

WITHOUT BOUNDARIES

Local · Regional · Global

duisport Group, key figures 2014–2016 (in EUR million)

	2014	2015	2016	Change in % ¹ 16/15
Sales revenue ² (incl. sales that cannot be consolidated)	197.6	217.3	230.0	+6
Sales revenues ²	183.3	195.0	205.5	+5
Balance sheet sum	343.7	349.1	371.8	+7
Gross investments	17.0	19.9	18.3	-8
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	35.2	37.3	40.4	+8
Earnings after taxes	10.1	10.5	10.8	+3
Cash flow I ³	24.2	22.3	31.0	+39
Permanent employees	823	856	877	+2

Goods handled at all Duisburg ports (incl. private company ports, in million metric tons)

	2014	2015	2016	Change in % ¹ 16/15
	51.1	51.9	53.1	+2
Ship	30.4	28.4	30.8	+8
Rail	49.6	48.9	49.2	+1
Truck ⁴				
Total	131,1	129,2	133,1	+3

Goods handled at duisport Group ports (in million metric tons)

	2014	2015	2016	Change in % ¹ 16/15
Ship	15.6	15.6	16.2	+4
Rail	17.1	19.1	17.6	-8
Truck	32.0	33.9	33.1	-2
Total	64.7	68.6	66.9	-2

¹ Percentage figures have been rounded; rounding tolerance 0.1.

² Sales revenues +/- changes in stocks + own work capitalized.

³ Annual profit + depreciation for fixed assets + change in provisions (previous year: in long-term provisions).

⁴ Truck-handling volume at company ports has been estimated.

The duisport Group and its business segments



Without boundaries

Annual Report 2016 of the duisport Group

The Port of Duisburg is the leading logistics hub in Central Europe. As a logistics provider with the port at the center, we are active at the local, national and international level. Using Duisburg as the hub location, we are steadily expanding our international network. At this location, we view ourselves as a responsible neighbor who creates jobs for the people in the region. We are a reliable partner to our domestic and international customers. We are also a strong advocate of free trade. Protectionism creates borders and excludes many people and nations from participating in economic growth.

duisport acts without boundaries.

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Erich Staake
Chief Executive Officer
of Duisburger Hafen AG

Dear Sir, dear Madam,

The first six months of 2017 taught us that long-held certainties are being questioned, and that old habits suddenly fail to produce the desired result. This applies to the big picture in global politics. And it also applies to some of the developments right in front of our doorstep. The US, to date the supporting pillar of Western security, is searching for its own new strength under a new leadership. Because of this development and also because of the unavoidable Brexit, Europe must change as well. Germany elects a new Parliament this fall, and North Rhine-Westphalia's voters also elected a new Landtag majority in May. For the duisport Group, the result in North-Rhine Westphalia means new people at the top of the company's largest shareholder. But at least in one point we can rely on some continuity: The current majority fractions and opposition have for the most part agreed on the important role of the world's largest inland port to the economic stability and growth of North Rhine-Westphalia. The geopolitical changes, on the other hand, are accompanied by new and different challenges. duisport, as the central European logistics hub, pursues a strategy of using its position to set new and innovative impulses for the foreign trade activities of Germany and Europe.

2016 – a year for celebration. Our port celebrated its 300th birthday – an event that was duly celebrated with numerous events with our local and international friends and guests. We set new records in terms of revenues and earnings, the creation of workplaces and the marketing of premises. Within the course of the year, we marketed 355,000 square meters of logistics space, as much as never before. This created more than 1,000 new direct workplaces.

And it is also becoming evident that we will create another 1,000 workplaces in this financial year. For example, another 500 new jobs will be created in Duisburg-Ruhrort, where Daimler AG, through its service provider DB Schenker, will be handling automotive components for the global production network of the Mercedes-Benz division. After Audi and VW, Daimler is the third premium company from the automotive industry that processes its CKD business from the Port of Duisburg.

With logport I to IV, duisport has prepared four former industrial brownfield sites in Duisburg so far and in the region, and developed these into booming logistics centers. And our logport family continues to grow. We are pleased that we were able to acquire the 40 hectare premises of a former paper factory in Duisburg-Walsum last year. In that location, the success story of the logport idea continues with logport IV, while another large project is realized in Duisburg.

After logport I, which has attracted around 50 leading international logistics companies and more than 5,000 employees since 1998, logport VI is the second-largest duisport project in 16 years. In addition, we are also starting the development of logport V in Oberhausen and also – jointly with Evonik – the development of a 50 hectare parcel for production and logistics companies in Lülldorf near Cologne.

Multimodal transportation connections and the entire logistics know-how of duisport guarantee the marketing and revitalization of additional industrial parcels in the region. We are planning to expand the logport family to other locations.

Our business pursues both a regional and global focus.

duisport and its international network form the hub location for the expansion of our global trading relationships. The more than 300 companies that have settled in the Port of Duisburg include more than two dozen global market leaders. Every second company of the 100 new additions in the Port of Duisburg comes from outside of Germany.

The “One Belt, One Road” initiative of the Chinese government, better known as the “New Silk Road”, activates new trading routes between Asia and Europe. Therefore our international activities are also focused on expanding Duisburg’s already successful position

as a central European hub for these new trading routes. Already now, 25 direct trains travel every week between Duisburg and different destinations in China. China is not just an important trading partner, but also surpasses the US as the world’s most important eCommerce market, a major driver for further economic growth. Through cooperation agreements with selected Chinese partners, we have already established a very tight-knit network with China. These initiatives mean that duisport and its customers are pushing ahead trade with China, and are expanding existing activities along the New Silk Road.

To ensure that we remain on this successful course, we have also taken decisive action when it comes to the enormous challenges posed by the digitization transformation. For example, this year we will set up a logistics innovation platform for start-up companies in Duisburg together with industry partners. This will result in new business models, applications and technologies that will benefit companies in Duisburg and in the region.

We are doing everything we can to ensure that 2017 is another successful year. But these things do not happen by themselves, and a lot of effort is required. To continue on our path of success, we continue to rely on committed employees as the basis and driver of our success. Our apprentices are our best partners when it comes to recruiting the best young talent. In their role as apprenticeship ambassadors, they actively advertise training in the Port of Duisburg at e.g. the schools in the region.

At the same time, in our pursuit of financial success, we are also aware of our social responsibility in our society. Therefore it was important for us to support almost 30 projects last year, mainly for disadvantaged children and youths.

I would like to thank our employees, business partners, shareholders and the Supervisory Board for the good working relationship. Together, we can look back on a very successful 2016 financial year. And we will use this solid foundation to continue to shape the future of the port.



Erich Staake
Chief Executive Officer
Duisburg, 5 July 2017



Michael von der Mühlen
Chairman of the Supervisory Board
of Duisburger Hafen AG

Dear Sir, Dear Madam,

During the 2016 financial year, the Supervisory Board was informed of the position and development of the company and the affiliated companies, along with all material business events, by way of the quarterly reports and the reports of the Executive Board at the Supervisory Board meetings. With this information, and detailed discussions of all matters that were submitted, the Board was able to confirm that management has behaved correctly.

A total of four meetings of the Supervisory Board were held in the 2016 financial year. At these meetings, the Supervisory Board concerned itself with all of the issues that are important to the group and adopted a large number of resolutions. The deliberations and decisions regarding the purchase of the paper factory in Walsum and the development of the Mercatorinsel in Duisburg were of particular importance in the 2016 financial year.

The report of the Executive Board regarding relationships with affiliated companies (sub-ordinate status report) for the period 1 January to 31 December 2016 was audited by PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft in accordance with statutory provisions. The audit did not result in any reservations and an unqualified audit opinion was issued.

The annual financial statements for the 2016 financial year, including the accounting records and the management report of the Executive Board, were audited by PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft, which was elected as auditor by the Annual General Meeting in accordance with statutory provisions. The audit has shown that the accounting records, the annual financial statements of Duisburger Hafen AG, the consolidated financial statements and the management report correspond to the law and the company articles. In addition, no objections were raised to the final result of the audit by the Supervisory Board.

The Supervisory Board approved the annual financial statements of Duisburger Hafen AG, the consolidated financial statements and the management report prepared by the Executive Board at its meeting today. The annual financial statements are hereby adopted pursuant to section 172 of the Companies Act.

The Supervisory Board supports the recommendation of the Executive Board to distribute to the shareholders the amount of EUR 3,900,000.00 out of Duisburg Hafen AG's net retained earnings of EUR 9,386,988.60, and to allocate the remaining amount to the statutory reserve.



Michael von der Mühlen
Chairman of the Supervisory Board
Duisburg, 5 July 2017

EXECUTIVE BOARD

Dipl.-Kfm. Erich Staake
President & CEO

Prof. Dipl.-Ing. Thomas Schlipköther
Member of the Executive Board

Markus Bangen
Member of the Executive Board

PRESIDIUM OF THE SUPERVISORY BOARD

Michael von der Mühlen
Secretary of State, Ministry for Construction,
Housing, Urban Development, and Transportation
for the State of North Rhine-Westphalia
(until June 2017), Düsseldorf
Chairman of the Supervisory Board

Sören Link
Mayor, City of Duisburg
Vice-Chairman of the Supervisory Board

Jörg Hansen
Head of Section, Department of Finance
of the State North Rhine-Westphalia, Düsseldorf
Vice-Chairman of the Supervisory Board

Ursula Lindenhofer
Accountant, Duisburger Hafen AG, Duisburg
Vice-Chairwoman of the Supervisory Board

CORPORATE DEVELOPMENT COUNCIL

Dr.-Ing. (honorary) Wolfgang Clement
Former Federal Minister, Bonn

Heinz Lison
Member of the Executive Board and honorary
chairman of Regional Industry Ruhr-Niederrhein
Employer Association
(Unternehmerverbandsgruppe e. V.),
Mülheim an der Ruhr

Dr.-Ing. Herbert Lütkestratkötter
Former Chairman of the Executive Board
at Hochtief AG, Essen

Reinhard Quint
Former Member of the Executive Board,
ThyssenKrupp Services AG, Düsseldorf

Prof. Dr.-Ing. Stephan Reimelt
President & CEO, General Electric Deutschland
Holding GmbH, Germany and Austria

Dr. Hans Rolf
Attorney-at-Law, Cologne

Dr. Matthias Ruete
Director General of the Directorate General
for Migration and Home Affairs,
European Commission, Brussels

Prof. Dr. Michael ten Hompel
Managing Director, Fraunhofer Institute
for Material Flow and Logistics, Dortmund

Matthias von Randow
Chief Executive Officer of the Federal Association
of German aviation industry (BDL), Berlin

Dr. Ludolf von Wartenberg
Former Undersecretary of State, Berlin

SUPERVISORY BOARD

Heidi Batkowski
Clerk,
duisport packing logistics GmbH, Duisburg

Ulrich Brottmann
Electrician,
dfl duisport facility logistics GmbH, Duisburg

Torsten Burmester
Department Head, Ministry for Economics, Energy,
Industry, Small Business, and Trade for the State
of North Rhine-Westphalia, Düsseldorf

Ekhart Maatz
(mandate dormant until 22 June 2016)
Head of Section (retired), Düsseldorf

Susanne Pollmeier²
Managing Director,
Beteiligungsverwaltungsgesellschaft des Landes
Nordrhein-Westfalen mbH, Düsseldorf

Winfried Pudenz
(mandate dormant as of 22 June 2016)
Department Manager, Ministry for Construction,
Housing, Urban Development and Transportation
for the State North Rhine-Westphalia, Düsseldorf

Kirsten Stecken¹
Head of Division, Ministry for Construction, Housing,
Urban Development, and Transportation for the
State North Rhine-Westphalia, Düsseldorf

Thomas Susen
Councilman, City of Duisburg

Udo Vohl³
Councilman, City of Duisburg

Bernhard Waltenberg³
Technical employee,
duisport packing logistics GmbH, Duisburg

¹ Chairwoman of the audit committee.

² Vice-Chairwoman of the audit committee.

³ Member of the audit committee.

“The Port of Duisburg has had a long and exciting history. And even after 300 years, it is not showing any signs of fatigue. On the contrary: There is still so much to do.”

Erich Staake, Chief Executive Officer of Duisburger Hafen AG

The lead role of culture in the port's anniversary

300 Jahre
Duisburger
Hafen

Commerce and culture, the two pillars of societal growth, are closely linked – much more frequently than some observers might expect. This is highlighted by a look back to the 300-year anniversary of the Port of Duisburg: Among the more than 250 registered publications in the anniversary year, cultural events played a main role, particularly in the publications in local and regional media. At the same time, in-depth analyses and descriptions of the economic importance of Duisport often helped to significantly increase public understanding of the overall context: Major media such as FAZ, Die Welt, Handelsblatt, Wirtschaftswoche and – leading in the region – the papers of the Funke-Mediengruppe were contributors in this regard, as were BILD and the popular corporate publications (RAG, Evonik) and all key industry media for the logistics industry.



26 February to 13 May

Port "accents"

Right at the beginning of the anniversary year, the traditional "Duisburger Akzente" cultural festival already featured impressions of the port's development: Artists used the tools at their disposal to highlight what the "job engine" port means for the people and their lives in the region. "Nah und fern – 300 Jahre Duisburger Hafen" (Near and far – 300 years Port of Duisburg) was the motto. The special cultural event became reality after the head of the port, Erich Staake, and the company managed by him had supported "Akzente" in accordance with the occasion.



Book presentation in 2016 on the Karl Jarres from left to right: Michael Groschek (transportation minister of North Rhine-Westphalia until June 2017), Dr. Dirk Reder (Reder, Roeseling & Prüfer historical services agency), Erich Staake, Andreas Postert (illustrator of the children's book).



10 April to 10 July

Young piano talent from Marxloh

The situation was similar with respect to the Ruhr piano festival: In the anniversary year, the port company was the main sponsor of this globally unique exhibition of the best pianists. And it was not just fans of the big names that benefited. In the nature park Duisburg-Nord, students from Duisburg-Marxloh, who receive special support from the festival, played at a special concert of the "Little Piano School" festival campaign. The audience, which included parents, siblings and relatives, responded with great enthusiasm.



Professor Franz Xaver Ohnesorg and patron Erich Staake were excited about the distinguished program of the 2016 Ruhr Piano Festival.

2 May

Big history – also for the little ones

History enthusiasts welcomed the comprehensive chronology that was published by duisport in the spring on the occasion of its 300-year anniversary celebrations: a richly illustrated standard work that impressively describes the path from the first loading site for hard coal to the undisputed leading logistics hub in the center of Europe.

Students in the Ruhr region also welcomed a book present from the Port of Duisburg: "Port master Harry and the duisport time travel" is the name of the children's book with happy illustrations and short stories. It was extremely popular among the youngest of the Ruhr students.

2 May



Erich Staake and Michael Groschek, Transportation Minister of North Rhine-Westphalia (until June 2017), at the opening of the new bicycle tour through the Port of Duisburg.

“Port route” for biking enthusiasts

Also in the spring, thousands of route maps and eleven information tables were set up on the side of the road: Transportation Minister (until June 2017) Michael Groschek and port head Erich Staake opened the new 47 kilometer long “port route” on their bikes. The route turns the port into an experience for biking and hiking enthusiasts, and represents an anniversary present in terms of the local history.

Hannelore Kraft, Governor until June 2017

“The port was and continues to be an engine for the transformation of the region and also for North Rhine-Westphalia, Germany and Europe.”



27 May

Big art as a present for the city and the region

An exhibition featuring the works of the great sculptor and painter Prof. Markus Lüpertz in the Küppersmühle Museum in April was so successful that the exhibition was extended. And this was only the prelude for a really 'big' event: For the Duisburg port anniversary, Lüpertz, the former rector of the Düsseldorfer Kunsthochschule, created the sculpture "Echo of Poseidon", which is more than ten meters high. Since the festive unveiling by former Federal Chancellor Gerhard Schröder on 27 May 2016, this art installation on the Mercatorinsel has become the new landmark of the port and its city. Art enthusiasts from all over Germany make the trip to this location right beside the entrance from the Rhine into the port area.



Erich Staake, Gerhard Schröder (former Federal Chancellor) and Dr. Hans Rolf (attorney) in front of the unveiling of the Echo of Poseidon.

“The unveiling of the “Echo of Poseidon” is the **most beautiful event** in the 300-year anniversary celebrations for the Port of Duisburg.”

Gerhard Schröder, Former Federal Chancellor



Erich Staake also welcomed Wolfgang Clement (former Governor, former federal minister) to the festive unveiling of the art piece.



▲ Gerhard Schröder (former Federal Chancellor) and Prof. Dr. Walter Smerling (Director MKM Museum Küppersmühle).

▲ Sculptor and painter Prof. Markus Lüpertz created the more than ten meter high sculpture "Echo of Poseidon" for the port's anniversary; the sculpture was unveiled on 27 May 2016.



3 to 6 June

Ruhrort in flames

The first weekend in June was also the first time the monumental sculpture shone brightly in the reflection of the great fireworks which signaled the start of the traditional "Ruhrorter Hafenfest". The fireworks were also an anniversary present from the port company to its neighbors in Ruhrort and Rheinhausen, and the citizens of the entire city.

29 August

Trendsetter in digitization

More than 100 leading companies witnessed a discussion round in the Küppersmühle Museum, which was initiated by the IHK together with Duisburger Hafen AG: Two former governors, the president of the chamber and the Chief Executive Officer of the port, together with experts from industry and science, discussed various options for the future of the economy on the Rhine and Ruhr: The coming digitization transformation is unavoidable, agreed former Governor Wolfgang Clement and his successor Jürgen Rüttgers across party lines. That evening, port head Erich Staake announced that duisport would take its responsibility seriously and would also aim to take on a pioneering role in this development.

On the occasion of the port's 300-year anniversary, Duisburger Hafen AG and the Niederrheinische Industrie- und Handelskammer Duisburg-Wesel-Kleve invited participants to join them in the discussion round "Industry 4.0 – Potential and perspectives for industry and the logistics industry on the Rhine and Ruhr" at the end of August.



“The Port of Duisburg is to North Rhine-Westphalia and far beyond the state’s borders what the port of Hamburg is to northern Germany: a center of maritime technology and an innovation driver for the region.”

Burkhard Landers, IHK President

300 Jahre
Duisburger
Hafen

16 September

Big birthday gala with many big names

And then the big anniversary gala on 16 September. Federal Chancellor Angela Merkel had already agreed to join the festivities some time ago. But she was forced to cancel on short notice after the first EU special summit on "Brexit" was convened for the same date. The Federal Chancellor greeted the anniversary guests with a contribution on the first page of a special newspaper edition, which was distributed hot off the press during the gala with current photos from the early evening. The next day, readers of the Duisburger WAZ and NRZ editions also found the anniversary insert with pictures and reports from the port in their Saturday edition.



At the gala, Federal Chancellor Merkel was represented by Federal Transportation Minister Alexander Dobrindt, who was promptly delayed by a traffic jam on the autobahn. Dobrindt arrived at almost the same time as Governor (until June 2017) Hannelore Kraft. Port head Erich Staake and Duisburg's Lord Mayor Sören Link welcomed both individuals in front of the entrance to the pavilion.



Almost 500 invited guests from industry and science, politics and society came to celebrate the anniversary with Duisport. The federal state was represented by Landtag President (until May 2017) Carina Gödecke, the ministers (until June 2017) Garrelt Duin (Economy) and Michael Groschek (Construction, Transportation), the Chairman of the SPD state fraction, Norbert Römer, and Transportation State Secretary Michael von der Mühlen, the Chairman of the Duisport Supervisory Board. Ruhr bishop Franz-Josef Overbeck was also among the guests, as were the two former Governors Wolfgang Clement and Jürgen Rüttgers. The head of ThyssenKrupp, Heinrich Hiesinger, innogy SE head Peter Terium, Ronald Pofalla, member of the Management Board at Deutsche Bahn, and logistics market leader Klaus-Michael Kühne represented a veritable Who is Who of industry.



Together, they also witnessed another moving marriage of art and commerce right at the beginning of the event: The Duisburg Philharmonic provided live accompaniment to a seven-minute film featuring a quick succession of scenes from the exciting history of the Port of Duisburg. The concert for the film was a world premiere: Prof. Dr. Bernhard Eichner from Folkwang-Universität Essen had composed the suite in four sets especially for the anniversary evening.



Commerce and culture were again joined at the end of the evening: After the festive dinner, the port guests from industry and society experienced the illuminated "Poseidon" sculpture created by Markus Lüpertz for the first time: Everyone was moved and impressed.

18 September

The celebration of the duisport family

Two days after the gala, the Mercatorinsel and the pavilion were once again the destination for welcome visitors: The spouses and partners, children and grand-children of the employees of Duisburger Hafen AG were also invited to the anniversary celebration. Moderator Steffi Neu from WDR again moderated this family celebration in the same relaxed and cheerful style as at the gala.



11 December



And at the end a Christmas Market

As it did at the start ("Duisburger Akzente") and during the year (port route for bikes and the Ruhrorter Hafenfeste), duisport once again celebrated together with the citizens of the city at the end of the anniversary year. In this spirit, the first Christmas Market was held in logport I on 11 December – in the Bliersheimer Villenkolonie and in the premises of the Rheinperle Villa. The trombone quartet and the string quartet of the Duisburg Philharmonic ensured a pre-Christmas atmosphere, while the children listened to a reading from the children's book "duisport – A journey through time" and received presents from Santa Claus. The main attraction was the children's train, which traveled through a winter wonderland on a specially designed "snowy" route. At the same time, the adults had lots of time to purchase art works and Christmas accessories. At the end, the head of the port Erich Staake handed out EUR 2,500 each to the Evangelischer Binnenschiffahrtssdienst and Katholische Seemannsseelsorge (Protestant Inland Waterways Services and Catholic Seaman's Pastoral Care) – a calm ending to a moving anniversary year.

300
/ Jahre
Duisburger
Hafen

400 railway connections
per week to 80 destinations in Europe and Asia.

1,550 hectares
offer enough space for establishment of logistics operations.

130 cranes
with load capacity of up to 500 metric tons.

2 m. square meters of indoor warehouse space
offer ideal protection for especially sensitive goods.

20,000 ships & 25,000 trains
are processed per year.

45,000 jobs
are directly and indirectly dependent on the port.

8 container terminals
with a total of 21 gantry cranes handle more than 3.7 million TEU per year at the port.



The logistics center for global mobility

Vehicle parts for the global market

duisport is setting up a logistics center for DB Schenker on the Mercatorinsel in Duisburg. From there, DB Schenker will pack individual van components and vehicle components of Daimler AG and distribute them to production sites overseas. "We are developing into a competence center for the automotive industry," says Erich Staake, the head of duisport.



At the symbolic ground-breaking ceremony on the Mercatorinsel (from left to right): Erich Staake (Chief Executive Officer of Duisburger Hafen AG), Dr. Jörg Homering (Director Supply Mercedes-Benz Vans), Dr. Thomas Böger (Head of Contract Logistics/SCM at Schenker Deutschland AG) and Sören Link (Lord Mayor of Duisburg).

Record year for new additions

In its 300th anniversary year, the Port of Duisburg once more became a magnet for numerous logistics companies. A new record of 355,000 square meters were marketed in the port in the past financial year. Logistics buildings and office complexes with a total area of 180,000 square meters were built and offer companies plenty of room for the global handling of their goods via the Port of Duisburg.

As Europe's most important logistics hub and the world's largest inland port, duisport offers its customers state-of-the-art multimodal transportation connections and also a large spectrum of its logistics know-how. That is what makes the Port of Duisburg so attractive for multinational logistics companies. Today, duisport is an experienced and globally connected logistics service provider with the port at the center.

The current 2017 financial year will be characterized by one new important addition. Daimler will be handling automotive parts from its service provider DB Schenker for delivery abroad from Duisburg over an area of 50,000 square meters.

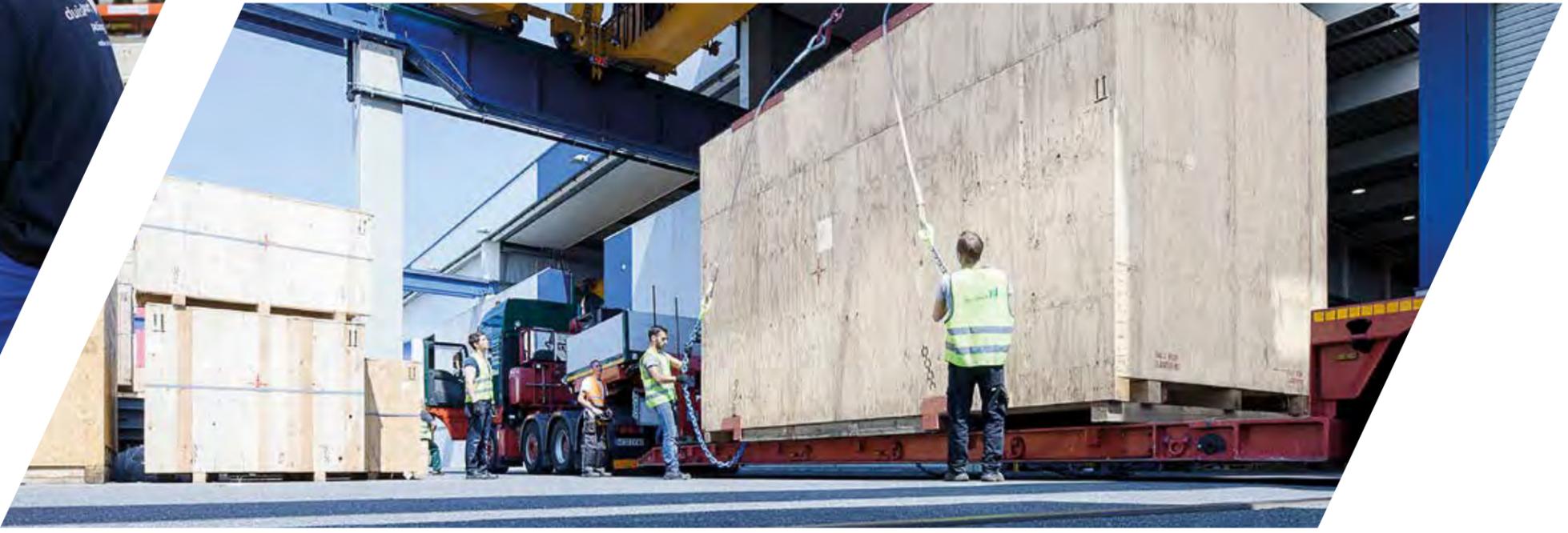


At the topping out ceremony in March 2017 (f. l.): Peter Chaljawski (Managing Director Chal-Tec), Michael von der Mühlen (Secretary of State, Ministry for Construction, Housing, Urban Development, and Transportation for the State of North Rhine-Westphalia until June 2017), Michael Habacker (Executive Partner of Habacker Holding) and Prof. Dr. Christoph Landscheidt (Mayor of the City of Kamp-Lintfort).

