

JANUARY – SEPTEMBER 2016



CONDENSED CONSOLIDATED  
INTERIM FINANCIAL STATEMENTS 2016

(UNAUDITED)



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Schindellegi, October 17, 2016

## 1. INCOME STATEMENT

CHF million	January – September			July – September		
	2016	2015	Variance per cent	2016	2015	Variance per cent
<b>Net turnover</b>	<b>12,247</b>	<b>12,426</b>	-1.4	<b>4,100</b>	<b>4,201</b>	-2.4
Net expenses for services from third parties	-7,347	-7,817		-2,457	-2,610	
<b>Gross profit</b>	<b>4,900</b>	<b>4,609</b>	6.3	<b>1,643</b>	<b>1,591</b>	3.3
Personnel expenses	-2,959	-2,762		-998	-948	
Selling, general and administrative expenses	-1,136	-1,084		-375	-373	
Other operating income/expenses, net	12	14		-	10	
<b>EBITDA</b>	<b>817</b>	<b>777</b>	5.1	<b>270</b>	<b>280</b>	-3.6
Depreciation of property, plant and equipment	-119	-102		-40	-37	
Amortisation of other intangibles	-20	-35		-7	-13	
<b>EBIT</b>	<b>678</b>	<b>640</b>	5.9	<b>223</b>	<b>230</b>	-3.0
Financial income	11	16		5	12	
Financial expenses	-2	-3		-1	-2	
Result from joint ventures and associates	5	5		3	-	
<b>Earnings before tax (EBT)</b>	<b>692</b>	<b>658</b>	5.2	<b>230</b>	<b>240</b>	-4.2
Income tax	-159	-146		-53	-54	
<b>Earnings for the period</b>	<b>533</b>	<b>512</b>	4.1	<b>177</b>	<b>186</b>	-4.8
<b>Attributable to:</b>						
Equity holders of the parent company	531	510	4.1	176	185	-4.9
Non-controlling interests	2	2		1	1	
<b>Earnings for the period</b>	<b>533</b>	<b>512</b>	4.1	<b>177</b>	<b>186</b>	-4.8
<b>Basic earnings per share in CHF</b>	<b>4.43</b>	<b>4.26</b>	4.0	<b>1.47</b>	<b>1.55</b>	-5.2
<b>Diluted earnings per share in CHF</b>	<b>4.43</b>	<b>4.25</b>	4.2	<b>1.47</b>	<b>1.54</b>	-4.5

## 2. STATEMENT OF COMPREHENSIVE INCOME

CHF million	January – September		July – September	
	2016	2015	2016	2015
<b>Earnings for the period</b>	<b>533</b>	<b>512</b>	<b>177</b>	<b>186</b>
<b>Other comprehensive income</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Foreign exchange differences	-29	-170	7	36
<i>Items that will not be reclassified to profit or loss:</i>				
Actuarial gains/(losses) on defined benefit plans	-63	-1	-23	1
Income tax on actuarial gains/(losses) on defined benefit plans	14	-	5	-
<b>Total other comprehensive income, net of tax</b>	<b>-78</b>	<b>-171</b>	<b>-11</b>	<b>37</b>
<b>Total comprehensive income for the period</b>	<b>455</b>	<b>341</b>	<b>166</b>	<b>223</b>
<b>Attributable to:</b>				
Equity holders of the parent company	453	340	165	222
Non-controlling interests	2	1	1	1

## 3. BALANCE SHEET

CHF million	Sep. 30, 2016	Dec. 31, 2015	Sep. 30, 2015
<b>Assets</b>			
Property, plant and equipment	1,149	1,142	1,111
Goodwill	748	767	769
Other intangibles	82	98	109
Investments in joint ventures	28	31	31
Deferred tax assets	205	193	205
<b>Non-current assets</b>	<b>2,212</b>	<b>2,231</b>	<b>2,225</b>
Prepayments	143	98	139
Work in progress	251	260	257
Trade receivables	2,479	2,486	2,545
Other receivables	166	131	157
Income tax receivables	94	52	115
Cash and cash equivalents	723	841	522
<b>Current assets</b>	<b>3,856</b>	<b>3,868</b>	<b>3,735</b>
<b>Total assets</b>	<b>6,068</b>	<b>6,099</b>	<b>5,960</b>

