

BLG provides contract logistics services at logistics centers and special facilities at over 30 locations in Europe and overseas for strong brands like adidas, Automotive Lighting, BMW, Bosch, Egelbert Strauss, Griesson – de Beukelaer, Hansgrohe, Ikea, Konica Minolta, MAN, Mercedes, Siemens and Tchibo.

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 AUTOMOBILE Division BLG AUTOMOBILE LOGISTICS GmbH & Co. KG has also taken over the remaining 50 percent share in BLG Automobile Logistics Russia LTD. The company is now included through full consolidation.

BLG ViDi LOGISTICS TOW, Kiev, Ukraine was deconsolidated, effective as of December 31, 2013.

E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine, included at equity, was deconsolidated in connection with the deconsolidation of BLG ViDi LOGISTICS TOW.

Furthermore, BLG Cargo Logistics Beteiligungs-GmbH was merged with BLG LOGISTICS GROUP AG & Co. KG in the course of the change in company form from BLG Cargo Logistics GmbH & Co. KG to BLG Cargo Logistics GmbH.

Moreover, in the course of in-Group restructuring EUROCARGO Container Freight Station and Warehouse GmbH and PEUTE Speditions GmbH left the group of domestic entities to be consolidated by way of accretion to EUROGATE City Terminal GmbH. The same applies to EUROGATE Port Systems BeteiligungsGmbH due to accretion to EUROGATE Container Terminal Hamburg GmbH and the resulting accretion of EUROGATE Port Systems GmbH & Co. KG to EUROGATE Container Terminal Hamburg GmbH.

Management and control

36 ff.
Corporate Governance Report

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 on pages 36 ff. of this Annual Report together with the declaration on Corporate Governance in accordance with Section 289a HGB.

Disclosures relevant to takeovers in accordance with Section 315 (4) HGB
Disclosures relevant to takeovers are provided in the Corporate Governance Report on pages 39 f.

Vergütungsbericht
Disclosures relevant to takeovers are provided in the Corporate Governance Report on pages 39 f.

Remuneration report

The business model of the BLG Group does not require any research and development in the narrow sense. Nevertheless, technical innovations and in particular process innovations are of great importance for us. By means of them, we help our clients become even more successful.

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.

Corporate control

The BLG Group was consistently managed for all legal units on the basis of the International Financial Reporting Standards (IFRS) according to earnings before taxes (EBT) and the return on capital employed (ROCE) until the end of 2013. Together with a management consultant, a system of key indicators for corporate control was developed that will be applied Group-wide starting with the 2014 financial year. According to this system, the key figures for corporate control not only include EBT and ROCE, but also EBIT, EBIT margin and the free cash flow (FCF).

Business report

» Group sales rise again: EUR 1.2 billion
» EBIT[1]: EUR 50.3 million
» Earnings decline in AUTOMOBILE Division

Macroeconomic conditions[2]

In 2013 the world economy expanded very cautiously. The weak economic trend in some countries of the euro zone, the slow pace of growth in North America and the relatively restrained growth dynamics of the newly industrializing nations merely allowed 2.9% growth in the global gross domestic product (GDP). Primarily thanks to better prospects in some countries of the euro zone and in North America, experts predict a rise in GDP of 3.6 percent for the current year[3].

The main factors influencing current economic development include, as before, the high public debt in major economies, currency fluctuations, high unemployment in many industrialized countries as well as political unrest in parts of the Arab world. The structural growth in up-and-coming economies is still considered the most important driving force behind worldwide economic development for the coming years. Furthermore, the global mega-trends with regard to energy, environment, transportation and healthcare will, in all likelihood, provide for strong growth impetus on a long-term basis.

German gross domestic product rises by 0.4 percent in 2013

Germany's economic growth is robust despite increasing burdens and risks both domestically and from abroad. The weak winter season, however, had a very disadvantageous impact on the average growth rate for 2013 at 0.4 percent.

The competitiveness of the German economy remains high, however. As in the past years, therefore, the German economy is growing to a noticeably greater extent than the average for the euro zone. The economic dynamics are generated for the most part by domestic demand. In view of the current developments in the disposable income of private households and moderate development in the price level, private consumption expenditures and private housing construction investments play a major role.[4]

[1] In 2013 adjusted for special effects due to reorganization of our commitment with respect to BLG ViDi LOGISTICS TOW, Kiev, Ukraine and E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine.

[2] Joint Economic Forecast Team (ed.): autumn 2013 "Konjunktur zieht an – Haushaltsüberschüsse sinnvoll nutzen", Joint Economic Forecast autumn 2013, October 15, 2013, Kiel

[3] World Economic Outlook Database, February 2014 of the International Monetary Fund, variables NGDPD and NGDP_RPCH

[4] Federal Ministry of Economics and Technology (ed.): 2013 Annual Economic Report – "Competitiveness" – key to growth and employment in Germany and Europe, January 2013, Berlin

Situation in the logistics sector

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

The sector profits from the rising demand for logistics services, which is additionally boosted by the constant globalization of the economy and booming trade via the Internet as well as the high return rate in business-to-customer transactions. To this extent, the logistics sector, like BLG's business model, depends considerably on economic activity.

Especially in Germany, challenges exist in the logistics sector especially in connection with the demographic development and thus also in conjunction 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 transition. Moreover, a pronounced readiness to invest and innovative strength are expected of logistics companies in the framework of logistics outsourcing. The focal points of investments include cargo handling, distribution and order picking centers in favorable locations for transportation. Since contracts with customers are usually only for a few years, the required areas and cargo handling equipment are frequently rented or leased in order to avoid long-term capital tie-up and substantially increase the flexibility of logistics providers. Because of increasing 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.

By virtue of the macroeconomic development, the transportation and logistics sector recorded moderate growth in 2013 with persisting price pressure on the part of the shipping industry. Major disadvantages result here due to high energy prices, the European public debt crisis, which is ebbing very slowly, rising public charges as well as sluggish infrastructure projects.

According to the BVL/IfW logistics indicator, the assessments regarding business development are supported by good capacity utilization and reasonable demand in Germany and abroad. The SCI Logistics Barometer of December 2013[5] reports on high capacity utilization in the final months of the year under review, though it assumes a slightly subdued mood for the first quarter of 2014 because of seasonal fluctuations.

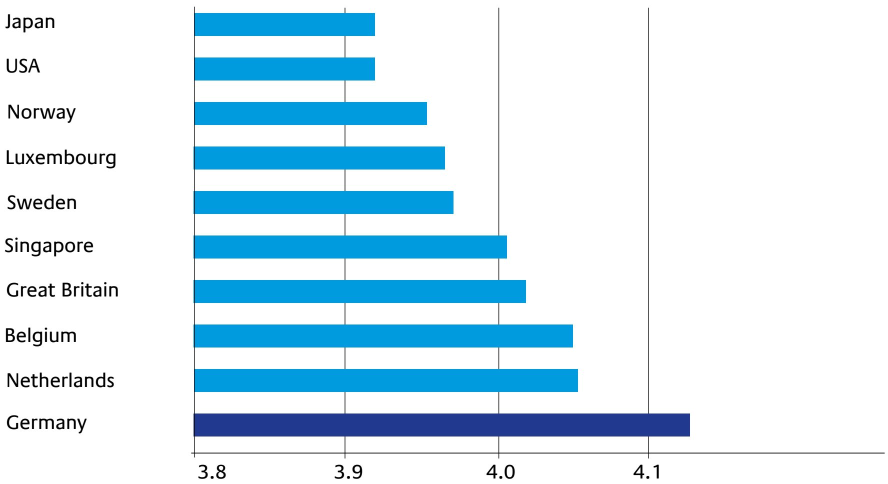
At a level of around EUR 230 billion the sales achieved by the logistics sector in Germany in 2013 surpassed the previous record year 2011, in which sales came to EUR 220 billion. This makes the German logistics market the biggest national market in Europe by far. Aside from economic strength and the high population, the significance of the German market can be attributed, among other things, to the fact a large proportion of the economic output is accounted for by industry and commerce. Other reasons include the traditionally high export share, the central location in Europe and the resulting hub function. The quality of the infrastructure and significant logistics competence also contribute to Germany's attractiveness as a logistics location.[6]

[5] SCI Verkehr GmbH (ed.): SCI/LOGISTIKBAROMETER September 2013 "Geschäftsklima der Logistik erholt sich weiter", September 15, 2013, Cologne

[6] Bundesvereinigung Logistik (BVL) e. V.: www.bvl.de, February 27, 2014

This is also indicated by the logistics performance index (LPI) calculated every two years by the World Bank, which designates Germany as the leading logistics location in 2014. To calculate the total value, six categories are evaluated on a scale from 1 to 5. In terms of the categories infrastructure, tracking and tracing, logistics quality and competence as well as customs, Germany is among the top 3 and attained a total value of 4.12.

Top 10 Logistics Performance Index, 2014



Source: World Bank

Overall statement of the Board of Management on the financial position

In spite of increased sales in all divisions in a persistently volatile market environment and in view of restrained economic dynamics, the profit situation is satisfactory only to a limited extent.

The 2013 financial year was significantly aggravated by the reorganization of our equity investment portfolio in Ukraine. Furthermore, the adjusted operating earnings were below the previous year's level in view of persistent price pressure in all divisions and at the same time price increases and the initial burdens of new business. Because of quantity-related growth and consistent process optimization as well as targeted exploitation of the savings potential, we view the economic situation and development of our Group as challenging, but stable.

Business development

Earnings situation

Sales according to segments TEUR	2013	2012	Change absolute	Change percentage
AUTOMOBILE	434,683	419,069	15,614	3.7
CONTRACT	421,986	405,322	16,664	4.1
CONTAINER	328,606	327,067	1,539	0.5
Reconciliation	-5,406	-7,066	1,660	23.5
Total for Group	**1,179,869**	**1,144,392**	**35,477**	**3.1**

3.1%
Rise in sales

Group sales in the 2013 financial year increased again by EUR 35.5 million compared to the previous year to EUR 1,179,900. This is essentially attributable to growth in the AUTOMOBILE and CONTRACT Divisions.

The rise in sales by EUR 15.6 million to EUR 434.7 million in the AUTOMOBILE Division results primarily from a rise in the passenger car handling volume, which continues to be significantly influenced by exports. The increase in sales in the CONTRACT Division by EUR 16.7 million to EUR 422.0 million is predominantly attributable to expanded business with existing customers.

Key figures regarding earnings situation		2013	2012	Change absolute	Change percentage
Sales	million EUR	1,179.9	144.4	35.5	3.1
Return on sales[1]	%	4.3	5.6	-1.3	-23.2
EBIT[2]	million EUR	50.3	64.4	-14.1	-21.9
EBT	million EUR	20.2	48.6	-28.4	-58.4
Group net income in period	million EUR	2.0	41.2	-39.2	-95.1
Earnings per share	EUR	0.59	0.69	-0.1	-14.5

EBIT according to segments TEUR	2013	2012	Change absolute	Change percentage
AUTOMOBILE[2]	9,780	21,917	-12,137	55.3
CONTRACT	15,672	17,643	-1,971	-11.2
CONTAINER	38,548	39,716	-1,168	-2.9
Reconciliation[2]	-13,704	-14,882	1,178	-7.9
Total for Group[2]	**50,296**	**64,394**	**-14,098**	**-21.9**

[1] based on the adjusted EBIT

[2] In 2013 adjusted for special effects due to reorganization of our commitment with respect to BLG ViDi LOGISTICS TOW, Kiev, Ukraine and E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine.

The adjusted operating earnings (EBIT) dropped by EUR 14.1 million compared to the comparable period in the previous year to EUR 50.3 million. This results, therefore, in returns on sales for the 2013 financial year of 4.3 percent (previous year: 5.6 percent).

The current economic and political situation in Ukraine was the reason for preparing the reorganization of our activities in that country. The general lack of positive prospects as of December 31, 2013 as well as the negative earnings prospects led to a complete valuation allowance for the assets of the Ukrainian companies amounting to EUR 16.6 million altogether. Furthermore, provisions for impending losses of EUR 2.1 million were formed for the risks from claiming in connection with a guarantee. In view of the loss of de facto control, BLG ViDi LOGISTICS TOW, Kiev, Ukraine and E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine were deconsolidated as of December 31, 2013.

In comparison to sales, the material expenses rose only slightly by EUR 5.0 million to EUR 551.4 million.

The personnel expenditures in the reporting year came to EUR 399.9 million (previous year: EUR 370.6 million). The reason for the increase is the cutback in staff by 614 to 7,786 employees. Furthermore, greater use was made of outside personnel to cover staff needs in the 2013 financial year. The expenses for outside personnel therefore rose from EUR 151.3 million to EUR 171.4 million.

7.786
employees

Due to higher replacement and expansion investments, systemic depreciation also increased in the 2013 financial year.

The balance from other operating expenses and income adjusted for special effects due to restructuring our commitment in Ukraine grew by EUR 11.1 million to EUR 110.0. The rise is connected in particular with restructuring measures in the AUTOMOBILE Division and new business in the CONTRACT Division.

The decline in adjusted EBIT of EUR 14.1 million results primarily (to an amount of EUR 12.1 million) from the reduction in the adjusted EBIT in the AUTOMOBILE Division.

The financial result improved substantially by EUR 4.3 million to EUR -11.4 million in the past financial year. Of that amount, EUR 2.8 million were accounted for by the interest result and EUR 1.5 million by the result from participations.

In the current low-interest phase the Group covered its short-term financing needs in the reporting year via matching maturity by means of short-term, low-interest current account loans. In the long-term financing segment old high-interest loans were considerably reduced via repayment and premature redemption. Newly taken out long-term financial loans were able to be fixed at a low level by means of lower credit margins and attractive interest rate hedging. In this way the paid interest was reduced again in comparison to the previous year. The proceeds from taking out long-term financial loans largely took place in the middle of the 2012 financial year. The corresponding interest burden, by contrast, influenced the interest result in 2013.

Earnings before taxes (EBT) declined substantially by EUR 28.4 million to EUR 20.2 million and were significantly influenced to an amount of EUR 18.7 million by the special effects due to reorganizing our commitment in Ukraine.

The taxes on income in the reporting year came to EUR 18.1 million (previous year: EUR 7.4 million). The tax expenses contain risks from the tax audit to an amount of EUR 6.5 million. These risks result from different legal views in connection with the consideration given to expenditures for transfer of shares of a subgroup in 2004. In addition, the tax expenses of the year under review were essentially influenced by the measurement of deferred tax assets based on loss carry-forwards as well as on temporary differences. The write-down of deferred tax assets was essentially influenced by tax optimization and reduced earnings prospects in isolated cases. Further disclosures regarding the taxes on income can be found in point 16 of the notes to the Consolidated Financial Statements on page 135.

The Group net income in 2013 dropped compared to the previous year by EUR 39.2 million to EUR 2.0 million because of the significant increase in tax expenses, among other things. The earnings per share decreased accordingly by EUR 0.10 to EUR 0.59 in the reporting year.

0.59 EUR
earnings per share

AUTOMOBILE Division

Key figures		2013	2012	Change absolute	Change percentage
Sales	million EUR	434.7	419.1	15.6	3.7
Return on sales[1]	%	2.2	5.2	-3.0	-57.7
EBIT[2]	million EUR	9.8	21.9	-12.1	-55.3
EBT	million EUR	-12.4	17.7	-30.1	-170.1

[1] based on the adjusted EBIT
[2] In 2013 adjusted for special effects due to reorganization of our commitment with respect to BLG ViDi LOGISTICS TOW, Kiev, Ukraine and E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine.

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

In the 2013 financial year the handling volume increased in relation to the previous year (7.4 million vehicles) to 7.5 million vehicles, thus strengthening the position of the leading automobile logistics specialist in Europe.

The current economic and political situation in Ukraine was the reason for preparing the reorganization of our activities there. The general lack of positive prospects as of December 31, 2013 as well as the negative earnings prospects led to a complete valuation allowance for the assets of the Ukrainian companies amounting to EUR 16.6 million altogether. In view of the loss of de facto control, BLG ViDi LOGISTICS TOW, Kiev, Ukraine and E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine were deconsolidated as December 31, 2013.

In the Seaport Logistics segment the passenger car handling volume remains at a constantly high level and is essentially influenced by exports. Due to a regularly high number of vehicles, management of the operational procedures was repeatedly characterized by parking spaces available on a short-term basis and not by defined standard processes. This led to increased consumption per hour in all segments of passenger car handling. Transferring vehicles from distant storage areas to the operational areas continues to cause unplanned increased consumption per hour in some segments of passenger car handling. The program for efficiency enhancement in Bremerhaven is continuously implemented with external support and top priority. The necessary measures resulting from this are currently being negotiated with the employee representatives and ver.di. Constant price pressure is applied by customers, both by shipping companies and carmakers. Due to rising competition with the western ports, it was not possible to offset cost rises, particularly in terms of personnel costs, to the necessary extent by means of commensurate price increases. The handling volume in the high & heavy segment declined in comparison to the previous year. The reason for this is a temporary worldwide decrease in demand for these goods. In the case of technical services, both the volume and technical value added for imported and exported vehicles are declining. In some cases there was a lack of volume for car wash and dewaxing work.

In the Inland Terminal segment the Duisburg automobile terminal shows a quantitative decline, as expected, due to the loss in volume of a major client. The Kelheim automobile terminal has higher earnings thanks to high stocks and a significant real net output ratio based on technical services.

In the Intermodal segment declining truck transport volumes were essentially offset by reduced use of subcontractors and external companies. Paired transport was extensively provided for on a large-scale basis in the network. The constantly increasing railway wagon capacity available until the end of 2013 was not utilized as planned. The main reason for this was a lower transport volume from the Eastern European plants of major clients.

Volume in the Freight Forwarding segment continues to develop positively. Price declines in connection with major clients were overcompensated for by increased volumes.

Even adjusted for special effects due to reorganization of our commitment in Ukraine, the EBIT in the AUTOMOBILE Division decreased substantially by EUR 12.1 million to EUR 9.8 million. The persisting structural challenges at the Bremerhaven location in the Seaport Terminals segment are the reason for this. The sustained significant shifts between import and export volume and the resulting absence of technical services on import vehicles that are characterized by strong margins clearly point out once again the necessity of the initiated restructuring project. Drafting of extensive action plans was completed in the reporting year. Their implementation has already been launched. The necessary intensive preoccupation with these economic changes placed an additional burden on the EBIT in the 2013 financial year. Implementation in some sections is already showing initial positive effects on productivity, however.

The rise in sales by EUR 15.6 million was completely consumed by the increase in material expenses by EUR 14.3 million and in personnel expenses by EUR 7.2 million. The balance from other operating income and expenses also displayed a significantly negative development (EUR -5.6 million).

CONTRACT Division

Key figures		2013	2012	Change absolute	Change percentage
Sales	million EUR	422.0	405.3	16.7	4.1
Return on sales[1]	%	3.7	4.4	-0.7	-15.9
EBIT[2]	million EUR	15.7	17.6	-1.9	-11.2
EBT	million EUR	13.0	14.7	-1.7	-11.6

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

In the Automotive (Europe) segment the measures initiated for process and quality improvement have been consolidated and in combination with a higher volume lead to sustained positive results.

In the Automotive (overseas) segment the measures initiated for improvement of productivity and quality in new business comprising parts consolidation and SKD/CKD have been implemented in the USA. In terms of timing, significant improvements have already been achieved in the cost structure. In spite of the persistently weak volume in transport of motorcycles in Brazil, the overall development there was satisfactory. Business development in South Africa was very good in all segments.

In the Industrial Logistics segment existing business developed as planned at all locations and led overall to a positive result. The planned productivity for one new deal was not attained.

http://www.blg-handelslogistik.de

In the Wind Energy segment the second phase of transport and handling of the tripods from the Global Tech I project is being implemented. The majority of the tripods were handled in the first six months of 2013. The cargo handling volume dropped substantially in the second half of 2013. Additional services involving technical work performed on the tripods by BLG in the first six months were dropped completely in the second half of 2013. Another major activity is nearshore logistics[7] for the Global Tech I project. Assembly of rotor star blades for the same project has started up at the Wilhelmshaven container terminal.

[7] Consolidation of components, excluding foundation structures, for wind turbines

Business development in the Retail Logistics segment is going as planned in terms of existing business. The results at the Bremen location are influenced by the launch of a large-scale project. Considerable difficulties have arisen unexpectedly in this connection, leading to a significant impact on the earnings situation.

In the Port Logistics segment a substantial decline in cargo handling volume was recorded beginning in the second half of 2013. Fewer large pipes were handled due to a lack of projects on the part of manufacturers.

The material expenses in the CONTRACT Division increased concurrently with the rise in sales of EUR 6.8 million just as the balance from other operating expenses and income rose by EUR 4.3 million.

The personnel expenses, on the other hand, significantly increased overproportionately by EUR 20.0 million. The startup phases of various new business deals, particularly in the Automotive and Retail Logistics segments, are responsible for this development.

CONTAINER Division

Key figures		2013	2012	Change absolute	Change percentage
Sales	million EUR	328.6	327.1	1.5	0.5
Return on sales[1]	%	11.7	12.1	-0.4	-3.5
EBIT[2]	million EUR	38.5	39.7	-1.2	-2.9
EBT	million EUR	33.5	30.3	3.2	10.6

The CONTAINER Division of the BLG Group is represented by half of the shares in the joint venture EUROGATE GmbH & Co. KGaA, KG. The latter – in some cases with partners – operates container terminals in Bremerhaven and 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 a share in the operator of the German deepwater container terminal in Wilhelmshaven as well as in 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 2013 financial year the EUROGATE Group earned sales of EUR 657.2 million (previous year: EUR 654.1 million). The EBIT of EUR 77.1 million (previous year: EUR 79.8 million) declined slightly compared to the previous year. At the same time planned startup losses in connection with the first full year of operation of the Wilhelmshaven container terminal and a drop in earnings related to the cargo handling volume at the container terminals in Bremerhaven contrasted with a cargo-handling-related rise in earnings at the Hamburg container terminal. The consolidated subgroup net income for the year rose overall, however, due to a significantly improved interest result as well as a substantially higher result from foreign participations in the 2013 financial year to EUR 61.9 million (previous year: EUR 54.6 million). The CONTAINER Division of the BLG Group proportionately accounts for 50 percent of that.

Comparison of earnings situation with forecast for 2013 financial year

We achieved our forecast target of attaining sales of EUR 1.2 billion in the 2013 financial year. However, we were not able to achieve again the planned earnings before taxes (EBT) of EUR 40 million. The reason for this is primarily the unexpected economic and political development in Ukraine that induced us to completely adjust our commitment there. This adjustment had a negative influence on the EBT in the AUTOMOBILE Division at EUR 16.6 million and the EBT in the SERVICES segment at EUR 2.1 million, thus resulting in a significant difference from our targets. After adjustment for these special effects we would have achieved an EBT of EUR 38.9 million and thus fallen short of our forecast target by around 3 percent..

Targets for 2013:

☑ EUR **1.2** billion
Sales

☐ EUR **40** million
Group EBT

Apart from these special effects, our forecasts were additionally based on assumptions that in some cases differed from the actual conditional framework in the 2013 financial year.

Sales in the AUTOMOBILE Division rose to a lower extent than expected. The planned volume related to port handling of high & heavy goods was not achieved because of the worldwide decline in production and demand in this segment. The expected higher warehouse volumes, brought about by increasing export volumes with constant ship capacities, caused productivity losses in Bremerhaven. Optimized utilization of our truck capacity again improved the result as expected. We were not able to immediately utilize the scheduled increase in our railway wagon capacities in full through spot shipments.

Sales in the CONTRACT Division also developed to a much more restrained degree than assumed in the previous year. The Automotive (Europe) segment again developed very positively, as expected: this has to do with the high increase rates for parts logistics for automakers. The new business acquired led to the planned positive contribution to results. The expected uncertainties regarding development of the offshore sector have had a negative impact on the volume and earnings contributions, contrary to our assessment in 2013. We were only partially able to compensate for the project costs and productivity losses because of construction work for business with a new client in the Retail Logistics segment by means of additional business among existing customers.

Sales in the CONTAINER Division remained at the previous year's level in spite of the expected prevailing competitive pressure for the container terminals.

Asset situation

Key figures regarding asset situation		2013-12-31	2012-12-31	Change absolute	Change percentage
Balance sheet total	million EUR	1.091.8	1.142.6	-50.8	-4.4
Capitalization ratio	%	62.0	63.3	-1.3	-2.1
Working capital ratio	%	98.9	91.3	7.6	8.3
Equity	million EUR	319.9	352.7	-32.8	-9.3
Equity ratio	%	29.3	30.9	-1.6	-5.2
Net indebtedness	million EUR	398.3	392.7	5.6	1.4

The balance sheet amount came to EUR 1,1091.8 million and was again above the billion mark, as in the previous year. The long-term assets accounted for EUR 60.3 million of the decline. The short-term assets increased slightly by EUR 9.5 million compared to the previous year.

The moderate decline in long-term assets is essentially due to the drop in tangible assets (EUR -47.4 million).

Investments amounting to EUR 46.8 million were made in long-term intangible and tangible assets in the 2013 financial year. Disinvestments to an amount of EUR 3.2 million and depreciation of EUR 78.8 million were carried out. Exceptional depreciation accounted for EUR 11.8 million of the latter amount. Furthermore, EUR 0.2 million were depreciated from the carrying amount from foreign currency translation.

Prepayments made and assets under construction came to a total amount of EUR 37.4 million in the reporting year. This includes construction of the suprastructure at the container terminal in Wilhelmshaven and refurbishment of outdoor areas for the performance of services for wind energy business at the Bremerhaven Automobile Terminal.

Compared to December 31, 2012, the capitalization ratio dropped again slightly by 1.3 percentage point to 62.0 percent.

million EUR	Carrying amount 2013-12-31	Fair value 2013-12-31	Carrying amount 2012-12-31	Fair value 2012-12-31
Long-term loans	278.5	281.6	276.6	283.1
Liabilities from finance leasing	57.4	60.3	63.0	67.7
Total	**335.9**	**341.9**	**339.6**	**350.8**

A detailed list of the applicable fair values of the financial assets and liabilities is contained in disclosure no. 39 of the notes to the Consolidated Financial Statements.

The net financial debt of the Group rose only slightly to EUR 398.3 million in the 2013 financial year (previous year: EUR 392.7 million).

Net debt	2013-12-31 million EUR	2012-12-31 million EUR	Change absolute	percentage
Long-term loans	250.5	243.8	6.7	2.7
Other long-term financial liabilities	79.5	89.3	-9.8	-11.0
Short-term financial liabilities	168.2	181.5	-13.3	-7.3
Financial debt	**498.2**	**514.6**	**-16.4**	**-3.2**
Long-term financial receivables	38.0	46.8	-8.8	-18.8
Cash and cash equivalents	61.9	75.1	-13.2	-17.6
Net debt	**398.3**	**392.7**	**5.6**	**1.4**

Financial situation

	2013 million EUR	2012 million EUR	Change absolute	percentage
Inflow of funds from current business operating activities	62.7	115.2	-52.5	-45.6
Outflow of funds from investment activities	-43.9	-135.7	91.8	67.6
Free cash flow	18.8	-20.5	39.3	191.7
Inflow/Outflow of funds from financing activities	-14.5	-31.1	16.6	53.4
Cash-related change in financial resource funds	**4.3**	**-51.6**	**55.9**	**108.3**
Changes in financial resource funds due to currency translation influences	-0.3	0.2	-0.5	-250.0
Financial resource funds at beginning of financial year	21.1	72.5	-51.4	-70.9
Financial resource funds at end of financial year	**25.1**	**21.1**	**4.0**	**19.0**
Composition of financial resource funds				
Liquid funds	61.9	75.1	-13.2	-17.6
Short-term liabilities to banks	-36.8	-54.0	17.2	31.9
Financial resource funds at end of financial year	**25.1**	**21.1**	**4.0**	**19.0**

On the basis of the earnings before taxes achieved in 2013 to an amount of EUR 20.2 million, we earned a cash flow from current business activities of EUR 62.7 million (previous year: EUR 115.2 million).