A vibrant labor market

2016 over 1,000 new jobs

With the addition of new companies, the port continues to create considerable momentum in the labor market. More than 45,000 people from the region are directly or indirectly employed in the Port of Duisburg.



The port as job engine

The Port of Duisburg has led the creation of new workplaces in the Rhine-Ruhr region for many years. The successful addition of Fressnapf, Trinkkontor, NGK Spark Plug Europe, Steinhoff and Chal-Tec in 2016 created more than 1,000 new jobs in the Port of Duisburg.

In the region, the successful settlement strategy pursued by the Port of Duisburg is also creating momentum for the labor market. The region is already home to more than 45,000 employees whose jobs are directly or indirectly dependent on the port. This represents a growth of 26,000 workplaces since 2000.

For the year 2017, we expect several new additions that will create another 1,000 workplaces. Of these, more than 500 jobs will be created in connection with the addition of Daimler on the Mercatorinsel in Ruhrort.

A modern logistics building with approximately 15,000 square meters was built for trinkkontor BACHER-CARINA & STAMS GmbH (part of the Bitburger Brau-gruppe) in logport I.



With the new logistics center for Fressnapf in logport I, the company continues to implement its growth strategy. The Fressnapf Group is using the facility as an import warehouse for goods from Asia and North America.



Duisburger Hafen AG has also become an attractive employer in the region. The number of employees has increased from 210 in the year 2000 to almost 1,200.

In its role as employer, and by virtue of its successful settlement strategy for logistics companies, duisport continues to be the job engine for the city and the region.





eCommerce wrapped up

Chal-Tec branch office in Kamp-Lintfort

Chal-Tec from Berlin, a distributor of entertainment electronics products as well as products from the health, sports, household and gardening segment, was the first purely eCommerce company that was acquired as a large addition for a logport parcel.



“THE BRAND IS THE STAGE,
AND THE PRODUCT IS THE
STAR. THAT IS THE ONLY
IMPORTANT THING FOR US.”

COO Bernd Backasch at the Berlin headquarters.

A short interview with COO Bernd Backasch

It has been a long time since the start-up days of eCommerce pioneer Chal-Tec. But even after 12 years, that spirit is still alive and well at the company's headquarters in Berlin. While the consistently positive balance sheets are impressive, they are not the highlight of the company's profile. Chal-Tec's comprehensive autonomy from first product idea to market introduction is simply unique.

Almost three quarters of all internet users in Germany made an online purchase last month. Has the online business reached a peak for the moment?

B. Backasch: On the contrary. eCommerce has established itself in the wider society. But we are not primarily concerned with customer numbers. We want to improve the quality of the user experience as a whole. This goal gave rise to the idea of not just gaining control of as many parts of the marketing chain as possible, but doing so earlier in the process. Namely at the point the first idea for a product is created.

A successful online retailer who goes into product development. Not someone who sticks to what he knows?

B. Backasch: That is the last thing we want. Looking at the bigger picture is part of our company DNA. Over the years, during our observations of the market, we often had ideas for new products that did not yet exist. So we thought: We do it ourselves and thus have the possibility to flexibly design the individual product and furthermore we are not bound to any trade prices. Our own brands, our own products ... that was the birth hour of Chal-Tec as a brand incubator.

What is special about your product development process?

B. Backasch: The cost-performance ratio, for one. This is the idea that also gave rise to Chal-Tec – namely better products at affordable prices. It began with the first record player, which Peter (Chaljawski, founder of Chal-Tec) bought directly from the manufacturer and sold on eBay. And it is also an important aspect for our own brands. Premium products can be had anywhere on the Net, and the same goes for cheap goods. But it is not easy to get top quality from the elite high-price segment and make it available to a wider public. Having control of one's own product development process is a key factor in this regard.

Are there other special features?

B. Backasch: The aggregation of customer feedback across different online platforms – and the integration into our development and optimization work. Here, our autonomy is once again a valuable asset. Where possible, we already incorporate relevant information into the production of the next generation of a product. Product development and customer service are seamlessly linked, and create synergies that are unique in the eCommerce sector.

How do your online stores fit into this concept?

B. Backasch: That is where the user experience becomes complete. Peter (Chaljawski) recognized this trend very early on. Because today the product is the star, not the seller. It must offer more than just the ability to function. Even products for the necessities of life have become a part of the lifestyle circle. In this context, I like to talk about the third wave of eCommerce. During the first wave, it was all about the provider. The Amazons of this world. Then came the category killers ... Segment stores for one variety of products. The third wave is characterized by a strong focus on the individual product; its image and its ability to stand out from the unwieldy mass of available items. You also have to be able to look at user experience as a whole, past the point of sale. This is the idea that drives our store design. Product, content, customer.

Is that why your online stores are more well-known than Chal-Tec itself?

B. Backasch: The brand is the stage, and the product is the star. That is the only important thing for us.



What about young talent in your industry? Are you approached by start-ups?

B. Backasch: Yes. And I hope that this type of communication will increase. The contacts with up-and-coming developers and start-ups, as we once were, are important to us. We view it as an important breeding ground for new, mutual impulses and collaborations in the future. For this reason, we established our new innovation hub EIGHTPRODUCTS: an innovation platform for founders, tinkerers and creative individuals, who can take their product ideas to us. We then sit together, provide support with know-how and our infrastructure, and offer a platform for exchange and networking. In this way, young founders receive the required modules for realizing product ideas more quickly. In this context, we do not care whether we are approached by a university student, a young company or a foreign developer. Thanks to our wide range of experience, we think in interdisciplinary terms, and use words and deeds to look beyond the confines of pure marketing. That makes us very different from other eCommerce players.



Describe the support you offer in more detail.

B. Backasch: We establish individual partner programs. There are many different possible models, such as a model consisting of permanent employment with profit-sharing and design freedom. In other cases, we offer assistance with business concepts or with the globalization of already existing products. An important aspect in this regard: The idea remains in the hands of its innovator.

Chal-Tec was founded in Berlin in 2005. Today, the capital city is very trendy indeed; space is getting tight. Why did you stay here?

B. Backasch: Berlin only became a eCommerce hub once we had already been established for some time. And as earlier in its history, the capital city still stands for flexible thinking and a consistent willingness to reflect, which we value very highly. Once we have established a new process, there is no need to endlessly optimize it. But you also cannot rest on your laurels. In this regard, Berlin maintains an especially direct culture of constructive criticism that avoids cramping up or becoming personal. This is who we are. In addition, over the years we have formed networks that we would not want to miss. Many of our business partners and friends live here. Therefore our headquarters will remain in its current location.





And yet big changes are imminent. Your new merchandise hub is currently being built in the logistics areal logport IV in Kamp-Lintfort (North Rhine-Westphalia). Why did you decide on the Rhine-Ruhr region?

B. Backasch: *logport IV is superior in many disciplines. We viewed various potential locations in Germany. But one of the main factors in favor of the logport areal was the proximity to our logistics focus! Namely our customers in Germany, because the region on the Lower Rhine is a metropolitan area after all. But also our European sales markets, especially western Europe. And we value the short routes to the important ports, such as Rotterdam or Antwerp. The availability of trimodal connections is of special significance in this regard. It offers the required flexibility for the last few miles. Hence close to our sales markets and also close to the inbound. In the future, we will be using inland water vessels as a resource-conserving and environmentally-friendly transport carrier. And not least, we can draw on already existing networks for our work at the new warehouse location. There are numerous competent partners and highly-qualified employees, which we need urgently. A total of 200 new jobs will be created as a result. A location offering such a large number of advantages is fairly rare these days.*

Are there already packages in the new warehouse?

B. Backasch: *We are officially in the test operations phase. The handling volume will then be gradually increased. With the second section, which is transferred in November, all buildings will be available. Finally, we intend to run the entire Chal-Tec handling volume through the new location as of mid-2018.*

What do you expect from the new location in the future?

B. Backasch: *In the end, more quality for our customers. We think that especially in the world of shipping-oriented eCommerce, the interface between warehouse logistics and shipping is one of the decisive factors for a positive customer experience. Both segments must be optimally linked to deliver the best possible results. We are very satisfied with all of our products. And we also want to practice this results-oriented autonomy at the new location in the future. Ideally, at the end of all our processes is a satisfied customer holding a high-quality product. And even if we are a little bit proud of our performance, there is still a lot of work to be done.*

Thank you for the interview.



More space for the logport family

Container terminal in Duisburg-Walsum

Now that logport I to IV have been successfully marketed, logport VI in Walsum is now the second-largest duisport project after logport I in Rheinhausen. There is still considerable demand for additional logistics space. Therefore duisport will prepare additional logport locations for its customers.



The logport family on the path to success

The success story of the logport brand continues. To date, duisport has developed four former industrial brownfield sites in Duisburg and the region, and has developed them into successful logistics centers. The marketing for logport I to IV is almost complete. What began with logport I in Rheinhausen in 1998, is currently continued with logport V in Oberhausen and logport VI in Duisburg-Walsum. The globally connected port needs additional space for further expansion. That is why it is already pushing ahead with the expansion of the logport family to 12 locations in the region.

logport I in Duisburg-Rheinhausen

Several new companies settled in logport I in 2016. The Fressnapf Group, the European market leader for pet supplies, built an import warehouse for handling goods from Asia and North America over an area of 47,000 square meters.

Trinkkontor Bacher-Carina & Stams, a subsidiary of the Bitburger Braugruppe, provides services for the food service sector and beverage markets over an area of 35,000 square meters. Chemical logistics company Greiwing, which settled in logport I in 2005, doubled its current warehouse space by 37,500 square meters to a total of 80,000 square meters.

Therefore logport I stands for a successfully completed structural transformation. Following the closure of the Krupp steel works, 50 leading international logistics companies have settled on the 265 hectare parcel since 1998, creating more than 5,000 new workplaces in the process.

“THE PORT OF DUISBURG
IS AN EXAMPLE OF
SUCCESSFUL STRUCTURAL
TRANSFORMATION.”

Armin Laschet

Governor of the federal state of North Rhine-Westphalia (since June 2017)

logport IV in Kamp-Lintfort

duisport and RAG Montan Immobilien established the joint venture “logport ruhr GmbH” for the revitalization of former mining areas. The first joint project was the conversion of the former coal storage of the mine in Kamp-Lintfort. The 30 hectare large brownfield was developed and marketed in record time: The site development plan was approved at the end of 2015, and within a year the premises were fully occupied except for four hectares.

The South African Steinhoff Group, a worldleading provider in the furniture industry, is building a distribution center for its Poco furniture stores over an area of 110,000 square meters. In the direct vicinity of Steinhoff, the Berlin-based eCommerce company Chal-Tec is building its main distribution center with an area of 100,000 square meters. Products from the entertainment electronics industry and the health, household and garden sector are distributed into 18 countries from Kamp-Lintfort.



The Steinhoff Group, one of the world's leading providers in the furniture industry and domiciled in South Africa, is the first company to set up operations in the logistics area logport IV in Kamp-Lintfort with its subsidiary Global Warehouse.



“AS A LARGE INDUSTRIAL NATION,
GERMANY DEPENDS ON RELIABLE
TRADING ROUTES, LOGISTICS CHAINS
AND THEREFORE ALSO MODERN
HANDLING LOCATIONS AS ONE
CAN FIND IN DUISBURG.”

Angela Merkel
Federal Chancellor



To expand its offering for intermodal transportation in Duisburg, GREIWIN logistics for you GmbH opened a new logistics warehouse in the Port of Duisburg on 1st September.

logport V in Oberhausen

logport ruhr GmbH, the joint venture of duisport and RAG Montan Immobilien, will also convert a former coal storage location in Oberhausen into a logistics center. The site development plans for the 30 hectare plot are currently being processed. The first logistics companies are expected to settle there starting in 2018.

logport VI in Duisburg-Walsum

After logport I, logport VI is the second largest project undertaken by Duisburger Hafen AG in the last 16 years. After the insolvency of the Walsum paper factory, duisport bought the 40 hectare plot, which is located directly on the Rhine in the northern part of Duisburg. It is supposed to become the new home of a container terminal that allows for the trimodal handling of goods. The dismantling works for the paper factory will be completed by the end of 2018. Demand for the premises, which offer trimodal connections, is brisk. duisport expects that logport VI will double the 280 workplaces created by the former paper factory. Accordingly, logport VI promises to become another beacon project in our logport family.



By working together, we achieve more

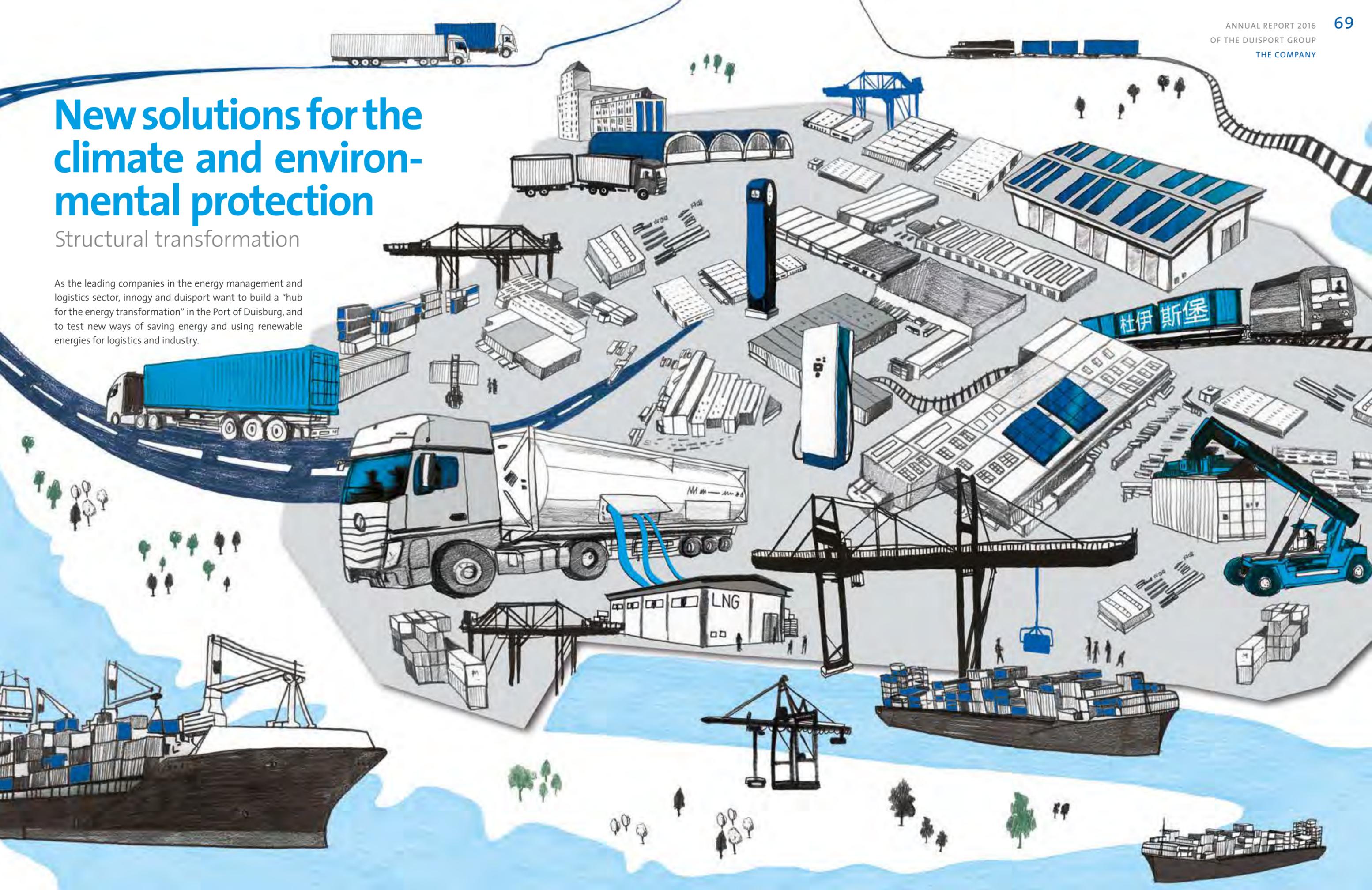
Cooperation with RWE and innogy

We use technical innovations to work on achieving environmentally-friendly and sustainable logistics processes. innogy, for example, wants to generate electricity photovoltaic films on buildings in the Port of Duisburg.

New solutions for the climate and environmental protection

Structural transformation

As the leading companies in the energy management and logistics sector, innogy and duisport want to build a "hub for the energy transformation" in the Port of Duisburg, and to test new ways of saving energy and using renewable energies for logistics and industry.





The objective of the joint venture is to develop the 50 hectares of open space that are currently available in the combination park Niederkassel-Lülldorf, and to market these premises with the aim of attracting production and logistics companies.

▨ Terminal area ▨ Area of development

Cooperation with Evonik in Niederkassel-Lülldorf

duisport and Evonik have taken an active interest in the combination park Niederkassel-Lülldorf near Cologne. In that location, dev.log GmbH – a joint venture of duisport and Evonik – is developing a 50 hectare plot for the settlement of production and logistics companies. A trimodal container terminal will be constructed directly on the Rhine. duisport will build the terminal that will be operated by an operator company that has yet to be established. The completion date has been slated for the end of 2019.



Sustainability projects with the partners innogy and RWE

duisport does not believe that environmental protection and economic growth are mutually exclusive concepts. Two years ago, we took the climate protection legislation passed by the state of North Rhine-Westphalia as motivation to develop our own energy and climate protection concept.

duisport operates a highly efficient intermodal transportation network. One project concerns the introduction of a traffic guidance system in the Port of Duisburg, which reduces traffic noise for residents. Intelligent traffic and logistics concepts provided by duisport and the logistics companies on location make it possible to shift a large portion of freight transport from the road to the alternative transport carriers rail and inland water vessel. In this way, we reduce the pressure on roads and autobahns by more than 100,000 truck journeys a year. We view climate protection as an integral component of all business segments, projects and activities. We recognized the importance of sustainable logistics early on, and combine it with technical innovations, an ecological transportation chain and the efficient use of space.

Together with innogy, we are working on innovative solutions for generating solar power and the use of electromobility in the Port of Duisburg. In cooperation with RWE, we are also building an LNG bunker and a distribution station for liquid gas in the port.



Together for the energy transformation: This was the motto under which Peter Terium, CEO innogy SE (left) and Erich Staake, CEO of Duisburger Hafen AG, entered into a future-oriented partnership.



Important young talent in the port

Promotion of young talent

duisport wants young and committed individuals to consider qualified training options. As part of the "Dialog mit der Jugend" program of the Initiativkreis Ruhr, duisport's Chief Executive Officer Erich Staake regularly informs youths from the region about the many activities in the Port of Duisburg.

Training along the logistics chain

We are proud of our apprentices, who support us in the competition for young talent. As so-called education ambassadors, they visit the schools in the region to promote training in the Port of Duisburg. As part of this program, which was initiated by the IHK, our education ambassadors talk about their personal educational experience in the following occupations: timber mechanics, storage logisticians, switchman and locomotive engineers, merchants for industry; freight forwarder and logistics services, and real estate.

For the purpose of meeting the digital challenges in the future, we will also begin a training program for "IT specialist for application technology". With this offering, we provide the entire training range in all relevant occupations within the logistics chain made available by us.

Training in the Port of Duisburg is carried out in line with the dual system, which means that training is provided both in the operational setting and also at school.

We have already been a part of the "Dialog mit der Jugend" program of the Initiativkreis Ruhr for years. As part of this initiative, duisport Chief Executive Officer Erich Staake answers questions about the port that are submitted by school classes from the region.

To promote young scientific talent, duisport also supports the Germany stipend at the University of Duisburg-Essen. A business management student is currently working in the Port of Duisburg and researches intelligent transportation systems. A win-win for both sides.

To ensure that we are able to continue the financial success story of the Port of Duisburg with good staff, we will increasingly rely on the strong support of our workforce in the future. With the program "Employees recruiting employees", we are introducing a new instrument for recruiting young talent this year. Those who are successful in recruiting a new employee will receive an award. And who better to convince others that duisport is an attractive employer with a future, than our own employees?



(Certified Educational Facility 2016)



Whether timber mechanics, switchman, locomotive engineers or merchants for industry – duisport offers various occupational training options along the logistics chain.

The Port of Duisburg once again assumed the patronage for the DRK Opera Gala in the year of the port's anniversary. Prof. Thomas Schlipköther opened the event with a speech. Among other cultural projects, the Duisburger Hafen AG also supported the „Little Piano School“ of the Ruhr Piano Festival.



duisport helps

duisport has always been aware of its social responsibility in society. Accordingly, in 2016 we supported almost 30 social and charitable projects, particularly projects for disadvantaged children and youth.

Some examples: The project “Young city district reporter” in Duisburg-Bruckhausen, which enables young migrants to improve their German language skills, has designed a booklet with handmade illustrations showing the 300-year history of the Port of Duisburg. And there was also an original rap composition about the port, which was put on YouTube by the kids. We lent our support with a donation.

In addition, similar to previous years Duisburger Hafen AG also supported the DRK Gala as a patron in 2016; all of the proceeds from this event go towards the work done by the DRK. The “Little Piano School” of the Ruhr Piano Festival for children also from migrant and refugee families, along with “Immersatt”, which guarantees needy children and youths a regular school breakfast, were popular initiatives.

At our duisport Christmas market on the logport I grounds, we sold 40 unique bags made by unemployed seamstresses from the fabric that was used for the unveiling of the “Echo of Poseidon”. The proceeds went to arts-therapeutic measures for the children in the care of the children's home Sankt Josef in Duisburg.

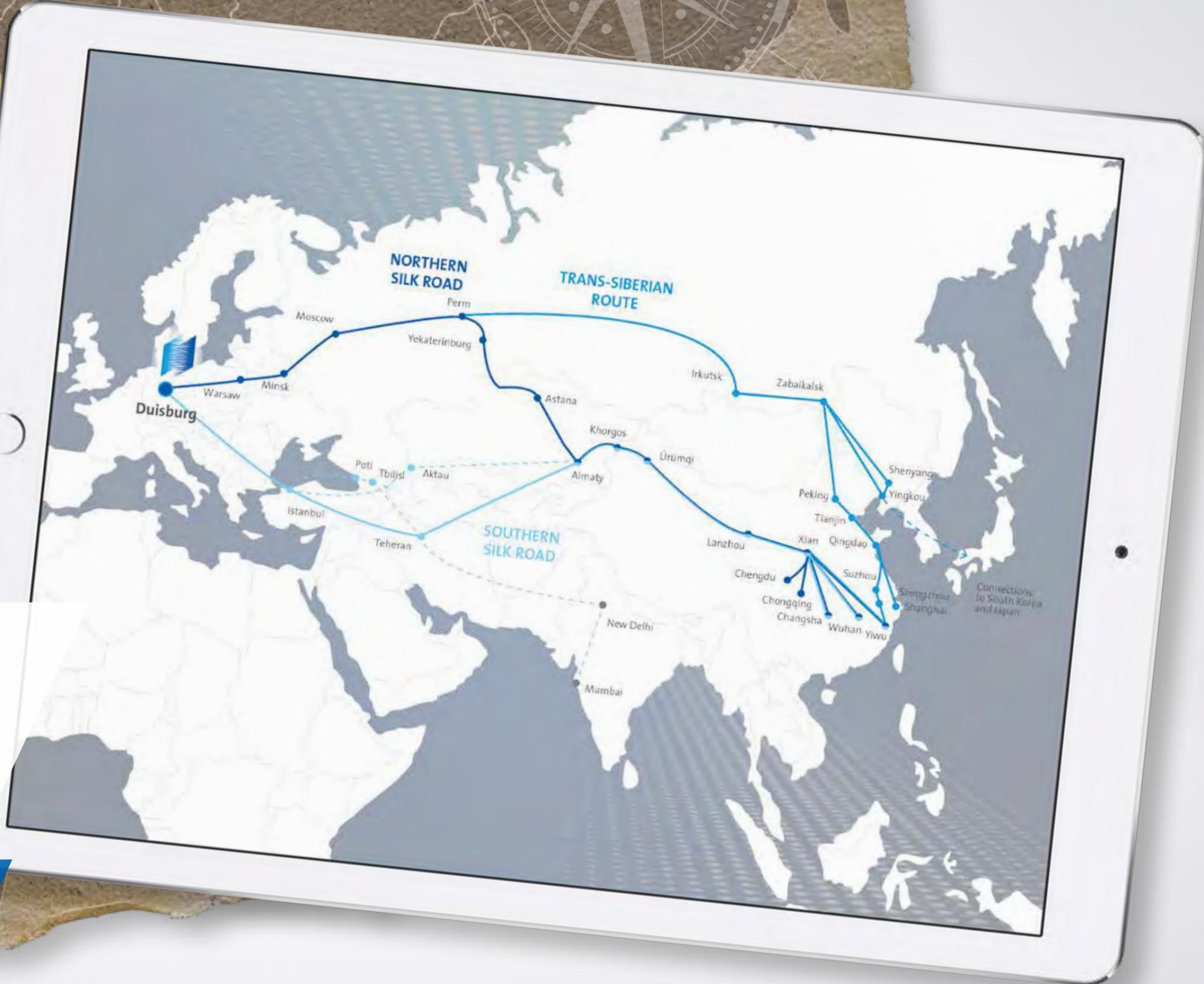
Logistics innovation platform

Logistics is Germany's top economic sector after the automotive industry and the retail sector. In the Rhine-Ruhr region, the logistics sector has grown into an outstanding job engine. In this case, the close linkage of industry and logistics has proven to be a locational advantage. At the same time, the continued growth of the region depends on its ability to push ahead with connecting industry and logistics in combination with high-performance digitization solutions. This is the promise offered by, among others, an innovation platform for start-up companies, which duisport is establishing together with industrial companies from the region in Duisburg's interior port.

