



Kuehne + Nagel International

Analyst Conference – Result 2007

March 10, 2008

Zürich, Switzerland



Klaus Herms, CEO

Reinhard Lange, Deputy CEO

Gerard van Kesteren, CFO



Agenda

- Welcome and Highlights 2007 Gerard van Kesteren
- Operating Review 2007 Reinhard Lange
- Financial Review 2007 Gerard van Kesteren
- Outlook 2008 Klaus Herms



Agenda

- **Welcome and Highlights 2007** Gerard van Kesteren
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Global Logistics Network



- Over 50'000 employees
- 830 locations in more than 100 countries
- Ownership of the global network
- Non-asset based in Seafreight, Airfreight and Road & Rail Logistics
- Contract Logistics: 10% of locations company owned out of 500 locations in 55 countries; 13% of 7 million sqm



Key events Kuehne + Nagel 2007

Business

- Strong double digits organic growth in all Business Fields



- Improved EBITDA margin to record high of 4.8%
- Leverage effect in Seafreight & Airfreight continued
- Strong organic growth through cross-selling in Road & Rail Logistics / Contract Logistics
- EBITDA growth of 18%

Finance

- Capex below target and last year
- Net working capital at record low level of 2.9% of annual Invoiced turnover
- Tax rate 24%



Income Statement

CHF million

	2005	2006	2007	Variance 2006/2007
Invoiced turnover	14'049	18'194	20'975	15%
Forwarding expenses	(11'280)	(12'942)	(14'961)	
Gross profit	2'769	5'253	6'014	14%
<i>Gross profit-Margin</i>	19.7%	28.9%	28.7%	
Total expenses	(2'208)	(4'397)	(5'002)	
EBITDA	561	855	1'012	18%
<i>EBITDA-Margin</i>	4.0%	4.7%	4.8%	
Depr. / Amort. Intangibles	(108)	(248)	(269)	
Impairment Goodwill/Intangibles	(25)	(6)	(57)	
EBIT	429	601	686	14%
<i>EBIT-Margin</i>	3.1%	3.3%	3.3%	
Financial Result / Joint Ventures	17	1	15	
EBT	446	601	700	16%
<i>EBT-Margin</i>	3.2%	3.3%	3.3%	
Tax	(128)	(142)	(167)	
Earnings after tax	318	459	533	16%
Minority interest	(3)	(1)	(2)	
Net Earnings for the year	315	458	531	16%



Segment Reporting by Business Unit

in CHF million

	Turnover		%	Gross Profit		%	EBITDA		%	Volume Δ
	2006	2007		2006	2007		2006	2007		
- Seafreight	8'306	9'642	16%	1'138	1'270	12%	373	425	14%	+15%
- Airfreight	3'386	3'719	10%	599	698	16%	166	218	32%	+14%
- Road & Rail Logistics	2'474	2'821	14%	458	515	12%	37	33	(11%)	+14%
- Contract Logistics	3'916	4'666	19%	3'019	3'490	16%	188	242	28%	+19%
- Real Estate & Insurance Brokers	112	128	14%	38	41	6%	91	95	4%	-
Total Group	18'194	20'975	15%	5'253	6'014	14%	855	1'012	18%	+15%



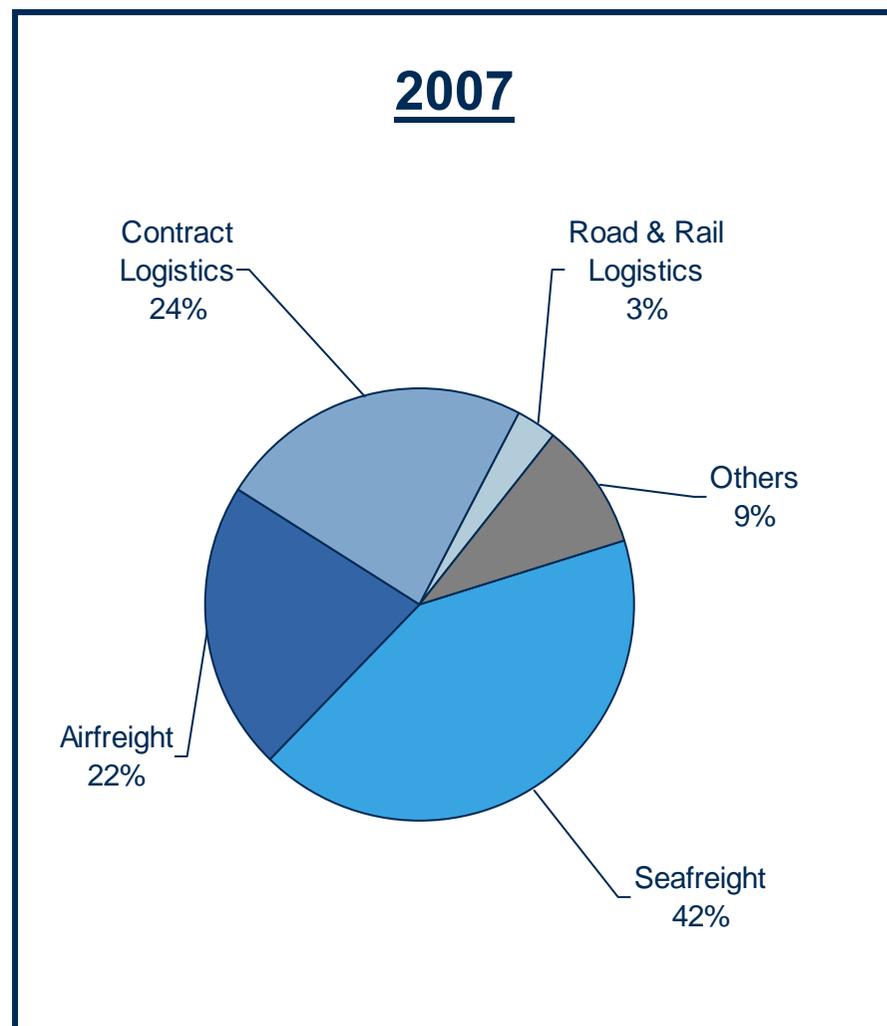
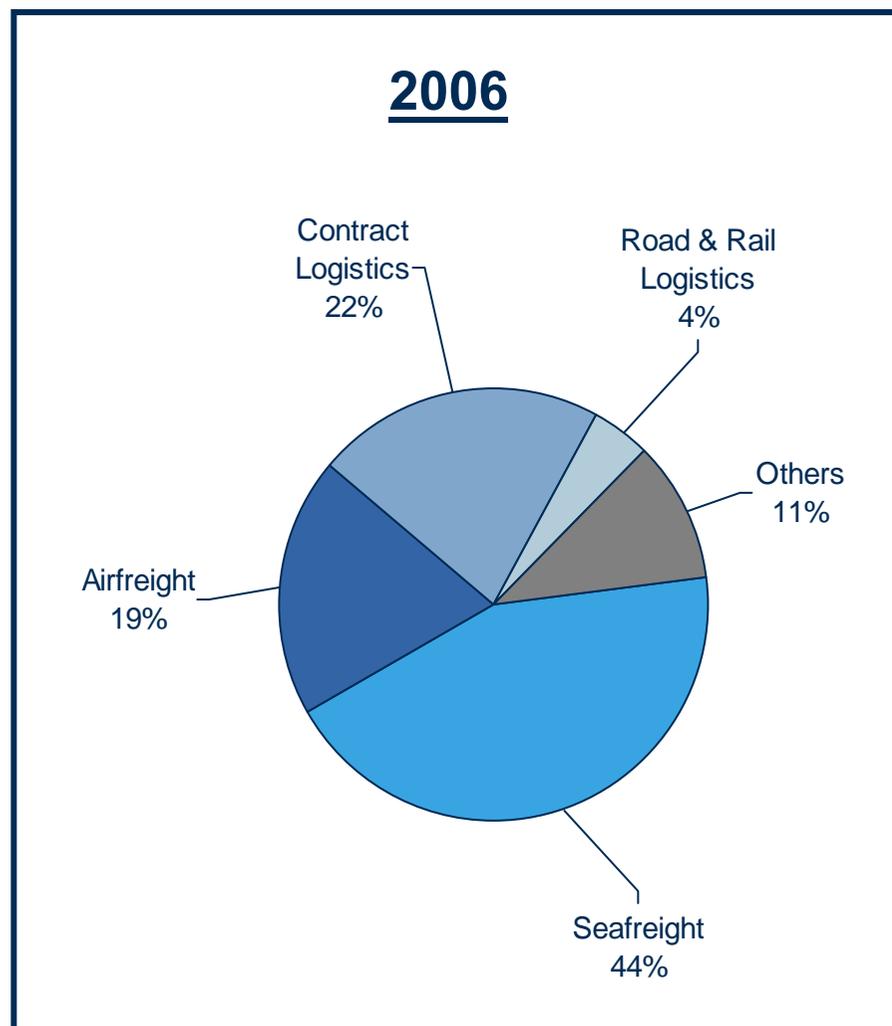
EBITDA Development per Business Unit

in CHF million

	2006	2007	Variance
Seafreight	373	425	52
Airfreight	166	218	52
Road & Rail Logistics	37	33	(4)
Contract Logistics	188	242	54
Real Estate / Insurance Brokers	91	95	4
TOTAL Group	855	1'012	157

