

# **Analyst conference**

## **Nine-months 2022 results**

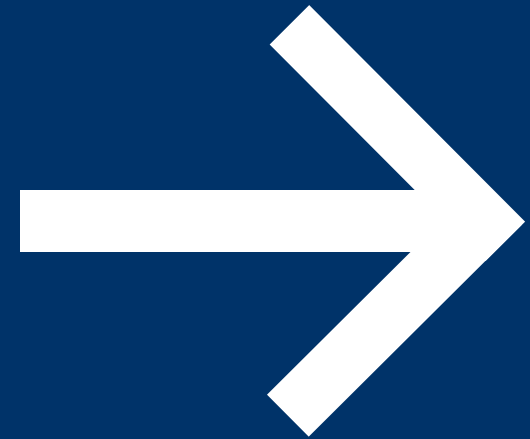
Kuehne + Nagel International AG

Schindellegi, Switzerland

25 October 2022 (CEST 14.00)

# 01

## Overview nine-months 2022 results



## Highlights nine-months 2022 results

**30,603**

**Net turnover**  
CHF million  
2021: 21,841

→ 40% increase on the previous year; 37% organic growth excluding FX

**8,610**

**Gross profit**  
CHF million  
2021: 6,871

→ 25% growth on the previous year; 24% organic growth excluding FX

**2,629**

**Free cash flow**  
CHF million  
2021: 999

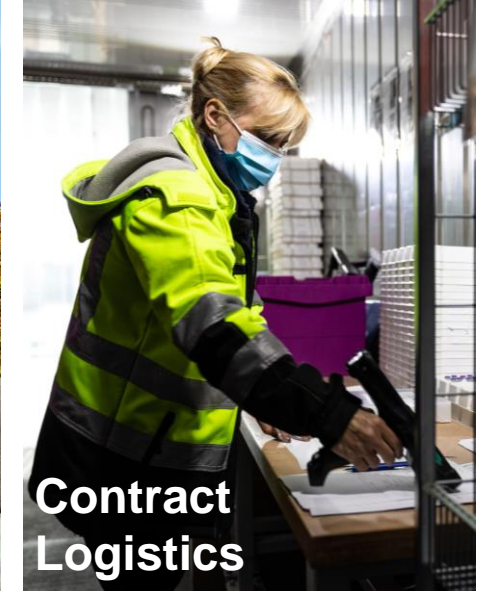
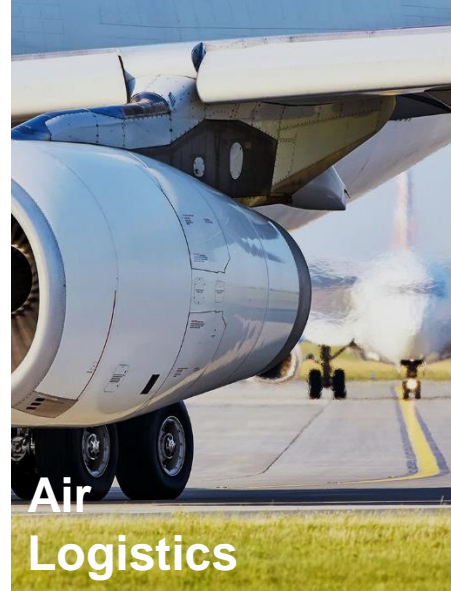
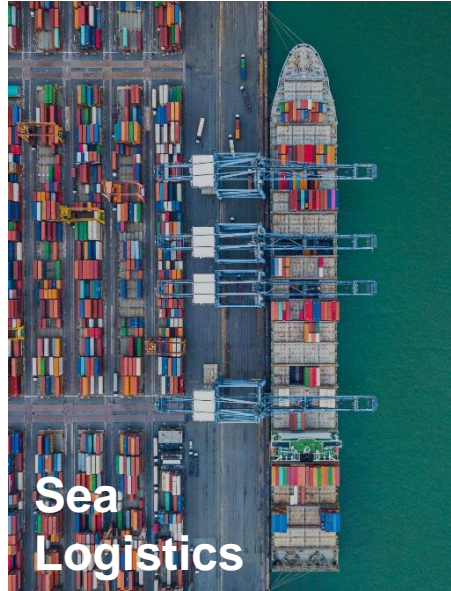
→ 163% increase on the previous year

**18.37**

**EPS**  
CHF  
2021: 10.94

→ 68% increase on the previous year, organic EPS growth of 58% excl. FX

# Strong earnings growth in all business units



EBIT of CHF 3,119 million, up by 71%  
Conversion Rate of 36%

EBIT of CHF 1,711 million  
Yields significantly improved by 55%  
Increased volatility in major trade lanes

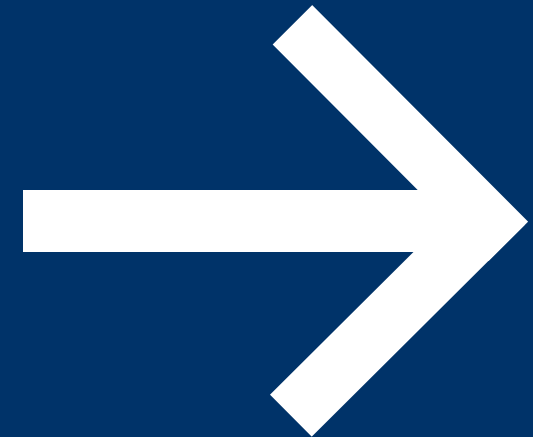
EBIT of CHF 1,149 million  
Yields up 38% versus prior year  
Resilient, positive volume development

EBIT of CHF 120 million  
All regions contributed to the record result  
High utilisation and digital solutions drive strong yield