The development of new and disruptive ideas and innovation is the strength of many start-up companies. The logistics innovation platform is designed in such a way that employees of established companies and founders of start-ups jointly use the premises of the innovation platform. This promotes the creation of new business models, applications and technologies. We expect that the companies at the location (and in the region) will derive longterm benefits from the ideas and developments of the young companies in our innovation lab.



duisports Chief Executive Officer Erich Staake met the Managing Directors of the start-up company parcelbox2go, Björn Marc Paulus (r.) and Oliver Maassen for an exchange of ideas in the port of Duisburg.



The successful way from West to East

New Silk Roads

For over 2,500 years the historic Silk Road was the only lifeline of exchange between Asia and Europe. Camels slowly carried the loads. Now China has brought back the connection even faster to a new life using modern container trains – over 10,000 kilometers were already mastered in around 12 days. duisport is participating at eye level in this as a partner on numerous projects along the new Silk road.



Signed a cooperation agreement to strengthen the transport of goods from China to Europe directly via Duisburg: Xun Tao, General Manager of Chengdu Industry Investment Co. Ltd. (front, left) and Erich Staake.

“We want to take advantage of this one-time opportunity in line with a smart and targeted strategy, in order to develop new, convenient and cost-effective opportunities for our customers and partners, and for Germany’s entire foreign trade. At the same time, the joint project also creates new perspectives for all companies and countries that conduct trade in the area of the Silk Road.”

Erich Staake, Chief Executive Officer of Duisburger Hafen AG



duisport's increasing importance for the global trade

Handling volumes and revenues at most of the world's ports are declining in growth momentum. In contrast, the same parameters in the Port of Duisburg continue to grow. duisport has obviously been able to expand its importance for the international exchange of goods and gain additional market share. On the one hand, this is the result of the early focus on a full-service offering of tailored logistics services. Added to this is the establishment of a dense regional and global network of combined transportation connections on rail, road or water.

The organization of hinterland transportation is one of duisport's strengths. As is the "transfer traffic" option: Smaller loading volumes, which may be heading to Italy for example, can be combined into new cost-effective collective cargo at the Port of Duisburg hub. In this way, general cargo still makes up around 50 percent of the entire handling volume.

Important industry partners and their logistics partners have settled in the Port of Duisburg with an eye on these locational advantages. Others now utilize the same options in the new "logports" that are established outside of the classic port area. The aim is to establish up to ten such multimodal logistics centers in the coming years.

How the "logport" idea works

The intelligent connection of transport carriers has resulted in growth, for example in connection with the chemicals industry: From Chemiepark Marl, for example, rail transports are leaving daily for Spain with growing success. Growth is also evident in the goods handling activities for retail companies, trailer transportation and in the container business. The business involving the consolidation and transport of vehicle components of German premium automotive manufacturers into the rest of the world also continues to grow. It has developed into a supporting pillar in the Port of Duisburg.

The strategic competence advantage qualifies the duisport Group for bigger tasks: It is the reason why decision-makers in China have selected the world's largest inland port as the start and destination point for one of the most important infrastructure projects of the last 150 years: People are talking about "the remeasurement of the global trading routes between Asia, Europe and Africa," emphasizes Erich Staake, head of the Port of Duisburg.

Quantum leap in goods handling

It concerns not just a moderate annual increase in freight rates on one single route, the "New Silk Road". Rather, it is a fully structured network of new rail routes with large efficient ports and logistics hubs at strategically meaningful interfaces. Where required and possible, ship transport, rail and road traffic are linked, and loading and storage capacities are expanded and made available. In the final result, the stakeholders are aiming for a quantum leap in the transcontinental handling of goods.

"One Belt, One Road" – this is the name given to the strategy by Chinese leaders since 2013. At this time, Duisburger Hafen AG is in the process of actively shaping the new infrastructure of the West-East exchange of goods with concrete agreements at eye level with the main partners in Asia and at other important sections of the route. This not only strengthens the role of North Rhine-Westphalia as the logistics centerpiece of the Rhine-Ruhr region and in Germany, but also increases duisport's central role in the European global trade, particularly on rail.



Today, more than 25 trains per week run between the Port of Duisburg and numerous destinations in China.

Increasing international connections with customers

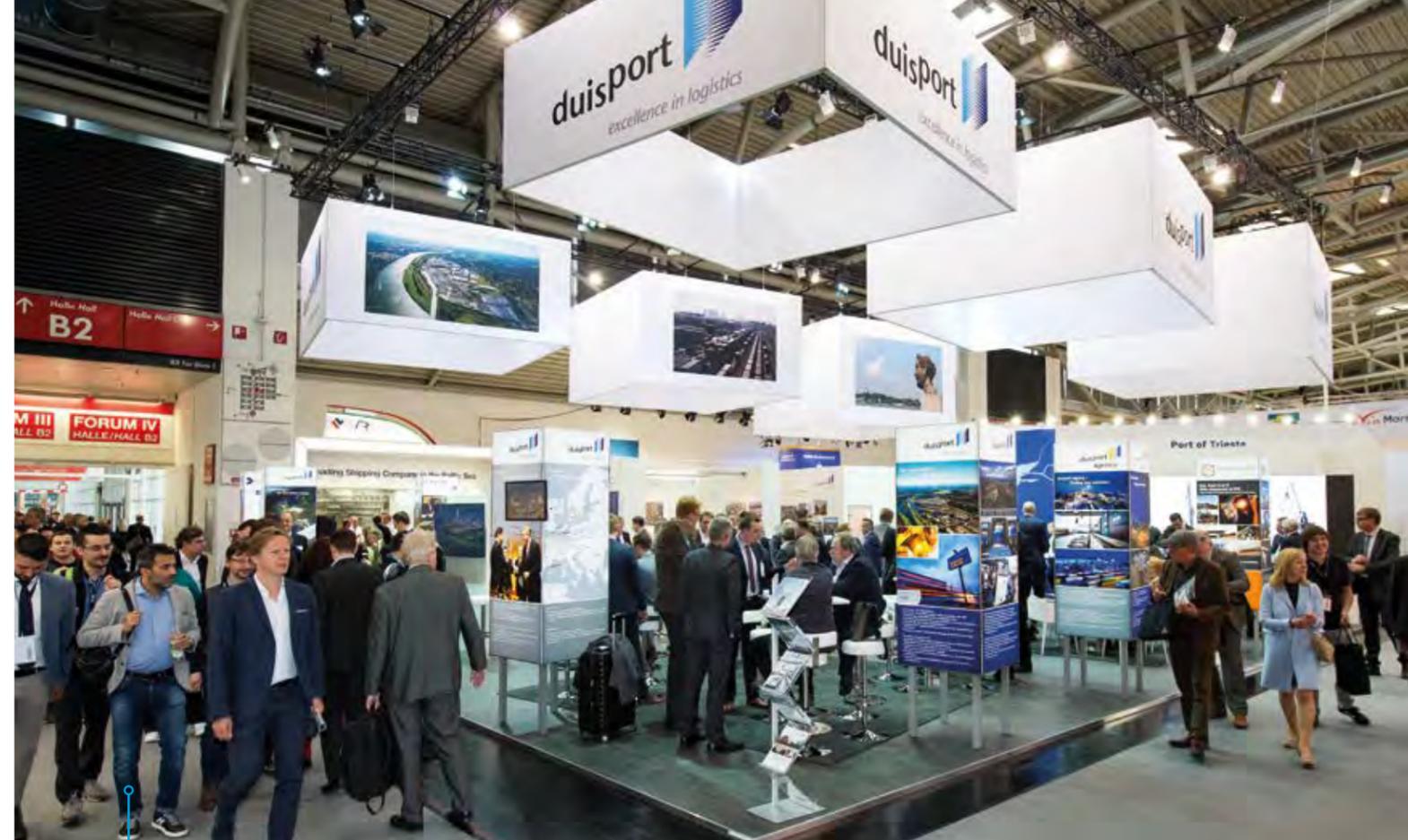
“We want to use this one-time opportunity in line with a smart and targeted strategy, in order to develop new, convenient and cost-effective opportunities for our customers and partners, and for Germany’s entire foreign trade. At the same time, the joint project also creates new perspectives for all companies and countries that produce and transport goods, and conduct trade in the area of the Silk Road,” says duisport CEO Erich Staake.

The traditionally close linkages with customers and partners in Europe will be strengthened and further expanded in this manner. The new viewpoint also expands the options for everyone – also in view of the contrary tendencies towards protectionism in some markets.

Expanding international contacts at trade fairs

The visitors at the important logistics trade fairs are keeping an eye on this development, for example at the world’s leading trade fair “transport logistic”, which took place in Munich from 9–12 May 2017. duisport was represented at the trade fair together with regional and international co-exhibitors as a provider of integrated logistics solutions at a 270 square meter trade fair stand. In addition to the main issue of the digital transformation, the growing collaboration for the development of the transcontinental connections proved to be a special visitor magnet: An especially large number of people wanted to speak to the experts from our Chinese partner China Merchants Logistics Holding, who could be found at our stand. The Chinese government has selected this company as the key actor for managing the One Belt, One Road strategy.

To further expand its network of contacts, Duisburger Hafen AG also attends international trade fairs (f. l.): The members of the Executive Board Prof. Thomas Schlipkötter and Markus Bangen.



With a trade fair stand measuring 270 square meters, the duisport Group was once again represented at transport logistic, the world’s leading trade fair for logistics, mobility, IT and Supply Chain Management, in Munich.

The interest shown at the “logitrans” Istanbul trade fair in the middle of November 2016 was similar. This trade fair plays an important role for logistics providers in southern Europe, the Middle East and Africa, and it is also increasingly directing its attention to the trading routes from and to Asia. duisport has been an exhibitor for years, and this time it focused particularly on the new cooperation with the leading Turkish logistics provider Arkas Holding S. A.. At this time, the joint venture of the two partners is developing a 200,000 square meter multimodal logistics area at the edge of Istanbul, which borders on the routing of the “South Silk Road”. A majority of the visitors to the trade fair shared the view that, regardless of current political developments, Turkey remains a key location for industrial and logistics growth developments and thus an important future partner for Europe.

Shortly before that, at the end of October to the beginning of November, companies and political discussion partners met at the Western China International Fair in Chengdu, the capital of Sichuan (14 million inhabitants in the capital city, and 90 million consumers in the region). In the last 15 years of the fair, a total of 46,800 companies presented their services, and 10,000 investment contracts were concluded. duisport once again participated in the trade fair and was of course a much sought-after destination as an integral part of the Silk Road plans.

Focus on China

The Silk Road: What began with a handful of weekly train connections in 2011 and 2012 has been steadily expanded since that time. Now, 25 trains travel continuously and reliably between China and Duisport every week, whereby the travel time has also been reduced to 12 days from a starting value of 19 days. Capacity utilization is growing steadily, as is the number of destination cities and provinces in China. Opportunities for further growth are good – not least because China has in the meantime become the global market leader in the eCommerce growth industry. Moreover, new contracts signed by Duisport and strong partners in China also open the door to far greater trading dimensions.

For example, Chengdu Railways and Duisport recently agreed to enter into a close collaboration in order to expand future transportation relationships in this up-and-coming region around the capital city of Sichuan. Of particular and steadily growing importance is the strategic cooperation with the logistics division of the state-owned China Merchants Group (CMG), which – with Vice-Chancellor and former Federal Industry Minister Sigmar Gabriel and current North Rhine-Westphalia Transportation Minister Michael Groschek in attendance – was also set out in a contract in 2016.

CMG (annual revenues approx. EUR 70 billion) is China's largest state holding and also the leading player in the expansion of the South Silk Road, which is supposed to reach up to the Mediterranean through Iran and Turkey. The largest logistics company in China is also working on expanding the connections to the industrial metropolises Chengdu ("China's Silicon Valley" near Chongqing), Wuhan, Changsha and fast-growing Yiwu. Duisport is a sought-after partner due to its special competence in the development of hinterland network traffic and multimodal logistics hubs.

At the summer trade fair in Chengdu in June 2017, existing contacts should be intensified, additional contacts made and contracts prepared. Chengdu, still unknown in the West, is one of the up-and-coming large cities in the province of Sichuan. It is greatly interested in direct and high-frequency train connections to Europe via Duisburg – a metropolis with a cosmopolitan flair, with a vibe and desire for growth that is reminiscent of Dubai.

Erich Staake (front right), Chief Executive Officer of Duisburger Hafen AG, signed cooperation agreements with high-ranking Chinese business partners (from left) Hu Zheng, Director of CMG, Zhang Rui, General Manager of CML, Zhao Huxing, Deputy Chairman of CMG, with Vice-Chancellor Sigmar Gabriel and North Rhine-Westphalia Transportation Minister (until June 2017) Michael Groschek (right) in attendance.



Activities along the new trading routes

duisport's cooperation is in high demand for various large projects along the South Silk Road. One example is the expansion of the logistics hub in the large city of Urumqi (western China). Works on a 700 hectare plot are progressing swiftly – a location that lends itself as a hub for the transactions of important duisport customers and partners.

At the same time, the operators of the already existing northern route of the Silk Road (through Almaty, Astana, Perm, Minsk, Lodz and Warsaw towards Duisburg) aim to develop at least one other logistics hub of a similar size on this route – here too duisport is part of the team as an equal partner.

Strategic hub Minsk

The Supervisory Board of Duisburger Hafen AG received a project recommendation that would significantly strengthen duisport's role in the further development of the Silk Road plan. In addition, industry and the logistics sector in North Rhine-Westphalia, Germany and central Europe would also obtain important new growth opportunities due to the growing trading options with China and all other stakeholders along the train route.

To talk about the participation in the „Great Stone“ project, Erich Staake (r.) and Michael Groschek (2nd l.), Transportation Minister of North Rhine-Westphalia (until June 2017), have welcomed the Belarusian government in the Port of Duisburg: Anatoly Sivak, Transport and Communications Minister of Belarus (l.) and Nikolai Snopkov, Deputy Head of Belarus' Presidential Administration (3rd l.), visited the Port.



The duisport Group is a participant in the development of the largest infrastructure project in Belarus, the "Great Stone" industry and logistics park in Minsk.

The Belarus government and China Merchants Holding have asked the duisport Group to participate in a "closed joint stock company" that began 25 kilometers from Georgia's capital Minsk, and to develop an industrial and logistics park of more than 91 square kilometers. It is supposed to be completed in several building sections by around 2030 as a special economic zone "Great Stone", with a 10-year tax exemption. High-tech companies, financial services providers and logistics companies are supposed to settle in this "GS Park"; the Chinese investors and the Belarus government also want to bundle the entire China-Europe traffic at that location. The park's location in direct vicinity to the East-West autobahn Berlin-Moscow and the existing East-West train connections also opens up new opportunities to create links to additional freight routes.

Progress with logistics hub near Istanbul

The preparations for the logistics hub near Istanbul, which is located directly on the future route of the new “South Silk Road” and which has already been contractually agreed in 2016, have moved forward another step. In this case, the responsibility rests with duisport and the largest Turkish logistics company Arkas Holding S. A., as part of a joint venture. The plot also offers considerable growth potential for suppliers and logistics companies from the two owner countries.

Cooperation with the port of Trieste

duisport is expanding its strategic cooperations surrounding the large Silk Road project. In June 2017, the European logistics hub duisport and Italy’s largest Adriatic port of Trieste entered into a cooperation agreement. As a result, Duisburg obtains better access to the maritime Silk Road, including the markets in Greece and Turkey, while Trieste is even better connected to the railway connections of the northern Silk Road through its connection with duisport.

The purpose of the “railport” joint venture is the development of multimodal logistics areas and intermodal services in Turkey. In this context, duisport plays a key role in assisting the development and operation of a more than 200,000 square meter multimodal logistics area near Istanbul.



Through this cooperation, the largest Italian sea port of Trieste and duisport combine their forces and strengthen the corridor between the two locations.

Through four climate zones with refrigerated containers

Future challenges with regard to optimizing the intercontinental long-distance traffic along the “Silk Road” include the harmonization of customs clearance and a reduction in the lead time, as well as the development of the refrigeration technology during the transport through a total of four climate zones. But many providers are already making use of the newest generation of refrigeration containers on their way between China and Duisburg. This facilitates the transport of additional goods (food products etc.).

At the same time, the routes are also being modernized: The stops that are currently required to change the track width will gradually be made redundant. This means that travel times of ten days will become a realistic scenario – which makes it much easier to maintain the cold chain in terms of technical aspects.

Particularly the German and European food industry and the extremely fast-growing eCommerce sector foresee great opportunities in the development of the transportation connections to Asia.

duisport is being asked to use its already existing know-how to help develop new global supply chains. Therefore a new large market is also likely to emerge in this sector.

Simplified customs clearance

Customs-related issues provide additional material for political talks: On the one hand, there are deliberations about simplifying the customs clearance process along the Silk Road through the introduction of uniform digital processes. In addition, there are also discussions about setting up duty-free “Rail Trading Corridors” along the routing. This is one of the concrete long-term goals that are to be achieved with the development of the “GS Park” near Minsk.

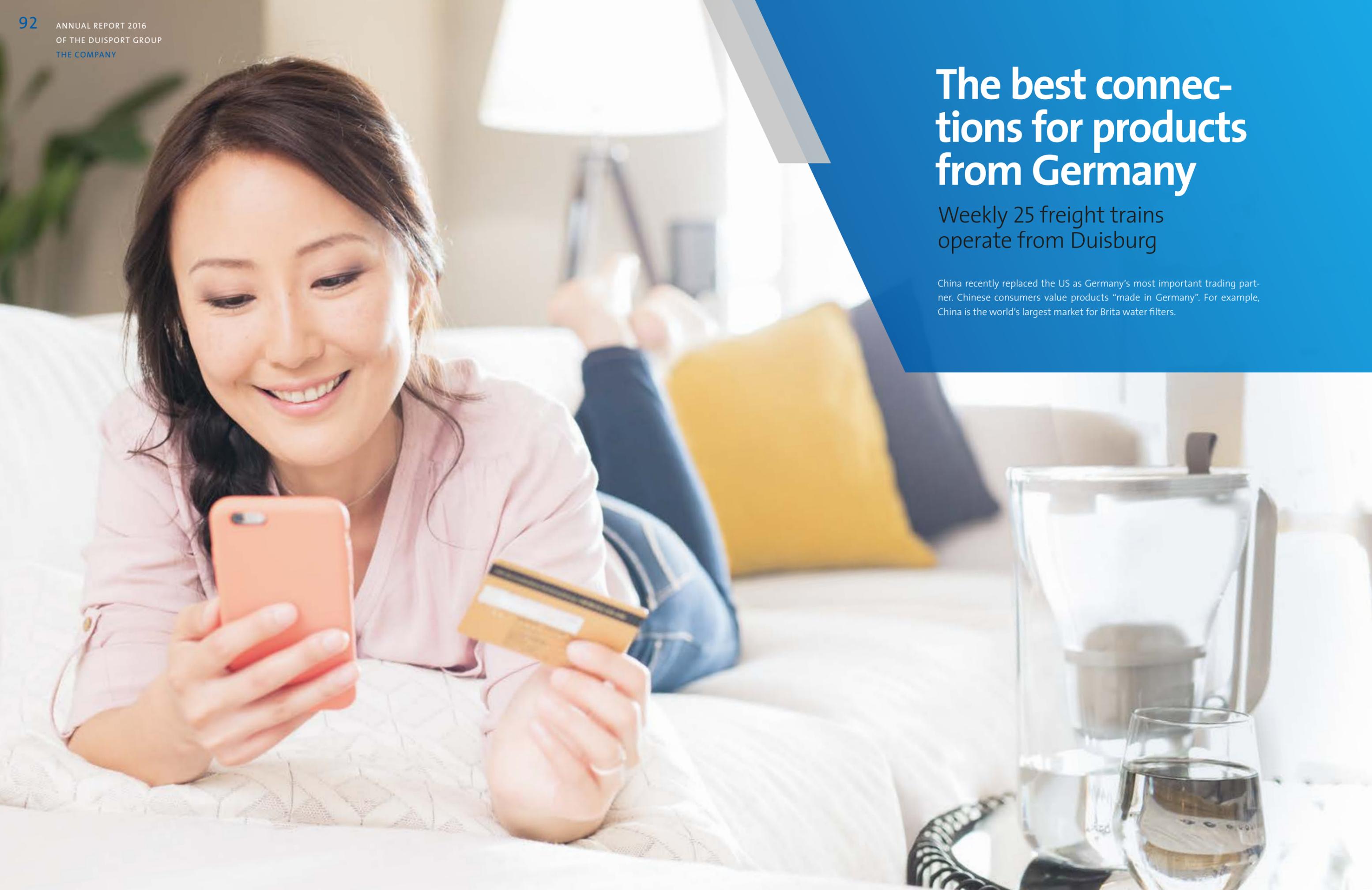
Activities in India

New perspective for additional route connections between India and the “South Silk Road” have also been considered more recently. The development of a logistics hub, for example near the Indian capital New Delhi, is currently being discussed as a first step. Here too, duisport is part of the discussions as an advisor and a strategic partner.

The best connections for products from Germany

Weekly 25 freight trains operate from Duisburg

China recently replaced the US as Germany's most important trading partner. Chinese consumers value products "made in Germany". For example, China is the world's largest market for Brita water filters.



“Building bridges” instead of protectionism

“Where there is trade, there is no war” – this old political insight gains in importance during a time that is characterized by a new emphasis on national objectives and the call for more protectionism. In the middle of May 2017, the Chinese government set a new global accent in this regard. It invited more than 100 countries to a conference in Beijing, at which President Xi Jinping introduced the culmination of the “Silk Road” project: China plans to spend thousands of billions to bring new life to the historic trading routes. The program is considered the world’s largest investment in modern infrastructure since the American Marshall Plan, which returned western and central Europe to growth after the Second World War.

To this end, China pursues a trade agreement with as many neighboring states as possible. But obviously nobody expected that they would agree directly without additional negotiations. The required agreements regarding the different general conditions will take some time. But the Duisport Group has the home field advantage of being able to play an active part in shaping the development of this generational project from the beginning. In this context, the well-practiced ‘doubt’ mentality of our “Old World” comes up against the willpower and imagination of a nation that claims a leadership role and that reinterprets the motto ‘think big’ in a real vision.



“LAST YEAR, THE WORLD BANK SELECTED GERMANY AS THE WORLD’S **LOGISTICS CHAMPION**. HIGHLY-EFFICIENT PORTS SUCH AS THE PORT HERE IN DUISBURG PLAYED A BIG PART IN THIS DEVELOPMENT. THE PORT OF DUISBURG IS AN IMPORTANT LOGISTICS HUB FOR GERMANY AND SECURES WORKPLACES IN THE REGION.”

Sigmar Gabriel
Vice-Chancellor of the Federal Republic of Germany



“一带一路”国际合作高峰论坛 BELT AND ROAD FORUM FOR INTERNATIONAL COOPERATION

2017年5月14-15日 中国·北京

14-15 MAY 2017 BEIJING, CHINA



Xi Jinping, President of the People's Republic of China, mid-May in Beijing: China's Belt and Road Forum for International Cooperation (BRF) was a key event for China, showcasing its signature economic and strategic policy as well as the Belt and Road Initiative (BRI) which aims to support regional connectivity and infrastructure in Southeast Asia, Central Asia and Europe.

Free trade between Europe and Asia

In front of the doors to the Port of Duisburg, the roles changed even before the Brexit vote in the UK and the elections in the US: China is already Germany's most important trading partner, before the US. This does not reduce the importance of the Atlantic partner, but it does put the concerns about the possible consequences of new trade barriers in the West into perspective.

North Rhine-Westphalia is already home to almost 1,000 Chinese companies or companies with Chinese holdings. The Chinese community on the Rhine and Ruhr is 30,000 people strong. And the University of Duisburg-Essen is the university with the most Chinese students in Europe – a potential that Duisport plans to develop in a pro-active manner to create additional benefits for the location.

In fact, against this background the expansion of trading relationships with a continued fast-growing Chinese partner and the entire Asian market has turned into a trump card of renewal in the hands of Duisburger Hafen AG: It was 301 years ago that the building of the first dock for coal transports commenced – long before the start of industrial hard coal mining. Approximately 100 years later, Duisburg was the home port of the first shipyards for steam ships, which revolutionized transport, and not just on the Rhine. And now Duisport will become the European hub for the epochal project of an integrated land connection for open trade between Europe and Asia.

In this way, the Port of Duisburg offers its neighbors probably the most reliable growth perspective of our time, in addition to strengthening the logistics job engine and the expansion of the “logport” family: a hope for the future of Duisburg, North Rhine-Westphalia, Germany and all of Europe.

Evidently things have not changed all that much since the times of the old Silk Road and the Hanseatic League: The peaceful exchange through trade helps to build bridges between people and culture. It changes the world and it probably remains the most realistic alternative to protectionism and nationalism. The Port of Duisburg stands for this form of bridge-building – even in year one after its 300th anniversary, and far beyond that.

