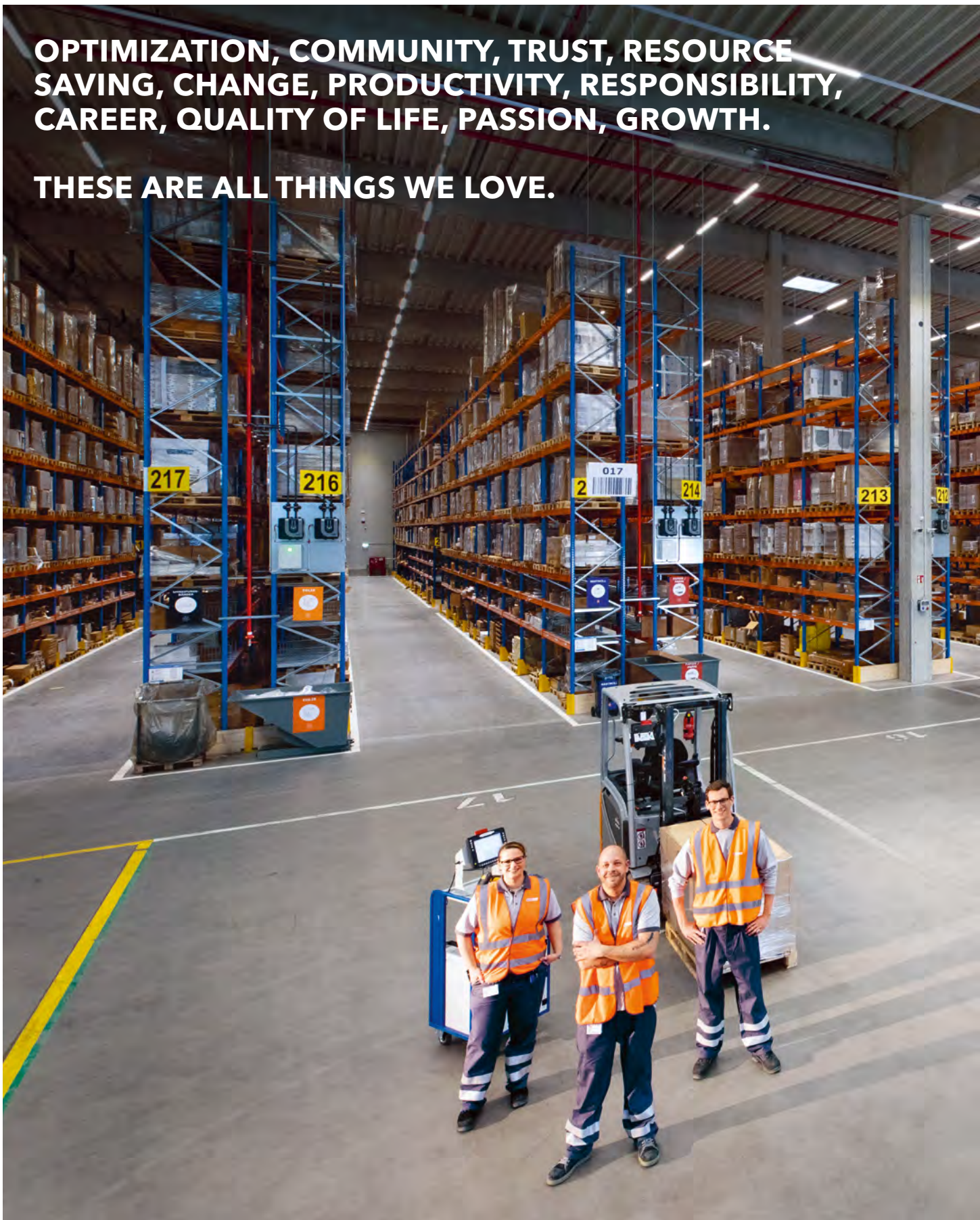


LOVING
LOG
IS
TICS

**OPTIMIZATION, COMMUNITY, TRUST, RESOURCE
SAVING, CHANGE, PRODUCTIVITY, RESPONSIBILITY,
CAREER, QUALITY OF LIFE, PASSION, GROWTH.**

THESE ARE ALL THINGS WE LOVE.



LOVING LOGISTICS

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IS THERE SUCH A THING AS ONE OPTIMAL PROCESS?

What do you think, Mr. Niemeier?

No, there's no single optimum. Our customers and their requirements are much too diverse and complex to be covered by a single process. Instead, we need to permanently work on achieving the best. What's more important than looking for a single optimal process is developing a uniform way of creating and improving processes.

For this purpose, BLG has established its Operational Excellence Department. What has this changed?

The Operational Excellence Department pools our strengths and helps us set standards. We not only follow lean principles in our production system, we also ensure consistent optimization and performance measurement. It's not about one step that makes all the difference.

More important is a common understanding of how we want to work. Every day. Obviously, we need to define tools and methods for this. But above all we need a team that tackles the job with passion and helps our employees develop optimal processes. Every time. A team that demonstrates a drive to get better all the time and that consistently transports expertise and knowhow into the organization.

What's your favorite aspect of this task?

I think I was born with a generous helping of pioneering spirit (laughs). I just love working with other people to create, develop, and improve things together. I've been at BLG for 18 years now, so thanks to my experience I know exactly what our customers expect. My aim is to help meet those expectations.

»



**IS THE GLASS
TOO BIG?**



With lean management,
we improve processes
and minimize waste.



“To achieve great things, everybody needs to pull together.
That’s why we’ve combined our process management
and lean management in the Operational Excellence unit.”

MARKUS NIEMEIER
HEAD OF OPERATIONAL EXCELLENCE

In concrete terms, how do lean management and process management interconnect?

Our aim at BLG is to make our customers happy. We've anchored this in our corporate culture. That's why lean management has been a guiding principle for a number of years. The lean concept commits an organization to become better all the time. It means we work very practically and directly on honing our system. There are two major levers for this. First, we use lean methods to spot any deviations. And second, we develop and continuously optimize new solutions. This is where we apply process management tools, in particular Six Sigma methodology. Over the years, we've amassed a great store of knowledge and capabilities that ensure we get the best out of our value creation at all times.

And why is a new unit necessary for these two levers?

The two tools worked well alongside each other for a while. But now it's time to unite our activities in a common direction. We needed a structure that standardizes our thinking and working – and makes us stronger. The new

Operational Excellence unit combines the lean management and process management activities within BLG. That helps lift our process improvements to a new quality level. Crucial here is to ensure all employees gain the right capabilities in a systematic and standardized way. This is where our new Operational Training Center comes in. With more intensive and effective training in cooperation with project teams, we want to make sure our employees know exactly and in detail how the planned processes should be implemented, even before a project starts.