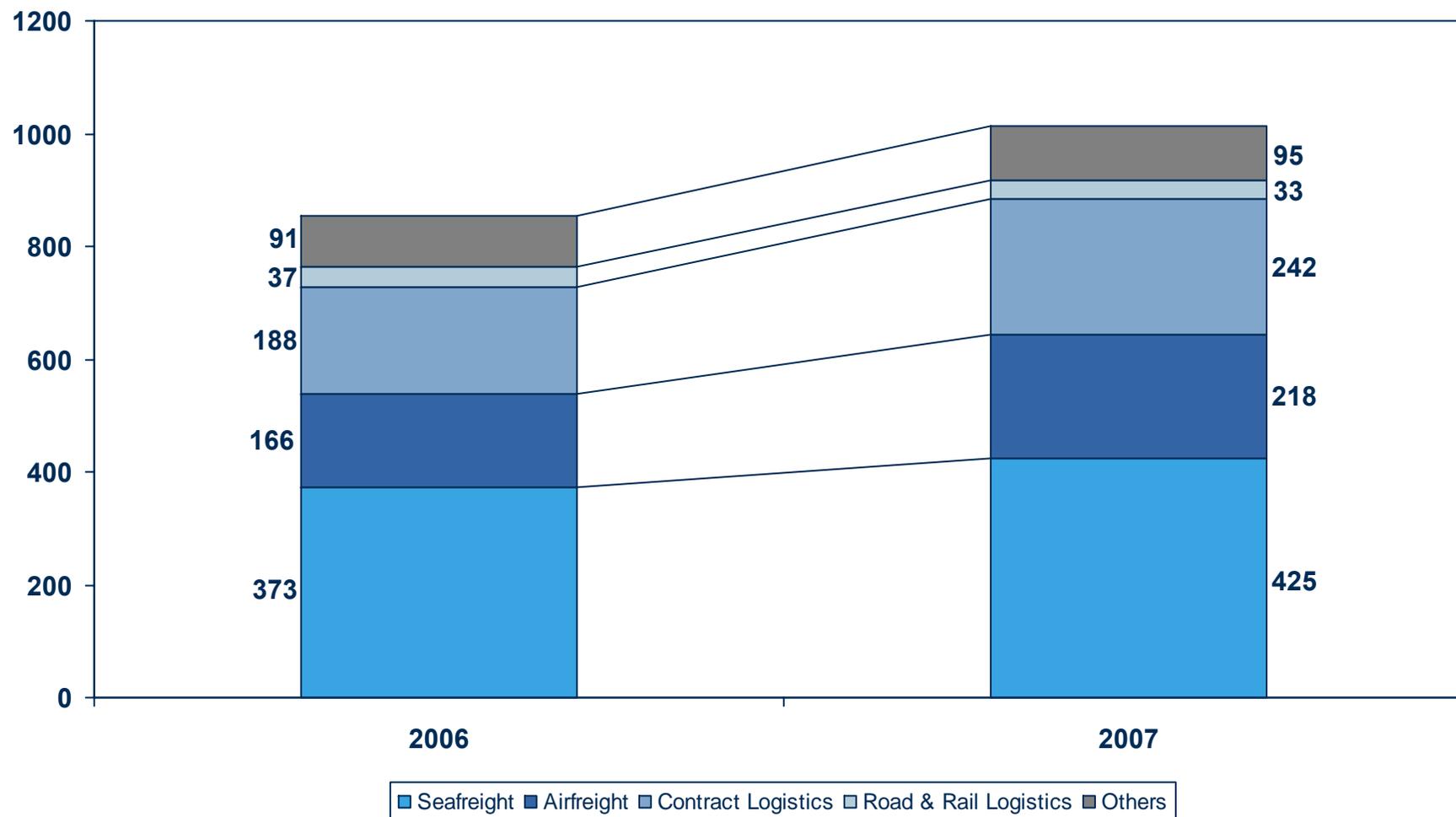


EBITDA per Business Unit





EBITDA per Business Unit





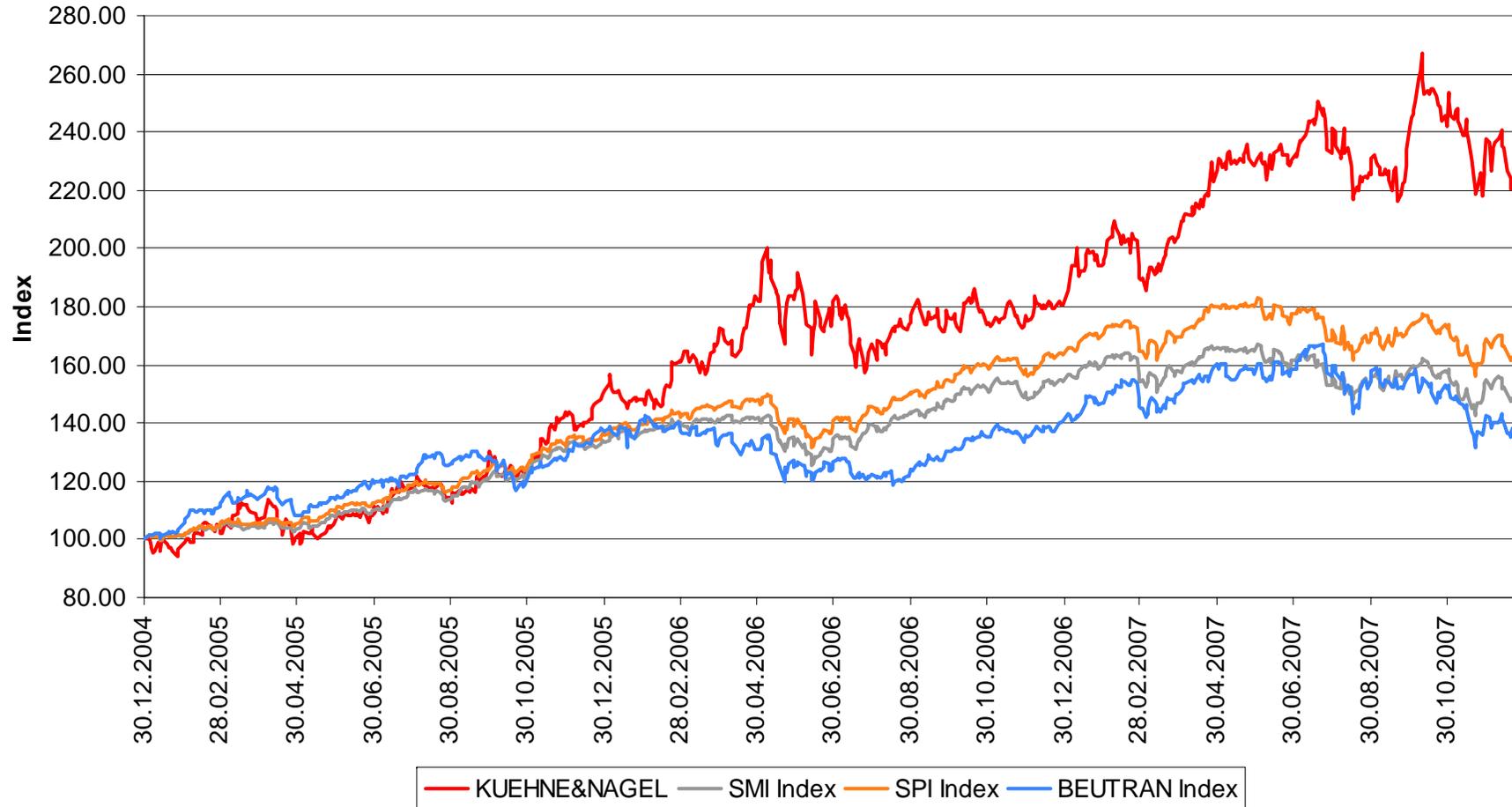
Highlights 2007

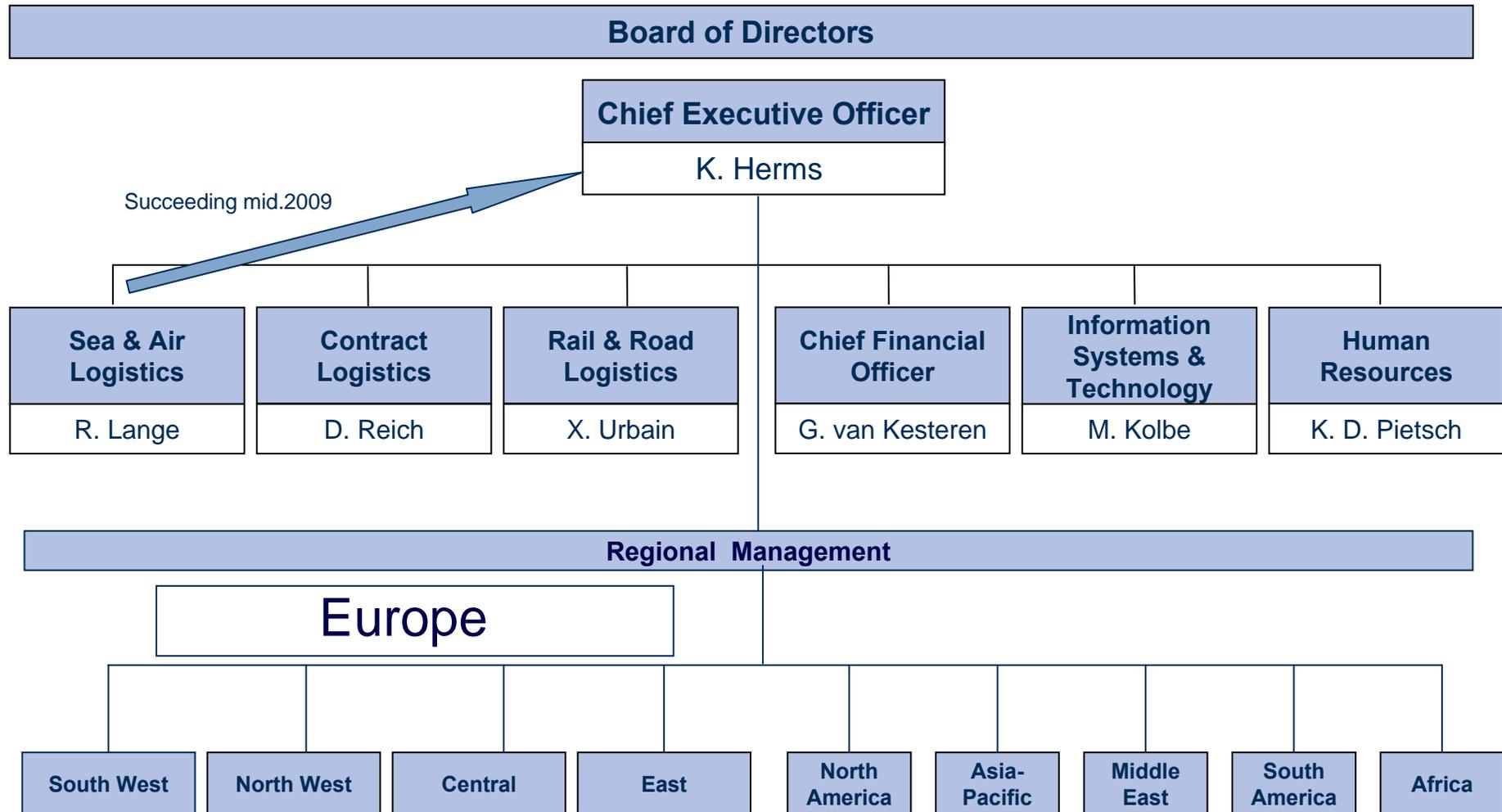
<u>CHF million</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
- Gross Profit	2'769	5'253	6'014
- EBITDA	561	855	1'012
- Net earnings	315	458	531
- Cash & Cash Equivalents	1'125	600	812
<u>Per share</u>			
- EPS (basic)	2.87	3.90	4.50
- Dividend	1.10	1.50	1.90
Equity % Total assets	37.9	34.6	36.7
Operational Cash Flow	575	857	1043