In spite of the significant drop in the inflow of funds from current business operating activities, the free cash flow developed positively by an amount of EUR 39.3 million because of the greatly reduced inflow of funds from investment activities.

Outstanding investments are 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. Aside from bank financing, promissory note loans were also issued.

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

Approved, but not utilized credit lines to an amount of EUR 52.3 million existed as of the balance sheet date.

You will find a detailed Cash Flow Statement in the Consolidated Financial Statements on page 112. For the disclosures on the Cash Flow Statement we refer to disclosure no. 37 of the notes to the Consolidated Financial Statements.

Supplementary report

The legal disputes persisting since the end of 2012 between JadeWeserPort Realisierungs GmbH & Co. KG and EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG were settled by way of mediation in mid-January 2014. An agreement was reached in all pending proceedings.

No further events of special importance have occurred since the end of the 2013 financial year.

Nonfinancial performance indicators

» Average number of employees rises in 2013 to 7,786
» Continued focus on 20 percent reduction in CO_2 emissions[8] by 2020
» Net value added of EUR 448.4 million
» National and international social commitment

Employees

As a logistics specialist with international commitments, the BLG LOGISTICS GROUP needs committed, motivated and qualified employees 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:

Employee figures for 2013

Division	2013	2012	Change in %
AUTOMOBILE	**2,262**	**2,213**	**2.2**
of those, blue-collar employees	1,816	1,798	
of those, white-collar employees	446	415	
CONTRACT	**3,348**	**2,819**	**18.8**
of those, blue-collar employees	2,377	1,966	
of those, white-collar employees	971	853	
CONTAINER	**1,960**	**1,937**	**1.2**
of those, blue-collar employees	1,456	1,431	
of those, white-collar employees	504	506	
Services	**216**	**203**	**6.4**
of those, blue-collar employees	5	8	
of those, white-collar employees	211	195	
Total	**7,786**	**7,172**	**8.6**
of those, blue-collar employees	5,654	5,203	
of those, white-collar employees	2,132	1,969	

The average number of employees in the reporting year was 7,786 and thus rose by 8.6 percent compared to the previous year. This 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 newly launched business in Brotterode, Wackersdorf and Tuscaloosa (USA).

[8] Relative to the business activities, base year: 2011

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	24%
over 60 years	5%

Occupational safety and healthcare

For the BLG LOGISTICS GROUP the safety and health of its employees at their workplace represent a corporate goal that has comparable priority to 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 obvious 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 perceived 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 at 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 Group safer.

Sustainability

Corporate responsibility

The high mobility of the globalized world contributes to a constant further increase in worldwide CO_2 emissions, resulting in climate change and Earth warming. The logistics sector profits to a great degree from globalization, but at the same time 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.

We are aware that the resources of this Earth are limited. For the BLG Group sustainable action means combining economic success with ecological and social responsibility. We are convinced that sustainable corporate success for all stakeholders can only be achieved through an ideal balance between ecology and economy. For us, therefore, sustainability is the matrix for all processes in our operational business.

Sustainability is also the basis for deployment of our most important resource, our staff, and thus the guiding principle for our personnel policy.

To secure the future of the BLG Group on a long-term basis, we invest in innovation and expand into new markets. A foresighted and risk-conscious financial policy forms the necessary foundation for us to act as a reliable and helpful partner for our customers, our employees, our owners and the company as a whole.

Ecological sustainability

In 2012 BLG set itself the goal of reducing CO_2 emissions by 20 percent[8] by 2020. In the meantime we are recording and evaluating the relevant energy consumption with increasing detail. Systematic training of the staff with regard to sustainability topics has been launched. An assessment of the main suppliers and service providers according to environmental criteria is part of the activities defined by DIN/ISO 14001 and these criteria are met by all of BLG's certified locations. Furthermore, introduction of a systematic assessment of all major suppliers according to sustainability aspects is being looked at.

20% less[8]

CO_2-emissions by 2020

To make the existing activities of the BLG Group for a sustainable corporate policy even more visible and provide new impetus, we have consciously decided in favor of combining the two areas of sustainability and new technologies. The use of new technologies plays an important role in determining the specific energy consumption and is additionally decisive for more efficient utilization of resources and avoidance of energy waste.

[8] Relative to the business activities, base year: 2011

Our goal is to put all processes to the test and determine focal points for energy savings. In addition, we are now able to provide our customers with a specific CO2 footprint of our entire range of services. This is a demand that is increasingly required of logistics providers.

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

Economic sustainability

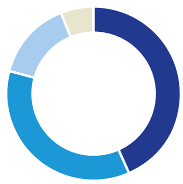
Thus far, BLG has been concentrating on introduction and monitoring of sustainability criteria for our own very diverse activities and processes. In the past years we had solid key financial figures. Planning, construction and commissioning of photovoltaic system and wind turbines for self-sufficiency purposes, introduction of energy management and a large number of specific examples, such as early changeover to solvent-free coatings in automobile processing, show how much importance we attach to climate protection.

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 2013 financial year came to EUR 448.4 million.

The value added is spread between employees, shareholders, public sector (taxes) and lenders. The largest portion, to an amount of EUR 399.9 million and a share of 89 percent, was accounted for by employees.

Creation of value added

Production vallue
EUR 1,264.2 million = 100%



- 44% material expenses
- 35% value added
- 15% other expenditures
- 6% depreciation

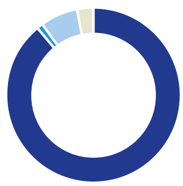
Social commitment

The high staffing level of our Group obligates us to assume special responsibility when it comes to the future viability of our company as well as the health, qualifications and social security of our employees. In 2013 we continued our extensive programs concerning staff planning and development. Recruitment of junior staff and development of talents continue to form a focal point of our work. Back in 2006 BLG initiated the project "Maritime Economy and Logistics" in cooperation with the State Institute for Schools in Bremen. In the course of this project the Institute for Economic Education in Oldenburg designs print and online instruction materials for Economics classes. The subject is currently revised on a regular basis at over 400 schools. Furthermore, BLG maintains school partnerships, takes part in the trade fair for pupil-run companies ("Schülerfirmen") and sponsors cultural events.

As an international corporation, BLG is also socially committed outside Germany – for example, in the form of relief supplies to Latvia organized by our junior staff and provision of logistics expertise for the World Food Programme of the United Nations free of charge.

Use of value added

Net value added
EUR 448.4 million = 100%



- 89% employees
- 1% shareholders
- 7% public sector
- 3% lenders

The World Food Programme (WFP) is the biggest relief organization in the world. Of the over 14,000 employees, 3,000 work in logistics alone. They provide for the high quality and reliability of supply routes and in this way move nearly 5 million tons of relief supplies a year.

By analyzing the logistics capacity of seaports, BLG can contribute to finding possible transport corridors in crisis zones in cases of emergency. Only when an experienced port manager carries out an assessment of the technical equipment and degree of organization is it possible to make reliable forecasts regarding the cargo handling and storage capacity of a seaport in the event of a disaster.

In 2014, too, further port assessments will be carried out by BLG employees and the cooperation between BLG and the United Nations will be continued.

Risk report

» Risk structure changes compared to previous year
» No risks to continuity of operations

Basic principles of opportunity and risk management

Entrepreneurial action involves opportunities and risks. Responsible handling of potential opportunities and risks is an integral element of solid corporate management in the BLG Group. Our opportunity and risk policy endeavors to increase the enterprise value 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.

Risk management in the BLG Group is essentially based on the goals and strategies of the individual segments. It 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.

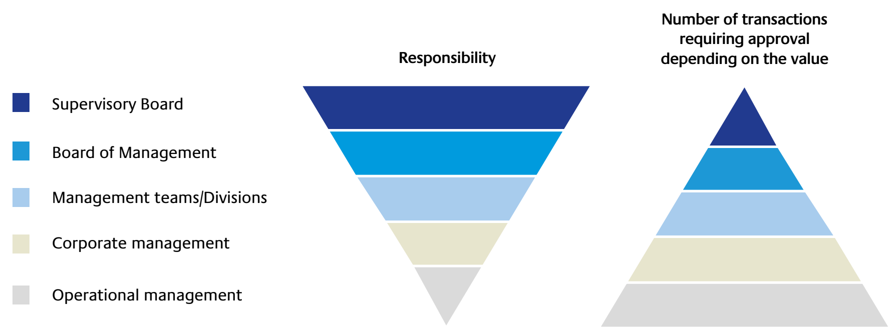
The strategic alignment of the BLG Group with its national and international operations is additionally characterized by a high degree of diversification. The three divisions with their numerous segments thus lead to a certain degree of independence, both from economic influences and from individual sectors or large clients. Major investments are made and safeguarded on the basis of long-term customer contracts.

Opportunity and risk management system

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.

The relationship between competence and frequency of decisions is shown in the following graphic illustration:

Communication channel and responsibilities within the opportunity and risk management system in 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. Further key control parameters (free cash flow and EBIT margin) were determined in the 2013 financial year and we will report on them on a monthly basis beginning in 2014. 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 as well as the reporting system. At the same time we devote special attention 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 the central departments and staff 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. This ensures that risks and risk-reducing measures (risk insurance or passing on risks) as well as opportunities are identified and evaluated where they actually arise. The Group Controlling Department is responsible for coordinating Group-wide acquisition and documentation of data on opportunities and risks.

The risks that from the present perspective may have a significant negative influence on our earnings, financial and asset situation are determined and evaluated. They are not necessarily the only risks to which the BLG Group is exposed. Other influences that we are not yet aware of or that we do not yet assess as significant may also impair our business activities, but are not contained in the Risk report.

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 wide variety of risks. They are analyzed by way of constant observation of both the macroeconomic environment and especially developments in global logistics and taken into account in corporate decisions.

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 geographic regulations and laws regarding labor, cartels, the capital market, taxes, contracts, the environment and competition, 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.

Objectives 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 along with 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 rate hedging are only used for the purpose of hedging against open risks and 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 93, 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

A key objective of the Group with respect to capital management is to ensure further operation of the company 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. These two key performance indicators are an integral part of the criteria negotiated with the financing banks for the covenants of the BLG Group. Determination of these key figures usually requires information that is not contained in the Consolidated Financial Statements.

In 2013 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, functional separation of dependent departments (in particular accounts payable management and treasury management) 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 Department (e.g. compliance with the competence and signature directive, purchasing directive), the Quality Management Department as well as 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 Statements by the balance sheet auditor constitutes the main element of the process-independent review.

Accounting-related risks
Accounting-related risks may, for instance, 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 makes use of the standard software SAP R/3. The SAP consolidation module EC-CS is applied to prepare the Consolidated Financial Statements. The individual financial statements of the companies included, after adaptation to the generally accepted international accounting principles as required, are summarized in this process.

The individual financial statements of foreign subsidiaries are included via standardized, Excel-based reporting packages that are checked by auditing companies and 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, particularly the basic interest factors. 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.

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

Our business model
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, application of RFID technology for our business activities 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 models in the Retail Logistics and Automotive segments open 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 development of the Wilhelmshaven container terminal, we anticipate additional opportunities for the CONTAINER Division based on realignment of the European terminal network consisting of seaport and inland terminals in combination with intermodal business activities.

Consolidation in container shipping via new cooperative alliances and the formation of new consortiums will, in all likelihood, continue in the future. Since the container terminals have available capacity, at least in the medium term, the market power of the remaining consortiums and shipping companies and consequently the pressure and necessity of implementing persistent cost reduction at the container terminals will rise in the course of consolidation.

We see more opportunities than risks in this development, especially as the three biggest groups of shipping companies, Maersk Line, MSC and CMA CGM ("P3"), operate in various constellations at some of our strategically important terminals, in particular the Bremerhaven and Wilhelmshaven locations.

Strategic opportunities

Logistics services for products to and from 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 Bremerhaven Auto Terminal.

We assume that as the quality of Chinese vehicles increases, so will China's significance for the international 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 Chinese exports to the European market. This applies both to transport of finished vehicles from China to Western Europe by ship and to subsequent distribution of the vehicles via the network of the AUTOMOBILE Division from the seaports to the dealer networks in the individual countries. This also embraces extensive technical work on imported vehicles at the technical centers.

Further potential may result in connection with parts logistics at the production plants of automakers in China. In this field BLG can apply its broad know-how from Germany in China.

Decisive factors for efficient and low-cost logistics include high-performance transportation infrastructure as well as intelligent control and operational processes.

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 in 2012.

CONTRACT Division: Expansion of services for e-commerce in the Retail Logistics segment
Internet trade is recording high growth rates. The logistics competence necessary in this context primarily encompasses short-term shipping capability and flexible adjustment to pronounced fluctuations in volume. This, in turn, requires great know-how regarding the procedures, structure and organization of material handling.

Over the years BLG has gained relevant experience and know-how and continuously expanded, transferred and applied this knowledge to a growing number of customers and locations. In 2013, for instance, the company set up and launched operation of the online order business for a business partner in Bremen. Based on this development, we see good opportunities for the future and are working on further expansion of logistics activities in the e-commerce sector with the aim of further developing the entire value chain in this field.

Based on our small Freight Forwarding unit, BLG will increasingly offer its existing and new customers freight forwarding activities as complementary services in future. Expansion of these activities will focus in particular on seaport freight forwarding business without any need for investments in an in-house fleet of vehicles, etc.

AUTOMOBILE Division: Further development of Rail Transport segment by developing the Falkenberg location into a wagon service and logistics center
By further developing the Falkenberg train station in Brandenburg into a railway wagon service and logistics center, the BLG Group is expanding its range of rail transport services for finished vehicles.

Train marshalling measures are already carried out in Falkenberg today. This means that complete trains run to Falkenberg from the production plants of the carmakers in Eastern Europe. There the individual wagons are put together into complete trains again destined for the respective seaport (e.g. Bremerhaven, Emden, Cuxhaven, Hamburg). This concept leads to substantial advantages at the production plants. The latter no longer have to put together complete trains for a destination, but can load trains and leave consolidation for the ports of destination to Falkenberg. In this way storage and track capacities are saved at the production plants. Through this concept BLG achieves a high degree of customer loyalty with respect to rail transport. The concept has been implemented since commissioning of the train station in 2012 and further developed by way of permanent expansion of train capacities in Falkenberg.

By building a wagon service workshop in Falkenberg, BLG is able to carry out the legally stipulated inspection and maintenance work on the railway wagons. Since more than 80 percent of BLG's regular rail traffic runs via Falkenberg, opportunities arise here for reducing the costs of moving railway vehicles back and forth in connection with workshop runs. Maintenance and repair intervals are then actively controlled by BLG, thus avoiding waiting times combined with long downtimes of the wagons.

The Falkenberg train station is located directly at one the most important traffic nodes for rail connections on the East/West route. This results in additional potential for carrying out wagon repairs and other services in Falkenberg, also for third parties.

Complete commissioning of Falkenberg is scheduled for the first six months in 2015. BLG will thus be able to considerably expand its range of services in the Rail Transport segment towards valued-added activities.

Other opportunities

In the 2012 financial year BLG formulated and decided on binding climate protection targets for the first time. For instance, it resolved to reduce the CO_2 footprint by 20 percent by 2020 with 2011 as the base year. The basis for the planned reduction is a list of current consumption. Using automated recording of CO_2–relevant consumption (electricity, gas, fuels, etc.) at the terminals and branches, the company will identify focal points for energy savings in future. Furthermore, BLG is now able to provide customers a specific CO_2 footprint for the entire range of services. This information will gain further significance in the future. Even now some companies require documentary evidence of environmentally efficient logistics in their invitations to tender.

Parallel to recording consumption, we have started 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 based on the fields of risk specified for the BLG Group. The risks that do not jeopardize continuity of operations of the BLG Group in the view of the company, but would have a noticeable impact on the asset, financial and earnings situation if they materialized will be taken into account in the selection of materiality. The assessment is fundamentally based on scenarios while giving consideration to all known influencing variables from the opportunities and risks. The necessary action or precautionary measures will then be determined from ranges of best and worst expectation. A standardization process is being prepared for this procedure. The risks are subdivided into strategic risks, market risks, political, legal and social risks, service and infrastructure risks as well as financial risks. If it is not obvious, a reference to the segment concerned will be made for the risks presented. Insofar as new risks or an altered risk evaluation arises in the course of time, they will be communicated in our interim reports.

Given positive development, all risks described 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.

Based on the strategic alignment and expansion in the AUTOMOBILE Division to Eastern Europe and all the way to China, there are risks, especially in terms 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.

Investments made in the past may necessitate follow-up decisions in connection with continuation of the strategic decisions and statements made along with the investments. The necessary follow-up investments associated with these decisions must be examined and evaluated overall under new premises on the basis of a market and conditional framework that may have changed to some extent. If these altered conditions persist, this may result in write-down needs regarding the total investment for the BLG Group.

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 competition with automobile terminal operators at the western European ports. As a consequence of the takeover of the high-capacity 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 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 .

In the CONTRACT Division the main risks are related to rapid replaceability as a service provider in the Industrial Logistics segment. The logistics services performed there are personnel-intensive as a rule. For customers it is relatively easy to change the service provider. We counter this by way of extensive customized optimization for individual customers.

For seaport logistics in break bulk cargo business and project logistics the risks are essentially connected with the overcapacities in the North Sea ports and the related high competition and price pressure.

In the Automotive segment the development of finished and unfinished parts logistics is of special importance for and based on Chinese automobile production.

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 bigger and bigger container vessels can call at Bremerhaven and Hamburg without any problem. In the 2013 financial year the nautical problems posed by the constantly rising number of container ships of increasing size intensified further, especially at the Hamburg location. 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 capacity expansion of the Kiel Canal, including 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 loss of the natural competitive advantages of German ports over the western ports. A substantial risk of volume losses would thus result. To this extent it is urgently necessary to increase the capacity of the Kiel Canal so it can efficiently handle the shipping flows between the North and Baltic Sea in the future, too.

As things look now, refurbishment work on the locks of the Kiel Canal is proving to be more difficult than planned. Financing of the repair and new construction work on the lock has been secured, but the entire project will probably not be completed before 2018.

The entire measures envisaged for the Kiel Canal (deepening and widening) in order meet the requirements of larger feeder vessels in future have not been financed or planned yet. However, Hamburg could lose its exceptional position as a Baltic Sea hub for transshipment cargo and consequently large ship customers may increasingly shift these activities to Bremerhaven and Wilhelmshaven.

Aside from the macroeconomic trends, other influences and/or risks still have an impact on future cargo handling and transportation demand and consequently on the cargo handling volumes of our container terminals. They include:

- completion and commissioning of additional (terminal) cargo handling capacity in the Northern Range, which may lead to further overcapacity, persistently fierce competition and corresponding pressure on the cargo handling equipment

- putting additional large container vessels into service and deploying them, particularly for Far East – Europe services as well as

- possible further changes in the structures of the consortiums as well as in the scheduled services of the container shipping companies (including direct runs to the Baltic Sea) and possibly related changes in price structures.

On the customer side, possible insolvencies could also have impacts on the shipping company consortiums as well as on the service and volume structures.

Influence of business cycle – 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 as well as on consumer behavior can be seen as the biggest risk. Other factors that additionally influence our business are high energy and raw material prices, increasing international trade restrictions, 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 risk 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. Nevertheless, because of the diversification mentioned and described previously in connection with risk management, there is basically no risk to continuity of operations.

Sector risks

The growth markets in Asia, South America, the US 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, particularly in freight shipments, from commercial vehicles to other means of transportation cannot be ruled out completely.

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

Furthermore, there is a dependence on the export volume of the automobile industry in Europe to overseas markets. Especially the markets in the US, Russia and China are of special importance in this context.

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

Extensive investments have been made to develop the Wind Energy segment. The business trend is directly dependent on development of the offshore wind energy sector.

Political, legal and social risks

Legal and political environment

Full capacity expansion of the Kiel Canal depends on 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 or 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.

The extent to which the political unrest in Ukraine may have impacts on further activities of the BLG Group in Eastern Europe cannot be conclusively ascertained and thus evaluated yet. The Eastern Europe segment responsible in this context within the AUTOMOBILE Division places special focus on an analysis of the situation.

In the Wind Energy segment the order situation has deteriorated significantly due to the current political and ecological debate, combined with the suspension of other support projects by the government. At present the BLG Group assumes that the result will be postponement for a period of one to two years. Should this positive assessment not materialize, there may be valuation allowances for the investments essentially made in 2011 and 2012.

Contract risks

Immissions typical of ports, such as paint spray mist and soot particles, may lead to massive recourse claims on the part of manufacturers and marine insurance companies. In the future, 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 level 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 pronounced 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, demand and product lifecycles as well as concentration processes in the markets, it is imperative to constantly keep a careful eye on all operational divisions and departments. At the moment this primarily applies to the seaport terminals and Automotive (overseas) segments.

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 capacities 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 staffing level 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. In addition, it 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. Demographic changes on the labor market also basically influence the staffing level and thus flexibility and availability at GHB.

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. Thanks to constant monitoring of receivables at the management level, the Group is not exposed to any significant default risk at present.

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 this 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.

Two key financial indicators customary at banks, i.e. covenants, were secured for loan liabilities to banks on the basis of the equity ratio as well as the net indebtedness. The key financial indicators are reviewed at least on an annual basis, at the end of each financial year, on the basis of the respective annual financial statement. In the 2013 financial year the development of the key financial indicators was standardized on the basis of the agreements from the promissory note loan.

If certain limits of the net debt ratio are exceeded, the creditor is initially entitled to demand a margin surcharge at the beginning of the next interest period. In the 2013 financial year a limit for the agreed net indebtedness ratios was not complied with. As a consequence, an interest surcharge of 0.5 percent on the share of long-term financial loans and the promissory note loan for the next interest period is possible. For the 2014 financial year this may mean an increase of 0.5 percent on the original margin, with an impact in a range from EUR 0.1 to 2.0 million for the 2014 and 2015 financial years. It is possible to omit the margin increase if the key performance indicators are complied with as of the next reporting date.

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/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 microhedges for individual loans with a variable interest rate. Furthermore, to a certain extent interest rate 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 induced by changes in the market interest rates, in result contributions of the hedged primary financial instruments and in the interest rate swaps 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 Statements in no. 39.

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 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.

Outlook

» Goal: Growth in all divisions and profitability
» Continuing acquisition activities and cooperative ventures
» Expanding existing markets, tapping new markets and winning over new customers
» Improving productivity via consistent cost management

Alignment of the Group in the future

Retention of business model
There are no plans for a fundamental change in our business model in the coming years. Among other things, however, we will extend the areas of activity in the CONTRACT Division. Our objective is to be profitable in all business segments and grow. By continuing our acquisition activities, forming cooperative ventures in a targeted manner and expanding strategic partnerships, we want to further develop existing markets, tap new markets and win over new customers. In addition, we will expand our value chains in the business segments. At the same time we want to augment our good market position in the existing business segments. Moreover, it is important to improve productivity in all divisions and departments via consistent process management and stringent cost management.

Expected macroeconomic conditions

Macroeconomic outlook[9]
The somewhat increased pace of world economic expansion in the first six months of 2013 will presumably continue unabated in 2014 according to the Joint Economic Forecast Team. This forecast is based on improvement in the indicators for the expectations of companies and private households, for which there are fundamental reasons. Some of the developments that have impaired economic activity since the financial crisis are gradually dwindling in significance. For 2014 experts reckon with a rise in the global GDP of 3.6 percent.[10] According to the available forecast, world trade will expand by 4.2 percent in 2014. It should therefore grow only slightly faster than world production, as has been the case for two years now.

Economic development in the euro zone in 2014 will continue to be impaired by uncertainty regarding the alignment of financial policy. Furthermore, the structural problems that emerged in the big recession remain considerable, in contrast to the US. All in all, a recovery, but not an upswing, is on the horizon in the euro zone – with the exception of Germany – in the forecast period.

A slight increase in economic dynamics is still expected for the German economy in 2014. This is primarily due to the anticipated rise in capacity utilization, the quite rapid pace of expansion of production, the further improving situation on the labor market and the relatively relaxed situation in public finance.[11] Experts therefore reckon with 1.9 percent growth in the German gross domestic product in 2014.

[9] Joint Economic Forecast Team (ed.): autumn 2013 “Konjunktur zieht an – Haushaltsüberschüsse sinnvoll nutzen”, Joint Economic Forecast autumn 2013, October 15, 2013, Kiel
[10] World Economic Outlook Database, International Monetary Fund, www.imf.org; February 2014
[11] For 2013 a surplus of about EUR 3 billion is expected for the total government budget. This would correspond to 0.1 percent in relation to the gross domestic product. For 2014 a surplus of around EUR 8 billion or 0.3 percent in relation to the gross domestic product is expected thanks to a better economic situation. This forecast is based on the current budgetary and financial planning of the German Federal Government. (Source: see footnote 9)

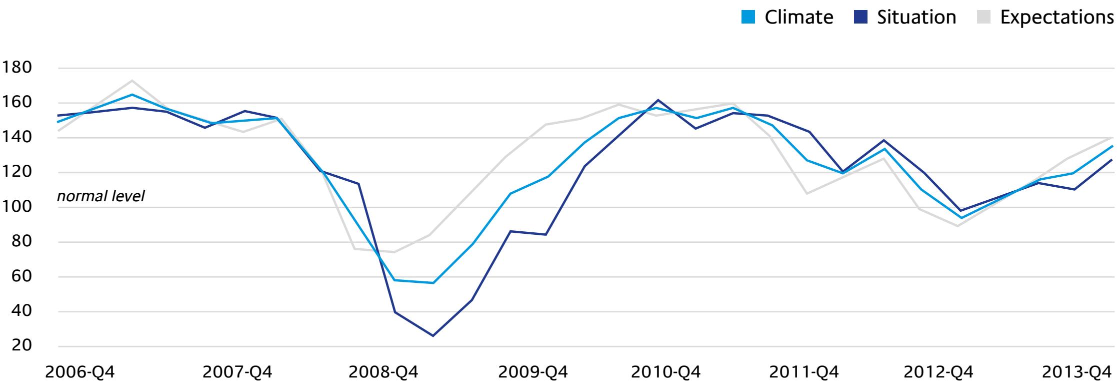
Future development in the logistics sector[12]

In Germany the logistics sector closed the year 2013 with good performance and started off in 2014 with a great deal of élan according to logistics experts.

After strong sales in 2013 (approx. EUR 230 billion) a rise in sales between 1 and 3 percent is assumed for the current year. Logistics providers report a substantial increase in incoming orders with good capacity utilization nationwide. For 2014 they expect an expansion in capacity and further personnel cutbacks. This confidence is not as clearly noticeable in all segments of the sector, however. Logistics specialists in industry and commerce expect a significant boost in the domestic market in contrast to subdued impetus in connection with cross-border demand.

Thus, complexity and cost pressure will continue to accompany and influence the economy in the coming year. Logistics providers in industry, commerce, the service sector and science have to counter this development with intensive cooperatio.

Business climate among logistics providers



Source: BVL/IfW

http://www.bvl.de

As far as price development in freight traffic is concerned, current assessments of experts in connection with 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 terms of transport volume. Overall, logistics experts expect a balanced ratio between the price and volume increase in the current year.

The prospects for road freight traffic are viewed as cautiously optimistic in this context. This applies in particular to Eastern European traffic. A significant boost in growth is expected for transport volume coupled with a rather sluggish price development, however. In view of high diesel prices and increasing driver wages, sector experts therefore reckon with only a moderately positive development in this segment.

With regard to rail freight traffic, most experts assume stable development in terms of volume expectations and price development in the coming months.

[12] Arbeitsgemeinschaft ProgTrans/ZEW (ed.): Transportbarometer, 3rd quarter 2013

The transport volume in the inland shipping sector is generally viewed as stable. The same applies to freight rates. In the case of inland traffic, which plays a relatively minor role in the overall German inland shipping market, by contrast, a slight price rise is expected.