How do process efficiency and the flexibility required today go together? Don't standardization and creativity contradict each other?

No, absolutely not. Knowing about the proper processes plus high efficiency and quality are what allows creativity to blossom. When everybody already knows the procedure, they're free to think about other things. We can channel our focus and our creativity into making logistics processes even better together with our customers.

METHODS

SHOPFLOOR MANAGEMENT

At every location, we implement short control meetings as a central element of our operational communication. Key figures visualize the current situation. This enables us to spot and solve problems at an early stage.

SIX SIGMA

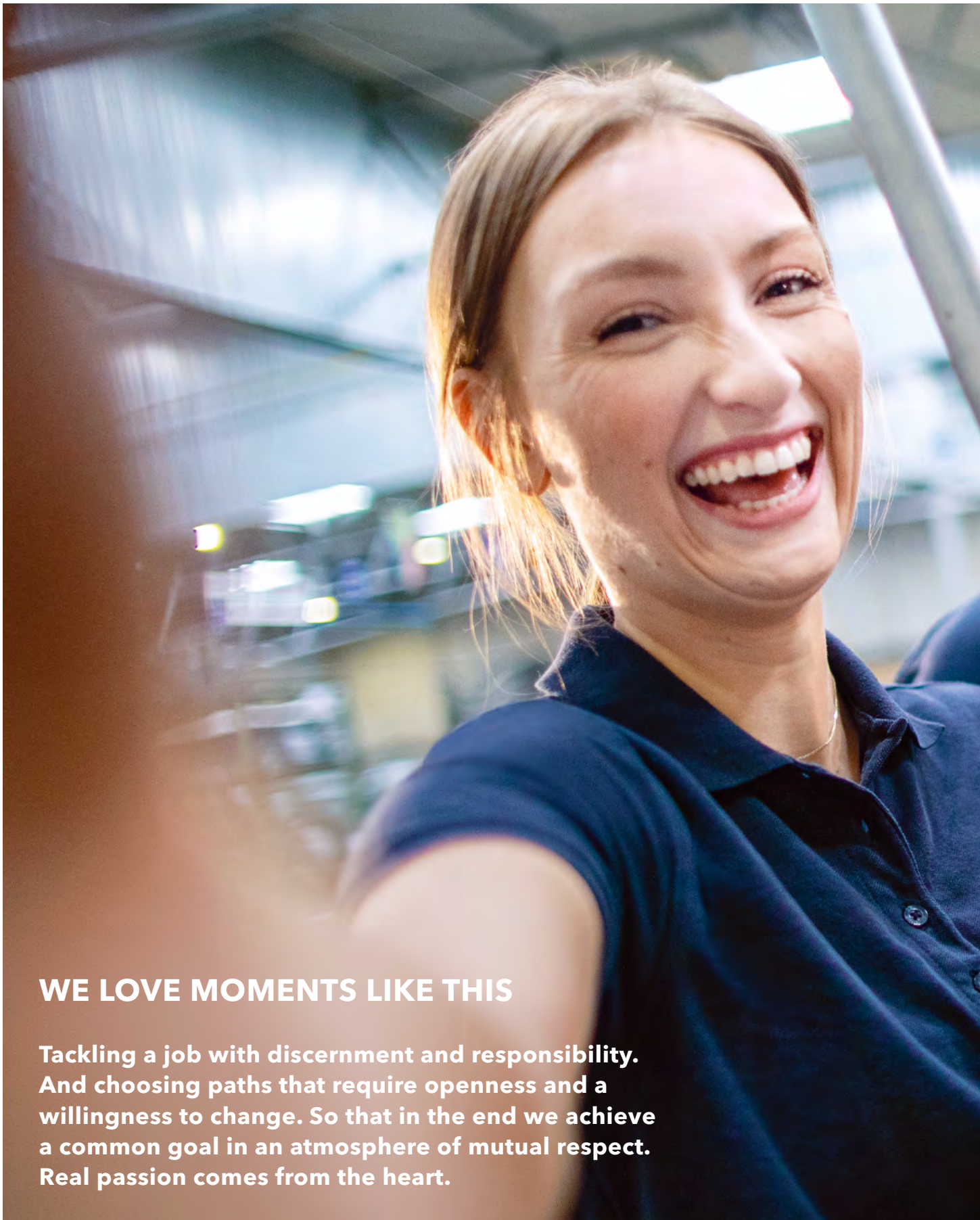
We train process managers and executive managers in DMAIC project methodology.

5S

For many years, we have implemented standards for the visualization and design of workplaces, and we permanently further develop them.

CIP

Employee suggestions help us to cut waste and boost efficiency. That's why regular CIP rounds including feedback and implementation are important components for continuous improvement.

