

HMM boasts 41% Q3 margin, warns of weak Q4 outlook

Third quarter profit leaps over 1,700% in 2024 as line looks ahead to February alliance reshuffle.

[Gary Howard](#), Middle East correspondent

November 13, 2024



Image: HMM

[HMM](#) reported revenues of KRW3,552bn (\$2.54bn) for the third quarter 2024, up 67% on the year-ago period and 33% above its second quarter 2024 result. The revenue boost brought net profit to KRW1,739bn, up 1,731% on Q3 2023 and 163% higher than its second quarter 2024 profits.

For the first nine months of 2024, HMM's revenue of KRW8,545bn was 35% higher than the same period last year, and net profit of KRW2,884bn stood 309% up on 2023.

The increases over 2023's results reflect the impact of post-pandemic cooling on the container market in 2023, and the subsequent increase in fortunes for container lines since the Red Sea crisis led operators to take the Cape of Good Hope route instead of Suez.

Container shipping accounts for around 84% of HMM's revenue, with around 14% from dry bulkers and 2% from tankers.

The company said its operating margin of 41.1% was the highest among global carriers, and that its profit growth and enhanced competitiveness were due to new routes and a focus on profitability-driven sales.

Looking ahead, HMM said the fourth quarter outlook was weak for the container market due to the off-peak season, with some uncertainty introduced by North American port strikes. From February 2025, its shift to the Premier Alliance + MSC will optimise its network and boost revenue, the line said.

Related: [Seoul's share dilemma forces increased stake in HMM](#)

For its dry bulk segment, HMM noted demand uncertainty and economic risks despite the winter peak, factors leading it to seek long-term contract extensions and new agreements for its fleet.