CHF million	Sep. 30, 2016	Dec. 31, 2015	Sep. 30, 2015
<b>Liabilities and equity</b>			
Share capital	120	120	120
Reserves and retained earnings	1,337	1,325	1,297
Earnings for the period	531	676	510
<b>Equity attributable to the equity holders of the parent company</b>	<b>1,988</b>	<b>2,121</b>	<b>1,927</b>
Non-controlling interests	6	5	5
<b>Equity</b>	<b>1,994</b>	<b>2,126</b>	<b>1,932</b>
Provisions for pension plans and severance payments	448	387	417
Deferred tax liabilities	146	144	147
Finance lease obligations	8	11	12
Non-current provisions	63	59	73
<b>Non-current liabilities</b>	<b>665</b>	<b>601</b>	<b>649</b>
Bank and other interest-bearing liabilities	10	7	19
Trade payables	1,407	1,449	1,339
Accrued trade expenses/deferred income	924	919	999
Income tax liabilities	138	104	142
Current provisions	60	101	50
Other liabilities	870	792	830
<b>Current liabilities</b>	<b>3,409</b>	<b>3,372</b>	<b>3,379</b>
<b>Total liabilities and equity</b>	<b>6,068</b>	<b>6,099</b>	<b>5,960</b>

Schindellegi, October 17, 2016

**KUEHNE + NAGEL INTERNATIONAL AG**

Dr. Detlef Trefzger  
CEO

Markus Blanka-Graff  
CFO

## 4. STATEMENT OF CHANGES IN EQUITY

CHF million	Share capital	Share premium	Treasury shares	Cumulative translation adjustment	Actuarial gains & losses	Retained earnings	Total equity attributable to the equity holders of parent company	Non-controlling interests	Total equity
Balance as of January 1, 2016	120	532	-19	-959	-106	2,553	2,121	5	2,126
Earnings for the period	-	-	-	-	-	531	531	2	533
<b>Other comprehensive income</b>									
Foreign exchange differences	-	-	-	-29	-	-	-29	-	-29
Actuarial gains/(losses) on defined benefit plans, net of tax	-	-	-	-	-49	-	-49	-	-49
<b>Total other comprehensive income, net of tax</b>	-	-	-	-29	-49	-	-78	-	-78
<b>Total comprehensive income for the period</b>	-	-	-	-29	-49	531	453	2	455
Purchase of treasury shares	-	-	-8	-	-	-	-8	-	-8
Disposal of treasury shares	-	-21	26	-	-	-	5	-	5
Dividend paid <sup>1</sup>	-	-	-	-	-	-599	-599	-1	-600
Expenses for share-based compensation plans	-	-	-	-	-	16	16	-	16
<b>Total contributions by and distributions to owners</b>	-	-21	18	-	-	-583	-586	-1	-587
<b>Balance as of September 30, 2016</b>	<b>120</b>	<b>511</b>	<b>-1</b>	<b>-988</b>	<b>-155</b>	<b>2,501</b>	<b>1,988</b>	<b>6</b>	<b>1,994</b>

<sup>1</sup> CHF 5.00 per share

CHF million	Share capital	Share premium	Treasury shares	Cumulative translation adjustment	Actuarial gains & losses	Retained earnings	Total equity attributable to the equity holders of parent company	Non-controlling interests	Total equity
Balance as of January 1, 2015	120	547	-7	-787	-126	2,701	2,448	5	2,453
Earnings for the period	-	-	-	-	-	510	510	2	512
<b>Other comprehensive income</b>									
Foreign exchange differences	-	-	-	-169	-	-	-169	-1	-170
Actuarial gains/(losses) on defined benefit plans, net of tax	-	-	-	-	-1	-	-1	-	-1
<b>Total other comprehensive income, net of tax</b>	-	-	-	-169	-1	-	-170	-1	-171
<b>Total comprehensive income for the period</b>	-	-	-	-169	-1	510	340	1	341
Purchase of treasury shares	-	-	-70	-	-	-	-70	-	-70
Disposal of treasury shares	-	-15	52	-	-	-	37	-	37
Dividend paid <sup>1</sup>	-	-	-	-	-	-839	-839	-1	-840
Expenses for share-based compensation plans	-	-	-	-	-	11	11	-	11
<b>Total contributions by and distributions to owners</b>	-	-15	-18	-	-	-828	-861	-1	-862
<b>Balance as of September 30, 2015</b>	<b>120</b>	<b>532</b>	<b>-25</b>	<b>-956</b>	<b>-127</b>	<b>2,383</b>	<b>1,927</b>	<b>5</b>	<b>1,932</b>

