

2015 in brief







# Introduction



2015 was characterised by huge volatility in the global economy and an oil price, which by the end of the year had dropped to 36 dollars for the first time since July 2004. This naturally affected the oil and gas industry and the market pressures made last year difficult for a number of businesses at the Port of Esbjerg. There are, however, several nuances when looking back at 2015. There were also industries and businesses at the port, which experienced prosperity.

Under the circumstances, the Port of Esbjerg has, as expected, delivered a result and a turnover slightly below the level in 2014. We are satisfied with this. The activity at the port continues to be high and offered new records in terms of the number of ship calls and the number of imported cars. By the end of the year, the majority of the port's area was leased out on a long-term basis and we continue to deliver solid economic key figures.

Overall, the result for 2015 confirms that the Port of Esbjerg is a robust business and that our 10-year strategy towards 2023 is working although market conditions have changed significantly since we agreed on the strategy. Our focus on three business areas – wind, oil/gas and RoRo – is turning out to be the right one. Meanwhile, we have a strong capital base, which is crucial for a business like ours. This benefits both our customers and our owner.

From this position, the Port of Esbjerg has the best possible prerequisites to continue developing the port's infrastructure and to deliver flexible, functional and cost-effective solutions, which contribute to the competitiveness of our customers – in both good and less good times. We will continue to focus on catering to the demand for areas with the right size, design and location while doing our best to ensure all the port's users an effective operation at, to and from the port. Moreover, we will play our part in creating more business in Esbjerg by marketing the unique value chain made up by the businesses at the port.

Everything points to volatility dominating the headlines for the global economy and the global markets again in 2016. We feel well-equipped to meet this outlook and expect the level of activity at the port to remain largely unchanged.

*Flemming N. Enevoldsen*  
*Chairman of the Board, Port of Esbjerg*

# Annual report 2015

The Port of Esbjerg exited 2015 in a stable manner despite increasing uncertainty on the international market for oil and gas.

The net profit for the year ended at EUR 10.31 million. This is only a minor fall of about one percent compared to the previous year's high net profit of EUR 10.43 million. As such, the net profit lived up to the expectations that were set out for 2015.

Likewise, the turnover saw a small decrease of less than half a percent from EUR 30.17 million in 2014 to EUR 30.03 million in 2015. The numbers cover a small rise in RoRo-traffic, a large increase in the number of ship calls, a fall in the total cargo transport and fewer shipments of wind installations.

## Rise in solvency ratio

Return on the invested capital (ROAIC) in 2015 was at approximately the same level as the previous year i.e. 9.2 percent in 2015 versus 9.3 percent in 2014. Meanwhile the solvency ratio increased from 49.1 percent in 2014 to 54.0 percent in 2015. This bears witness to a very stable and robust business.

The depreciation for the year amounted to EUR 6.78 million, which is slightly below the level for 2014, where the depreciation amounted to EUR 7.00 million. The decrease is primarily caused by the sale of fixed assets.

Staff costs in 2015 totaled EUR 4.51 million, which corresponds to 15 percent of the turnover. As in the previous year, the port had 56 employees and turnover per employee equaled EUR 536,733.

The share of leased out areas was also high in 2015. By the end of 2015, 2,600,000 m<sup>2</sup> of the port's area were leased out, of which 2,312,000 m<sup>2</sup> were leased out on a long-term basis. Half of the leased out areas were used for offshore activities i.e. wind and oil/gas.

The total assets in 2015 amounted to EUR 180.17 million against EUR 177.27 million in 2014. Meanwhile, the net cash flow for 2015 amounted to EUR 1.8 million.

Over the course of the year, the port paid EUR 7.15

million off its long-term debt and invested EUR 7.10 million. The majority of expenditure on fixed assets went to further expansion of the East Port and new roads by H. E. Bluhmes Vej.

## Number of ship calls continues to grow

The high activity at the port continued in 2015 and offered a new record in terms of the number of ship calls. The amount ended at 6,432 calls (excl. the Fanø Ferry), which is a rise of about 10 percent from 5,930 calls in 2014. The number of ship calls has risen 74 percent since 2011.

The many ship calls are partially explained by the high number of calls by the vessels, which transport service providers and technicians to offshore wind farms and the high number of calls by vessels, which deliver service and supplies to crews on the oil and gas platforms. This signals a continued high level of activity in the wind industry.

## Transport of cars on the rise

Cargo turnover reached 4.2 million tonnes in 2015, a small fall of 6 percent compared to 2014, where 4.5 million tonnes of cargo passed through the port. The import of coal, which fell by 24 percent to 375,000 tonnes in 2015, is the main reason for the drop in cargo turnover.