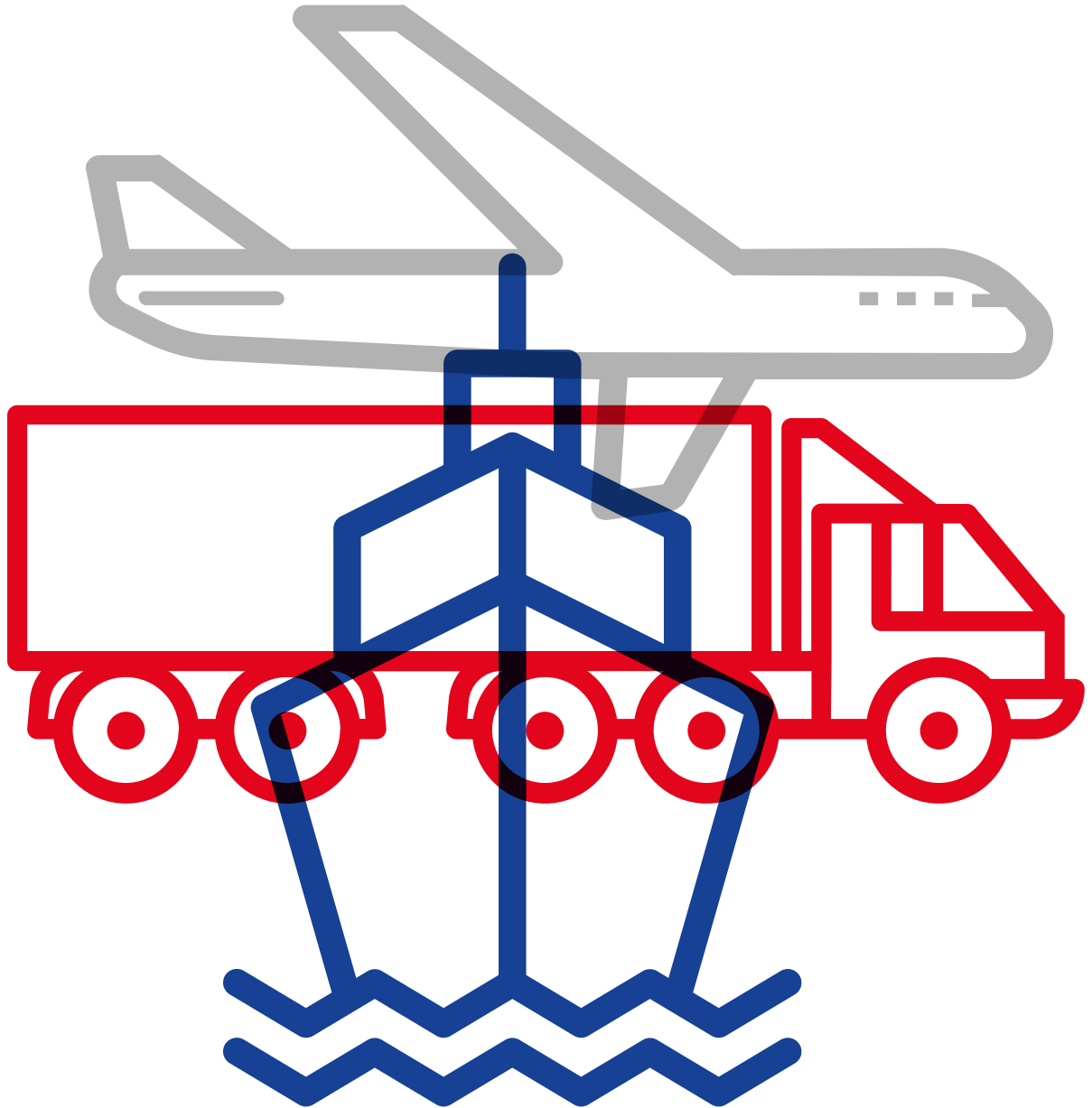


WE LOVE MOMENTS LIKE THIS

**Tackling a job with discernment and responsibility.
And choosing paths that require openness and a
willingness to change. So that in the end we achieve
a common goal in an atmosphere of mutual respect.
Real passion comes from the heart.**



Straight to the place of use
whatever the means of transport:
BLG provides logistics services
from one source.





LOGISTICS SERVICES ON LAND,
WATER, AND IN THE AIR.

Freight is a matter of trust for the customer. And utmost care for the service provider who delivers it. This is no ordinary job. In our line of business, you need personal contact so you can find the optimal solution together.

To ensure even better results, we have over recent years further developed our forwarding activities and acquired the companies INFORTRA GmbH, INTERNATIONAL FORWARDING & TRANSPORT, LOGFORTRA GmbH Logistic, Forwarding & Transport, Arno Rosenlöcher (GmbH & Co. KG) and Kitzing & Co. (GmbH & Co. KG). This means we can offer our customers forwarding services on land, water and even in the air. Freight needs to be moved from truck to container ship? Or vice versa? No problem. A customer needs a whole airplane? We charter one.

To further improve processes and achieve synergies, we've merged the companies acquired by BLG into one and given it a new

name: BLG International Forwarding GmbH & Co. KG. As a result, we not only all operate under the same BLG LOGISTICS brand. The fusion of our organizations also means we can simplify many processes. That's a clear advantage for our efficiency.

If you're going on a journey, you should take what you value most and what you really need. So our new company unites the best from all the acquired companies. We can quickly transfer what we learn from successes at one location to the other twelve locations in our forwarding network that covers all of Germany. That's how we rapidly learn from each other and have more time to develop creative solutions. And more time to talk with our customers.

Forwarding is a "people business"? That's right. And it will stay that way. But better.

LIGHTS OUT. LED SPOTLIGHTS ON.

To save some 1,000 tons of CO₂ emissions per year, we're replacing around 1,600 lamps on 673 masts at the BLG AutoTerminal Bremerhaven.







MINDSET RELOADED

WE LOVE CHANGE

"The other day, I went to a sushi restaurant," says Jakub Piotrowski, Head of the Sustainability and Digitalization Department at BLG. Instead of the usual conveyor belt with a selection of dishes, you could order small portions with your tablet every 15 minutes. And three minutes later, the freshly prepared food arrived. This concept could soon replace the traditional sushi bar. Is that worrying? "Not at all," says Piotrowski. "In our private lives we usually find new technologies exciting and enjoy change." But at work, fear often holds us back.

This is exactly where his team comes in. "We make technological development at BLG transparent and show the benefits of changes. That's how we take away employees' doubts," says Piotrowski. Our 100-day projects are a major instrument to achieve our goals. "This is where

we question both established practices and new concepts." Openness like this is essential for building the future. It's no coincidence that a willingness to change is one of BLG's firm corporate values. Digitalization is not an end in itself. "Instead, all innovations support the sustainable approach of BLG," says Piotrowski. This is one reason why BLG has linked the two topics of sustainability and digitalization. "As an in-house service department, we want to deliver added value at all times," he says, describing his team's role. The full project pipeline proves that they are increasingly successful. Not all problems can be solved digitally or with an app. "But when new technologies free us up from heavy or repetitive work, we become more efficient and also enjoy our work more."

"In the past, it was often hard work getting people to accept new things. Today, we sometimes implement four innovation projects at once."

JAKUB PIOTROWSKI

HEAD OF SUSTAINABILITY AND DIGITALIZATION



MEGA

NEW CONTAINER GANTRY CRANES FOR TRIPLE-E-CLASS SHIPS.

Bremerhaven – you can't miss it! Proof of that comes from the world's largest container shipping line Mærsk Line, which owns a 50 percent share in the North Sea Terminal Bremerhaven (NTB). In 2019, it confirmed Bremerhaven as one of eight strategically important "main terminals" around the globe. So Bremerhaven remains an integral part of the shipping line's route network. This status commits the port to big things. Above all because of the unbroken trend toward ever larger mega-ships. And they can now dock at the terminal at Bremerhaven even better than before. Thanks to six new container gantry cranes. Last year, EUROGATE and APM Terminals, an associated company of Mærsk Line, invested in the very largest equipment. A reach of 73 meters and a lifting height of 51.2 meters say it all. With over ten meters

more lifting height than the old gantry cranes, the new ones can easily handle Triple-E-class ships.

