INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS HALF YEAR 2008

(UNAUDITED)

KUEHNE+NAGEL

CONTENTS

Schindellegi, July 21, 2008

1. INCOME STATEMENT

CHF million	January – June 2008	January – June 2007	Variance per cent	April – June 2008	April – June 2007	Variance per cent
Invoiced turnover	**10,700**	**9,968**	**7**	**5,390**	**5,099**	**6**
Customs duties and taxes	–1,769	–1,834		–867	–899	
Net invoiced turnover	**8,931**	**8,134**	**10**	**4,523**	**4,200**	**8**
Net expenses for services from third parties	–5,792	–5,218		–2,938	–2,706	
Gross profit	**3,139**	**2,916**	**8**	**1,585**	**1,494**	**6**
Personnel expenses	–1,751	–1,655*		–880	–846*	
Selling, general and administrative expenses	–860	–792		–437	–410	
Other operating income, net	2	3		–	2	
EBITDA	**530**	**472**	**12**	**268**	**240**	**12**
Depreciation of property, plant and equipment	–84	–83		–40	–44	
Amortisation of other intangibles	–52	–39		–31	–20	
EBIT	**394**	**350**	**13**	**197**	**176**	**12**
Financial income	14	12		7	6	
Financial expenses	–9	–7		–4	–4	
Result from joint ventures and associates	4	3		2	2	
Earnings before tax (EBT)	**403**	**358**	**13**	**202**	**180**	**12**
Income tax	–93	–88*		–47	–43*	
Earnings for the period	**310**	**270**	**15**	**155**	**137**	**13**
Attributable to:						
Equity holders of the parent company	**308**	**269**	**14**	**154**	**136**	**13**
Minority interest	2	1		1	1	
Earnings for the period	**310**	**270**	**15**	**155**	**137**	**13**
Basic earnings per share in CHF	**2.62**	**2.28***		**1.31**	**1.16***	
Diluted earnings per share in CHF	**2.61**	**2.26***		**1.31**	**1.15***	

* Since January 1, 2008, the Group recognises all actuarial gains and losses arising from defined benefit plans immediately in equity. This change in accounting policy was recognised retrospectively and comparatives have been restated. Refer to note 5.4.

2. BALANCE SHEET

CHF million	June 30, 2008	Dec. 31, 2007	June 30, 2007
Assets			
Property, plant and equipment	987	1,021	1,254
Goodwill	601	639	630
Other intangibles	252	288	325
Investments in joint ventures	12	11	12
Deferred tax assets	148	160*	156*
Non-current assets	**2,000**	**2,119**	**2,377**
Prepayments	177	99	170
Work in progress	304	322	303
Trade receivables	2,477	2,537	2,363
Other receivables	213	165	232
Cash and cash equivalents	966	865	827
Assets held for sale	43	331	–
Current assets	**4,180**	**4,319**	**3,895**
Total assets	**6,180**	**6,438**	**6,272**
Liabilities and equity			
Share capital	120	120	120
Reserves and retained earnings	1,865	1,702*	1,732*
Earnings for the period	308	536*	269*
Total equity attributable to the equity holders of the parent company	**2,293**	**2,358**	**2,121**
Minority interest	10	9	7
Total equity	**2,303**	**2,367**	**2,128**
Provisions for pension plans and severance payments	295	303*	287*
Deferred tax liabilities	133	162	176
Bank liabilities	75	80	91
Finance lease obligations	46	42	62
Non-current liabilities	**549**	**587**	**616**
Bank and other interest bearing liabilities	69	85	327
Trade payables	1,126	1,329	1,119
Accrued trade expenses and deferred income	1,068	1,124	1,022
Current tax liabilities	217	126	153
Provisions	95	98	95
Other liabilities	753	722	812
Current liabilities	**3,328**	**3,484**	**3,528**
Total liabilities and equity	**6,180**	**6,438**	**6,272**

* Since January 1, 2008, the Group recognises all actuarial gains and losses arising from defined benefit plans immediately in equity. This change in accounting policy was recognised retrospectively and comparatives have been restated. Refer to note 5.4.