Development Share Price Kuehne + Nagel 2005 - 2007

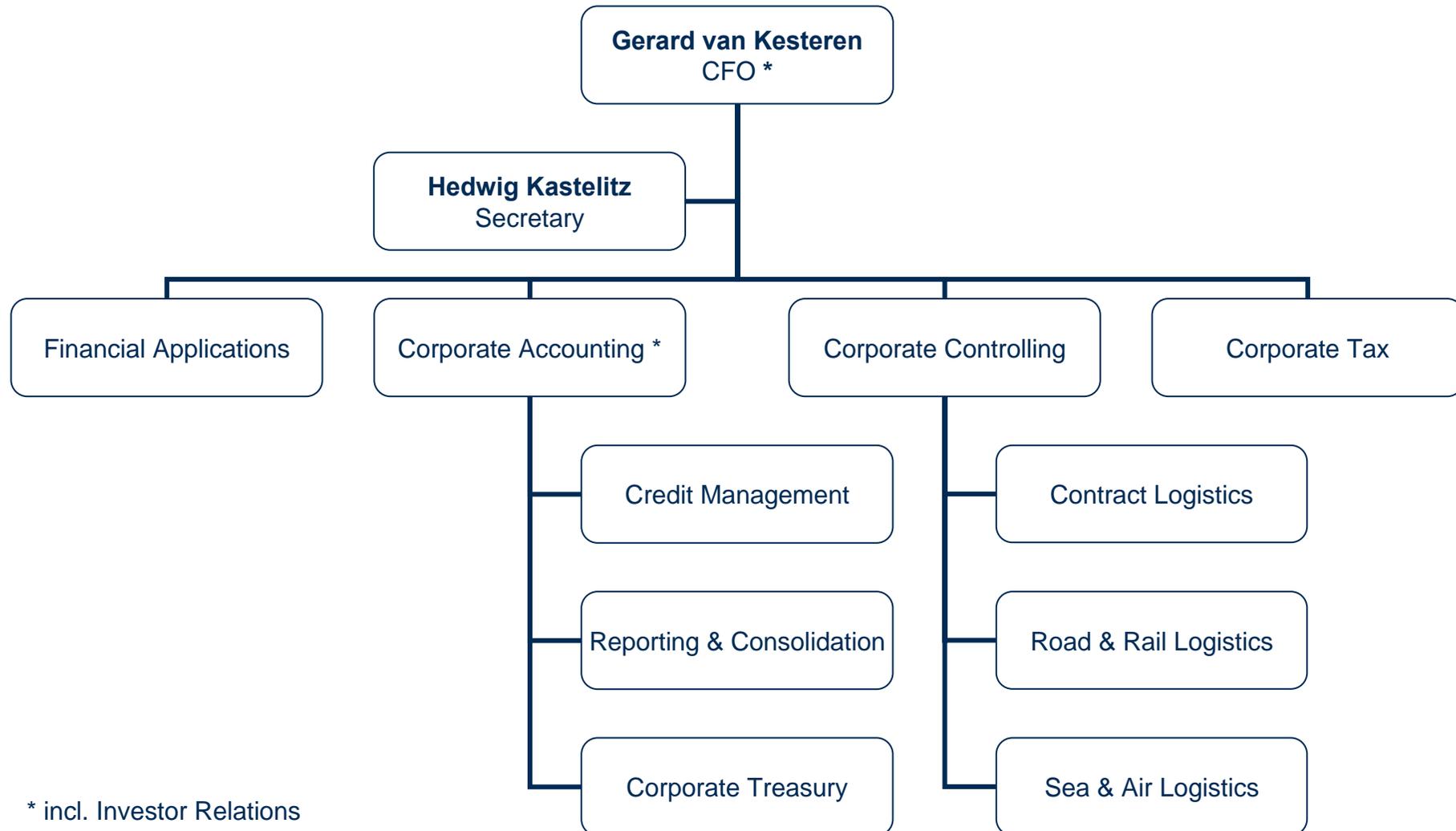
KUEHNE & NAGEL Namen vs. SMI, SPI and Bloomberg Europe Transportation Index







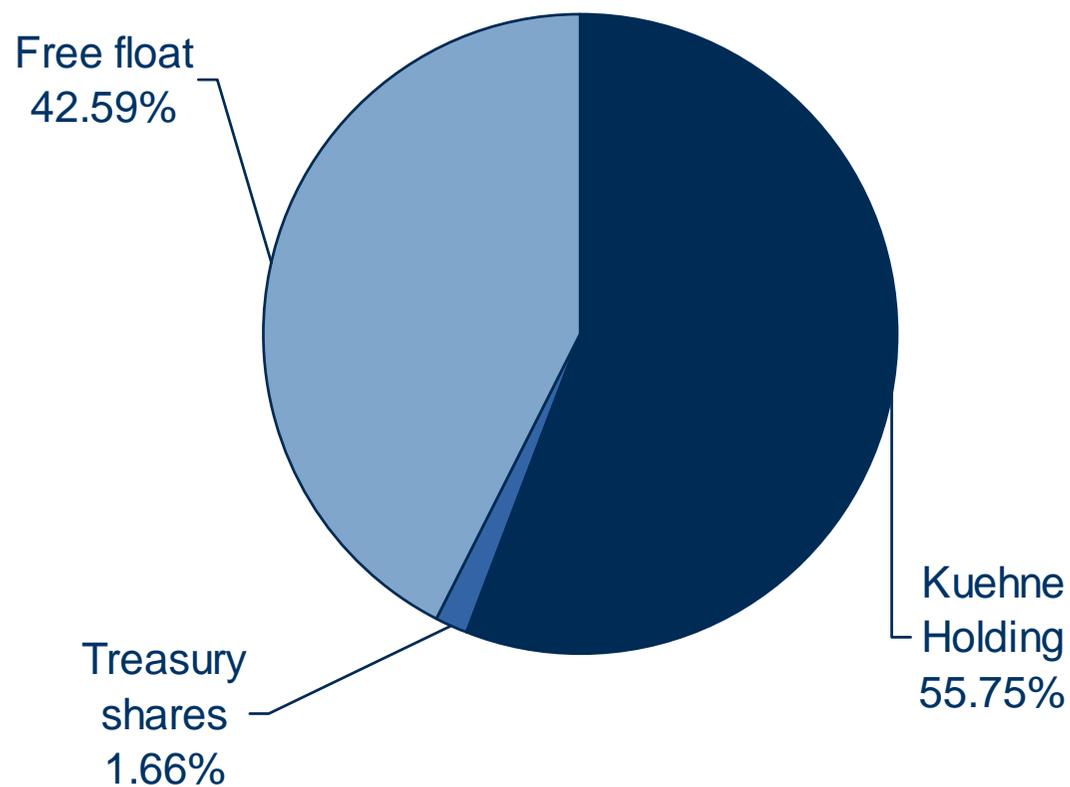
Organisation Chart Corporate Finance 01.01.2008



