

PRESS INFO

Kuehne+Nagel Group

Kuehne+Nagel marks a strong start to 2021

- **High demand for Sea and Air Logistics services**
- **European Road Logistics volumes recovered and stable**
- **Contract Logistics profits rise on effects of concluded restructuring**

Kuehne+Nagel Group <i>CHF million</i>	Q1 2021	Q1 2020	Δ
Net turnover	6,032	4,912	22.8%
Gross profit	2,019	1,878	7.5%
EBITDA	611	378	61.6%
EBIT	431	184	134.2%
Earnings for the period	318	139	128.8%
Free cash flow	65	84	-22.6%

Schindellegi / CH, April 26, 2021 – Kuehne+Nagel's start to the 2021 business year was marked by a strong demand in transport services, especially for pharma and e-commerce fulfilment. Kuehne+Nagel achieved an excellent result in this environment: net turnover of over CHF 6.0 billion, EBIT of CHF 431 million and earnings for the period of CHF 318 million were all significantly higher year-on-year.

Dr. Detlef Trefzger, CEO of Kuehne + Nagel International AG, says: "Exactly one year ago, when we were still at the beginning of the pandemic, we decided to commit to our proven strategy. Upon reflection, we are assured that we chose the correct path: in the first quarter of 2021, we were well-prepared to serve our customers' robust demand for high quality logistics services despite the tense market environment. We expect this environment to remain challenging for the remainder of another atypical year."

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Sea Logistics

<i>CHF million</i>	Q1 2021	Q1 2020	Δ
Net turnover	2,393	1,724	38.8%
Gross profit	482	344	40.1%
EBIT	206	79	160.8%

The positive profit trend reversal in Sea Logistics, already noted in the second half of 2020, continued in the first quarter of 2021.

Kuehne+Nagel delivered intensified service to meet exceedingly high customer demands particularly in the US, in an environment of limited container capacities, reduced terminal productivity and increasing demand. Volume growth was particularly strong in the consumer goods segment.

Container volumes in the first quarter of 2021 were up 2% year-on-year at 1.1 million TEU, despite a decline in recyclables demand. The unit's net turnover was nearly CHF 2.4 billion and EBIT CHF 206 million. The conversion rate reached a record high of 42.7%.

With a new alert feature in the online Seaexplorer platform, Sea Logistics customers are informed promptly about irregularities in container transport. This transparency proved particularly helpful to remedy disrupted supply chains during the Suez Canal incident in March.

Air Logistics

<i>CHF million</i>	Q1 2021	Q1 2020	Δ
Net turnover	1,650	1,091	51.2%
Gross profit	402	307	30.9%
EBIT	163	71	129.6%

Air Logistics saw a return to trade volume growth in the first quarter of 2021, the first time in more than two years. This was contrasted by limited global freight capacities. Kuehne+Nagel's expertise in dealing with this bottleneck was particularly crucial for the transport of pharma and essential goods.

Airfreight volumes developed positively, reaching 433,000 tonnes in the first quarter of 2021 (16% year-on-year). Combined with strong yields, net turnover improved to CHF 1.7 billion and EBIT to CHF 163 million. The conversion rate was 40.5%.

Further progress was made in the digitalisation and automation of Air Logistics processes (eTouch). This development was particularly advanced in the booking processes, invoicing and documentation.

Road Logistics

<i>CHF million</i>	Q1 2021	Q1 2020	Δ
Net turnover	870	863	0.8%
Gross profit	304	281	8.2%
EBIT	24	17	41.2%

In Road Logistics, the first quarter of 2021 was characterised by a significant increase in consignment numbers and a return of European national transport capacities to prior year levels. After a weak start, UK transport demand recorded a noticeable recovery throughout the remainder of the quarter.

The unit's net turnover of CHF 870 million in the first quarter of 2021 was at the previous year's level; however, EBIT of CHF 24 million improved by 41.2% year-on-year.

Originally designed for Asia, the online booking platform for Road Logistics, eTrucknow, was successfully launched in Australia and Russia in the first quarter of 2021.

Contract Logistics

<i>CHF million</i>	Q1 2021	Q1 2020	Δ
Net turnover	1,119	1,234	-9.3%
Gross profit	831	946	-12.2%
EBIT	38	17	123.5%

In the first quarter of 2021, Contract Logistics returned to organic growth of 4%, in line with the market. As a result of the divestment of part of the UK business as of January 1, 2021, turnover declined in the first quarter of 2021.

The unit's net turnover of over CHF 1.1 billion was 9.3% below the previous year; EBIT, however, increased by 123.5% to CHF 38 million.

The pharma business and e-commerce fulfilment activities again had a positive impact. In March, the business unit entered into a strategic partnership with Jointown, the largest non-state pharmaceutical distributor in China.

About Kuehne+Nagel

With 72,500 employees at 1,400 locations in over 100 countries, the Kuehne+Nagel Group is one of the world's leading logistics companies. Its strong market position lies in sea logistics, air logistics, road logistics and contract logistics, with a clear focus on integrated logistics solutions.