The majority of experts assume stable development of sea freight volumes in European traffic. A weak rise is expected on the two intercontinental routes. Though this means an improvement in the mood regarding the North America route, the impact is more a loss of momentum on the Asia/Pacific route. Overall, a noticeable price increase between 1 and 3 percent is expected in the transport segment of maritime shipping in the coming months.

The development of the logistics sector will continue to be influenced by the following key factors: 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. This makes further process optimization and cost reductions necessary. The BLG Group sees itself in a good position in this context thanks to its clear performance profile as well as a streamlined corporate organization and management structure enabling quick and customer-oriented decisions.

Development of the Group in the following two years

AUTOMOBILE Division

In the AUTOMOBILE Division exports will remain the determining factor for volume in the seaports. In Bremerhaven we again expect a cargo handling volume of 2.2 million vehicles in 2014. Here we assume a persistently high export volume for German premium manufacturers in the Chinese and US markets. A latent risk is seen in the development of the export volume, above all for the Chinese market. Planning on the part of German OEMs presumes a rising export volume for the following years up to 2016. 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 growth rise that will essentially be supported by imports of the Mercedes A Class from Finland and a newly acquired order, i.e. Mitsubishi imports from the Far East for the German market. The volume for technical processing of imported vehicles will not rise in the following years and technical value added will tend to decline. The main reason for this is that manufacturers already produce on a market-oriented basis in the production countries and thus technical services by us at the Bremerhaven location will continue to drop in future. This contrasts with higher demand for technical services on vehicles exported by German premium carmakers in the port of export. Back in 2008 BLG already built up appropriate technical capacity in Bremerhaven and can respond to the inquiries of customers with flexible offers. In this segment of technical processing we expect in the next two years an increase in work that may partially compensate for the reductions in technical services on imported vehicles.

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.

Generally the business development of the inland terminals depends on the development of new registrations for passenger cars in Germany. For 2014 we expect a slight rise in sales here combined with an overall increase in earnings before taxes (EBT) compared to the year under review.

In the Automobile Transport segment a roughly 2 percent higher transport volume per truck compared to 2013 is expected in 2014 because of the slight market recovery in terms of new registrations in Western Europe and additional transport volume from the production plants to the German seaports. This trend will continue in 2015. Additional earnings improvements are expected from the IT-aided organization and introduction of a telematics system.

In the Rail Transport segment we will achieve the target of 1,275 wagons in the first six months of 2014. The transport volume will be determined by the development of the export volume in the seaports. The wagon capacities of BLG AutoRail GmbH will be utilized, on the one hand, for existing customer contracts and are available, on the other hand, for the persistently high demand for spot shipments. We expect good utilization of wagon capacities. Additional potential will result from the start of operations at the Falkenberg train station in Brandenburg as a wagon service and logistics center in 2015. In view of this background, we reckon with moderate sales and earnings growth in the Rail Transport segment in 2014.

CONTRACT Division

The economic trend in the Automotive (Europe) segment is essentially influenced by the development of the vehicle markets in China, South Africa, Brazil 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. Through our business model we will participate in this growth and achieve increasing earnings on a long-term basis thanks to ongoing productivity improvements.

In the US the challenges for solid growth remain considerable. In Brazil we reckon with slightly rising sales and earnings for 2014, based on a low initial level. In South Africa we assume a sustained positive business development.

The Wind Energy segment will be significantly characterized by uncertainties regarding future development in the offshore sector in 2014. In this segment we see great potential in the long run, but do not expect any great success in terms of sales and earnings in 2014.

In the Retail Logistics segment we are working on enhancement of the real net output ratio of our business so as to successfully position all locations on a long-term basis. There are good prospects for large pipe business, one of our special fields, in the Retail Logistics segment.

In this context we expect slightly higher sales and earnings for all locations in this segment in 2014. Further potential will result for the e-commerce sector, particularly at the Frankfurt location. For this segment we expect an expansion in business activities as of 2015. A high utilization of storage capacity is assumed for the cold store in Bremerhaven. Increased energy prices will impair earnings here.

CONTAINER Division

Container shipping companies will continue to be subject to high competitive pressure since world economic growth will not suffice to solve the structural problems of container shipping. It is not possible to make a reliable assessment as to what that will mean for our container terminals.

Particularly the amalgamation announced by the three biggest container shipping companies, i.e. Maersk Line, MSC and CMA CGM, and currently in preparation as the “P3” consortium may have an impact here. Additional price pressure on the terminals cannot be ruled out in this context.

Persisting globalization and further growth in world trade offer good prospects in the medium and long term for logistics companies and container terminal operators. Due to intensifying world economic integration on the part of the newly industrializing nations in Asia as well as in Europe, we expect to profit again from an upswing to an above-average degree in the medium term.

Successful marketing of the EUROGATE Container Terminal in Wilhelmshaven will again be the focus of the EUROGATE Group in the 2014 financial year.

Planned investments

We constantly adapt our investment projects to the current market conditions. In 2014 expansion investments in the low two-digit million euro range are planned in the AUTOMOBILE Division in order to increase the number of railway wagons and expand the wagon service and logistics center in Falkenberg as well as in the CONTRACT Division to set up new logistics centers in Krefeld and Berlin. Furthermore, the necessary replacement investments and investments in process optimization to an amount of around EUR 50 million are envisaged in all divisions in 2014.

The majority of the investments will be financed through borrowing.

Overall statement on future development

In economic terms, we expect sales and earnings before taxes (EBT) in 2014 at the previous year's level. The EBT is adjusted with respect to the previous year in order to understand and give consideration to nonrecurring special effects.

Due to an amendment of the accounting provisions (IFRS), the earnings before taxes on income will be reported to an approx. EUR 5 million lower amount as of 2014. This results from elimination of the proportionate consolidation for joint ventures that have to be reported in the balance sheet according to the equity method on a mandatory basis for the first time as of the 2014 financial year. We refer to our statements regarding the impacts of IFRS 11 in the Notes to the Consolidated Financial Statements on page 117.

As a consequence of the altered reporting of the CONTAINER Division, which is still represented by 50 percent of the EUROGATE Group, the pro rata assets, debts, earnings and expenses of the EUROGATE Group are no longer reported in the BLG Group, but only the participation in the EUROGATE Group parent company, EUROGATE GmbH & Co. KGaA, KG, adjusted according to the equity method and the consequential result from participations. Consequently the result shares accounted for by minority shareholders from the EUROGATE Group no longer have an effect on BLG's Group net income. The EBT in the BLG Group is therefore around EUR 5 million lower. In view of this background, we expect a decline in sales to below the billion euro mark for the BLG Group, which has changed due to the new accounting provisions. Regardless of the above mentioned effects, the EBT will increase substantially in the 2014 financial year because of the nonrecurring special effects in 2013.

In the 2014 financial year we do not expect any significant sales growth for the unchanged AUTOMOBILE, CONTRACT and CONTAINER segments and earnings before taxes at the previous year's level for both the CONTRACT and CONTAINER segments. For the AUTOMOBILE segment we forecast a considerably higher EBT for 2014 in comparison to the previous year.

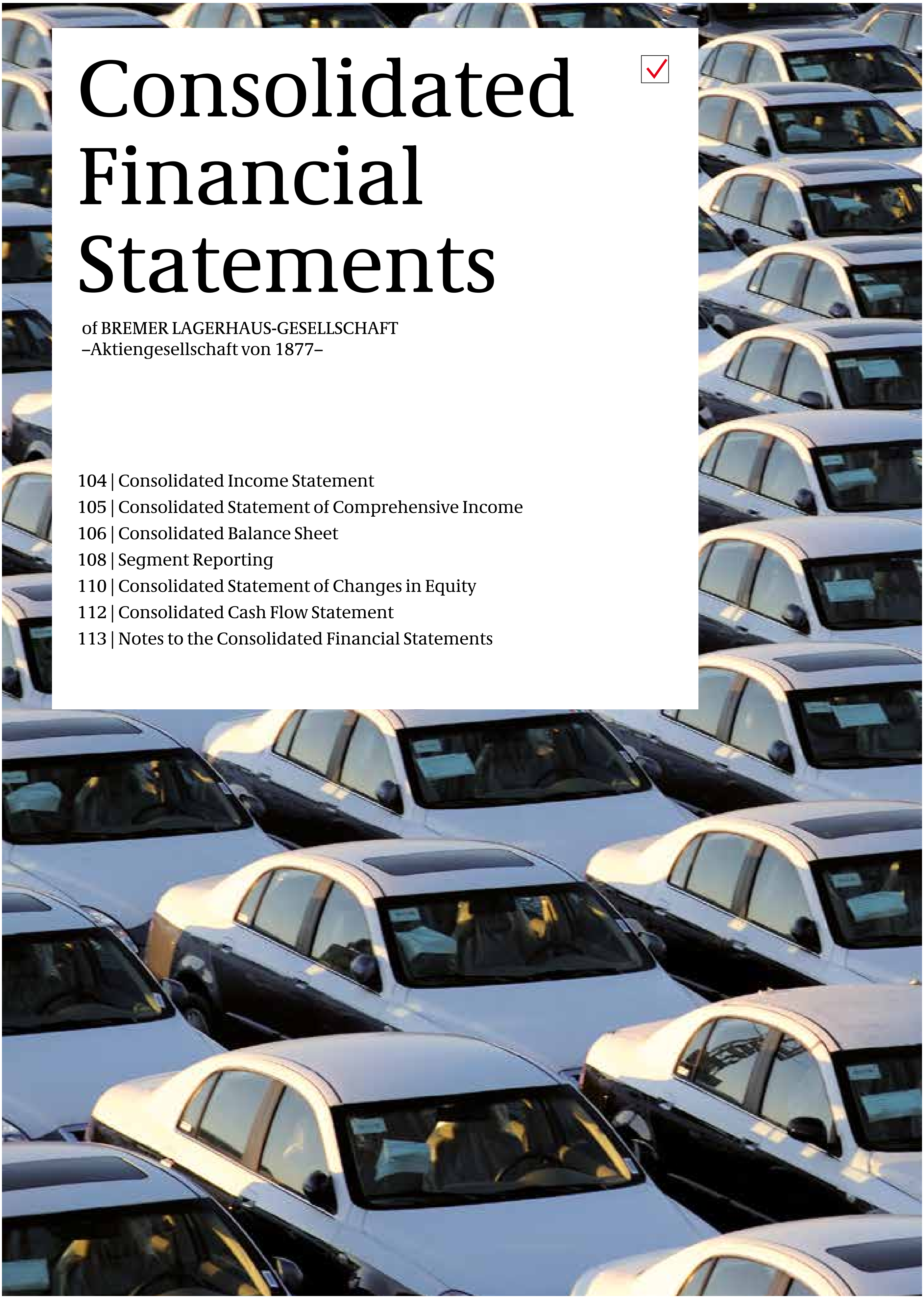
For 2015 we expect a positive environment, growth primarily in the Automotive, Retail and Wind Energy Logistics segments of the CONTRACT Division, further sustainable innovations of our intermodal business activities as well as continued high vehicle export volumes in the AUTOMOBILE Division. In our estimation the CONTAINER Division will be characterized by increased container handling as well as by a lack of full capacity utilization of the Wilhelmshaven container terminal. The cost reduction and restructuring measures initiated in the previous years have a full impact on earnings. We reckon with a moderate rise in Group sales and in the Group EBT compared to the 2014 financial year.

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 German accounting standard 20 (DRS 20) 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 Statements

of BREMER LAGERHAUS-GESELLSCHAFT
–Aktiengesellschaft von 1877–



Consolidated Income Statement

TEUR	Notes	2013	2012 (adjusted)
Sales	7	1,179,869	1,144,392
Other operating income	8	76,674	73,273
Cost of materials	9	-551,397	-546,368
Personnel expenses	10	-399,929	-370,577
Depreciation of long-term intangible fixed assets and tangible fixed assets	11	-78,818	-64,160
Other operating expenses	12	-194,802	-172,166
Income from long-term financial receivables	13	2,274	2,092
Other interest and similar income	13	2,129	1,500
Interest and similar expenses	13	-18,393	-20,369
Income from long-term equity investments in associated enterprises	14	2,621	342
Income from other long-term equity investments and affiliated companies	14	730	679
Depreciation of financial assets and long-term financial receivables	15	-777	0
Results before taxes		**20,181**	**48,638**
Taxes on income	16	-18,149	-7,433
Group net income for the financial year		**2,032**	**41,205**
The Group net income is allocated as follows:			
BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–		2,248	2,666
BLG LOGISTICS GROUP AG & Co. KG		-1,021	30,846
Other minorities		805	7,693
		2,032	**41,205**
Earnings per share (diluted and undiluted)	17	**EUR 0.59**	**EUR 0.69**
of that from continued operations		EUR 0.59	EUR 0.69
Dividend of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–	18	**EUR 0.40**	**EUR 0.40**

Consolidated Statement of Comprehensive Income

TEUR	Notes	2013	2012 (adjusted)
Group net income		**2,032**	**41,205**
Other earnings after taxes on income			
Items that are not transferred to the Income Statement henceforth	19		
Revaluation of net pension liabilities		-6,204	-12,952
Taxes on income on items that are not transferred to the income statement henceforth		2,504	2,089
		-3,700	**-10,863**
Items that can be transferred to the Income Statement henceforth	19		
Currency translation		-1,545	-461
Share in currency translation of associated enterprises		-677	-238
Change in measurement of derivative financial instruments		2,608	-737
Share in change in measurement of derivative financial instruments of associated enterprises		11	9
Taxes on income on items that can be transferred to the income statement henceforth		-392	121
		5	**-1,306**
Other earnings after taxes on income		**-3,695**	**-12,169**
Total income		**-1,663**	**29,036**
Of the other earnings for the year, the following amounts are allocated to:			
BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–		2,248	2,666
BLG LOGISTICS GROUP AG & Co. KG		-5,018	18,949
Other minorities		1,107	7,421
		-1,663	**29,036**

Consolidated Balance Sheet

TEUR	Notes	2013-12-31	2012-12-31 (adjusted)	2012-01-01 (adjusted)
ASSETS				
Long-term assets				
Intangible fixed assets	20			
Goodwill		8,393	7,077	7,167
Other intangible fixed assets		37,003	36,429	19,244
Prepayments on account of intangible fixed assets		4,655	5,547	6,375
		50,051	**49,053**	**32,786**
Tangible fixed assets	21			
Land, land rights and buildings, including those on third-party land		347,246	360,116	327,021
Technical equipment and machinery		244,339	253,225	235,834
Other equipment, operating and office equipment		23,961	21,041	19,331
Prepayments and assets under construction		11,689	40,246	49,282
		627,235	**674,628**	**631,468**
Long-term financial assets	22			
Shares in affiliated companies		343	373	399
Shares in associated enterprises, reported at equity		38,447	40,504	47,653
Other financial assets		4,465	1,688	1,695
		43,255	**42,565**	**49,747**
Long-term financial receivables	23	37,984	46,830	13,458
Other long-term assets		88	84	375
Deferred taxes	16	9,376	15,119	12,366
		767,989	**828,279**	**740,200**
Short-term assets				
Inventories	24	10,791	13,051	11,064
Trade receivables	25	196,444	179,977	151,205
Other assets	25	52,649	45,302	45,538
Refund claims from taxes on income	26	2,038	843	406
Cash and cash equivalents	27	61,872	75,136	82,744
		323,794	**314,309**	**290,957**
		1,091,783	**1,142,588**	**1,031,157**

TEUR	Notes	2013-12-31	2012-12-31 (adjusted)	2012-01-01 (adjusted)
EQUITY AND LIABILITIES				
Equity	28			
Capital of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– included				
Subscribed capital		9,984	9,984	9,984
Revenue reserves				
Legal reserves		998	998	998
Other revenue reserves		6,446	5,734	4,604
Balance sheet profit		1,521	1,521	1,521
		18,949	**18,237**	**17,107**
Minority shares				
Capital of BLG LOGISTICS GROUP AG & Co. KG included				
Limited liability capital		51,000	51,000	51,000
Capital reserves		50,182	50,182	50,182
Revenue reserves		202,989	188,084	161,302
Other reserves		-18,600	-13,544	-2,453
Balance sheet profit		-2,059	-4,286	-3,679
Foreign currency adjustment items		-1,167	532	801
Reserves from fair value measurement of financial instruments		-85,165	-50,519	-33,083
Balance sheet result of companies included		19,591	23,054	19,497
		216,771	**244,503**	**243,567**
Equity of other minorities				
Hybrid equity		78,010	78,010	78,010
Other minorities		6,166	11,967	11,909
		300,947	**334,480**	**333,486**
		319,896	**352,717**	**350,593**
Long-term liabilities				
Long-term loans (excluding short-term share)	29	250,485	243,823	221,039
Other long-term financial liabilities	30	79,507	89,297	75,685
Deferred government grants	31	29,622	31,860	32,906
Other long-term liabilities	34	976	3,706	8,733
Long-term provisions	32	81,407	72,015	52,618
Deferred taxes	16	2,360	5,004	5,678
		444,357	**445,705**	**396,659**
Short-term liabilities				
Trade payables	33	88,492	87,449	72,173
Short-term financial liabilities	30	168,162	181,550	140,063
Short-term share for government grants	31	2,108	2,334	1,889
Other short-term liabilities	34	45,727	48,936	46,497
Liabilities on taxes on income	35	11,142	9,325	7,278
Short-term provisions	36	11,899	14,572	16,005
		327,530	**344,166**	**283,905**
		1,091,783	**1,142,588**	**1,031,157**

Segment Reporting

TEUR	AUTOMOBILE 2013	AUTOMOBILE 2012 (adjusted)	CONTRACT 2013	CONTRACT 2012 (adjusted)
Sales with external third parties	**434,683**	**419,069**	**421,986**	**405,322**
Inter-segment sales	1,583	2,578	776	545
EBITDA	33,245	34,025	30,782	31,585
Depreciation	-23,465	-12,108	-15,110	-13,942
Segment result adjusted (EBIT)[1, 2]	**9,780**	**21,917**	**15,672**	**17,643**
in % of sales	2,2%	5,2%	3,7%	4,4%
Effects from adjustment[2]	-16,649	0	0	0
Segment result (EBIT)[1]	**-6,869**	**21,917**	**15,672**	**17,643**
Interest income	197	233	974	646
Interest expenses	-5,770	-5,858	-4,701	-4,315
Result from companies included at equity	-6	1,407	1,018	727
Result from other long-term equity investments	8	10	69	37
Depreciation of financial assets	0	0	0	0
Earnings before taxes (EBT)	**-12,440**	**17,709**	**13,032**	**14,738**
Other information				
Other non-cash-related items	8,695	-1,734	-144	-1,841
Impairments	-10,620	0	-322	-298
Shares in associated enterprises and other companies included at equity	8,632	10,964	2,600	4,907
Goodwill contained in segment assets	7,881	6,565	0	0
Segment assets	242,371	255,762	257,940	260,617
Investments in long-term intangible fixed assets and tangible fixed assets	11,724	11,338	14,612	33,957
Segment liabilities	129,001	113,844	125,508	110,254
Equity	42,407	69,680	47,390	50,646
Employees	2,262	2,213	3,348	2,819

[1] excluding result from companies included at equity and result from other long-term equity investments

[2] In 2013, adjusted for the special effects resulting from reorganization of our commitment regarding the companies BLG ViDi LOGISTICS TOW, Kiev, Ukraine and E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine.

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

CONTAINER		Reconciliation		GROUP	
2013	2012 (adjusted)	2013	2012 (adjusted)	2013	2012 (adjusted)
328,606	**327,067**	**-5,406**	**-7,066**	**1,179,869**	**1,144,392**
3,047	3,943	-5,406	-7,066	0	0
77,707	76,959	-12,620	-14,015	129,114	128,554
-39,159	-37,243	-1,084	- 867	-78,818	-64,160
38,548	**39,716**	**-13,704**	**-14,882**	**50,296**	**64,394**
11,7%	12,1%	k,A,	k,A,	4,3%	5,6 %
0	0	-2,050	0	-18,699	0
38,548	**39,716**	**-15,754**	**-14,882**	**31,597**	**64,394**
3,120	2,541	112	172	4,403	3,592
-10,149	-10,528	2,227	332	-18,393	-20,369
1,330	-2,035	279	243	2,621	342
646	619	7	13	730	679
-27	0	-750	0	-777	0
33,468	**30,313**	**-13,879**	**-14,122**	**20,181**	**48,638**
-5,149	-4,855	-1,382	-2,695	2,020	-11,125
-881	-929	0	0	-11,823	-1,227
24,412	21,818	2,803	2,815	38,447	40,504
512	512	0	0	8,393	7,077
525,007	556,904	16,604	12,839	1,041,922	1,086,122
18,952	79,330	1,541	978	46,829	125,603
174,346	183,929	-27,392	759	401,463	408,786
208,951	209,868	21,148	20,737	319,896	350,931
1,960[3]	1,937[3]	216	203	7,786	7,172

Consolidated Statement of Changes in Equity

TEUR	I. Capital of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– included			
	Subscribed capital	Revenue reserves	Balance sheet profit	Total
As of January 1, 2012 prior to IAS 19 adjustments	**9,984**	**5,602**	**1,521**	**17,107**
Adjustments for IAS 19[1]	0	0	0	0
As of January 1, 2012 after to IAS 19 adjustments	**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
Other changes	0	0	0	0
As of December 31, 2012	**9,984**	**6,732**	**1,521**	**18,237**
Changes in financial year				
Group net income	0	712	1,536	2,248
Earnings and expenses reported directly in equity	0	0	0	0
Total result	**0**	**712**	**1,536**	**2,248**
Dividends/withdrawals	0	0	-1,536	-1,536
Changes in entities to be consolidated and other changes	0	0	0	0
As of December 31, 2013	**9,984**	**7,444**	**1,521**	**18,949**

[1] Regarding adjustments according to IAS 19, we refer to disclosure no. 1 in the notes to the Consolidated Financial Statements on page 113.

II. Minority shares Capital of BLG LOGISTICS GROUP AG & Co. KG									Equity of the other minorities		
Limited liability capital	Capital reserves	Revenue reserves	Other reserves	Reserves from fair value measure-ment of financial instru-ments	Foreign currency adjust-ment items	Balance sheet result of companies included	Balance sheet profit	Total	Hybrid equity	Other minorities	Total
51,000	**50,182**	**161,302**	**0**	**-3,679**	**801**	**-33,083**	**19,497**	**246,020**	**78,010**	**11,909**	**353,046**
0	0	0	-2,453	0	0	0	0	-2,453	0	0	-2,453
51,000	**50,182**	**161,302**	**-2,453**	**-3,679**	**801**	**-33,083**	**19,497**	**243,567**	**78,010**	**11,909**	**350,593**
0	0	22,748	0	0	0	-14,956	23,054	30,846	5,063	2,630	41,205
0	0	114	-11,091	-607	-313	0	0	-11,897	0	-272	-12,169
0	**0**	**22,862**	**-11,091**	**-607**	**-313**	**-14,956**	**23,054**	**18,949**	**5,063**	**2,358**	**29,036**
0	0	0	0	0	0	0	-19,497	-19,497	-5,063	-2,300	-28,396
0	0	3,920	0	0	44	-2,480	0	1,484	0	0	1,484
51,000	**50,182**	**188,084**	**-13,544**	**-4,286**	**532**	**-50,519**	**23,054**	**244,503**	**78,010**	**11,967**	**352,717**
0	0	10,500	0	0	0	-30,217	18,696	-1,021	5,063	-4,258	2,032
0	0	0	-4,334	2,227	-1,890	0	0	-3,997	0	302	-3,695
0	**0**	**10,500**	**-4,334**	**2,227**	**-1,890**	**-30,217**	**18,696**	**-5,018**	**5,063**	**-3,956**	**-1,663**
0	0	0	0	0	0	0	-22,159	-22,159	-5,063	-617	-29,375
0	0	4,405	-722	0	191	-4,429	0	-555	0	-1,228	-1,783
51,000	**50,182**	**202,989**	**-18,600**	**-2,059**	**-1,167**	**-85,165**	**19,591**	**216,771**	**78,010**	**6,166**	**319,896**

Consolidated Cash Flow Statement

TEUR	2013	2012 (adjusted)
Result before taxes	20,181	48,638
Depreciation of long-term intangible fixed assets, tangible fixed assets, financial assets and long-term financial receivables	79,595	64,160
Result from disposals of fixed assets	-2,453	625
Result from associated enterprises	-2,621	-342
Result from other long-term equity investments	-729	-679
Interest result	13,990	16,777
Other cash-neutral expenses and income	2,020	-11,125
	109,983	**118,054**
Change in trade receivables	-15,904	-28,772
Change in other assets	-2,749	1,585
Change in inventories	2,328	-1,987
Change in government grants	-2,465	-601
Change in provisions	6,020	18,395
Change in trade payables	897	15,276
Change in other liabilities	-10,539	14,198
	-22,412	**18,094**
Proceeds from interest	4,403	3,592
Payments for interest	-15,329	-17,255
Payments for taxes on income	-13,905	-7,268
	-24,831	**-20,931**
Cash flow from current operating activities	**62,740**	**115,217**
Proceeds from disposals of fixed tangible assets and intangible fixed assets	5,684	768
Payments for investments in fixed tangible assets and intangible fixed assets	-48,382	-129,154
Proceeds from disposals of financial assets	30	58
Payments for investments in financial assets	-5,371	-18
Payments for granting loans to companies in which long-term equity is held	-4,389	-14,330
Proceeds from repayment of loans to companies in which long-term equity is held	1,456	21
Proceeds from company divestitures minus liquid funds sold	6,100	0
Payments for company acquisitions minus liquid funds acquired	-3,458	0
Proceeds from dividends received	4,478	6,909
Cash flow from investment activities	**-43,852**	**-135,746**
Proceeds from repayment of loans to company owners	1,013	674
Payments for granting loans to company owners	-463	-1,013
Payments to owners of hybrid capital	-5,063	-5,063
Proceeds from additions to equity from minority companies	-22,312	-23,333
Payments to company owners	0	10,000
Proceeds from issuing promissory note loans	45,528	20,122
Proceeds from taking out financial loans	-38,207	-40,277
Proceeds from borrowing short-term financing funds from companies in which long-term equity is held	10,000	8,830
Payments for repayment of loans from companies in which long-term equity is held	0	-4,330
Payments for granting other loans	0	-8
Payments to lessees	0	-1,130
Proceeds from repayment of leasing receivables	428	90
Taking out leasing liabilities	5,209	12,930
Payment to repay leasing liabilities	-10,657	-8,550
Cash flow from financial activities	**-14,524**	**-31,058**
Net increase/decrease in financial resource fund	4,364	-51,587
Change in cash and cash equivalents due to currency translation influences	-335	181
Financial resource fund at beginning of financial year	21,079	72,485
Financial resource fund at end of financial year	**25,108**	**21,079**
Composition of financial resource fund at end of financial year		
Liquid funds	61,872	75,136
Short-term liabilities to banks	-36,764	-54,057
	25,108	**21,079**

Notes to the Consolidated Financial Statements

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. 28), the Consolidated Financial Statements of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–, Bremen (BLG), for the 2013 financial year had 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, 2013, 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 Statements 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 Statements.

The financial year of BLG and of its subsidiaries included in the Consolidated Financial Statements corresponds to the calendar year. The closing date for the Consolidated Financial Statements 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 Statements are prepared in euros. All figures are given in thousands of euros (TEUR), unless otherwise indicated or TEUR is not specified.

