

Analyst conference

Full-year 2022 results

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Kuehne + Nagel International AG

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Full-year results: Highlights

Kuehne+Nagel with extraordinary results in 2022

Growth

- Net turnover of CHF 39.4 billion vs. CHF 32.8 billion in 2021
+ 20% increase
- Gross Profit of CHF 11.1 billion vs. CHF 9.9 billion in 2021
+ 12% increase

Profit

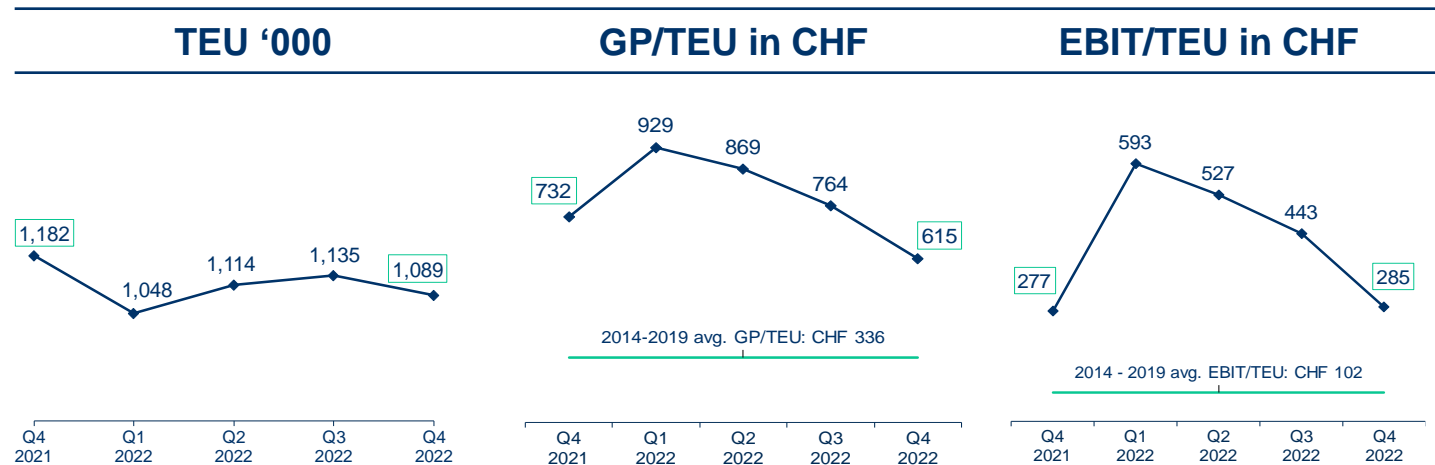
- EBIT of CHF 3.8 billion vs. CHF 2.9 billion in 2021
+ 28% increase
- Earnings per share of CHF 22.15 vs. CHF 16.92 per share in 2021
+ 31% increase
- Conversion Rate of 34% vs. 30% in 2021

Cash

- Free Cash Flow of CHF 3.8 billion vs. CHF 1.8 billion in 2021
+ 109% increase
- Proposed dividend of CHF 14 per share vs. CHF 10 per share in 2021
+ 40% increase