Customers benefit not only from better accessibility, but also and above all from greater productivity. If there's no need to laboriously re-stack containers, the time saved can be more effectively used for loading and discharging. That means the ships can depart again after just a short stay. It's an unbeatable reason for customers to use the location even more. With its direct access to the North Sea, Bremerhaven offers ideal conditions. Soon, another four large gantry cranes will be ordered, securing a great future for the port.



**A STEEL GIANT:
THIS CONTAINER GANTRY
CRANE TAKES ON EVEN
THE LARGEST SHIPS.**

KEY FACTS

COLOSSAL ON THE QUAYSIDE

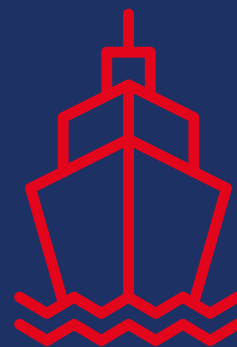
Bremerhaven is investing in the largest container gantry cranes available so that Triple-E ships can be processed in the port. With a reach of 73 meters and a height of 51.2 meters (above the quay), they are in the very top league. For comparison: older gantry cranes have a reach of 63.25 meters and a lifting height of 43 meters.

MORE AND MORE MEGA-SHIPS

Soon, two-thirds of the container gantry cranes at the NTB terminal will be designed for Triple-E-class ships.

BIG CRANES FOR BIG VESSELS

The development of the steel giants is not due to an independent strategy but a response to the trend in shipbuilding. As the ships get bigger, the gantry cranes grow to match.



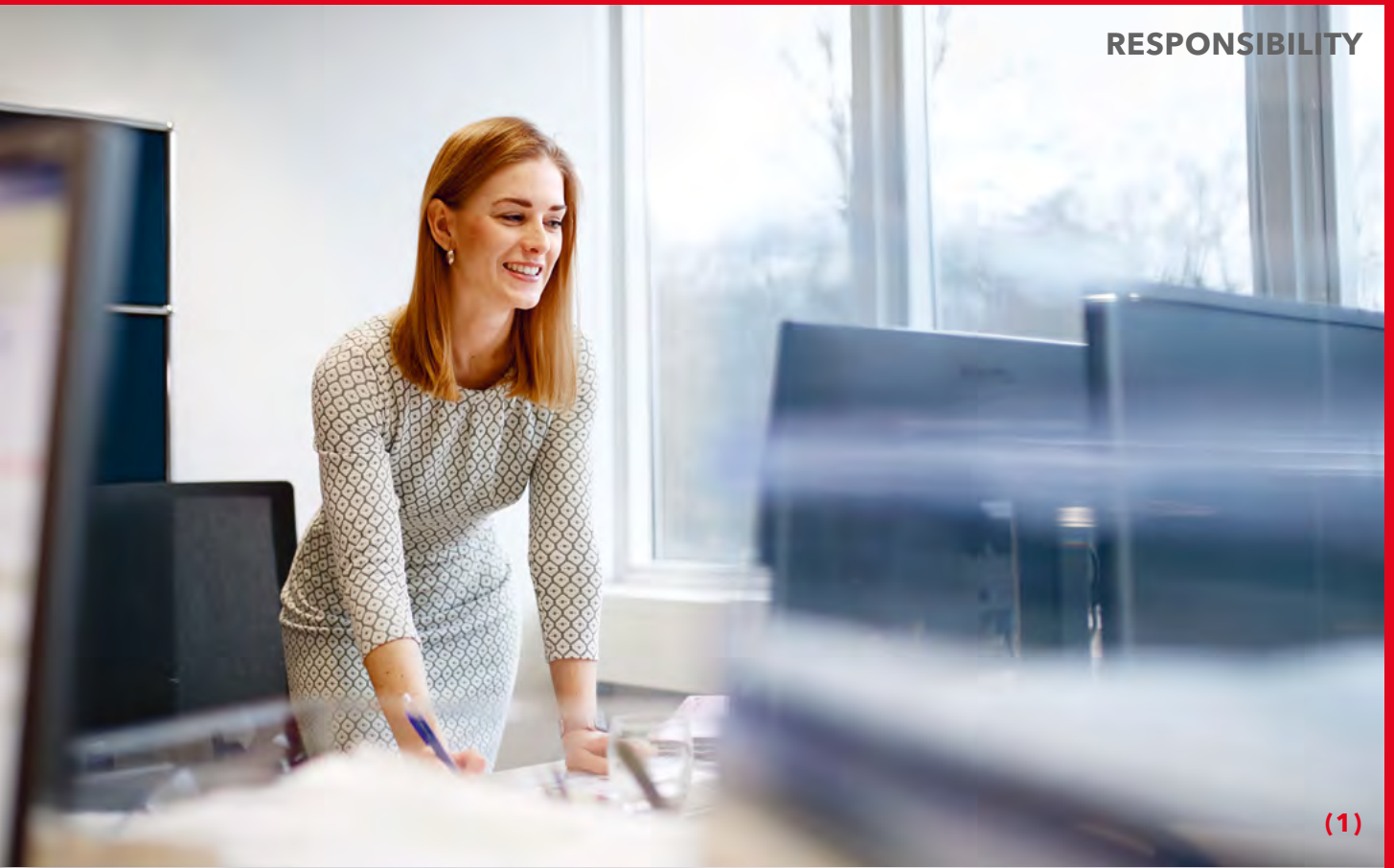
WOMAN POWER

INTERNATIONALLY ACTIVE, COMMITTED, AND READY TO TAKE ON RESPONSIBILITY: OUR JUNIOR MANAGER PROGRAM (JMP) SUPPORTS AND NURTURES YOUNG TALENTS.