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Group Report and Management Report

I. FUNDAMENTALS OF THE GROUP

Duisburger Hafen AG (DHAG) is the holding and management company of the Port of Duisburg (duisport). As the leading logistics hub in Central Europe and the gateway to the European markets, the world's largest inland port offers efficient and multimodal connections to global freight transport flows. In this context, the combination of an advantageous geographic location, good local conditions and comprehensive logistics know-how form the basis on which the duisport Group, as a partner to industry and the logistics sector, contributes to optimizing transportation chains for managing supplies to industry and trade.

The comprehensive range of services offered by the group with its divisions "Infra and Superstructure", "Logistic Services" and "Packaging Logistics" extends from customized settlement management and the development of integrated port and logistics concepts to intermodal transport services and specialized industrial goods packaging.

The port company, the companies that are based in the port and the logistics companies in the region currently employ more than 45,000 people (directly and indirectly). This figure is more than double the amount of just 15 years ago.

Beteiligungsverwaltungsgesellschaft des Landes Nordrhein-Westfalen mbH owns two-thirds of the company's shares. One-third of the shares is held by the City of Duisburg.

II. FINANCIAL REPORT

1. General conditions

According to the information provided by the International Monetary Fund (IMF), the global economy grew by +3.1% in 2016, which represents a marginal decline of -0.1% compared to the previous year. Whereas economic developments during the first half of 2016 were still dominated by the UK referendum, the global economy nevertheless settled near the previous year's level during the second half of the year. The reasons that are given for this development include the recovery of financial and oil markets, production growth in developing countries and more positive developments in the EU region. In that context, it was possible to compensate for the weaker growth in the US (only +1.6%, versus 2.6% in 2015). Growth in the Euro zone reached +1.7%, which represents a decline of -0.3% compared to 2015. The main drivers continue to be China (+6.7%) and India (+6.6%), although growth in these two countries has also been declining over the previous years.¹

According to the Federal Statistics Office, Germany's economic activity continues to be characterized by steady and solid growth. The (adjusted) GDP grew by +1.9% in 2016, which is +0.2% higher than in the previous year.² This development was driven mainly by private consumption and investments in the residential building sector.

While the number of employees in the German logistics sector remains stable at approximately three million, according to the Bundesvereinigung Logistik (BVL), revenues grew by EUR 5 billion in 2016 compared to the previous year, reaching a total of approximately EUR 258 billion. This corresponds to a slight increase of almost 2% over the previous year. In the year 2016, Germany made up approximately 25% of the European logistics market.³

According to the Federal Statistics Office, freight transport in Germany registered another slight increase, as transport volumes grew by 1.1% compared to 2015, to 4.6 billion tonnes. This is the fourth year in a row that freight transport increased, mainly in the truck, sea vessel and aircraft categories. Rail traffic and the inland waterways sector, on the other hand, did not do as well as in the previous year. In terms of road transport, transport volumes increased by 1.5% to 3.6 billion tonnes, according to an estimate by the Federal Department for Transport and Digital Infrastructure (BMVI). This means that road transport continues to be the largest carrier segment at almost 79%. In the rail transportation sector, the volume of transported goods decreased to 361 million tonnes (-1.6%). The same applies to the inland waterways sector, which registered a decline of 0.8% to 220 million tonnes. This trend is due to the low-water period in the last quarter of 2016, which in turn had a positive effect on road transport volumes.⁴

2. Presentation of net assets, financial position and results

Results

The duisport Group was able to grow its sales revenues⁵ (including revenues from strategic investments) from EUR 217.3 million in the previous year to EUR 230.0 million in the reporting year (includes sales revenues from strategic investments in the amount of EUR 24.5 million), and thus significantly exceeded the range of EUR 215 – 220 million that had been forecast for 2016.

In 2016, the EBITDA⁶ improved to EUR 40.4 million (2015: EUR 37.3 million). In this way, net income has risen steadily and consistently for almost 20 years. The result before taxes is EUR 19.3 million, which is also higher than the previous year's value (EUR 17.1 million) and the forecast value.

230.0 m. euros
Sales revenues of the duisport Group in the 2016 reporting year.

In the Infra and Superstructure business segment, the duisport Group generated revenues⁵ of EUR 48.6 million (2015: EUR 48.4 million). As in the previous year, this stable level is almost entirely due to fully leased industrial building space. In addition, new leases and rent adjustments also contributed to this development.

In the "Logistic Services" business segment, revenues⁵ increased by 4.4% in 2016 to EUR 78.9 million (2015: EUR 75.6 million).

The stable revenues generated by duisport agency GmbH in the freight forwarding and transportation sector are a key reason for this positive trend. Compared to the previous year, the company was again able to grow revenues from transport fees. Higher sales revenues by IPS Integrated Project Services GmbH in project logistics, and increased project services by duisport consult GmbH also contributed to the positive rate of revenue growth in the Logistic Services business segment in 2016.

¹ IMF World Economic Outlook Update from 16 January 2017.

² Federal Statistics Office press release no. 010 from 12 January 2017.

³ www.bvl.de/wissen/bedeutung-fuer-deutschland

⁴ Federal Statistics Office press release 057 from 17 February 2017.

⁵ Sales revenues including own work capitalized and change in stocks.

⁶ Earnings before interest, taxes and depreciation/amortization for goodwill and other assets.

The Packaging Logistics business segment recorded revenues⁵ of EUR 73.1 million in 2016, which represents an increase of EUR 3.9 million over the previous year (EUR 69.2 million). This increase is mainly due to significantly higher business volumes at Holz Weinzierl Fertigungen GmbH & Co. KG. In addition, this was also the first time that BREEZE Industrial Packing GmbH was included in the consolidated financial statements for an entire financial year. Sales revenues by duisport packing logistics GmbH declined against the background of a difficult market environment and intense competition.

Net assets

In the past financial year, the duisport Group invested EUR 18.3 million (2015: EUR 19.9 million) in fixed assets and financial investments. In addition to projects for increasing the capacities of existing logistics facilities, investment activities in 2016 focused particularly on the acquisition of a former paper factory in Duisburg-Walsum. This industrial space is now developed into a modern, trimodal logistics location ("logport VI").

Industrial facilities of EUR 5.3 million were also transferred in line with this acquisition; they are reported in current assets. The aim is to sell the facilities for the best possible price, so that the resulting funds can be used for developing the logistics location.

Other funds in the amount of EUR 8.0 million (2015: EUR 7.7 million) were used in 2016 to maintain the performance of the infra and superstructure in the Port of Duisburg.

In 2016, a total of EUR 31.6 million was invested in securing the port's future viability. Accordingly, the already high future-oriented use of funds in the year 2015 grew by another 15% in 2016.

The earnings position of the duisport Group, which has been stable for years, is the result of the long-term investment policy in Duisburg and the region, and the international activities. In addition, it also reflects the successful settlement of international customers and logistics providers in the Port of Duisburg. The consistent enhancement and expansion of customer-focused services represents another driver for success.

Total assets for the group rose by 6.5% from EUR 349.1 million to EUR 371.8 million.

In the infrastructure business, assets are mainly of a long-term nature in the form of land, buildings and port infrastructure. Investment intensity declined from 84.8% to 79.3% against the background of the increase in total assets.

371.8 m. euros
The total assets of the duisport Group increased by 6.5%.

Current assets rose in 2016 to EUR 76.5 million (2015: EUR 52.3 million) in line with the expansion in the business volume in all segments. On 31 December 2016, the equity ratio of the duisport Group was 37.1% (31 December 2015: 37.7%). Compared to the previous year, net bank liabilities (including marketable securities classified as current assets) declined by EUR 11.1 million.

Financial position

The loan conditions that form the basis for the duisport Group's loan portfolio have remained virtually unchanged from the previous year. The cash flow statement shows that the positive cash flow from current activities in the amount of EUR 33.0 million was used to cover fund outflows from investing activities in the amount of EUR 12.0 million and financing activities in the amount of EUR 0.3 million. The remaining amount had the effect of increasing the amount of cash and cash equivalents.

Duisburger Hafen AG

The individual financial statements for Duisburger Hafen AG report sales revenues of EUR 39.4 million, which is EUR 7.0 million higher than in the previous year and therefore in the upper end of the range of EUR 35–40 million that was forecast in the previous year. Net income of EUR 9.4 million is also above the level forecast in the previous year.

The increase in revenues is primarily due to the reclassification of intragroup services from other operating income into sales revenues as a result of the revision of the Accounting Directive Implementation Act (BilRUG).

The improved operating result includes EUR 1.3 million from the sale of property and EUR 0.4 million from the write-up of an investment. In addition, the annual result was also positively influenced by the improved interest income and the higher investment income.

The equity ratio in the individual financial statements for Duisburger Hafen AG continues at the high level of the previous year at 36.4% (2015: 36.6%). In this vein, the volume of equity capital, which increased in absolute terms, is accompanied by higher total assets.

2.1 Infra and Superstructure business segment

The Infra and Superstructure business segment includes the leasing of commercial and industrial premises and also the rental of warehousing areas and other superstructure facilities.

27.7 m. euros
Revenues⁵ from the rental of commercial and industrial premises.

Within this business segment, in 2016 the Infrastructure segment generated sales revenues⁵ of EUR 27.7 million (2015: EUR 27.2 million) from the leasing of commercial and industrial premises.

In the Infrastructure segment, a total of approximately 300,000 m² were marketed with regard to Duisburger Hafen AG (DHAG) and Hafen Duisburg-Rheinhausen GmbH (HDR) during the 300th anniversary of the Port of Duisburg. Added to this figure are premises of approximately 205,000 m² that were marketed at logport ruhr GmbH on the logport IV area in Kamp-Lintfort. This is a record amount of space that has been marketed, resulting in approximately 1,000 direct workplaces. As a result, the duisport Group continues to be an important job engine in the City of Duisburg and in the region.

Of the premises marketed by DHAG and HDR, approximately 128,000 m² represent areas that are marketed for the first time. For example, a globally leading manufacturer of spark plugs and glow plugs was acquired for premises of approximately 67,600 m² in Duisburg-Kaßlerfeld, creating approximately 150 new workplaces. A leading German producer of asphalt and natural stone also settled over an area of approximately 15,000 m² in the Port of Duisburg in 2016.

Approximately 162,000 m² of the space that was marketed concerns properties that were subsequently marketed following a change in tenant. For example, in the summer of 2016 Europe's market leader in the pet industry acquired an approximately 47,200 m² parcel at logport I for the construction of a new import warehouse for goods from Asia and North America. Moreover, an Asian logistics company also moved into an existing building of HDR (approximately 8,000 m² warehouse space) on a lot measuring approximately 13,000 m².

A smooth transfer of operation was also made possible on an approximately 30,000 m² large property in Duisburg-Kaßlerfeld with the entry of a regional group of companies. The same applies to other properties and lease agreements entered into by DHAG and HDR.

2 million m²
of covered warehouse
space available.

Sales revenues⁵ in the Superstructure segment are comprised of the rental of warehousing areas and other superstructure facilities for logistics purposes. In the year 2016, revenues amounted to EUR 21.6 million, which is above the level of the previous year (EUR 21.1 million).

This is mainly due to the start-up of a second portal crane at logport III and the third portal crane in a terminal yard at logport I.

In total, the Port of Duisburg has access to more than 2 million m² of covered warehouse space, which is used by the approximately 300 companies that are based in the port.

2.2 Logistic Services business segment

The organization and optimization of transportation chains and the strengthening of the duisport rail freight hub are among the core components of the duisport Group's logistics services portfolio. It has successfully linked the transport carriers truck, ship and rail for many years, and also optimizes the assignment of resources and the financial effectiveness of transport performance in multimodal freight transport. In addition, the segment looks after numerous other components of key logistics tasks, such as project and contract logistics and real estate-related services ranging from construction consulting to building management.

The 4.4% growth in revenues in this business segment compared to the previous year is mainly the result of the stable contributions to revenues by duisport agency GmbH, and higher revenues in project logistics and the consulting and project business.

The total 2016 handling volume, including private commercial ports, for the entire Port of Duisburg was 133 million tonnes (2015: 129 million tonnes). The difference from the previous year is due to the handling-related increase at the private commercial ports of Thyssen-Krupp and HKM.

In 2016, the ports of the duisport Group handled traffic volumes of 66.8 million tonnes (2015: 68.5 million tonnes) with regard to the three transport carriers vessel, train and truck. This result was negatively influenced in the bulk cargo division due to the market-related weakness in the coal and scrap goods categories.

Lower handling volumes were also registered for the building materials category. This is mainly due to a one-time higher volume transaction in 2015.

The general cargo segment registered increases in combined transportation in 2016.



Container handling by ship and rail (including RoRo goods) increased from 16.8 million tonnes in 2015 to 17.0 million tonnes in 2016.

Transports of goods by ship improved to 16.2 million tonnes in 2016 (2015: 15.6 million tonnes). At 17.6 million tonnes, railway traffic was below the level of the previous year (2015: 19.1 million tonnes). Truck cargo (initial and final leg) generated a handling result of 33.1 million tonnes in 2016 (2015: 33.9 million tonnes).

Container handling

Including all transport carriers, container handling volumes in the ports of the duisport Group for 2016 achieved another record value of 3.7 million TEU (2015: 3.6 million TEU). Container handling by ship and rail (including RoRo goods) increased from 16.8 million tonnes in 2015 to 17.0 million tonnes in 2016.

Accordingly, the duisport Group was able to further expand its leading position as a central European logistics hub.

duisport agency GmbH (dpa)

dpa is the central marketing and sales company of the duisport Group. It acts as a service provider for all transport and traffic issues, which it solves by also using its own logistic services that are available at the site. The main tasks of dpa include the intensification of existing transportation connections and the establishment of new relationships with and through the Port of Duisburg, the optimization of transport and logistics chains, as well as sales, marketing and agency activities.

In the past financial year, dpa continued to expand its logistics network and strengthened rail offerings both at the intercontinental level and also in the major European corridors.

As part of the "One Belt, One Road" Silk Road initiative, the company entered into cooperative arrangements with Chinese companies in 2016 for the purpose of

implementing joint projects in the entire trans-Eurasian region. Today, more than 20 trains per week run between the Port of Duisburg and various destinations in China. The purpose of the Silk Road initiative is to improve China's connection to the markets in Western Europe, while at the same time improving the economies of central and western China. In the coming years, the company plans to significantly expand the volume of goods transported from China to Europe directly via Duisburg. duisport has been engaged in the large Chinese cities along the Silk Road Chengdu, Chongqing and Urumqi in the north-western part of the country for some time. It is expected that the cooperations that have been entered into in China will lead to considerably higher handling volumes in the Port of Duisburg in future years. Therefore, duisport will continue to expand its role as the leading transport hub for Chinese traffic in Europe in the coming years.

In 2016, dpa also consistently pushed ahead with the expansion of industry-specific as well as customer- and needs-oriented logistics offerings, including the establishment of a regular connection between Duisburg and the cities of Basel and Frenkendorf in Switzerland. Also in 2016, dpa developed a trimodal hinterland concept for the European market leader in the pet industry, which was a major component in the settlement of this customer in the Port of Duisburg.

With sales revenues of EUR 50.6 million in the 2016 financial year, dpa generated a net profit that exceeded the level of the previous year. Revenues were also near the previous year's high level.

dfl duisport facility logistics GmbH (dfl)

dfl focuses on providing logistic services in the Port Logistics business segment, and therefore, focuses on the handling operations of the various terminals and the loading of coal. In 2016, the company focused in particular on the further optimization of terminal activities at logport III and the automotive business at logport II.

A new crane management system for optimizing processes was set up for all six of the container crane facilities that are operated by the company, in order to improve availability and reduce costs.

In addition, the company was also successful in its efforts to continue to expand the distribution of desiccants under the trade name "duisbox".

In the 2016 financial year, the company generated sales revenues of EUR 12.8 million (2015: EUR 11.5 million), and a result that exceeded the previous year's figure.

duisport rail GmbH (dpr)

The public railway company dpr specializes in local and regional traffic. In this context, dpr carries out transport services for numerous regional rail shuttles. In 2016, the sales revenues generated by dpr consisted mainly of works management, route traffic, services such as loading port operations and weighing, as well as technical carriage inspections.

In 2016, dpr was able to continue to expand its range of services in the area of works management and wagon technician services, and also delivered route services with a high performance standard. Also in 2016, dpr consistently took advantage of the opportunities that arose from the further development of the Duisburg logistics location. Starting with the cooperation between the duisport Group and other logistics

locations, and the international network, dpr also developed customer-oriented services and implemented the same in a needs-appropriate manner.

For example, in 2016 the company entered into a cooperation agreement regarding rail transport with a well-known logistics services provider in the chemicals industry, in order to coordinate and optimize operating processes in company and regional transport.

The strategy of training technical rail staff at dpr's own operations, which was initiated in 2015, has been successful in setting a new trend, and will, therefore, be continued in future years.

In the 2016 financial year, the company generated sales revenues of EUR 10.3 million (2015: EUR 10.2 million), in the process achieving a slightly higher net profit than in the previous year.

duisport consult GmbH (dpc)

dpc develops customer-oriented port concepts, and in the development of its service offerings is supported by the expertise of the duisport Group and the operations of the Port of Duisburg. On this basis, the company delivers competent services in the area of studies/analyses, technical assistance, operational planning, technology and project management. The services offered by dpc are focused mainly on planning, construction management and project management activities.

In 2016, dpc carried out planning and building services for a large logistics complex in Krefeld as part of a customer order. This project concerned the construction of eight logistics buildings with a floor space of approximately 71,000 m². It became home to a trading company from Switzerland.

In 2016, activities by IPS were focused on a project in northern Italy consisting of the disassembly and transport of an entire gas and steam power plant.



On the approximately 30 hectare logport IV site in Kamp-Lintfort, dpc carried out extensive earth and improvement works. In addition, dpc also looked after planning and project management for five logistics buildings with an area of approximately 54,000 m² on behalf of a globally leading provider from the furniture industry.

In the 2016 financial year, dpc generated sales revenues of EUR 9.0 million (2015: EUR 6.6 million), and a higher net profit than in the previous year.

Heavylift Terminal Duisburg GmbH (HTD)

The Heavylift Terminal is jointly operated by duisport and a heavy-cargo freight forwarder. The terminal features a space of 20,000 m², which is used for the handling, temporary storage and packing of heavy cargo; in addition, assembly work is also carried out.

With its services, HTD offers an attractive range in the area of "extended workbench on the water". To this end, HTD supplies the entire infrastructure and also supports customers by including the product portfolio of the duisport Group.

At the same time, revenues and the result for 2016 were below the previous year's level due to sluggish capacity utilization, which in turn was due to market factors.

IPS Integrated Project Services GmbH (IPS)

IPS, a joint venture with Ferrostaal, is positioned as a project freight forwarder within the duisport Group. In 2016, activities by IPS were focused on a project in northern Italy consisting of the disassembly and transport of an entire gas and steam power plant. The project was defined by a multi-month assignment period, almost 4,500 tonnes of freight, and a

project scope that ranged from seaworthy packaging, pre-carriage to the shipping port and the entire sea transport.

With sales revenues of EUR 6.6 million (2015: EUR 5.7 million) in 2016, IPS generated a higher net profit than in the previous year.

2.3 Packaging Logistics business segment

The Packaging Logistics business segment of the duisport Group, which comprises packaging, logistics and services, is one of the leading special packing providers for the investment goods industry in Germany.

duisport's Packaging Logistics segment offers all-in-one solutions in all sizes, up to entire production facilities and factories. As the full-service provider for comprehensive packaging and logistics solutions with its own companies, branch offices and operational facilities in Germany and abroad, alongside packaging locations directly on site at the customers, the packaging business segment focuses on close customer proximity to develop and implement needs-appropriate solutions together with the customers.

In 2016, activities were focused on the optimization of business and IT processes to ensure the best possible support for existing and new customers in terms of quality, reliability and comprehensive customer-focused services.

The integration of BREEZE Industrial Packing GmbH, Hamburg, into the duisport Group was successfully completed in 2016. In addition to numerous synergy effects, which were realized in the duisport Group's packaging segment, the company was also able to acquire additional new customers.

On the international level, the company intensified its engagement in the Indian market, whereby activities in the past year were mainly focused on optimizing process flows. In light of the volatile market situation in China, which is expected to continue into the foreseeable future, the company decided to discontinue its packing activities in China using its own staff.

Despite intense price competitions, revenues in the Packaging Logistics business segment surpassed the previous year's level during the past financial year. This development was mainly due to an improved order situation at the packaging companies in southern Germany, while companies in North Rhine-Westphalia were faced with cautious demand on the part of machinery and equipment builders as a result of market conditions.

duisport packing logistics GmbH (dpl GmbH)

dpl GmbH is the largest individual company in the Packaging Logistics segment. It operates in the international market with a wide range of packing, storage and transport services. dpl GmbH is considered a market leader in the area of special packaging for the investment goods industry.

With locations in Duisburg, Essen and Sendenhorst, and state-of-the-art equipment, dpl GmbH has one of the most modern European packing operations for the investment goods industry, which also features a trimodal connection to the Port of Duisburg. The company operates additional sites in Antwerp, Krefeld, Kassel and Rotterdam.

In 2016, dpl GmbH faced a challenging market environment and numerous uncertainties. Slower economic growth in China and the emerging markets played a role in this regard, as did a lack of stimulus from the home markets. Added to these were special factors such as the continued Russian embargo and the UK referendum on the EU.

Operating in a very competitive market environment, dpl GmbH was not able to reach the revenue level⁵ of the previous year (2015: EUR 32.1 million), as the company generated revenues of EUR 29.8 million in 2016. A positive aspect is that dpl GmbH, despite the unfavorable market factors, was able to close the past financial year with a net profit that exceeded the previous year's value as a result of lean cost management measures as well as efforts to adjust and revise business processes.

dpl Chemnitz GmbH (dpl Chemnitz)

dpl Chemnitz is positioned in the east German states as a provider of export packaging for the investment goods industry. The company is a regional market leader, and continues to gradually expand its activities.

In 2016, dpl Chemnitz generated sales revenues⁵ of EUR 10.3 million, which surpassed the comparable previous year's level by approximately EUR 1.7 million. The net profit is at the previous year's level.

At the same time, this positive development cannot hide the fact that business activities continued to be negatively affected by the Russian embargo, which affects particularly machinery and equipment builders in eastern Germany due to the traditional customer relationships into eastern Europe. As a result, revenues at three existing customers in the high-voltage, tool machine and technology industry lagged behind expectations.

On 1 August 2016, the Schönheide location of the companies dpl Weinzierl Verpackungen GmbH and Holz Weinzierl Fertigungen GmbH & Co. KG was transferred to dpl Chemnitz. The geographic proximity between Chemnitz and Schönheide was the main reason behind this step, as it paves the way for increased collaboration and more flexibility in production.

dpl Weinzierl Verpackungen GmbH (dpl Weinzierl)

dpl Weinzierl is active in Munich, Offenbach and near Regensburg in the Sinzing region. At the Munich location, the company works mainly as an in-house logistics provider at a leading machine builder. This business continues to do very well. At the Offenbach location, cost measures had a positive effect. The business at the Sinzing location, with mainly medium-sized customers, was stable overall. The company generated considerable revenue growth with a large customer that is supported in conjunction with Holz Weinzierl Fertigungen GmbH & Co. KG.

Accordingly, with sales revenues⁵ of approximately EUR 13.9 million (2015: EUR 11.9 million) in 2016, dpl Weinzierl generated a higher net profit than in the previous year.

Holz Weinzierl Fertigungen GmbH & Co. KG (HWF)

HWF operates locations in Sinzing and Velburg (Bavaria). In the past financial year, the company moved into a new production building in Sinzing, which also contains new office premises for the commercial unit.

Business activities in 2016 were mainly characterized by the continued expansion in business relationships with two large customers that the company acquired in the previous year. Overall, the company increased its sales revenues⁵ by EUR 3.1 million (EUR 21.4 million; 2015: EUR 18.3 million). The positive result for the year also improved in 2016 compared to the previous year.

Omnipack GmbH (Omnipack)

At Langerringen (Augsburg), Omnipack activities are focused on ensuring supplies of boxes to a large customer in Munich, which is supported by dpl Weinzierl on the operations side. In the 2016 financial year, the company managed to further expand the share of sales revenues generated with businesses outside of the group by focusing on the expansion of the third-party business.

At Metzingen near Stuttgart, the company's activities center on the packing of export products for regional machinery and equipment builders. In this case, the sales volume increased over the previous year. Stuttgart, with its regional centers for the automotive and the machinery building industry, is one of Europe's main business locations, and is, therefore, of central importance to duisport's packaging business. The capacity utilization of Omnipack was further improved in 2016.

In the past financial year, the company achieved a positive result with sales revenues⁵ of EUR 3.4 million (2015: EUR 3.1 million), and significantly improved its earnings position compared to the previous year.

BREEZE Industrial Packing GmbH (Breeze)

Breeze is positioned in the northern German region as a provider of export packaging for the investment goods industry. At the Hamburg port, the company has a deepwater connection for the shipment of packaged goods. Hamburg is the major national port for handling general cargo. Breeze ensures optimum connections to the relevant traffic flows from and into Hamburg. Starting in Hamburg, the close cooperation also strengthens duisport's packaging operations, particularly those in Saxony and Bavaria. Therefore, the company's presence in Hamburg is particularly important to the duisport Group's Packaging Logistics business segment.

The innovative app technology was successfully implemented for a packing and export order for a large automotive group. For the tooling division of this company, components for presses were picked up from southern Germany, packaged and subsequently shipped to China via Hamburg.

With respect to sales revenues⁵, Breeze exceeded the previous year's value by EUR 1.3 million with sales revenues of EUR 4.2 million in 2016. The company's income situation was further improved with the successful acquisition of new and follow-up projects. Breeze closed the 2016 financial year with a positive annual result.

2.4 Shareholdings

In the 2016 financial year, the duisport Group maintained shareholdings in a variety of operating companies of terminals in the area of container handling, combined transportation and import coal handling, as well as a packaging company in France.

In addition, it is also driving the development and marketing of logistics parcels and properties in the Ruhr region through an investment in logport ruhr GmbH.