Schindellegi, July 21, 2008

KUEHNE + NAGEL INTERNATIONAL AG

Klaus Herms	Gerard van Kesteren
CEO	CFO

3. STATEMENT OF RECOGNISED INCOME AND EXPENSE

	January – June	
CHF million	2008	2007*
Earnings for the period	**310**	**270**
Foreign exchange differences	–137	58
Actuarial gains/(losses) on defined benefit plans, net	–1	7
Net income recognised directly in equity, net of tax	**–138**	**65**
Total recognised income and expense for the period	**172**	**335**
Attributable to:		
Equity holders of the parent company	170	334
Minority interest	2	1
Impact of change in accounting policy on retained earnings at January 1	–5	

* Since January 1, 2008, the Group recognises all actuarial gains and losses arising from defined benefit plans immediately in equity. This change in accounting policy was recognised retrospectively and comparatives have been restated. Refer to note 5.4, As a consequence of the change, the Group is now required to present a statement of recognised income and expense (SORIE) as a primary financial statement. Previously, the Group presented a statement of changes in equity. A reconciliation of the movement in capital and reserves is now presented in note 5.10.

4. CASH FLOW STATEMENT

	January – June			April – June		
CHF million	2008	2007	Variance	2008	2007	Variance
Cash flow from operating activities						
Earnings for the period	310	270*		155	137*	
Reversal of non-cash items:						
Income tax	93	88*		47	43*	
Financial income	–14	–12		–7	–6	
Financial expenses	9	7		4	4	
Result from joint ventures and associates	–4	–3		–2	–2	
Depreciation of property, plant and equipment	84	83		40	44	
Amortisation of other intangibles	52	39		31	20	
Expenses for employee share purchase and option plan	9	5		5	2	
Gain on disposal of property, plant and equipment	–38	–4		–36	–2	
Loss on disposal of property, plant and equipment	36	–		36	–	
Net addition to provisions for pension plans and severance payments	1	4*		–1	2*	
Total operational cash flow	**538**	**477**	**61**	**272**	**242**	**30**
(Increase)/decrease work in progress	–	–10		–22	–30	
(Increase)/decrease trade receivables, prepayments	–142	–324		–146	–213	
Increase/(decrease) other liabilities	70	203		–9	57	
Increase/(decrease) trade payables, accrued trade expenses/deferred income	–137	22		127	185	
Income taxes paid	–73	–84		–13	–31	
Total cash flow from operating activities	**256**	**284**	**–28**	**209**	**210**	**-1**
Cash flow from investing activities						
Capital expenditure						
– Property, plant and equipment	–108	–116		–48	–52	
– Other intangibles	–22	–10		–18	–4	
Disposal of property, plant and equipment	263	11		260	4	
Acquisition of subsidiaries, net of cash acquired	–6	–18		–	–18	
Interest received	14	12		7	6	
Dividend received from joint ventures and associates	3	2		1	2	
Total cash flow from investing activities	**144**	**–119**	**263**	**202**	**–62**	**264**
Cash flow from financing activities						
Proceeds of interest bearing liabilities	3	38		–	37	
Repayment of interest bearing liabilities	–29	–21		–27	–4	
Interest paid	–7	–7		–3	–2	
Purchase of treasury shares	–29	–		–2	–	
Disposal of treasury shares	9	3		8	2	
Dividend paid to shareholders of the company	–224	–177		–224	–177	
Dividend paid to minority shareholders	1	–		1	–	
Total cash flow from financing activities	**–276**	**–164**	**–112**	**–247**	**–144**	**–103**
Exchange difference on cash and cash equivalents	–39	–12		11	–12	
Increase/(decrease) in cash and cash equivalents	**85**	**–11**	**96**	**175**	**–8**	**183**
Cash and cash equivalents at the beginning of the period, net	**812**	**600**	**212**	**722**	**597**	**125**
Cash and cash equivalents at the end of the period, net	**897**	**589**	**308**	**897**	**589**	**308**

* Since January 1, 2008, the Group recognises all actuarial gains and losses arising from defined benefit plans immediately in equity. This change in accounting policy was recognised retrospectively and comparatives have been restated. Refer to note 5.4.

5. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5.1 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 Sea & Air Logistics, Road & Rail Logistics and Contract Logistics.

The interim condensed consolidated financial statements of the Company for the six months ended June 30, 2008 comprise the Company and its subsidiaries and interests in joint ventures (the Group).

The Group voluntarily also presents the income statement and the cash flow statement for the three months ended June 30, 2008 (including comparatives) and the balance sheet as per June 30, 2007.

5.2 STATEMENT OF COMPLIANCE

The unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) 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 as at and for the year ended December 31, 2007.