Sea Logistics

Yield trend in line with normalisation

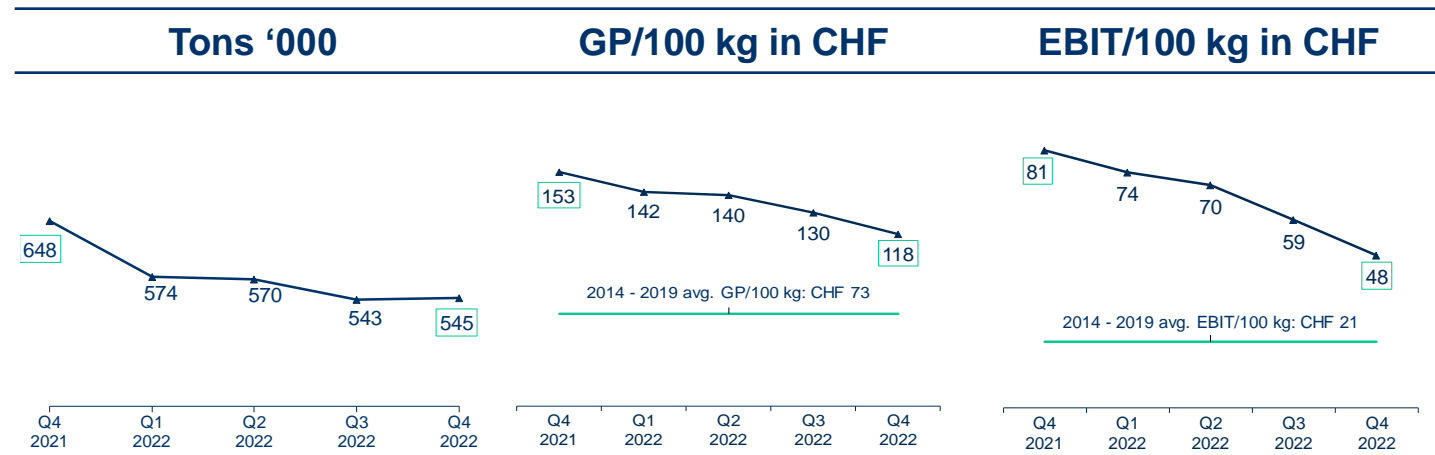


- Unprecedented rate hikes squeezed out lower yielding cargo, which impacted Kuehne+Nagel's volumes negatively
- Sequentially, GP/TEU development trends to a normalisation
- Kuehne+Nagel's diverse portfolio is changing to higher yielding volumes

In CHF million	Q4 2022	Q4 2021	Variance	FY 2022	FY 2021	Variance
Gross profit	670	865	(23)%	3,479	2,754	+26%
EBIT	310	538	(42)%	2,021	1,529	+32%
Conversion rate	46%	62%		58%	56%	

Air Logistics

Resilient yield with soft landing



- Weakening demand and pricing volatility after a pandemic-related volumes decline
- Pressure on EBIT partially mitigated by etouch initiatives
- Strong performance with above average yield volumes at Apex

In CHF million	Q4 2022	Q4 2021	Variance	FY 2022	FY 2021	Variance
Gross profit	645	989	(35)%	2,965	2,556	+16%
EBIT	260	522	(50)%	1,409	1,167	+21%
Conversion rate	40%	53%		48%	46%	

Road Logistics

High utilisation and digital solutions

In CHF million	Q4 2022	Q4 2021	Variance	FY 2022	FY 2021	Variance
Net turnover	981	958	+2%	3,997	3,689	+8%
Gross profit	324	312	+4%	1,334	1,253	+7%
EBIT	26	19	+37%	146	94	+55%
Conversion rate	8%	6%		11%	8%	

- Stable volume development and high network utilisation
- European market flat in 2022 due to geopolitical and macroeconomic environment
- Ukraine crisis and regulatory measures (e.g. mobility pack) putting additional pressure on costs

Contract Logistics

Strong performance

In CHF million	Q4 2022	Q4 2021	Variance	FY 2022	FY 2021	Variance
Net turnover	1,302	1,210	+8%	4,933	4,596	+7%
Gross profit	860	859	-	3,331	3,333	-
EBIT	48	42	+14%	187	156	+20%
Conversion rate	6%	5%		6%	5%	

- Profits lifted by healthcare and e-commerce
- Continuous focus on high value creation for selected verticals
- Low idle space indicating still high inventory levels

Financial KPIs

Income Statement

Quarter over quarter comparison

CHF million	2021 Q4	2021 YTD	2022 Q4	2022 YTD	Variance			YTD Variance in %		
					2022/2021	Q4	2022/2021	Growth	Acquisition/ disposal	Forex ¹
Net turnover	10,960	32,801	8,795	39,398	6,597	(2,165)	20.1%	19.3%	4.4%	(3.6%)
Gross profit	3,025	9,896	2,499	11,109	1,213	(526)	12.3%	12.4%	3.7%	(3.8%)
Gross profit margin	27.6%	30.2%	28.4%	28.2%						
EBITDA	1,310	3,679	843	4,532	853	(467)	23.2%	20.4%	6.0%	(3.2%)
EBITDA margin	12.0%	11.2%	9.6%	11.5%						
EBIT	1,121	2,946	644	3,763	817	(477)	27.7%	23.4%	7.2%	(2.9%)
EBIT margin to net turnover	10.2%	9.0%	7.3%	9.6%						
Conversion rate	37.1%	29.8%	25.8%	33.9%						
EBT	1,122	2,945	657	3,808	863	(465)	29.3%	24.6%	7.6%	(2.9%)
Earnings	813	2,155	494	2,810	655	(319)	30.4%	27.4%	7.8%	(4.8%)
Non-controlling interests	(94)	(123)	(41)	(166)	(43)	53				
Net earnings	719	2,032	453	2,644	612	(266)	30.1%	27.1%	8.3%	(5.3%)