STEPHANIE SCHULTZ gets the ball rolling. For instance in Alabama, where she carried out a value flow analysis for the new Daimler series. "Today, everybody on the site knows the score exactly," says the 28-year-old. Her first 100-day project proves that VR headsets can help in employee qualification programs. Stephanie Schultz believes that mutual respect when working together is especially important. It's no coincidence that the former financial customer consultant studied Behavioral Economics. The future executive manager enjoys the variety at BLG: "I want customers to feel our modern dynamism as well." **(1)**

ANNA-LENA ENGELHARDT has a passion for new technologies. During her time on the JMP program, she helped develop and roll out logistics-process-mapping software at two BLG locations in Malaysia. So it's good that she knows how business on the ground is conducted. However, knowhow alone is not enough for developing innovative solutions. You also need the ability to change perspectives. "I know what it's like when you're immersed in operational activities," she says, referring to her time at BLG Industrielogistik. "It's hard to look beyond that." This is where she comes into her own. Today, she brings operational experience and a thirst for everything new to her role as Project Manager in the BLG Innovation Team. **(2)**

**THE JMP PROGRAM. OF COURSE, ALSO FOR MEN!
OVER 18 MONTHS, TEN TO 15 PARTICIPANTS PREPARE FOR A MANAGEMENT POSITION
AT BLG. A NEW PROGRAM STARTS EVERY TWO YEARS IN APRIL.**



(1)



(2)

NO LIMIT





CHRISTIAN JONES

Always something new – that’s what drives Christian Jones. Just one year after finishing his apprenticeship, he was already controlling goods flows in one of our contract logistics locations. From then on, one project rapidly followed another. Whether the introduction of a new customs clearance system or the setup of one of Europe’s largest high-rack warehouses – he thrives on new challenges in order to grow. “I also need superiors who are really interested in developing their staff,” says today’s Head of Operations in Retail Logistics in Bremen. When the next project comes around the corner, Jones won’t hesitate for a second. “I love doing this for BLG.”

INGO FRITZSCHE

In 2008, Ingo Fritzsche came to BLG as a contract worker. He was 34 at the time, and wanted a new start. His first job was in Retail Logistics unpacking containers. But what he really wanted was to manage people again. His goal was to attend school to become a master craftsman. “It was a tough time, but I knew what I was doing it for,” says Ingo Fritzsche. In 2012, he gained his master craftsman’s certificate. BLG not only supported him, but also promised him a job. Fritzsche knows he can always rely on the word of BLG. He has been working as a master craftsman and Training Officer since 2017. “If you perform well at BLG, it gets noticed and rewarded.”

ENTHUSIASM AND COMMITMENT THAT PAY OFF: IF YOU WANT TO GET AHEAD, YOU NEED ENERGY, A STRONG WILL AND A PARTNER WHO REWARDS PERFORMANCE. BLG CREATES THE NECESSARY FREEDOM FOR VERY INDIVIDUAL CAREER PATHS. NOT ONLY FOR CHRISTIAN JONES AND INGO FRITZSCHE.



This is how Valeria imagines her dad at work with his exoskeleton.





DAD

THE STRONGEST

IN THE WORLD

“Help me up, daddy!” Laughing, Eduardo Virraoel Frias lifts his daughter Valeria (6) onto the climbing frame. And when Pablo (7) jumps off the swing, his dad picks him up and swings him up high in his arms. It wasn’t always this way. “I used to get pains in my back when I lifted my children after work,” remembers Frias.

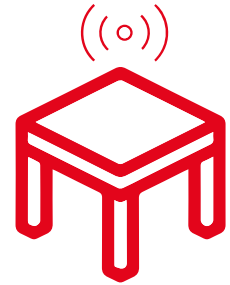
Before he joined BLG, Frias, who is originally from Peru, worked for years as an industrial climber installing wind turbines all over Europe. When the children came along, he decided to settle down. His cousin, a long-time employee at BLG, suggested he get a job here. Today they both work in the BLG Logistics Center in Düsseldorf. His job in the assembly-line supply chain of overseas automotive plants is important. Every day, he checks numerous plastic boxes of small components. He makes sure they contain the right screws or bolts. Everything has to be correct so that assembly in the production plant downstream can go smoothly. For this quality assurance work, Frias has to move every box manually - lifting weights of as much as 15 to 20 kilos.

For six months, he has been working with an exoskeleton. “It’s good for my back,” he says happily. The exoskeleton Eduardo Frias uses features springs that support his upper body against his thighs when he bends forward. This takes much of the strain off his lower back. Physical fatigue and joint wear are subjects Frias is acutely aware of from his earlier job as a climber. That’s why he immediately volunteered when BLG presented the model for testing.

He looks a bit like a robot when he’s working. His children would love to see that. And at the next Open Day, he’ll show them the exoskeleton. Afterward, they’ll go to the playground. Like they do every day, if the weather is fine.



WHY WE MAKE SUCH A BIG DEAL ABOUT A TABLE



Because it's about something much more complex than "oak or maple?" We're talking about an extremely smart multitouch table which will in future function as a control desk at BLG AutoTerminal in Bremerhaven. For an area of 240 hectares with 95,000 parking spaces that handles 2.2 million vehicles per year, it will give our planners a better overview of area occupation, ship arrivals, as well as train and truck traffic. "Being able to operate efficiently in such a complex environment is essential to the success of our logistics service," says Wolf Lampe, one of the initiators of the "Isabella" research project. Isabella examines the use of innovative technologies to improve port processes. "At the multitouch table, planners can jointly develop scenarios and optimize resource

utilization," explains Lampe. The developers have done a thorough job, and the table is already in practical test operation. But alone it's just one part of the solution. The technology for order assignment to the drivers also has to keep up. "We want each individual vehicle order to be generated based on the up-to-the-minute situation," says Lampe. With the aid of GPS, the best combination of order, shuttle transport and employee is determined for every vehicle movement. Data transfer and communication will be by smartphone. This transformation will radically change the work processes of our employees on the ground. That's why BLG has engaged an industrial psychologist to support the transition.



((o))

“In my 20 years of professional work, I’ve never seen such a comprehensive process support program for a technical transformation. In mixed working groups freely put together, employees are enthusiastically devising solutions and ironing out any difficulties that inevitably occur in a project this complex. For example, we’re incorporating mechanisms that boost teamwork to make sure individual order distribution doesn’t leave employees isolated. Only genuine support is effective support. I’ve found an amazing level of openness and confidence that we can build something good together. The organization is learning to learn better.”

DR. MICHAEL SCHOTTMAYER, UNIVERSITY OF BREMEN

APART FROM TEACHING AND RESEARCH IN THE FIELDS OF SOCIAL AND INDUSTRIAL PSYCHOLOGY, HIS WORK INCLUDES CONSULTANCY FOR BUSINESSES AND SOCIAL ORGANIZATIONS IN THE BREMEN AND BREMERHAVEN REGION.



WOLF LAMPE, DR. MICHAEL SCHOTTMAYER

"In terms of sheer size and complexity, the auto terminal in Bremerhaven is unique. Especially when it works at full capacity, planning and controlling require top technology."