<sup>1</sup> CHF 7.00 per share



## 5. CASH FLOW STATEMENT

CHF million	January – September			July – September		
	2016	2015	Variance	2016	2015	Variance
<b>Cash flow from operating activities</b>						
Earnings for the period	533	512		177	186	
Reversal of non-cash items:						
Income tax	159	146		53	54	
Financial income	-11	-16		-5	-12	
Financial expenses	2	3		1	2	
Result from joint ventures and associates	-5	-5		-3	-	
Depreciation of property, plant and equipment	119	102		40	37	
Amortisation of other intangibles	20	35		7	13	
Expenses for share-based compensation plans	16	11		4	4	
Gain on disposal of subsidiary	-	-6		-	-6	
Gain on disposal of property, plant and equipment	-16	-10		-1	-7	
Loss on disposal of property, plant and equipment	1	3		-	2	
Net addition to provisions for pension plans and severance payments	-4	4		-7	1	
<b>Subtotal operational cash flow</b>	<b>814</b>	<b>779</b>	<b>35</b>	<b>266</b>	<b>274</b>	<b>-8</b>
(Increase)/decrease work in progress	8	23		-14	13	
(Increase)/decrease trade and other receivables, prepayments	-117	-154		63	40	
Increase/(decrease) other liabilities	94	91		74	46	
Increase/(decrease) provisions	-35	1		-2	10	
Increase/(decrease) trade payables, accrued trade expenses/deferred income	2	-4		-15	-12	
Income taxes paid	-161	-128		-38	-40	
<b>Total cash flow from operating activities</b>	<b>605</b>	<b>608</b>	<b>-3</b>	<b>334</b>	<b>331</b>	<b>3</b>
<b>Cash flow from investing activities</b>						
Capital expenditure						
– Property, plant and equipment	-139	-147		-57	-54	
– Other intangibles	-6	-7		-2	-2	
Disposal of property, plant and equipment	31	12		2	8	
Acquisition of subsidiaries, net of cash acquired	-	-220		-	-220	
Disposal of subsidiary	-	6		-	6	
Dividend received from joint ventures and associates	3	5		1	-	
Interest received	3	1		1	-	
<b>Total cash flow from investing activities</b>	<b>-108</b>	<b>-350</b>	<b>242</b>	<b>-55</b>	<b>-262</b>	<b>207</b>
<b>Cash flow from financing activities</b>						
Proceeds from interest-bearing liabilities	-	2		-	-	
Repayment of interest-bearing liabilities	-4	-6		-1	-1	
Interest paid	-2	-2		-1	-1	
Purchase of treasury shares	-8	-70		-	-25	
Disposal of treasury shares	5	37		-	29	
Dividend paid to equity holders of parent company	-599	-839		-	-	
Dividend paid to non-controlling interests	-1	-1		-1	-1	
Acquisition of non-controlling interests	-	-1		-	-	
<b>Total cash flow from financing activities</b>	<b>-609</b>	<b>-880</b>	<b>271</b>	<b>-3</b>	<b>1</b>	<b>-4</b>
Exchange difference on cash and cash equivalents	-10	-33	23	-	1	-1
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>-122</b>	<b>-655</b>	<b>533</b>	<b>276</b>	<b>71</b>	<b>205</b>
<b>Cash and cash equivalents at the beginning of the period, net</b>	<b>839</b>	<b>1,163</b>	<b>-324</b>	<b>441</b>	<b>437</b>	<b>4</b>
<b>Cash and cash equivalents at the end of the period, net</b>	<b>717</b>	<b>508</b>	<b>209</b>	<b>717</b>	<b>508</b>	<b>209</b>

## 6. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 6.1 ORGANISATION

Kuehne + Nagel International AG (the Company) is incorporated in Schindellegi (Feusisberg), Switzerland. The Company is one of the world's leading logistics providers. Its strong market position lies in the seafreight, airfreight, overland and contract logistics businesses.

The Condensed Consolidated Interim Financial Statements of the Company for the nine months ended September 30, 2016, comprise the Company, its subsidiaries (the Group) and its interests in joint ventures.

The Group voluntarily presents a balance sheet as of September 30, 2015.

### 6.2 STATEMENT OF COMPLIANCE

The unaudited Condensed Consolidated Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the Consolidated Financial Statements of the Group for the year ended December 31, 2015.