* incl. Investor Relations



Shareholders Structure Kuehne + Nagel December 31, 2007





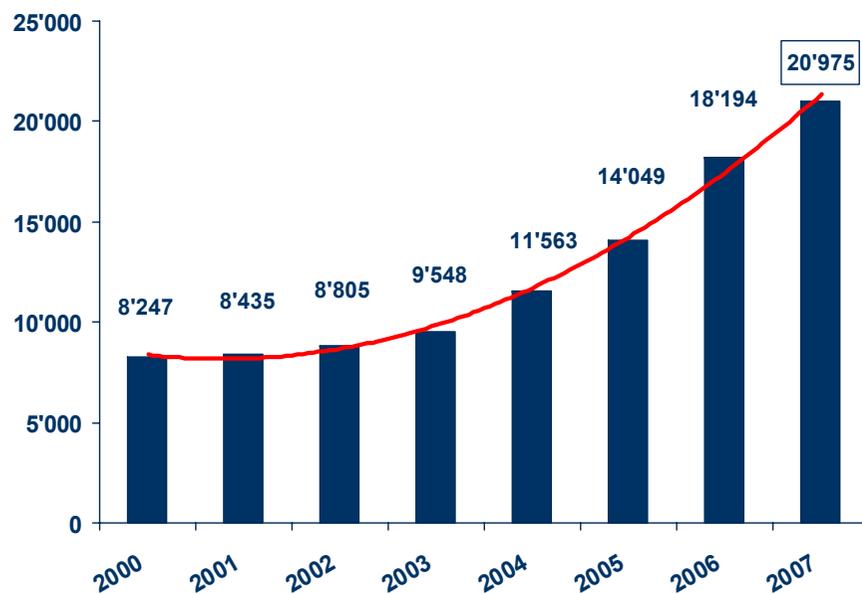
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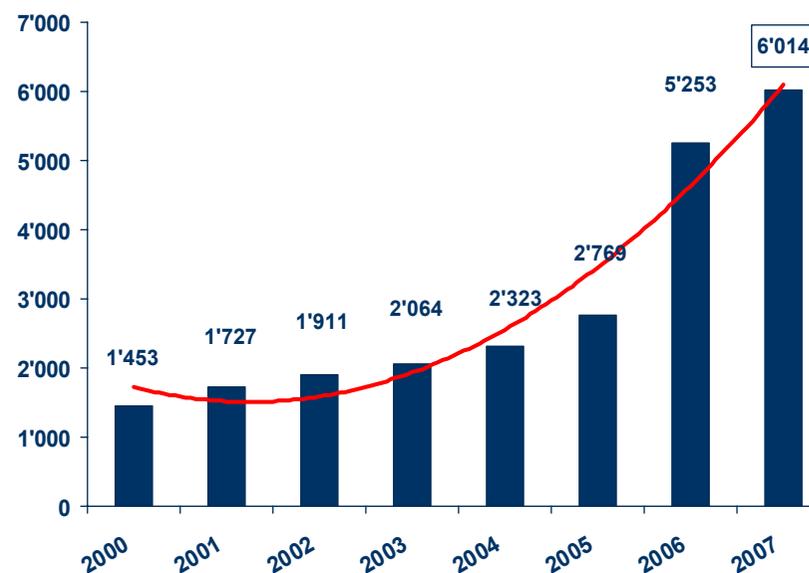


Financial Performance 2000 – 2007 (in CHF million)

Turnover



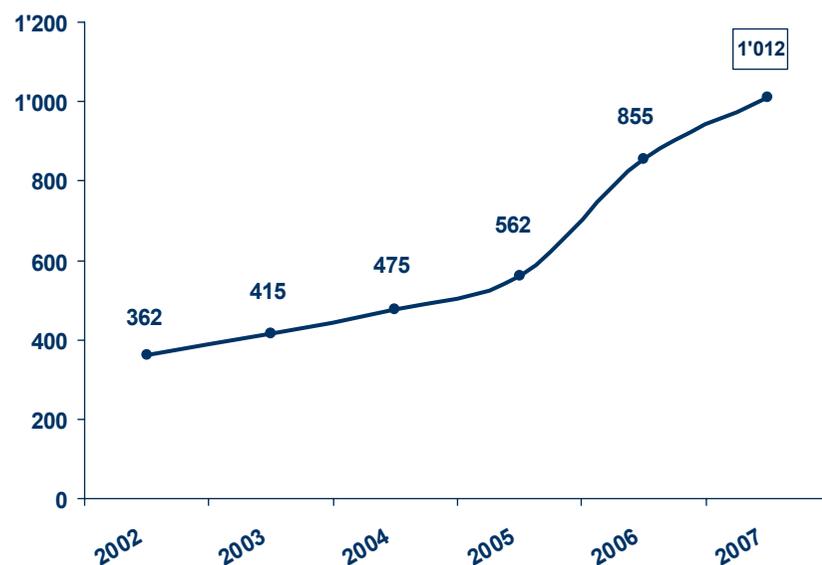
Gross Profit



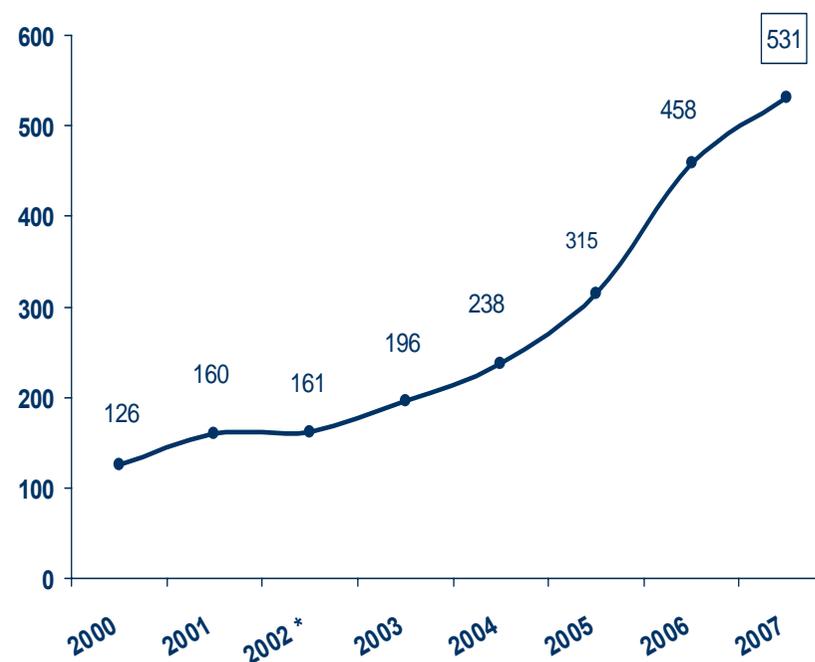


Financial Performance 2000 – 2007 (in CHF million)