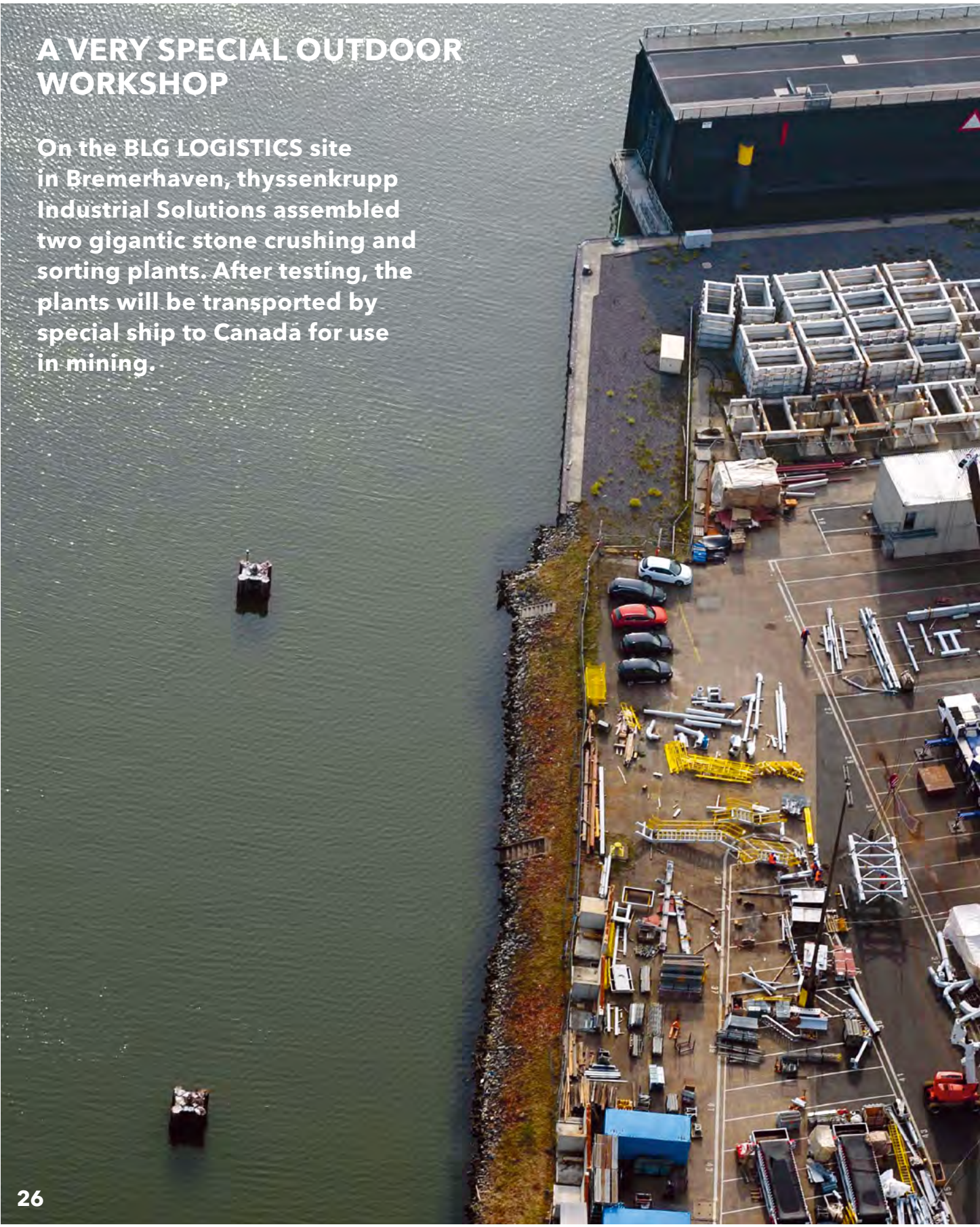
WOLF LAMPE

HEAD OF SUSTAINABILITY AND NEW TECHNOLOGIES AT BLG LOGISTICS



A VERY SPECIAL OUTDOOR WORKSHOP

On the BLG LOGISTICS site in Bremerhaven, thyssenkrupp Industrial Solutions assembled two gigantic stone crushing and sorting plants. After testing, the plants will be transported by special ship to Canada for use in mining.







"BY STAYING ON THE MOVE, WE MOVE GREAT THINGS FOR OUR CUSTOMERS."

FRANK DREEKE, CEO

What do you love most about your job?

Well, I just love moving things. Knowing that today's world wouldn't even function without logistics and that there's always room for improvement gives me enormous energy. In this exciting area where we take on new challenges on a daily basis, we want to put our company on a solid foundation while also developing it even more. Of course, you can only keep wheels like this turning with an excellent team. When I come into my office in the mornings, I know I'm going to enjoy working with our team.

Things in motion generate an amazing energy. How do customers benefit from this dynamism?

If you want to move things, you first have to move yourself. And that's just what we do at BLG. We do it every time we listen to a customer and precisely identify his requirements. When we work together to develop the perfect solution, consciously provide space for innovations, and automate complex processes. We want to make logistics easy for our customers. So they work more successfully. This is the promise we make every day. And it's why we're known for being particularly advanced in our automation and expert in this field. That's a massive compliment for BLG.

Technological progress requires human creativity. How does BLG tackle the issue of innovation?

Change is part of our daily business. That's why we've integrated a strong innovation structure in the company. The BLG Innovation Team is not only the first point of contact for people with ideas that are tested in 100-day projects. It also monitors the overall market situation, brings fresh impulses into the company, and invites startups to tell us their ideas.

Enjoyment is human. And people are what make BLG come alive. How would you describe the community feeling at BLG?

Refreshing. There's an increasing level of openness. I can feel how more and more people in the company contribute their own ideas. Everybody from the CEO to the apprentices speaks openly about things we think should change. We've updated our leadership principles specifically so they allow space for this culture of learning and discussion. I can feel the dynamism in the company. And that boosts my love of logistics even more.

MILESTONES

*The future lies in progress.
This is what we accomplished in 2018:*

TEXTILE LOGISTICS IN GEISELWIND

BLG runs PUMA logistics center



PUMA's new logistics and service center is currently taking shape in the Bavarian town of Geiselwind. This follows the BLG Group's successful bid to design the logistics center and also to operate it as from 2020. When the roughly 12-hectare site is finished, more than 120,000 articles will be moved by 480 shuttle vehicles at the multi-channel facility. BLG has already been operating the PUMA logistics center in Schlüsselfeld since fall 2018. Its workforce will be transferred to the new center in Geiselwind. A total of some 300 jobs will result there.