EBIT of CHF 139 million  
Profits lifted by healthcare and e-commerce

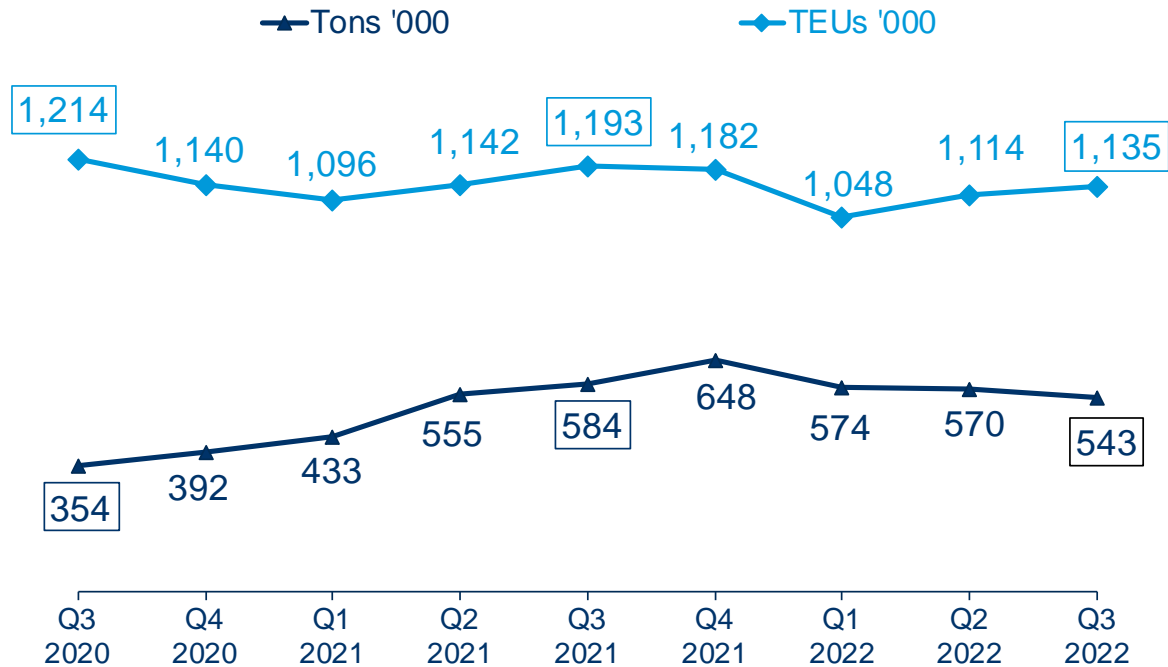
# 02

## Business unit update





# Sea and Air Logistics volumes



- Sea Logistics volumes nine-months 2022 4% below prior year; Q3 2022 down by 5%
- Air Logistics volumes nine-months 2022 7% above prior year; Q3 2022 down by 7%





# Sea Logistics

Yields significantly improved by 55%

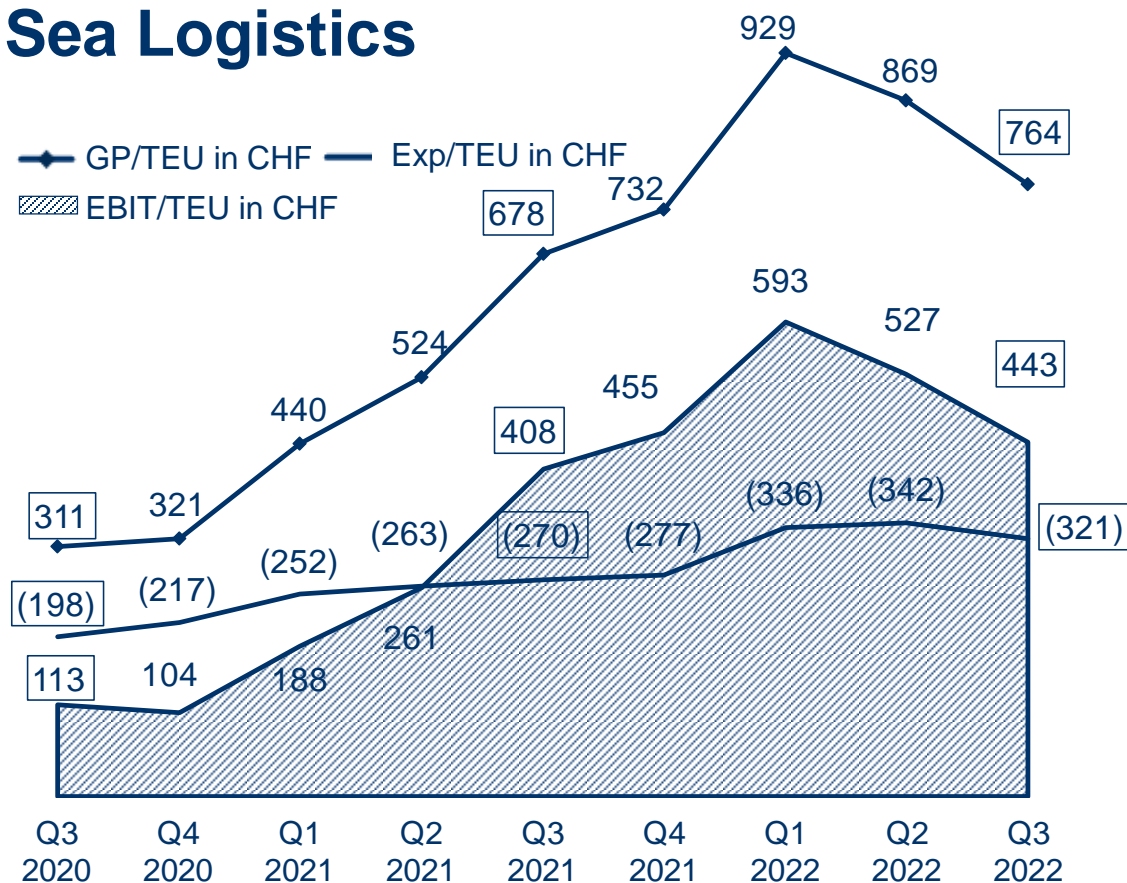
Increased volatility in major trade lanes