EBITDA



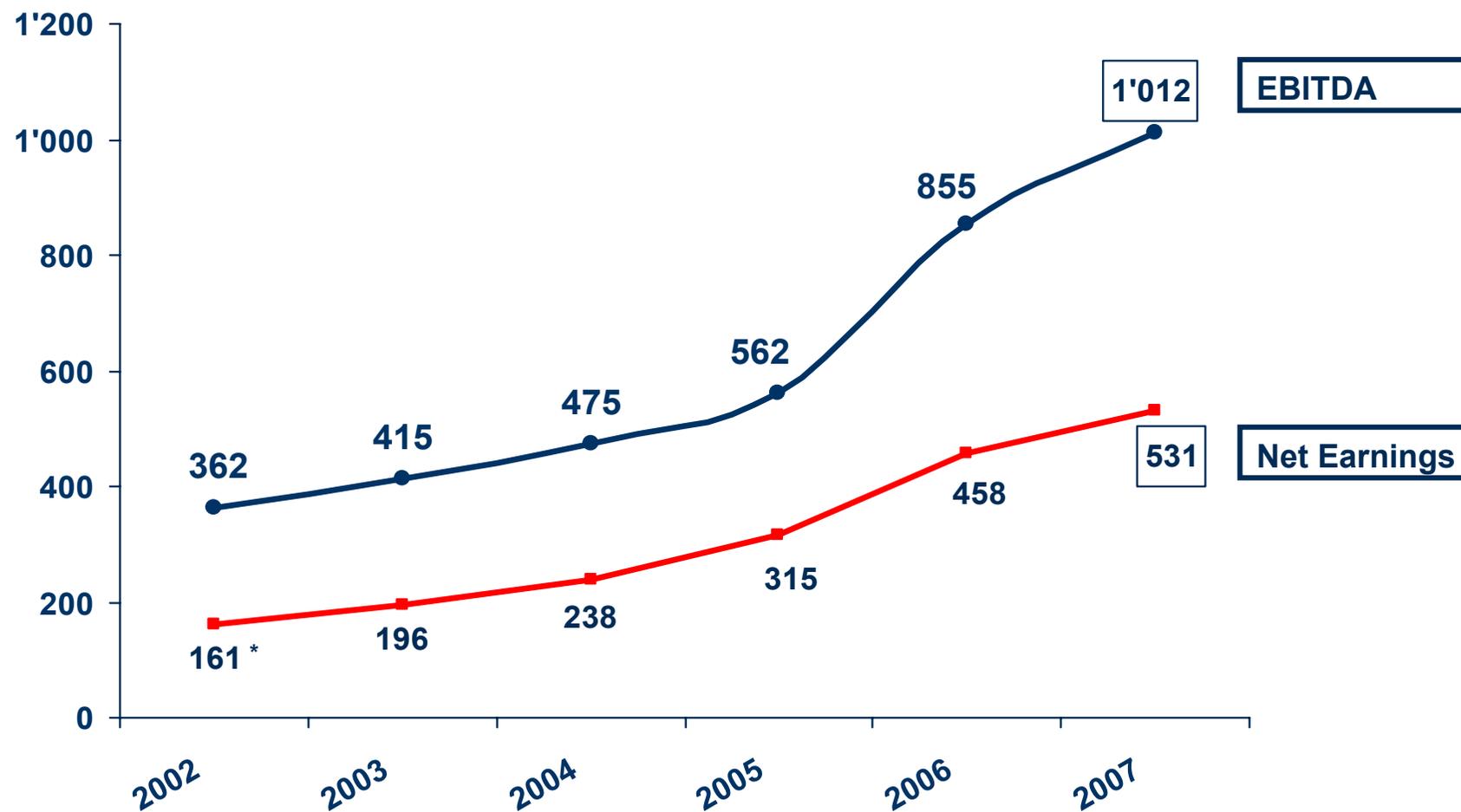
Net Earnings



* Excl. impairment goodwill USCO



Financial Performance 2000 – 2007 *(in CHF million)*

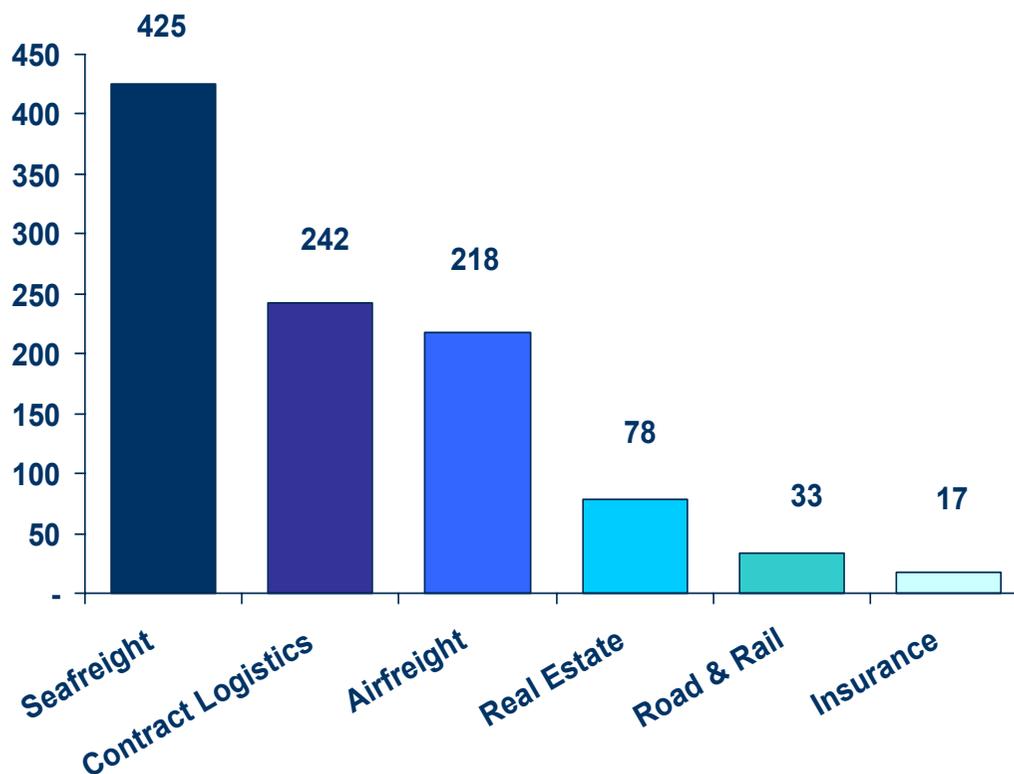


* Excl. impairment goodwill USCO



Financial Performance 2007 (in CHF million)

EBITDA





Performance Business Unit Seafreight 2005 - 2007

<i>CHF million</i>	2005	2006	2007	2006/2007	TEU's '000	EBIT/ TEU	
				%			
Invoiced turnover	7'503	8'306	9'642	16%	2005	1'910	127
Gross profit	944	1'138	1'270	12%	2006	2'275	152
EBITDA	264	373	425	14%	2007	2'618	148
EBIT	243	345	386	12%			
EBIT / Revenue margin	3.2%	4.2%	4.0%				
EBIT / GP Margin	25.8%	30.3%	30.4%				

- Solid volume growth in all major traffic lanes resulted in an 15% increase vs. last year (market growth: 8%)
- EBITDA margin at 4,4% slightly below last year (4,5%)
- US imports from all trade lanes slowed down but were compensated by strong growth of imports from Asia to Europe, Latin America and Middle East.

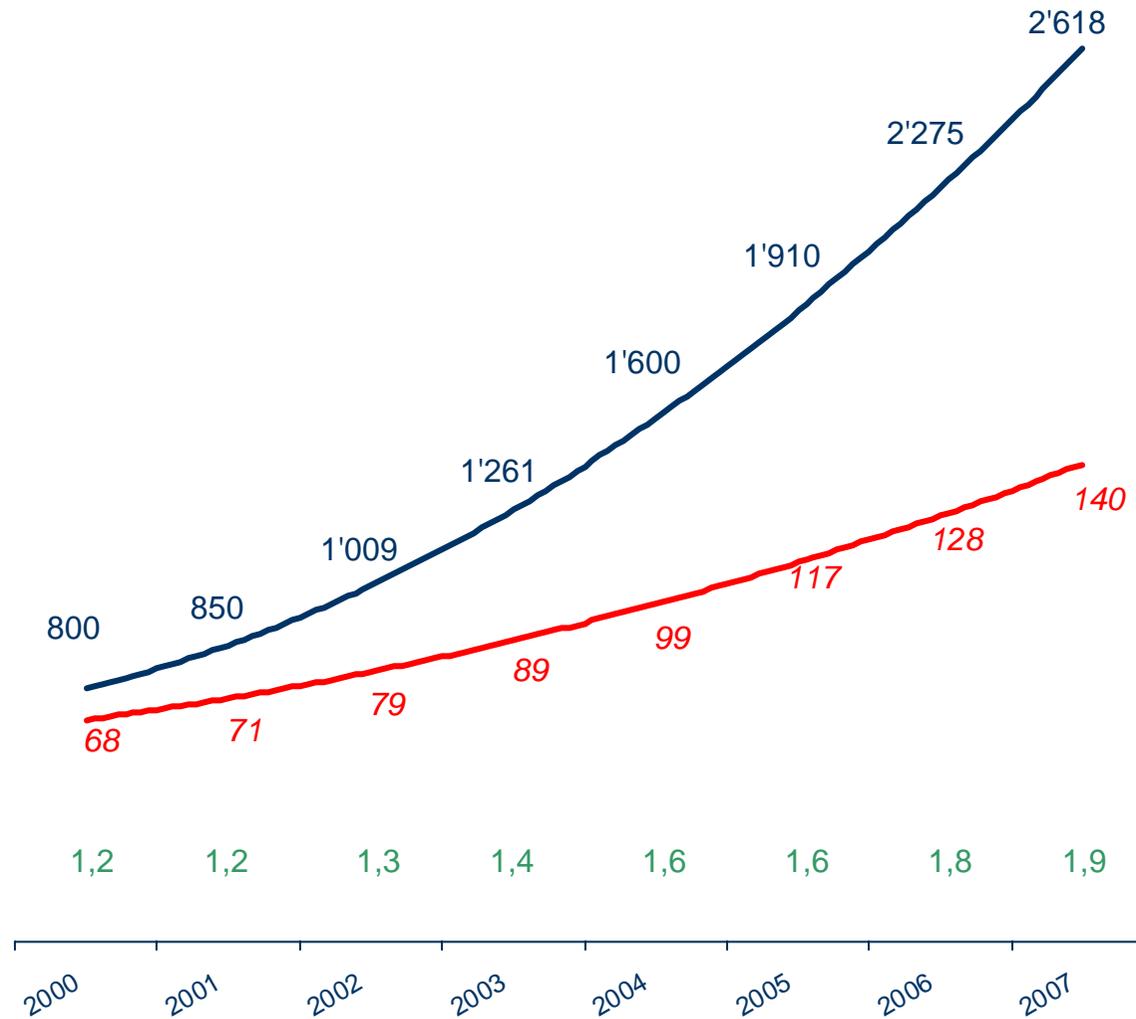


Seafreight Performance 2000 - 2007

Volume Development
Kuehne + Nagel
in `000 TEU

Volume Development
Seafreight worldwide
in Mio. TEU

Market Share
Kuehne + Nagel
in %

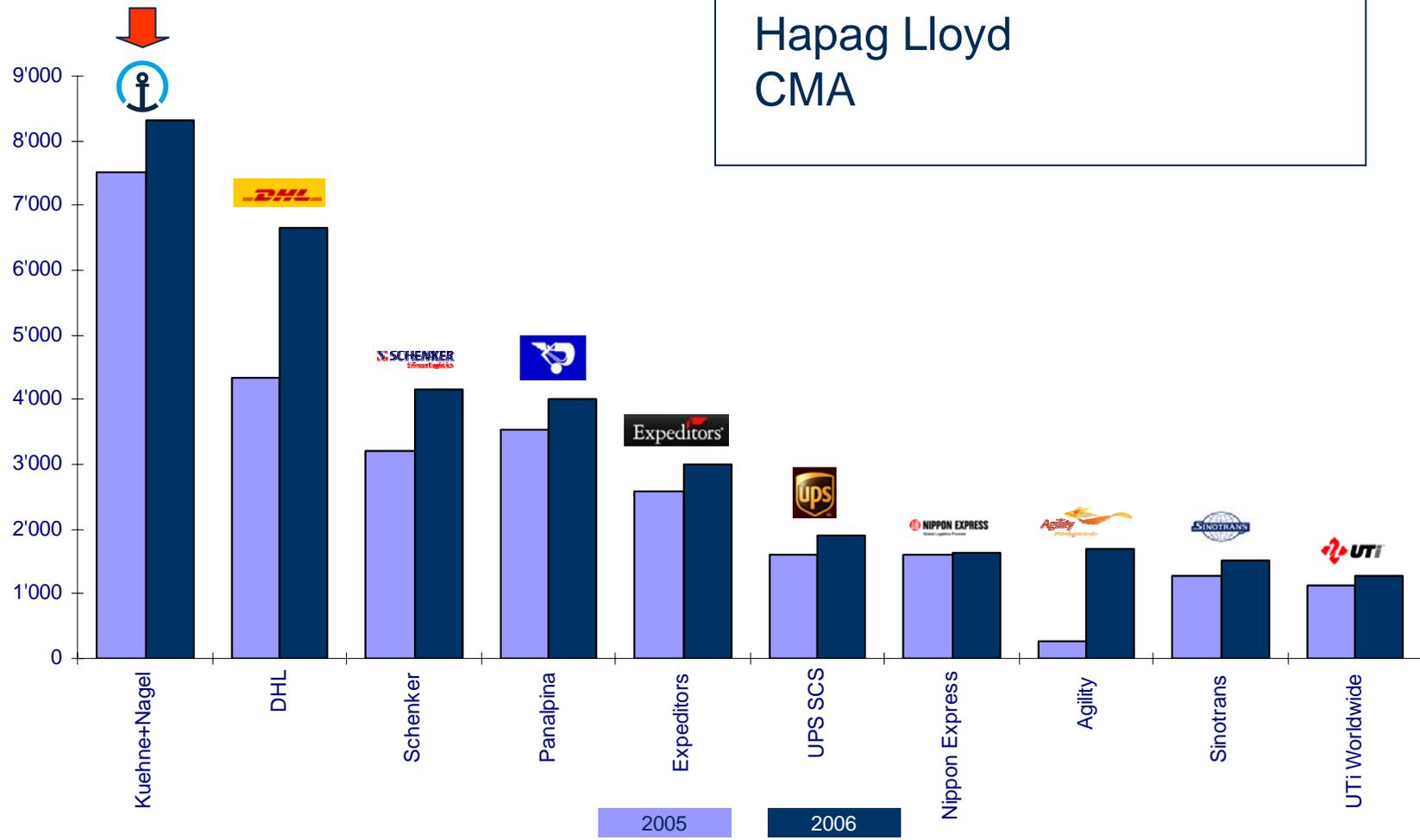




Market Position Seafreight

Revenue in CHF million (2006)