¹ Foreign currency translation impact

- Significant translation impact due to EUR decline (7.0)% and USD +4.1% vs. CHF
- Sequentially Q4 2022 was the weakest quarter in 2022 due to slowing down of macro-economic momentum and increase of inflation

Working Capital

Focus on DSO – DPO spread

CHF million	December 31, 2021	December 31, 2022	Better/(worse) 2022 vs. 2021
Trade receivables/contract assets	7,235	6,027	1,208
Trade payables/accrued trade expenses/contract liabilities*	(5,417)	(4,987)	(430)
Net working capital	1,818	1,040	778
KPIs:			
Working capital intensity	3.8%	2.7%	1.1%
DSO	49.2	51.0	(1.8)
DPO	53.2	60.1	6.9
Δ	4.0	9.1	5.1

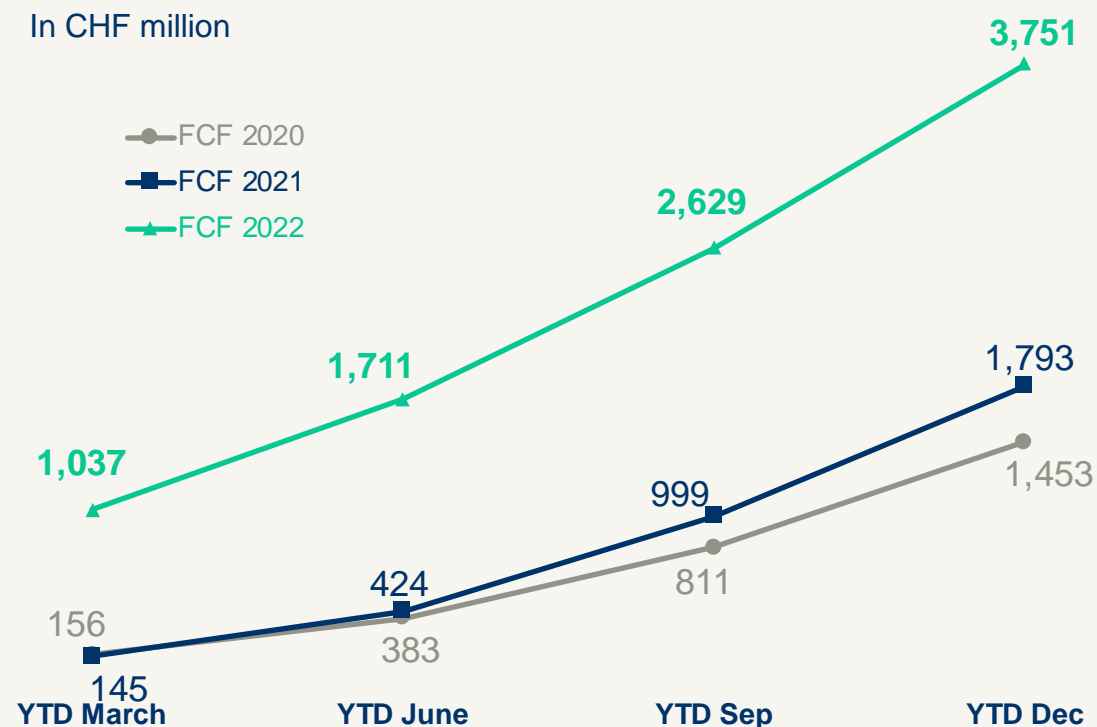
* Contract liabilities have been added to the working capital calculation.

Prior year working capital intensity and DPO have been updated to reflect this change.