Current focus on yield and product mix

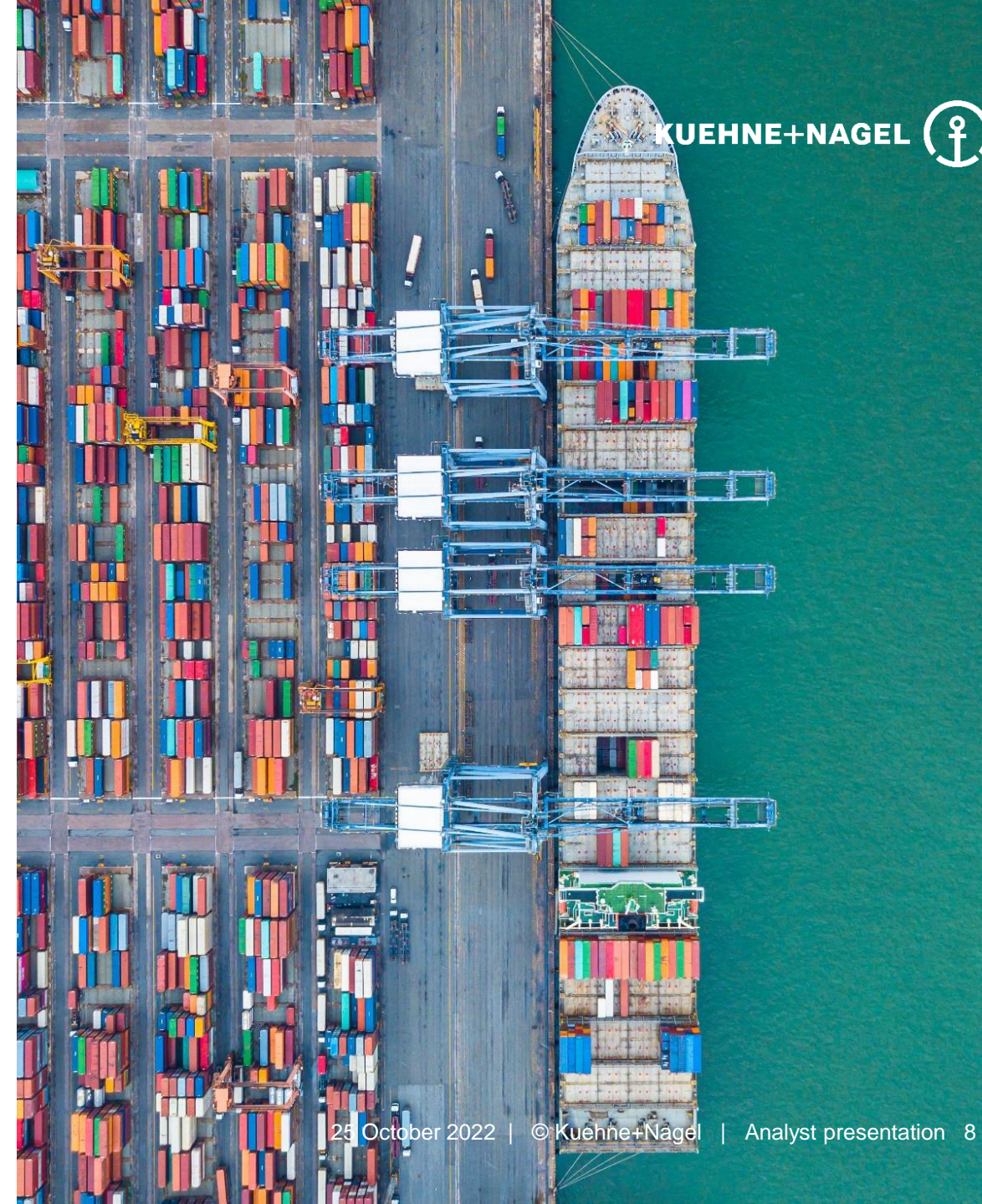




# Sea Logistics



- Gross profit nine-months 2022 at CHF 2,809 million, 49% above prior year; Q3 2022 CHF 867 million, 7% above prior year
- EBIT nine-months 2022 at CHF 1,711 million, 73% above prior year; Q3 2022 CHF 503 million, 3% above prior year





# Air Logistics

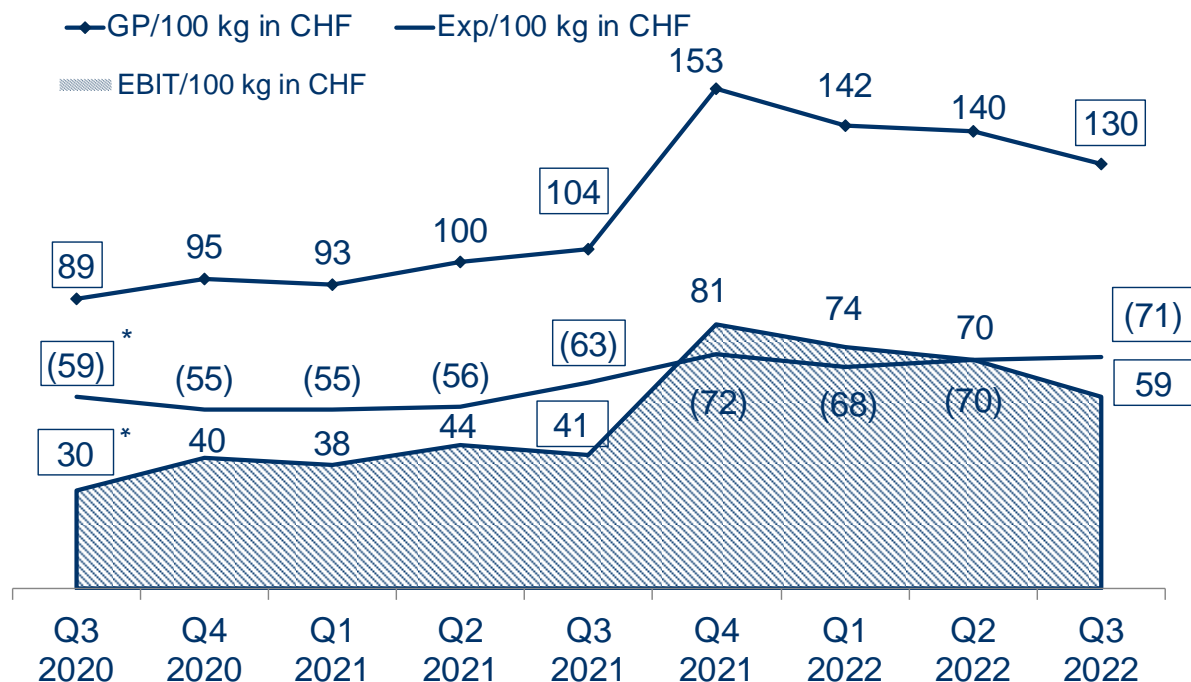
Yields up 38% versus prior year

Resilient, positive volume development

Current focus on customer experience



# Air Logistics



\* adjusted for Quick one-off in Q3 2020 of net CHF +63 million

- Gross profit nine-months 2022 at CHF 2,320 million, 48% above prior year; Q3 2022 CHF 707 million, 16% above prior year
- EBIT nine-months 2022: CHF 1,149 million, 78% above prior year; Q3 2022 CHF 323 million, 35% above prior year





