



PRESS INFO

Kuehne + Nagel Group | First half-year 2018

Successful first half of the year – strong increase in net turnover, EBIT and earnings for the period

- Considerable volume growth across all business units
- Conversion rate at a high level
- Uncertainty caused by discussions on new trade agreements
- Brexit and rising fuel costs

Kuehne + Nagel Group	1st half-year 2018	1st half-year 2017	Variance
<i>CHF in million</i>			
Net turnover	10,066	8,815	+14.2%
Gross profit	3,806	3,377	+12.7%
Operational result (EBITDA)	608	554	+9.7%
EBIT	501	452	+10.8%
Earnings for the period	390	356	+9.6%

Schindellegi / CH, July 19, 2018 – In the first six months, the Kuehne + Nagel Group recorded strong volume growth and a significant increase in EBIT. The EBIT-to-gross-profit ratio (conversion rate) was maintained at a high level.

Dr. Detlef Trefzger, CEO of Kuehne + Nagel International AG:
 “Kuehne + Nagel remains en route for success in the first half of 2018. We achieved strong volume growth across all business units. This growth combined with active cost management delivered a significant improvement in results confirming the consistency of the implementation of our business strategy. Our high level of industry-

Corporate Communications

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specific competence and our digital solutions are key factors here. We monitor the volatile markets and geopolitical developments very closely. Despite this market environment we are confident and ambitious as we enter the second half of the year.”

Seafreight

With momentum increasing in the second quarter, Kuehne + Nagel improved seafreight volumes by 8.1 per cent and thus grew considerably faster than the overall market. In the first half of the year 2.289 million standard containers (TEU) were handled, 172,000 more than in the same period of the previous year. The company gained significant new business, mainly with its integrated digital solutions; growth drivers were full-container-load shipments (FCL) and Project, Oil & Gas, Marine Logistics. EBIT for the first half of the year was up 6.1 per cent at CHF 210 million with overall margins stabilising. The conversion rate amounted to 28.6 per cent, a leading figure in the industry.

Airfreight

Airfreight remained successful in the first half of the year and continued its strong performance from the previous quarters. Tonnage increased by 18.1 per cent to 863,000 tons. Industry-specific solutions made a particularly important contribution here. Compared to the previous year, EBIT increased by 20.5 per cent to CHF 182 million. A further increase was also recorded in the conversion rate which with 31.0 per cent is at a high level.

Overland

Kuehne + Nagel's overland transport continued to increase in all business areas. Net turnover rose by 17.7 per cent and gross profit by 16.5 per cent. Dynamic growth was achieved in the European and North American trade lanes. Once again, the drivers behind this growth were industry-specific solutions, for example in the pharmaceutical industry and in

e-commerce fulfilment. Compared to the previous year, EBIT improved by 48.3 per cent to CHF 43 million.

Contract Logistics

Net turnover in contract logistics increased by 12.2 per cent and gross profit by 11.3 per cent. New business based on scalable and tailored logistics solutions, particularly in e-commerce fulfilment, made a major contribution to this. Due to investments in the further development of the business model as well as the launch of a warehouse management system the EBIT was in line with expectations at CHF 66 million down on the previous year.

Dr. Jörg Wolle, Chairman of the Board of Directors of Kuehne + Nagel International AG: "We demonstrated our performance strength yet again in the first half of 2018 and have established a solid basis for the second half of the year. Kuehne + Nagel's agility and efficiency make us confident that the positive development of the company will continue."

About Kuehne + Nagel

With almost 79,000 employees at some 1,300 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 high value-added segments such as IT-based integrated logistics solutions. Further information can be found at www.kuehne-nagel.com