### 6.3 BASIS OF PREPARATION

The Condensed Consolidated Interim Financial Statements are presented in Swiss Francs (CHF) million. They are prepared on a

historical cost basis except for certain financial instruments which are stated at fair value. Non-current assets and disposal groups held for sale are stated at the lower of the carrying amount and fair value less costs to sell.

The preparation of Condensed Consolidated Interim Financial Statements in conformity with IFRS requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The actual result may differ from these estimates. Judgements made by the management in the application of IFRS that have a significant effect on the Condensed Consolidated Interim Financial Statements and estimates with a significant risk of material adjustment in the next period were the same as those applied to the Consolidated Financial Statements for the year ended December 31, 2015.

#### Accounting policies

The accounting policies are the same as those applied in the Consolidated Financial Statements for the year ended December 31, 2015.

New, revised and amended standards that are effective for the 2016 reporting year are either not relevant for the Group, or do not have a material impact on the Condensed Consolidated Interim Financial Statements.

#### 6.4 FOREIGN EXCHANGE RATES

Conversion rates of major foreign currencies are applied as follows:

##### Income statement and cash flow statement

(average rates for the period)

Currency	2016 CHF	Variance per cent	2015 CHF
EUR 1.–	1.0914	2.0	1.0699
USD 1.–	0.9849	3.4	0.9522
GBP 1.–	1.3697	-6.4	1.4641

##### Balance sheet

(period end rates)

Currency	Sep. 2016 CHF	Variance per cent	Sep. 2015 CHF	Dec. 2015 CHF
EUR 1.–	1.0894	-0.5	1.0948	1.0814
USD 1.–	0.9698	-0.9	0.9782	0.9865
GBP 1.–	1.2592	-15.2	1.4853	1.4723

#### 6.5 SEASONALITY

The Group is not exposed to significant seasonal or cyclical variations in its operations.

#### 6.6 CHANGES IN THE SCOPE OF CONSOLIDATION

The changes in the scope of consolidation in the first nine months of 2016 related to the following companies:

2016	Capital share in per cent equals voting rights	Currency	Share capital in 1,000	Incorporation date
<b>Incorporations</b>				
KN Shared Service Center S.A., Costa Rica	100	CRC	1	March 1, 2016
Kuehne + Nagel Logistics Solutions Inc., Philippines	100	PHP	5,000	June 1, 2016

There were no significant divestments in the first nine months of 2016.

The changes in the scope of consolidation in the first nine months of 2015 related to the following companies:

2015	Capital share in per cent equals voting rights	Currency	Share capital in 1,000	Acquisition/ incorporation/ divestment date
<b>Incorporations</b>				
Kuehne + Nagel Dominicana SAS, Dominican Republic	50	DOP	1,550	February 1, 2015
Kuehne + Nagel Insitu SASU, France	100	EUR	10	May 1, 2015
Podium Kuehne + Nagel Logistica de Eventos Esportivos Ltda, Brazil	50	BRL	100	June 1, 2015
<b>Acquisitions</b>				
Nacora Srl, Italy <sup>1</sup>	30	EUR	31	February 16, 2015
RT Acquisition Corp., USA <sup>2</sup>	100	USD	543	August 3, 2015
<b>Divestment</b>				
Kuehne + Nagel DSIA SAS, France <sup>3</sup>	100	EUR	360	July 1, 2015

<sup>1</sup> The Group previously owned 70 per cent of the share capital and applied the full consolidation method. For further information refer to Note 6.7.

<sup>2</sup> Refer to Note 6.7 for details to the acquisition of RT Acquisition Corp., USA (ReTrans).

<sup>3</sup> Effective July 1, 2015, the Group signed a share sale and purchase agreement to sell the shares of Kuehne + Nagel DSIA SAS, France, for a total sales price of CHF 6.7 million. The profit on the sale amounts to CHF 5.5 million. Kuehne + Nagel DSIA SAS operated in the Contract Logistics business unit, mainly in development, commercialisation and maintenance of software and related activities. External turnover until the date of transaction in 2015 (six months) amounted to CHF 5 million and in 2014 for twelve months to CHF 12 million.

## 6.7 ACQUISITIONS

### 2016 acquisitions

There were no acquisitions of subsidiaries in the first nine months of 2016.