# Road Logistics

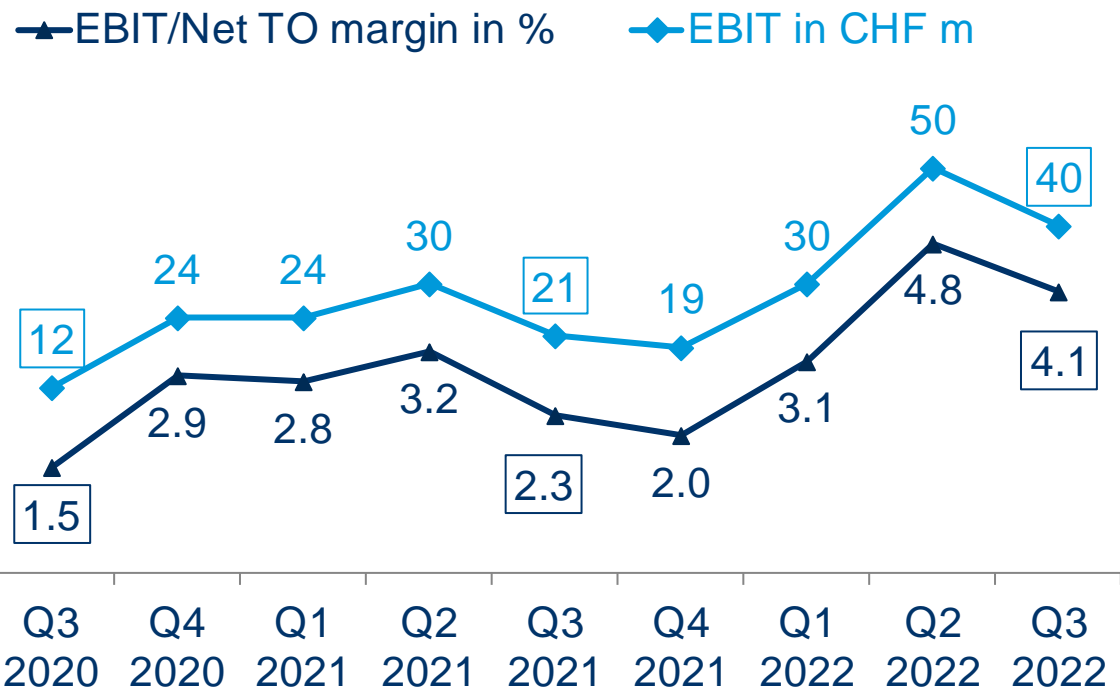
All regions contributed to the record result

High utilisation and digital solutions drive strong yield





# Road Logistics



- Net turnover nine-months 2022 at CHF 3,016 million, 10% above prior year; Q3 2022 CHF 983 million, 7% above prior year
- EBIT nine-months 2022 at CHF 120 million, 60% above prior year; Q3 2022 CHF 40 million, 91% above prior year





# Contract Logistics

Profits lifted by healthcare and e-commerce

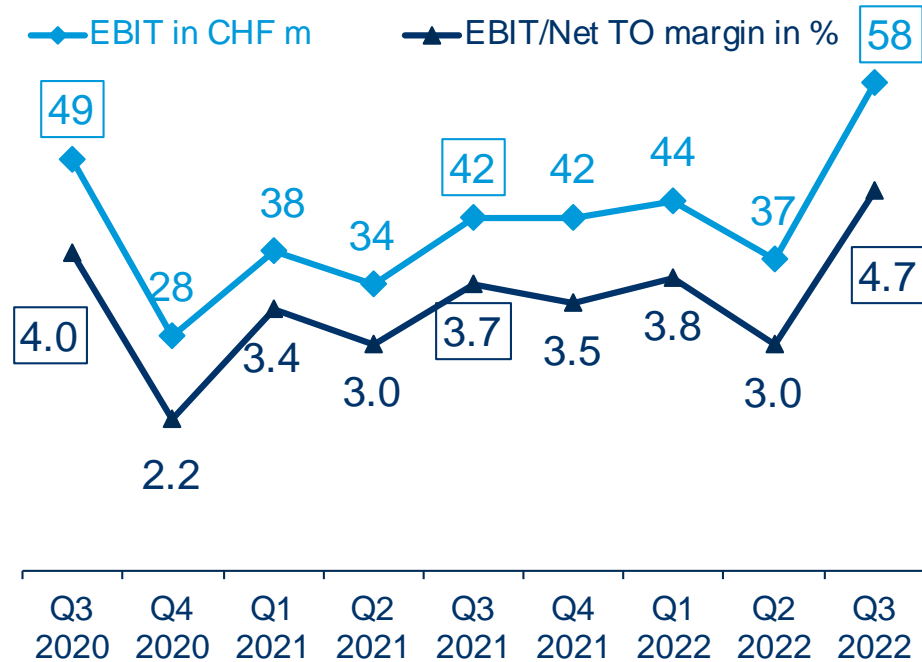
Continuous focus on high value creation for selected verticals





# Contract Logistics

(excluding one-off impacts)



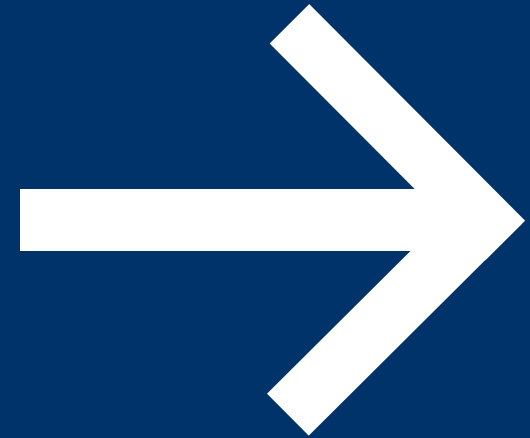
- Net turnover nine-months 2022 at CHF 3,631 million, 7% above prior year; Q3 2022 CHF 1,226 million, 8% above prior year
- EBIT nine-months 2022 at CHF 139 million, 22% above prior year; Q3 2022 CHF 58 million, 38% above prior year