Cash and Free Cash Flow

Strong cash conversion

CHF million	YTD 2021	YTD 2022	Variance
Cash and cash equivalents January 1, net	1,713	2,300	587
Cash flow from operating activities	2,462	4,404	1,942
Cash flow from investing activities	(1,080)	(223)	857
Repayment of lease liabilities	(493)	(518)	(25)
Dividend paid	(539)	(1,261)	(722)
Purchase of treasury shares	(59)	(646)	(587)
Others	291	(219)	(510)
Total cash flow from financing activities	(800)	(2,644)	(1,844)
Exchange difference on cash and cash equivalents	5	(67)	(72)
Increase/(decrease) in cash and cash equivalents	587	1,470	883
Cash and cash equivalents December 31, net	2,300	3,770	1,470



Dividend proposal

CHF 14.00 per share

	2018	2019	2020	2021	2022
Share price in CHF on 31.12.	126.35	163.20	200.80	294.40	215.20
Registered shares	120,000	120,000	120,000	120,754	120,754
Market capitalisation in CHF million on 31.12.	15,162	19,584	24,096	35,550	25,986
Dividend per share paid in CHF ¹	6.00	4.00	4.50	10.00	14.00
Average share price of the year in CHF	152	144	163	283	241
Dividend yield in per cent	4.0%	2.8%	2.8%	3.5%	5.8%
Dividend payout ratio in per cent	93%	60%	68%	59%	63%

¹ Dividend distributed in May of the following year with the exception of 2019 (distributed Sep 2020), dividend 2022 represents the proposal to the Annual General Meeting

Review of strategy 2017 - 2022

“Leading the transformation” successfully implemented

Strong organic growth

Created substantial GP growth

Group conversion rate > 16%

Achieved 34% in 2022

etouch

Focus on cost leadership in commodity and value creation in service business continues

New solutions

Pharma and Healthcare
Time-definite product

Digitisation

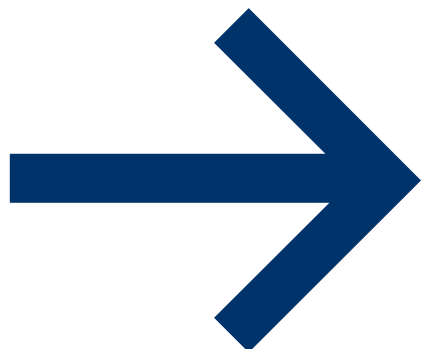
Digitalisation as game changer for productivity improvements
SALOG fully rolled out

Acquisitions

Integration of Quick Group, Sincero, Rotra, Apex Group

Inspire. Empower. Deliver.





