

Capital Market Day 2009

Hermann Ude, GLOBAL FORWARDING, FREIGHT
Frankfurt, 6 May 2009



RECAP 2008 – STRONG RESULTS IN DIFFICULT MARKET ENVIRONMENT

Deutsche Post DHL

Provider of Choice

- Significantly improved measured customer satisfaction (+3.6 pp)
- Slightly increased market share for air and ocean

3 Bottom Lines

Investment of Choice

- Revenue, underlying EBIT and operating cash flow increase
- Record low DSO and negative working capital in Freight

Employer of Choice

- Higher Employee Engagement 60% -> 64%
- Focus on constant learning and already 25% of staff e-learning user

GLOBAL FORWARDING, FREIGHT – DIVISIONAL RESULTS OVERVIEW

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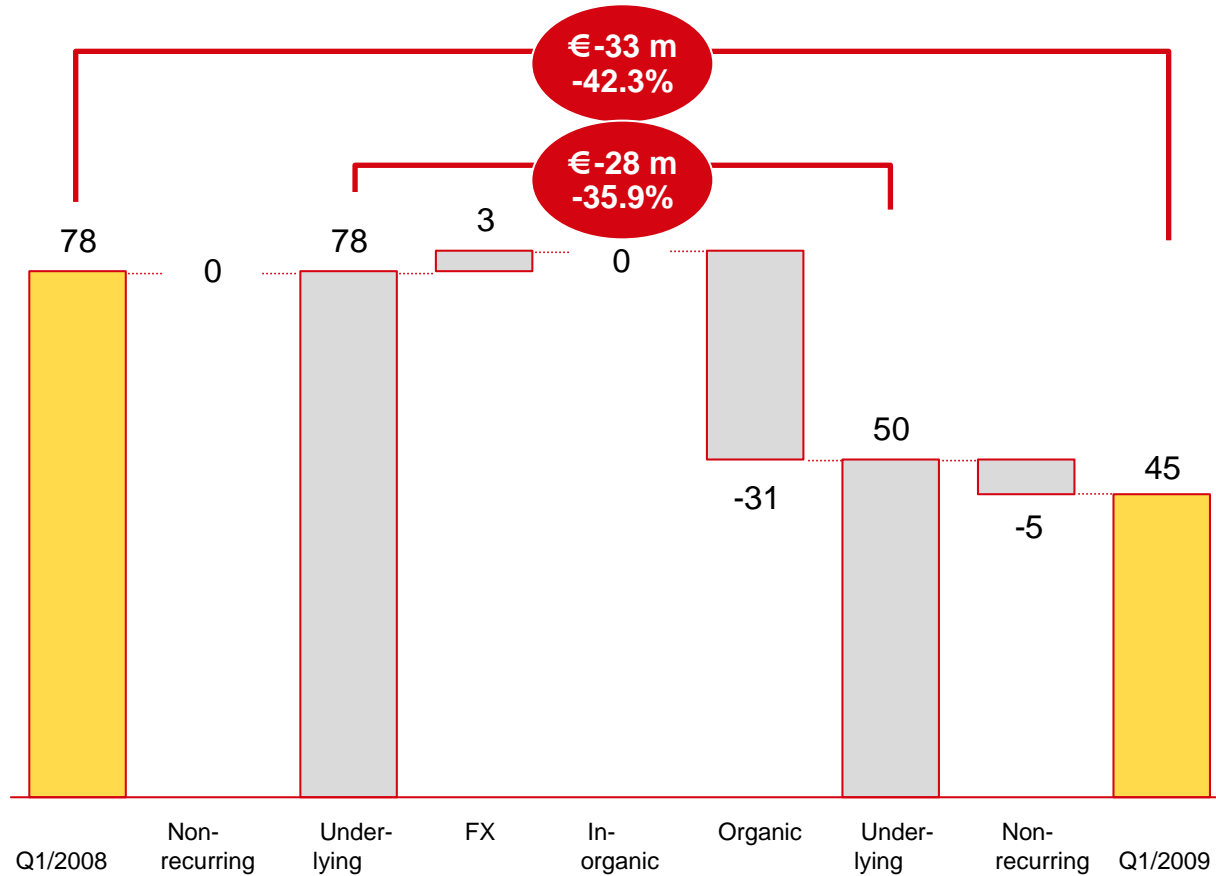
€m	Q1/2008	Q1/2009	Δ	Organic
Revenue	3,250	2,660	-18%	-18%
EBIT				
• Reported	78	45	-42%	
• Underlying	78	50	-36%	
• Operating cash flow				
	170	252	+48%	
• CapEx				
	17	18	+6%	

€m	2007	2008	Δ	Organic
Revenue	12,959	14,179	+9%	+11%
EBIT				
• Reported	409	389	-5%	
• Underlying	409	430	+5%	
• Operating cash flow				
	217	630	+190%	
• CapEx				
	69	94	+36%	