The Consolidated Financial Statements had 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 statements 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 Statements. 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. 32) as well as scope of discretion in connection with the assessment of provisions (disclosure no. 36) and uncertain liabilities (disclosure no. 30). 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 2013 financial year:

- Amendment to IFRS 7 'Financial instruments: Disclosures' (offsetting financial assets and financial liabilities):

  The amendments to IFRS 7 relate to extended disclosure requirements in connection with certain netting arrangements. The disclosures primarily contain quantitative information on recognized financial instruments that were set off against one another in the balance sheet as well as on financial instruments subject to netting arrangements. The requirement of disclosure applies regardless of whether a netting arrangement has actually led to offsetting the financial assets concerned and financial liabilities. In addition, it is necessary to provide a qualitative description of the rights of set-off.

  Application of the amendments has not resulted in any impacts on the Consolidated Financial Statements.

- IFRS 13 'Fair value measurement'

IFRS 13 deals with determination of the fair value and the corresponding disclosure notes. The standard provides assistance for determination of the fair value to the extent the latter is stipulated as a measure of value according to other IFRS. In particular, the concept of fair value and the methods to be applied in determination of the fair value are standardized on a cross-standard basis. Furthermore, the disclosure notes related to fair value measurement are replaced or complemented by virtue of the standard.

The disclosures on the applicable fair values of financial instruments resulting from IFRS 13 are specified in disclosure no. 39.

- Amendments to IAS 1 'Presentation of items of other comprehensive income'

According to the amendment, the other comprehensive income (OCI) has to be split depending on whether the expenditures and income reported in it are transferred or not as of a later time. The option of depicting the items of the OCI before or after taxes remains: in the case of presentation before taxes, however, the taxes have to be separated according to whether they relate to items that can be transferred or to items that cannot be transferred.

- Presentation of the Consolidated Statement of Comprehensive Income, including the comparison information as well as the disclosures on the Consolidated Statement of Comprehensive Income, were adjusted accordingly.

Amendments to IAS 19 'Employee benefits'

The amendments resulting from the revised IAS 19 essentially relate to actuarial gains and losses of the pension liabilities and plan assets. Since the year under review the latter have to be recognized directly in the other comprehensive income (OCI). 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 previously applied by the BLG Group was 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 disclosure notes.

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 have resulted from initial application of the revised IAS 19 as well as the extended disclosure requirements are described primarily in disclosure no. 32, "Long-term provisions". Furthermore, the impacts are specified in detail in the section 'Impacts of the changes in the accounting and measurement methods" on page 115 with references to the disclosures concerned.

- 'Improvements of IFRS'

A standard on 'Improvements of IFRS' was published in May 2012. The amendments contained there do not relate to urgent, but rather necessary minor amendments of five standards altogether. The amendments must be applied to financial years that started on or after January 1, 2013.

Impacts of the changes in the accounting and measurement methods

The impacts of initial application of the revised IAS 19 on the Consolidated Financial Statements are described in the following. As a consequence of retroactive application as of January 1, 2012, the Consolidated Balance Sheet was supplemented by the values at the beginning of the earliest comparative period.

TEUR	Notes	Previous status 01-01 – 2012-12-31	IAS 19	Adjusted figures 01-01 – 2012-12-31
Consolidated Income Statement				
Personnel expenses	10	-370,143	-434	-370,577
Other interest and similar income	13	2,709	-1,209	1,500
Interest and similar expenses	13	-21,578	1,209	-20,369
Taxes on income	16	-7,162	-271	-7,433
Group net income for the financial year		**41,910**	**-705**	**41,205**
Consolidated Statement of Comprehensive Income (OCI)				
Group net income for the financial year		41,910	-705	41,205
Revaluation of net pension liabilities	19	0	-12,952	-12,952
Taxes on income on items that are not transferred to the Income Statement henceforth	19	228	1,861	2,089
Other earnings after taxes on income	19	-1,078	-11,091	-12,169
Total income		**40,832**	**-11,796**	**29,036**

TEUR	Notes	Previous status 2012-12-31	IAS 19	Adjusted figures 2012-12-31
Consolidated Balance Sheet (assets)				
Long-term financial receivables	23	46,931	-101	46,830
Deferred taxes	16	13,456	1,663	15,119
Balance Sheet total		**1,141,026**	**1,562**	**1,142,588**
Consolidated Balance Sheet (liabilities)				
Other reserves	28	0	-13,544	-13,544
Total equity	28	367,129	-14,412	352,717
Equity ratio		32,2%	-1,3%	30,9%
Long-term provisions	32	55,918	16,097	72,015
Deferred taxes	16	5,127	-123	5,004
Balance Sheet total		**1,141,026**	**1,562**	**1,142,588**

Application of IAS 19 had the following impacts in 2013:

TEUR	Notes	As of 2013-12-31 excluding revised IAS 19	IAS 19	2013-12-31
Consolidated Balance Sheet (assets)				
Deferred taxes	16	8,655	721	9,376
Balance sheet total		**1,091,062**	**721**	**1,091,783**
Consolidated Balance sheet (liabilities)				
Other reserves	28	-13,601	-4,999	-18,600
Total equity	28	325,351	-5,455	319,896
Equity ratio		29,8%	-0,5%	29,3%
Long-term provisions	32	75,203	6,204	81,407
Deferred taxes	16	2,388	-28	2,360
Balance Sheet total		**1,091,062**	**721**	**1,091,783**

TEUR	Notes	Status 2013-01-01 – 2013-12-31 excluding revised IAS 19	IAS 19	01-01 – 2013-12-31
Consolidated Income Statement				
Other interest and similar income	13	3,410	-1,281	2,129
Interest and similar expenses	13	-19,674	1,281	-18,393
Taxes on income	16	-17,693	-456	-18,149
Group net income for the financial year		**2,488**	**-456**	**2,032**
Consolidated Statement of Comprehensive Income (OCI)				
Group net income for the financial year		2,488	-456	2,032
Revaluation of net pension liabilities	19	0	-6,204	-6,204
Taxes on income on items that are not transferred to the Income Statement henceforth	19	1,299	1,205	2,504
Other earnings after taxes on income	19	1,304	-4,999	-3,695
Total income		**3,792**	**-5,455**	**-1,663**

There were no impacts on the earnings per share.

With the exception of additional disclosure notes, the other new/revised standards and interpretations relevant for the business activities of the Group did not have any significant impacts. There were therefore no adjustments to the previous year's amounts.

To the extent previous year's amounts are not comparable to the amounts of the year under review or were corrected according to IAS 8.42, the data in this connection are contained in the respective disclosures. This applies to cash and cash equivalents (disclosure no. 27).

Non-mandatory application of new or amended standards and interpretations

The following revised or newly issued standards and interpretation that have already been adopted by the IASB did not have to be applied on a mandatory basis in the 2013 financial year:

Standards / Interpretationen	Application requirement for financial years beginning as of	Adoption by EU Commission
Standards		
IFRS 9 'Financial instruments'	open	No
IFRS 9 'Hedge accounting and amendments to IFRS 9, IFRS 7 and IAS 39'	open	No
Amendments to IFRS 9 'Financial instruments' and to IFRS 7 'Financial instruments: Disclosures' (mandatory effective date and transition disclosures)	open	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, 2014 [1]	Yes
Amendments to IFRS 10 'Consolidated Financial Statements', IFRS 12 'Interests in other entities' and IAS 27 'Separate financial statements' (investment companies)	January 1, 2014	Yes
Amendments to IAS 19 'Employee benefits' (defined benefit plans: employee contributions)	July 1, 2014	No
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
Amendments to IAS 36 'Impairment of assets' (recoverable amount disclosures for nonfinancial assets)	January 1, 2014	Yes
Amendments to IAS 39 'Financial instruments: recognition and measurement' (novation of derivatives and continuation of hedge accounting)	January 1,2014	Yes
Diverse standards: Annual Improvements Project 2010-12	July 1, 2014	No
Diverse standards: Annual Improvements Project 2011-13	July 1, 2014	No
Interpretations		
IFRIC 21 'Levies'	January 1, 2014	No

[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 (EU) no. 1254/2012 and (EU) no. 313/2013 of the European Commission of December 11, 2012 and of April 4, 2013, 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 Statements 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 Statements, with the following exception:

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 to the full extent the CONTAINER Division, which has been included thus far via the participation in the operational management company EUROGATE GmbH & Co. KGaA, KG through proportionate consolidation according to the 50 percent share. When IFRS 11 is applied in the following year, the division will be included in the Consolidated Financial Statements according to the equity method, retroactive as of January 1, 2013. In this connection 25 domestic companies and one foreign company will be changed over from proportionate consolidation to the equity method.

The impacts that would have resulted from premature application of the standard in the year under review are listed below:

TEUR	Previous status 2013-01-01- – 2013-12-31	Adjusted figures 2013-01-01- – 2013-12-31	Change
Consolidated Income Statement			
Sales	1,179,869	854,460	-325,409
EBIT	31,597	-6,951	-38,548
Return on sales	2,7%	-0,8%	-3,5%
Result from participations	2,574	26,588	24,014
EBT	20,181	12,676	-7,505
Group net income/net loss for the year	**2,032**	**-2,968**	**-5,000**
TEUR	As of 2013-12-31	Adjusted figures as of 2013-12-31	Change
Consolidated Balance Sheet (assets)			
Financial assets	43,255	148,758	105,503
Other long-term assets	724,734	316,822	-407,912
Short-term assets	323,794	231,070	-92,724
Balance Sheet total	**1,091,783**	**696,650**	**-395,133**
Consolidated Balance Sheet (liabilities)			
Equity	319,896	241,613	-78,283
Equity ratio	29,3%	34,7%	5,4%
Long-term liabilities	444,357	215,998	-228,359
Short-term liabilities	327,530	239,039	-88,491
Balance Sheet total	**1,091,783**	**696,650**	**-395,133**

BLG's Board of Management released the Consolidated Financial Statements for transmission to the Supervisory Board on March 18, 2014. It is the responsibility of the Supervisory Board to review the Consolidated Financial Statements and state whether the Board approves it.

2. Operating activities of the BLG Group

The BLG Group (BLG LOGISTICS) 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 encompasses 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 process, including documentation and customs clearance. In addition, the division handles heavy and bulky goods, such as agricultural equipment, buses and trucks, transformers, locomotives and railway wagons.

A total of 7.5 million vehicles (previous year: 7.4 million) were handled, transported and/or technically processed in 2013. 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.

The automobile terminals on seacoasts and rivers have truck, railway and ship connections. The inland terminals provide for short distances to the European highway network and their own sidings. BLG has over 500 trucks of its own as well as 1,200 railway wagons for car transportation. Through the network the company has 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 carry out pre-delivery inspection (PDI) and install 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 logistics, retail and distribution logistics, industrial and production logistics as well as seaport logistics for conventional goods in Bremen.

Aside from procurement logistics from the suppliers and supply to the production lines, the Automotive segment also handles 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 automakers.

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 as well as removal and handling of finished products for production lines, on-site logistics for optimized in-company flows of goods, empties management and complex assembly operations.

The Port Logistics segment entails operation of 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 and forestry products, pipes, sheet metal and project cargo.

Logistics for offshore wind energy has already been established as a new business segment. The company develops customer-specific holistic logistics systems to coordinate and manage the supply chain for wind turbines and their components from production right through to installation at sea via all steps in the value chain..

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 Statements 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 activities – 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 the companies listed in the table below:

Entities to be consolidated	2013-12-31	2012-12-31
Number of companies included through full consolidation		
Domestic	17	17
Foreign	11	9
Number of companies included through proportionate consolidation		
Domestic	25	29
Foreign	1	1
Number of companies included via equity method		
Domestic	12	12
Foreign	16	17

A list of the subsidiaries, joint ventures, associated enterprises and other participations is contained in the section "Further information" on pages 188-191.

Companies included through full consolidation (subsidiaries)
The following merger took place in the AUTOMOBILE Division in the reporting period:

BLG Automobile Logistics Russia LTD, Nicosia, Zypern
BLG Automobile Logistics Russia LTD, Nicosia, Cyprus (formerly FESCO BLG Automobile Logistics Russia LTD) was established in 2011. The partners of the joint ventures were BLG AUTOMOBILE LOGISTICS GmbH & Co. KG and the Russian FESCO Group with a share of 50 percent each. The company develops logistics solutions for the Russian automotive industry and also performs finished vehicle cargo handling in St. Petersburg. In connection with the planned sale of shares to an interested Russian party by the FESCO Group, BLG acquired the 50 percent share in BLG Automobile Logistics Russia LTD held by the latter at a purchase price of EUR 4,400,000 according to the change-of-control agreement in the Memorandum and Articles of Association on October 14, 2013, effective as of the same day. Through this acquisition of shares another 50 percent of the shares in BLG Automobile Logistics St. Petersburg Co. Ltd., St. Petersburg, Russia and in Car Logistic JSC, Moscow, Russia was acquired, in which BLG Automobile Logistics Russia LTD has a 100 percent interest in each case. The companies are included through full consolidation. Goodwill of EUR 2,954,000 resulted from allocation of the purchase price. Furthermore, goodwill of EUR 639,000 was acquired in the framework of the merger.

The identifiable assets of BLG Automobile Logistics Russia LTD are limited almost exclusively to the shareholdings in BLG Automobile Logistics St. Petersburg Co. Ltd. and in Car Logistic JSC, whose equity is of a corresponding amount. The applicable fair values of the identifiable assets and liabilities corresponded to the carrying amounts regarding the acquired companies. The applicable fair values at the time of acquisition are as follows:

Values at time of acquisition for 100 percent TEUR	2013-10-14 (time of acquisition)		
	Carrying amount before acquisition	Adjustment	Fair value
Intangible assets	639	0	639
Fixed assets	1,220	0	1,220
Financial assets	-1,446	0	-1,446
Long-term financial receivables	567	0	567
Deferred tax assets	10	0	10
Long-term assets	**990**	**0**	**990**
Inventories	92	0	92
Trade receivables	1,249	0	1,249
Other assets	260	0	260
Claims for refund from taxes on income	69	0	69
Cash and cash equivalents	942	0	942
Short-term assets	**2,612**	**0**	**2,612**
Long-term loans	779	0	779
Long-term liabilities	**779**	**0**	**779**
Trade payables	866	0	866
Short-term financial liabilities	201	0	201
Other short-term liabilities	223	0	223
Liabilities on taxes on income	35	0	35
Other liabilities	52	0	52
Short-term liabilities	**1,377**	**0**	**1,377**
Total identifiable assets	**1,446**	**0**	**1,446**
Goodwill			2,954
Purchase price			**4,400**

Result contribution in year of acquisition TEUR	Time of acquisition until 2013-12-31	2013-01-01 – 2013-12-31
Sales	3,015	12,062
EBIT	95	429
Financial result	-7	-30
EBT	88	399
Taxes on income	15	-92
Group net income for the year	103	307

Revaluation of the existing shares at the time of acquisition did not lead to a result that had to be reported with an effect on income. The applicable fair value of the existing participation on the relevant date corresponds to its carrying amount and comes to EUR 1,446,000.

The current economic and political situation in Ukraine was the reason for preparations for restructuring our activities in Ukraine. In view of the loss of de facto control, the overall lack of prospects and negative earnings outlook, BLG ViDi LOGISTICS TOW, Kiev, Ukraine was deconsolidated, effective as of December 31, 2013. This resulted in expenditures from the deconsolidation to an amount of EUR 4,606,000, which was reported in the neutral result in other operating expenses.

Furthermore, BLG Cargo Logistics Beteiligungs-GmbH was merged together with BLG LOGISTICS GROUP AG & Co. KG in the course of the change in company form of BLG Cargo Logistics GmbH & Co. KG to BLG Cargo Logistics GmbH.

Altogether, 15 companies in which there is a majority of shares and voting rights were not included through full consolidation because of immateriality. These are general partner enterprises with very few operating activities, an intermediate holding company without operating activities as well as a company in liquidation. These companies are only of minor importance for conveying an appropriate view of the net worth, financial position and results of the BLG Group and are therefore not included in the Consolidated Financial Statements. The assessment basis for determination of materiality is the net income for the year. The cumulative net income for the year of the subsidiaries not included comes to EUR 243,000.

Joint ventures included through proportionate consolidation
Within the scope of in-Group restructuring EUROCARGO Container Freight Station, Warehouse GmbH and PEUTE Speditions GmbH left the group of entities to be consolidated due to accretion to EUROGATE City Terminal GmbH. The same applies to EUROGATE Port Systems Beteiligungs GmbH due to accretion to EUROGATE Container Terminal Hamburg GmbH and the resulting accretion of EUROGATE Port Systems GmbH & Co. KG to EUROGATE Container Terminal Hamburg GmbH.

In May 2013 the 25.5 percent share of FLOYD Zrt., Budapest, Hungary held by EUROGATE Intermodal GmbH was increased to 32 percent.

Through the memorandum and articles of association of May 30, 2013 EUROGATE KV-Anlage Wilhelmshaven GmbH together with APM Terminals Deutschland Holding GmbH established the joint venture Rail Terminal Wilhelmshaven GmbH. The mission of the company is to set up and operate public cargo handling facilities for multimodal transport.

Through the purchase agreement of December 2, 2013 EUROGATE GmbH & Co. KGaA, KG sold 50 percent of the shares in OCEANGATE Distribution GmbH, Hamburg to third parties, effective as of December 31, 2013. In this connection EUROGATE GmbH & Co. KGaA, KG proportionately transformed fixed tangible assets of EUR 7,771,000, trade receivables of EUR 528,000, cash and cash equivalents of EUR 75,000, other assets of EUR 17,000, provisions of EUR 872,000, liabilities of EUR 3,899,000 as well as other liabilities of EUR 7,000, i.e. pro rata net assets of EUR 3,613,000, into liquid funds to a proportionate amount of EUR 6,100,000.

Companies included at equity
In the framework of the above described mergers three companies that were previously included at equity changed over to the group of companies included through full consolidation. These companies were BLG Automobile Logistics Russia LTD, BLG Logistics Automobile St. Petersburg Co. Ltd. and Car Logistic JSC.

In the CONTAINER Division Medgate FeederXpress Ltd., Monrovia, Liberia was included at equity for the first time in the reporting year.

E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine, which was included at equity, was deconsolidated in connection with deconsolidation of BLG ViDi LOGISTICS TOW because it is no longer possible to exert significant influence in view of the current economic and political situation. The deconsolidation resulted in expenditures to an amount of EUR 1,423,000, which was reported in the neutral result in other operating expenses.

Three companies were included in the Consolidated Financial Statements at equity because of immateriality in spite of a majority of the voting rights. These companies are only of minor importance for conveying an appropriate view of the net worth, financial position and results of the BLG Group and are therefore included in the Consolidated Financial Statements only at equity. The assessment basis for determination of materiality is the Balance Sheet total. The cumulative Balance Sheet total of the three companies included at equity came to EUR 1,175,000 in the year under review.

4. Consolidation principles

All major subsidiaries that are under the legal and/or de facto control of BLG are included in the Consolidated Financial Statements.

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 (see disclosure no. 3).

When subsidiaries are first included in the Consolidated Financial Statements, 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 Statements 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 decisive 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 enterprise, joint venture or a financial asset. Furthermore, all amounts disclosed in the other operating result are reported with respect to this company in the way that 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 enterprise has declined, but it still remains an associated enterprise, 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 are 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, 2013, currency translation differences of EUR 1,167,000 (previous year: EUR 532,000) 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 2013-12-31	Average exchange rate 2013	Exchange rate 2012-12-31	Average exchange rate 2021
1 American dollar	0.7264	0.7532	0.7566	0.7782
1 Brazilian real	0.3084	0.3507	0.3695	0.3996
1 British pound	1.1978	1.1780	1.2227	1.2331
1 Chinese renminbi yuan	0.1189	0.1216	0.1200	0.1233
1 Indian rupee	0.0117	0.0129	0.0138	0.0145
1 Malaysian ringgit	0.2206	0.2394	0.2481	0.2520
1 Moroccan dirham	0.0890	0.0896	0.0898	0.0901
1 Polish zloty	0.2411	0.2384	0.2454	0.2392
1 Russian ruble	0.0222	0.0237	0.0248	0.0251
1 South African rand	0.0692	0.0784	0.0892	0.0949
1 Czech crown	0.0365	0.0385	0.0398	0.0398
1 Ukrainian grivna	0.0876	0.0924	0.0941	0.0963

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 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 (SoC method) in accordance with IAS 18 in connection with IAS 11 based on 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 BLG LOGISTICS.

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 BLG LOGISTICS 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 applicable 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 are measured according to the equity method. Based on the purchase cost at the time of acquisition of the shares, the respective participation carrying amount is increased or decreased by the changes in equity 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 primary or acquired 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.

Measurement as of the balance sheet date is carried out at the lower amount comprising purchase/production cost in each case, on the one hand, and at the realizable net sale price minus any other costs incurred as well as any other completion costs incurred, on the other hand. 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 instruments 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 instrument 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 arising 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 instruments 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 most 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 financial 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 euros. The translation of foreign currencies takes place via forward rates. The three-year plans in which the country risks are quantified and weighted on the basis of the estimation of the probability of occurrence serve as the basis. The capital cost rate of the Group of 7.1 percent, which is adjusted by the tax rate for the specific country, is taken as the basis for the discount rate. The weighted average cost of capital is determined by the loan capital and equity shares, the risk-free base interest rate (2.0 percent), the market risk premium (5.0 percent), inflation, the sector-specific risk, the country-specific tax rate and the loan capital costs. A weighted average cost of capital of 5.2 percent (previous year: 5.1 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. The actuarial profits and losses are reported completely in other comprehensive income in the period in which they occurred (see also disclosure no. 32). The so-called net interest component, which contains the interest expenses from the interest cost of the gross pension liabilities minus the expected income from plan assets, is shown in the financial result. The plan assets are subject to interest at the applied discount interest rate on which measurement of the pension liabilities is based.

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. These provisions 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 for them 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 item 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 17.2 percent because of the differing municipal rates. The tax rate of 31.9 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 Statements. 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 one business combination was established in the AUTOMOBILE Division; it is described in detail in disclosure no. 3 "Entities to be consolidated".

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
Derivatives	applicable fair value
Other miscellaneous assets	(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

TEUR	2013	2012
Freight forwarding and transport services	426,027	422,231
Sales	416,476	394,363
Logistics services	91,008	87,923
Technical services and consulting	79,374	74,970
Rental and warehouse income	59,635	53,305
Provision of personnel and equipment	19,064	21,859
Ship income	11,311	26,163
Material sales	9,133	11,463
Container packing	4,980	4,832
Miscellaneous	62,861	47,283
Total	**1,179,869**	**1,144,392**

Sales increased by a total of EUR 35,477,000 or 3.1 percent compared to the previous year. The rise essentially results from new business. 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 segment reporting and the relevant explanations in disclosure no. 38 with regard to the breakdown according to segments.

8. Other operating income

The neutral earnings are essentially composed of reimbursement of expenses to an amount of EUR 4,517,000, income from compensation for damages and contractual penalties to an amount of EUR 3,089,000, subsidies from the Employment Agency to an amount of EUR 1,317,000, public funding to an amount of EUR 737,000, income from recycling to an amount of EUR 586,000 as well as income from cash discounts and rebates to an amount of EUR 566,000.

TEUR	2013	2012
Interest on heritable building rights and rents	16,866	14,221
Income from the release of liabilities	11,414	11,066
Neutral earnings	11,261	10,439
Provision of personnel	10,815	11,202
Insurance compensation and other reimbursements	8,602	6,864
Income from on-debiting expenses	6,379	6,879
Income not relating to this period	5,498	8,150
Income from sale of assets	2,854	769
IT and other consulting services	347	446
Miscellaneous	2,638	3,237
Total	**76,674**	**73,273**

9. Material expenses

TEUR	2013	2012
Expenses for raw materials, consumables and supplies	110,823	128,776
Expenses for outside personnel	171,408	151,303
Expenses for other purchased services	269,142	266,289
Change in amount of work in progress as well as finished goods inventories	24	0
Total	**551,397**	**546,368**

Material expenses rose slightly by a total of EUR 5,029,000 or 0.9 percent compared to the previous year due to new business.

The change in expenses for raw materials, consumables and supplies essentially results from taking back a warehouse belonging to a major client. This led to a reduction in the expenses for raw materials, consumables and supplies in the Automotive segment. Sales also declined to a corresponding degree.

The year 2013 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 change in expenses for purchased services essentially results from renewed increased utilization of traction capacity in transport per railway wagon, additional use of subcontractors for automobile handling and at the same time reduced employment of subcontractors for transport services via truck as well as logistics for the offshore and onshore wind energy sector.

10. Personnel expenses

TEUR	2013	2012 (adjusted)
Wages and salaries	332,845	308,868
Statutory social security expenses	61,493	56,360
Expenses for pensions, support and anniversaries	6,375	6,650
Miscellaneous	57	82
	400,770	**371,960**
Own work capitalized relating to internally generated intangible and tangible assets	-841	-1,383
Total	**399,929**	**370,577**

The personnel expenses increased compared to the previous year by a total of EUR 29,352,000 or 7.9 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 26,820,000 (previous year: EUR 22,550,000) for payments of contributions to the statutory pension scheme. Of that, an amount of EUR 210,000 (previous year: EUR 207) is accounted for by members of management in key positions.

The average number of employees in the Group in 2013 was 7,786 (previous year: 7,172 persons). Of those, 5,654 (previous year: 5,203) were blue-collar and 2,132 (previous year: 1,969) white-collar workers. Further information is provided in the Consolidated Management Report as well as in the Segment Reporting.

11. Depreciation of long-term intangible assets and tangible assets

TEUR	2013	2012
Systematic depreciation		
Depreciation of intangible assets	4,468	3,810
Depreciation of tangible assets	62,527	59,123
	66,995	**62,933**
Exceptional depreciation		
Depreciation of intangible assets	1,930	0
Depreciation of tangible assets	9,893	1,227
	11,823	**1,227**
Total	**78,818**	**64,160**

A breakdown of the depreciation and impairment into the individual asset classes can be seen in disclosures no. 20 and 21.

12. Other operating expenses

TEUR	2013	2012
Interest on heritable building rights and rents	97,285	87,198
Expenses from damage claims	10,779	9,181
Security costs and other property expenses	9,949	8,389
Other neutral expenses	9,752	1,266
IT costs	9,064	8,813
Sales and marketing costs	8,727	9,334
Legal, consulting and audit costs	7,701	8,067
Expenses for insurance premiums	7,502	7,722
Other personnel-related expenses	5,905	5,545
Other expenses not relating to this period	4,786	4,538
Administration expenses and contributions	3,858	4,137
Other taxes	3,238	2,901
Expenses for further training	2,227	1,711
Postal and telephone costs	2,172	2,098
On-debited expenses	2,044	1,785
Bookkeeping losses from sales of fixed assets	401	1,394
Expenses from procurement business for third parties	225	93
Miscellaneous	9,187	7,994
Total	**194,802**	**172,166**

The sales and marketing costs contain travel expenses to an amount of EUR 5,074,000 (previous year: EUR 5,217,000) and marketing expenses to an amount of EUR 3,653,000 (previous year: EUR 4,117,000).

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

The other neutral expenses contain EUR 6,029,000 from deconsolidation of a Ukrainian subsidiary and a Ukrainian associated enterprise as well as EUR 2,050,000 due to provisions for onerous contracts.

The miscellaneous other operating expenses contain expenses for guarantee obligations to an amount of EUR 3,022,000 (previous year: EUR 1,207,000) and own work capitalized was set off to an amount of EUR 82,000 (previous year: EUR 214,000).

13. Interest result

TEUR	2013	2012 (adjusted)
Miscellaneous interest and similar income		
Interest income from long-term financial receivables	2,274	2,092
Interest income from bank balances	765	601
Interest income from finance leasing	170	173
Other interest income	1,194	726
	2,129	**1,500**
Interest and similar expenses		
Interest expenses for long-term loans and other financial liabilities	-8,671	-10,215
Interest expenses for finance leasing	-2,761	-2,859
Interest expenses for provisions and liabilities	-3,786	-4,169
Interest expenses for short-term liabilities to banks	-425	-390
Other interest expenses	-3,471	-3,790
Capitalized costs of loan capital	721	1,054
	-18,393	**-20,369**
Total	**-13,990**	**-16,777**

The other interest income includes income from interest rate swaps to an amount of EUR 370,000 (previous year: EUR 346,000) as compared to the corresponding expenditures from interest rate swaps contained in the other interest expenses amounting to EUR 2,505,000 (previous year: EUR -2,607,000).