Upcoming events

06.04. - 25.04.2023

25.04.2023

Closed period

Three-months results 2023

09.05.2023

Annual General Meeting

06.07. - 25.07.2023

25.07.2023

Closed period

Six-months results 2023

05.10. - 25.10.2023

25.10.2023

Closed period

Nine-months 2023 results

02.01. - 28.02.2024

28.02.2024

Closed period

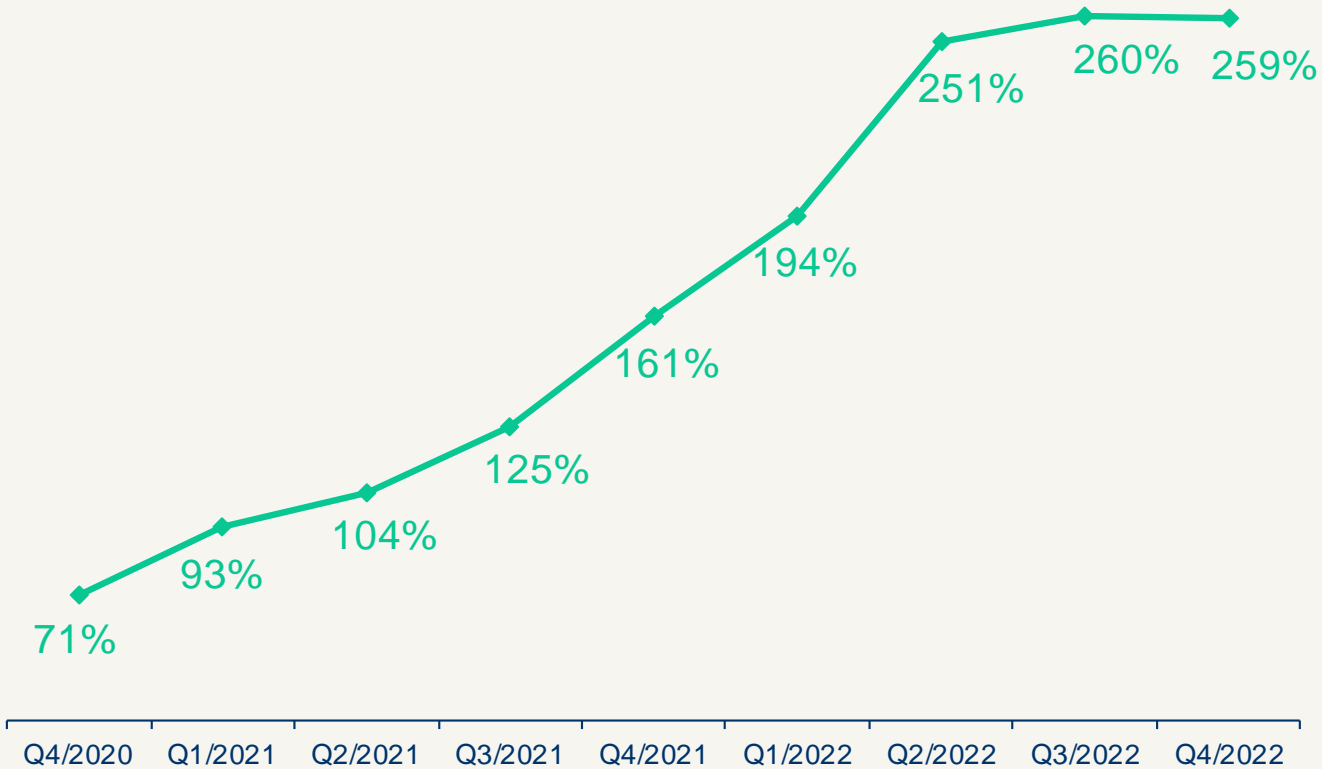
Full-year 2023 results

Balance Sheet

Building on the strong foundation

CHF million	December 31, 2021	December 31, 2022		December 31, 2021	December 31, 2022
Assets			Equity and Liabilities		
			Equity attributable to the equity holders of the parent company	3,204	4,140
Property, plant and equipment	766	739	Non-controlling interests	7	7
Right-of-use assets	1,409	1,418	Total equity	3,211	4,147
Goodwill	2,290	2,199	Non-current lease liabilities	1,053	1,026
Other intangibles	247	180	Others	2,070	1,768
Others	257	257	Non-current liabilities	3,123	2,794
Non-current assets	4,969	4,793	Trade payables	2,994	2,731
			Contract liabilities	223	280
Trade receivables	6,404	5,291	Accrued trade expenses	2,200	1,976
Contract assets	693	540	Bank and other interest-bearing liabilities	205	8
Cash and cash equivalents	2,305	3,778	Current lease liabilities	431	466
Others	279	349	Others	2,263	2,349
Current assets	9,681	9,958	Current liabilities	8,316	7,810
Assets	14,650	14,751	Equity and Liabilities	14,650	14,751

ROCE



Calculation: last four quarters EBIT (rolling EBIT) divided by the average of the last four quarters capital employed (rolling capital employed); capital employed: assets and liabilities excluding investments in joint ventures and associates, deferred tax assets and liabilities, income tax receivables and liabilities, borrowings, cash and cash equivalents