Preferred carriers:
 Maersk Line
 MSC
 Hapag Lloyd
 CMA





Performance Business Unit Airfreight 2005 - 2007

<i>CHF million</i>	2005	2006	2007	2006/2007	TONs '000	EBIT/ kg	
				%			
Invoiced turnover	3'011	3'386	3'719	10%	2005	654	0.19
Gross profit	527	599	698	16%	2006	720	0.21
EBITDA	139	166	218	32%	2007	818	0.24
EBIT	124	151	196	29%			
EBIT / Revenue margin	4.1%	4.5%	5.3%				
EBIT / GP Margin	23.5%	25.2%	28.0%				

- Remarkable strong volume growth of 14% in 2007 vs. last year (market growth only 4%), especially strong performance from Europe to Far East +23%
- Increased margin per unit resulted in a Gross profit improvement of 17%
- EBITDA margin of 5.9% (last year 4.9%) at record level

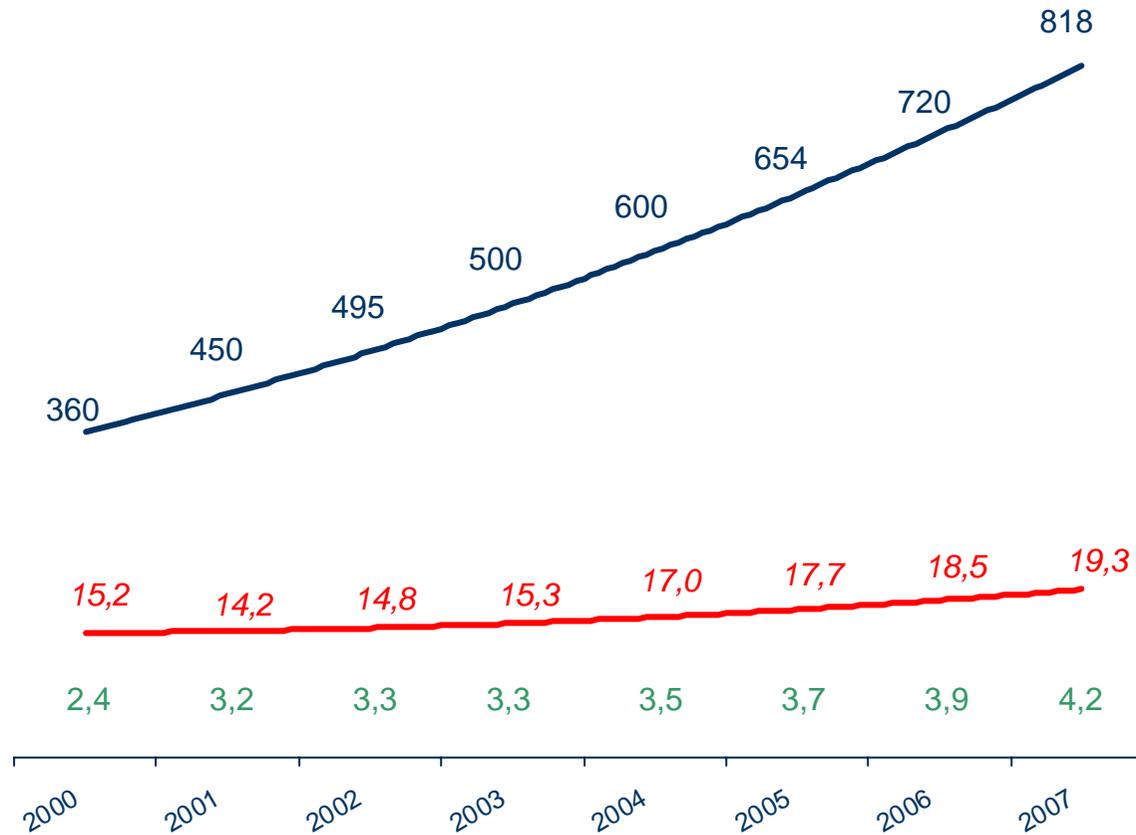


Airfreight Performance 2000 - 2007

Volume Development
Kuehne + Nagel
in `000 Tons

Volume Development
Airfreight worldwide
in Mio. Tons

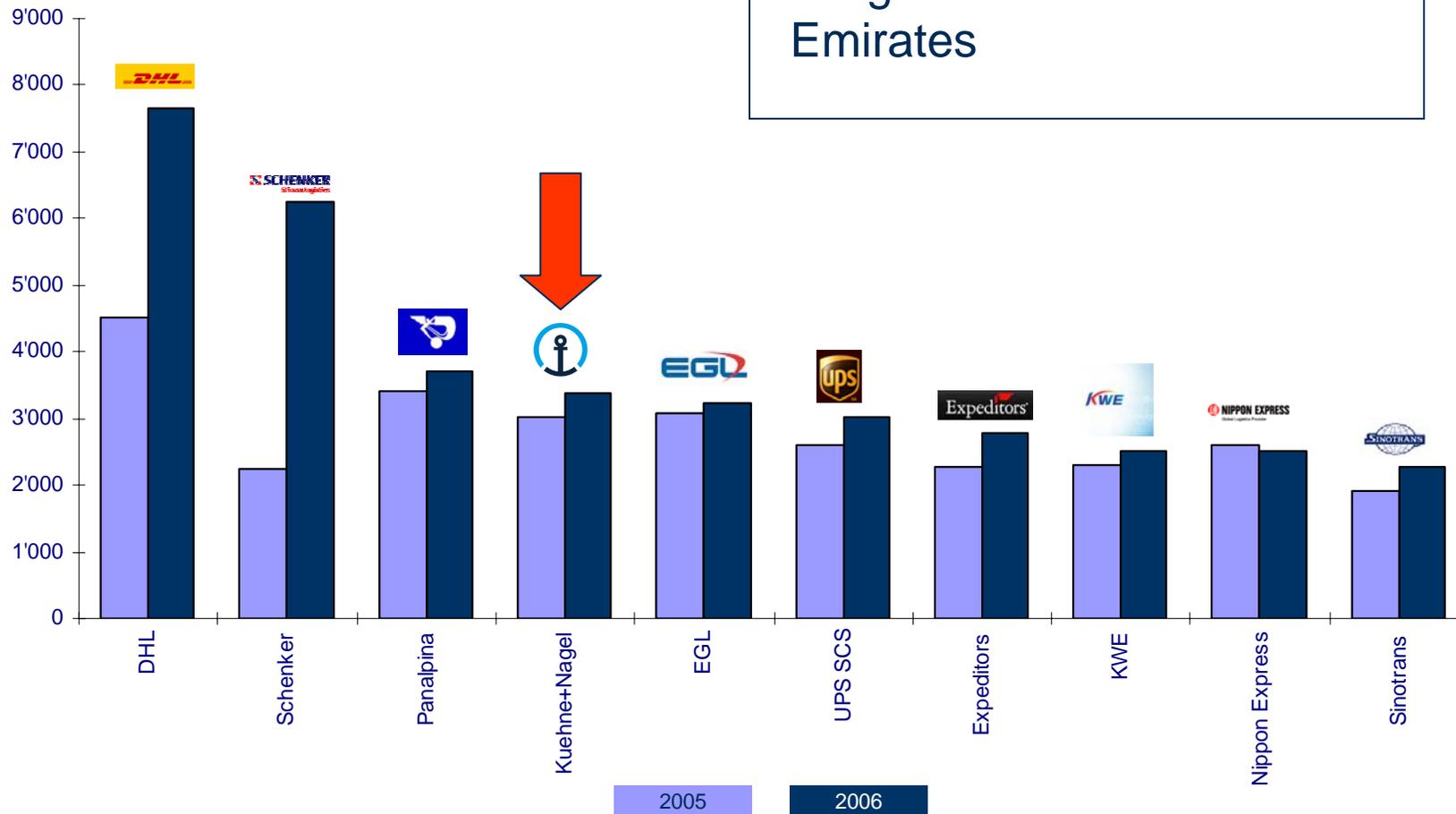
Market share
Kuehne + Nagel
in %





Market Position Airfreight
Revenue in CHF million (2006)

Preferred carriers:
Lufthansa
Air France / KLM
Cargolux
Emirates





Performance Business Unit Road & Rail Logistics 2005 - 2007

<i>CHF million</i>	2005	2006	2007	2006/2007
				%
Invoiced turnover	2'095	2'474	2'821	14%
Gross profit	400	458	515	12%
EBITDA	29	37	33	(11%)
EBIT	(14)	(15)	(55)	-
EBITDA / Revenue margin	1.4%	1.5%	1.2%	

- Volume / Revenue growth of 14% (0.5% acquisition driven) versus market growth of 4%.
- Gross profit increase by 12% as a result of further network expansion.
- EBITDA margin at 1.2% is in line with target for 2007.
- Strategic goal remains to obtain revenue of 5 bln CHF with EBIT margin at 2,5 % during the next 2 years (excl. intangibles asset amortisation).