On balance, the CONTAINER Division accounts for EUR -903,000 (previous year: EUR 1,145,000) of the income and expenses from interest rate swaps, the CONTRACT Division for EUR -674,000 (previous year: EUR -619,000) and the central departments for EUR 558,000 (previous year: EUR -497,000).

14. Result from participations

TEUR	2013	2012
Result from enterprises on basis of equity method		
Medgate FeederXpress Ltd., Monrovia, Liberia [1]	3,598	0
CONTSHIP Italia S.p.A., Genoa, Italy	2,561	1,067
Schultze Stevedoring GmbH & Co. KG, Bremen	644	425
NYK Logistics & BLL (NLB) of South Africa Pty. Ltd., Port Elizabeth, South Africa	327	296
ICO BLG Automobile Logistics Italia S.p.A., Gioia Tauro, Italy	316	19
dbh Logistics IT AG, Bremen	279	243
TangerMedGate Management S.a.r.l., Tangier, Morocco	249	-881
AUTOMOBILE LOGISTICS CZECH s.r.o., Nošovice, Czech Republic	201	308
Automobile Logistics Slovakia s.r.o., Bratislava, Slovakia	160	302
OLB Offshore Logistics Bremerhaven GmbH, Bremerhaven	98	90
BLG Automobile Logistics Russia LTD, Nicosia, Cyprus	91	479
ZLB Zentrallager Bremen GmbH & Co. KG, Bremen	84	140
AutoLogistics International GmbH, Bremen	30	-172
BMS Logistica Ltda., São Paulo, Brazil	1	-104
Autoterminal Slask Logistic Sp. z o.o., Dabrowa Gornicza, Poland	-63	-156
E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine [2]	-82	102
ATN Autoterminal Neuss GmbH & Co. KG, Neuss	-85	221
DCP Dettmer Container Packing GmbH & Co. KG, Bremen	-129	100
BLG-Cinko Auto Logistics (Tianjin) Co., Ltd., Tianjin, People's Republic of China	-306	0
BLG Logistics Consulting (Beijing) Co., Ltd., Peking, People's Republic of China	-369	0
ACOS Holding AG, Bremen	-1,633	21
OJSC Ust-Luga Container Terminal, Ust-Luga, Russia	-3,445	-2,243
Others	94	85
	2,621	**342**
Result from other participations and affiliated companies		
LISCONT Operadores de Contentores S.A., Lissabon, Portugal	401	428
DHU Gesellschaft Datenverarbeitung Hamburger Umschlagbetriebe mbH, Hamburg	125	94
Others	204	157
	730	**679**
Total	**3,351**	**1,021**

[1] consolidated at equity for the first time in 2013
[2] deconsolidated in 2013

15. Depreciation of financial assets and long-term financial receivables

TEUR	2013	2012
Depreciation of long-term financial receivables		
Depreciation of other loans	750	0
	750	0
Depreciation of financial assets		
Depreciation of shares in associated enterprises and other participations	27	0
	27	0
Total	**777**	**0**

16. Taxes on income

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

TEUR	2013	2012 (adjusted)
Current taxes		
Tax expenses during the period	7,172	8,160
Tax expenses for previous periods	6,620	768
Income from tax refunds	-1,938	-333
Total current taxes	**11,854**	**8,595**
of that Tax expenses, domestic	13,310	8,488
Tax income, domestic	-1,811	-193
Tax expenses, foreign	482	440
Tax income, foreign	-127	-140
	11,854	**8,595**
Deferred taxes		
Deferred taxes on temporary differences	2,741	1,349
Deferred taxes on loss carry-forwards	3,554	-2,511
Total deferred taxes	**6,295**	**-1,162**
of that Deferred taxes, domestic	7,004	-444
Deferred taxes, foreign	-709	-718
	6,295	**-1,162**
Totaal	**18,149**	**7,433**

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 Bbalance 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, from the extinguishment of loss carry-forwards 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 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 TEUR	As of 2012	Adjust- ment IAS 19	2012 (adjusted)	Change reported in Income Statement	 reported in equity	2013
Goodwill recognized in tax balance sheet	889	0	889	-152	0	737
Recognition and measurement of intangible assets	1,459	0	1,459	-496	0	963
Measurement of tangible fixed assets	4,452	0	4,452	-2,559	2,386	4,279
Recognition and measurement of other assets	29	0	29	119	0	148
Recognition of liabilities from finance leases	9,133	0	9,133	-825	0	8,308
Measurement of personnel-related provisions	7,603	1,663	9,266	-778	1,205	9,693
Measurement of provisions for dismantling liabilities	1,720	0	1,720	17	0	1,737
Recognition and measurement of other miscellaneous provisions	1,053	0	1,053	149	0	1,202
Recognition of derivative financial instruments	1,044	0	1,044	-50	-395	599
Recognition of accruals and deferred income	451	0	451	-171	0	280
Recognition and measurement of other liabilities	404	0	404	-9	0	395
Write-down of deferred taxes from temporary differences	-1,615	0	-1,615	-2,333	0	-3,948
Recognition of tax loss carry-forwards	7,432	0	7,432	-3,554	0	3,878
Gross deferred taxes	**34,054**	**1,663**	**35,717**	**-10,642**	**3,196**	**28,271**
Balance	-20,598		-20,598			-18,895
Reported deferred taxes	**13,456**		**15,119**			**9,376**

The reported changes in equity included tax changes to an amount of EUR 3,151,000 and currency translation differences amounting to EUR 45,000.

Deferred tax liabilities TEUR	As of 2012	Adjust- ment IAS 19	2012 (adjusted)	Change reported in Income Statement	 reported in equity	2013
Recognition and measurement of intangible assets	-2.900	0	-2.900	62	0	-2.838
Measurement of tangible fixed assets	-12.489	0	-12.489	2.535	0	-9.954
Capitalization of finance leases	-8.208	0	-8.208	73	0	-8.135
Recognition of a special item with reserve element in the tax balance sheet	-104	0	-104	23	0	-81
Recognition and measurement of other assets	-201	0	-201	117	0	-84
Measurement of personnel-related provisions	-1.646	123	-1.523	1.502	0	-21
Recognition and measurement of other miscellaneous provisions	-62	0	-62	37	0	-25
Recognition and measurement of other liabilities	-87	0	-87	58	0	-29
Elimination of intragroup profits and losses	-28	0	-28	-60	0	-88
Gross deferred taxes	**-25.725**	**123**	**-25.602**	**4.347**	**0**	**-21.255**
Balance	20.598		20.598			18.895
Reported deferred taxes	**-5.127**		**-5.004**			**-2.360**

The following deferred tax credits were not capitalized:

TEUR	2013-12-31	2012-12-31 (adjusted)
Deductible temporary differences	4,018	1,615
Loss carry-forwards	30,077	33,046
Total	**34,095**	**34,661**

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 for the measurement.

Deferred tax assets to an amount of EUR 2,930,000 (previous year: EUR 5,152,000) were reported for subsidiaries that suffered losses in the reporting year or previous year because of the improved prospects of profit.

As of December 31, 2013, the Group had tax loss carry-forwards of EUR 212,806,000 (previous year: EUR 264,749,000). As of December 31, 2013, no deferred tax receivables were capitalized for tax loss carry-forwards of EUR 192,480,000 (previous year: EUR 218,172,000) from various subsidiaries. No deferred tax claims were recognized for these losses since the latter may not be used for offsetting against the taxable income 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, 2013 and as of December 31, 2012 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 TEUR		2013		2012 (adjusted)
Profit for the year before taxes according to IFRS		20,181		48.638
Group tax rate in percent	15.4%		15.4%	
Expected expenses for taxes on income in the financial year		3,108		7.490
Reconciliation items				
Effects of changes in tax rates		-53		6
Tax-free income/curtailments related to trade tax		-1,732		-640
Non-tax-deductible expenses/additions related to trade tax/effects of interest barrier		5,034		4.873
Use of additional tax-related special operating expenses		-6,216		-4.942
Current tax expenses/income not relating to this period		4,683		435
Deferred tax expenses/income not relating to this period		-123		-681
Effects due to differing tax rates		1,115		974
Effects of non-recognized loss carry-forwards in reporting year		10,103		1.877
Effects of adjustment of recognition of loss carry-forwards in previous years		658		-3.001
Effects of adjustments of tax-related loss carry-forwards in reporting year		-1,117		267
Recognition adjustments of deferred taxes on temporary differences		2,467		367
Other effects, including IAS 19		222		408
Total reconciliation items	**74.5%**	**15,041**	**-0.1%**	**-57**
Income tax expenses reported in the Group	**89.9%**	**18,149**	**15.3%**	**7.433**

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 2013 financial year come to EUR 0.59 (previous year: EUR 0.69). This calculation is based on the share of the annual Group net income of EUR 2,248,000 (previous year: EUR 2,666,000) 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 2013 financial year. This corresponds to a dividend per share of EUR 0.40 (previous year: EUR 0.40).

Disclosures regarding Consolidated Statement of Comprehensive Income

19. Taxes on the income and expenses reported directly in equity

TEUR	2013 Gross value	2013 Tax expense/income	2013 Net value	2012 Gross value	2012 Tax expense/income	2012 Net value
Items that are not transferred to the income statement henceforth						
Revaluation of net pension liabilities	-6,204	1,205	-4,999	-12,952	1,861	-11,091
Tax rate changes	0	1,299	1,299	0	228	228
	-6,204	**2,504**	**-3,700**	**-12,952**	**2,089**	**-10,863**
Items that can be transferred to the income statement henceforth						
Currency translation	-1,545	0	-1,545	-461	0	-461
Share in currency translation of associated enterprises	-677	0	-677	-238	0	-238
Change in fair value of derivative financial instruments (cash flow hedges)	2,608	-392	2,216	-737	121	-616
Change in fair value of derivative financial instruments of associated enterprises	11	0	11	9	0	9
	397	**-392**	**5**	**-1,427**	**121**	**-1,306**
Total	**-5,807**	**2,112**	**-3,695**	**14,379**	**2,210**	**-12,169**

Consolidated Balance Sheet disclosures

20. Intangible assets

2013 financial year TEUR	Goodwill	Concessions, industrial property rights and similar rights as well as licenses in such rights and assets	Prepayment for intangible assets	Total
Purchase costs				
As of January 1, 2013	13,942	63,052	5,547	82,541
Changes in entities to be consolidated	3,593	-302	0	3,291
Additions	0	2,576	1,570	4,146
Disposals	0	-59	0	-59
Transfers	0	2,521	-2,462	59
Currency translation differences	-357	-34	0	-391
As of December 31, 2013	**17,178**	**67,754**	**4,655**	**89,587**
Depreciation				
As of January 1, 2013	6,865	26,623	0	33,488
Changes in entities to be consolidated	0	-294	0	-294
Additions	1,920	4,478	0	6,398
Disposals	0	-40	0	-40
Transfers	0	0	0	0
Currency translation differences	0	-16	0	-16
As of December 31, 2013	**8,785**	**30,751**	**0**	**39,536**
Carrying amounts as of December 31, 2013	**8,393**	**37,003**	**4,655**	**50,051**

2012 financial year TEUR	Goodwill	Concessions, industrial property rights and similar rights as well as licenses in such rights and assets	Prepayment for intangible assets	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 December 31, 2013	**7,077**	**36,429**	**5,547**	**49,053**

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
Division	AUTOMOBILE	AUTOMOBILE
Carrying amount of goodwill	TUAH 24,197	TEUR 4,288
Recoverable amount	TUAH 0	TEUR 115.136
Exceptional depreciation	TUAH 24.197	–
Sales growth p.a. (planning period)	6.9% – 54.9%	1..7% – 3.7%
Other parameters for corporate planning	new car registration figures, market share, real net output ratio, price per vehicle	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	6.71%	6.52%

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. In the 2011 financial year this goodwill was subjected to a valuation allowance through exceptional depreciation of UAH 70.2 million, resulting in a carrying amount of UAH 24.2 million, and in the year under review it was subjected to a valuation allowance through further exceptional depreciation to an amount of UAH 24.2 million, resulting in a carrying amount of UAH 0. Translated into euros, this corresponds to exceptional depreciation with an effect on the Income Statement to an amount of EUR 1.9 million. At the same time this translation resulted in currency translation differences reported in equity without effect on the Income Statement amounting to EUR -0.4 million.

BLG ViDi LOGISTICS TOW was deconsolidated, effective as of December 31, 2013.

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. Further expansion of the rail fleet by 75 additional wagons is planned in 2014. 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 once again 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	2013	2012
Software licenses	2 -10 Jahre	2 -10 Jahre
Internally developed software	3 - 5 Jahre	3 - 5 Jahre
Supply and sluice use rights	20 Jahre	20 Jahre
Rights to operation of container terminals	40 Jahre	40 Jahre

Impairments amounted to EUR 10,000 (previous year: EUR 0).

Because of the intended reorganization of our commitment regarding BLG ViDi LOGISTICS TOW, which belongs to the AUTOMOBILE Division, an impairment test was carried out for this cash-generating unit in conformity with the accounting and measurement methods described in disclosures 6 b and 6 m.

For the recoverable amount the expected cash flows were discounted at an interest rate of 6.71 percent. A planning period of three years served as the basis for the value in use determined in this way. Uniform distribution of the valuation allowance to the carrying amounts of the intangible assets and tangible assets resulted in impairments to software of EUR 10,000.

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

No financing costs were capitalized for qualified assets.

21. Tangible assets

2013 financial year TEUR	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, 2013	607,545	493,891	67,464	40,246	1,209,146
Changes in entities to be consolidated	-28,540	455	-1,069	-222	-29,376
Additions	9,298	18,120	8,405	6,860	42,683
Disposals	-1,477	-8,329	-2,877	0	-12,683
Transfers	24,721	7,750	2,331	-34,861	-59
Currency translation differences	-802	-90	-144	-334	-1,370
As of December 31, 2013	**610,745**	**511,797**	**74,110**	**11,689**	**1,208,341**
Depreciation					
As of January 1, 2013	247,429	240,666	46,423	0	534,518
Changes in entities to be consolidated	-14,677	-423	-1,043	-70	-16,213
Additions	31,925	33,126	7,299	70	72,420
Disposals	-1,175	-5,879	-2,418	0	-9,472
Transfers	0	0	0	0	0
Currency translation differences	-3	-32	-112	0	-147
As of December 31, 2013	**263,499**	**267,458**	**50,149**	**0**	**581,106**
Carrying amounts as of December 31, 2013	**347,246**	**244,339**	**23,961**	**11,689**	**627,235**

2012 financial year TEUR	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 December 31, 2012	**360,116**	**253,225**	**21,041**	**40,246**	**674,628**

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	2013	2012
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 Jahre
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 9,893,000 (previous year: EUR 1,227,000) arose in the 2013 financial year. Of that, the AUTOMOBILE Division accounted for EUR 8,690,000, the CONTRACT Division for EUR 322,000 and the CONTAINER Division for EUR 881,000.

In the AUTOMOBILE Division an impairment test was carried out for this cash-generating unit in conformity with the accounting and measurement methods described in disclosures 6 b and 6 m because of the intended reorganization of our commitment regarding BLG ViDi LOGISTICS TOW.

For the recoverable amount the expected cash flows were discounted at an interest rate of 6.71 percent. A planning period of three years served as the basis for the value in use determined in this way. Uniform distribution of the necessary valuation allowance to the carrying amounts of the intangible assets and tangible assets resulted in impairments to a total amount of EUR 8,690,000. Land and buildings accounted for EUR 8,485,000 of the impairments, technical equipment and machinery for EUR 103,000, other equipment as well as operating and office equipment for EUR 32,000 and assets under construction for EUR 70,000.

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 impaired to an amount of EUR 71,000.

After termination of another customer contract, also in the CONTRACT Division, the useful life periods of diverse facilities were adjusted to the remaining term of the contract because of a lack of other possible uses and the remaining carrying amounts of the facilities were impaired to a total amount of EUR 251,000. Buildings on third-party land accounted for EUR 96,000 of the impairments, technical equipment and machinery for EUR 130,000 and other equipment as well as operating and office equipment for EUR 25,000.

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 11,689,000 (previous year: EUR 40,246,000), exclusively comprise assets under construction.

Financing costs to an amount of EUR 721,000 (previous year: EUR 1,054,000) were capitalized for qualified assets. The average interest rate in this connection was 3.21 percent.

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

Finance leasing (carrying amounts in TEUR)	2013-12-31	2012-12-31
Buildings	373	415
Technical equipment and machinery	51,534	57,838
Operating and office equipment	92	173
Total	**51,999**	**58,426**

The rented or leased assets compare with leasing liabilities to an amount of EUR 57,372,000 (previous year: EUR 63,038,000), see disclosure no. 30. The terms of the leasing agreements are up to 12 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. 29 with respect to the other assets reported under tangible assets and serving as security for long-term loans.

22. Financial assets

Financial year 2013	Shares in affiliated companies	Financial assets at equity	Other participations	Longterm securities	Total
Purchase costs					
As of January 1, 2013	383	40,643	1,313	628	42,967
Changes in entities to be consolidated	0	-2,392	0	0	-2,392
Additions	0	4,305	3,599	0	7,904
Disposals	-40	-3,659	0	0	-3,699
Transfers	0	795	-795	0	0
Currency translation differences	0	-1,106	0	0	-1,106
As of December 31, 2013	**343**	**38,586**	**4,117**	**628**	**43,674**
Depreciation					
As of January 1, 2013	10	139	253	0	402
Changes in entities to be consolidated	0	0	0	0	0
Additions	0	0	27	0	27
Disposals	-10	0	0	0	-10
Currency translation differences	0	0	0	0	0
As of December 31, 2013	**0**	**139**	**280**	**0**	**419**
Carrying amounts as of December 31, 2013	**343**	**38,447**	**3,837**	**628**	**43,255**

Financial year 2012	Shares in affiliated companies	Financial assets at equity	Other participations	Longterm 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 December 31, 2013	**373**	**40,504**	**1,060**	**628**	**42,565**

Shares in affiliated companies

The shares in affiliated companies to an amount of EUR 343,000 (previous year: EUR 373,000) primarily contain the non-consolidated general partner enterprises of the fully consolidated operational limited partnerships.

Shares in associated enterprises

The shares in associated enterprises that are consolidated at equity relate to the following companies listed in the table below. The section "Further information" contains a complete list of the investment holdings on pages 188-191.

Shares in associated enterprises	2013-12-31 Share	2013-12-31 Carrying amount in TEUR	2012-12-31 Share	2012-12-31 Carrying amount in TEUR
AUTOMOBILE Division				
ATN Autoterminal Neuss GmbH & Co. KG, Neuss	50.0%	3,607	50.0%	3,692
ICO BLG Automobile Logistics Italia S.p.A., Gioia Tauro, Italy	49.5%	3,182	49.5%	2,866
BLG Logistics Consulting (Beijing) Co., Ltd., Beijing, People's Republic of China	100.0%	640	100.0%	0
Autoterminal Slask Logistic Sp. z o.o., Dabrowa Gornicza, Poland	50.0%	469	50.0%	540
AUTOMOBILE LOGISTICS CZECH s.r.o., Nošovice, , Czech Republic	50.0%	228	50.0%	347
Automobile Logistics Slovakia s.r.o., Bratislava, Slovakia	50.0%	199	50.0%	339
BLG Interrijn Auto Transport RoRo B.V., Rotterdam, Netherlands	50.0%	165	50.0%	165
BLG CarShipping Koper d.o.o., Koper, Slovenia	100.0%	142	100.0%	139
E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine [2]	50.0%	0	50.0%	1,135
BLG Automobile Logistics Russia LTD, Nicosia, Cyprus [3]	100.0%	0	50.0%	1,421
BLG-Cinko Auto Logistics (Tianjin) Co., Ltd., Tianjin, People's Republic of China	50.0%	0	50.0%	320
		8,632		**10,964**
CONTRACT Division				
AutoLogistics International GmbH, Bremen [1]	50.0%	1,154	50.0%	1,396
NYK Logistics & BLL (NLB) of South Africa Pty. Ltd., Port Elizabeth, , South Africa	44.0%	936	44.0%	835
Schultze Stevedoring GmbH & Co. KG, Bremen	50.0%	545	50.0%	400
OLB Offshore Logistics Bremerhaven GmbH, Bremerhaven	42.5%	442	42.5%	402
Hansa Marine Logistics GmbH, Bremen	100.0%	97	100.0%	96
BLG Parekh Logistics Pvt. Ltd., Mumbai, India	50.0%	87	50.0%	176
BLG-ESF Warehouse GmbH, Bremen	50.0%	77	50.0%	68
ICC Independent Cargo Control GmbH, Bremen	33.3%	29	33.3%	23
DCP Dettmer Container Packing GmbH & Co. KG, Bremen	50.0%	0	50.0%	157
BLG MILS Logistics Sdn. Bhd., Kuala Lumpur, Malaysia	60.0%	0	60.0%	0
BMS Logistica Ltda., São Paulo, Brazil	50.0%	-767	50.0%	1,354
		2,600		**4,907**
CONTAINER Division				
CONTSHIP Italia S.p.A., Genoa, Italy	16.7%	20,434	16.7%	18,875
Medgate FeederXpress Ltd., Monrovia, Liberia [1]	16.7%	2,433	16.7%	0
TangerMedGate Management S.a.r.l., Tangier, Morocco	26.7%	1,540	26.7%	1,306
ACOS Holding AG, Bremen	25.0%	0	25.0%	1,633
FLZ Hamburger Feeder Logistik Zentrale GmbH, Hamburg	17.0%	4	17.0%	4
OJSC Ust-Luga Container Terminal, Ust-Luga, Russia	10.0%	0	10.0%	0
		24,411		**21,818**
BLG LOGISTICS GROUP AG & Co. KG				
ZLB Zentrallager Bremen GmbH & Co. KG, Bremen	33.3%	1,658	33.3%	1,733
dbh Logistics IT AG, Bremen	26.8%	1,146	26.8%	1,082
		2,804		**2,815**
Total		**38,447**		**40,504**

[1] consolidated at equity for first time in 2013 [2] deconsolidated in 2013 [3] fully consolidated in 2013

The change in the carrying amount of the shares in associated enterprises is essentially attributable to increases due to proportionate income for the year (EUR 2,621,000), capital increases (EUR 1,030,000), reductions due to dividends (EUR -6,291,000), changes in the entities to be consolidated (EUR -2,392,000) and currency translation differences (EUR 1,106,000).

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, FLZ Hamburger Feeder Logistik Zentrale GmbH, Hamburg and Medgate FeederXpress Ltd., Monrovia, Liberia 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), 34.0 percent (FLZ Hamburger Feeder Logistik Zentrale GmbH) and 33.4 percent (Medgate FeederXpress Ltd.).

Goodwill to an amount of EUR 1,368,000, which came into being in connection with acquisition of ACOS Holding AG, Bremen as of December 23, 2008, was subjected to a valuation allowance of EUR 1,368,000 in the reporting year, bringing it down to EUR 0.

Proportionate profits of associated enterprises – because of preceding losses – to an amount of EUR 0 (previous year: EUR 40,000) were not reported in the Group result in the 2013 financial year. On the closing date the cumulated loss shares not reported in the Group result totaled EUR 239,000 (previous year: EUR 170,000).

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

TEUR	2013	2012
Assets	137,547	147,698
Liabilities	-94,720	-100,270
Net assets	**42,827**	**47,428**
Income	136,162	122,398
Expenses	-131,372	-118,699
Net result	**4,790**	**3,699**

Other participations

TEUR	2013	2012
Lloyd Investitions- und Verwaltungs GmbH, Bremerhaven	2,599	0
Lloyd Werft Bremerhaven AG, Bremerhaven	1,000	0
boxXpress.de GmbH, Hamburg	48	48
Medgate FeederXpress Ltd., Monrovia, Liberia [1]	0	795
Miscellaneous	190	217
Total	**3,837**	**1,060**

[1] consolidated at equity for the first time in 2013

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 Statements.

No impairments of other participations were effected in the reporting year.

23. Financial receivables

2013 financial year TEUR	2013-12-31 < 1 year	> 1 - 5 years	> 5 years	Total
Loans to affiliated companies	0	0	0	0
Loans to joint ventures	0	0	12,915	12,915
Loans to associated enterprises	1,026	17,566	3,292	21,884
Other loans	0	0	0	0
Other receivables from shareholders	0	0	0	0
Financial receivables from shareholder accounts at joint ventures	18,357	0	0	18,357
Financial receivables from shareholder accounts at associated enterprises	779	0	0	779
Receivables from leasing companies	16,481	0	0	16,481
Financial receivables from finance leasing	414	992	2,886	4,292
Other financial receivables	552	276	57	885
Total	**37,609**	**18,834**	**19,150**	**75,593**

2012 financial year TEUR	2012-12-31 (adjusted) < 1 year	> 1 - 5 years	> 5 Years	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
Other loans	169	2,246	500	2,915
Other receivables from shareholders	1,013	0	0	1,013
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**	**24,467**	**75,184**

The short-term financial receivables are reported under Other assets (disclosure no. 25).

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 TEUR	2013-12-31	2012-12-31
Neither overdue nor impaired receivables	75,117	74,944
Overdue but not impaired receivables	476	341
Impaired receivables	0	0
Carrying amounts	**75,593**	**75,285**

The impaired financial receivables and valuation allowances recognized on that basis developed as follows:

Impaired financial receivables TEUR	2013-12-31	2012-12-31
Nominal amounts	750	0
Valuation allowances	-750	0
Carrying amounts	**0**	**0**

Valuation allowances for financial receivables TEUR	2013-12-31	2012-12-31
As of beginning of financial year	0	0
Impairments in financial year – additions	750	0
As of end of financial year	**750**	**0**

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

24. Inventories

TEUR	2013-12-31	2012-12-31
Raw materials, consumables and supplies	10,204	11,722
Work in progress	300	934
Finished goods and merchandise	287	395
Total	**10,791**	**13,051**

Die Vorräte sind nicht als Sicherheit für Verbindlichkeiten verpfändet. Auf den Vorratsbestand wurden zum 31. Dezember 2013 Wertberichtigungen in Höhe von TEUR 555 (Vorjahr: TEUR 477) gebildet.

25. Trade receivables and other assets

Trade receivables TEUR	2013-12-31	2012-12-31
Receivables – third parties	189,962	174,174
Receivables – third parties, stage of completion method	661	701
Receivables – affiliated companies	2	19
Receivables – companies in which a participation is held	5,819	5,083
Total	**196,444**	**179,977**

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 60 days (previous year: 57 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 TEUR	2013-12-31	2012-12-31
Neither overdue nor impaired receivables	151,897	142,292
Overdue but not impaired receivables	43,597	36,975
Impaired receivables	950	710
Total	**196,444**	**179,977**

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 TEUR	2013-12-31	2013-12-31
Less than 30 days	29,456	26,121
Between 30 and 60 days	6,207	5,638
Between 61 and 90 days	2,280	3,160
Between 91 and 180 days	5,343	1,846
Between 181 and 360 days	158	113
More than 360 days	153	97
Total	**43,597**	**36,975**

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

Impaired trade receivables TEUR	2013-12-31	2012-12-31
Nominal amounts	2,648	2,602
Valuation allowances	-1,698	-1,892
Carrying amounts	**950**	**710**

The valuation allowances for trade receivables developed as follows:

Valuation allowances for trade receivables TEUR	2013	2012
As of beginning of financial year	1,892	1,660
Impairments in financial year		
– Additions	1,004	1,376
– Releases	-765	-521
– Changes in exchange rate	-1	-2
Consumption/derecognition of receivables	-432	-621
As of end of financial year	**1,698**	**1,892**

Furthermore, derecognition of trade receivables amounting to EUR 285,000 (previous year: EUR 137,000) was carried out in the reporting year and reported under Other operating expenses.