Quarter-over-quarter 2022/2021

Sea and Air Logistics

CHF million	2022					2021					Change in %					Change in mCHF				
	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL
Sea Logistics																				
Income Statement																				
Turnover	5,363	5,457	5,433	4,355	20,608	2,878	3,311	4,405	5,068	15,662	+86.3	+64.8	+23.3	(14.1)	+31.6	2,485	2,146	1,028	(713)	4,946
Net Turnover	4,857	5,012	4,970	3,914	18,753	2,393	2,849	3,904	4,560	13,706	+103.0	+75.9	+27.3	(14.2)	+36.8	2,464	2,163	1,066	(646)	5,047
Gross Profit	974	968	867	670	3,479	482	598	809	865	2,754	+102.1	+61.9	+7.2	(22.5)	+26.3	492	370	58	(195)	725
Opex	(343)	(369)	(357)	(348)	(1,417)	(268)	(293)	(315)	(317)	(1,193)	(28.0)	(25.9)	(13.3)	(9.8)	(18.8)	(75)	(76)	(42)	(31)	(224)
EBITDA	631	599	510	322	2,062	214	305	494	548	1,561	+194.9	+96.4	+3.2	(41.2)	+32.1	417	294	16	(226)	501
Depreciation and Amortisation	(10)	(12)	(7)	(12)	(41)	(8)	(7)	(7)	(10)	(32)	(25.0)	(71.4)	-	(20.0)	(28.1)	(2)	(5)	-	(2)	(9)
EBIT	621	587	503	310	2,021	206	298	487	538	1,529	+201.5	+97.0	+3.3	(42.4)	+32.2	415	289	16	(228)	492
KPI																				
EBIT / GP conversion rate	63.8%	60.6%	58.0%	46.3%	58.1%	42.7%	49.8%	60.2%	62.2%	55.5%										
Volume (TEU's '000)	1,048	1,114	1,135	1,089	4,386	1,096	1,142	1,193	1,182	4,613	(4.4)	(2.5)	(4.9)	(7.9)	(4.9)	(48)	(28)	(58)	(93)	(227)
GROSS PROFIT	929	869	764	615	793	440	524	678	732	597	+111.1	+65.8	+12.7	(16.0)	+32.8	489	345	86	(117)	196
EXPENSES	(336)	(342)	(321)	(330)	(332)	(252)	(263)	(270)	(277)	(266)	(33.3)	(30.0)	(18.9)	(19.1)	(24.8)	(84)	(79)	(51)	(53)	(66)
EBIT	593	527	443	285	461	188	261	408	455	331	+215.4	+101.9	+8.6	(37.4)	+39.3	405	266	35	(170)	130
Air Logistics																				
Income Statement																				
Turnover	3,303	3,348	2,958	2,749	12,358	1,798	2,495	2,773	4,414	11,480	+83.7	+34.2	+6.7	(37.7)	+7.6	1,505	853	185	(1,665)	878
Net turnover	3,146	3,178	2,793	2,598	11,715	1,650	2,326	2,602	4,232	10,810	+90.7	+36.6	+7.3	(38.6)	+8.4	1,496	852	191	(1,634)	905
Gross Profit	817	796	707	645	2,965	402	557	608	989	2,556	+103.2	+42.9	+16.3	(34.8)	+16.0	415	239	99	(344)	409
Opex	(373)	(374)	(364)	(365)	(1,476)	(230)	(299)	(350)	(447)	(1,326)	(62.2)	(25.1)	(4.0)	+18.3	(11.3)	(143)	(75)	(14)	82	(150)
EBITDA	444	422	343	280	1,489	172	258	258	542	1,230	+158.1	+63.6	+32.9	(48.3)	+21.1	272	164	85	(262)	259
Depreciation and Amortisation	(19)	(21)	(20)	(20)	(80)	(9)	(15)	(19)	(20)	(63)	(111.1)	(40.0)	(5.3)	-	(27.0)	(10)	(6)	(1)	-	(17)
EBIT	425	401	323	260	1,409	163	243	239	522	1,167	+160.7	+65.0	+35.1	(50.2)	+20.7	262	158	84	(262)	242
KPI																				
EBIT / GP conversion rate	52.0%	50.4%	45.7%	40.3%	47.5%	40.5%	43.6%	39.3%	52.8%	45.7%										
Volume (TON's '000)	574	570	543	545	2,232	433	555	584	648	2,220	+32.6	+2.7	(7.0)	(15.9)	+0.5	141	15	(41)	(103)	12
GROSS PROFIT	142	140	130	118	133	93	100	104	153	115	+52.7	+40.0	+25.0	(22.9)	+15.7	49	40	26	(35)	18
EXPENSES	(68)	(70)	(71)	(70)	(70)	(55)	(56)	(63)	(72)	(62)	(23.6)	(25.0)	(12.7)	+2.8	(12.9)	(13)	(14)	(8)	2	(8)
EBIT	74	70	59	48	63	38	44	41	81	53	+94.7	+59.1	+43.9	(40.7)	+18.9	36	26	18	(33)	10

