

MEDIA RELEASE

Basel, July 18, 2019

Panalpina half-year results remain stable

International freight forwarding and logistics company Panalpina recorded stable results for the first half-year 2019. From January to June 2019, Panalpina generated an EBIT of CHF 52.1 million (YTD 2018: CHF 54.7 million) and a consolidated profit of CHF 34.0 million (YTD 2018: CHF 36.1 million), thereby nearly reaching previous-year levels.

“After it was announced that Panalpina and DSV would join forces, our competitors went more aggressively after our business in the second quarter, but we stood our ground,” says Panalpina CEO Stefan Karlen. “The decrease in gross profit was chiefly the result of lower margins in air freight and lower volumes from the automotive sector, which shifted into reverse gear. Nonetheless, group EBIT and profit almost reached last year’s levels. Given these circumstances, our stable half-year results are a respectable achievement.”

Panalpina Group: Results for first half of 2019

(CHF million)

	YTD 2019	YTD 2018
Net forwarding revenue	2,963.6	2,916.5
Gross profit	716.4	744.4
EBITDA	131.3	137.2
EBIT	52.1	54.7
Consolidated profit	34.0	36.1

[First Half Results 2019 – Consolidated Financial Statements](#)

[First Half Results 2019 – Investor Presentation](#)

EBIT and consolidated profit nearly at previous-year levels

In the first half of 2019, Panalpina’s gross profit decreased 4% to CHF 716.4 million (YTD 2018: CHF 744.4 million), while total operating expenses decreased to CHF 585.1 million (YTD 2018: CHF 607.1 million). EBIT and consolidated profit decreased year-on-year by 5% and 6% respectively. EBIT reached CHF 52.1 million, compared to CHF 54.7 million the year before, and the EBIT-to-gross-profit margin remained unchanged at 7.3%. The consolidated profit decreased from CHF 36.1 million to CHF 34.0 million.

Air Freight

Panalpina’s Air Freight volumes increased 5% in the first half of 2019. Compared to the same period last year, gross profit per ton decreased 9% to CHF 659 (YTD 2018: CHF 725), while overall gross profit decreased to CHF 337.2 million (YTD 2018: CHF 354.6 million). Substantially lower volumes in the automotive sector led to the decline in gross profit. EBIT in Air Freight decreased from CHF 53.4 million to CHF 38.4 million. The EBIT-to-gross-profit margin came in at 11.4%, compared to 15.1% the year before.

Ocean Freight

Panalpina’s Ocean Freight volumes decreased 3% year-on-year and gross profit per TEU increased slightly to CHF 300 (YTD 2018: CHF 299), bringing gross profit to CHF 215.9 million (YTD 2018: CHF 220.9 million). For the first half of 2019, Ocean Freight recorded an EBIT of CHF 5.5 million, compared to a loss of CHF 5.5 million the year before.

Logistics

In Logistics, gross profit decreased 3% to CHF 163.3 million year-on-year (YTD 2018: CHF 168.8 million) due to seasonality and the downturn in the automotive and technology sectors. Nonetheless, the division successfully expanded its Logistics Manufacturing Services and in the second quarter achieved the highest quarterly EBIT ever. EBIT reached CHF 8.1 million for the first half of 2019, compared to CHF 6.8 million for the same period last year.

Outlook

“In a highly uncertain macroeconomic and political environment, and against the backdrop of contracting air and ocean freight markets, we will continue to provide our sought-after expertise to existing and new customers,” says Karlen. “During the coming weeks and months, our focus will remain firmly on living up to our reputation in the market and delivering outstanding service quality.”

-ENDS-

Photo

A photo showing a Panalpina logo at the company's headquarters can be downloaded [here](#).

About Panalpina

The Panalpina Group is one of the world's leading providers of supply chain solutions. The company combines its core products – Air Freight, Ocean Freight, and Logistics and Manufacturing – to deliver globally integrated, tailor-made end-to-end solutions for 12 core industries. Drawing on in-depth industry know-how and customized IT systems, Panalpina manages the needs of its customers' supply chains, no matter how demanding they might be. Project Solutions is a specialized service for the energy and capital projects sector. The Panalpina Group operates a global network with some 500 offices in around 70 countries, and it works with partner companies in another 100 countries. Panalpina employs approximately 14,500 people worldwide who deliver a comprehensive service to the highest quality standards – wherever and whenever.

www.panalpina.com

For more details, please contact:

Media Relations

Sandro Hofer

Tel. +41 61 226 11 66

sandro.hofer@panalpina.com

Investor Relations

Robert Erni

Tel. +41 61 226 11 25

robert.erni@panalpina.com

-/-