

Kuehne+Nagel Group - nine-months result 2022

Strong earnings growth continues in 2022

- **Kuehne+Nagel well-positioned in a complex market environment**
- **Net turnover in 9M: CHF 30.6 billion; EBIT CHF 3.1 billion; conversion rate 36.2%**
- **Best-ever nine-months results**

Kuehne+Nagel Group CHF million	9M 2022	9M 2021	Δ	Q3 2022	Q3 2021	Δ
Net turnover	30,603	21,841	40%	9,972	8,568	16%
Gross profit	8,610	6,871	25%	2,712	2,544	7%
EBITDA	3,689	2,369	56%	1,109	971	14%
EBIT	3,119	1,825	71%	924	789	17%
Net earnings	2,316	1,342	73%	688	578	19%
Free cash flow	2,629	999	163%	918	575	60%

Schindellegi / CH, October 25, 2022 – In the third quarter of 2022, the Kuehne+Nagel Group continued to perform well in the market. From January to September 2022, net turnover increased by 40% to CHF 30.6 billion, EBIT by 71% to CHF 3.1 billion and net earnings by 73% to CHF 2.3 billion. Free cash flow amounted to CHF 2.6 billion. The Group's conversion rate amounted to 36.2%.

Stefan Paul, CEO of Kuehne+Nagel International AG: "Kuehne+Nagel posted its best-ever nine-months results. However, higher energy prices, broad-based inflation as well as geopolitical tensions drive additional volatility in supply chains. At the same time, the easing in sea and air freight markets translates to some relief for our customers. Our asset-light business model is primarily focused upon responding to our customers' worldwide needs in a flexible manner while ensuring a high quality of service."

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Sea Logistics

<i>CHF million</i>	9M 2022	9M 2021	Δ	Q3 2022	Q3 2021	Δ
Net turnover	14,839	9,146	62%	4,970	3,904	27%
Gross profit	2,809	1,889	49%	867	809	7%
EBIT	1,711	991	73%	503	487	3%

Net turnover in the business unit Sea Logistics amounted to CHF 14.8 billion and EBIT was CHF 1.7 billion for the period January to September 2022. The conversion rate reached 60.9%. Container volumes were 3.3 million TEU through the end of September 2022. In the third quarter of 2022, the average yield was maintained at an unchanged high level year-on-year.

Overall, complexity in global sea freight markets steadily decreased in the first nine months of 2022, while volatility steadily increased in major trade routes.

Kuehne+Nagel once again championed environmentally friendly technologies in sea freight. With the purchase of biofuel linked to the shipment of 50,000 TEU in the third quarter of 2022, customers were given easy access to directly CO₂e emission-free transport.

Air Logistics

<i>CHF million</i>	9M 2022	9M 2021	Δ	Q3 2022	Q3 2021	Δ
Net turnover	9,117	6,578	39%	2,793	2,602	7%
Gross profit	2,320	1,567	48%	707	608	16%
EBIT	1,149	645	78%	323	239	35%

Net turnover in the business unit Air Logistics amounted to CHF 9.1 billion and EBIT was CHF 1.1 billion for the period January to September 2022. The conversion rate reached 49.5%. Air freight volumes were 1.7 million tons through the end of September 2022. Air Logistics also maintained relatively high average yields in the third quarter of 2022, marking a significant increase on the prior year's level.

Commercial airline operations were volatile in the first nine months of 2022 due to the overall geopolitical situation and level of uncertainty. Even so, demand for cargo capacity on most trade routes was positive.

Kuehne+Nagel Air Logistics further expanded its healthcare logistics footprint in the third quarter of 2022. With "MedConnex," the business unit launched regular charter flights, e.g. for vaccines, from the pharma hub in Belgium to the Americas, Asia and Africa.

Road Logistics

<i>CHF million</i>	9M 2022	9M 2021	Δ	Q3 2022	Q3 2021	Δ
Net turnover	3,016	2,731	10%	983	922	7%
Gross profit	1,010	941	7%	326	311	5%
EBIT	120	75	60%	40	21	91%

Net turnover in the business unit Road Logistics amounted to CHF 3.0 billion and EBIT was CHF 120 million for the period from January to September 2022. High utilisation of networks in all regions once again delivered significant revenue growth. Overall, the result in the third quarter of 2022 was very strong.

By installing photovoltaic systems on truck roofs in the long-haul segment, Kuehne+Nagel is setting a further example of reducing CO2 emissions in Road Logistics. In addition, the first 25 electric trucks were procured for short-haul distribution in France.

Contract Logistics

<i>CHF m</i>	9M 2022	9M 2021	Δ	Q3 2022	Q3 2021	Δ
Net turnover	3,631	3,386	7%	1,226	1,140	8%
Gross profit	2,471	2,474	0%	812	816	0%
EBIT	139	114	22%	58	42	38%

Net turnover in the business unit Contract Logistics amounted to CHF 3.6 billion while EBIT totaled CHF 139 million for the period January to September 2022. Utilisation of warehouse space worldwide was again very high. Growth in the third quarter of 2022 was more pronounced year-on-year.

In Contract Logistics, Kuehne+Nagel opened new healthcare distribution centres in Ireland (Dublin) and in the USA (Indianapolis). Both locations are strategically located near their respective international airports.

About Kuehne+Nagel

With more than 80,000 employees at over 1,300 sites in over 100 countries, the Kuehne+Nagel Group is one of the world's leading logistics providers. It operates in sea logistics, air logistics, road logistics and contract logistics, with a clear focus on integrated logistics solutions.