Quarter-over-quarter 2022/2021

Road and Contract Logistics

CHF million	2022					2021					Change in %					Change in mCHF				
	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL
Road Logistics																				
Income Statement																				
Turnover	1,124	1,196	1,144	1,130	4,594	1,009	1,134	1,121	1,126	4,390	+11.4	+5.5	+2.1	+0.4	+4.6	115	62	23	4	204
Net Turnover	982	1,051	983	981	3,997	870	939	922	958	3,689	+12.9	+11.9	+6.6	+2.4	+8.3	112	112	61	23	308
Gross Profit	329	355	326	324	1,334	304	326	311	312	1,253	+8.2	+8.9	+4.8	+3.8	+6.5	25	29	15	12	81
Opex	(284)	(290)	(271)	(282)	(1,127)	(265)	(280)	(274)	(277)	(1,096)	(7.2)	(3.6)	+1.1	(1.8)	(2.8)	(19)	(10)	3	(5)	(31)
EBITDA	45	65	55	42	207	39	46	37	35	157	+15.4	+41.3	+48.6	+20.0	+31.8	6	19	18	7	50
Depreciation and Amortisation	(15)	(15)	(15)	(16)	(61)	(15)	(16)	(16)	(16)	(63)	-	+6.3	+6.3	-	+3.2	-	1	1	-	2
EBIT	30	50	40	26	146	24	30	21	19	94	+25.0	+66.7	+90.5	+36.8	+55.3	6	20	19	7	52
KPI																				
EBITDA / Net turnover	4.6%	6.2%	5.6%	4.3%	5.2%	4.5%	4.9%	4.0%	3.7%	4.3%										
EBIT / GP conversion rate	9.1%	14.1%	12.3%	8.0%	10.9%	7.9%	9.2%	6.8%	6.1%	7.5%										
EBIT / Net turnover	3.1%	4.8%	4.1%	2.7%	3.7%	2.8%	3.2%	2.3%	2.0%	2.5%										
Contract Logistics																				
Income Statement																				
Turnover	1,300	1,378	1,356	1,440	5,474	1,248	1,272	1,295	1,352	5,167	+4.2	+8.3	+4.7	+6.5	+5.9	52	106	61	88	307
Net turnover	1,173	1,232	1,226	1,302	4,933	1,119	1,127	1,140	1,210	4,596	+4.8	+9.3	+7.5	+7.6	+7.3	54	105	86	92	337
Gross Profit	822	837	812	860	3,331	831	827	816	859	3,333	(1.1)	+1.2	(0.5)	+0.1	(0.1)	(9)	10	(4)	1	(2)
Opex	(636)	(649)	(611)	(661)	(2,557)	(645)	(649)	(634)	(674)	(2,602)	+1.4	-	+3.6	+1.9	+1.7	9	-	23	13	45
EBITDA	186	188	201	199	774	186	178	182	185	731	-	+5.6	+10.4	+7.6	+5.9	-	10	19	14	43
Depreciation and Amortisation	(142)	(151)	(143)	(151)	(587)	(148)	(144)	(140)	(143)	(575)	+4.1	(4.9)	(2.1)	(5.6)	(2.1)	6	(7)	(3)	(8)	(12)
EBIT	44	37	58	48	187	38	34	42	42	156	+15.8	+8.8	+38.1	+14.3	+19.9	6	3	16	6	31
KPI																				
EBITDA / Net turnover	15.9%	15.3%	16.4%	15.3%	15.7%	16.6%	15.8%	16.0%	15.3%	15.9%										
EBIT / GP conversion rate	5.4%	4.4%	7.1%	5.6%	5.6%	4.6%	4.1%	5.1%	4.9%	4.7%										
EBIT / Net turnover	3.8%	3.0%	4.7%	3.7%	3.8%	3.4%	3.0%	3.7%	3.5%	3.4%										