# 03

## Key financial figures nine-months 2022



# Income statement

CHF million	2021 Q1	2021 Q2	2021 Q3	2021 YTD	2022 Q1	2022 Q2	2022 Q3	2022 YTD	Variance				YTD Variance in %			
									2022/2021	Q1	Q2	Q3	2022/2021	Growth	Acquisition/ disposal	Forex <sup>1</sup>
Net turnover	6,032	7,241	8,568	21,841	10,158	10,473	9,972	30,603	8,762	4,126	3,232	1,404	40.1%	37.2%	6.8%	(3.9%)
Gross profit	2,019	2,308	2,544	6,871	2,942	2,956	2,712	8,610	1,739	923	648	168	25.3%	23.6%	5.5%	(3.8%)
Gross profit margin	33.5%	31.9%	29.7%	31.5%	29.0%	28.2%	27.2%	28.1%								
EBITDA	611	787	971	2,369	1,306	1,274	1,109	3,689	1,320	695	487	138	55.7%	49.4%	9.6%	(3.3%)
EBITDA margin	10.1%	10.9%	11.3%	10.8%	12.9%	12.2%	11.1%	12.1%								
Depreciation of property, plant & equipment	(46)	(48)	(47)	(141)	(43)	(53)	(44)	(140)								
Depreciation of right-of-use assets	(124)	(121)	(119)	(364)	(124)	(130)	(125)	(379)								
Amortisation of other intangibles	(10)	(13)	(16)	(39)	(19)	(16)	(16)	(51)								
EBIT	431	605	789	1,825	1,120	1,075	924	3,119	1,294	689	470	135	70.9%	62.1%	11.9%	(3.1%)
Conversion rate	21.3%	26.2%	31.0%	26.6%	38.1%	36.4%	34.1%	36.2%								
EBT	430	603	790	1,823	1,128	1,086	937	3,151	1,328	698	483	147	72.8%	63.3%	12.6%	(3.1%)
Earnings	318	446	578	1,342	832	796	688	2,316	974	514	350	110	72.6%	63.3%	12.8%	(3.5%)
Non-controlling interests	(1)	(7)	(21)	(29)	(49)	(42)	(34)	(125)	(96)	(48)	(35)	(13)				
Net earnings	317	439	557	1,313	783	754	654	2,191	878	466	315	97	66.9%	57.6%	13.1%	(3.8%)

<sup>1</sup> Foreign currency translation impact

FX translation impact: EUR (7.4)%; USD 4.2%; negative impact on earnings for the period of CHF (47) million

# Balance sheet

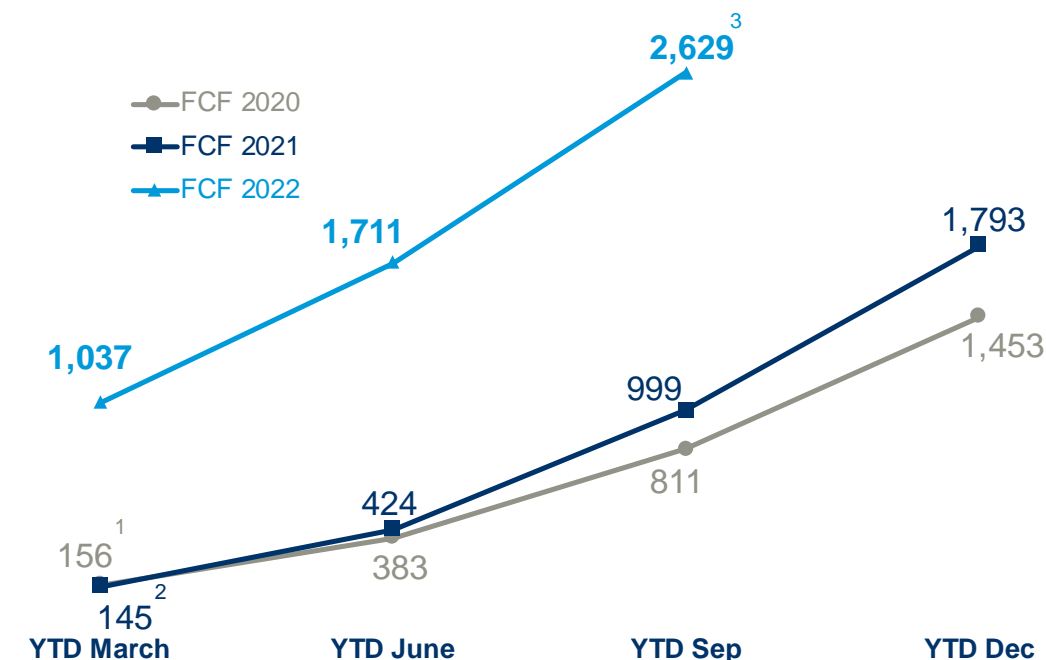
CHF million	December 31, 2021	September 30, 2022		December 31, 2021	September 30, 2022
<b>Assets</b>			<b>Equity and Liabilities</b>		
Property, plant and equipment	766	679	<b>Equity attributable to the equity holders of the parent company</b>	<b>3,204</b>	<b>3,853</b>
Right-of-use assets	1,409	1,366	Non-controlling interests	7	8
Goodwill	2,290	2,263	<b>Total equity</b>	<b>3,211</b>	<b>3,861</b>
Other intangibles	247	199	Non-current lease liabilities	1,053	995
Others	257	232	Others	2,070	1,748
<b>Non-current assets</b>	<b>4,969</b>	<b>4,739</b>	<b>Non-current liabilities</b>	<b>3,123</b>	<b>2,743</b>
Trade receivables	6,404	6,381	Trade payables	2,994	2,848
Contract assets	693	671	Contract liabilities	223	272
Cash and cash equivalents	2,305	2,946	Accrued trade expenses	2,200	2,255
Others	279	368	Bank and other interest-bearing liabilities	205	203
<b>Current assets</b>	<b>9,681</b>	<b>10,366</b>	Current lease liabilities	431	436
<b>Assets</b>	<b>14,650</b>	<b>15,105</b>	Others	2,263	2,487
			<b>Current liabilities</b>	<b>8,316</b>	<b>8,501</b>
			<b>Equity and Liabilities</b>	<b>14,650</b>	<b>15,105</b>