5.3 BASIS OF PREPARATION

The interim condensed consolidated 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 interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The actual results may differ from these estimates. Significant judgements made by management in the application of IFRS and estimates with a significant risk of material adjustment in the next year were the same as those applied to the consolidated financial statements for the year ended December 31, 2007.

The accounting policies are the same as those applied in the consolidated financial statements for the year ended December 31, 2007 except for the fact that the Group as of January 1, 2008 immediately recognises all actuarial gains and losses arising from defined benefit plans directly in equity (refer to section 5.4). The new interpretations that are effective for the 2008 reporting year were not applicable to the Group, or did not have a significant impact on the consolidated financial statements.

5.4 CHANGE IN ACCOUNTING POLICY

The Group recognises since January 1, 2008 all actuarial gains and losses arising from defined benefit plans immediately in equity. In its consolidated financial statements for periods beginning before January 1, 2008 the Group applied the corridor method to recognise actuarial gains and losses in the income statement over the expected average remaining working lives of employees participating in the plan. This change in accounting policy was made because the Group wants to eliminate the impact of changes in actuarial assumptions on its earnings by recognising actuarial gains and losses directly in equity.

The change in accounting policy was recognised retrospectively in accordance with IAS 19 Employee Benefits and IAS 8 Accounting Policies, Change in Accounting Estimates and Errors and comparatives have been restated.

The change in accounting policy had the following impact on these interim condensed consolidated financial statements:

Income statement

CHF million	January – June 2007
Decrease in personnel expenses	4
Increase in income tax expense	–1
Increase in earnings for the period	**3**

Income and expense

CHF million	January – June 2007
Increase in net income recognised directly in equity	10
Increase in income tax on net income recognised directly in equity	–3
Increase in earnings for the year	3
Increase in total recognised income and expense for the period	**10**

Balance sheet

	Dec. 31, 2007	June 30, 2007
Cumulative decrease (increase) in provisions for pension plans and severance payments	3	–7
Cumulative (decrease) increase in deferred tax asset	–1	2
Cumulative increase (decrease) in retained earnings	**2**	**–5**

Earnings per share

CHF million	January – June 2007
Increase in basic earnings per share in CHF	0.02
Increase in diluted earnings per share in CHF	0.02

The adjustment to retained earnings at January 1, 2007 was CHF –13 million.

5.5 FOREIGN EXCHANGE RATES

The major foreign currency conversion rates applied are as follows:

Income statement and cash flow (average rates for the first half year)

	2008 CHF	Variance per cent	2007 CHF
EUR 1.–	1.6171	–1	1.6312
USD 1.–	1.0630	–13	1.2257
GBP 1.–	2.1061	–13	2.4204

Balance sheet (period end rates)

	2008 CHF	Variance per cent	2007 CHF
EUR 1.–	1.6220	–2	1.6537
USD 1.–	1.0411	–15	1.2286
GBP 1.–	2.0513	–16	2.4553

5.6 SEASONALITY

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

5.7 CHANGES IN THE SCOPE OF CONSOLIDATION

The significant changes in the scope of consolidation in the first half year 2008 relate to the following companies:

First half year of 2008

	Capital share acquired in per cent equals voting rights	Currency	Share capital in 1,000	Acquisition/ Incorporation date
Acquisitions				
Elite Airfreight Inc., USA	100	USD	1	January 1, 2008
Coiltrans SARL, Luxembourg	100	EUR	13	January 1, 2008
Incorporation				
Kuehne + Nagel Ltd., Maladives	100	USD	1	February 1, 2008
Nacora EAST Europe, Austria	100	EUR	35	May 1, 2008
Kuehne + Nagel DWC L.L.C., UAE	100	AED	300	May 1, 2008

The significant changes in the scope of consolidation in the first half year 2007 relate to the following companies:

First half year of 2007

	Capital share* acquired in per cent equals voting rights	Currency	Share capital in 1,000	Acquisition/ Incorporation date
Acquisitions				
Orient Transport Comp. Ltd., Saudi Arabia [1]	50	SAR	1,000	January 1, 2007

1 The Group previously owned 50% of the share capital of Orient Transport Comp. Ltd. and applied the equity accounting method. The main activity is sea- and airfreight forwarding.

There were no significant divestments in the first half year 2008 and 2007.

