



PRESS INFO

Kuehne + Nagel Group – Half-Year results 2016

Leveraging volume for profit

Gross profit increased by 8 per cent, earnings by 9 per cent

Schindellegi / CH, July 19, 2016 – The Kuehne + Nagel Group was able to increase gross profit by 8 per cent to CHF 3,257 million in the first six months of 2016 while net turnover slightly decreased. The operating result (EBITDA) grew by 10 per cent to CHF 547 million. Earnings for the period improved by 9 per cent to CHF 356 million compared to the previous year’s period.

Kuehne + Nagel Group	First half-year	
	2016	2015
<i>CHF million</i>		
Net turnover	8,147	8,225
Gross profit	3,257	3,018
Operational result (EBITDA)	547	497
EBIT	455	410
Earnings for the period	356	326

Corporate
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Dr. Detlef Trefzger, CEO of Kuehne + Nagel International AG:

“The first half of 2016 has been shaped by different regional economic development trends. Global trade showed a lack of growth momentum. Our strategy to focus on organic growth and gaining market shares by offering industry-specific solutions once again led to increases in volumes and results. Our Group delivered a strong performance and has significantly improved gross profit, and therewith increased profit.”

Seafreight

In seafreight, Kuehne + Nagel continued to grow and, for the first time, succeeded in handling over one million TEU in one quarter. Compared to the first six months of the previous year, the Group increased its container volume by 5.8 per cent. This growth well above market average was primarily a result of the larger volumes in the export business from Asia to Europe and the US. The LCL and reefer container businesses performed well. The EBIT-to-gross profit margin improved from 30.8 per cent in the first half of 2015 to 31.3 per cent and EBIT by 8.3 per cent to CHF 221 million.

Airfreight

In the global airfreight market shrinking demand and excess capacity resulted in margin pressure. In this challenging environment, Kuehne + Nagel managed to increase its tonnage by 2.9 per cent in the second quarter of 2016. This was mainly due to the expansion of customer-specific services and industry solutions. Strong export business in Asia, the Middle East and Africa contributed equally to this development. Compared to the first six months of the previous year, Kuehne + Nagel increased tonnage by 1.3 per cent. The sustainable profitability is reflected in the EBIT-to-gross profit margin, which at 30.8 per cent was slightly above the previous year's level. EBIT improved by 8.1 per cent to CHF 147 million.

Overland

Substantial growth in net turnover and gross profit was achieved in the overland business unit in the second quarter of 2016. The fully integrated US-based ReTrans Group and the European business contributed considerably to the positive performance. Compared to the first six months of the previous year, net turnover improved by 22.6 per cent and gross profit by 12.6 per cent. EBIT increased from CHF 14 million to CHF 17 million.

Contract Logistics

The successful implementation of new businesses accelerated in the second quarter of 2016. As a result, gross profit increased by 9.7 per cent in this period versus 5.1 per cent in the first quarter of 2016. Compared to the first six months of the previous year, the net turnover increase of 6.9 per cent outperformed market growth. Gross profit improved by 7.4 per cent compared to the previous year and EBIT from CHF 56 to CHF 70 million.

Dr. Joerg Wolle, Chairman of the Board of Directors of Kuehne + Nagel International AG: "In the second quarter, the Kuehne + Nagel Group improved its performance and managed to expand market shares in a heterogeneous economic environment. Based on its successful strategic focus, we are confident that we can continue the momentum in volume and profit into the second half of the year from today's perspective."

About Kuehne + Nagel

With approximately 68,000 employees at more than 1,200 locations in over 100 countries, the Kuehne + Nagel Group is one of the world's leading logistics companies. Its strong market position lies in the seafreight, airfreight, contract logistics and overland businesses, with a clear focus on providing IT-based integrated logistics solutions. Further information can be found at www.kuehne-nagel.com