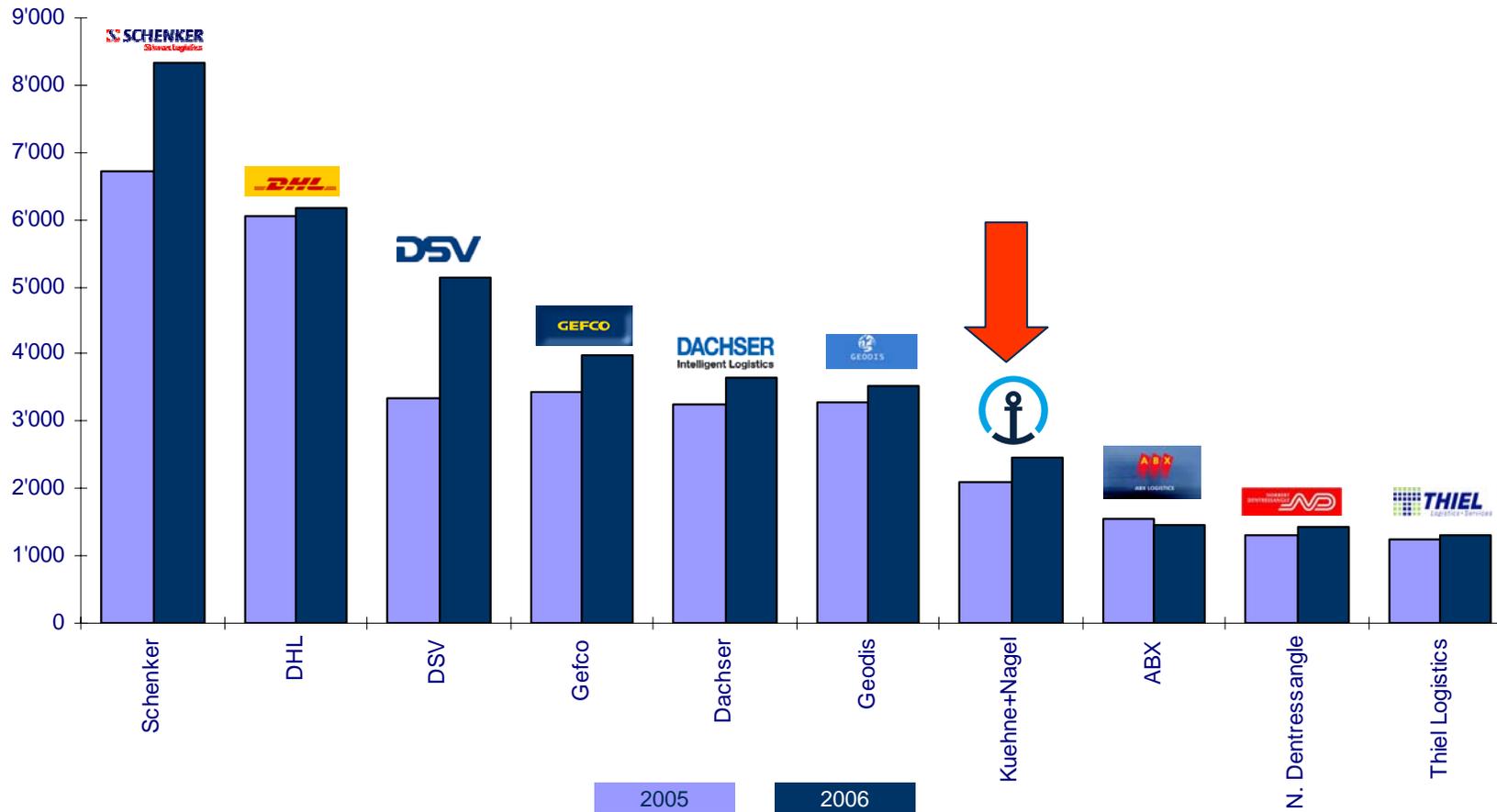
Impairment Road & Rail Logistics 2007

Anticipated level of profitability not achieved in some specific acquisition targets (mainly Greece / Germany) leading to an impairment of the carrying amount of goodwill CHF 31 Mio. and the respective intangible assets of CHF 26 Mio.



Market Position Rail & Road Logistics

Revenue in CHF million (2006)





Performance Business Unit Contract Logistics 2005 - 2007

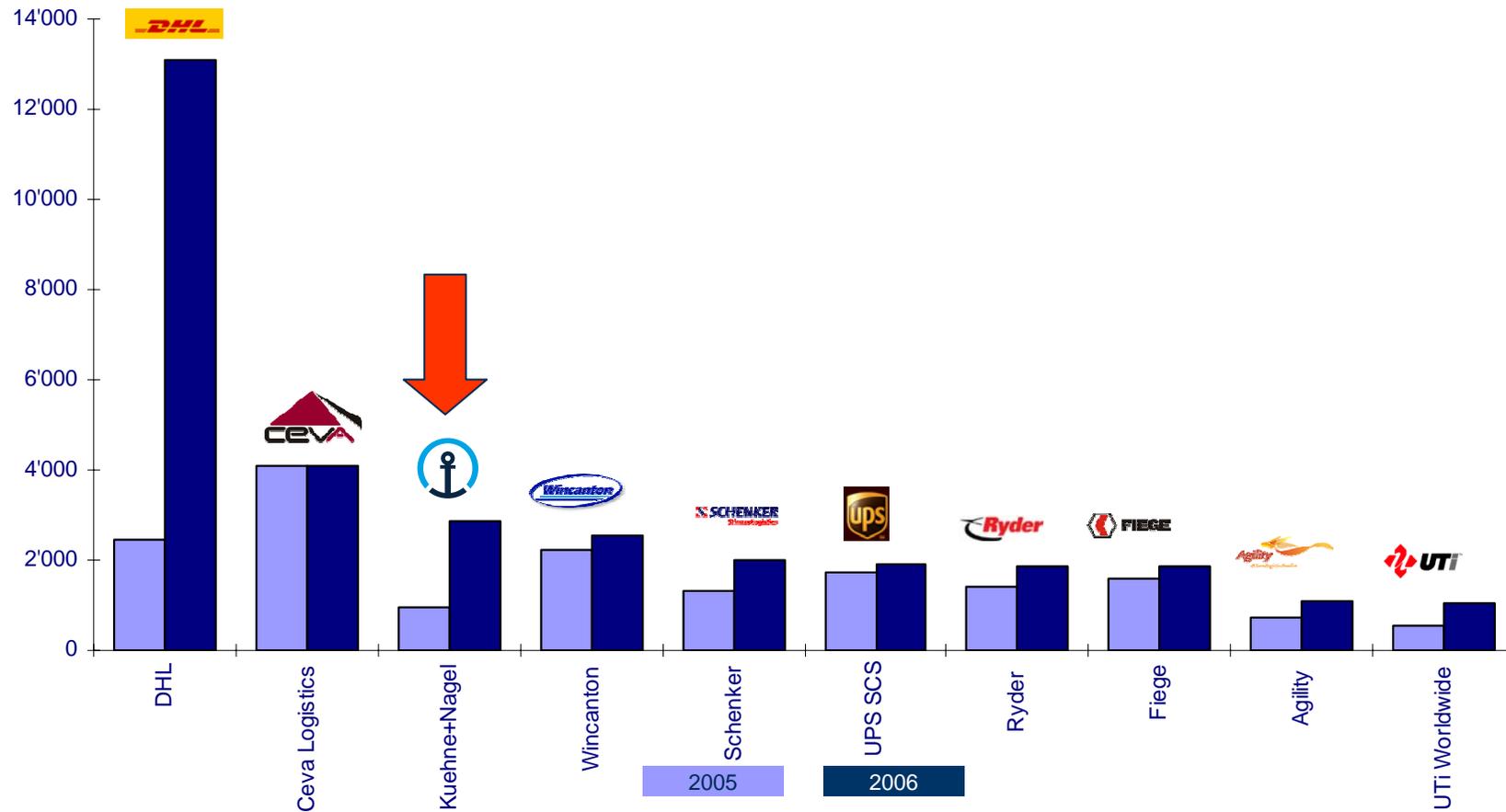
<i>CHF million</i>	2005	2006	2007	2006/2007
				%
Invoiced turnover	1'333	3'916	4'666	19%
Gross profit	865	3'019	3'490	16%
EBITDA	70	188	242	28%
EBIT	33	64	101	57%
EBIT / Revenue margin	2.5%	1.6%	2.2%	
EBIT / GP Margin	3.9%	2.1%	2.9%	

- Strong organic volume growth of 19% vs. last year (market growth: 8%).
- Cost in line with volume development resulted in an EBIT margin at 2.2% (2006: 1.6%)
- EBITDA margin further improved to 5.2% (2006: 4.8%).



Market Position Contract Logistics

Revenue in CHF million (2006)





Divestment Real Estate Project

Issue

Sale of 22 warehouse locations partly acquired with ACR/Häring in 5 European countries and leased back at an average 5 years period, leaving approx 50 locations i.e. 10% in Kuehne + Nagel ownership (13% out of 7million sqm).

Objective

Optimize Real Estate portfolio in respect of location and quality.