# Cash / free cash flow

CHF million	YTD Q3 2021	YTD Q3 2022	Variance
Cash and cash equivalents January 1, net	1,713	2,300	587
<b>Operational cash flow</b>	<b>2,402</b>	<b>3,682</b>	<b>1,280</b>
Changes in working capital	(555)	104	659
Income taxes paid	(349)	(730)	(381)
<b>Cash flow from operating activities</b>	<b>1,498</b>	<b>3,056</b>	<b>1,558</b>
<b>Cash flow from investing activities</b>	<b>(1,034)</b>	<b>(128)</b>	<b>906</b>
Repayment of lease liabilities	(370)	(384)	(14)
Dividend paid	(538)	(1,260)	(722)
Purchase of treasury shares	-	(598)	(598)
Others	297	(15)	(312)
<b>Total cash flow from financing activities</b>	<b>(611)</b>	<b>(2,257)</b>	<b>(1,646)</b>
Exchange difference on cash and cash equivalents	19	(28)	(47)
Increase/(decrease) in cash and cash equivalents	(128)	643	771
<b>Cash and cash equivalents September 30, net</b>	<b>1,585</b>	<b>2,943</b>	<b>1,358</b>

In CHF million



<sup>1</sup> FCF Q1 2020 reported is CHF 84 million, which includes CHF 72 million from the prepayment of withholding tax, refund received in Q2 2020. YTD December 2020 includes cash flow from disposal of real estate of CHF 430 million.

<sup>2</sup> FCF Q1 2021 reported is CHF 65 million, which includes CHF 80 million from the prepayment of withholding tax. YTD December 2021 includes cash flow from disposal of real estate of CHF 22 million.

<sup>3</sup> YTD September 2022 includes cash flow from disposal of real estate of CHF 62 million.

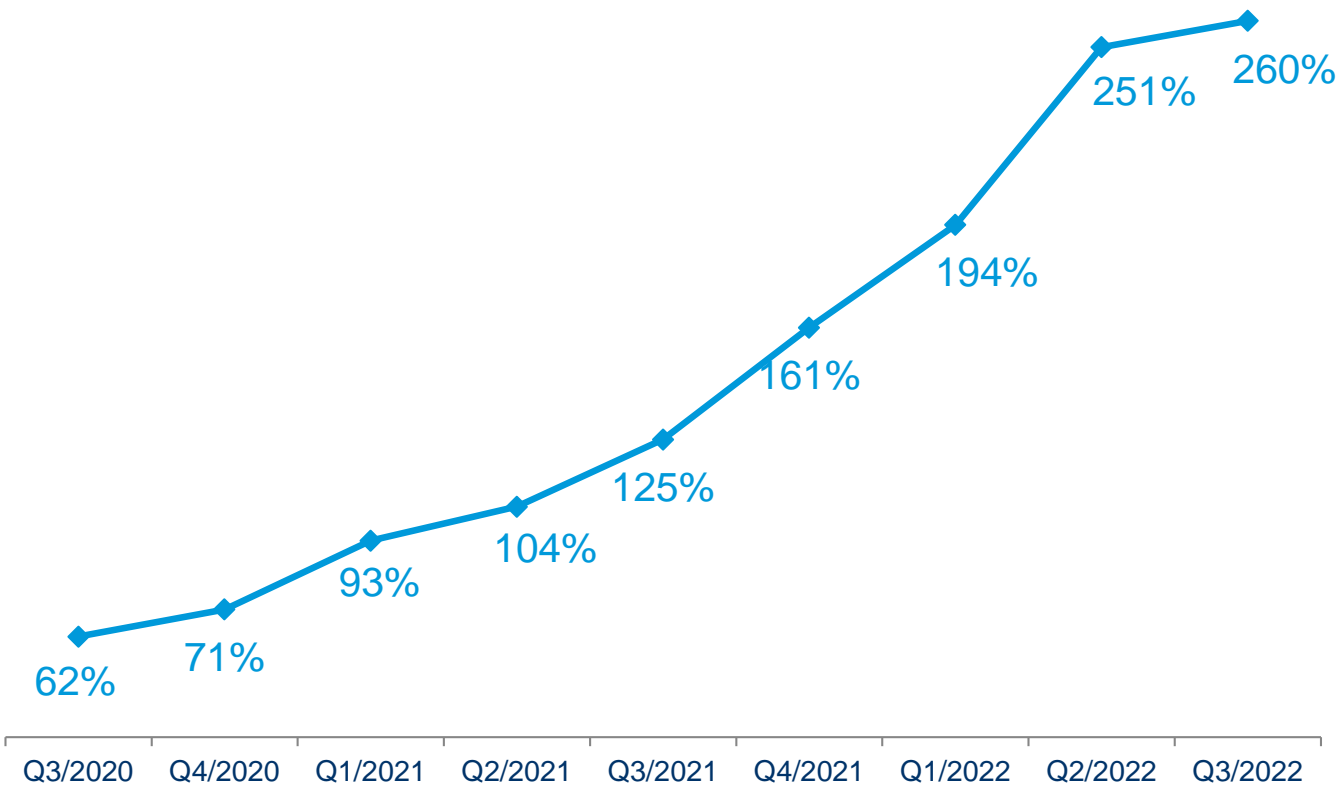
# Working capital

CHF million	September 30, 2021	September 30, 2022	Better/(worse) 2022 vs. 2021
Trade receivables/contract assets	6,163	7,240	(1,077)
Trade payables/accrued trade expenses/contract liabilities*	(4,693)	(5,375)	682
<b>Net working capital</b>	<b>1,470</b>	<b>1,865</b>	<b>(395)</b>
<b>KPIs:</b>			
<b>Working capital intensity</b>	<b>3.8%</b>	<b>4.3%</b>	<b>(0.5%)</b>
DSO	51.6	54.2	(2.6)
DPO	56.1	55.2	(0.9)
Δ	4.5	1.0	(3.5)

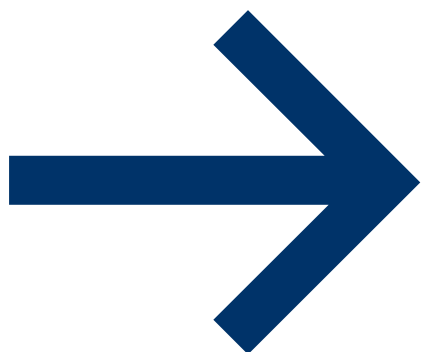
\* Contract liabilities have been added to the working capital calculation.