In addition, it has entered into joint ventures with partners from industry and business for the further expansion of strategic business fields.

2.5 Investments

The Port of Duisburg is one of the pillars of the economic structure and the labor market in the Rhine-Ruhr region. This is also confirmed by the 45,000 employees in the region who are directly and indirectly dependent on the port, including approximately 22,000 in Duisburg alone. Approximately 300 operations are based in the public ports of Duisburg.

The entire added value that can be traced back to the port is approximately EUR 2.8 billion.

This development is due in particular to the companies that have settled in the port over the last two decades, and ultimately is also the result of years of intensive investments undertaken by the duisport Group.

In the past financial year, the duisport Group invested EUR 18.3 million (gross) into fixed assets and financial investments (previous year: EUR 19.9 million). This amount is accompanied by investment contributions received in the amount of EUR 2.7 million.

The main investment focus for the year 2016 was the acquisition of the former paper factory in Duisburg-Walsum ("logport VI"). In this way, the success story of the 'logport' idea is continued and another beacon project is created in Duisburg.

Approximately 50 leading international logistics companies have settled at logport I in Rheinhausen since 1998, with more than 5,000 employees. A total of four logistics centers were and are being constructed in Duisburg, including three with direct access to water.

Another center – logport VI – is currently being built in the northern part of Duisburg. Transports of goods will be coordinated from road, rail and waterway on a trimodal basis on the almost 40 hectare large grounds. Once completed, it will be offered to companies in the "added value logistics" segment, in accordance with the water-ways, port and logistics concept of the state of North-Rhine Westphalia.

In addition, a logistics center is also being realized in Kamp-Lintfort, and another is planned in the Ruhr region. Moreover, an area of approximately 50 hectares is currently being developed for the settlement of production and logistics companies at the Lülisdorf site in the south of Cologne via the joint venture dev. log GmbH.

In the 2016 financial year, the duisport Group had an average of approximately 1,200 employees during the year, including apprentices and outside personnel.

2.6 Employees

In the 2016 financial year, the duisport Group had an average of approximately 1,200 employees during the year, including apprentices and outside personnel. This represents an increase of 5% compared to the previous year (1,050 employees). Qualified staff represents an important factor for the duisport Group in order to continue to strengthen and further expand the group's portfolio in the future.

In times of demographic change, recruiting strategies are playing an increasingly important role in human resource management. For this reason, the recruitment of skilled labor for the different business segments and the selection of committed young people for the eight apprenticeships that are offered across the company (including dual courses of study) form a central pillar for the company's success. The education of young people is a priority for the duisport Group. With an average of 40 apprentices in a variety of occupational groups, the company addresses its social and societal responsibility for inhouse training. duisport's educational activities were certified for the first time in 2016, and were also awarded the national seal of approval "Ausgezeichneter Ausbildungsbetrieb 2016" (Excellent Training Operation).

Also in 2016, the company continued to expand its personnel marketing activities, e.g. in the area of school cooperations.

Numerous external initiatives also contribute to promoting the exchange of know-how and increasing the visibility of duisport in terms of its attractiveness as an employer. A central starting point in this context is the cooperation with universities, since this is where intense competition for the best minds in terms of selecting future skilled and management staff takes place.

duisport participates in the Deutschland Stipendium, and promotes young students at the University of



Duisburg-Essen. To provide young talent with the best start in their career, duisport offers internships and trainee programs in different areas of the duisport Group.

In addition, the company also places great emphasis on the specific promotion and further technical development of its existing workforce, to ensure the long-term retention of employees. Human resources activities have the operational focus of identifying potential and promoting individual performance and development. The ability to balance work and family life is another important key area of human resources activities in the operation. In addition, the company aims to increase the number of women in the workforce, especially at the management level. Therefore, duisport has targeted the promotion of performance-oriented female employees.

duisport also emphasizes the use of preventative health management and continuous improvement in workplace ergonomics.

2.7 General statement on business performance

The year 2016 was characterized by overall low economic growth and on-going geopolitical uncertainties. Weaker economic growth in China and the Russian embargo in particular had a negative effect on foreign trade.

At the political level, uncertainty in the global economy was also driven by the referendum in the United Kingdom.

Despite this difficult environment, the duisport Group nevertheless managed to close the 2016 financial year on a successful note. The growth achieved by the company, but also the solid financial result are primarily due to the addition of new companies and the development of new international transport relationships in the rail cargo segment, for example into Turkey, Scandinavia or China.

In addition, the duisport Group's integral approach of bundling the different services of its different business segments into customer- and solutions-oriented service packages also represents a key success criterion for the ability to provide customers with needs-appropriate products.

duisport is the leading logistics hub of central Europe. During the course of the year, the company set a new record in the marketing of land parcels, which has generated almost 1,000 direct new workplaces in the region. A number of large additions means that the last available premises at logport I have now been filled, and most of the space at logport IV in Kamp-Lintfort has also been marketed following the addition of two companies.

The expansion of the logport family, such as the logport VI in Duisburg-Walsum, which offers approximately 200 hectares of new space for the coming years, provides the basis for further growth. Investor interest continues to be high, so that initial discussions have already taken place. This underlines the national importance of the Port of Duisburg for North Rhine-Westphalia.

III. FORECAST, RISK AND OPPORTUNITY REPORT

1. Risk and opportunity report

A balanced risk and opportunities profile, which includes the group's operational business processes and strategic direction, forms the basis for the value-oriented growth of the duisport Group. Risk management activities ensure that this profile is continuously adjusted.

The increasing trend towards digitization creates immense challenges for industry, especially medium-sized businesses. As a result, the logistics industry must develop solutions that support the transition of the industry and industrial processes into the digital world. duisport believes that cooperating with young companies and connecting researchers and innovators from the industry and science offers an opportunity in this regard. The continued positive growth of the region depends on its ability to push ahead with connecting industry and logistics in combination with high-performance IT.

A central building block in this context is the development of an Innovation Lab, which duisport is developing jointly with an industrial company from the region. It focuses on creating linkages between industry and start-ups to leverage innovation potentials for industry and logistics. The founder center with its premises in Duisburg's interior port will start in 2017. The development of new and disruptive ideas and innovation is the strength of many start-up companies. The aim is not only to promote the origination of new business models, applications and technologies, but also to enable companies at the location (and in the region) to benefit from the ideas and developments of the young companies. These activities will be carried out in close cooperation with scientific institutes, such as Fraunhofer IML.

duisport also sees opportunities in the application of big data technologies. In order to develop new approaches in the port context, duisport is participating in the EU research project "Transforming Transport – Big Data Value in Mobility and Logistics". Other partners in this EU beacon project include the University Duisburg-Essen and the port of Valencia.

The risk management system of the duisport Group meets the requirements under the stock corporation act for an early warnings system for existential risks in all aspects. The key elements of the risk management system have been combined into a directive that is binding on the group.

The risk portfolio of the duisport Group features 14 potential individual risks with a potential total loss of approximately EUR 42.6 million (2015: EUR 40.1 million).

The review period covers a period of three years. In line with the risk management process, these risks are reduced with the appropriate countermeasures, so that the potential total risk volume can be restricted to approximately EUR 30.1 million (2015: EUR 27.6 million). This corresponds to a risk potential of approximately EUR 10.0 million per year (2015: EUR 9.2 million).

The main individual risks are marketside risks, risks associated with the port's connection to the road system due to various infrastructure redevelopment works in the city of Duisburg and in the surrounding highway network, as well as risks from the potential increase in interest on borrowed capital.

The logistics industry continues to feel the sustained decline in rates as a result of an intensely competitive environment and strong price competition in the transportation markets. The general conditions for international trade are expected to remain tense into the foreseeable future, as key growth drivers of the global economy experience lower growth rates than in previous years due to political or structural problems.

duisport responds to changes in the economic environment by continuously adjusting to the respective economic environment and market conditions – while maintaining the required customer focus. duisport's activities always target sustained business growth, even in times of considerable economic challenges. This growth is ensured with the expansion of existing and the development of new transportation relationships, whereby the increase in market share on the basis of the duisport Group's stable financial situation is viewed as an opportunity.

The duisport Group is the largest infrastructure provider in the region. In this context, there are possible risks that leased premises must be prepared after being returned by the tenants, before they can be allocated to a new use. The resulting financial costs for the duisport Group have been mostly minimized through agreements with the tenants, which include an obligation on the part of the tenant to restore the original condition of the premises.

In general, it has been observed that societal acceptance of the concerns of the logistics industry is waning. Particularly against the background of the numerous infrastructure projects of the duisport Group, duisport will face increasing challenges with regard to public corporate communication and citizen participation in the future, so that the addition of new companies can be realized amicably and within the specified time frame where possible.

At this time, duisport faces several transportation challenges. One of them is the possible restriction of access to the Port of Duisburg, specifically the Ruhrort portion of the port, due to the redevelopment measures and possible load reductions in the area of the Oberbürgermeister-Lehr bridge. Additional building measures will follow in subsequent years. With regard to the surrounding environment, the highway bridge for the A40 over the Rhine in Duisburg-Neuenkamp is also included in the risk assessment. A complete replacement is expected to be ready for traffic

in the year 2026. Until then, further repairs will be required to maintain the functionality of the existing Rhine bridge. Traffic restrictions due to repair works have occurred and cannot be excluded in the future.

Because of the existing profit/loss transfer agreements and the centralized financing, Duisburger Hafen AG carries most of the economic risks associated with the activities in the group companies. Therefore financial transactions are always carried out in the range of defined limits.

The availability of financial resources is secured through credit lines provided by various institutions. In this vein, the ability to obtain loans is limited through covenants, to the effect that a group equity ratio of at least 30% must be adhered to. On the basis of the corresponding contractual provisions, the banks have the right to terminate in the event the shareholder group of the duisport Group changes to such an extent that the proportion of public shareholders falls under 50%. The risk structure of the loan portfolio is managed using key indicators, and is constantly compared to market estimates. The interest change risk is reduced to a minimum with the use of interest derivatives. Any additional financial risks are comprehensively hedged in the duisport Group.

The main divisions of the duisport Group have obtained the corresponding commercial credit insurance policies to cover the default of receivables items.

There are no major price change, default and liquidity risks, as well as risks from payment flow fluctuations, which are important to the assessment of the group's situation or expected development. The companies of the duisport Group have sufficient capital in accordance with the business purpose and in consideration of their risk position.

A new Compliance Officer was appointed in 2016, and the Compliance Board has been formed. Both the new Compliance Management system as well as the revised directives were published on the Intranet. Employees regularly receive Compliance newsletters in addition to work tools for current issues. In addition, the General Code of Practice was revised and made accessible to the employees. The sanction list review of business contacts was centralized. The risk management system was audited in terms of compliance aspects.

2. General statement on opportunities and risks

In view of the overall assessment of opportunities and risks, it should be noted that during the reporting period no risks were discerned that individually or combined would threaten the existence of the duisport Group. The identified risk volume has increased only slightly compared to the previous year.

3. Forecast

The International Monetary Fund (IMF) has predicted a slight increase in global economic growth (+0.3% to 3.4%) for the year 2017. Growth in the Eurozone is expected to decline slightly (-0.1% to 1.6%).

For Germany, the IMF is forecasting a growth rate of +1.5%; this would represent a slight decline compared to 2016 (-0.2%).⁷

Because of a number of global crisis points and the uncertainty following the political decisions taken in 2016, the Bundesvereinigung Logistik (BVL) also expects growth in the logistics industry to be merely moderate in 2017 (about +2%). The contract logistics segment continues its advance as it remains by far the largest market segment in the logistics sector.⁸

The development of the new logport location in Duisburg-Walsum represents another large project that is in the implementation phase.



Although the machinery building industry in 2016 managed to compensate the declining business in China and the US with business transactions in Europe and other smaller markets in a challenging global economic environment, it must nevertheless be noted that total production has been stagnant.⁹ It can be expected that the subdued growth in the German machinery and equipment building sector will be reflected accordingly in the business volume for the Packaging Logistics business segment in 2017.

In the current year, duisport plans further investments in Duisburg, particularly on the Mercatorinsel in Duisburg-Ruhrort, where a logistics center with a warehouse space of approximately 50,000 m² will be built in two building sections. A premium German automotive manufacturer will be exporting vehicle components via Duisburg in the future. This large addition will create a significant number of new workplaces.

The development of the new logport location in Duisburg-Walsum represents another large project that is in the implementation phase. In addition, more investments are planned in Lülldorf as part of the joint venture dev.log GmbH with Evonik.

Starting in 2017, the first project in Turkey, a logistics parcel of more than 250,000 m² near Istanbul, is supposed to be developed in several building phases together with the Turkish Arkas Group.

To this end, a joint venture agreement regarding the construction and operation of an intermodal inland logistics terminal was concluded with a company of the Arkas Group in October 2016. The project will be implemented in phases starting in 2017, in accordance with the agreed project schedule.

⁷ IMF World Economic Outlook Update from 16 January 2017.

⁸ BVL Press Release 19 October 2016.

⁹ VDMA Press Release 8 February 2017.

For the 2017 financial year, the duisport Group is planning for sales revenues⁵ (including revenues from non-consolidated participations) in the range of EUR 220 – 230 million, and another stable after-tax result. For the 2017 financial year, Duisburger Hafen AG is forecasting sales revenues⁵ of EUR 35 – 40 million. Based on the current planning in 2017, the pre-tax result will be slightly below the level of the previous year.

IV. SUSTAINABILITY

Competitiveness based on sustainable structures forms an integral part of the company directives of the duisport Group. Therefore the issue of sustainability is considered highly relevant to all business segments, projects and activities.

The climate protection concept for duisport, which was developed in line with the climate protection law for North-Rhine Westphalia by the Zentrum für Logistik und Verkehr of the University of Duisburg-Essen, received an award from the state of North-Rhine Westphalia. With the climate protection concept, Duisburger Hafen AG makes an important contribution to achieving the targets under the climate protection act.

Based on its role as a central logistics hub in Europe, duisport also views itself as a trendsetter when it comes to the reduction of greenhouse gases and the increased use of renewable energies, in order to counteract the effects of climate change. Accordingly, duisport has developed an integrated energy and climate protection concept. A holistic look at economic, ecological and social issues acts as a major motivator in this context. For example, a sustainability concept

that was applied to the settlement of a German premium automotive manufacturer ensured that automotive components are transported from Duisburg to Antwerp via inland water vessel and train. The use of vessel and rail transport ensures that more than 13,000 trips by truck can be avoided every year – just between the Ruhr region and Antwerp alone.

Sustainability and climate protection are also dominating factors in logistics concepts. In this vein, duisport defines its approaches to sustainable mobility with the claim of optimizing transportation chains not just in terms of economic but also ecological aspects. The better the exactly defined processes are carried out, the fewer resources are consumed.

duisport's "brownfield development" activities for the development of unused industrial surfaces into modern logistics areas form an important part of the sustainability concept.

The development of logport I – from the former steel works to a trimodal logistics center – is an example of sustainable structural change, and is continued with the development of additional areas in the entire Ruhr region for logistics purposes. In addition, the properties constructed in that location also meet the requirements of the Energy Savings Regulation (EnEV). All of the buildings feature high-quality insulation and are state-of-the-art structures in terms of energetic aspects. The consumption of fossil fuels is actively counteracted with the operation of solar power facilities on the logistics buildings.

In addition to its business success, duisport also focuses on the responsible management of the environment. Sustainable and climate-friendly logistics activities are also playing an increasingly important role in the market, and help to increase the attractiveness of a location. The main approach in this context focuses on shifting freight transport from the road to rail or inland water vessel. This concept is already taken into account during the design of terminals and logistics premises. The duisport Group foresees additional relocation potential in this context. It is also the reason why the port offers transportation using rail. In this way, the port's own railway company connects the various port areas in Duisburg. It also looks after regional feeder services.

Furthermore, transcontinental connections via rail are also successful. They are cheaper than air freight, and much quicker than the route by vessel. The train connections between Duisburg and China are becoming increasingly important to duisport and its customers. Even today, there are already more than 20 trains that run between the Port of Duisburg and various destinations in China every week.

In addition, there are more than 400 weekly train connections to 80 destinations in Europe in the combined transportation segment. Sustainability means the optimum combination of vessel and rail. No other transport carrier is in a position to transport the same volumes of goods in such a climate-friendly manner.

V. DECLARATION PURSUANT TO SECTION 312, PARAGRAPH 3, AKTG

For the legal transactions and measures listed in the report on the relationships with affiliated companies, our company received appropriate consideration based on the circumstances that were known to us when the legal transaction was carried out or the action was taken or omitted, and was not disadvantaged by the fact that actions were taken or omitted.

Duisburg, 3 May 2017

Duisburger Hafen Aktiengesellschaft

Executive Board

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Duisburger Hafen Aktiengesellschaft, Duisburg – Consolidated balance sheet as at 31 December 2016

Assets	31 Dec. 2016	31 Dec. 2015
	€	€
A. Fixed assets		
I. Intangible assets		
1. Purchased industrial property rights and similar rights and values, and licenses for such rights and values	1,169,648.71	379,933.47
2. Goodwill	6,134,432.15	7,550,773.94
3. Advance payments made	73,399.12	328,663.00
	7,377,479.98	8,259,370.41
II. Property, plant and equipment		
1. Land and buildings	222,319,452.72	220,815,191.13
2. Technical equipment and machinery	41,009,798.04	43,484,790.74
3. Other equipment, operational and business equipment	6,879,992.82	4,519,435.30
4. Advance payments made and assets under construction	619,705.88	2,610,168.36
	270,828,949.46	271,429,585.53
III. Financial assets		
1. Investments		
a) in associated companies	2,562,652.06	2,256,009.86
b) others	5,289,675.67	5,159,356.28
2. Loans to companies in which investments are held	8,741,111.38	9,077,907.52
3. Other loans	2,188.98	3,073.02
	16,595,628.09	16,496,346.68
	294,802,057.53	296,185,302.62
B. Current assets		
I. Stock		
1. Raw materials, consumables, and supplies	8,112,510.53	3,559,841.85
2. Work in progress	5,641,083.83	4,521,914.61
3. Finished goods and merchandise	698,628.32	402,768.21
4. Advance payments made	32,750.00	37,087.99
	14,484,972.68	8,521,612.66
II. Receivables and other assets		
1. Claims from supplies and services	27,015,795.78	27,100,023.18
2. Receivables from companies in which investments are held	541,370.55	444,928.98
3. Other assets	4,580,711.63	4,432,462.51
	32,137,877.96	31,977,414.67
III. Current asset securities	0.00	2,607,390.00
IV. Cash and bank balances	29,915,798.27	9,241,131.00
	76,538,648.91	52,347,548.33
C. Prepaid expenses	311,005.76	331,177.36
D. Excess of plan assets over pension liability	163,984.34	248,235.55
	371,815,696.54	349,112,263.86

Equity and liabilities	31 Dec. 2016	31 Dec. 2015
	€	€
A. Equity		
I. Subscribed capital	46,020,000.00	46,020,000.00
II. Capital reserves	1,533,875.64	1,533,875.64
III. Revenue reserves		
1. Legal reserve	48,583,223.95	43,154,810.55
2. Other revenue reserves	26,827,199.06	25,745,706.59
	75,410,423.01	68,900,517.14
IV. Equity difference from currency conversion	99,341.76	145,986.83
V. Consolidated net retained profit	9,386,988.60	9,027,068.15
VI. Adjustment for the interests of other shareholders	5,620,045.36	6,098,629.31
	138,070,674.37	131,726,077.07
B. Surplus from consolidation	30,234.37	30,234.37
C. Provisions		
1. Provisions for pensions	8,050,358.00	7,901,522.00
2. Tax provisions	6,456,094.31	3,153,008.75
3. Other provisions	44,412,786.52	38,972,036.95
	58,919,238.83	50,026,567.70
D. Liabilities		
1. Liabilities to banks	137,546,513.55	112,967,367.31
2. Advance payments received	1,729,462.92	1,960,803.85
3. Trade payables	7,965,006.29	6,080,181.63
4. Liabilities to companies in which investments are held	66,854.96	65,481.76
5. Other liabilities	12,993,063.34	31,495,357.20
	160,300,901.06	152,569,191.75
E. Prepaid expenses	2,607,238.37	2,159,981.45
F. Deferred tax liabilities	11,887,409.54	12,600,211.52
	371,815,696.54	349,112,263.86

Duisburger Hafen Aktiengesellschaft, Duisburg – Consolidated Income Statement 2016

	31 Dec. 2016	31 Dec. 2015
	€	€
1. Sales revenues	203,862,241.17	193,700,489.46
2. Increase or decrease in inventories of finished goods and work in progress	1,444,171.89	1,251,424.79
3. Other own work capitalized	165,000.00	0.00
4. Other operating income	7,325,993.28	6,930,228.60
	212,797,406.34	201,882,142.85
5. Cost of materials	89,220,364.05	82,321,183.89
6. Personnel expenses	43,923,846.59	43,078,139.01
7. Amortization, depreciation, and write-downs of intangible assets, property, plant and equipment and current assets	17,640,554.65	14,629,539.86
8. Other operating expenses	37,955,983.21	38,058,917.37
	188,740,748.50	178,087,780.13
9. Income from equity investments	81,988.00	56,020.00
10. Income from associated companies	477,000.00	372,249.00
11. Income from associated companies	443,956.74	499,708.87
12. Interest result	-5,789,440.21	-7,309,437.42
13. Write-downs of financial assets and marketable securities classified as current assets	698.62	288,787.35
	-4,787,194.09	-6,670,246.90
14. Earnings before tax	19,269,463.75	17,124,115.82
15. Income taxes	6,618,427.74	5,135,383.56
16. Earnings after tax	12,651,036.01	11,988,732.26
17. Other taxes	1,857,931.24	1,500,783.67
18. Consolidated net profit	10,793,104.77	10,487,948.59
19. Profit attributable to minority interests	-940,191.00	-557,024.38
20. Withdrawal from/addition to other revenue reserves	-465,925.17	-903,856.06
21. Consolidated net retained profit	9,386,988.60	9,027,068.15

Duisburger Hafen Aktiengesellschaft, Duisburg – Statement of changes in fixed assets 2016 – Part 1/2

Acquisition or production costs						
	1 Jan. 2016	Additions	Disposals	Currency conversion Difference	Reclassifications	31 Dec. 2016
	€	€	€	€	€	€
I. Intangible assets						
1. Self-made industrial property rights and similar rights and values	412,000.00	0.00	0.00	0.00	0.00	412,000.00
2. Purchased industrial property rights and similar rights and values, and licenses for such rights and values	3,397,862.72	852,090.47	0.00	-68.39	225,810.00	4,475,694.80
3. Goodwill	18,927,796.83	170,951.84	118,715.78	0.00	0.00	18,980,032.89
4. Advance payments made	328,663.00	139,399.12	340,553.00	0.00	-54,110.00	73,399.12
	23,066,322.55	1,162,441.43	459,268.78	-68.39	171,700.00	23,941,126.81
II. Property, plant, and equipment						
1. Land and buildings						
Land, business/administration/residential buildings	292,806,847.91	6,364,435.28	511,382.72	0.00	1,649,746.36	300,309,646.83
Land in the dock area (fixed value)	23,777,228.51	4,873,958.81	0.00	0.00	0.00	28,651,187.32
Road pavement	15,958,377.88	163,372.66	0.00	0.00	0.00	16,121,750.54
Train bridges, public road bridges, and flood protection facilities	1,679,201.07	0.00	0.00	0.00	0.00	1,679,201.07
	334,221,655.37	11,401,766.75	511,382.72	0.00	1,649,746.36	346,761,785.76
2. Technical equipment and machinery						
Port equipment	44,861,024.03	613,671.47	1,627,970.85	0.00	55,000.00	43,901,724.65
Port train facilities	30,232,390.64	785,589.97	0.00	0.00	234,796.43	31,252,777.04
	75,093,414.67	1,399,261.44	1,627,970.85	0.00	289,796.43	75,154,501.69
3. Other equipment, operational and business equipment						
4. Advance payments made and assets under construction	12,963,664.50	2,843,384.56	258,108.93	-5,147.28	560,029.83	16,103,822.68
	2,610,168.36	865,199.71	184,389.57	0.00	-2,671,272.62	619,705.88
	424,888,902.90	16,509,612.46	2,581,852.07	-5,147.28	-171,700.00	438,639,816.01
III. Financial assets						
1. Investments						
a) in associated companies	2,259,113.93	477,000.00	170,357.80	0.00	0.00	2,565,756.13
b) other	5,159,356.28	139,069.39	8,750.00	0.00	0.00	5,289,675.67
2. Loans to companies in which investments are held	13,227,487.14	0.00	1,157,343.78	0.00	0.00	12,070,143.36
3. Other loans	3,073.02	0.00	884.04	0.00	0.00	2,188.98
	20,649,030.37	616,069.39	1,337,335.62	0.00	0.00	19,927,764.14
	468,604,255.82	18,288,123.28	4,378,456.47	-5,215.67	0.00	482,508,706.96

Duisburger Hafen Aktiengesellschaft, Duisburg – Statement of changes in fixed assets 2016 – Part 2/2