Impact

- EBITDA: **→** zero
- Capital Employed: **→** reduction of app 20%

Cash

Net proceeds of approx CHF 285 Mio available for acquisitions to secure further growth in all business fields



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Basis for Consolidation 2007

- As per International Reporting Standards (IFRS)
- Income statement and cash flow at average rates
- Balance sheet at year-end rates
- Impairment goodwill & intangibles CHF 57 Mio
- Only organic growth in 2007

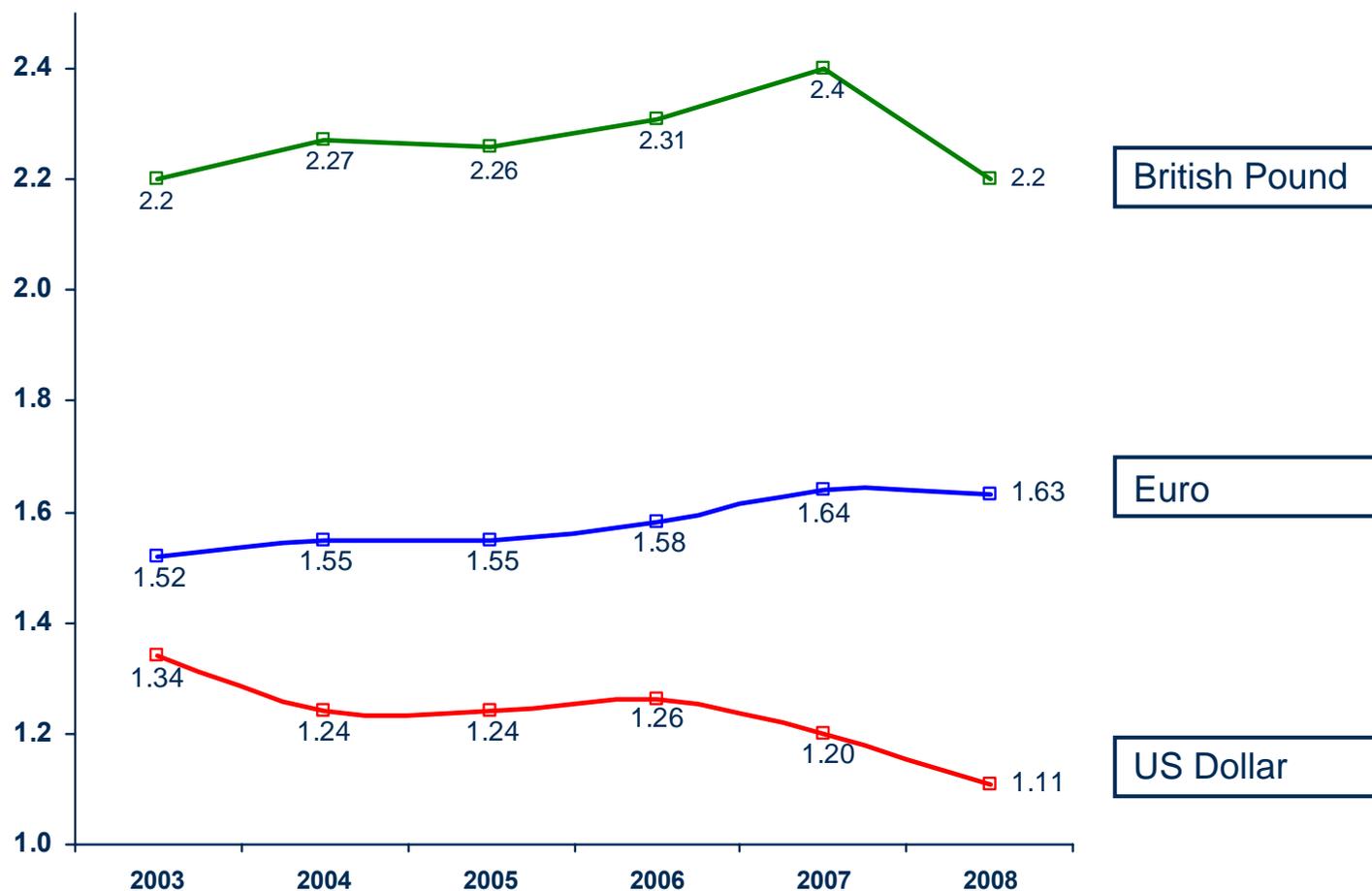


Currency Development CHF

	2005	2006	2007	2008
<u>Balance Sheet</u>				
Euro	1.56	1.61	1.67	
US Dollar	1.32	1.22	1.16	
British Pound	2.26	2.40	2.29	
<u>Income Statement</u>				
Euro	1.55	1.58	1.64	1.63
US Dollar	1.24	1.26	1.20	1.11
British Pound	2.26	2.31	2.40	2.20



Currency Development CHF Income Statement





Main Changes in Consolidation Scope 2007

New Companies

- Kuehne + Nagel Ltd., Trinidad & Tobago
- Kuehne + Nagel L.L.C., Qatar

Acquisitions

- 50% JV Orient Transport Company Ltd., Saudi-Arabia
- 30% minority Nakufreight Ltd., Cyprus
- 40% minority PACT Benelux B.V., Netherlands
- G.L. Kayser / Cordes & Simon, Germany



Income Statement

<i>CHF million</i>	<u>2005</u>	<u>2006</u>	<u>2007</u>	Δ
Invoiced turnover	14'049	18'194	20'975	15%
Gross profit	2'769	5'253	6'014	14%
EBITDA	561	855	1'012	18%
EBIT *	429	601	686	14%
Net earnings	315	458	531	16%
% Invoiced turnover	2.2%	2.5%	2.5%	
* incl. amort. intangibles / goodwill	51	103	146	



Segment Reporting by Business Unit

in CHF million

	Turnover		%	Gross Profit		%	EBITDA		%	Volume Δ
	2006	2007		2006	2007		2006	2007		
- Seafreight	8'306	9'642	16%	1'138	1'270	12%	373	425	14%	+15%
- Airfreight	3'386	3'719	10%	599	698	16%	166	218	32%	+14%
- Road & Rail Logistics	2'474	2'821	14%	458	515	12%	37	33	(11%)	+14%
- Contract Logistics	3'916	4'666	19%	3'019	3'490	16%	188	242	28%	+19%
- Real Estate & Insurance Brokers	112	128	14%	38	41	6%	91	95	4%	-
Total Group	18'194	20'975	15%	5'253	6'014	14%	855	1'012	18%	+15%



Segment Reporting by Region

in CHF million

	Turnover		%	Gross Profit		%	EBITDA		%
	2006	2007		2006	2007		2006	2007	
- Europe	12'092	14'128	17%	3'924	4'532	15%	529	633	20%
- Americas	3'601	3'958	10%	824	885	7%	154	170	10%
- Asia Pacific	1'541	1'767	15%	386	455	18%	155	180	16%
- Middle East / Central Asia / Africa	960	1'122	17%	119	142	19%	17	29	68%
Total Group	18'194	20'975	15%	5'253	6'014	14%	855	1'012	18%



Amortisation & Impairment of Intangibles & Goodwill (including software)

in CHF Mio.

	Actual 2006	Actual 2007	of which Impairment	Estimate 2008
Seafreight	10	16	-	19
Airfreight	9	8	-	14
Road & Rail Logistics	40	74	55	19
Contract Logistics	40	43	3	49
Real Estate	4	5	-	4
Insurance Brokers	-	1	-	-
TOTAL Group	103	146	57	105



Reconciliation (CHF Mio.)

	2006	Forex	Acq.	Organic Growth	2007
Invoiced turnover	18'194	404	80	2'297	20'975
Gross profit	5'253	142	13	606	6'014
EBITDA	855	15	1	140	1'012
EBIT	601	5	(1)	81	686
EBT	601				700
Net earnings	459				534
Staff	46'290	-	1'359	3'426	51'075



Development Working Capital Kuehne + Nagel

<u>CHF Mio</u>	<u>Dec 2005</u>	<u>Dec 2006</u>	<u>Dec 2007</u>
Trade receivables	1'713	2'228	2'606
Work in progress	271	283	322
Subtotal	1'984	2'511	2'928
Trade payables	(830)	(1'111)	(1'329)
Accrued trade expenses	(626)	(853)	(980)
Net Working Capital	528	547	619
Invoiced turnover	14'049	18'194	20'975
in % of Invoiced turnover	3.8%	3.0%	2.9%
KPI's			
- DSO	38.8	40.9	41.9
- DPO	41.1	51.2	51.4
- DTE	5.8	5.5	5.4



Capital Expenditure in fixed assets

<i>CHF Mio</i>	2005	2006	2007
- Europe	163	189	150
- Americas	14	38	28
- Asia Pacific	7	15	33
- Middle East/Central Asia and Africa	5	5	20
Total fixed assets	189	246	231
Sea & Air Logistics	28	18	37
Road & Rail Logistics	23	24	20
Contract Logistics	38	92	115
Real Estate	100	112	58
Total fixed assets	189	246	231



Return on Capital Employed

	CHF Mio				ROCE in %	
	EBIT		Capital Employed *			
	2006	2007	2006	2007	2006	2007
- Seafreight	345	386	135	125	>100%	>100%
- Airfreight	151	196	157	129	96%	>100%
- Road & Rail	(15)	(55)	(24)	19	-	-
- Contract Logistics	64	101	597	565	11%	18%
- Other	56	58	866	940	6%	6%
TOTAL	601	686	1'731	1'778	35%	39%

* Average beginning / end of the year as per Segment Reporting (see note 40)



Corporation Tax

<u>CHF Mio</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
- Earnings before Tax	445	601	700
- Tax charge	127	142	167
- Effective Tax Rate	28%	24%	24%



Financial Targets 2008

- Continue to a pay-out ratio in excess of 40% as dividend
- Net Working Capital at approx 3.5% of Invoiced turnover
- Capex capped at Depreciation / Amortisation Intangibles current year level i.e. app at CHF 290 mio
- Tax rate max. 24%



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Update on Antitrust Investigation

- After October 10, 2007, no further contact to WEKO / competition authorities
- Full co-operation announced
- Internal investigation ongoing
- Dedicated Compliance Officer at Corporate Headoffice
- No provision (see note 43 of Annual Report) in 2007



Outlook 2008

General

Strong start of the year, however anticipated impact of economic slowdown in second half of 2008 difficult to quantify.

Volumes

	Market-Growth		KN	Margin
	2007	2008		
- Seafreight	9%	8%	} above market	} 2007 level
- Airfreight	4%	4%		
- Contract Logistics	8%	6%		} above 2007
- Road & Rail Logistics	3%	3%		



Corporate Timetable 2008

a) Investors Day 2008

08.05.2008 Investors Day in Hamburg

b) Company Timetable 2008

10.03.2008	Press Conference / Analyst Conference result 2007
21.04.2008*	Q1 2008 result
30.04.2008	Annual General Meeting
05.05.2008	Dividend payout
21.07.2008*	Q2 2008 result
20.10.2008*	Q3 2008 result

* Analyst Conference Call at 2pm CET



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Prospective investors are strongly requested to consult their investment advisors and tax advisors prior to investing in shares of Kuehne + Nagel International Ltd.

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