

Nurminen Logistics Plc lowers its net sales forecast for 2022

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Net sales in 2022 will remain under net sales of 2021, and at a level of EUR 121–125 million. The comparative operating margin will remain at level 4–7% in accordance with the previous net sales guidance.

Despite the positive signs at the end of the summer, the railway container traffic between China and Northern Europe has not picked up. The continuation of the war, uncertainty prevailing in the global economy and the decrease in the value of the euro has had a negative impact on import. The substantial fall in the price of ocean freight, which started in October, has also had a negative impact on net sales and indicates that global economic growth is slowing.

The volumes on the container train routes, both Trans-Caspian and through Poland, have not compensated for the lower volumes on the direct train route. Therefore, we have been forced to recognise non-recurring costs related to container returns as an expense. The remaining containers will not burden the company's finances in the future.

We have made progress in building the new business operations. In the Nordic countries, we opened our container train traffic between Norway, Sweden and Finland, and we expect that this traffic will continue to grow considerably in 2023.

Sales operations in the Vienna office have got off to a good start, recruitments are progressing and subcontracting and partnerships have been built as planned. In east-west and north-south directions, we will be growing starting from Q4/2022, and the current investments will turn into net sales during H1/2023. Our services and logistics solutions in the EU and Central Asian (Kazakhstan and Uzbekistan) markets have attracted particular interest, and even a partial realisation of this interest will increase our business operations in 2023.

The sustainable competitive advantages of our company's cargo train operation services, i.e. speed, reliability and low CO2 emissions, will survive and we expect that, once the military operations have calmed down, our direct train traffic operations between Asia and the Nordic countries as well as our railway operations inside Europe will grow rapidly. The importance of emission reductions, in particular, will increase in future.

In Finland, the Cargo business operations have developed more favourably than planned and the Multimodal business operations as planned. The Baltic operations have developed as planned. Sanction-related personnel and space reductions in the Eastern Finland offices were implemented during H2. The efficiency measures concerning the Finnish business operations and administration will be visible next year in the form of lower fixed costs in the Finnish business operations.

Nurminen Logistics Plc

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Nurminen Logistics is a Finnish listed company established in 1886. The company offers high-quality rail transport, terminal, and multimodal solutions between Asia and Europe and in the Nordic and Baltic countries.