Overall, there was a small rise in RoRo activity resulting in a cargo turnover of 1.679 million tonnes. Especially the transport of cars went up: 58,793 new cars drove across the quay in 2015 against 39,152 in 2014. This amounts to a 50 percent rise.

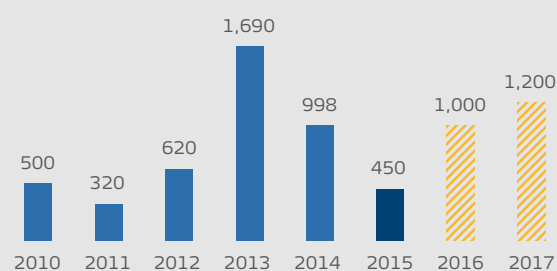
The amount of wind capacity shipped from the port in 2015 declined by 9 percent compared to the previous year. 380,000 tonnes were shipped in 2015 against 416,000 tonnes in 2014. The decline is due to the fact that many wind farms were completed during the first half of 2015. As such, the remainder of the year was spent on preassembly and preparing the many wind installations, which will be shipped to new wind farms in 2016.

## Financial and key figures

Million EUR	2013	2014	2015
Turnover	28.87	30.17	30.03
Other expenses	-6.17	-5.25	-5.33
<b>Gross profit</b>	<b>22.71</b>	<b>24.92</b>	<b>24.70</b>
Staff costs	-4.20	-4.38	-4.51
Depreciation	-6.92	-7.00	-6.78
<b>Operating profit, EBIT</b>	<b>11.60</b>	<b>13.54</b>	<b>13.40</b>
Net financials	-3.27	-3.11	-3.09
<b>Ordinary profit</b>	<b>8.32</b>	<b>10.43</b>	<b>10.31</b>
Extraordinary income	2.13	0	0
<b>Net profit</b>	<b>10.46</b>	<b>10.43</b>	<b>10.31</b>
Total assets	170.05	177.27	180.17
Tangible fixed assets	148.16	146.47	146.83
Equity	76.68	87.10	97.38
Capital expenditures	17.49	5.21	7.10
<b>Key figures (%):</b>			
Return on equity	14.6	12.7	11.2
ROAIC	8.3	9.3	9.2
Solvency ratio	45.1	49.1	54.0