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

# Return on capital employed (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



## Market

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High demand for effective solutions and high quality services

Global GDP growth expectations continue to decline: currently 2.9% vs. 3.5% in July 2022 (Bloomberg)

Global inflationary pressures continue to mount

Supply chains remain inefficient

## Kuehne+Nagel

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Ongoing focus on customer experience: high service quality, agility and reliability

Focusing on product mix and yield management

Further leveraging stronger market growth dynamics in Asia

Diligently managing costs



Inspire. Empower. Deliver.



# Upcoming events

02.01. - 01.03.2023

**01.03.2023**

Closed period

**Full-year 2022 results and  
Capital Markets Day**

05.04. - 25.04.2023

**25.04.2023**

Closed period

**Three-months results 2023**

**09.05.2023**

**Annual General Meeting**

05.07. - 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**



# Quarter over Quarter 2022/2021

CHF million	2022				2021				Change in %				Change in mCHF			
	Q1	Q2	Q3	TOTAL	Q1	Q2	Q3	TOTAL	Q1	Q2	Q3	TOTAL	Q1	Q2	Q3	TOTAL
<b>1. Sea Logistics</b>																
<b>A) Income Statement</b>																
Turnover	5,363	5,457	5,433	16,253	2,878	3,311	4,405	10,594	+86.3	+64.8	+23.3	+53.4	2,485	2,146	1,028	5,659
Net Turnover	4,857	5,012	4,970	14,839	2,393	2,849	3,904	9,146	+103.0	+75.9	+27.3	+62.2	2,464	2,163	1,066	5,693
Gross Profit	974	968	867	2,809	482	598	809	1,889	+102.1	+61.9	+7.2	+48.7	492	370	58	920
Opex	(343)	(369)	(357)	(1,069)	(268)	(293)	(315)	(876)	(28.0)	(25.9)	(13.3)	(22.0)	(75)	(76)	(42)	(193)
EBITDA	631	599	510	1,740	214	305	494	1,013	+194.9	+96.4	+3.2	+71.8	417	294	16	727
Depreciation and Amortisation	(10)	(12)	(7)	(29)	(8)	(7)	(7)	(22)	(25.0)	(71.4)	-	(31.8)	(2)	(5)	-	(7)
EBIT	621	587	503	1,711	206	298	487	991	+201.5	+97.0	+3.3	+72.7	415	289	16	720
<b>B) KPI</b>																
EBIT / GP conversion rate	63.8%	60.6%	58.0%	60.9%	42.7%	49.8%	60.2%	52.5%								
Volume (TEU's '000)	1,048	1,114	1,135	3,297	1,096	1,142	1,193	3,431	(4.4)	(2.5)	(4.9)	(3.9)	(48)	(28)	(58)	(134)
GROSS PROFIT	929	869	764	852	440	524	678	551	+111.1	+65.8	+12.7	+54.6	489	345	86	301
EXPENSES	(336)	(342)	(321)	(333)	(252)	(263)	(270)	(262)	(33.3)	(30.0)	(18.9)	(27.1)	(84)	(79)	(51)	(71)
EBIT	593	527	443	519	188	261	408	289	+215.4	+101.9	+8.6	+79.6	405	266	35	230
<b>2. Air Logistics</b>																
<b>A) Income Statement</b>																
Turnover	3,303	3,348	2,958	9,609	1,798	2,495	2,773	7,066	+83.7	+34.2	+6.7	+36.0	1,505	853	185	2,543
Net turnover	3,146	3,178	2,793	9,117	1,650	2,326	2,602	6,578	+90.7	+36.6	+7.3	+38.6	1,496	852	191	2,539
Gross Profit	817	796	707	2,320	402	557	608	1,567	+103.2	+42.9	+16.3	+48.1	415	239	99	753
Opex	(373)	(374)	(364)	(1,111)	(230)	(299)	(350)	(879)	(62.2)	(25.1)	(4.0)	(26.4)	(143)	(75)	(14)	(232)
EBITDA	444	422	343	1,209	172	258	258	688	+158.1	+63.6	+32.9	+75.7	272	164	85	521
Depreciation and Amortisation	(19)	(21)	(20)	(60)	(9)	(15)	(19)	(43)	(111.1)	(40.0)	(5.3)	(39.5)	(10)	(6)	(1)	(17)
EBIT	425	401	323	1,149	163	243	239	645	+160.7	+65.0	+35.1	+78.1	262	158	84	504
<b>B) KPI</b>																
EBIT / GP conversion rate	52.0%	50.4%	45.7%	49.5%	40.5%	43.6%	39.3%	41.2%								
Volume (TON's '000)	574	570	543	1,687	433	555	584	1,572	+32.6	+2.7	(7.0)	+7.3	141	15	(41)	115
GROSS PROFIT	142	140	130	138	93	100	104	100	+52.7	+40.0	+25.0	+38.0	49	40	26	38
EXPENSES	(68)	(70)	(71)	(70)	(55)	(56)	(63)	(59)	(23.6)	(25.0)	(12.7)	(18.6)	(13)	(14)	(8)	(11)
EBIT	74	70	59	68	38	44	41	41	+94.7	+59.1	+43.9	+65.9	36	26	18	27