Quarter-over-quarter 2022/2021

Kuehne+Nagel Group

CHF million	2022					2021					Change in %					Change in mCHF				
	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL
Kuehne+Nagel Group																				
Income Statement																				
Turnover	11,090	11,379	10,891	9,674	43,034	6,933	8,212	9,594	11,960	36,699	+60.0	+38.6	+13.5	(19.1)	+17.3	4,157	3,167	1,297	(2,286)	6,335
Customs duties and taxes	(932)	(906)	(919)	(879)	(3,636)	(901)	(971)	(1,026)	(1,000)	(3,898)	(3.4)	+6.7	+10.4	+12.1	+6.7	(31)	65	107	121	262
Net Turnover	10,158	10,473	9,972	8,795	39,398	6,032	7,241	8,568	10,960	32,801	+68.4	+44.6	+16.4	(19.8)	+20.1	4,126	3,232	1,404	(2,165)	6,597
Net expenses for services from 3rd parties	(7,216)	(7,517)	(7,260)	(6,296)	(28,289)	(4,013)	(4,933)	(6,024)	(7,935)	(22,905)	(79.8)	(52.4)	(20.5)	+20.7	(23.5)	(3,203)	(2,584)	(1,236)	1,639	(5,384)
Gross Profit	2,942	2,956	2,712	2,499	11,109	2,019	2,308	2,544	3,025	9,896	+45.7	+28.1	+6.6	(17.4)	+12.3	923	648	168	(526)	1,213
Opex	(1,636)	(1,682)	(1,603)	(1,656)	(6,577)	(1,408)	(1,521)	(1,573)	(1,715)	(6,217)	(16.2)	(10.6)	(1.9)	+3.4	(5.8)	(228)	(161)	(30)	59	(360)
EBITDA	1,306	1,274	1,109	843	4,532	611	787	971	1,310	3,679	+113.7	+61.9	+14.2	(35.6)	+23.2	695	487	138	(467)	853
Depreciation and Amortisation	(186)	(199)	(185)	(199)	(769)	(180)	(182)	(182)	(189)	(733)	(3.3)	(9.3)	(1.6)	(5.3)	(4.9)	(6)	(17)	(3)	(10)	(36)
EBIT	1,120	1,075	924	644	3,763	431	605	789	1,121	2,946	+159.9	+77.7	+17.1	(42.6)	+27.7	689	470	135	(477)	817
Result from finance and associates	8	11	13	13	45	(1)	(2)	1	1	(1)						9	13	12	12	46
EBT	1,128	1,086	937	657	3,808	430	603	790	1,122	2,945	+162.3	+80.1	+18.6	(41.4)	+29.3	698	483	147	(465)	863
Income tax	(296)	(290)	(249)	(163)	(998)	(112)	(157)	(212)	(309)	(790)	(164.3)	(84.7)	(17.5)	+47.2	(26.3)	(184)	(133)	(37)	146	(208)
Earnings	832	796	688	494	2,810	318	446	578	813	2,155	+161.6	+78.5	+19.0	(39.2)	+30.4	514	350	110	(319)	655
Non-controlling interests	(49)	(42)	(34)	(41)	(166)	(1)	(7)	(21)	(94)	(123)						(48)	(35)	(13)	53	(43)
Net Earnings	783	754	654	453	2,644	317	439	557	719	2,032	+147.0	+71.8	+17.4	(37.0)	+30.1	466	315	97	(266)	612
KPI																				
EBIT / GP conversion rate	38.1%	36.4%	34.1%	25.8%	33.9%	21.3%	26.2%	31.0%	37.1%	29.8%										
GP / Net turnover	29.0%	28.2%	27.2%	28.4%	28.2%	33.5%	31.9%	29.7%	27.6%	30.2%										
EBITDA / Net turnover	12.9%	12.2%	11.1%	9.6%	11.5%	10.1%	10.9%	11.3%	12.0%	11.2%										
EBIT / Net turnover	11.0%	10.3%	9.3%	7.3%	9.6%	7.1%	8.4%	9.2%	10.2%	9.0%										
EBT / Net turnover	11.1%	10.4%	9.4%	7.5%	9.7%	7.1%	8.3%	9.2%	10.2%	9.0%										
Earnings / Net turnover	8.2%	7.6%	6.9%	5.6%	7.1%	5.3%	6.2%	6.7%	7.4%	6.6%										

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