Other assets

The other assets contain receivables from guarantee claims to an amount of EUR 3,749,000. Of that, an amount of EUR 2,250,000 relates to the CONTRACT Division, EUR 799,000 to the CONTAINER Division and EUR 700,000 to the AUTOMOBILE Division. Furthermore, the other assets include a claim for refund of the costs of a legal dispute to an amount of EUR 229,000.

Other assets TEUR	2013-12-31		2012-12-31	
	short-term	long-term	short-term	long-term
Short-term financial receivables (disclosure no. 23)	37,609	--	28,354	--
Receivables from Tax Office	5,479	--	6,780	--
Deferrals/accruals	2,402	--	2,282	--
Claims to refund from insurance companies	1,251	--	4,731	--
Derivatives with positive market value	407	--	0	--
Receivables from employees	336	--	330	--
Receivables from Employment Office	274	--	77	--
Receivables from shareholders	223	--	0	--
Claims to public grants	47	--	47	--
Other assets	4,621	88	2,701	84
Total	**52,649**	**88**	**45,302**	**84**

The claims to refund from insurance companies of the previous year contained 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 were refunded based on a German Federal Fiscal Court (BFH) decision.

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

26. Claims for refund from tax on income

The tax claims relate to claims for refunds for the reporting year to an amount of EUR 1,130,000 (previous year: EUR 537,000) as well as claims for refunds for previous years to an amount of EUR 908,000 (previous year: EUR 306,000).

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

27. Zahlungsmittel und Zahlungsmitteläquivalente

TEUR	2013-12-31	2012-12-31*
Balance on current account	33,762	33,862
Call and short-term time deposits	27,998	41,125
Cash	112	149
Total	**61,872**	**75,136**

* In accordance with IAS 8.42, a change was made to the previous year’s figures.

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.

28. Equity

The breakdown and development of equity in the 2013 and 2012 financial years is shown separately in the statement of changes in equity as an independent part of the Consolidated Financial Statements as of December 31, 2013.

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, 2013.

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 is completely allocated to the revenue reserves, as well as other revenue reserves of EUR 6,446,000 (previous year: EUR 5,734,000). An amount of EUR 712,000 (previous year: EUR 1,130,000) was transferred from the Group net income to the other revenue reserves in the 2013 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 19,591,000 corresponds to the disclosure in the financial statement as of December 31, 2013 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 TEUR	2013	2012
As of January 1	-4.286	-3.679
Change in the reserves	2.227	-607
As of December 31	**-2.059**	**-4.286**

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 -2,437,000 (previous year: EUR -5,046,000), the deferred taxes of EUR 385,000 (previous year: EUR 777,000) without effect on the Income Statement as well as the applicable fair values of derivative financial instruments for associated enterprises, reported without effect on the Income Statement, amounting to EUR 7,000 (previous year: EUR -17,000).

The Balance Sheet result of companies included, amounting to EUR -85,165,000 (previous year: EUR -50,519,000), 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 6,166,000 (previous year: EUR 11,967,000).

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 a profit share for the 2013 financial year.

The subordinate 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, 2013 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 a profit share in Group equity of the owners of the hybrid capital in the 2013 financial year.

Application of IAS 32

BLG LOGISTICS GROUP AG & Co. KG is a limited partnership.

In accordance with IAS 32, in the version to be applied for financial years as of January 1, 2009, the termination options of the owner of a financial instrument are key criteria 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, 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 Statements with respect to accruals and deferrals of equity and borrowed capital. IAS 32 does not require disclosure of the "net assets of the limited partners" in the liabilities or recognition of the result portions of the limited partners in the financing expenses. For this reason the "net assets of the limited partners" are reported as equity and the related reimbursement is reported as part of the Group net income for the year.

Measurement of this item is effected 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 110 f.

29. Long-term loans

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

Interest rate 2013-12-31 TEUR	Residual terms < 1 year	> 1 - 5 years	> 5 years	Total
Long-term loans from banks				
0.939 - 0.999%	828	1,187	1,483	3,498
1.000 - 1.999%	17,214	79,868	47,261	144,344
2.000 - 2.999%	1,471	36,026	4,593	42,089
3.000 - 3.999%	2,054	7,340	7,073	16,466
4.000 - 4.999%	4,351	32,244	1,923	38,518
5.000 - 5.999%	0	0	0	0
6.000 - 6.293%	2,000	8,000	10,000	20,000
	27,917	**164,665**	**72,333**	**264,915**
Loans of APM Terminals Wilhelmshaven GmbH				
5.09%	0	0	12,915	12,915
Loans of Eisenbahn-Bundesamt				
interest-free	92	318	255	665
Total	**28,009**	**164,983**	**85,503**	**278,495**

Interest rate 2012-12-31 TEUR	Residual terms < 1 year	> 1 - 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				
6.17%	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**

The above presentation contains non-subordinate, non-hedged promissory note loans to an amount of EUR 60.0 million (previous year: EUR 60.0 million), of which EUR 50.0 million are due for payment in December 2018. The remaining promissory note loan to an amount of EUR 10.0 million is repayable semiannually in five installments as of April 2017. The promissory note loans have a fixed interest rate for an amount of EUR 19.0 million and a variable interest rate for an amount of EUR 41.0 million.

In the year under review the Group had taken out four new loans with a variable interest rate to a total amount of EUR 40.0 million. The terms are shown in the following table:

As a hedge for liabilities of joint ventures to banks to a proportionate amount of EUR 55.8 million (previous year: EUR 66.7 million), 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 22.1 million (previous year: EUR 25.8 million). Customary covenants on the basis of the equity ratio as well as the net indebtedness were agreed upon with the banks granting the loans for loan liabilities of EUR 205.9 million (previous year: EUR 194.6 million). The amount contains EUR 60.0 million from the promissory note loans as well as EUR 40.0 million from the new loans taken out.

Terms of new loans taken out

	Loan 1	Loan 2	Loan 3	Loan 4
Loan amount	EUR 10,0 million	EUR 10,0 million	EUR 10,0 million	EUR 10,0 million
Beginning of period	05/2013	06/2013	07/2013	12/2013
Interest	variable	variable	variable	variable
Zinssatz	6M-EURIBOR	6M-EURIBOR	3M-EURIBOR	3M-EURIBOR
	+ 1.35%	+ 1.18%	+ 1.20%	+ 0.90%
Interest period	semiannually	semiannually	quarterly	quarterly
Period	9 years and 4 month	10 years	10 years	6 years and10 month
Repayment	semiannually TEUR 1.000 as of 03/2018	semiannually TEUR 500 as of 12/2013	quarterly TEUR 250 as of 09/2013	quarterly TEUR 300 as of 10/2014
End of period	09/2022	05/2023	06/2023	10/2020

In addition, the framework credit line at a bank was increased by EUR 5.0 million.

Furthermore, two bank loans to a proportionate amount of EUR 5.2 million were taken out in the CONTAINER Division. These loans are essentially hedged, have a residual term until 2023 and 2024 respectively and have a fixed interest rate.

Of the loans taken out from banks, a total of EUR 88.4 million (previous year: EUR 104.7 million) was subject to a fixed interest rate while EUR 176.5 million (previous year: EUR 152.8 million) were subject to a variable interest rate.

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

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

In the 2013 financial year a limit for the agreed ratios of net indebtedness was not complied with. As a consequence, an interest surcharge of 0.5 percent on the share of long-term financial loans and the promissory note loan could take place for the next interest period. For the 2014 financial year this means an increase of 0.5 percent on the original margin, with an impact in a range from EUR 250,000 to EUR 2,000,000 for the 2014 and 2015 financial years. If the key figures are met by the next audited financial statement, it is possible to remove most of the margin increase.

30. Other financial liabilities

The other financial liabilities comprise the following::

TEUR	2013-12-31 short-term	2013-12-31 long-term	2012-12-31 short-term	2012-12-31 long-term
Short-term portion of long-term loans	28,009	--	32,810	--
Finance leasing	10,065	47,307	10,150	52,888
Current account credit	36,764	--	44,057	--
Loan BLG Unterstützungskasse GmbH	25,600	0	25,600	0
Clearing account EUROKAI KGaA	18,357	0	17,139	0
Liabilities resulting from reductions in sales proceeds	18,160	542	17,361	668
Loans from joint ventures	10,000	--	0	--
Time and call deposits	0	--	10,000	--
Derivatives with negative market value	4,272	--	6,826	--
Accruals and deferred income	1,895	2,062	1,895	3,957
Miscellaneous	15,040	29,596	15,712	31,784
Total	**168,162**	**79,507**	**181,550**	**89,297**

The other miscellaneous financial liabilities include cash management clearing accounts for participations to an amount of EUR 4,754,000 (previous year: EUR 8,765,000).

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 10,687,000 (previous year: EUR 12,109,000). Furthermore, an amount of EUR 15,238,000 (previous year: EUR 15,205,000) relates to liabilities regarding payment commitments 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	2013-12-31	2012-12-31
Current account liabilities to banks	1.24%	0.99%
Call and time deposits taken out	0.95%	1.07%

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

TEUR	2013-12-31 Minimum leasing rates	2013-12-31 of that, repayment	2013-12-31 of that, interest	2012-12-31 Minimum leasing rates	2012-12-31 of that, repayment	2012-12-31 of that, interest
up to one year	12,546	10,065	2,482	12,907	10,150	2,757
1 - 5 yaers	31,674	25,192	6,482	34,918	27,675	7,243
more than 5 years	26,287	22,115	4,171	30,611	25,213	5,398
Total	**70,507**	**57,372**	**13,135**	**78,436**	**63,038**	**15,398**

31. Accruals for government grants

TEUR	2013-12-31		2012-12-31	
	short-term	long-term	short-term	long-term
Container terminal in Bremerhaven	654	9,056	663	9,830
Container terminal in Hamburg	887	10,042	921	11,558
Container terminal in Wilhelmshaven	561	9,682	554	10,251
Miscellaneous	6	842	196	221
Total	**2,108**	**29,622**	**2,334**	**31,860**

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 2,115,000 (previous year: EUR 1,838,000) was reported for 2013. For the remaining government grants further income to an amount of EUR 386,000 was reported with effect on the Income Statement in the course of the year. This income relates to support funds from the European Union in the framework of the support program for European commodity traffic entitled "Marco Polo" and results from subsidies received to an amount of EUR 196,000.

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 profitability 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 body is responsible for approval, payment, invoicing and review of the documentation regarding use of the funds.

32. Long-term provisions

TEUR	2013-12-31	2012-12-31 (adjusted)
Personnel-related provisions		
Direct commitments	15,043	13,350
BLG company pension	25,166	23,477
Social future concept	18,898	14,945
Provisions for anniversaries	7,367	7,157
	66,474	**58,929**
Other provisions		
Provisions for dismantling commitments	13,659	12,097
Miscellaneous other long-term provisions	1,274	989
	14,933	**13,086**
Total	**81,407**	**72,015**

Long-term benefits to employees TEUR	As of 2013-01-01 (adjusted)	Claiming	Release	Addition	Transfer	As of 2013-12-31
Direct commitments	13,350	1	118	1,882	-70	15,043
BLG company pension	23,477	0	0	1,689	0	25,166
Social future concept	14,945	0	0	4,212	-259	18,898
Provisions for pensions	**51,772**	**1**	**118**	**7,783**	**-329**	**59,107**
Provisions for anniversaries	7,157	0	0	213	-3	7,367
Total	**58,929**	**1**	**118**	**7,996**	**-332**	**66,474**

Short-term benefits to employees TEUR	As of 2013-12-31	Claiming	Release	Addition	Transfer	As of 2013-12-31
Direct commitments	297	278	0	309	0	328
BLG company pension	1.302	1.302	0	1.322	0	1.322
Provisions for pensions	**1.599**	**1.580**	**0**	**1.631**	**0**	**1.650**
Provisions for anniversaries	452	420	0	953	61	1.046
Total	**2.051**	**2.000**	**0**	**2.584**	**61**	**2.696**

Provisions for pensions
All pension plans of the BLG Group are defined benefit plans in accordance with IAS 19. There are no minimum funding requirements.

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 Freie Hansestadt 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, Bremen from SRI Radio Systems GmbH, Durach as of October 1, 2001 and from Siemens AG, Berlin, as of May 1, 2003.

In addition, the employees of the CONTAINER Division have the option of letting the Group indirectly make payments of portions of their remuneration into investment funds as well as in zero coupon bonds via a trustee and reducing the accrued retirement benefits within the scope of paid leave prior to the beginning of retirement. The investment fund shares and zero coupon bonds are classified as plan assets and balanced out with the corresponding provisions. The applicable fair value of the investment fund shares and zero coupon bonds corresponds to the stock exchange prices and the funds as of the Balance Sheet date.

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.

Plan assets exist for parts of the individual commitments as well as for the liabilities in the framework of the social future concept in the form of qualified insurance contracts in accordance with IAS 19.8. The plan assets are managed externally by insurance companies and include in particular reinsurance coverage. The asset values calculated by the insurance companies are recognized as applicable fair values.

Composition of plan assetss TEUR	2013-12-31	2012-12-31
Reinsurance coverage	65,559	61,645
Investment funds and zero coupon bonds	7,084	6,538
Applicable fair value of plan assets	**72,643**	**68,183**

The provisions are calculated by actuaries according to the projected unit credit method in accordance with IAS 19, taking into account the contractual agreement forming the basis in each case.

The Group is exposed to various risks in connection with the defined benefit plans. Apart from general risks arising from a change in the demographic assumptions, they primarily include the interest rate risk and capital market or investor risk. There are no concentrations of risk.

Financing status of pension plans TEUR	2013-12-31	2012-12-31
Present value of the defined benefit liability	133,400	121,554
Applicable fair value of the plan assets	-72,643	-68,183
Underfunding (net debt)	**60,757**	**53,371**

Present value of pension liabilities

The present value of the defined benefit liabilities has developed as follows:

Development of present value of pension liabilities TEUR		2013	2012
Status at beginning of reporting year		121,554	99,091
+	Current employment period expenses	4,529	3,308
+	Employment period expenses to be subsequently set off	0	-78
+	Pay conversion scheme	3,175	4,392
+	Interest expense	4,565	5,128
+/-	Revaluation		
	Experience-based adjustments	1,267	0
	Actuarial gains or losses from changes in financial assumptions	4,742	13,544
	Claiming (paid employee benefits)	-4,607	-3,864
+/-	Releases	-162	0
+/-	Transfers	-876	33
+/-	Changes in entities to be consolidated	-787	0
Status at end of reporting year		**133,400**	**121,554**

The weighted average duration of the defined benefit liabilities is as follows:

Duration	2013-12-31	2012-12-31
Direct commitments and working-life time accounts	21 years	20 years
BLG company pension	14 years	15 years
Social future concept	13 years	13 years

Applicable fair value of plan assets

The applicable fair value of the plan assets has developed as follows:

Development of plan assets TEUR		2013	2012
Status at beginning of reporting year		68,183	59,403
+	Interest income	2,282	2,618
+	Expenses / income from plan assets (excluding interest income)	-165	542
+	Additions of the employees included in the plan (e.g. pay conversions)	3,175	4,392
+	Contributions of the employer	3,569	3,146
-	Claiming (paid employee benefits)	-3,026	-1,984
+/-	Releases	-44	0
+/-	Transfers	-771	66
+/-	Changes in entities to be consolidated	-560	0
Status at end of reporting year		**72,643**	**68,183**

Net pension expenses

The portion of the net pension expenses reported in the profit or loss of the period is composed of the following:

Net pension expenses TEUR	2013-12-31	2012-12-31 (adjusted)
Current employment period expenses	4,529	3,308
Interest expenses	2,283	2,510
Employment period expenses (income) to be subsequently set off	0	-78
Total	**6,812**	**5,740**

The employment period expenses are reported in the consolidated Income Statement as personnel expenses, while the accrued interest for the expected pension liabilities is reported as an interest expense. The expected income from the plan assets reduce the interest expense.

The actual income from the plan assets as of December 31, 2013 came to EUR 2,117,000 (previous year: EUR 3,160,000).

Actuarial parameters

The actuarial measurement of the major pension plans was carried out on the basis of the following parameters (indicated in the form of weighted average factors):

2013-12-31 Percent	Direct commitments and working-life time accounts	BLG company pension	Social future concept
Discount rate	3.80	3.50	3.50
Salary increase rate	2.10	0.00	0.00
Pension increase rate	1.80	0.00	0.00

2012-12-31 Percent	Direct commitments and working-life time accounts	BLG company pension	Social future concept
Discount rate	4.20	3.80	3.80
Salary increase rate	2.00	0.00	0.00
Pension increase rate	1.80	1.00	0.00

As in the previous year, the mortality rate based on the reference tables 2005 G of Prof. Klaus Heubeck is used as the basis for calculation of the present value of the main defined benefit pension liabilities.

Sensitivity analyses

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 at terms that correspond to those of the pension liabilities.

A rise or drop in the main actuarial assumptions to the amount of the expected future development would have the following effects on the present value of the pension liabilities:

Assumed development of pension liabilities compared to actual TEUR	2013-12-31		2012-12-31	
	Higher	lower	Higher	lower
Discount rate (50 base points)	-8.139	9.043	--	--
Salary increase rate (50 base points)	95	-73	--	--
Pension increase rate (50 base points)	2.473	-2.186	--	--

[1] According to IAS 19.173 (b), no comparative information regarding the sensitivity analyses is necessary in financial statements for financial years beginning prior to January 1, 2014.

The sensitivity calculations are based on the average duration of the pension liabilities determined as of December 31, 2013. The calculations were carried out separately for the actuarial parameters classified as important so as to point out the possible effects on the calculated present value of the pension liabilities. Since the sensitivity analyses are based on the average duration of the expected pension liabilities and consequently the expected times of payments are not taken into account, they only lead to approximate information or statements on trends.

Financing for pension liabilities

Financing for the pension agreements concluded for the Board of Management and top level executives as well as the agreements for the social future concept are completely hedged via reinsurance coverage that is pledged to the benefit of the person entitled to the pension benefits. The pension agreements are financed exclusively by the employer. The social future concept is financed by contributions of the employees and success-oriented bonus payments by the employer. There is no requirement to take part in the social future concept. The notional BLG company pension contains no plan assets.

For 2014 the company expects payments to the defined benefit plans to an amount of EUR 4,029,000.

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 3.1 percent (previous year: 3.2 percent). The addition for the reporting year amounting to EUR 1,166,000 contains the annual accrued interest to an amount of EUR 236,000.

Other long-term provisions

TEUR	As of 01.01.2013	Claiming	Release	Addition	Reorganization	As of 2013-12-31
Other provisions						
Provisions for dismantling commitments	12,097	139	0	2,275	-574	13,659
Miscellaneous	989	0	0	347	-62	1,274
Total	**13,086**	**139**	**0**	**2,622**	**-636**	**14,933**

The provisions for dismantling commitments relate to the CONTAINER Division to an amount of EUR 13,565,000 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 from 3.7 to 3.8 percent (previous year: 4.2 percent). The addition for the reporting year to an amount of EUR 2,275,000 contains the annual accrued interest to an amount of EUR 466,000. The reorganization relates to a change in the entities to be consolidated to an amount of EUR 485,000.

The miscellaneous other long-term provisions apply in full to the CONTAINER Division and relate to impending losses deriving from a non-terminable lease and purchase of electricity to an amount of EUR 776,000 and noise protection measures to an amount of EUR 453,000.

33. Trade payables

TEUR	2013-12-31	2012-12-31
Liabilities – third parties	66,744	63,821
Liabilities from outstanding income	17,820	18,829
Liabilities – companies in which a participation is held	3,870	4,654
Liabilities – affiliated companies	58	145
Total	**88,492**	**87,449**

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

34. Other liabilities

Other long-term liabilities TEUR	2013-12-31	2012-12-31
Liabilities for part-time work arrangements for employees approaching retirement	973	3.702
Miscellaneous	3	4
Total	**976**	**3.706**

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 0.80 percent (previous year: 0.75 percent).

Other short-term liabilities TEUR	2013-12-31	2012-12-31
Liabilities on outstanding vacation	14,002	13,844
Liabilities to employees for wages and salaries	10,151	10,820
Liabilities on sales tax	6,461	9,228
Accruals and deferrals	4,319	4,154
Liabilities for part-time work arrangements for employees approaching retirement	2,842	4,730
Short-term benefits to employees	2,696	2,051
Miscellaneous taxes	2,285	1,761
Liabilities on social security	712	643
Payments received for orders	350	171
Disbursed customs duties	272	28
Liabilities to employees based on restructuring	233	158
Miscellaneous	1,404	1,348
Total	**45,727**	**48,936**

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

35. Payment liabilities resulting from taxes on income

TEUR	2013-12-31	2012-12-31
Corporate and trade tax for reporting year	1,800	3,168
Corporate and trade tax for previous years	9,342	6,157
Liabilities on taxes on income, total	**11,142**	**9,325**

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

36. Short-term provisions

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 BLG LOGISTICS GROUP AG & Co. KG to an amount of EUR 2,050,000, to the CONTRACT Division to an amount of EUR 990,000, to the CONTAINER Division to an amount of EUR 692,000 and to the AUTOMOBILE Division to an amount of EUR 200,000. The provisions in the Services Division concern impending claiming from a guarantee for bank liabilities of a participation. The provisions correspond to the estimated costs for existing contracts that presumably are not covered by agreed revenues.

Provisions from previous years amounting to EUR 1,268,000 were retained for guarantee risks based on possible initial obligations and ex gratia obligations and new provisions amounting to EUR 427,000 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 reorganization in the cases of damage relate to a change in the entities to be consolidated.

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 2014. The estimate is based on historical empirical figures.

The other miscellaneous provisions contain other operating taxes (EUR 1,254,000), settlement of a dismantling liability (EUR 700,000), archiving costs (EUR 666,000) and contractual maintenance measures (EUR 609,000). The addition in the reporting year contains accrued interest to an amount of EUR 2,000.

In all likelihood the provisions will essentially be due to the reported amount in the course of 2014.

Provisions TEUR	As of 01.01.2013	Claiming	Release	Reorganization	Addition	As of 2013-12-31
Insurance levies	1,261	4,013	49	2,803	61	63
Onerous contracts	2,022	61	1,823	62	3,732	3,932
Guarantee risks	5,045	1,678	2,099	0	427	1,695
Cases of damage	316	74	209	-10	238	261
Restructuring	989	211	188	0	81	671
Miscellaneous other provisions 4,939	4,939	1,766	865	6	2,963	5,277
Total	**14,572**	**7,803**	**5,233**	**2,861**	**7,502**	**11,899**

Cash Flow Statement disclosures

37. 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 disclosure of the cash flows is intended to show the origin and use of the liquid funds.

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 caused by currency translation influences is shown separately according to IAS 7.28.

Composition of the financial resource funds TEUR	2013-12-31	2012-12-31
Cash and cash equivalents acc. to balance sheet	61,872	75,136
Short-term liabilities to banks [1]	-36,764	-54,057
Gesamt	**25,108**	**21,079**

[1] Disclosure in balance sheet in the item “Short-term financial liabilities” (see also disclosure no. 30)

Of the financial resource funds, an amount of EUR 54,680,000 (previous year: EUR 64,189,000) 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:

TEUR	2013-12-31	2012-12-31
Financial resource funds at beginning of financial year	64,189	64,425
Cash flow from current operating activities	54,507	71,116
Cash flow from investment activities	-13,627	-63,217
Cash flow from financing activities	-50,389	-8,135
Cash-related changes in financial resource funds	**-9,509**	**-236**
Financial resource funds at end of financial year	**54,680**	**64,189**

Cash flow from current operating activities

The cash flow from current operating activities is shown according to the indirect method. The cash flow is determined by first adjusting the earnings before taxes for the financial result as well as expenses and income without effect on the Income Statement. Furthermore, the changes in trade receivables and payables, inventories, other assets and liabilities as well as provisions and government grants are taken into account. After completion of the interest and tax payments this then results in the cash flow from current operating activities.

The inflow of funds from current operating activities dropped by EUR 59,154,000 in comparison with the previous year to a total of EUR 56,063,000. Major portions of the change result from the increased depreciation of long-term intangible assets, tangible assets, financial assets and long-term financial receivables (EUR 16,008,000) and a higher inflow of funds from trade receivables (EUR 12,868,000) as well as a higher inflow of funds from other liabilities (EUR -22,947,000), trade payables (EUR -14,252,000) and provisions (EUR 12,569,000)).

Cash flow from investment activities

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. Aside from the outflow from investments in long-term assets and the inflow of funds from disposals of long-term assets, it also encompasses inflows and outflows of loans to companies in which a participation is held as well as the dividends received.

The outflow of funds from investment activities dropped by EUR 91,894,000 compared to the previous year to a total of EUR 43,852,000. Of this, net payments for intangible assets and tangible fixed assets of EUR 42,698,000 (previous year: EUR 128,386,000) were made in the 2013 financial year. The outflows of funds from the granting of loans to companies in which a participation is held decreased by EUR 9,941,000 to a total of EUR 4,389,000.

Cash flow from financing activities

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 outflow of funds from financing activities amounted to EUR 14,524,000. A net inflow of funds of EUR 7,321,000 resulted from the taking out of new financial loans to an amount of EUR 45,528,000 and repayment of financial loans coming to EUR 38,207,000 (previous year: net outflow of funds, including promissory note loans, amounting to EUR 10,155,000).

The change in leasing receivables and liabilities led to outflows of funds amounting to EUR 5,020,000 (previous year: inflow of funds of EUR 3,340,000).

A total amount of EUR 27,375,000 (previous year: EUR 28,396,000) was paid out to company owners and owners of the hybrid equity capital.

Segment Reporting disclosures

38. 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 LAGERHAUSGESELLSCHAFT –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.

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 Statements 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. With regard to disclosures on employees, the central divisions are called ‘Services’.

The BLG Group operates predominantly in Germany. The domestic portion of Group sales accounts for EUR 1,123,604,000 (previous year: EUR 1,094,277,000) and the foreign portion EUR 55,065,000 (previous year: EUR 50,115,000). 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 672,725,000 (previous year: EUR 705,083,000) and the foreign portion EUR 4,561,000 (previous year: EUR 18,598,000).

Sales of EUR 139,590,000 (previous year: EUR 142,688,000) were earned with the Group’s biggest client, representing at least 11 percent of the total Group sales. They were primarily accounted for by the AUTOMOBILE and CONTRACT Divisions.

Management and control of the BLG Group are carried out on the basis of the data of the operational segments determined in accordance with IFRS. The accounting and measurement methods described in disclosure no. 6 apply to the segments in the same way as for the entire Group. The key parameter for the success of the segments is the EBT (earnings before taxes).

The depreciation is based on the segment fixed assets.

The segment assets do not contain the shares in associated enterprises included at equity or 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 TEUR	2013	2012
Total of segments subject to reporting requirements	1,185,275	1,151,458
Central divisions/Other sales	0	0
Consolidation	-5,406	-7,066
Group sales	**1,179,869**	**1,144,392**

Adjusted EBIT TEUR	2013	2012 (adjusted)
Total of segments subject to reporting requirements	64.000	79.276
Central divisions/Other EBIT	-12.726	-13.071
Consolidation	-978	-1.811
Adjusted Group EBIT	**50.296**	**64.394**

The adjustment effect results from the reorganization of our commitment in Ukraine. Of this amount, the valuation allowance of the goodwill accounts for EUR 1,920,000 (disclosure no. 20), exceptional depreciation of the tangible fixed assets for EUR 8,690,000 (disclosure no. 21) and expenses from deconsolidation of BLG ViDi LOGISTICS TOW, Kiev, Ukraine for EUR 4,606,000 (disclosure no. 3). Another amount of EUR 2,050,000 relates to formation of provisions for impending losses for the risks from claiming in connection with a guarantee (disclosure no. 36). Furthermore, there are expenses from deconsolidation of E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine, which is included at equity, to an amount of EUR 1,423,000. In this connection we also refer to our statements in the Group Management Report.