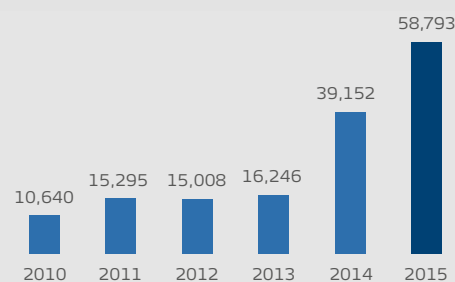
## Offshore wind shipped

 **450** MW



## New cars

 **58,793**

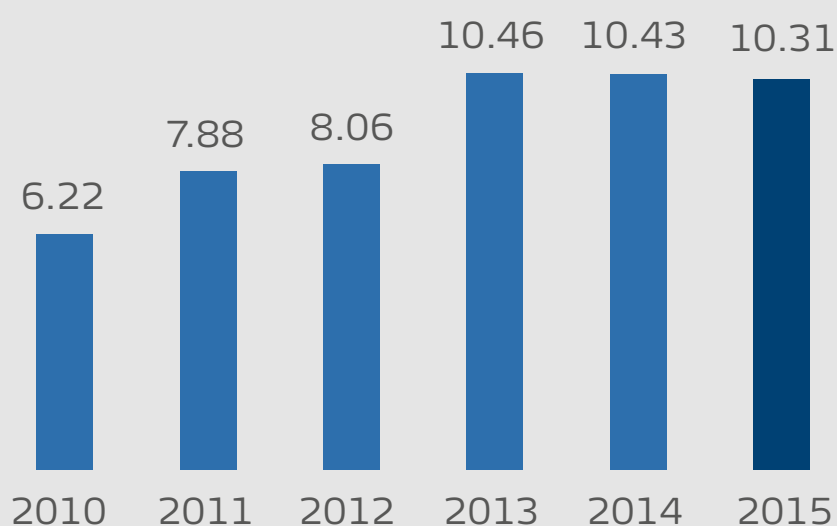


# Facts and key figures 2015

## Net profit



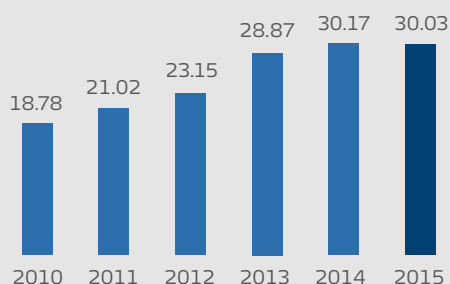
**10.31** million EUR



## Turnover



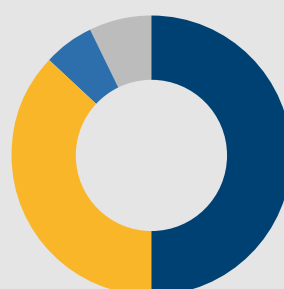
**30.03** million EUR



## Turnover



by type

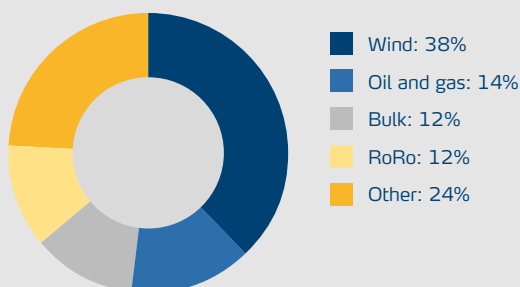


- Area lease: 50%
- Ship and commodity dues: 37%
- Crane services: 6%
- Other: 7%

## Turnover



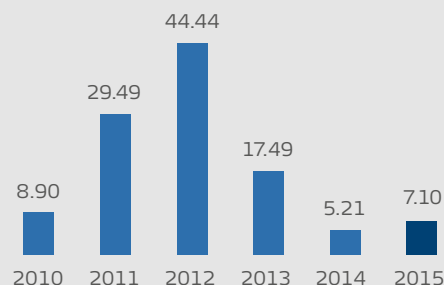
by business area



## Investments



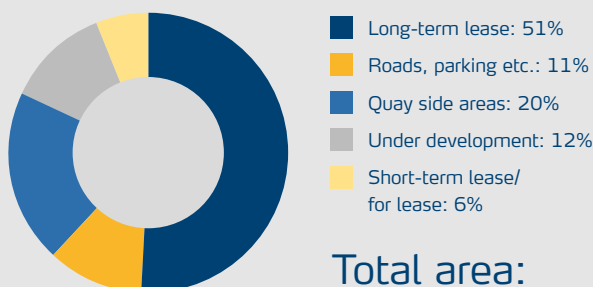
7.1 million EUR



## Contracted areas



by type

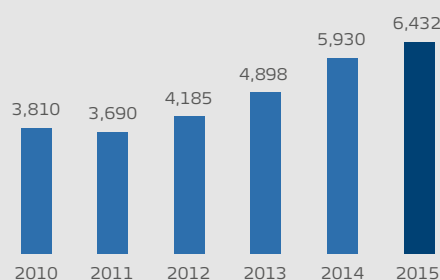


Total area:  
4,500,000 m<sup>2</sup>

## Ship calls



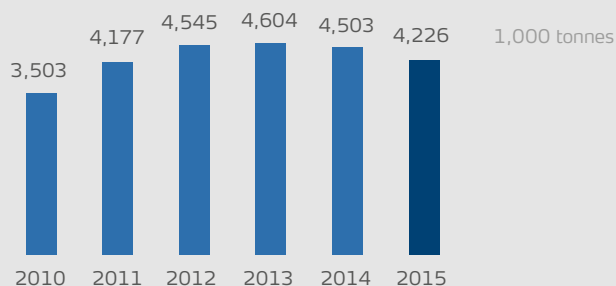
6,432



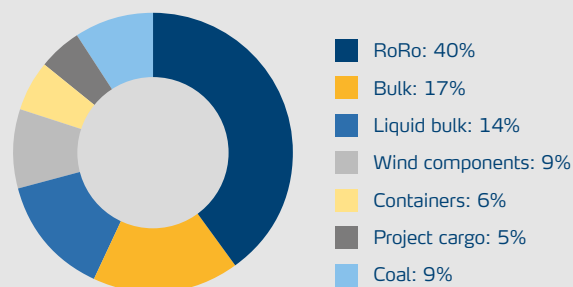
## Cargo turnover



4.2 million tonnes



## Cargo by type







## Board of Directors

### Chairman

Flemming N. Enevoldsen,  
Group Executive Vice President

### Vice Chairman

Johnny Søtrup, Mayor

### Vice Chairman

Hans Erik Møller, Town Councillor  
Helle Vingolf Larsen, Senior Director

Flemming Just, Managing Director

Finn Strøm Madsen, Managing Director

John Veje Olesen, Managing Director

Freddy Hansen, Service Assistant  
(employee representative)

Thorleif Jensen, Service Assistant  
(employee representative)

## Management

Port Director Ole Ingrisch



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