INNOVATION IN THE PORT

BLG is on board with six IHATEC projects

The German Federal Ministry for Transport and Digital Infrastructure is funding a program named Innovative Hafentechnologien (IHATEC), which translates as Innovative Port Technologies. BLG and EUROGATE are deeply involved. Three projects - Isabella, Kali, and IRIS - are already up and running. Two more were added in fall 2018. Within "OBELISK", we're examining how we can use data and smartphones to control lighting at the terminal in Bremerhaven. "SecProPort" is all about scalable security architectures for business processes in German ports. The recently approved research project "SHARC" integrates renewable energy sources into port infrastructure and superstructure.

6

300 COOK-BOOKS AND 1,500 EUROS

JMP participants cook with children and donate to kindergarten

Members of BLG's Junior Manager Program (JMP) did their bit for healthy eating and cooked together with kindergarten children from the SOS Kinder- und Familienzentrum Huckelriede in Bremen. They chose their favorite recipes from their own childhoods. After the event, the kindergarten received not only 300 copies of the self-published cookbook, but also EUR 1,500. That's how much we made from selling the cookbooks to our employees.



3 NEW CUSTOMERS

New business for Russian port Bronka

BMW, Porsche, and Ford – BLG LOGISTICS attracted three new customers in one go for the port in Bronka, Russia. We are responsible there for discharging, preparing the vehicles for loading onto trucks, and distribution to the dealers. To do this, we've procured 14 new trucks in Russia. Now the overall fleet is back up to 50 trucks.

400 NEW EMPLOYEES

Workforce in Logistics Center Bremen expands

Our Logistics Center Bremen needed more hands – so we hired 400 workers for our packing operations. The reason is that business is so good we plan to expand our regular workforce to a total of 2,000 employees. On an area of more than 300,000 square meters, BLG LOGISTICS controls and checks all material, merchandise, and data flows for a major German automotive producer.

NEW CHAIRMAN OF THE SUPERVISORY BOARD

Supervisory Board elects Dr. Klaus Meier as new Chairman

After a positive result for business year 2017, the General Shareholders' Meeting on May 24, 2018 approved the work of the Supervisory Board and Board of Management by a large majority. The new Supervisory Board, consisting of eight employees and eight shareholders, commenced its work – and elected Dr. Klaus Meier to the post of Chairman. The managing partner of global player wpd windmanager GmbH & Co. KG knows all about the challenges of a digitalized world and supports our company with a great sense of responsibility.



PORT INSPECTION IN AFRICA

BLG supports the World Food Programme (WFP)

The United Nations' World Food Programme (WFP) strengthens marine routes to ensure they are fit for deliveries of aid supplies. Lending a helping hand is Ferdinand Möhring, a port expert from BLG. Most recently in summer 2018 in East Africa, where there are plans to revive the waterways of Lake Tanganyika so that maize can be delivered from Zambia via Burundi to Sudan. Möhring checks ports, infrastructure, and security for employees on the ground and makes important recommendations for action.

FIRST PRIZE

BLG customer magazine wins gold

At the Best of Content Marketing Award in Vienna, our customer magazine nord°licht won the gold medal. This is Europe's largest competition for content-driven corporate communication. Up against more than 700 candidates, our magazine convinced the 220-or-so jurors in the category Magazine B2B Transport/Logistics/Automotive. This shows that our plan to put content at the forefront is paying off.

nord°licht

AUTOMOBILE

More employees at AutoTerminal Bremerhaven, buoyant mood for heavy cargo and successful partnership in Poland.



EXPANDING WORKFORCE

BLG AutoTerminal Bremerhaven recruits 170 employees

A company agreement between the Works Council of BLG AutoTerminal Bremerhaven and BLG LOGISTICS sealed the deal: Our Bremerhaven location is hiring 170 employees. For the first time, approx. 100 of them will work in a new part-time model program with family and childcare-friendly shift times and six-hour shifts. It's a welcome development. Because compatibility of career and family is becoming an increasingly important criterion for more and more employees and jobseekers. We can offer them a good prospect with our new part-time solution.

6 hours

shift length in the new shift model in Bremerhaven.

1.367 million

tons of high & heavy loads handled in Bremerhaven.
That broke last year's record.

CONTINUED SUCCESS FOR XXL LOGISTICS

Buoyant mood at Breakbulk Europe in Bremen

The BLG AutoTerminal Bremerhaven is a major transshipment hub not only for passenger cars, but also for high & heavy loads. With 1.367 million tons moved in 2018, the location even slightly exceeded its record result from the previous year. In terms of tonnage, Neustädter Hafen reached a similar volume and maintained its leading position as Europe's largest terminal for break bulk and heavy cargo. The buoyant mood was also palpable at Breakbulk Europe. The world's largest trade show for the international break bulk and heavy load logistics industry took place in Bremen for the first time.



Neustädter Hafen

1.35 million

tons of break bulk and heavy cargo handled by
Neustädter Hafen. This confirms the port's leading
position in Europe.

115,000

square meters available at the Polish terminal in
Dąbrowa Górnicza for storage and cargo handling.



PARTNER IN POLAND

*BLG and STS agree cooperation at the
Dąbrowa Górnicza location*

The BLG Group and STS Logistic, Poland's largest automobile logistics services provider, now jointly operate the auto terminal of Slask Logistic Sp. z o.o. (ATS) in Dąbrowa Górnicza. Previously, BLG sold half its share in the terminal to STS. The location covers an area of 115,000 square meters, with a capacity for handling and storing some 4,000 vehicles. A staff of around 40 take care of these operations as well as technical processing. The cooperation is already bearing fruit. Our Polish colleagues have already attracted new business and growth in the volumes handled.

CONTRACT

Two new logistics centers opened on one day, even more parcels for Tchibo and countless small parts shipped to the US.

60,000

parcels we forward for Tchibo on a peak day in the pre-Christmas period.

EVEN MORE PARCELS

Contract with Tchibo extended by another five years

Almost 1,000 BLG employees in Bremen work for our customer Tchibo in the areas central warehouse, multi-channel picking system, returns, and exports. Every day, thousands of parcels go through their hands. The volume on a peak day in the pre-Christmas period can reach as many as 60,000 parcels. And the order books continue to be full. That's because we signed a contract extension with Tchibo in July.





TWO ON ONE DAY

Logistics centers open in Falkensee and Elsdorf

Last year, BLG LOGISTICS managed to put two logistics centers into operation on a single day. On October 2, we celebrated the opening of the second logistics center in Falkensee near Berlin, which we operate for our customer Siemens Power & Gas. Parallel to that, our distribution center in Elsdorf, between Hamburg and Bremen, also started business. This is where our retail logistics team works on behalf of our longstanding customer IKEA. They take care of incoming goods handling as well as storage and picking of all products ordered online. More than 10,000 articles are stored on an area of around 35,000 square meters. They are picked and shipped to destinations all over Northern Germany.