### 2015 acquisitions

#### Nacora Srl Italy

Effective February 16, 2015, the Group acquired the non-controlling interest of 30 per cent of the shares of Nacora Srl, Italy, for a purchase price of CHF 0.6 million, which has been paid in cash. The Group previously owned 70 per cent of Nacora Srl, which was founded in 1998.

#### RT Acquisition Corp. USA

Effective August 3, 2015, the Group acquired 100 per cent of the shares of RT Acquisition Corp. (ReTrans), a U.S.-based leading provider of multimodal transportation management solutions. Founded in 2002 and headquartered in Memphis, TN, ReTrans ranks among the leading U.S. non-asset brokerage providers of intermodal transportation, as well as full- and less-than-truck-load (FTL and LTL) services in the United States and Canada. With more than 300 employees the company operates in 68 locations and generates annual revenues of approximately USD 500 million. The purchase price of CHF 221 million has been paid in cash.

The fair values of the identifiable assets and liabilities of ReTrans are as follows:

CHF million	Recognised fair values
Property, plant and equipment	1
Other intangibles	91
Other non-current assets	2
Trade receivables	45
Other current assets	8
Acquired cash and cash equivalents (net)	1
<b>Subtotal assets</b>	<b>148</b>
Non-current liabilities	-23
Other current liabilities	-5
Trade payables	-26
<b>Total identifiable assets and liabilities</b>	<b>94</b>
Goodwill	127
Total consideration	221
<b>Purchase price, paid in cash</b>	<b>221</b>
Acquired cash and cash equivalents (net)	-1
<b>Net cash outflow</b>	<b>220</b>

Acquisition-related costs (included in the line item "Selling, general and administrative expenses" in the Income Statement) amount to CHF 1 million.

The trade receivables comprise gross contractual amounts due of CHF 46 million, of which CHF 1 million were expected to be uncollectible at the acquisition date.

Goodwill of CHF 127 million arose on the acquisition and represents management expertise and workforce which do not meet the definition of an intangible asset to be recognised separately. Goodwill is not expected to be deductible for tax purposes.

Other intangible assets of CHF 91 million recognised on this acquisition represent non-contractual customer lists, trademarks and field office agent contracts having a useful life of 3 to 10 years.

The acquisition contributed CHF 66 million of net turnover and CHF 1 million of earnings to the consolidated net turnover and earnings respectively for the period from August 3, 2015 to September 30, 2015. If the acquisition had taken place on January 1, 2015, the Groups' net turnover would have been CHF 12,657 million and consolidated earnings would have been CHF 515 million.

The accounting for the acquisition was initially determined provisionally only. No material adjustments to the values previously reported were deemed necessary after having finalised the acquisition accounting.

## 6.8 SEGMENT REPORTING

### a) Reportable segments

The Group provides integrated logistics solutions across customers' supply chains using its global logistics network.

The four reportable segments, **Seafreight**, **Airfreight**, **Overland** and **Contract Logistics**, reflect the internal management and reporting structure to the Management Board (the chief operating decision maker, CODM) and are managed through specific organisational structures. The CODM reviews internal management reports on a monthly basis. Each segment is a distinguishable business unit and is engaged in providing and selling discrete products and services.

The discrete distinction between Seafreight, Airfreight and Overland is the usage of the same transportation mode within a reportable segment. In addition to common business processes and management routines, a single main transportation mode is used within a reportable segment. For the reportable segment Contract Logistics the services performed are related to customer contracts for warehouse and distribution activities, whereby services performed are storage, handling and distribution.

Pricing between segments is determined on an arm's length basis. The accounting policies of the reportable segments are the same as applied in the Consolidated Financial Statements.

Information about the reportable segments is presented on the next pages. Segment performance is based on EBIT as reviewed by the CODM. The column "eliminations" shows the eliminations of turnover and expenses between segments. All operating expenses are allocated to the segments and included in the EBIT.

### b) Geographical information

The Group operates on a worldwide basis in the following geographical areas: **EMEA**, **Americas** and **Asia-Pacific**. All products and services are provided in each of these geographical regions. The regional revenue is based on the geographical location of the customers invoiced, and regional assets are based on the geographical location of assets.

### c) Major customers

There is no single customer who represents more than 10 per cent of the Group's total revenue.