	Accumulated amortization, depreciation and write-downs						Net book values		
	1 Jan. 2016	Additions	Disposals	Currency conversion difference	Write-ups	31 Dec. 2016	31 Dec. 2016	31 Dec. 2015	
	€	€	€	€	€	€	€	T€	
I. Intangible assets									
1. Self-made industrial property rights and similar rights and values	412,000.00	0.00	0.00	0.00	0.00	412,000.00	0.00	0	
2. Purchased industrial property rights and similar rights and values, and licenses for such rights and values	3,017,929.25	288,275.25	0.00	-158.41	0.00	3,306,046.09	1,169,648.71	380	
3. Goodwill	11,377,022.89	1,468,577.85	0.00	0.00	0.00	12,845,600.74	6,134,432.15	7,551	
4. Advance payments made	0.00	0.00	0.00	0.00	0.00	0.00	73,399.12	329	
	14,806,952.14	1,756,853.10	0.00	-158.41	0.00	16,563,646.83	7,377,479.98	8,259	
II. Property, plant, and equipment									
1. Land and buildings									
Land, business/administration/residential buildings	93,998,002.19	8,444,571.53	131,296.31	0.00	0.00	102,311,277.41	197,998,369.42	198,809	
Land in the dock area (fixed value)	6,190,326.87	2,237,974.55	0.00	0.00	0.00	8,428,301.42	20,222,885.90	18,194	
Road pavement	11,676,470.33	477,689.12	0.00	0.00	0.00	12,154,159.45	3,967,591.09	4,282	
Train bridges, public road bridges, and flood protection facilities	1,541,664.85	6,929.91	0.00	0.00	0.00	1,548,594.76	130,606.31	138	
	113,406,464.24	11,167,165.11	131,296.31	0.00	0.00	124,442,333.04	222,319,452.72	221,422	
2. Technical equipment and machinery									
Port equipment	22,123,116.10	1,319,753.48	81,125.00	0.00	0.00	23,361,744.58	20,539,980.07	22,738	
Port train facilities	9,485,507.83	1,297,451.24	0.00	0.00	0.00	10,782,959.07	20,469,817.97	20,747	
	31,608,623.93	2,617,204.72	81,125.00	0.00	0.00	34,144,703.65	41,009,798.04	43,485	
3. Other equipment, operational and business equipment	8,444,229.20	925,331.72	138,018.35	-7,712.71	0.00	9,223,829.86	6,879,992.82	4,519	
4. Advance payments made and assets under construction	0.00	0.00	0.00	0.00	0.00	0.00	619,705.88	2,610	
	153,459,317.37	14,709,701.55	350,439.66	-7,712.71	0.00	167,810,866.55	270,828,949.46	271,430	
III. Financial assets									
1. Investments									
a) in associated companies	3,104.07	0.00	0.00	0.00	0.00	3,104.07	2,562,652.06	2,256	
b) other	0.00	0.00	0.00	0.00	0.00	0.00	5,289,675.67	5,159	
2. Loans to companies in which investments are held	4,149,579.62	0.00	460,547.64	0.00	360,000.00	3,329,031.98	8,741,111.38	9,078	
3. Other loans	0.00	0.00	0.00	0.00	0.00	0.00	2,188.98	3	
	4,152,683.69	0.00	460,547.64	0.00	360,000.00	3,332,136.05	16,595,628.09	16,496	
	172,418,953.20	16,466,554.65	810,987.30	-7,871.12	360,000.00	187,706,649.43	294,802,057.53	296,185	

Duisburger Hafen Aktiengesellschaft, Duisburg – Statement of changes in shareholders' equity 2016

	Parent Company				Cumulative remaining Group result		Minority shareholders			Group equity
	Subscribed capital (common stock)	Capital reserve	Earned Group equity	Equity difference from currency conversion	Other neutral transactions	Equity	Minority capital	Other neutral transactions	Equity	
	€	€	€	€	€	€	€	€	€	€
31 Dec. 2012	46,020,000.00	1,533,875.64	50,122,226.95	19,650.40	15,385,726.94	113,081,479.93	468,465.27	2,258.77	470,724.04	113,552,203.97
Changes to the consolidation basis	0.00	0.00	0.00	0.00	-382,405.81	-382,405.81	0.00	251,854.83	251,854.83	-130,550.98
Other changes	0.00	0.00	0.00	-56,523.40	0.00	-56,523.40	0.00	0.00	0.00	-56,523.40
	0.00	0.00	0.00	-56,523.40	-382,405.81	-438,929.21	0.00	251,854.83	251,854.83	-187,074.38
Consolidated net profit	0.00	0.00	7,634,899.05	0.00	0.00	7,634,899.05	596,594.23	0.00	596,594.23	8,231,493.28
Dividend distribution	0.00	0.00	-3,000,000.00	0.00	0.00	-3,000,000.00	0.00	0.00	0.00	-3,000,000.00
Overall Group result	0.00	0.00	4,634,899.05	-56,523.40	-382,405.81	4,195,969.84	596,594.23	251,854.83	848,449.06	5,044,418.90
31 Dec. 2013	46,020,000.00	1,533,875.64	54,757,126.00	-36,873.00	15,003,321.13	117,277,449.77	1,065,059.50	254,113.60	1,319,173.10	118,596,622.87
Changes to the consolidation basis	0.00	0.00	0.00	0.00	-3,607,135.00	-3,607,135.00	0.00	3,607,135.00	3,607,135.00	0.00
Other changes	0.00	0.00	0.00	69,613.88	-358,850.46	-289,236.58	0.00	0.00	0.00	-289,236.58
	0.00	0.00	0.00	69,613.88	-3,965,985.46	-3,896,371.58	0.00	3,607,135.00	3,607,135.00	-289,236.58
Consolidated net profit	0.00	0.00	9,440,540.99	0.00	0.00	9,440,540.99	670,581.13	0.00	670,581.13	10,111,122.12
Dividend distribution	0.00	0.00	-3,000,000.00	0.00	0.00	-3,000,000.00	0.00	0.00	0.00	-3,000,000.00
Overall Group result	0.00	0.00	6,440,540.99	69,613.88	-3,965,985.46	2,544,169.41	670,581.13	3,607,135.00	4,277,716.13	6,821,885.54
31 Dec. 2014	46,020,000.00	1,533,875.64	61,197,666.99	32,740.88	11,037,335.67	119,821,619.18	1,735,640.63	3,861,248.60	5,596,889.23	125,418,508.41
Changes to the consolidation basis	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other changes	0.00	0.00	0.00	113,245.95	-638,186.25	-524,940.30	0.00	-55,439.63	-55,439.63	-580,379.93
	0.00	0.00	0.00	113,245.95	-638,186.25	-524,940.30	0.00	-55,439.63	-55,439.63	-580,379.93
Consolidated net profit	0.00	0.00	9,930,768.88	0.00	0.00	9,930,768.88	557,179.71	0.00	557,179.71	10,487,948.59
Dividend distribution	0.00	0.00	-3,600,000.00	0.00	0.00	-3,600,000.00	0.00	0.00	0.00	-3,600,000.00
Overall Group result	0.00	0.00	6,330,768.88	113,245.95	-638,186.25	5,805,828.58	557,179.71	-55,439.63	501,740.08	6,307,568.66
31 Dec. 2015	46,020,000.00	1,533,875.64	67,528,435.87	145,986.83	10,399,149.42	125,627,447.76	2,292,820.34	3,805,808.97	6,098,629.31	131,726,077.07
Changes to the consolidation basis	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other changes	0.00	0.00	0.00	-46,645.07	616,912.55	570,267.48	-1,346,602.77	459,500.00	-887,102.77	-316,835.29
	0.00	0.00	0.00	-46,645.07	616,912.55	570,267.48	-1,346,602.77	459,500.00	-887,102.77	-316,835.29
Consolidated net profit	0.00	0.00	9,852,913.77	0.00	0.00	9,852,913.77	940,191.00	0.00	940,191.00	10,793,104.77
Dividend distribution	0.00	0.00	-3,600,000.00	0.00	0.00	-3,600,000.00	-531,672.18	0.00	-531,672.18	-4,131,672.18
Overall Group result	0.00	0.00	6,252,913.77	-46,645.07	616,912.55	6,823,181.25	-938,083.95	459,500.00	-478,583.95	6,344,597.30
31 Dec. 2016	46,020,000.00	1,533,875.64	73,781,349.64	99,341.76	11,016,061.97	132,450,629.01	1,354,736.39	4,265,308.97	5,620,045.36	138,070,674.37

Of the earned group equity, an amount of EUR 555,000 is subject to a statutory block on distributions.

Duisburger Hafen Aktiengesellschaft, Duisburg – Group cumulative financial accounts for 2016

	2016	2015
	T€	T€
1. Operating activities		
1 Result for the period (consolidated net profit including profit shares of other shareholders)	10,793	10,488
2 +/- Depreciation/amortization and write-ups of fixed assets	16,107	13,119
3 +/- Increase/decrease of provisions	4,103	-1,314
4 +/- Other non-cash income and expenses	-279	19
5 -/+ Increase/decrease in trade receivables and other assets not assigned to investing or financing activities	-6,496	-4,672
6 +/- Increase/decrease in trade payables and other liabilities not assigned to investing or financing activities	2,783	1,083
7 -/+ Profit/loss from the disposal of fixed assets	-1,356	-1,722
8 +/- Interest income/expenses	5,339	7,099
9 - Other investment income	-559	-388
10 +/- Income tax result	6,618	5,135
11 -/+ Income tax payments	-4,028	-3,536
12 = Cash flow from operating activities	33,025	25,311
2. Investing activities		
13 + Cash received from the disposal of intangible long-term assets	459	18
14 - Cash paid for investments in intangible long-term assets	-1,162	-494
15 + Cash received from the disposal of fixed assets	1,803	3,622
16 - Cash paid for investments in fixed assets	-16,516	-12,325
17 + Cash received from the disposal of financial assets	697	309
18 - Cash paid for investments in financial assets	-139	-7,121
19 - Cash paid for additions to the consolidation basis	0	-194
20 + Cash received in connection with the short-term financial management of cash investments	2,607	25,345
21 - Cash paid in connection with the short-term financial management of cash investments	0	-18,168
22 + Interest received	208	707
23 + Dividends received	88	40
24 = Cash flow from investing activities	-11,955	-8,261

	2016	2015
	T€	T€
3. Financing activities		
25 + Cash received from the issue of bonds and from taking out (financial) loans	32,392	13,035
26 - Cash paid for the redemption of bonds and paying off (financial) loans	-26,762	-17,625
27 + Cash received from subsidies/grants	3,517	217
28 - Interest paid	-5,297	-6,462
29 - Dividends paid to shareholders of the parent company	-3,600	-3,600
30 - Dividends paid to other shareholders	-531	0
31 = Cash flow from financing activities	-280	-14,435
32 Change in cash and cash equivalents	20,790	2,615
33 +/- Changes in cash and cash equivalents due to exchange rate and valuation	18	-10
34 +/- Changes in cash and cash equivalents due to changes in the consolidation basis	0	0
Cash at the beginning of the year	9,241	5,862
Short-term liabilities to banks at the beginning of the year	1,432	658
35 + Cash and cash equivalents at the beginning of the period	7,809	5,204
Cash at the end of the period	29,916	9,241
Short-term liabilities to banks at the end of the period	1,298	1,432
36 Cash and cash equivalents at the end of the period	28,618	7,809

Duisburger Hafen Aktiengesellschaft, Duisburg – Balance sheet as at 31 Dec. 2016

Assets	31 Dec. 2016	31 Dec. 2015
	€	€
A. Fixed assets		
I. Intangible assets		
1. Purchased industrial property rights and similar rights and values, and licenses for such rights and values	556,648.14	228,172.55
2. Advance payments made	0.00	64,657.00
	556,648.14	292,829.55
II. Property, plant and equipment		
1. Land and buildings	63,049,674.48	64,724,789.53
2. Technical equipment and machinery	8,130,419.25	8,332,504.42
3. Other equipment, operational and business equipment	2,155,886.67	1,422,371.27
4. Advance payments made and assets under construction	251,296.51	501,740.95
	73,587,276.91	74,981,406.17
III. Financial assets		
1. Investments in affiliated companies	43,748,986.02	44,166,249.96
2. Loans to affiliated companies	126,165,082.26	121,941,414.13
3. Interests	6,844,550.60	6,422,319.54
4. Loans to companies in which investments are held	9,685,784.94	9,463,063.87
5. Other loans	2,189.08	3,073.02
	186,446,592.90	181,996,120.52
	260,590,517.95	257,270,356.24
B. Current assets		
I. Stock		
1. Raw materials, consumables and supplies	6,361.18	10,957.77
	6,361.18	10,957.77
II. Receivables and other assets		
1. Claims from supplies and services	708,681.39	724,080.92
2. Receivables from affiliated companies	8,874,975.37	8,356,286.03
3. Receivables from companies in which investments are held	381,514.10	354,988.68
4. Other assets	233,376.76	1,404,082.05
	10,198,547.62	10,839,437.68
III. Marketable securities classified as current assets	0.00	2,607,390.00
IV. Cash and bank balances	22,250,695.51	4,628,305.58
	32,455,604.31	18,086,091.03
C. Prepaid expenses	81,642.90	47,520.00
	293,127,765.16	275,403,967.27

Equity and liabilities	31 Dec. 2016	31 Dec. 2015
	€	€
A. Equity		
I. Subscribed capital	46,020,000.00	46,020,000.00
II. Capital reserve	1,533,875.64	1,533,875.64
III. Revenue reserves		
1. Legal reserve	48,581,878.60	43,154,810.45
2. Other revenue reserves	1,137,072.03	1,137,072.03
IV. Net retained profit	9,386,988.60	9,027,068.15
	106,659,814.87	100,872,826.27
B. Special item with reserve portion pursuant to Section 6b EstG	19,437,823.38	19,437,823.38
C. Provisions		
1. Provisions for pensions	6,025,698.00	5,881,910.00
2. Tax provisions	4,639,936.94	2,351,654.06
3. Other provisions	18,403,316.34	18,955,306.21
	29,068,951.28	27,188,870.27
D. Liabilities		
1. Liabilities to banks	122,329,517.37	96,164,622.27
2. Trade payables	1,178,685.15	1,066,493.02
3. Liabilities to affiliated companies	7,919,242.32	6,006,071.43
4. Liabilities to companies in which investments are held	135.66	128.76
5. Other liabilities	6,421,870.64	24,364,277.68
	137,849,451.14	127,601,593.16
E. Deferred income	111,724.49	302,854.19
	293,127,765.16	275,403,967.27

Duisburger Hafen Aktiengesellschaft, Duisburg – Income statement 2016

	2016	2015
	€	€
1. Revenue	39,366,923.32	32,406,303.47
2. Changes in stocks	0.00	-49,376.46
3. Other operating income	4,394,138.65	11,734,148.77
	43,761,061.97	44,091,075.78
4. Cost of materials	3,617,646.09	1,387,377.52
5. Personnel expenses	13,956,510.30	13,645,939.55
6. Amortization, depreciation, and write-downs of intangible assets and property, plant, and equipment	2,943,110.11	3,665,368.69
7. Other operating expenses	19,038,693.57	22,642,072.01
	39,555,960.07	41,340,757.77
8. Income from equity investments	10,060,098.22	10,187,563.59
9. Income from loans of financial assets	7,076,432.62	7,167,031.70
10. Interest result	-4,964,124.33	-5,351,177.17
11. Write-downs of financial assets and long-term investments	0.00	288,787.35
	12,172,406.51	11,714,630.77
12. Result from ordinary business activities	16,377,508.41	14,464,948.78
13. Income taxes	6,111,128.45	4,756,235.16
14. Earnings after tax	10,266,379.96	9,708,713.62
15. Other taxes	879,391.36	681,645.47
16. Net income	9,386,988.60	9,027,068.15
17. Profit carried forward	9,027,068.15	9,350,149.02
18. Distribution of dividends to shareholders	3,600,000.00	3,600,000.00
19. Addition to revenue reserves in the legal reserve	5,427,068.15	5,750,149.02
20. Net retained profit	9,386,988.60	9,027,068.15

Duisburger Hafen Aktiengesellschaft, Duisburg – Participations as at 31 Dec. 2016

1. Consolidation basis

Name and registered office of company	Consolidation status ¹	Share in capital %	Equity capital in T€
Duisburger Hafen Aktiengesellschaft, Duisburg			
Hafen Duisburg-Rheinhausen GmbH, Duisburg ^{2,3}	V	100	21,767
duisport agency GmbH, Duisburg ^{2,3}	V	100	260
dfl duisport facility logistics GmbH, Duisburg ^{2,3}	V	100	172
duisport rail GmbH, Duisburg ^{2,3}	V	100	100
LOGPORT Logistic-Center Duisburg GmbH, Duisburg	V	100	116
Grundstücksgesellschaft Südhafen mbH, Duisburg	V	100	1,447
duisport consult GmbH, Duisburg	V	100	1,393
dpl Chemnitz GmbH, Chemnitz ^{2,3}	V	90	4,595
duisport packing logistics India Pvt. Ltd., Pune/India	V	76	-158
duisport packing logistics GmbH, Duisburg	V	74.9	13,720
dpl Weinzierl Verpackungen GmbH, Sinzing	V	74.9	2,052
dpl International N. V., Antwerp/Belgium	V	74.9	194
duisport industrial packing service (Wuxi) Co., Ltd., Wuxi/China	V	74.9	-882
Heavylift Terminal Duisburg GmbH, Duisburg	V	67.6	491
Hafen Duisburg/Amsterdam Beteiligungsgesellschaft mbH, Duisburg	V	66	58
Holz Weinzierl Fertigungen GmbH & Co. KG, Sinzing	V	50 + 1 share	987
Weinzierl Beteiligungs-GmbH, Sinzing	V	50 + 1 share	37
Omnipack GmbH, Langerringen	V	50 + 1 share	217
Umschlag Terminal Marl GmbH & Co. KG, Marl ⁴	V	50	363
Umschlag Terminal Marl Verwaltungs-GmbH, Marl ⁴	V	50	21
Tarlog GmbH, Castrop-Rauxel ⁴	V	50	409
IPS Integrated Project Services GmbH, Duisburg ⁴	V	50	683
logport ruhr GmbH, Duisburg	Q	50	824
dev.log GmbH, Niederkassel	Q	50	540
DuisPortAlliance GmbH, Duisburg	Q	50	94
BREEZE Industrial Packing GmbH, Hamburg	Q	50	-408
Verpackungsgemeinschaft Dirmayr-dpl Weinzierl Verpackungen, Polling/Austria (ARGE Dirmayr)	Q	50	14

¹ The companies marked with V are included in the consolidated financial statements in line with full consolidation. The companies marked with Q are included in the consolidated financial statements on a proportional basis. The companies marked with N were shown in the balance sheet at acquisition costs

² Control and profit/loss transfer agreement

³ The company utilizes the exemption provision of Section 264, Paragraph 3 HGB.

⁴ Controlling influence exercised pursuant to Section 290, Paragraph 2 HGB.

2. Associated companies

Name and registered office of company	Consolidation status ⁵	Share in capital %	Equity capital in T€
Railport Terminal İşletmeleri A. Ş., Kocaeli/Turkey	N	33	137
MASSLOG GmbH, Duisburg	N	30	224
Emballages Industriels Logistique Service SAS, Illkirch-Graffenstaden/France	E	29	798
Distri Rail B. V., Rhoon/Netherlands	E	24.9	186
DIT Duisburg Intermodal Terminal GmbH, Duisburg	E	24	5,938
Duisburg Trimodal Terminal GmbH, Duisburg	N	20	1,150

3. Other investments

Name and registered office of company	Share in capital %	Equity capital in T€
Antwerp Gateway N. V., Antwerp/Belgium	10	3,088

⁵ The companies marked with E were included in the consolidated financial statements at equity. Shareholdings marked with N were entered at acquisition costs pursuant to Section 311, Paragraph 2 HGB, due to their minor importance.

Duisburger Hafen Aktiengesellschaft, Duisburg – Statement of changes in fixed assets 2016

	Acquisition or production costs					Accumulated amortization, depreciation and write-downs					Net book values	
	1 Jan. 2016	Additions	Disposals	Reclassifications	31 Dec. 2016	1 Jan. 2016	Additions	Disposals	Write-ups	31 Dec. 2016	31 Dec. 2016	31 Dec. 2015
	€	€	€	€	€	€	€	€	€	€	€	T€
I. Intangible assets												
1. Purchased industrial property rights and similar rights and values, and licenses for such rights and values	2,309,183.70	431,232.73	0.00	64,657.00	2,805,073.43	2,081,011.15	167,414.14	0.00	0.00	2,248,425.29	556,648.14	228
2. Advance payments made	64,657.00	0.00	0.00	-64,657.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	65
	2,373,840.70	431,232.73	0.00	0.00	2,805,073.43	2,081,011.15	167,414.14	0.00	0.00	2,248,425.29	556,648.14	293
II. Property, plant, and equipment												
1. Land and buildings												
Land, business/administration/residential buildings	107,745,279.19	141,404.10	377,044.16	197,855.95	107,707,495.08	58,823,766.30	1,439,877.58	9,659.51	0.00	60,253,984.37	47,453,510.71	48,922
Land in the dock area (fixed value)	16,838,816.15	0.00	0.00	0.00	16,838,816.15	2,921,166.59	0.00	0.00	0.00	2,921,166.59	13,917,649.56	13,918
Road pavement	11,015,700.58	0.00	0.00	100.00	11,015,800.58	9,157,684.49	203,769.96	0.00	0.00	9,361,454.45	1,654,346.13	1,858
Train bridges, public road bridges, and flood protection facilities	1,537,036.84	0.00	0.00	0.00	1,537,036.84	1,509,425.85	3,442.91	0.00	0.00	1,512,868.76	24,168.08	28
2. Technical equipment and machinery												
Port equipment	19,300,702.47	420,340.17	129,741.25	55,000.00	19,646,301.39	15,488,209.43	503,597.27	81,125.00	0.00	15,910,681.70	3,735,619.69	3,812
Port train facilities	7,675,664.53	0.00	0.00	0.00	7,675,664.53	3,155,653.15	125,211.82	0.00	0.00	3,280,864.97	4,394,799.56	4,520
3. Other equipment, operational and business equipment	5,948,535.61	1,038,679.35	6,463.91	200,000.00	7,180,751.05	4,526,164.34	499,796.43	1,096.39	0.00	5,024,864.38	2,155,886.67	1,422
4. Advance payments made and assets under construction	501,740.95	217,511.51	15,000.00	-452,955.95	251,296.51	0.00	0.00	0.00	0.00	0.00	251,296.51	502
	170,563,476.32	1,817,935.13	528,249.32	0.00	171,853,162.13	95,582,070.15	2,775,695.97	91,880.90	0.00	98,265,885.22	73,587,276.91	74,981
III. Financial assets												
1. Investments in affiliated companies	44,166,249.96	170,951.84	588,215.78	0.00	43,748,986.02	0.00	0.00	0.00	0.00	0.00	43,748,986.02	44,166
2. Loans to affiliated companies	121,941,414.13	5,320,000.00	1,096,331.87	0.00	126,165,082.26	0.00	0.00	0.00	0.00	0.00	126,165,082.26	121,941
3. Investments	6,422,319.54	422,231.06	0.00	0.00	6,844,550.60	0.00	0.00	0.00	0.00	0.00	6,844,550.60	6,422
4. Loans to companies in which investments are held	13,612,643.49	9,361.07	146,640.00	0.00	13,475,364.56	4,149,579.62	0.00	0.00	360,000.00	3,789,579.62	9,685,784.94	9,463
5. Other loans	3,073.02	0.00	883.94	0.00	2,189.08	0.00	0.00	0.00	0.00	0.00	2,189.08	3
	186,145,700.14	5,922,543.97	1,832,071.59	0.00	190,236,172.52	4,149,579.62	0.00	0.00	360,000.00	3,789,579.62	186,446,592.90	181,996
	359,083,017.16	8,171,711.83	2,360,320.91	0.00	364,894,408.08	101,812,660.92	2,943,110.11	91,880.90	360,000.00	104,303,890.13	260,590,517.95	257,270

Duisburger Hafen Aktiengesellschaft, Duisburg – Group Notes and Notes for 2016

The registered office for Duisburger Hafen AG is Duisburg. The company is entered in the register of the Duisburg Regional Court under the number HRB 180. Together with its subsidiaries, Duisburger Hafen AG prepares the consolidated financial statements and a group report for 31 December 2016 in accordance with Section 290 HGB (German Commercial Code). The consolidated financial statements are prepared according to the accounting provisions under the Commercial Code and the supplementary provisions of the Companies Act.

As the parent company, Duisburger Hafen AG utilizes the option according to sec. 298 (3) HGB that allows the company to consolidate the Notes and the Group Notes.

The income statement has been prepared according to the total cost method.

The consolidated and annual financial statements were prepared on the basis of the German Commercial Code in the version of the Accounting Directive Implementation Act (BilRUG) from 23 July 2015.

As at 31 December 2016, the consolidated financial statements include Duisburger Hafen AG and a total of 22 (previous year: 22) subsidiaries in line with full consolidation, and five subsidiaries (previous year: 3)

in line with proportionate consolidation. The fully consolidated subsidiaries that are included in the consolidated financial statements, along with the companies included on a proportionate basis, draw up their accounts for 31 December.

Duisburger Hafen AG is included in the consolidated financial statements of the *Beteiligungsverwaltungsgesellschaft des Landes Nordrhein-Westfalen mbH*, Düsseldorf. They are published in the German Official Federal Gazette.

To improve the clarity of the presentation, information regarding an affiliation with other items and of-which notations is included in the Notes. Moreover, the various items in the income statement are also consolidated. These items are discussed separately in the Notes.

The redefinition of sales revenues as of 2016 (initial application of Section 277, Paragraph 1 HGB, BilRUG version) has made it impossible to compare the previous year's figures relating to the sales revenues and other operating income items. The effects are noted under "Notes on the income statement". No changes occurred with respect to the cost of materials and other operating expenses. The changes in the separate financial statements of Duisburger Hafen AG are explained below.