1.25 million

billy bookcases, stacked up to the ceiling, fit in the new logistics center in Elsdorf.

BIG SUCCESS WITH SMALL PARTS

Two new sequencing projects in the US

Last year, BLG completed not one, but two successful projects in the US. The new location in the port city of Charleston in South Carolina covers an area of 4,000 square meters. Here, we carry out sequencing activities for more than 200 different parts numbers for suppliers in the commercial vehicle industry. 7.1 million US dollars went into the Vance location, making this the largest investment outside Germany. This is where BLG built an automated small parts warehouse for sequencing cable sets for an automobile supplier. The new facility has a capacity of more than 3,200 storage bays and the parts are taken into and out of storage fully automatically.



3,200

storage spaces available in the automated small parts warehouse at our US location Vance.

CONTAINER

EUROGATE wins eco-award, Asia Europe Express arrives in Hamburg, and Wilhelmshaven makes waves in China.

NEW ASIA EUROPE EXPRESS

MV Hyundai Forward docks in Hamburg

4,700

standard containers fit on each of the ten ships of the newly formed Asia Europe Express (AEX).



On May 12, 2018, the MV Hyundai Forward moored for the first time at the EUROGATE Container Terminal in Hamburg. The container ship operates in the newly established Asia Europe Express (AEX) service of South Korean shipping line Hyundai Merchant Marine. A total of ten vessels will regularly connect Hamburg with Asia. Apart from Hamburg, the European ports of call for the AEX are Southampton and Rotterdam. In Asia, the roughly 300-meter ships call at Busan, Shanghai, Ningbo, Kaohsiung, Yantian, Singapore, Hong Kong, and Colombo. Even the first stop is more than 8,500 kilometers away in aerial distance. The transit time from Busan to Hamburg is 32 days.



A NATURAL WINNER

EUROGATE wins Best Green Container Terminal Operator 2018

For the first time, EUROGATE won the Asian Freight, Logistics & Supply Chain Award (AFLAS) as the Best Green Container Terminal Operator 2018. The award is conferred by the Asia Cargo News newspaper. Its readers, who are mostly Asian importers and exporters, voted EUROGATE Best Green Container Terminal Operator 2018. This prize is both praise and an added incentive for us to keep optimizing our service for our customers. Environmental protection and saving natural resources are always important to us.

4 times

AFLAS Awards for the EUROGATE Group. In 2018, the company won in the category Best Green Container Terminal Operator for the first time.

TALKS IN THE FAR EAST

Asian Roadshow for EUROGATE Container Terminal Wilhelmshaven a success

During its third Asia Roadshow calling at the cities Shenzhen, Xiamen, Shanghai, Ningbo, Dalian, and Tianjin, EUROGATE talked with representatives of shipping lines, forwarders, logistics service providers, and decision-makers in business and politics. Wilhelmshaven was able to claim its rightful place in the limelight. That's because the port has even more to offer than just its tide-independent depth. Due to its nautical access conditions and area spread, it's ideal for handling container ships of all sizes. That explains why two of three large alliances have already integrated the terminal in their route schedules.



18 m

tide-independent water depth offered by the EUROGATE Container Terminal in Wilhelmshaven.

EMPLOYEES

*Our employees are the heart
of our smooth-running logistics.*

3.3

Fluctuation
(in %)

25.3

Proportion of women
(in %)

44.1

Average age of workforce
(in years)

/ Average years of service /

9.4

/ Fewer occupational accidents than in 2017 (in %) /

5.2

KEY FIGURES OF THE BLG GROUP

20,000

Jobs worldwide

1,208

Applications for
a training occupation

74.5

Ratio of own BLG employees
(in %)

72

Rate of continued employment
of former trainees (in %)

140

Employees who took
part in running events

/ Junior managers who participated in the
Junior Manager Program /

10

/ Employees who took part in training courses /

1,273

FINANCES

In business year 2018, we increased our profit compared to the previous year by just under 12 percent.

1,141

Sales revenue
(in million EUR)

37.5

EBT
(in million EUR)

3.3

EBT margin
(in %)

/ Dividend per share (in EUR) /

0.45

/ Dividend (in %) /

17

KEY FIGURES OF THE BLG GROUP

		2018	2017	Absolute change	Percentage change
Sales and profit					
Sales revenue	million EUR	1,141.3	1,087.8	53.5	4.9
EBITDA	million EUR	80.2	84.6	-4.4	-5.2
EBIT	million EUR	42.2	41.0	1.2	2.9
EBT	million EUR	37.5	33.5	4.0	11.9
EBT margin	%	3.3	3.1	0.2	6.5
Asset and capital structure					
Balance sheet amount	million EUR	728.0	708.6	19.4	2.7
Investments	million EUR	33.2	19.7	13.4	68.1
Equity	million EUR	250.8	235.6	15.2	6.5
Equity ratio	%	34.5	33.2	1.3	3.9
Net indebtedness	million EUR	214.0	229.9	-15.8	-6.9
Cash flow					
Cash flow from current operating	million EUR	23.3	41.7	-18.3	-44.0
Cash flow from investment activities	million EUR	9.6	8.9	0.7	7.7
Cash flow from financing activities	million EUR	-57.6	-61.1	3.6	5.8
Key figures of BLG shares					
Result per share	EUR	0.66	0.60	0.06	10.0
Dividend	EUR	0.45	0.40	0.05	12.5
	%	17.3	15.4	1.9	12.5
Dividend yield	%	3.8	2.8	1.0	37.3
Personnel					
Employees	number	11,079	9,685	1,394	14.4
Jobs worldwide	number	20,000	18,500	1,500	8.1

REPORTING IN 2018

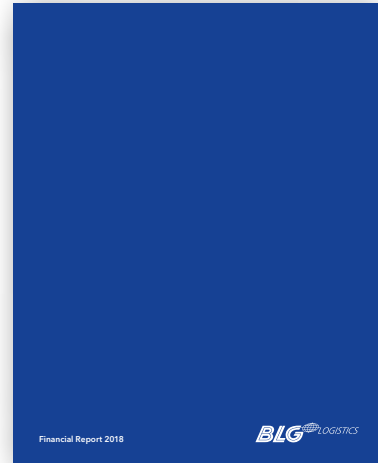
www.blg-logistics.com/annual-report



/ Company Report /



/ Sustainability Report /



/ Financial Report /

Our contribution to environmentally compatible production:

All reports consist of 100 percent recycled paper certified with the EU Ecolabel.
The printing shop employs a climate-neutral printing process.

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