# Quarter over Quarter 2022/2021

CHF million	2022				2021				Change in %				Change in mCHF			
	Q1	Q2	Q3	TOTAL	Q1	Q2	Q3	TOTAL	Q1	Q2	Q3	TOTAL	Q1	Q2	Q3	TOTAL
<b>3. Road Logistics</b>																
<b>A) Income Statement</b>																
Turnover	1,124	1,196	1,144	3,464	1,009	1,134	1,121	3,264	+11.4	+5.5	+2.1	+6.1	115	62	23	200
Net Turnover	982	1,051	983	3,016	870	939	922	2,731	+12.9	+11.9	+6.6	+10.4	112	112	61	285
Gross Profit	329	355	326	1,010	304	326	311	941	+8.2	+8.9	+4.8	+7.3	25	29	15	69
Opex	(284)	(290)	(271)	(845)	(265)	(280)	(274)	(819)	(7.2)	(3.6)	+1.1	(3.2)	(19)	(10)	3	(26)
EBITDA	45	65	55	165	39	46	37	122	+15.4	+41.3	+48.6	+35.2	6	19	18	43
Depreciation and Amortisation	(15)	(15)	(15)	(45)	(15)	(16)	(16)	(47)	-	+6.3	+6.3	+4.3	-	1	1	2
EBIT	30	50	40	120	24	30	21	75	+25.0	+66.7	+90.5	+60.0	6	20	19	45
<b>B) KPI</b>																
EBITDA / Net turnover	4.6%	6.2%	5.6%	5.5%	4.5%	4.9%	4.0%	4.5%								
EBIT / GP conversion rate	9.1%	14.1%	12.3%	11.9%	7.9%	9.2%	6.8%	8.0%								
EBIT / Net turnover	3.1%	4.8%	4.1%	4.0%	2.8%	3.2%	2.3%	2.7%								
<b>4. Contract Logistics</b>																
<b>A) Income Statement</b>																
Turnover	1,300	1,378	1,356	4,034	1,248	1,272	1,295	3,815	+4.2	+8.3	+4.7	+5.7	52	106	61	219
Net turnover	1,173	1,232	1,226	3,631	1,119	1,127	1,140	3,386	+4.8	+9.3	+7.5	+7.2	54	105	86	245
Gross Profit	822	837	812	2,471	831	827	816	2,474	(1.1)	+1.2	(0.5)	(0.1)	(9)	10	(4)	(3)
Opex	(636)	(649)	(611)	(1,896)	(645)	(649)	(634)	(1,928)	+1.4	-	+3.6	+1.7	9	-	23	32
EBITDA	186	188	201	575	186	178	182	546	-	+5.6	+10.4	+5.3	-	10	19	29
Depreciation and Amortisation	(142)	(151)	(143)	(436)	(148)	(144)	(140)	(432)	+4.1	(4.9)	(2.1)	(0.9)	6	(7)	(3)	(4)
EBIT	44	37	58	139	38	34	42	114	+15.8	+8.8	+38.1	+21.9	6	3	16	25
<b>B) KPI</b>																
EBITDA / Net turnover	15.9%	15.3%	16.4%	15.8%	16.6%	15.8%	16.0%	16.1%								
EBIT / GP conversion rate	5.4%	4.4%	7.1%	5.6%	4.6%	4.1%	5.1%	4.6%								
EBIT / Net turnover	3.8%	3.0%	4.7%	3.8%	3.4%	3.0%	3.7%	3.4%								



# Quarter over Quarter 2022/2021

CHF million	2022				2021				Change in %				Change in mCHF			
	Q1	Q2	Q3	TOTAL	Q1	Q2	Q3	TOTAL	Q1	Q2	Q3	TOTAL	Q1	Q2	Q3	TOTAL
<b>5. Kuehne+Nagel Group</b>																
<b>A) Income Statement</b>																
Turnover	11,090	11,379	10,891	33,360	6,933	8,212	9,594	24,739	+60.0	+38.6	+13.5	+34.8	4,157	3,167	1,297	8,621
Customs duties and taxes	(932)	(906)	(919)	(2,757)	(901)	(971)	(1,026)	(2,898)	(3.4)	+6.7	+10.4	+4.9	(31)	65	107	141
Net Turnover	10,158	10,473	9,972	30,603	6,032	7,241	8,568	21,841	+68.4	+44.6	+16.4	+40.1	4,126	3,232	1,404	8,762
Net expenses for services from 3rd parties	(7,216)	(7,517)	(7,260)	(21,993)	(4,013)	(4,933)	(6,024)	(14,970)	(79.8)	(52.4)	(20.5)	(46.9)	(3,203)	(2,584)	(1,236)	(7,023)
Gross Profit	2,942	2,956	2,712	8,610	2,019	2,308	2,544	6,871	+45.7	+28.1	+6.6	+25.3	923	648	168	1,739
Opex	(1,636)	(1,682)	(1,603)	(4,921)	(1,408)	(1,521)	(1,573)	(4,502)	(16.2)	(10.6)	(1.9)	(9.3)	(228)	(161)	(30)	(419)
EBITDA	1,306	1,274	1,109	3,689	611	787	971	2,369	+113.7	+61.9	+14.2	+55.7	695	487	138	1,320
Depreciation and Amortisation	(186)	(199)	(185)	(570)	(180)	(182)	(182)	(544)	(3.3)	(9.3)	(1.6)	(4.8)	(6)	(17)	(3)	(26)
EBIT	1,120	1,075	924	3,119	431	605	789	1,825	+159.9	+77.7	+17.1	+70.9	689	470	135	1,294
Result from finance and associates	8	11	13	32	(1)	(2)	1	(2)					9	13	12	34
EBT	1,128	1,086	937	3,151	430	603	790	1,823	+162.3	+80.1	+18.6	+72.8	698	483	147	1,328
Income tax	(296)	(290)	(249)	(835)	(112)	(157)	(212)	(481)	(164.3)	(84.7)	(17.5)	(73.6)	(184)	(133)	(37)	(354)
Earnings	832	796	688	2,316	318	446	578	1,342	+161.6	+78.5	+19.0	+72.6	514	350	110	974
Non-controlling interests	(49)	(42)	(34)	(125)	(1)	(7)	(21)	(29)					(48)	(35)	(13)	(96)
Net Earnings	783	754	654	2,191	317	439	557	1,313	+147.0	+71.8	+17.4	+66.9	466	315	97	878
<b>B) KPI</b>																
EBIT / GP conversion rate	38.1%	36.4%	34.1%	36.2%	21.3%	26.2%	31.0%	26.6%								
GP / Net turnover	29.0%	28.2%	27.2%	28.1%	33.5%	31.9%	29.7%	31.5%								
EBITDA / Net turnover	12.9%	12.2%	11.1%	12.1%	10.1%	10.9%	11.3%	10.8%								
EBIT / Net turnover	11.0%	10.3%	9.3%	10.2%	7.1%	8.4%	9.2%	8.4%								
EBT / Net turnover	11.1%	10.4%	9.4%	10.3%	7.1%	8.3%	9.2%	8.3%								
Earnings / Net turnover	8.2%	7.6%	6.9%	7.6%	5.3%	6.2%	6.7%	6.1%								



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