5.8 ACQUISITIONS

2008 acquisitions

The acquisitions in the first half year of 2008 had the following effect on the Group's assets and liabilities:

CHF million	Carrying amounts	Fair value adjustments	Recognised values*
Property, plant and equipment	1	–	1
Other intangibles	–	9	9
Other non-current assets	–	3	3
Trade receivables	6	–	6
Acquired cash and cash equivalents, net	1	–	1
Subtotal assets	**8**	**12**	**20**
Trade payables	–5	–	–5
Non-current liabilities	–1	–	–1
Subtotal net identifiable assets and liabilities	**2**	**12**	**14**
Goodwill			–
Total Consideration			**14**
Contingent consideration			**–7**
Purchase price, paid in cash			**7**
Acquired cash and cash equivalents, net			–1
Net cash outflow			**6**

* In the 2008 interim condensed consolidated financial statements, the initial accounting for the acquisitions made in the first half year of 2008 was only determined provisionally.

Effective January 1, 2008 the Group acquired Elite Airfreight. Elite has been an expert in the specialized oil and gas equipment transportation market since being founded 22 years ago. Core strength of Elite is the transportation of hazardous materials specifically for use within the drilling industry. Furthermore the Group acquired Coiltrans, a road logistics company in Luxembourg as of January 1, 2008. The acquisitions contributed CHF 1 million of loss to the consolidated earnings for the first six months in 2008.

In 2008, no goodwill arose on these acquisitions because all intangible assets did meet the IFRS 3 criteria for recognition as other intangible assets at the date of acquisition.

In the 2007 consolidated financial statements, the initial accounting for the acquisitions made in December 2007 was only determined provisionally. No material adjustment to these values was deemed necessary after having finalized the purchase accounting in the first half of 2008.

2007 acquisitions

The acquisitions in the first half year of 2007 had the following effect on the Group's assets and liabilities:

CHF million	Carrying amounts	Fair value adjustments	Recognised values
Property, plant and equipment	1	–	1
Other intangibles	–	16	16
Other non-current assets	–	–	–
Trade receivables	6	–	6
Other current assets	1	–	1
Acquired cash and cash equivalents, net	5	–	5
Subtotal assets	**13**	**16**	**29**
Trade payables	–1	–	–1
Other current liabilities	–4	–	–4
Non-current liabilities	–1	–1	–2
Subtotal net identifiable assets and liabilities	**7**	**15**	**22**
Proportionate fair value of investment			–6
Goodwill			12
Total Consideration			**28**
Contingent consideration			**–5**
Purchase price, paid in cash			**23**
Acquired cash and cash equivalents, net			–5
Net cash outflow			**18**

Effective January 1, 2007, Kuehne + Nagel International AG, Switzerland acquired the remaining 50% of Orient Transport Comp. Ltd. (OTC), Saudi Arabia. The purchase price of CHF 14 million (SAR 42 million) for the shares of OTC was paid in cash. Until the end of financial year 2006, OTC was a Joint Venture and accounted for under the equity method. As of January 1, 2007, the shares of OTC are consolidated by the full consolidation method.

Furthermore, various book of businesses were acquired from seafreight forwarders in Slovenia, Norway and USA, and a warehouse operator in Colombia. Total net cash out flow for all these acquisitions amounted to CHF 9 million.

All acquisitions contributed CHF 2 million of loss to the consolidated earnings for the first six months in 2007.

In 2007, goodwill of CHF 12 arose on these acquisitions because certain intangible assets did not meet the IFRS 3 criteria for recognition as intangible assets at the date of acquisition. These assets are mainly management expertise, workforce and geographic presence.

5.9 SEGMENT REPORTING

Primary reporting

	Total		Seafreight		Airfreight	
CHF million	2008	2007*	2008	2007*	2008	2007*
Invoiced turnover (external customers)	**10,700**	**9,968**	**4,859**	**4,530**	**1,924**	**1,722**
Invoiced inter-segment turnover	–	–	861	758	1,125	919
Customs duties and taxes	–1,769	– 1,834	–1,318	–1,300	–308	–294
Net invoiced turnover	**8,931**	**8,134**	**4,402**	**3,988**	**2,741**	**2,347**
Net expenses for services from third parties	–5,792	– 5218	–3,740	–3,385	–2,374	–2,014
Gross profit	**3,139**	**2,916**	**662**	**603**	**367**	**333**
Total expenses*	–2,609	– 2,444	–451	–415	–250	–236
EBITDA	**530**	**472**	**211**	**188**	**117**	**97**
Depreciation of property, plant and equipment	–84	– 83	–7	–10	–6	–8
Amortisation of other intangibles	–52	– 39	–11	–6	–7	–3
EBIT	**394**	**350**	**193**	**172**	**104**	**86**
Financial income	14	12				
Financial expenses	–9	– 7				
Result from joint ventures and associates	4	3	3	2	–	–
Earnings before tax (EBT)	**403**	**358**				
Income tax	–93	– 88				
Earnings for the period	**310**	**270**				
Attributable to:						
Equity holders of the parent company	**308**	**269**				
Minority interest	2	1				
Earnings for the period	**310**	**270**				