**a) Reportable segments**

January – September

CHF million	Total Group		Seafreight		Airfreight		Overland		
	2016	2015	2016	2015	2016	2015	2016	2015	
<b>Turnover (external customers)</b>	<b>14,838</b>	<b>15,104</b>	<b>5,975</b>	<b>6,680</b>	<b>2,869</b>	<b>2,979</b>	<b>2,320</b>	<b>2,013</b>	
Inter-segment turnover	-	-	1,377	1,361	1,485	1,577	890	887	
Customs duties and taxes	-2,591	-2,678	-1,646	-1,801	-431	-436	-168	-172	
<b>Net turnover</b>	<b>12,247</b>	<b>12,426</b>	<b>5,706</b>	<b>6,240</b>	<b>3,923</b>	<b>4,120</b>	<b>3,042</b>	<b>2,728</b>	
Net expenses for services	-7,347	-7,817	-4,638	-5,216	-3,206	-3,446	-2,370	-2,114	
<b>Gross profit</b>	<b>4,900</b>	<b>4,609</b>	<b>1,068</b>	<b>1,024</b>	<b>717</b>	<b>674</b>	<b>672</b>	<b>614</b>	
Total expenses	-4,083	-3,832	-714	-671	-486	-457	-623	-566	
<b>EBITDA</b>	<b>817</b>	<b>777</b>	<b>354</b>	<b>353</b>	<b>231</b>	<b>217</b>	<b>49</b>	<b>48</b>	
Depreciation of property, plant and equipment	-119	-102	-12	-12	-10	-10	-17	-15	
Amortisation of other intangibles	-20	-35	-2	-6	-1	-5	-14	-16	
<b>EBIT (segment profit)</b>	<b>678</b>	<b>640</b>	<b>340</b>	<b>335</b>	<b>220</b>	<b>202</b>	<b>18</b>	<b>17</b>	
Financial income	11	16							
Financial expenses	-2	-3							
Result from joint ventures and associates	5	5	3	2	-	-	1	-	
<b>Earnings before tax (EBT)</b>	<b>692</b>	<b>658</b>							
Income tax	-159	-146							
<b>Earnings for the period</b>	<b>533</b>	<b>512</b>							
<b>Attributable to:</b>									
Equity holders of the parent company	531	510							
Non-controlling interests	2	2							
<b>Earnings for the period</b>	<b>533</b>	<b>512</b>							
<b>Additional information not regularly reported to the CODM</b>									
Allocation of goodwill	748	769	39	37	32	31	316	324	
Allocation of other intangibles	82	109	-	2	-	1	82	104	
Capital expenditure property, plant and equipment	139	147	13	10	10	8	19	34	
Capital expenditure other intangibles	6	7	2	2	1	1	-	1	
Property, plant and equipment, goodwill and intangibles through business combinations	-	219	-	-	-	-	-	219	

	Contract Logistics		Total reportable segments		Eliminations	
	2016	2015	2016	2015	2016	2015
	3,674	3,432	14,838	15,104	-	-
	124	113	3,876	3,938	-3,876	-3,938
	-346	-269	-2,591	-2,678	-	-
	3,452	3,276	16,123	16,364	-3,876	-3,938
	-1,009	-979	-11,223	-11,755	3,876	3,938
	2,443	2,297	4,900	4,609	-	-
	-2,260	-2,138	-4,083	-3,832	-	-
	183	159	817	777	-	-
	-80	-65	-119	-102	-	-
	-3	-8	-20	-35	-	-
	100	86	678	640	-	-
	1	3	5	5	-	-
	361	377	748	769	-	-
	-	2	82	109	-	-
	97	95	139	147	-	-
	3	3	6	7	-	-
	-	-	-	219	-	-



