

Third-quarter 2024 financial results



November 08, 2024

- An increase in business volumes driven by sustained demand in maritime shipping amid disruption to major routes.
- CMA CGM has continued to invest in the entire maritime transport and logistics value chain.
- The Group is strengthening strategic partnerships to step up the digitization and decarbonization of maritime shipping and logistics.

The Board of Directors of the CMA CGM Group met today under the chairmanship of Rodolphe Saadé, Chairman and Chief Executive Officer, to review the financial statements for the third quarter of 2024.

Commenting on the results for the period, **Rodolphe Saadé, Chairman and Chief Executive Officer of the CMA CGM Group**, said:

“In a context of geopolitical and economic uncertainties, our Group has delivered solid performances in the third quarter, with a very dynamic maritime activity and a logistics pillar that continues its transformation. Thanks to the commitment of all our teams, we have successfully adapted our offering and made structural investments, particularly in terminals. This quarter also marked an important step in the deployment of artificial intelligence across our activities to continue enhancing the quality of service for our customers.”

Third-quarter 2024 highlights

During third-quarter 2024, the CMA CGM Group delivered a robust performance. The Group seized growth opportunities during the period in a supportive market environment, while responding to ongoing operational challenges.

An increase in volumes driven by sustained demand

Container shipping continued to enjoy steady momentum, with sustained demand giving rise to an early peak season characterized by high volumes. This reflected signs of accelerating global trade, which rebounded from the prior-year period as inflation slowed over the third quarter.

Volumes carried on the main shipping routes remained very high over the third quarter as a result. The strong demand was mainly attributable to anticipation and inventory rebuilding in an

environment still roiled by geopolitical tension, the prospect of port strikes on the US East Coast and the US presidential election on 5 November.

Disruption to major routes

The rerouting of vessels via the Cape of Good Hope to bypass the Red Sea has continued to impede the fluidity of global trade, resulting in longer transit times and reduced available shipping capacity.

These disruptions brought operational challenges to which the Group responded with agility in order to meet the needs of its customers and alleviate pressure on supply chains.

The CMA CGM Group continues to invest and strengthen its strategic partnerships

The CMA CGM Group continued to strengthen its end-to-end logistics operations with the signing of an agreement to acquire a stake of around 48% in Santos Brasil, the leading terminal operator in Brazil and the owner of South America's largest container terminal.

The Group also concluded an agreement to create a joint venture between CEVA Logistics and Almajdouie Logistics in Saudi Arabia. These two major agreements were part of a particularly transformative year for the Group, with Bolloré Logistics entering in the scope of consolidation since February 2024.

As pioneer in the use of alternative fuels in shipping, the Group has committed USD 18 billion to order 131 vessels capable of running on low-carbon energy (biomethane, biomethanol and synthetic fuels). The vessels will be operational by 2028. Twelve of these new vessels, powered by liquefied gas (LNG, biomethane, e-methane), joined the fleet in the third quarter of 2024.

The CMA CGM Group has signed a memorandum of understanding with SUEZ to step up biomethane production in Europe and the low-carbon transition of maritime shipping. The MOU provides for the production of up to 100,000 tons of biomethane per year by 2030.

The Group has also signed a strategic partnership with Google to put artificial intelligence at the center of all its maritime, logistics and media operations. By drawing on Google's AI solutions and experts, CMA CGM will be able to equip its employees with decision-making tools.

As the official logistics partner of the Paris 2024 Olympic and Paralympic Games, the CMA CGM Group, through its subsidiary CEVA Logistics, played a crucial role in the seamless delivery of goods and services for the biggest sporting event in the world, which happened between July and September.

Lastly, having completed the acquisition of RMC BFM in July, the Group is now proceeding with the integration of this new subsidiary, building on its existing press activities.

Third-quarter 2024 operating and financial performance

CMA CGM Group: robust performance in a market under pressure

	Q3 2023 Group	Q3 2024	
		Group	<i>Change</i>
Revenue, in USD million	11,431	15,834	38.5%
EBITDA, in USD million	1,994	4,964	149.0%
EBITDA margin	17.4%	31.4%	14.0 pts
Net income, Group share, in USD million	388	2,730	+2,342

Group revenue stood at USD 15.8 billion in the third quarter of 2024, up 38.5%, compared with the third quarter of 2023, driven mainly by the shipping business. EBITDA totaled USD 5.0 billion and the margin came in at 31.4%, up 14.0 points.

Shipping

	Q3 2023 Shipping	Q3 2024	
		Shipping	<i>Change</i>
Volume carried, in TEU million	5.72	6.04	5.5%
Revenue, in USD million	7,569	10,850	43.4%
EBITDA, in USD million	1,561	4,357	179.0%
EBITDA margin	20.6%	40.2%	19.6 pts

In all, 6.0 million TEUs were carried in the third quarter of 2024, up 5.5% from the prior-year period. The increase can be explained by strong demand over a period that proved dynamic for global trade. Shipping capacity continued to be limited by the rerouting of vessels via the Cape of Good Hope and a degree of anticipation in an uncertain global context. The strong demand amplified the usual peak season, and also caused it to begin earlier than usual.

Revenue from maritime shipping operations amounted to USD 10.9 billion over the quarter, up 43.4% from third-quarter 2023. EBITDA came to USD 4.4 billion and the EBITDA margin came in at 40.2%. Average revenue per TEU amounted to USD 1,798.

Logistics

	Q3 2023 Logistics	Q3 2024 Logistics <i>Change</i>	
Revenue, in USD million	3,672	4,813	31.1%
EBITDA, in USD million	346	459	32.8%
EBITDA margin	9.4%	9.5%	+0.1 pts

In the third quarter, the Group's logistics activities continued to grow, boosted in particular by Contract Logistics and perimeter effects related to the integration of Bolloré Logistics in the scope of consolidation since February 2024.

Revenue from logistics operations totaled USD 4.8 billion in the third quarter. EBITDA stood at USD 459 million, a 32.8% increase on third-quarter 2023.

Other activities

	Q3 2023 Other	Q3 2024 Other <i>Change</i>	
Revenue, in USD million	554	749	35.4%
EBITDA, in USD million	87	148	70.5%
EBITDA margin	15.7%	19.7%	4.0 pts

Revenue from other activities (port terminals, CMA CGM Air Cargo, media etc.) increased by 35.4% to USD 749 million, boosted by perimeter effects. EBITDA came to USD 148 million, representing a 70.5% increase.

Outlook

After a very volatile 2024, 2025 will be shaped by many sources of uncertainty as macroeconomic trends, regulatory changes and geopolitical challenges may continue to weigh on the fluidity of maritime shipping and logistics.

At the same time, new container shipping capacity will come into service. This may disrupt the balance between supply and demand and continue to hamper freight rates, in line with the recent trend.

The CMA CGM Group remains focused on cost control and operational discipline and will continue to invest in its industrial capabilities and terminals. The Group will also continue to invest in digitization in order to offer customers the highest level of service and continue to decarbonize shipping and logistics.