EBIT TEUR	2013	2012 (adjusted)
Total of segments subject to reporting requirements	47,351	79,276
Central divisions/Other EBIT	-14,776	-13,071
Consolidation	-978	-1,811
Group EBIT	**31,597**	**64,394**

Segment earnings / Earnings before taxes (EBT) TEUR	2013	2012 (adjusted)
Total of segments subject to reporting requirements	34,060	62,760
Central divisions/Other EBIT	36,595	47,094
Consolidation	-50,474	-61,216
Group segment earnings (EBT)	**20,181**	**48,638**

Assets TEUR	2013-12-31	2012-12-31 (adjusted)
Total of segments subject to reporting requirements	1,025,318	1,073,283
Central divisions/Other assets	611,288	584,909
Shares in associated enterprises and other companies included at equity	38,447	40,504
Deferred tax assets	9,376	15,119
Refund claims from taxes on income	2,038	843
Consolidation	-594,684	-572,070
Group assets	**1,091,783**	**1,142,588**

Liabilities TEUR	2013-12-31	2012-12-31 (adjusted)
Total of segments subject to reporting requirements	428,855	408,027
Central divisions/Other liabilities	122,195	135,224
Equity	319,896	352,717
Long-term loans (excluding short-term portion)	250,485	243,823
Other long-term financial liabilities	79,507	89,297
Deferred tax liabilities	2,360	5,004
Short-term portion of long-term loans	28,009	32,811
Short-term portion of finance leasing	10,063	10,150
Consolidation	-149,587	-134,465
Group liabilities	**1,091,783**	**1,142,588**

Other disclosures

39. 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, including 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 result in direct connection with its operating activities.

Derivatives for interest rate hedging are only used for the purpose of hedging against open risks and serve exclusively 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 guidelines for risk management for each of these risks, which will be described in the following, and monitors compliance with them.

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 thanks 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 25.

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 4,190,000 (previous year: EUR 11,950,000).

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 9,837,000 (previous year: EUR 9,289,000) 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 Statements 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 to the following amounts based on the reverse repurchase agreements:

TEUR	2013-12-31	2012-12-31
Trade receivables	7,713	9,064
Liabilities to banks	7,713	9,064
Total	**0**	**0**

The applicable fair values of the receivables and liabilities correspond to the carrying amounts. Except for an amount of EUR 15,000, the receivables were paid by the time of preparation of the Consolidated Financial Statements so that no risk results for the Group from the transaction.

Carrying amounts and applicable fair values of the financial instruments – according to classes, balance sheet item and measurement categories of IAS 39
A compilation of the financial instruments according to the above mentioned criteria, including disclosure of their level in the fair value hierarchy, is provided in the tables shown on the following pages. The measurement categories are described in disclosures no. 6 e, 6 g, 6 h, 6 i and 6 p.

Classification into the levels of the fair value hierarchy is based on the measurement methods used. The levels of the fair value hierarchy are defined as follows:

Level 1: Quoted (not adjusted) prices on active markets for identical assets and liabilities.

Level 2: Methods in which all input parameters that have a significant effect on the reported applicable fair value are either directly or indirectly observable.

Level 3: Methods using input parameters that have a significant effect on the reported applicable fair value and are not based on observable market data.

The tables do not contain any fair values for financial assets and financial liabilities not measured at the applicable fair value, for which no significant effects result from measurement at the applicable fair value due to the short-term maturity and the carrying amount thus represents a suitable approximate value for the applicable fair value.

Carrying amounts of the financial instruments broken down into balance sheet item, classes and categories 2013-12-31 TEUR	Notes	Carrying amounts						Fair values	
		Loans and receivables	Financial liabilities at purchase costs	Available for sale	Held for trading	Fair value – hedging	Total carrying amounts	Fair value level	Applicable fair value
ASSETS									
Financial assets measured at applicable fair value									
short-term									
Derivatives with hedge relationship	25	--	--	--	--	407	407	2	407
Derivatives without hedge relationship	25	--	--	--	0	--	0	2	0
		0	**0**	**0**	**0**	**407**	**407**		
Financial assets not measured at applicable fair value									
long-term									
Shares in affiliated companies and other participations	22	--	--	4,180	--	--	4,180		n.r.d.
Other financial assets	22	--	--	628	--	--	628		n.r.d.
Other long-term financial receivables	23	37,984	--	--	--	--	37,984	2	37,984
Miscellaneous other long-term assets	25	88	--	--	--	--	88	2	88
short-term									
Trade receivables	25	196,444	--	--	--	--	196,444		n.s.
Short-term financial receivables	23	37,609	--	--	--	--	37,609		n.s.
Miscellaneous other short-term assets	25	6,752	--	--	--	--	6,752		n.s.
Cash and cash equivalents	27	61,872	--	--	--	--	61,872		n.s.
		340,749	**0**	**4,808**	**0**	**0**	**345,557**		
LIABILITIES									
Financial liabilities measured at applicable fair value									
short-term									
Derivatives with hedge relationship	30	--	--	--	--	2,923	2,923	2	2,923
Derivatives without hedge relationship	30	--	--	--	1,349	--	1,349	2	1,349
		0	**0**	**0**	**1,349**	**2,923**	**4,272**		
Financial liabilities not measured at applicable fair value									
long-term									
Long-term loans		--	250,485	--	--	--	250,485	2	253,427
Liabilities from finance leasing	30	--	47,307	--	--	--	47,307	2	49,654
Other long-term financial liabilities	30	--	32,200	--	--	--	32,200	2	32,200
Miscellaneous other long-term liabilities	34	--	3	--	--	--	3	2	3
short-term									
Trade liabilities	33	--	88,619	--	--	--	88,619		n.s.
Short-term financial liabilities to banks	30	--	64,773	--	--	--	64,773	2	64,935
Liabilities from finance leasing	30	--	10,065	--	--	--	10,065	2	10,607
Other short-term financial liabilities	30	--	89,052	--	--	--	89,052		n.s.
Other short-term liabilities	34	--	11,788	--	--	--	11,788		n.s.
		0	**594,292**	**0**	**0**	**0**	**594,292**		

n.r.d. = not reliably determinable n.s. = not specified

Carrying amounts of the financial instruments broken down into balance sheet item, classes and categories 2012-12-31 TEUR	Notes	Carrying amounts						Fair values	
		Loans and receivables	Financial liabilities at purchase costs	Available for sale	Held for trading	Fair value – hedging	Total carrying amounts	Fair value level	Applicable fair value
ASSETS									
Financial assets measured at applicable fair value									
short-term									
Derivatives with hedge relationship	23	--	--	--	--	0	0	2	0
Derivatives without hedge relationship	23	--	--	--	0	--	0	2	0
		0	**0**	**0**	**0**	**0**	**0**		
Financial assets not measured at applicable fair value									
long-term									
Shares in affiliated companies and other participations	22	--	--	1,432	--	--	1,432		n.r.d.
Other financial assets	22	--	--	628	--	--	628		n.r.d.
Other long-term financial receivables	23	46,830	--	--	--	--	46,830	2	46,830
Miscellaneous other long-term assets	25	84	--	--	--	--	84	2	84
short-term									
Trade receivables	25	179,977	--	--	--	--	179,977		n.s.
Short-term financial receivables	23	28,354	--	--	--	--	28,354		n.s.
Miscellaneous other short-term assets	25	7,886	--	--	--	--	7,886		n.s.
Cash and cash equivalents	27	75,136	--	--	--	--	75,136		n.s.
		338,267	**0**	**2,060**	**0**	**0**	**340,327**		
LIABILITIES									
Financial liabilities measured at applicable fair value									
short-term									
Derivatives with hedge relationship	30	--	--	--	--	5,134	5,134	2	5,134
Derivatives without hedge relationship	30	--	--	--	1,692	--	1,692	2	1,692
		0	**0**	**0**	**1,692**	**5,134**	**6,826**		
Financial liabilities not measured at applicable fair value									
long-term									
Long-term loans		--	243,823	--	--	--	243,823	2	249,822
Liabilities from finance leasing	30	--	52,888	--	--	--	52,888	2	56,650
Other long-term financial liabilities	30	--	36,409	--	--	--	36,409	2	36,409
Miscellaneous other long-term liabilities	34	--	4	--	--	--	4	2	4
short-term									
Trade liabilities	33	--	87,449	--	--	--	87,449		n.s.
Short-term financial liabilities to banks	30	--	86,867	--	--	--	86,867	2	87,331
Liabilities from finance leasing	30	--	10,150	--	--	--	10,150	2	11,000
Other short-term financial liabilities	30	--	77,707	--	--	--	77,707		n.s.
Other short-term liabilities	34	--	12,326	--	--	--	12,326		n.s.
		0	**607.623**	**0**	**0**	**0**	**607.623**		

n.r.d. = not reliably determinable   n.s. = not specified

Available financial assets to an amount of EUR 4,835,000 (previous year: EUR 2,060,000) relating to shares in partnerships and joint stock companies for which no active market exists are reported for sale under the long-term financial assets. Since the future cash flows cannot be determined reliably, the fair values cannot be calculated by means of a measurement model. Disclosure of the participations is at purchase costs.

In the year under review BLG Cargo Logistics Beteiligungs-GmbH was merged with BLG LOGISTICS GROUP AG & Co. KG in the course of the change in company form from BLG Cargo Logistics GmbH & Co. KG to BLG Cargo Logistics GmbH. Furthermore, no shares in these partnerships and joint stock companies were retired or sold. There are no plans to retire or sell parts of the recognized participations in the near future.

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 rate 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.

The fair values of level 2 for derivative financial instruments (interest rate swaps) are based on the fair value disclosures of banks. These fair values are checked for plausibility by applying interest to the expected future cash flows while using market interest rates for comparable instruments. The forward rates of the reference interest rates for the hedging instruments used are applied to determine the variable cash flows. The credit spread is not part of the hedge relationship.

Shifts between the different levels of the fair value hierarchy are reported at the end of the reporting period in which they arose. No shifts took place in the reporting year.

Net results according to measurement categories

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

2013 TEUR	From interest	Follow-up measurement Fair value	 Valuation allowance	From disposal	Net result
Loans and receivables	3,832	0	-1,034	-286	2,512
Available-for-sale financial assets	0	0	-27	0	-27
Financial instruments held for trading	399	75	0	0	474
Hedging instruments	-2,333	0	0	0	-2,333
Financial liabilities at amortized cost	-15,888	0	0	0	-15,888
Total	**-13.990**	**75**	**-1.061**	**-286**	**-15.262**

2012 TEUR	From interest	Follow-up measurement Fair value	 Valuation allowance	From disposal	Net result
Loans and receivables	4,455	0	-855	-424	3,176
Available-for-sale financial assets	0	0	0	0	0
Financial instruments held for trading	-336	12	0	0	-324
Hedging instruments	-2,054	0	0	0	-2,054
Financial liabilities at amortized cost	-18,842	0	0	0	-18,842
Total	**-16,777**	**12**	**-855**	**-424**	**-18,044**

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, 2013 and as of December 31, 2012.

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 2013 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 this 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, 2013, the Group had unused current account credit lines of around EUR 77 million (previous year: approx. EUR 67 million).

The contractually agreed (nondiscounted) 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 following tables.

2013-12-31 TEUR		Cash flows			
		Long-term loans from banks	Other long-term loans	Liabilities from finance leasing	Interest rate swaps
Cash flows 2014	Fixed interest	3,552	646	2,482	2,494
	Variable interest	2,929	0	0	-365
	Repayment	27,917	92	10,065	0
Cash flows 2015	Fixed interest	3,148	646	1,996	1,984
	Variable interest	2,570	0	0	-327
	Repayment	31,040	86	10,342	0
Cash flows 2016 - 2018	Fixed interest	6,702	1,937	4,486	3,229
	Variable interest	6,268	0	0	-596
	Repayment	133,625	232	14,850	0
Cash flows 2019 - 2023	Fixed interest	2,545	2,583	3,734	1,766
	Variable interest	1,759	0	0	-294
	Repayment	72,333	13,170	16,520	0
Cash flows 2024 ff.	Fixed interest	0	0	437	0
	Variable interest	0	0	0	0
	Repayment	0	0	5,595	0
Total		**294,388**	**19,392**	**70,507**	**7,891**
Carrying amounts (derivatives balanced)		**264,915**	**13,580**	**57,372**	**-3,865**

2012-12-31 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**

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.

Two customary key financial indicators, so-called covenants, on the basis of the equity ratio as well as the net indebtedness were secured for loan liabilities to banks. The key financial indicators are reviewed annually on the basis of the respective annual financial statement at the end of each financial year. The key financial indicators were developed in a standardized manner on the basis of agreements from the promissory note loan in the last financial year.

If certain limits of the net debt ratio are exceeded, the lender initially has the right to demand a margin surcharge at the beginning of the next interest period. In the 2013 financial year a limit for the agreed net indebtedness ratios was not complied with. As a consequence, an interest surcharge of 0.5 percent on the share of long-term financial loans and the promissory note loans for the next interest period is possible. For the 2014 financial year this means an increase of 0.5 percent on the original margin, with an impact in a range from EUR 250,000 to EUR 2,000,000 for the 2014 and 2015 financial years. It is possible to omit the margin increase if the key performance indicators are complied with as of the next audited financial statement.

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/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 rate 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 induced by changes in the market interest rates and in result contributions of the hedged primary financial instruments and the interest rate swaps compensate for each other almost completely so that, to this extent, no interest rate risk exists. Measurement of the hedging instruments with no effect on the Income Statement using the applicable fair values has effects on the hedge reserves in equity and is therefore taken into account in the equity-related sensitivity calculation.

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 toactual level, 100 base points higher/lower TEUR	2013-12-31		2012-12-31	
	higher	lower	higher	lower
Result effects	-1,175	1,244	-1,288	1,581
Equity effects (excluding result effects)	3,457	-3,597	1,708	-1,648

Fixed-interest financial instruments

Fixed interest rates were agreed upon for the following loans and other financial instruments. This means the Group is exposed to an interest rate risk for the applicable fair value.

2013-12-31 TEUR	Remaining terms			
	< 1 year	> 1 - 5 years	> 5 years	Total
Long-term loans from banks	9,890	53,416	25,136	88,442
Other long-term loans from third parties	0	0	12,915	12,915
Interest rate swaps	20,439	45,570	39,030	105,039
Liabilities from finance leasing	10,065	25,192	22,115	57,372
Total	**40,394**	**124,178**	**99,196**	**263,768**

2012-12-31 TEUR	Remaining terms			
	< 1 year	> 1 - 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**

The fixed interest rate in the case of fixed-interest liabilities to banks, which had a value of EUR 55,990,000 (previous year: EUR 79,506,000) 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:

2013-12-31 TEUR	Remaining value on expiration of fixed interest rate period			
	< 1 year	> 1 - 5 years	> 5 years	Total
Long-term loans from banks	1,667	19,615	5,379	26,661
Total	**1,667**	**19,615**	**5,379**	**26,661**

2012-12-31 TEUR	Remaining value on expiration of fixed interest rate period			
	< 1 year	> 1 - 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**

2013-12-31 TEUR	Remaining terms < 1 year	> 1 - 5 years	> 5 years	Total
Long-term loans from banks	18,027	111,249	47,197	176,473
Interest rate swaps	-19,106	-40,237	-25,697	-85,040
Total	**-1,079**	**71,012**	**21,500**	**91,433**

2012-12-31 TEUR	Remaining terms < 1 year	> 1 - 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	-21,136	-81,599
Total	**826**	**20,189**	**50,184**	**71,199**

Floating-rate financial instruments

Floating interest rates were agreed upon for the above 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 in this case has a contrary effect to the interest rate risk arising from loans taken out.

Furthermore, there are running interest rate swaps for nominal amounts totaling EUR 10,750,000 (previous year: EUR 17,833,000), which do not meet the criteria for cash flow hedges due to lack of allocation to floating-rate loans, and an interest rate swap for a nominal amount of EUR 10,000,000 for an overnight credit line.

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 105,039,000 (previous year: EUR 102,932,000) 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) 2013-12-31 TEUR	Hedged item	Variable interest rate	Fixed interest rate	Term until	Market value 2013-12-31 TEUR
84,289	loans	3/6M EURIBOR	1.28 - 4.60%	2023	-1,564
10,000	planned loans	6M EURIBOR	3.70%	2021	-921
10,000	overnight credit lines	EONIA	3.085%	2021	-1,266
104,289					**-3,751**
750	not allocated	1M EURIBOR	3.74%	2019	-114
105,039					**-3,865**

Nominal amount (reference amount) 2012-12-31 TEUR	Hedged item	Variable interest rate	Fixed interest rate	Term until	Market value 2012-12-31 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	1/3M EURIBOR	3.26 - 3.74%	2019	-165
102,932					**-6,826**

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, 2013, swaps having a nominal volume of EUR 94,289,000 (previous year: EUR 85,099,000) 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 equity while taking into account deferred taxes (EUR 2,227,000, previous year: EUR -607,000).

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 -300,000, previous year: EUR -225,000).

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 other short-term assets (EUR 407,000, previous year: EUR 0) and short-term financial liabilities (EUR 4,272,000, previous year: EUR 6,826,000).

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

Nominal amounts of interest rate swaps 2013-12-31 TEUR	Remaining terms			
	< 1 year	> 1 - 5 years	> 5 years	Total
for current loans	19,106	40,237	24,947	84,290
for planned loans	1,333	5,333	3,333	9,999
for overnight credit lines	0	0	10,000	10,000
not allocated 0	0	0	750	750
Total	**20,439**	**45,570**	**39,030**	**105,039**

Nominal amounts of interest rate swaps 2012-12-31 TEUR	Remaining terms			
	< 1 year	> 1 - 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 0	5,000	0	1,500	6,500
Total	**16,143**	**50,986**	**35,803**	**102,932**

40. Contingent liabilities

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

Contingent liabilities TEUR	2013	2012
Liabilities from guarantees	3,485	12,268
Liabilities from guarantee agreements	808	2,085
Miscellaneous	134	125
Total	**4,427**	**14,478**

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 4,190,000 (previous year: EUR 11,950,000) altogether.

The liabilities from guarantees were assumed 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 6,865,000 net. Recourse to the guarantees is improbable because the liabilities from operating activities can be reduced.

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 685,000 (previous year: EUR 1,937) relates to joint and several liability and EUR 123,000 (previous year: EUR 148,000) to a letter of comfort.

Liabilities from joint and several co-liability to an amount of EUR 400,000 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 400,000 (previous year: EUR 1,000,000). There are also liabilities to another bank from provision of security for credit lines of another affiliated company amounting to EUR 285,000, of which an amount of EUR 171,000 was drawn on as of the balance sheet date. 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 a company in which long-term equity is held an affiliated company has undertaken to ensure fulfillment of existing obligations in connection with a current account credit line of EUR 123,000 vis-à-vis a bank. As of the balance sheet date, the current account credit line was not drawn on. Furthermore, an affiliated company has undertaken in another letter of comfort to furnish a company in which long-term equity is held with adequate funds, because of startup losses, so as to ensure continuation of operating activities.

Moreover, 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 134,000 (previous year: EUR 125,000).

It is not expected that significant actual obligations for which no liability has been recognized and no provisions have been formed yet will arise from these contingent liabilities.

41. Other financial liabilities

TEUR	2013-12-31	2012-12-31
Order liabilities	35,694	48,657
Share of order liabilities on the part of joint ventures	10,162	16,009
Minimum leasing payments from operate leases	134,625	127,635
Minimum payment liabilities from leases for areas, buildings and quay walls	1,098,272	1,049,275
Other minimum payment liabilities from leasing and leases	271	4,183
Total	**1,279,024**	**1,245,759**

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 20,323,000 (previous year: EUR 32,018,000).

The net liabilities from the order liabilities are predominantly due within the next two years.

The operate leases relate in particular to lift trucks, technical conveying equipment, trucks and tractor units as well as 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 TEUR	2013-12-31	2012-12-31
Maturity up to one year after balance sheet date	28,149	29,024
Maturity more than one year and up to five years	72,948	64,921
Maturity more than five years	33,528	33,690
Total	**134,625**	**127,635**

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 35 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 TEUR	2013-12-31	2012-12-31
Maturity up to one year after balance sheet date	46,136	41,393
Maturity more than one year and up to five years	160,325	143,471
Maturity more than five years	891,811	864,411
Total	**1,098,272**	**1,049,275**

Claims from operate leases – Group as lessorr

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 TEUR	2013-12-31	2012-12-31
Maturity up to one year after balance sheet date	8,304	8,304
Maturity more than one year and up to five years	33,907	33,356
Maturity more than five years	163,096	171,424
Total	**205,307**	**213,084**

The terms of these subtenancy arrangements essentially correspond to those of the main leases.

Payments of EUR 97,906,000 (previous year: EUR 91,758,000) from leases and subtenancy contracts were reported with effect on the Income Statement in the reporting year.

42. 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 of voting rights of the Company are attained, exceeded or not attained 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
1. Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen (BLKO)	April 2, 2002	12.61	
2. Norddeutsche Landesbank Girozentrale, Hannover	April 2, 2002		via 1.
3. Finanzholding der Sparkasse in Bremen, Bremen	April 8, 2002	12.61	
4. Freie Hansestadt Bremen (municipality of Bremen)	April 8, 2002	50.42	

43. 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 Statements 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. 44. In the 2013 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 Freie Hansestadt Bremen (municipality of Bremen)

The Freie Hansestaddt 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 Freie Hansestadt 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 Freie Hansestadt Bremen (municipality of Bremen) and of the Freie Hansestadt Bremen (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 Freie Hansestadt Bremen (municipality of Bremen) has ordered leaseholds with a remaining term of up to 35 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 13.5 million) in ground rent for the year 2013.

Legal transactions with affiliated companies of the Freie Hansestadt Bremen (municipality of Bremen) and (federal state)

Individual companies of the BLG Group maintain day-to-day business relations with companies affiliated to the Freie Hansestadt 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, 2013. In the reporting year no loan liabilities were amortized and no new loans were taken out. In addition, BLG Unterstützungskasse GmbH has been included in the central cash management of BLG LOGISTICS GROUP AG & Co. KG since September 1, 2012. The interest on the funds provided is based on unchanged customary market terms. As of the balance sheet date, the liabilities from cash management came to EUR 856,000.

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	Earnings	Expenses	Receivables	Liabilities
Affiliated companies	**2013**	**19**	**31**	**3**	**224**
	2012	19	31	3	255
Joint ventures (proportionate consolidation)	**2013**	**4,345**	**156**	**18,385**	**10,149**
	2012	5,111	116	17,220	11
Associated enterprises	**2013**	**10,179**	**16,509**	**2,466**	**2,342**
	2012	8,323	18,910	2,629	4,622

As in the previous year, no valuation allowances were recognized for receivables from non-consolidated affiliated companies and for receivables from associated enterprises nor were the latter retired.

44. 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 Statements 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 pages 183 and 184 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 in 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 Consolidated Management Report, on page 40 ff. in the interest of clarity and comprehensibility.

45. Disclosures on joint ventures

Joint ventures
EUROGATE GmbH & Co. KGaA, KG is a joint venture of BLG LOGISTICS GROUP AG & Co. KG, Bremen, and EUROKAI KGaA, Hamburg. BLG LOGISTICS GROUP AG & Co. 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.

Accordingly EUROGATE GmbH & Co. KGaA, KG, including its subsidiaries, is indicated in the list of investment holdings under the item “Companies included through proportionate consolidation”.

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:

TEUR	2013	2012
Long-term assets	349,497	384,683
Short-term assets	111,289	113,749
Long-term liabilities	-228,359	-234,833
Short-term liabilities	-117,533	-130,923
Net assets	**114,894**	**132,676**
Income	369,091	357,884
Expenses	-333,436	-326,877
Earnings before taxes	**35,655**	**31,007**

The share of the assets, liabilities, sales and expenses of this joint venture that is apportionable to the Group is depicted in segment reporting by the CONTAINER Division.

46. Exercising of exemption options on the part of subsidiaries

The following subsidiaries, which are included in this Consolidated Financial Statements 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
- BLG AUTOMOBILE LOGISTICS GmbH & Co. KG, Bremen
- BLG Automotive Logistics GmbH & Co. KG, Bremen
- BLG AutoRail GmbH, Bremen
- BLG AutoTec GmbH & Co. KG, Bremerhaven
- BLG AutoTerminal Bremerhaven GmbH & Co. KG, Bremerhaven
- BLG AutoTerminal Cuxhaven GmbH & Co. KG, Cuxhaven
- BLG AutoTerminal Duisburg GmbH & Co. KG, Duisburg
- BLG AutoTerminal Hamburg GmbH & Co. KG, Hamburg
- BLG AutoTerminal Kelheim GmbH & Co. KG, Saal an der Donau
- BLG AutoTransport GmbH & Co. KG, Bremen
- BLG Cargo Logistics GmbH, Bremen
- BLG CarShipping GmbH & Co. KG, Bremen
- BLG Coldstore Logistics GmbH, Bremerhaven
- BLG Handelslogistik GmbH & Co. KG, Bremen
- BLG Logistics Solutions GmbH & Co. KG, Bremen
- BLG RailTec GmbH, Falkenberg/Elster
- E.H. Harms GmbH & Co. KG Automobile-Logistics, Bremen

47. Business transactions after the balance sheet date

The legal disputes prevailing between JadeWeserPort Realisierungs GmbH & Co. KG and EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG since 2012 were settled by way of mediation in mid-January 2014. The settlement was achieved in all pending proceedings.

There were no other transactions of special significance after the end of reporting year.