## b) Geographical information

January – September

CHF million	Total Group		EMEA		Americas		
	2016	2015	2016	2015	2016	2015	
<b>Turnover (external customers)</b>	<b>14,838</b>	<b>15,104</b>	<b>9,647</b>	<b>9,726</b>	<b>3,552</b>	<b>3,721</b>	
Inter-regional turnover	-	-	2,574	2,521	641	676	
Customs duties and taxes	-2,591	-2,678	-1,808	-1,818	-536	-594	
<b>Net turnover</b>	<b>12,247</b>	<b>12,426</b>	<b>10,413</b>	<b>10,429</b>	<b>3,657</b>	<b>3,803</b>	
Net expenses for services	-7,347	-7,817	-6,930	-7,119	-2,733	-2,965	
<b>Gross profit</b>	<b>4,900</b>	<b>4,609</b>	<b>3,483</b>	<b>3,310</b>	<b>924</b>	<b>838</b>	
Total expenses	-4,083	-3,832	-3,014	-2,864	-740	-670	
<b>EBITDA</b>	<b>817</b>	<b>777</b>	<b>469</b>	<b>446</b>	<b>184</b>	<b>168</b>	
Depreciation of property, plant and equipment	-119	-102	-91	-77	-17	-16	
Amortisation of other intangibles	-20	-35	-9	-28	-11	-5	
<b>EBIT</b>	<b>678</b>	<b>640</b>	<b>369</b>	<b>341</b>	<b>156</b>	<b>147</b>	
Financial income	11	16					
Financial expenses	-2	-3					
Result from joint ventures and associates	5	5	4	5	1	-	
<b>Earnings before tax (EBT)</b>	<b>692</b>	<b>658</b>					
Income tax	-159	-146					
<b>Earnings for the period</b>	<b>533</b>	<b>512</b>					
<b>Attributable to:</b>							
Equity holders of the parent company	531	510					
Non-controlling interests	2	2					
<b>Earnings for the period</b>	<b>533</b>	<b>512</b>					
<b>Additional information not regularly reported to the CODM</b>							
Allocation of goodwill	748	769	493	517	232	232	
Allocation of other intangibles	82	109	5	17	77	91	
Capital expenditure property, plant and equipment	139	147	104	97	18	21	
Capital expenditure other intangibles	6	7	5	6	1	1	
Property, plant and equipment, goodwill and intangibles through business combinations	-	219	-	-	-	219	

	Asia-Pacific		Eliminations	
	2016	2015	2016	2015
	1,639	1,657	-	-
	661	741	-3,876	-3,938
	-247	-266	-	-
	2,053	2,132	-3,876	-3,938
	-1,560	-1,671	3,876	3,938
	493	461	-	-
	-329	-298	-	-
	164	163	-	-
	-11	-9	-	-
	-	-2	-	-
	153	152	-	-
	-	-	-	-
	23	20	-	-
	-	1	-	-
	17	29	-	-
	-	-	-	-
	-	-	-	-

## 6.9 EQUITY

In the first nine months of 2016, the Company sold 47,280 and matched 158,551 treasury shares for the matured share matching plan 2013 (2015: 305,142 sold and 97,240 treasury shares matched for the matured share matching plan 2012) for CHF 5 million (2015: CHF 37 million) under the share-based compensation plans. The Company also purchased 65,000

treasury shares for CHF 8 million (2015: 554,500 treasury shares for CHF 70 million).

The dividend payment for the year 2015 paid in 2016 amounted to CHF 5.00 per share or CHF 599 million (2015: CHF 7.00 per share or CHF 839 million).

## 6.10 EMPLOYEES

Number	Sep. 30, 2016	Sep. 30, 2015
EMEA	50,976	49,250
Americas	10,320	9,913
Asia-Pacific	7,707	7,065
<b>Total employees</b>	<b>69,003</b>	<b>66,228</b>
<b>Full-time equivalent</b>	<b>83,428</b>	<b>79,016</b>

## 6.11 CAPITAL EXPENDITURE

The capital expenditure (excluding other intangible assets and property, plant and equipment from acquisitions) from January to September 2016 was CHF 145 million (2015: CHF 154 million).

CHF 65 million (EUR 53.7 million) imposed in 2012. On May 10, 2016, Kuehne + Nagel filed an appeal to the European Court of Justice.

## 6.12 LEGAL CLAIMS

The status of proceedings, disclosed in notes 40 and 44 to the Consolidated Financial Statements for the year ended December 31, 2015, has not changed materially. As disclosed in note 51 to the Consolidated Financial Statements 2015, on February 29, 2016, the European General Court in first instance upheld the decision of the European Commission regarding the subject matter of Kuehne + Nagel's appeal against the antitrust fine of

## 6.13 POST BALANCE SHEET EVENTS

These unaudited Condensed Consolidated Interim Financial Statements of Kuehne + Nagel International AG were authorised for issue by the Audit Committee of the Group on October 17, 2016.

There have been no material events between September 30, 2016, and the date of authorisation that would require adjustments of the Condensed Consolidated Interim Financial Statements or disclosure.

## 7. FINANCIAL CALENDAR

March 1, 2017	Full year 2016 results
April 20, 2017	Three-months 2017 results
May 9, 2017	Annual General Meeting
July 18, 2017	Half-year 2017 results
October 16, 2017	Nine-months 2017 results

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