* Since January 1, 2008, the Group recognises all actuarial gains and losses arising from defined benefit plans immediately in equity. This change in accounting policy was recognised retrospectively and comparatives have been restated. Refer to note 5.4.

	Road & Rail Logistics		Contract Logistics		Real Estate		Insurance Brokers		Eliminations	
	2008	2007*	2008	2007*	2008	2007*	2008	2007*	2008	2007*
	1,481	**1,384**	**2,369**	**2,264**	**3**	**2**	**64**	**66**	**–**	**–**
	366	328	106	103	49	48	31	30	–2,538	–2,186
	–74	–148	–69	–92	–	–	–	–	–	–
	1,773	**1,564**	**2,406**	**2,275**	**52**	**50**	**95**	**96**	**–2,538**	**–2,186**
	–1,465	– 1,311	–627	–569	–	–	–75	–77	2,489	2,138
	308	**253**	**1,779**	**1,706**	**52**	**50**	**20**	**19**	**–49**	**–48**
	–283	–230	–1,648	–1,588	–15	–13	–11	–10	49	48
	25	**23**	**131**	**118**	**37**	**37**	**9**	**9**	**–**	**–**
	–8	–7	–50	–44	–13	–14	–	–	–	–
	–10	–8	–24	–19	–	–3	–	–	–	–
	7	**8**	**57**	**55**	**24**	**20**	**9**	**9**	**–**	**–**
	–	–	1	1	–	–	–	–	–	–

Secondary reporting

	Total		Europe		Americas	
CHF million	2008	2007*	2008	2007*	2008	2007*
Invoiced turnover (external customers)	**10,700**	**9,968**	**7,213**	**6,769**	**2,000**	**1.857**
Invoiced inter-region turnover	–	–	1,589	1,331	340	318
Customs duties and taxes	–1,769	–1,834	–1,103	–1,202	–327	–350
Net invoiced turnover	**8,931**	**8,134**	**7,699**	**6,898**	**2,013**	**1,825**
Net expenses for services from third parties	–5,792	–5,218	–5,309	–4,696	–1,573	–1,392
Gross profit	**3,139**	**2,916**	**2,390**	**2,202**	**440**	**433**
Total expenses*	–2,609	–2,444	–2,041	–1,901	–361	–352
EBITDA	**530**	**472**	**349**	**301**	**79**	**81**
Depreciation of property, plant and equipment	–84	–83	–66	–64	–10	–11
Amortisation of other intangibles	–52	–39	–47	–37	–3	–1
EBIT	**394**	**350**	**236**	**200**	**66**	**69**
Financial income	14	12				
Financial expense	–9	–7				
Result from joint ventures and associates	4	3	3	3	–	–
Earnings before tax (EBT)	**403**	**358**				
Income tax	–93	–88				
Earnings for the period	**310**	**270**				
Attributable to:						
Equity holders of the parent company	**308**	**269**				
Minority interest	2	1				
Earnings for the period	**310**	**270**				

* Since January 1, 2008, the Group recognises all actuarial gains and losses arising from defined benefit plans immediately in equity. This change in accounting policy was recognised retrospectively and comparatives have been restated. Refer to note 5.4.