48. Fee of the Consolidated Financial Statements auditor

The fee of the Consolidated Financial Statements auditor for the 2013 financial year in accordance with Section 314 (1) no. 9 of the German Commercial Code (HGB) comes to a total of EUR 712,000. It is broken down as follows:

TEUR	2013-12-31
Financial Statement audits	526
Tax consulting work	105
Other services	81
Total	**712**

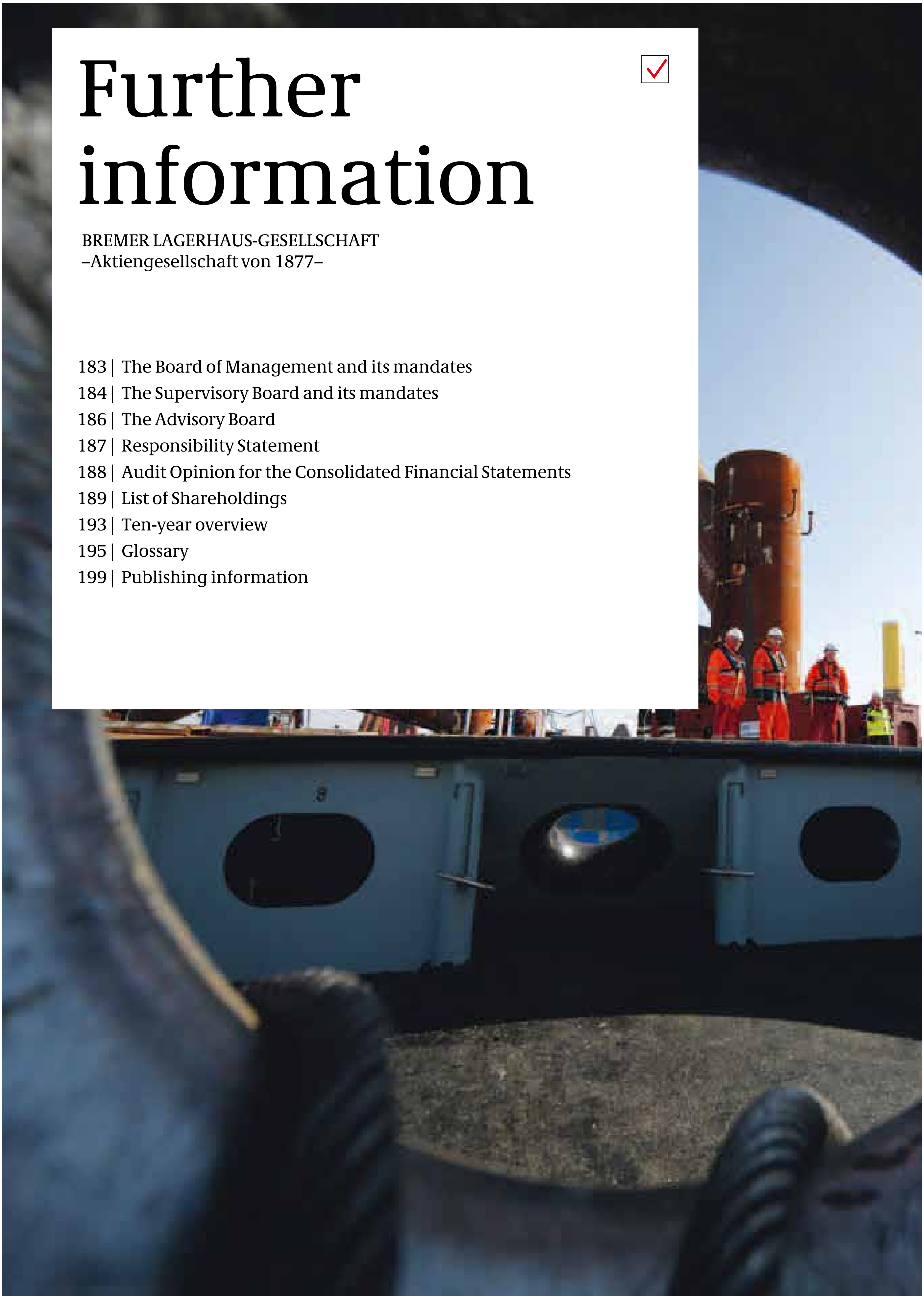
49. Corporate Governance Code

The Board of Management of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– issued the 12th Declaration of Conformity to the German Corporate Governance Code in the version of May 13, 2013 on November 19, 2013 and the Supervisory Board did so on December 18, 2013. The declaration has been made available to the public on a permanent basis through its inclusion in our homepage at **www.ir.blg.de**.

Bremen, March 18, 2014

BREMER LAGERHAUS-GESELLSCHAFT
–Aktiengesellschaft von 1877–

THE BOARD OF MANAGEMENT



Further information

BREMER LAGERHAUS-GESELLSCHAFT
–Aktiengesellschaft von 1877–

The Board of Management and its mandates

Name	Town	Function / Department	Other seats1 [1]
Detthold Aden	Bremen	Chairman	EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen
born 1948		Executive Staff	Chairman (until May 31, 2013)
appointed until 2013-05-31		Corporate Strategy	OAS Aktiengesellschaft, Bremen
		Corporate Communications	Chairman
		Transport Policy	MAI Mosolf Automotive Industries AG, Heilbronn
			Chairman
Frank Dreeke	Ganderkesee	Chairman	EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen
born 1959		Executive Staff	Chairman (since June 1, 2013)
appointed until 2017-12-31		Board of Management Coordination	
		Corporate Strategy	
		Corporate Communications	
		Transport Policy	
		Sustainability/New Technologies	
Jens Bieniek	Delmenhorst	Treasury	EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen
born 1964		Controlling/Risk Management	(since June 1, 2013)
appointed until 2016-05-31		Accounting/Taxes/Customs	
		Investor Relations	
		IT	
		Purchasing	
		Legal	
		International Corporate Finance/M&A	
		Insurance	
Michael Blach	Bremen	AUTOMOBILE Division	no membership in other bodies
born 1964			
appointed until 2016-05-31			
Manfred Kuhr	Beverstedt	Deputy Chairman	no membership in other bodies
born 1949		AUTOMOBILE Division	
appointed until 2013-05-31			
Dr.-Ing. Bernd Lieberoth-Leden	Bremen	CONTRACT Division	no membership in other bodies
born 1955		Sustainability and New Technologies	
appointed until 2013-05-31			
Hartmut Mekelburg	Bremen	Human Resources [2]	no membership in other bodies
born 1952		Occupational Safety	
appointed until 2015-12-31		Audit	
		Environmental	
Hillert Onnen	Langen-Imsum	Finance	dbh Logistics IT AG, Bremen
born 1948		Controlling	Deputy Chairman
appointed until 2013-05-31		Accounting/Tax/Customs	EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen
		Investor Relations	(until May 31, 2013)
		IT	MAI Mosolf Automotive Industries AG, Heilbronn
		Purchasing	
		Legal	
Emanuel Schiffer	Bremerhaven	CONTAINER Division	EUROGATE Container Terminal Bremerhaven GmbH,
born 1951			Bremerhaven, Chairman
appointed until 2016-05-31			EUROGATE Container Terminal Hamburg GmbH, Hamburg
			Chairman
Andreas Wellbrock	Bremen	CONTRACT Division	no membership in other bodies
born 1964			
appointed until 2016-05-31			

[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

The Supervisory Board and its mandates

Name	Town	Function / Profession
Dr. Stephan-Andreas Kaulvers	Bremen	Chairman
appointed since June 21, 2006		Chairman of the Board of Management of
		Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –
Erhard Ott	Berlin	Deputy Chairman (until May 23, 2013)
appointed since March 2, 2009		Member of national executive board of the trade union
until May 23, 2013		ver.di Vereinte Dienstleistungsgewerkschaft
Christine Behle	Berlin	Deputy Chairman (since May 23, 2013)
appointed since May 23, 2013		Member of national executive board of the trade union
		ver.di Vereinte Dienstleistungsgewerkschaft
Uwe Beckmeyer	Bremerhaven	Retired senator
appointed since June 5, 2008		Member of Deutscher Bundestag
until December 31, 2013		
Karl-Heinz Dammann	Langen	Chairman of the corporate works council of EUROGATE GmbH & Co. KGaA, KG
appointed since July 1, 2009		Chairman of the works council of EUROGATE Container Terminal Bremerhaven
Melf Grantz	Bremerhaven	Mayor of Bremerhaven
appointed since March 1, 2011		
Martin Günthner	Bremerhaven	Senator of Economics, Labor and Ports of the Free Hanseatic City of Bremen
appointed since May 1, 2010		Senator of Justice and Constitution of the Free Hanseatic City of Bremen
Wolfgang Lemke	Langen	Chairman of the corporate works council of BLG LOGISTICS GROUP AG & Co. KG
appointed since June 30, 2003		
Karoline Linnert	Bremen	Mayor and Senator of Finance of Freie Hansestadt Bremen
appointed since September 11, 2007		
Dr. Klaus Meier	Bremen	Managing partner of wpd windmanager GmbH & Co. KG
appointed since May 31, 2012		Lawyer
Dr. Tim Nesemann	Bremen	Chairman of the Board of Management of
appointed since April 1, 2011		Finanzholding der Sparkasse in Bremen
		Chairman of Die Sparkasse Bremen AG
Dirk Reimers	Lehrte	Department Manager at ver.di Vereinte Dienstleistungsgewerkschaft
appointed since February 1, 2011		district Niedersachsen-Bremen
Frank Schäfer	Hamburg	Deputy Chairman of the corporate works council of
appointed since June 5, 2008		EUROGATE GmbH & Co. KGaA, KG
until October 14, 2013		
Gerrit Schützenmeister	Bremerhaven	Member of the works council of BLG AutoTec GmbH & Co. KG
appointed since June 5, 2008		
Dieter Schumacher	Bremen	Human Resources Manager of BLG LOGISTICS GROUP AG & Co. KG
appointed since March 28, 2007		
Dieter Strerath	Bremen	Chairman of the Bremen works council of BLG LOGISTICS GROUP AG & Co. KG
appointed since March 1, 2011		
Reiner Thau	Schenefeld	Chairman of the works council of
appointed since October 15, 2013		EUROGATE Container Terminal Hamburg GmbH, Hamburg
Dr. Patrick Wendisch	Bremen	Managing Partner of Lampe & Schwartze KG
appointed since June 5, 2008		

[1] Effective as of January 1, 2014, the Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– formed an Investment Committee.

Committees				
Audit Committee	Human Resources Committee	Investitionsausschuss[1]	Committee acc. to Section 27 (3) MitbestG	Other mandates[2]
	■ Chairman	■ Chairman	■ Chairman	EWE Aktiengesellschaft, Oldenburg
				EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen
	■ Deputy chairman		■ Deputy chairman	E.ON SE, Düsseldorf
	until		until	
	May 23, 2013		May 23, 2013	
	■ Deputy chairman	■	■ Deputy chairman	Deputy chairman of Supervisory Board of Deutsche Lufthansa AG
	until		until	Bochum-Gelsenkirchener-Straßenbahn AG
	May 23, 2013		May 23, 2013	
				no membership in other bodies
■ since	■ since		■ since	EUROGATE Container Terminal Bremerhaven GmbH, Bremerhaven
May 23, 2013	May 23, 2013		May 23, 2013	EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen
	■		■	Klinikum Bremerhaven-Reinkenheide gGmbH, Bremerhaven
	■	■	■	swb AG, Bremen
				Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen
■	■	■	■	no membership in other bodies
■		■		Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen
				EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen
	■		■	Chairman of Supervisory Board of Deutsche Windtechnik AG, Bremen
				Chairman of Supervisory Board of wpd AG, Bremen
■				Chairman of Supervisory Board of Freie Internationale Sparkasse S.A.,
				Luxemburg
				GEWOBA Aktiengesellschaft Wohnen und Bauen, Bremen
				NRS Norddeutsche Retail-Services AG, Bremen und Hamburg
■				no membership in other bodies
■ until	■ until		■ until	EUROGATE Geschäftsführungs GmbH & Co. KGaA, Bremen
May 23, 2013	May 23, 2013		May 23, 2013	EUROGATE Container Terminal Hamburg GmbH, Hamburg
				no membership in other bodies
				no membership in other bodies
	■	■	■	no membership in other bodies
				EUROGATE Geschäftsführungs GmbH & Co. KGaA, Bremen
				EUROGATE Container Terminal Hamburg GmbH, Hamburg
■ Chairman				OAS Aktiengesellschaft, Bremen

[2] The information relates to memberships in legally required Supervisory Boards as well as memberships in comparable domestic and foreign control bodies of commercial enterprises.

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
	Technische Universität Berlin
Jens Böhrnsen	Mayor and President of the Senate of
	Freie Hansestadt 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
until March 31, 2013	Daimler AG
Prof. Dr. Bernd Gottschalk	Managing Director
	AutoValue GmbH
Dr. Hans-Jörg Grundmann	Chief Compliance Officer
	Siemens AG
Hans-Jörg Hager	President of Unternehmer-Colloquiums Spedition
Dr. Stephan-Andreas Kaulvers	Chairman of the Supervisory Board of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–
	Chairman of the Board of Management of Bremer Landesbank Kreditanstalt Oldenburg –Girozentrale–
Dr. h.c. Michael Kubenz	Managing partner of Kube & Kubenz Unternehmensgruppe
	Vice President of Deutscher Speditions- und Logistikverband e.V.
Volker Lange	Retired senator
	President of Verband der Internationalen Kraftfahrzeughersteller e.V.
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
Markus Schäfer	Leitung PP
since January 1, 2014	Production Planning Mercedes-Benz Passengers Cars Worldwide
	Daimler AG
Michael Westhagemann	CEO Region Nord
	Siemens AG
Prof. Dr.-Ing. Katja Windt	Deputy Rector of the Universität und Head of Chair for Global Production Logistics
	Jacobs University Bremen
Prof. Dr. Dr. h.c. Joachim Zentes	Director of Institut für Handel und Internationales Marketing
	University of Saarland
Thomas Zerneches	Head of Group Logistics
	Volkswagen AG

Responsibility Statement

We declare according to the best of our knowledge and belief that, in accordance with the accounting principles to be applied, the Consolidated Financial Statements presents a true and fair view of the net worth, financial position and results of the Group and the Consolidated 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 18, 2014

THE BOARD OF MANAGEMENT

Frank Dreeke	Jens Bieniek	Michael Blach
Hartmut Mekelburg	Emanuel Schiffer	Andreas Wellbrock

Audit Opinion for the Consolidated Financial Statements

We have audited the Consolidated Financial Statements, consisting of the Statement of Comprehensive Income, Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and the Notes to the Consolidated Financial Statements, as well as the Consolidated Management Report for the financial year from January 1 to December 31, 2013. The legal representatives of the Company assume responsibility for preparation of the Consolidated Financial Statements and the Consolidated 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 Statements and of the Consolidated Management Report on the basis of the audit conducted by us.

We have conducted our audit of the Consolidated Financial Statements 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 inaccuracies and violations that have a significant impact on the view of the net worth, financial position and results conveyed by the Consolidated Financial Statements in conformity with generally accepted accounting principles and by the Consolidated 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 Statements and Consolidated 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 Statements, 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 Statements and the Consolidated 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 with the exception of the following restriction:

The company has reported and measured the shares of minority shareholders to an amount of EUR 216.8 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 -1.0 million was reported as a share of the limited partner in the Group net income for the year and not in the financial result.

In our assessment, taking into account this restriction, the Consolidated Financial Statements 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), and with the IFRS in general, 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 Consolidated Management Report is in accordance with a Consolidated Financial Statements that complies with the legal provisions, conveys overall an accurate view of the situation of the Group and presents the opportunities and risks of future development accurately.

Bremen, April 10, 2014

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Ludwig	Hantke
Auditor	Auditor

List of Shareholdings

Condensed list of the investment holdings of the Group of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877– as of December 31, 2013

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, Inc., Atlanta, USA	100.00	5
8	BLG Logistics of South Africa (Pty) Ltd., Port Elizabeth, South Africa	89.82	5
9	BLG Soluciones Logisticas Integradas España S.L.U., Vitoria, Spain	100.00	5
10	BLG Logistics Solutions GmbH & Co. KG, Bremen	100.00	1
11	BLG Logistics Solutions Italia S.r.l., Milan, Italy	100.00	10
12	BLG Cargo Logistics GmbH (formerly BLG Cargo Logistics GmbH & Co. KG), Bremen	100.00	1
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 Automobile Logistics Russia LTD (formerly FESCO BLG Automobile Logistics Russia LTD), Nicosia, Cyprus	100.00	13
17	BLG Logistics Automobile St. Petersburg Co. Ltd., St. Petersburg, Russia	100.00	16
18	Car Logistic JSC, Moskau, Russia	100.00	16
19	BLG AutoTerminal Bremerhaven GmbH & Co. KG, Bremerhaven	100.00	1
20	BLG AutoTec GmbH & Co. KG, Bremerhaven	100.00	19
21	BLG Automobile Logistics Italia S.r.l., Gioia Tauro, Italy	98.77	19
22	E.H. Harms GmbH & Co. KG Automobile-Logistics, Bremen	100.00	1
23	BLG AutoTerminal Hamburg GmbH & Co. KG, Hamburg	100.00	22
24	BLG AutoTerminal Kelheim GmbH & Co. KG, Saal an der Donau	100.00	22
25	BLG AutoTerminal Duisburg GmbH & Co. KG, Duisburg	100.00	27
26	BLG AutoTerminal Cuxhaven GmbH & Co. KG, Cuxhaven	100.00	22
27	BLG AutoTransport GmbH & Co. KG, Bremen	100.00	22
28	BLG CarShipping GmbH & Co. KG, Bremen	100.00	22
29	BLG AutoTerminal Gdansk Sp. z o.o., Gdansk, Poland	100.00	27

Cons. no.	Name, headquarters	Share in %	held through cons. no.
	Companies included on basis of proportionate consolidation		
30	EUROGATE GmbH & Co. KGaA, KG, Bremen	50.00	1
31	EUROGATE City Terminal GmbH, Hamburg	50.00	30
32	EUROGATE Container Terminal Bremerhaven GmbH, Bremerhaven	50.00	30
33	EUROGATE Container Terminal Hamburg GmbH, Hamburg	50.00	30
34	EUROGATE Container Terminal Wilhelmshaven Beteiligungsgesellschaft mbH, Wilhelmshaven	35.00	30
35	EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG, Wilhelmshaven	35.00	30
36	EUROGATE KV-Anlage Wilhelmshaven GmbH, Wilhelmshaven	50.00	30
37	EUROGATE Intermodal GmbH, Hamburg	50.00	30
38	EUROGATE International GmbH, Hamburg	50.00	42
39	EUROGATE Landterminal GmbH, Hamburg	50.00	30
40	EUROGATE Technical Services GmbH, Bremerhaven	50.00	30
41	EUROGATE Terminal Services GmbH, Bremen	50.00	30
42	PCO Stauereibetrieb PAETZ & Co. Nfl. GmbH, Hamburg	50.00	30
43	REMAIN GmbH Container-Depot and Repair, Hamburg	50.00	30
44	SCL Service-Centrum Logistik Bremerhaven GmbH, Bremerhaven	50.00	30
45	SWOP Seaworthy Packing GmbH, Hamburg	50.00	33
46	EUROKOMBI Terminal GmbH, Hamburg	25.00	33
47	North Sea Terminal Bremerhaven GmbH & Co., Bremerhaven	25.00	30
48	North Sea Terminal Bremerhaven Verwaltungsgesellschaft mbH, Bremerhaven	25.00	30
49	MSC Gate Bremerhaven Verwaltungsgesellschaft mbH, Bremerhaven	25.00	30
50	MSC Gate Bremerhaven GmbH & Co. KG, Bremerhaven	25.00	30
51	FLOYD Zrt., Budapest, Hungary	32.00	37
52	Rail Terminal Bremerhaven GmbH, Bremerhaven	25.00	32
53	IPN Inland Port Network GmbH & Co. KG, Hamburg	25.00	37
54	IPN Inland Port Network Verwaltungsgesellschaft mbH, Hamburg	25.00	37
55	Rail Terminal Wilhelmshaven GmbH, Wilhelmshaven	25.00	36

Cons. no.	Name, headquarters	Share in %	held through cons. no.
	Companies included on basis of equity method		
56	dbh Logistics IT AG, Bremen	26.75	92
57	ZLB Zentrallager Bremen GmbH & Co. KG, Bremen	33.33	1
58	NYK Logistics & BLL (NLB) of South Africa Pty. Ltd., Port Elizabeth, South Africa	44.01	8
59	BMS Logistica Ltda., São Paulo, Brazil	50.00	6
60	DCP Dettmer Container Packing GmbH & Co. KG, Bremen	50.00	12
61	Hansa Marine Logistics GmbH, Bremen	100.00	12
62	BLG-ESF Warehouse GmbH, Bremen	50.00	12
63	Schultze Stevedoring GmbH & Co. KG, Bremen	50.00	12
64	ICC Independent Cargo Control GmbH, Bremen	33.33	12
65	OLB Offshore Logistics Bremerhaven GmbH, Bremerhaven	42.50	10
66	AutoLogistics International GmbH, Bremen	50.00	5
67	BLG MILS Logistics Sdn. Bhd., Kuala Lumpur, Malaysia	60.00 *	5
68	BLG Parekh Logistics Pvt. Ltd., Mumbai, India	50.00	5
69	ICO BLG Automobile Logistics Italia S.p.A., Gioia Tauro, Italiy	49.49	21
70	Automobile Logistics Slovakia s.r.o., Bratislava, Slovakiai	50.00	19
71	AUTOMOBILE LOGISTICS CZECH s.r.o., Nošovice, Czech Republic	50.00	19
72	BLG CarShipping Koper d.o.o., Koper, Slovenia	100.00	28
73	ATN Autoterminal Neuss GmbH & Co. KG, Neuss	50.00	22
74	Autoterminal Slask Logistic Sp. z o.o., Dabrowka Gornicza, Poland	50.00	22
75	BLG Interrijn Auto Transport RoRo B.V., Rotterdam, Netherlands	50.00	27
76	BLG-Cinko Auto Logistics (Tianjin) Co., Ltd., Tianjin, People’s Republic of China	50.00	13
77	BLG Logistics Consulting (Beijing) Co., Ltd., Peking, People’s Republic of China	100.00	13
78	Medgate FeederXpress Ltd., Monrovia, Liberia	16.70	37
79	CONTSHIP Italia S.p.A., Genoa, Italy	16.70	38
80	TangerMedGate Management S.a.r.l., Tangier, Morocco	26.68	38/79
81	ACOS Holding AG, Bremen	24.95	37
82	OJSC Ust-Luga Container Terminal, Ust-Luga, Russia	10.00	38
83	FLZ Hamburger Feeder Logistik Zentrale GmbH, Hamburg	17.00	33

* 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		
84	BLG ViDi LOGISTICS TOW, Kiev, Ukraine	50.00	22
85	E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine	50.00	22
86	Lloyd Werft Bremerhaven AG, Bremerhaven	13.16	1
87	Lloyd Investitions- und Verwaltungs GmbH, Bremerhaven	13.16	1
88	BLG Handelslogistik Beteiligungs GmbH, Bremen	100.00	1
89	BLG Logistics Solutions Beteiligungs-GmbH, Bremen	100.00	1
90	ZLB Zentrallager Bremen GmbH, Bremen	33.33	1
91	DCP Dettmer Container Packing GmbH, Bremen	50.00	12
92	Interessengemeinschaft Datenbank Umschlagbetriebe GbR, Bremen	94.00	1
93	Ausbildungsverbund Bremerhaven gemeinnützige Gesellschaft mbH, Bremerhaven	33.40	1
94	EUROGATE Beteiligungsgesellschaft mbH, Bremen	50.00	1
95	EUROGATE Geschäftsführungs-GmbH & Co. KGaA, Bremen	50.00	1
96	BLG Automotive Logistics Beteiligungs-GmbH, Bremen	100.00	1
97	Paul Günther S.r.l. Italia i. L., Genoa, Italy	90.00	10
98	Schultze Stevedoring Beteiligungs-GmbH, Bremen	50.00	12
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	19
102	BLG AutoTerminal Kelheim Beteiligungs-GmbH, Saal an der Donau	100.00	22
103	BLG AutoTerminal Duisburg Beteiligungs-GmbH, Duisburg	100.00	22
104	BLG AutoTerminal Hamburg Beteiligungs-GmbH, Bremen	100.00	22
105	BLG AutoTerminal Cuxhaven Beteiligungs-GmbH, Cuxhaven	100.00	27
106	BLG CarShipping Beteiligungs-GmbH, Bremen	100.00	22
107	BLG AutoTransport Beteiligungs-GmbH, Bremen	100.00	22
108	E.H. Harms Automobile-Logistics Beteiligungs-GmbH, Bremen	100.00	1
109	ATN Autoterminal Neuss Verwaltungs-GmbH, Neuss	50.00	73
110	Cuxcargo Hafenbetrieb Verwaltungs-GmbH, Cuxhaven	50.00	27
111	Cuxcargo Hafenbetrieb GmbH & Co. KG, Cuxhaven	50.00	27

Ten-year overview

		2013	2012 (adjusted)	2011
Sales and earnings				
Sales	million EUR	1,179.9	1,144.4	1,008.5
Return on sales[1, 4]	%	4.3	5.6	6.3
EBITDA	million EUR	129.1	128.6	131.2
EBIT[4]	million EUR	50.3	64.4	63.4
EBT	million EUR	20.1	48.6	48.5
Asset and capital structure				
Balance sheet total	million EUR	1,091.8	1,142.6	1,031.0
Investments in long-term intangible and tangible assets	million EUR	46.8	125.6	66.4
Capitalization ratio[1]	%	62.0	63.3	64.4
Equity-to-fixed-assets ratio (golden balance sheet rule)[1]	%	106.1	104.2	104.6
Working Capital Ratio[1]	%	98.9	91.3	102.5
Equity	million EUR	319.9	352.7	353.2
Equity ratio[1]	%	29.3	30.9	34.3
Return on equity[1]	%	6.0	13.8	14.2
Net indebtedness	million EUR	398.3	392.7	340.6
Return on total assets[1, 4]	%	4.5	5.9	6.3
Cash flows[2]				
Cash flow from current operating activities	million EUR	62.7	115.2	84.9
Cash flow from investment activities	million EUR	-43.9	-135.7	-57.6
Cash flow from financing activities	million EUR	-14.5	-31.1	40.4
Capital-market-oriented key figures				
Dividend of BREMER LAGERHAUS-GESELLSCHAFT –Aktiengesellschaft von 1877–	EUR	0.40	0.40	0.40
Dividend	%	15	15	15
Human resources				
Employees[3]	Yearly average	7,786	7,172	6,261
Personnel cost ratio	%	48.4	45.6	44.9
Jobs worldwide		16,000	16,000	15,500

[1] For calculation of the key figures we refer to p. 68 ff. in the Consolidated Management Report.
[2] The composition of the cash flows is shown in the cash flow statement on p. 112.
[3] Determination in accordance with Section 267 (5) HGB.
[4] In 2013, adjusted for the special effects resulting from reorganization of our commitment regarding the companies BLG ViDi LOGISTICS TOW, Kiev, Ukraine and E.H. Harms Automobile Logistics Ukraine TOW, Kiev, Ukraine.

2010	2009	2008	2007	2006	2005	2004
897.5	818.5	962.6	889.3	759.8	701.7	636.2
5.6	4.3	10.1	10.2	9.1	8.9	7.2
111.5	104.3	156.6	145.8	114.3	106.3	86.6
49.9	35.2	96.9	90.8	69.3	62.5	45.6
34.1	16.5	83.6	78.3	55.0	49.7	30.5
976.3	977.0	982.3	837.9	741.2	690.2	634.2
33.6	77.8	170.7	122.0	96.3	97.6	90.2
69.0	72.1	70.1	69.9	71.0	70.5	70.6
93.1	90.0	89.3	87.2	80.7	86.5	90.3
77.0	70.8	70.9	66.3	57.9	67.8	63.1
330.4	311.8	353.8	320.2	199.3	173.7	133.3
33.8	31.9	36.0	38.2	26.9	25.2	21.0
10.6	5.0	24.8	30.1	29.5	32.4	24.8
349.1	401.5	366.1	281.3	346.9	313.2	314.2
5.1	3.6	10.7	11.5	9.7	9.4	7.5
110.8	83.4	122.1	152.0	76.3	75.6	81.8
-22.4	-100.5	-163.6	-109.3	-80.8	-60.2	-80.7
-81.9	35.2	24.1	-11.9	-13.6	-18.3	-1.6
0.30	0.25	0.40	0.40	0.30	0.25	0.25
12	10	15	15	12	10	10
5,949	5,929	6,053	5,402	5,298	4,773	4,653
45.3	46.3	46.7	46.9	46.8	45.4	45.8
14,700	13,800	15,000	13,650	12,350	11,100	10,300

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.

Derivative financial instruments
Financial instruments that are typically used to hedge existing investments or liabilities and whose value is derived from a reference investment (e.g. share or bond).

DBO
Defined Benefit Obligation = benefit-oriented pension liability 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).

Publishing information

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Publisher
BREMER LAGERHAUS-GESELLSCHAFT
–Aktiengesellschaft von 1877–
Präsident-Kennedy-Platz 1
28203 Bremen, Germany

www.ir.blg.de

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Financial calendar 2014

Financial calendar 2014	
Interim Report January to March 2014	May 7, 2014
Consolidated Interim Statement January to March 2014	May 7, 2014
Annual General Meeting 2014	May 30, 2014
Interim Report January to June 2014	August 29, 2014
Consolidated Interim Report January to June 2014	August 29, 2014
Interim Report January to September 2014	November 7, 2014
Consolidated Interim Statement January to September 2014	November 7, 2014

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 agencies. 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.

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Print | ID: 10465-1304-1003


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