I. Consolidation basis

Company	Share in capital %	Equity capital in T€
Fully consolidated companies		
Hafen Duisburg-Rheinhausen GmbH, Duisburg (HDR)	100	21,767
duisport agency GmbH, Duisburg (dpa)	100	260
dfl duisport facility logistics GmbH, Duisburg (dfl)	100	172
duisport rail GmbH, Duisburg (dpr)	100	100
LOGPORT Logistic-Center Duisburg GmbH, Duisburg (LOGPORT)	100	116
Grundstücksgesellschaft Südhafen mbH, Duisburg (Südhafen)	100	1,447
duisport consult GmbH, Duisburg (dpc)	100	1,393
dpl Chemnitz GmbH, Chemnitz (dpl Chemnitz)	90	4,595
duisport packing logistics India Pvt Ltd, Pune/India (dpl India)	76	-158
duisport packing logistics GmbH, Duisburg (dpl GmbH)	74.9	13,720
dpl International N. V., Antwerp/Belgium (dpl International)	74.9	194
dpl Weinzierl Verpackungen GmbH, Sinzing (dpl WZ)	74.9	2,052
duisport industrial packing service (Wuxi) Co., Ltd., Wuxi/China (dpl China)	74.9	-882
Heavylift Terminal Duisburg GmbH, Duisburg (HTD)	67.6	491
Hafen Duisburg/Amsterdam Beteiligungsgesellschaft mbH, Duisburg (HDA)	66	58
Weinzierl Beteiligungs-GmbH, Sinzing (Weinzierl participation)	50 + 1 share	37
Holz Weinzierl Fertigungen GmbH & Co. KG, Sinzing (HWF)	50 + 1 share	987
Omnipack GmbH, Langerringen (Omnipack)	50 + 1 share	217
Fully consolidated companies		
Umschlag Terminal Marl GmbH & Co. KG, Marl (UTM GmbH & Co. KG) ¹	50	363
Umschlag Terminal Marl Verwaltungs-GmbH, Marl (UTM Verw.) ¹	50	21
IPS Integrated Project Services GmbH, Duisburg (IPS) ¹	50	683
Tarlog GmbH, Castrop-Rauxel (Tarlog) ¹	50	409
Proportionately included company		
logport ruhr GmbH, Duisburg (lpr)	50	824
BREEZE Industrial Packing GmbH, Hamburg (BREEZE)	50	-408
dev.log GmbH, Niederkassel (dev.log)	50	540
DuisPortAlliance GmbH, Duisburg (DP Alliance)	50	94
Verpackungsgemeinschaft Dirmayr-dpl Weinzierl Verpackungen, Polling/Austria (ARGE Dirmayr)	50	14
Company included at equity		
DIT Duisburg Intermodal Terminal GmbH, Duisburg (DIT)	24	4,281
Distri Rail B.V., Rhooon/Netherlands (DistriRail)	24.9	186
E.I.L.S. Emballages Industriels Logistique Service SAS, Illkirch-Graffenstaden/France (EILS)	29	675

¹ Controlling influence exercised pursuant to Section 290, Paragraph 2, HGB.

A total list of participations pursuant to Section 285 No. 11 HGB and Section 313, Paragraph 2 HGB is shown in Annex C to the Notes, and is published electronically in the Official Federal Gazette.

Duisburger Hafen AG and Evonik Dugessa GmbH established dev.log GmbH, Niederkassel, with a contract dated 20 May 2015. Each of the two shareholders owns 50% of the shares. The company has been included in the consolidated financial statements of duisport on a proportionate basis since 1 January 2016.

duisport owns 29% of shares in E.I.L.S. Emballages Industriels Logistique Service SAS, Illkirch-Graffenstaden/France. The company is included in the consolidated financial statements at equity. According to Section 312, Paragraph 1 HGB, the difference between the book value of the participation and the proportionate equity capital is EUR 99,000.

The difference pursuant to Section 312, Paragraph 1 HGB for DIT Duisburg Intermodal Terminal GmbH, Duisburg, which is included in the consolidated financial statements at equity is EUR 174,000.

The difference according to Section 312, Paragraph 1 HGB for Distri Rail B. V., Rhooon/Netherlands, which is included in the consolidated financial statements at equity, amounts to EUR 108,000.

Duisburger Hafen AG acquired the interest in Masslog GmbH, Duisburg, in the amount of 30% from HDA with the contract dated 24 August 2016. Because of its minor importance, the company is not included in the consolidated financial statements pursuant to Section 312 HGB.

Another domestic company and a foreign company for which considerable control may be exerted on the financial and business policy due to a voting interest are also not included in the consolidated financial statements pursuant to Section 312 HGB.

Hafen Duisburg-Rheinhausen GmbH has owned 99.9% of the shares in MOLANKA Vermietungsgesellschaft mbH & Co. Objekt Duisport KG, Düsseldorf, since 20 December 2012. This is a special purpose entity that is not included in the consolidated financial statements for duisport, since neither the criteria of Section 290, Paragraph 1 HGB in connection with Paragraph 2, No. 1-3, nor those of No. 4 HGB apply.

II. Consolidation principles

The capital consolidation for subsidiaries or acquired capital interests that were first consolidated before 1 January 2010 was carried out according to the book value method on the basis of the valuation rates that applied at the time the subsidiary was first included in the consolidated financial statements. The resulting positive goodwill was offset against the revenue reserves in accordance with Section 309, Paragraph 1 Sentence 3 HGB (old version).

The capital consolidation for companies or acquired capital interests that were consolidated for the first time after 1 January 2010 was carried out according to the revaluation method at the time of acquisition. The amounts to be entered on the assets side were assigned to the relevant asset items as much as possible. Any remaining positive goodwill is entered on the asset side of the balance sheet as goodwill and amortized over its expected useful life.

Joint ventures are consolidated according to the same principles.

The initial consolidation of dpl Weinzierl Verpackungen GmbH (formerly Weinzierl Verpackungen GmbH) in 2013 results in positive goodwill of EUR 253,000; the initial consolidation of Holz Weinzierl Fertigung GmbH & Co. KG results in positive goodwill of EUR 791,000. In line with the purchase price adjustments that were set out in the contract, the amount for dpl Weinzierl Verpackungen GmbH was increased to EUR 424,000, and that for Holz Weinzierl Fertigung-

gen GmbH & Co. KG was reduced to EUR 629,000. Additional differences of EUR 66,000 result from the initial consolidation of duisport packing logistics India Pvt. in 2013, and the initial consolidation of BREEZE Industrial Packing GmbH in 2015 in the amount of EUR 320,000. The differences are each amortized over a period of five years.

Negative goodwill from the capital consolidation is shown separately under the equity capital. The difference from the acquisition of dpl International in the amount of EUR 68,000, which was allocated to equity in the 2008 financial year, was offset against the purchase price payment of EUR 63,000 in 2009, leaving a negative goodwill of EUR 5,000. The negative goodwill from the initial consolidation of UTM Verw. is EUR 1,000. The initial consolidation of Omnipack GmbH in 2014 results in negative goodwill of EUR 15,000. Other negative goodwill of EUR 9,000 is the result of the initial consolidation of Weinzierl Beteiligungs-GmbH in 2015.

Revenues, expenses and income, as well as existing receivables and liabilities between consolidated subsidiaries have been eliminated in the consolidated financial statements. The sale of intangible assets of dpl WZ and HWF to dpl Chemnitz results in an interim result of EUR 502,000, which was eliminated in line with the expenses and income consolidation.

The tax-related special item with reserve portion according to Section 6b EStG (Income Tax Act), along with the tax-related special write-offs pursuant to Section 6b EStG, were eliminated in the consolidated financial statements.

Deferred taxes were applied for consolidation postings that result in differences between the valuation rates for assets, debt or deferrals/accruals under commercial law and the same rates under tax law. They were calculated using a group tax rate of 33.68%.

With regard to shares in the net assets and net result for the included subsidiaries HDA, HTD, UTM GmbH

& Co. KG, UTM Verw., Tarlog, dpl India, dpl GmbH, dpl Chemnitz, dpl WZ Verw., Omnipack, IPS and HWF, which are not attributable to the parent company or another included company, a corresponding adjustment item is created for the shares of other shareholders. It generally participates in the consolidation measures that have an effect on net income.

Net retained profits are reported in the consolidated financial statements at the same amount as in the separate financial statements for the parent company. To this end, the net results of the subsidiaries and other consolidation measures were offset against the group's revenue reserves. This has the effect of increasing the group reserves by EUR 212,000 in the financial year.

The three companies included in the consolidated financial statements at equity are measured according to the equity method pursuant to Section 312 HGB, by comparing the book value of the participation to the proportionate equity capital of the respective company. The capital offset was applied according to the book value method as of the closing date of the share acquisition.

III. Accounting and valuation methods

The financial statements of Duisburger Hafen AG as the parent company and the included subsidiaries, which must be consolidated, are prepared according to standardized accounting and valuation rules that were consistently applied. In line with the audit of the financial statements, the separate financial statements of the fully and proportionately consolidated domestic companies (except Kleinst-Kapitalgesellschaft DP Alliance) were audited and unqualified audit opinions were issued.

Intangible assets and property, plant and equipment are valued at acquisition or production cost, less scheduled and unscheduled depreciation and amortization. Investment contributions that were received are considered by reducing the acquisition or production costs for the relevant asset by the amount of the contribution.

Self-generated intangible long-term assets are entered on the assets side of the balance sheet at acquisition cost pursuant to Section 255, Paragraph 2 Sentence 1 and 2 and Paragraph 2a HGB, and are amortized by way of straight-line scheduled amortization over their expected useful life, and also on an unscheduled basis in the event of an impairment that is expected to be permanent. No self-generated intangible long-term assets were entered on the assets side during the reporting year. The item has already been fully amortized on a scheduled basis.

Goodwill resulting from the purchase of a business operation via an asset deal is amortized as scheduled on a straight-line basis over a period of 15 years on the basis of an assessment of the permanency of the transferred business relationships. The goodwill from the initial consolidation of the Weinzierl companies, dpl India as well as BREEZE is amortized over five years. This expected useful life corresponds to the production technologies that have been acquired, and reflects the expected income from the customer relationships that have been transferred. Other intangible assets are also amortized over five years.

Scheduled amortization activities are carried out on a straight-line basis, taking into account the expected useful life. In addition, pursuant to Section 6b EStG, reclassifications were made in the individual financial statements for previous years which, insofar as they relate to land, are shown on the liabilities side in the special item with the reserve portion and are reduced on the assets side in the case of buildings. In the consolidated financial statements, the special items with reserve portion are eliminated according to Section 6b EStG, as are the tax write-downs.

Low-value assets up to a net value of EUR 150.00 are expensed in the year they were acquired. A yearly asset item is created for low-value assets with a net value of EUR 150.00 to EUR 1,000.00, and it is written down over five years on a straight-line basis.

The dock, including bank reinforcements, and the port railway superstructure change very little in terms of their size, value and structure in the port area on the right side of the Rhine, and are therefore entered at fixed values.

Interest-bearing **loans** are entered at the nominal value, less specific provisions. Loans to affiliated companies include loans with a term of more than five years.

Other **financial assets** are entered at acquisition costs, in consideration of the lower value principle for permanent impairments. In addition, the company utilizes the option under Section 253, Paragraph 3 Sentence 4 HGB, and also applies unscheduled write-downs in the case of impairments that are not expected to be permanent.

Funds have been invested in special funds for the purpose of covering the obligations from insolvency insurance for accrued retirement benefits from part-time retirement claims. These cannot be accessed by the other creditors. The funds are measured at the fair value, which is offset against the underlying obligations. Any resulting overhang in obligations is entered under the provisions item. If the value of securities exceeds the obligations, this amount is reported on the assets side of the balance sheet as the **excess of plan assets over pension liability**.

Raw materials and supplies are entered at the average acquisition or production costs, taking into account the lower value principle. **Finished goods** and **work in progress** of the group relate to orders in progress in the area of packing services and project management. They are entered on the assets side of the balance sheet pursuant to Section 255, Paragraph

2 HGB. Production costs include individual costs, the appropriate portions of material overhead, production overhead and the rate at which fixed assets are used up, insofar as this is due to the production activities.

Receivables and other assets, along with **liquid assets** are entered at the nominal value. All identifiable individual risks and the general credit risk, which is based on experience values, are addressed for this item with the application of the appropriate value discounts.

Marketable securities classified as current assets were entered at acquisition costs or, if applicable, at the lower value resulting from exchange or market prices.

Expenses that occurred before the balance sheet date are entered as **prepaid expenses** on the assets side of the balance sheet, insofar as they represent expenses for a certain period after that date. In addition, any differences between the repayment and available amount (discount) are treated as accrued items and released over the term of the loan.

Provisions for **pension obligations** or similar obligations with long-term maturities are discounted according to Section 253, Paragraph 2, Sentence 2 HGB using the average market interest rate of the last seven years as calculated by the Bundesbank, which results from an assumed residual term of 15 years.

Provisions for pensions are calculated according to recognized actuarial principles in application of the Projected Unit Credit Method. Biometric factors are considered in accordance with the actuarial principles in application of Prof. Dr. Klaus Heubeck's "2005 G Reference Tables". An average residual term of 15 years was assumed for the discounting process. This was also the first time that the average market interest rate of the past ten years was calculated and entered in the amount of 4.01% p.a. (in the previous year, average market interest rate of the past seven

years of 3.94% p.a.). Expected salary increases were taken into account at 2.5% and 1.0%, and expected pension increases at 2.0%.

Part-time retirement provisions were calculated in accordance with actuarial principles in application of a period-appropriate assumed interest rate of 3.24% (previous year: 3.94%). The obligation to pay additional amounts was also included in the provision.

Tax provisions and the remaining other provisions are entered at the amount repayable that is required in accordance with a reasonable business assessment which takes into account imminent losses from pending transactions. Cost increases were taken into account in the measurement of the amount repayable. Other provisions are made up of provisions for the obligation to restore the original condition, legal obligations and additional payments (approx. 47%), as well as provisions for building and maintenance measures (approx. 30%), and other provisions relating to personnel provisions and provisions for outstanding incoming invoices (approx. 8% each). Other provisions with a term of more than one year are discounted at interest rates that are adequate in relation to the time periods involved, which were released by the Bundesbank. In application of the option granted under Section 67, Paragraph 3 EGHGB, provisions according to Section 249, Paragraph 2 HGB in the version that was valid until 28 May 2008 were retained in the amount of EUR 6,901,000 (including EUR 1,413 for Duisburger Hafen) (expense provisions).

All **liabilities** were entered as liabilities at the amounts repayable.

Income before the balance sheet date is entered as **deferred income** on the liabilities side, if it refers to income for a certain period after that date.

Deferred taxes are calculated for time differences between the valuation rates for assets, debt and deferral and accrual items under commercial and tax law. In this context, Duisburger Hafen AG not only includes the differences from its own balance sheet items, but also those of its subsidiaries or partnerships in which Duisburger Hafen AG is a shareholder. Tax loss carry-forwards are also considered in addition to the time-related accounting differences. In this vein, differences that are due to the consolidation measures pursuant to Sections 300 to 307 HGB are also taken into account, whereas differences from the initial recognition of goodwill or a negative difference from the capital consolidation are not considered.

Deferred taxes are calculated on the basis of the combined income tax rate for the tax-related group of Duisburger Hafen AG, currently 33.68%. The combined income tax rate includes corporate and trade taxes, and the solidarity surcharge. Differently from the above, deferred taxes from time-related accounting differences for participations in the legal form of a partnership are calculated on the basis of a combined income tax rate that only consists of corporate taxes and the solidarity surcharge; that rate is approximately 16% at present. The total resulting tax burden would be recognized as a deferred tax liability in the balance sheet. The recognition on the assets side of the balance sheet of tax relief resulting from differences in the annual financial statements of the consolidated companies is omitted in exercise of the recognition option available for that purpose.

Derivative financial instruments are only used for the purpose of reducing risks, in line with the specification of the corresponding group directive. They are measured individually at the market value on the closing date. If the criteria for the creation of valuation units are met in principle, then the hedges and underlying transactions are combined into a valuation unit. The net hedge presentation method is used in cases in which both the net hedge presentation method (for which changes in value from the hedged risk which cancel each other out are not entered in

the balance sheet) and the gross hedge presentation method (for which changes in value from the hedged risk of both the underlying transaction and the hedging instrument that cancel each other out are entered in the balance sheet) can be used. Positive and negative changes in value that cancel each other out do not have an effect on the income statement.

IV. Currency translation in the consolidated financial statements

The asset and liabilities items in annual financial statements that are prepared in foreign currency were converted into euros at the average exchange rate on the closing date, with the exception of the equity capital (subscribed capital, reserves, result carried forward at historical rates). The items in the income statement are converted into euros at the average rate. The resulting conversion difference is shown in group equity after reserves under the item "Difference in equity due to currency conversion".

V. Notes on the balance sheet

1. Fixed assets

The statement of fixed assets for the group and parent company is shown in an asset overview. The asset overview for the group is attached to the Notes as Annex A, while that for the parent company is attached to the Notes as Annex B.

2a. Receivables and other assets – Group

In T€	31 Dec. 2016	31 Dec. 2015
Supplies and services	27,016	27,100
Interests	541	445
Other assets	4,581	4,432
Total	32,138	31,977

Of the trade receivables, EUR 876,000 has a residual term of more than one year (previous year: EUR

940,000). Receivables from investments are mainly the result of the company's trading transactions.

2b. Receivables and other assets – AG

In T€	31 Dec. 2016	31 Dec. 2015
Supplies and services	709	724
Affiliated companies	8,875	8,356
Interests	382	355
Other assets	233	1,404
Total	10,199	10,839

All receivables are due within a year, as was the case in the previous year.

No ownership or disposal restrictions apply with respect to the reported receivables. Specific provisions in the amount of EUR 371,000 (previous year: EUR 328,000) were taken into account.

Receivables from affiliated companies include EUR 7,418,000 from cash pooling with various subsidiaries, and EUR 1,457,000 from the company's trading transactions. A portion of these was offset against liabilities in line with the balance settlement process.

3. Prepaid expenses

The group's prepaid expenses include discounts on loans taken out in previous years by Hafen Duisburg-Rheinhausen GmbH in the amount of EUR 88,000 (previous year: EUR 112,000).

4. Deferred taxes according to Section 274 HGB – Group and AG

Duisburger Hafen AG incurs deferred tax assets from the valuation differences between the valuation rates for financial assets, pension provisions and other provisions under commercial and those under tax law. These are generally entered with a tax rate of 33.68%. However, duisport utilizes the option available under Section 274 HGB and did not enter any deferred taxes on the assets side of the balance sheet.

In the consolidated financial statements, the application of Section 274 HGB results in deferred tax assets from valuation differences between the group's valuation rates for fixed assets, financial assets, pension provisions and other provisions under commercial and tax law, and in deferred tax liabilities from the entry of self-generated intangible assets at a subsidiary on the assets side of the balance sheet. Generally, the deferred taxes are also calculated with a tax rate of 33.68%.

The recognition on the assets side of the balance sheet of tax relief resulting from differences in the annual financial statements of the consolidated companies is omitted in exercise of the recognition option available for that purpose.

T€	Group	AG
Payment arrears for pension obligations according to expert opinions	112	112
Fair value of plan assets	276	79
Acquisition cost of plan assets	257	46
Eligible value pursuant to Section 246 II HGB	112	112
Excess of plan assets over pension liability	164	0

The associated expenses and income, which are of minor importance, were also offset.

6. Equity and liabilities – Group and AG

The subscribed capital of EUR 46,020,000 and the capital reserve of EUR 1,534,000 in the group correspond to the balance sheet items reported at the parent company.

The revenue reserves of the group include the revenues reserves of the parent company as well as the revenue reserves and net results of the affiliated companies that are included in the group. In addition,

5. Excess of plan assets over pension liabilities – Group and AG

This excess amount results from the offset, pursuant to Section 298, Paragraph 1, in conjunction with Section 246, Paragraph 2, Sentence 2, HGB, of pension obligations and assets that are solely used to meet the pension obligations, and that cannot be accessed by all other creditors. The assets in question are negotiable securities.

Information regarding the offset pursuant to Section 298, Paragraph 1 in connection with Section 246, Paragraph 2 Sentence 2 HGB:

the equity capital also includes amounts from the offset of other consolidation measures.

The net result for the group corresponds to that of the parent company.

In 2016, Duisburger Hafen AG distributed EUR 3,600,000 in profits to shareholders for the 2015 financial year. The remaining net retained profit in the amount of EUR 5,427,000 was allocated to the statutory reserve.

Portions of the equity capital in the separate financial statements for Duisport, which are freely available in principle, are subject to a block on distributions as per

Section 268, Paragraph 8 Sentence 3 HGB. Since the option to enter the tax overhang on the assets side of the balance sheet was not utilized, those amounts that are subject to the distribution block are reported without consideration of deferred taxes.

Description	T€
Positive balance from the fair value of assets that must be offset pursuant to Section 246, Paragraph 2 Sentence 2 HGB, less original acquisition costs	33
Difference from the discounting of pensions provisions using the average market interest rate of the past seven years, compared to ten years	522
Amount blocked for dividend distribution pursuant to Section 268, Paragraph 8 HGB	555

7. Special item with reserve portion - Group and AG

T€	Group 31.12.2016	Group 31.12.2015	AG 31.12.2016	AG 31.12.2015
Tax-related value adjustments pursuant to Section 6b, Paragraph 1 EStG	0	0	19,438	19,438
Total	0	0	19,438	19,438

In the separate financial statements, the company utilized the option to retain tax-related special items with reserve portion pursuant to Section 67, Paragraph 3 Sentence 1 EGHGB. The special items are entered as a liability in the Duisburger Hafen AG balance sheet. These tax-related special items with reserve portion are eliminated in the consolidated financial statements.

8. Tax provisions – Group and AG

The tax provisions relate mainly to corporate taxes and trade taxes for the 2014, 2015 and 2016 financial years.

9. Other provisions – Group and AG

Other provisions relate mainly to uncertain obligations to third parties, and omitted maintenance measures. Provisions for costs relating to the workforce are created for part-time retirement (taking into account the plan assets), bonuses, financial assistance, obligations for unused vacation days, anniversary benefits and other obligations, among others. The provision for part-time retirement obligations was only created for own personnel or personnel of the parent company currently employed at the subsidiaries. The remaining provisions relate to a large number of identifiable individual risks.

10. Liabilities – Group and AG

On the balance sheet date, the group reports liabilities to banks in the amount of EUR 137.5 million. An amount of EUR 2.6 million is secured with the registration of land charges against the real estate holdings of Hafen Duisburg-Rheinhausen GmbH. Further security was furnished by Duisburger Hafen AG in the form of equal treatment undertakings and negative pledges, and Hafen Duisburg-Rheinhausen GmbH's loss compensation claims from the intercompany agreement with Duisburger Hafen AG were also assigned. Moreover, undertakings were also given that the group would maintain specific balance sheet ratios.

Other liabilities consist mainly of a EUR 5.0 million loan provided by a non-bank, and the corresponding accrued interest of EUR 52,000. Equal treatment undertakings and negative pledges, along with undertakings to comply with certain balance sheet ratios, were submitted to secure the loans. In particular contributions to social insurance agencies, which must still be paid, are reported as a liability in line with social security.

Liabilities to affiliated companies include EUR 7,609,000 from cash pooling with various subsidiaries, and EUR 310,000 from the company's trading transactions. A portion of these was offset against receivables in line with the balance settlement process in the group.

10a. Liabilities – Group

T€	31 Dec. 2016	Residual period less than 1 year	Remaining term over 1 year	Remaining term over 5 years
Credit institutions (Previous year)	137,547 (112,967)	60,790 (5,133)	76,757 (107,834)	29,978 (35,766)
Advances received (Previous year)	1,729 (1,961)	1,729 (1,961)	0 (0)	0 (0)
Supplies/services (Previous year)	7,965 (6,080)	7,965 (6,080)	0 (0)	0 (0)
From companies in which investments are held (Previous year)	67 (65)	67 (65)	0 (0)	0 (0)
Other liabilities (Previous year)	13,093 (31,496)	13,093 (17,524)	0 (13,972)	0 (0)
thereof for taxes (Previous year)	1,908 (972)	1,908 (972)	0 (0)	0 (0)
thereof for social security (Previous year)	183 (35)	183 (35)	0 (0)	0 (0)
Total (Previous year)	160,401 (152,569)	83,644 (30,763)	76,757 (121,806)	29,978 (35,766)

10b. Liabilities – AG

T€	31 Dec. 2016	Residual period less than 1 year	Remaining term over 1 year	Remaining term over 5 years
Credit institutions (Previous year)	122,330 (96,165)	55,901 (2,245)	66,429 (93,920)	25,102 (30,000)
Supplies/services (Previous year)	1,179 (1,060)	1,179 (1,066)	0 (-6)	0 (0)
Affiliated companies (Previous year)	7,919 (6,006)	7,919 (6,006)	0 (0)	0 (0)
Other liabilities (Previous year)	6,421 (24,364)	6,421 (19,766)	0 (4,598)	0 (0)
thereof for taxes (Previous year)	602 (671)	602 (671)	0 (0)	0 (0)
thereof for social security (Previous year)	5 (12)	5 (12)	0 (0)	0 (0)
Total (Previous year)	137,849 (127,595)	71,420 (29,083)	66,429 (98,512)	25,102 (30,000)

11. Deferred taxes from consolidation measures – Group

Consolidation measures result in deferred tax liabilities from the elimination of tax-related valuation rates in the consolidated financial statements. Deferred tax assets result from the elimination of the interim result. Deferred tax liabilities of EUR 12,310,000 resulting from the elimination of the tax-related valuation rates were offset against deferred tax assets of EUR 423,000 in accordance with Section 306 HGB. A tax rate of 33.68% was used to calculate the deferred taxes (previous year: 33.68%).

Contingent liabilities and other financial obligations

Duisburger Hafen AG has assumed directly enforceable guarantees vis-a-vis licensing authorities in the amount of EUR 61.1 million in favor of Hafen Duisburg-Rheinhausen GmbH, for the purpose of securing the repayment obligations for approved subsidiaries. The risk that the guarantee will be utilized with respect to these repayment obligations is assessed as minimal due to the positive net assets, financial position and results of operations of Hafen Duisburg-Rheinhausen.

For the subsidiary duisport industrial packing service (Wuxi) Co., Ltd., China, Duisburger Hafen AG has assumed a guarantee of CNY 6.7 million (approx. EUR 0.9 million). A provision was created for this item as a precautionary measure.