	Asia Pacific		Middle East, Central Asia and Africa		Eliminations	
	2008	2007*	2008	2007*	2008	2007*
	880	**813**	**607**	**529**	**–**	**–**
	485	421	75	68	–2,489	–2,138
	–107	–86	–232	–196	–	–
	1,258	**1.148**	**450**	**401**	**–2,489**	**–2.138**
	–1,025	–934	–374	–334	2,489	2,138
	233	**214**	**76**	**67**	**–**	**–**
	–146	–137	–61	–54	–	–
	87	**77**	**15**	**13**		
	–5	–6	–3	–2	–	–
	–2	–	–	–1	–	–
	80	**71**	**12**	**10**	**–**	**–**
	–	–	1	–	–	–

5.10 EQUITY

Reconciliation of the movement in capital and reserves

CHF million	Share capital	Share premium	Treasury shares	Actuarial Gains & Losses*	Cumulative translation adjustment	Retained earnings*	Total equity attributable to the equity holders of parent company	Minority interest	Total equity
Balance as of January 1, 2007	120	668	–76	–	–17	1,274	1,969	6	1,975
Change in accounting policy	–	–	–	–	–	–13	–13	–	–13
Restated balance as of January 1, 2007	**120**	**668**	**–76**	**–**	**–17**	**1,261**	**1,956**	**6**	**1,962**
Net income recognised directly in equity	**–**	**–**	**–**	**7**	**58**	**–**	**65**	**–**	**65**
Earnings for the period	–	–	–	–	–	269	269	1	270
Total recognised income and expense for the period	**–**	**–**	**–**	**7**	**58**	**269**	**334**	**1**	**335**
Purchase of treasury shares	–	–	–	–	–	–	–	–	–
Disposal of treasury shares	–	–	3	–	–	–	3	–	3
Dividend paid	–	–	–	–	–	–177	–177	–1	–178
Expenses of employee share purchase and option plan	–	–	–	–	–	5	5	–	5
Changes in minority interest	–	–	–	–	–	–	–	1	1
Balance as of June 30, 2007	**120**	**668**	**–73**	**7**	**41**	**1,358**	**2,121**	**7**	**2,128**
Balance as of January 1, 2008	120	686	–104	–	8	1,646	2,356	9	2,365
Change in accounting policy	–	–	–	13	–	–11	2	–	2
Restated balance as of January 1, 2008	**120**	**686**	**–104**	**13**	**8**	**1,635**	**2,358**	**9**	**2,367**
Net income recognised directly in equity	**–**	**–**	**–**	**–1**	**–137**	**–**	**–138**	**–**	**–138**
Earnings for the period	–	–	–	–	–	308	308	2	310
Total recognised income and expense for the period	**–**	**–**	**–**	**–1**	**–137**	**308**	**170**	**2**	**172**
Purchase of treasury shares	–	–	–29	–	–	–	–29	–	–29
Disposal of treasury shares	–	–4	13	–	–	–	9	–	9
Dividend paid	–	–	–	–	–	–224	–224	–1	–225
Expenses of employee share purchase and option plan	–	–	–	–	–	9	9	–	9
Changes in minority interest	–	–	–	–	–	–	–	–	–
Balance as of June 30, 2008	**120**	**682**	**–120**	**12**	**–129**	**1,728**	**2,293**	**10**	**2,303**

* Since January 1, 2008, the Group recognises all actuarial gains and losses arising from defined benefit plans immediately in equity. This change in accounting policy was recognised retrospectively and comparatives have been restated. Refer to note 5.4.

In the first six months of 2008, the Company sold 120.250 treasury shares (2007: 183.920 treasury shares) for CHF 3 million (2006: CHF 3 million) under the Employee Share Option and Purchase Plan. In addition, the Company acquired 301,866 treasury shares for CHF 29 million (2007: none) and sold 57,800 treasury shares for CHF 6 million.

A dividend of CHF 1.90 per share (2007: CHF 1.50) was paid during the interim period.

5.11 ASSET HELD FOR SALE

As of December 2007, 22 warehouses in the Real Estate segment were classified as assets held for sale. During the interim period, the sale of 17 warehouses was finalised and resulted in a net loss before tax of CHF 3 million. The sale of three of the remaining five warehouses will be completed within the next six months while the other two warehouses have been reclassed to property, plant and equipment as they no longer will be disposed of. The impact on the earnings of this reclassification is not material.

5.12 NUMBER OF STAFF

Number of staff as of June 30, 2008 was 53,134 (2007: 47,185).

5.13 CAPITAL EXPENDITURE

Total capital expenditure (excluding other intangible assets and property, plant and equipment from acquisitions) from January to June 2008 was CHF 131 million (2007: CHF 128 million).

5.14 POST BALANCE SHEET EVENTS

These unaudited interim condensed consolidated financial statements of Kuehne + Nagel International AG were authorised for issue by the Audit Committee of the Group on July 18, 2008.

There have been no material events between June 30, 2008, and the date of authorisation that would require adjustments of the interim financial statements or disclosure.

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