Duisburger Hafen AG has assumed additional guarantees vis-a-vis the subsidiaries dpl Weinzierl Verpackungen GmbH (EUR 200,000) and Omnipack GmbH (EUR 413,000). We believe that the risk that these undertakings will be utilized is very low.

Moreover, Duisburger Hafen AG has also committed to provide Hafen Duisburg-Rheinhausen GmbH with liquidity during the course of the year, enabling it to meet its obligations. We believe that the risk that this undertaking will be utilized is very low.

The acquisition of a participation results in a contingent liability of approximately EUR 700,000, for which the risk of utilization has been assessed as very low.

The group's commitment from investing and non-investing measures amounts to EUR 44.5 million, including EUR 26.4 million that is attributable to the parent company.

The following encumbrances were in place on the balance sheet date:

Encumbrances – Group

	Square meters	Land affected in %	Of which AG Square meters
Hereditary building rights in favor of port operators	1,390,800	14.41	1,061,993
Easements (e.g. for the operation of pipelines and wells)	1,621,238	16.79	652,899
Rights of way and other rights	1,057,243	10.95	525,302
Total	4,069,281	42.15	2,240,194

Other financial obligations in the group amount to EUR 11,956,000 (nominal). Other financial obligations of the AG total EUR 2,656,000, and include EUR 1,682,000 for companies outside of the group, and EUR 974,000 for companies inside the group.

duisport is a member of the Rheinische Zusatzversorgungskasse (RZVK), which is based in Cologne. RZVK-Zusatzversorgung has been tasked with providing the employees of its members with additional pension, disability and survivor benefits in the form of a defined-contribution benefit plan. The amount of the company pension will depend on the respective annual compensation and age of the employee.

In the year 2016, the allocation rate was 4.25% of the compensation subject to additional pension provisions. The percentage rate for the recapitalization charge (for financing the claims and entitlements earned before 1 January 2002) was 3.5%. The total compensation subject to additional provisions for duisport employees amounted to EUR 8.6 million in the 2016 financial year.

This obligation is treated as an indirect pension obligation for which no provision was created according to Section 28, Paragraph 1 Sentence 2 EGHGB. The compensation amount for duisport according to Section 15a of the RZVK statutes totaled EUR 25.4 million as at 31 December 2016. This is treated as a contingent liability that would only be assumed directly by Duisburger Hafen AG if the company were to terminate its RZVK membership.

Off-balance-sheet transactions

In 2012, HDR sold a logistics property to MOLANKA Vermietungsgesellschaft mbH & Co. Objekt Duisport KG, Düsseldorf, and leased it back in order to obtain liquidity for the financing of future investment projects. At the same time, the special purpose entity was granted a hereditary building right for a period of 70 years.

The property has been leased long-term to a multinational logistics company. The rental income that can be generated in this manner in the long term exceeds the company's rental expenses from the sale and lease-back transaction, which features a basic lease period of 15 years. It also comes with the option to buy back the property at the end of the basic lease period.

The advantage of this transaction is that the liquidity obtained by the company as a result of this financing model will be available for the investments that have been planned for 2016 and subsequent years.

HDR may incur a financial risk if the rental contract with the multinational logistics company is not renewed after ten years.

Derivative financial instruments

The following interest hedge swaps were in place on the balance sheet date:

Type of interest hedge swap	Group	Group	AG	AG
	Nominal volume T€	Market value T€	Nominal volume T€	Market value T€
Payer interest swaps (EUR)	82,373	-14,538	82,373	-14,538
of which to hedge financial liabilities	41,190	-6,367	41,190	-6,367
of which to hedge planned transactions that are highly likely	41,183	-8,170	41,183	-8,170

In the annual financial statements for 31 December 2016, the variable interest liabilities and interest swaps are depicted as a valuation unit. A pending loss provision for swaps that feature negative market values on the closing date is generally created in the amount at which the hedges are expected to be ineffective due to deviating interest payment dates. For this reason, a pending loss provision in the amount of EUR 915,000 had to be created in the annual financial statements for 31 December 2016.

The fair values of the interest swaps correspond to the respective market value that is calculated using the appropriate actuarial methods (discounted cash flow method). Solely parameters that can be observed in the market are used in the measurement of the interest swap and the interest/currency swap.

Valuation units

The following valuation units were formed:

Underlying transaction/ Hedging instrument	Risk/Type of valuation unit	Amount involved T€	Amount of hedged risk T€
Variable interest loan Payer interest swap (AG)	Interest risk/ Portfolio hedge	82,373	-14,538
of which to hedge financial liabilities		41,190	-6,367
of which to hedge planned transactions that are highly likely		41,183	-8,170

The contrary payment flows in this portfolio of underlying and hedging transactions are expected to cancel each other out with a high effectiveness during the hedging period that ends between 2017 and 2032 (depending on the individual hedging transaction), because according to the company's risk policy, risk items from variable interest (underlying transactions) are hedged against the liquidity risk immediately after they are created. Until the balance sheet date, the contrary payment flows from the underlying and hedging transactions canceled each other out, with the exception of a small ineffectiveness due to different interest payment dates. A high degree of effectiveness is assumed for the future since the sum of the nominal values of the interest swaps does not exceed the sum of the nominal values of the loans, and the term of the interest swaps does not exceed the term of the underlying transactions (taking into account the high probability of follow-up financing). In addition, the high degree of actual retrospective effectiveness also argues in favor of a high degree of future effectiveness. The "change in variable cash flows" method is used to measure retrospective effectiveness. These valuation units are created both in the annual financial statements and the consolidated financial statements for Duisburger Hafen AG.

The payer interest swaps mature between 2017 and 2032. Most of the variable-interest loans included in the valuation units do not feature a fixed term (revolving loans). One EUR 15 million loan has a term ending on 19 November 2018, whereas the term for another loan for EUR 10 million ends on 19 February 2026. We believe that the expected transactions are highly probable as we currently expect that the loans will be continued at minimum at the current amount until the end of the term of the payer interest swaps, and that the corresponding (also variable) follow-up financing will be obtained since the company has a continued need for this liquidity for future investments in infra and superstructure, as well as maintenance measures. Therefore the valuation unit includes transactions that are highly probable (with an identical nominal value).

VI. Notes on the income statement**1. Sales revenue**

T€	Group 2016	Group 2015	AG 2016	AG 2015
Infrastructure	27,652	27,214	20,988	20,659
Superstructure	21,577	21,071	8,234	8,416
Logistics services	77,484	73,937	2,251	2,567
Packaging services	72,460	69,689	0	0
Other sales revenues	4,690	1,789	7,894	764
Total	203,862	193,700	39,367	32,406

The change in the consolidation scope results in sales revenues of EUR 3,433,000.

The previous year's figures for 2015 cannot be compared to those of 2016 due to the redefinition of sales revenues in line with BilRUG. If the new law had been applied to the 2015 sales revenues of Duisburger Hafen AG, they would have been EUR 39,374,000 instead of EUR 32,406,000. Other operating income would have been reduced accordingly, by EUR 6,968,000.

In the group, sales revenues would have been EUR 605,000 higher if BilRUG was applied in 2015, and other operating income would have been reduced accordingly.

2. Other capitalized services – Group

Capitalized services of the duisport Group in the amount of EUR 165,000 are the result of the various building projects undertaken by Duisburger Hafen AG.

3. Other operating income

T€	Group 2016	Group 2015	AG 2016	AG 2015
Reversal of provisions (other periods)	2,139	2,070	891	1,286
Income from the disposal of assets	1,378	28	1,962	52
Value adjustments	1,144	400	68	315
Contributions collected	852	500	320	159
Write-up of long-term and current assets	678	1,263	675	1,250
Income from the disposal of current assets	84	1,160	61	1,160
Other income relating to other periods	185	104	11	63
Service fees	0	360	0	0
Reversal of special items	0	24	0	63
Group-internal services	0	0	0	7,257
Group-internal transfers	0	0	131	0
Other	867	1,021	275	129
Total	7,327	6,930	4,394	11,734

4. Cost of materials

T€	Group 2016	Group 2015	AG 2016	AG 2015
Raw materials, consumables and supplies	28,987	28,443	801	904
Purchased services	60,233	53,878	2,817	483
Total	89,220	82,321	3,618	1,387

The change in the consolidation scope results in material costs of EUR 3,355,000.

The previous year's figures for 2015 cannot be compared to those of 2016 due to the redefinition of material costs in line with BilRUG. If the new law had been applied to the 2015 material costs of Duisburger Hafen AG, they would have been EUR 3,805,000 instead of EUR 1,387,000. Other operating expenses would have been reduced accordingly by EUR 2,418,000.

The application of BilRUG in 2015 would not have resulted in any changes in the group.

5. Personnel expenses

T€	Group 2016	Group 2015	AG 2016	AG 2015
Wages and salaries	36,284	34,841	11,331	10,513
Social taxes and expenses for pension scheme and support	7,640	8,237	2,626	3,133
(of which for pension scheme)	(1,027)	(1,726)	(922)	(1,427)
Total	43,924	43,078	13,957	13,646

Employees of Duisburger Hafen AG who did not receive a direct pension commitment have access to

additional retirement provisions at Rheinische Zusatzversorgungskasse, Cologne.

6. Write-downs of intangible, fixed and current assets

T€	Group 2016	Group 2015	AG 2016	AG 2015
Intangible assets – scheduled	1,776	1,553	167	124
Fixed assets – scheduled	12,996	12,657	2,776	3,121
Fixed assets – unscheduled	1,695	420	0	420
	16,467	14,630	2,943	3,665
Current assets	1,174	0	0	0
Total	17,641	14,630	2,943	3,665

7. Other operating expenses

T€	Group 2016	Group 2015	AG 2016	AG 2015
External services for maintenance	8,042	7,729	2,853	3,428
Lease and rental expenses	7,458	7,520	1,371	1,687
Legal, consulting, insurance and similar	7,076	6,751	3,291	3,486
Temporary staff	3,273	3,637	893	2,625
Corporate communication and marketing	1,735	1,262	1,674	1,121
Disposal costs	1,348	1,316	821	812
Communications	1,173	1,269	687	764
Expenses relating to other periods	473	401	0	0
Group-internal services	0	0	3,741	4,691
Other	7,378	8,174	3,708	4,028
Total	37,956	38,059	19,039	22,642

8. Income from participations

T€	Group 2016	Group 2015	AG 2016	AG 2015
Income from participations/associated companies	559	428	1,398	1,156
(of which from affiliated companies)	(0)	(0)	(1,398)	(1,156)
Income from appropriation of earnings	0	0	8,662	9,031
Total	559	428	10,060	10,187

9. Income from loans of financial assets

T€	Group 2016	Group 2015	AG 2016	AG 2015
Income from loans	444	500	7,076	7,167
(of which from affiliated companies)	(0)	(0)	(6,692)	(6,726)
Total	444	500	7,076	7,167

10. Interest income and expenses

T€	Group 2016	Group 2015	AG 2016	AG 2015
Other interest and similar income	352	146	349	367
(of which from affiliated companies)	(0)	(0)	(263)	(303)
(of which income from the discounting of long-term provisions)	(248)	(0)	(1)	(0)
Interest and similar expenses	-6,142	-7,455	-5,313	-5,718
(of which to affiliated companies)	(0)	(0)	(-134)	(-147)
(of which expenses from the compounding of long-term provisions)	(-804)	(-1,055)	(-694)	(-876)
Total	-5,790	-7,309	-4,964	-5,351

11. Income taxes

In terms of income taxes, an amount of EUR 7,331,000 in the group and EUR 6,111,000 at Duisburger Hafen AG is attributable to earnings from ordinary operations.

In addition, the consolidated financial statements also include income of EUR 713,000 (previous year: income of EUR 313,000) relating to the change in deferred taxes that were recognized.

VIII. Other information**Average number of employees by company**

	Industrial workers	Office staff	Apprentices	Total employees	
				2016	2015
Duisburger Hafen AG	3	164	17	184	179
duisport packing logistics GmbH	114	55	13	182	194
dfl duisport facility logistics GmbH	75	21	0	96	98
dpl Chemnitz GmbH	61	11	0	72	68
dpl Weinzierl Verpackungen GmbH	51	20	0	72	63
duisport rail GmbH	44	9	4	56	49
Holz Weinzierl Fertigungen GmbH & Co. KG	49	5	1	54	61
duisport agency GmbH	0	43	0	43	42
Tarlog GmbH	21	7	0	27	29
Umschlag Terminal Marl GmbH & Co. KG	18	5	0	23	22
Omnipack GmbH	16	3	0	19	18
BREEZE Industrial Packing GmbH	0	17	1	18	15
LOGPORT Logistic-Center Duisburg GmbH	8	3	0	11	0
IPS Integrated Project Services GmbH	0	7	0	7	6
duisport packing logistics India Pvt. Ltd.	0	6	0	6	5
duisport industrial packing service (Wuxi) Co., Ltd.	0	5	0	5	7
Total	460	381	36	877	856

The other consolidated companies do not have any own employees.

The total amount of interest paid in the group in 2016 was EUR 6.2 million.

Notes on the consolidated cash flow statement

Cash and cash equivalents include cash on hand and the credit balances and liabilities at credit institutions. Liquid assets are not subject to disposal restrictions.

Cash and cash equivalents resulting from proportionately included companies amount to EUR 2,568,000 as at 31 December 2016.

**Information according to Section 264,
Paragraph 3 HGB and Section 264b HGB**

The subsidiaries Duisburg-Rheinhausen GmbH, duisport agency GmbH, dfl duisport facility logistics GmbH, duisport rail GmbH and dpl Chemnitz GmbH as well as Umschlag Terminal Marl GmbH & Co. KG and Holz Weinzierl Fertigungen GmbH & Co. KG utilize the relief available under Section 264, Paragraph 3 HGB and Section 264b HGB to the extent that they forgo the disclosure of financial statements according to Section 325 HGB.

Supplementary report

There were no events of special significance that occurred after the end of the financial year and that have a material effect on the net assets, financial position and results of operations.

Appropriation of profits

Out of Duisburg Hafen AG's net retained earnings totaling EUR 9,386,988.60, the Executive Board proposes that an amount of EUR 3,900,000.00 is distributed to shareholders and the remaining amount is allocated to the statutory reserve.

Auditor's fees

The group auditor's fees for the financial year were for:

Auditing services	194 T€
Other verification services	185 T€

Total fee	379 T€
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Total receipts of the Executive Board and Supervisory Board

The receipts of the Executive Board for the year 2016 are broken down as follows:

2016 receipts

€	Non-performance-based salary	Other non-performance-based payments	Performance-based payments	Total
Erich Staake	334,848.00	99,865.00	230,988.00	665,701.00
Prof. Thomas Schlipköther	220,763.00	30,017.00	129,081.00	379,861.00
Markus Bangen	170,352.00	56,271.00 ¹	115,494.00	342,117.00
Total	725,963.00	186,153.00	475,563.00	1,387,679.00

¹ including pension scheme

The measurement criteria under the individual target agreements for the members of the Executive Board

for 2016 are also relevant to the target attainment and hence the amount of variable compensation in 2017 and 2018.

The following pension provisions have been created for the members of the Executive Board:

€	31 Dec. 2015	Allocation	31 Dec. 2016
Erich Staake	1,642,439.00	144,920.00	1,787,359.00
Prof. Thomas Schlipköther	932,134.00	85,539.00	1,017,673.00
Total	2,574,573.00	230,459.00	2,805,032.00

The following pension provisions have been created for the former members of the Executive Board and their survivors:

€	
As at 31 Dec. 2015	3,307,337.00
Pension payments	-322,920.00
Dissolution	-26,616.00
On-going allocation	0.00
Allocation from compounding	262,865.00
As at 31 Dec. 2016	3,220,666.00

The member of the Supervisory Board received the following total remuneration in 2016:

Supervisory Board member	Remuneration in 2016 in €	Meeting fees in 2016 in €	Total in 2016 in €
Michael von der Mühlen ¹	2,045.16	306.78	2,351.94
Jörg Hansen ²	1,533.88	204.52	1,738.40
Ursula Lindenhofer ²	1,533.88	0.00	1,533.88
Sören Link ²	1,533.88	306.78	1,840.66
Bernhard Waltenberg	1,022.58	51.13	1,073.71
Kirsten Stecken	1,022.58	153.39	1,175.97
Udo Vohl	1,022.58	204.52	1,227.10
Torsten Burmester	1,022.58	204.52	1,227.10
Heidi Batkowski	1,022.58	153.39	1,175.97
Ulrich Brottmann	1,022.58	153.39	1,175.97
Ekhart Maatz	0.00	102.26	102.26
Thomas Susen	1,022.58	204.52	1,227.10
Winfried Pudenz	0.00	0.00	0.00
Susanne Pollmeier	511.29	88.71	600.00
Total	14,316.15	2,133.91	16,450.06

¹ Chairman

² Vice Chairman/Chairwoman

The members of the Supervisory Board are not paid performance-based remuneration or remuneration with a long-term incentive.

Loans to members of the Executive Board and Supervisory Board

As at 31 December 2016, there were no outstanding loans to members of the Executive Board and the Supervisory Board.

Duisburg, 3 May 2017

Duisburger Hafen Aktiengesellschaft

Executive Board

Staake (Chairman) Prof. Schlipköther Bangen

Audit opinion

We have reviewed the consolidated financial statements – comprised of the balance sheet, income statement, cash flow statement and statement of equity – with the Group Notes that include the company's Notes and the Group Report for Duisburger Hafen AG, Duisburg, which includes the management report for the company, for the financial year 1 January to 31 December 2016. The preparation of the consolidated financial statements and the consolidated Group Report according to the German provisions under commercial law and the supplementary provisions of the articles is the responsibility of the company's Executive Board. It is our task to submit an assessment of the consolidated financial statements and the consolidated management report on the basis of our audit.

We have conducted our audit of the consolidated financial statements according to Section 317 of the German Commercial Code (HGB) in compliance with the generally accepted German standards of auditing as specified by the Institute of Public Auditors (IDW).

Accordingly, the audit must be planned and carried out in such a way that misstatements and contraventions materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements – taking into consideration the generally accepted accounting principles – and in the consolidated management report will be detected with a sufficient degree of certainty. Knowledge of the business activities and the economic and legal environment of the group as well as expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and in the consolidated management report are primarily evaluated on the basis of random samples. The audit includes an assessment of the annual financial statements of the companies included in the consolidated financial statements, the determination of companies to be included in the consolidation, the accounting and consolidation principles that are applied, and the main estimates of the Executive Board as well as an acknowledgment of the overall

presentation of the consolidated financial statements and the consolidated management report. We are of the opinion that our audit forms a reasonable basis for our assessment.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with the legal requirements as well as the supplementary provisions of the Group's articles and in compliance with the generally accepted accounting principles correctly describe the group's net assets, financial position and results of operations. The consolidated management report is consistent with the consolidated financial statements, on the whole provides a correct presentation of the group's position and correctly describes the opportunities and risks associated with future developments.

Düsseldorf, 3 May 2017

PricewaterhouseCoopers
Aktiengesellschaft

Wirtschaftsprüfungsgesellschaft

Norbert Linscheidt
Auditor

ppa. Barbara Hegeler
Auditor

Shareholders

The subscribed capital of Duisburger Hafen AG totals EUR 46,020,000. It is divided into 46,020 registered shares of restricted transferability.

The subscribed capital is held by the following:

The state of North Rhine-Westphalia via the Beteiligungsverwaltungs- gesellschaft des Landes Nordrhein- Westfalen mbH with	€ 30,680,000
The City of Duisburg with	€ 15,340,000

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Arkas Holding S. A., Turkey

p. 90

Chal-Tec, Berlin

p. 47 top right

Thomas Bittera, Leverkusen

p. 29

Hans Blosssey, Hamm

p. 42–43; p. 60–61 three motifs; p. 64; p. 105; p. 115

Tim Deussen, Berlin

p. 66–67

Evonik, Essen

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Foto Fink, Munich

p. 84 left; p. 85

Company for the development of the Great Stone industrial park

p. 81 bottom; p. 89

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p. 78–79; p. 96

GREIWING logistics for you GmbH/Sputnik GmbH

p. 65

Studio Ignatov, Düsseldorf and Zürich

Denis' Ignatov

p. 8

innogy SE, Essen

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IPS Integrated Project Services GmbH, Duisburg

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Manfred Knopp

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Porto di Trieste, Italy

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Rolf Köppen, Duisburg

p. 22–23 bottom center; p. 24 right; p. 28 three motifs (from top); p. 38 bottom; p. 80 top; p. 83

krischerfotografie, Duisburg

Friedhelm Krischer and Tobias Lühe

p. 23 top right; p. 24 left; p. 27 two motifs;
p. 28 four motifs bottom; p. 30–31 two motifs;
p. 32–33; p. 34–35 seven motifs; p. 36–37 eight motifs;
p. 38 right; p. 39 six motifs; p. 46–47; p. 48 two motifs left; p. 50; p. 51 top; p. 63; p. 72–73; p. 75;
p. 77; p. 80–81 two motifs center and right top;
p. 84 right; p. 88; p. 95; p. 111

Feenstaub Entertainment, Duisburg

Sascha Lamozik

p. 76 top left

REINHOLD IMAGES, Düsseldorf

Frank Reinhold, M.A. (RCA)

p. 25; p. 26; p. 44–45; p. 49 top right;
p. 51 bottom; p. 52–53; p. 54–59 twelve motifs;
p. 92–93

Dominik Schröder, Munich

Title motif

Dirk Soboll

p. 22 top left

Staatskanzlei des Landes Nordrhein-Westfalen,

Düsseldorf

p. 12

Stiftung Klavier-Festival Ruhr, Essen

p. 76 right

ZAPFENSTREICHE, Cologne

Michael Szyszka

p. 68–69 Illustration

Imprint

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Port number 3650
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Concept & implementation

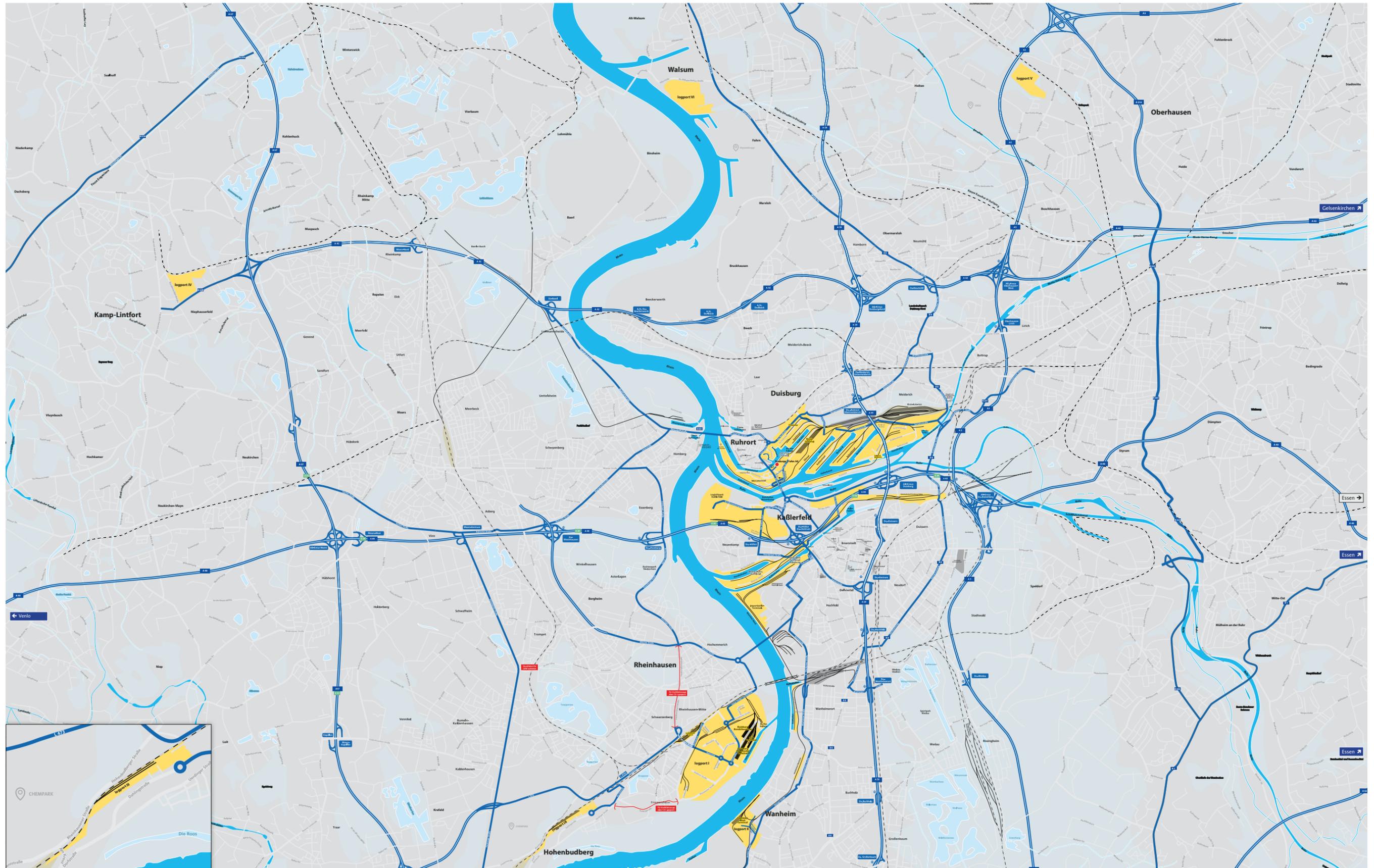
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Printing & processing

druckpartner
Druck- und Medienhaus GmbH, Essen



Port map



Zeichenerklärung/Legend

- | | | | |
|--|---|---|--|
|  Autobahn/Motorway |  Haupteisenbahnlinien/
Important connecting railway |  Wasserfläche/Water area |  Sitz der/Headquarter of
Duisburger Hafen AG |
|  Hauptsächlichstraßen/
Important connecting road |  Eisenbahn/Railway |  Hafengebiet duisport/
duisport Port area | |



Duisburger Hafen AG

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