EBIT AFFECTED BY RESTRUCTURING COSTS AND IN LINE WITH ONGOING ECONOMIC DOWNTURN

Global Forwarding, Freight divisional overview – EBIT development (Q1/2009 vs. Q1/2008)

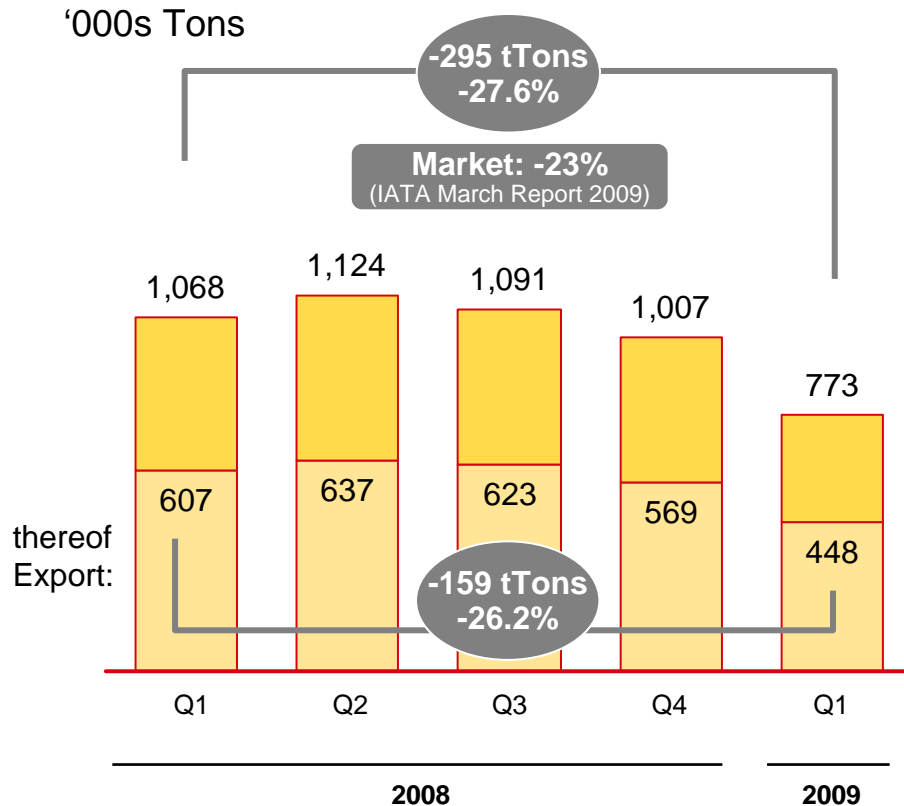
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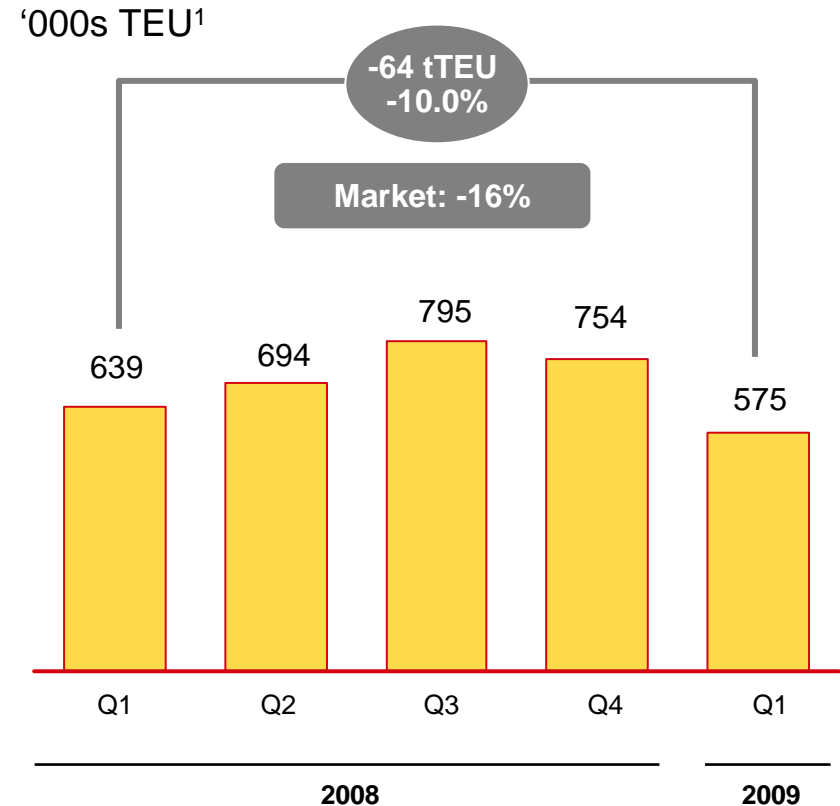
GLOBAL FORWARDING ONGOING DECLINING VOLUMES, Deutsche Post DHL OCEAN FREIGHT BETTER THAN MARKET

Global Forwarding – Quarterly development Air and Ocean Freight

DGF – Air Freight



DGF – Ocean Freight



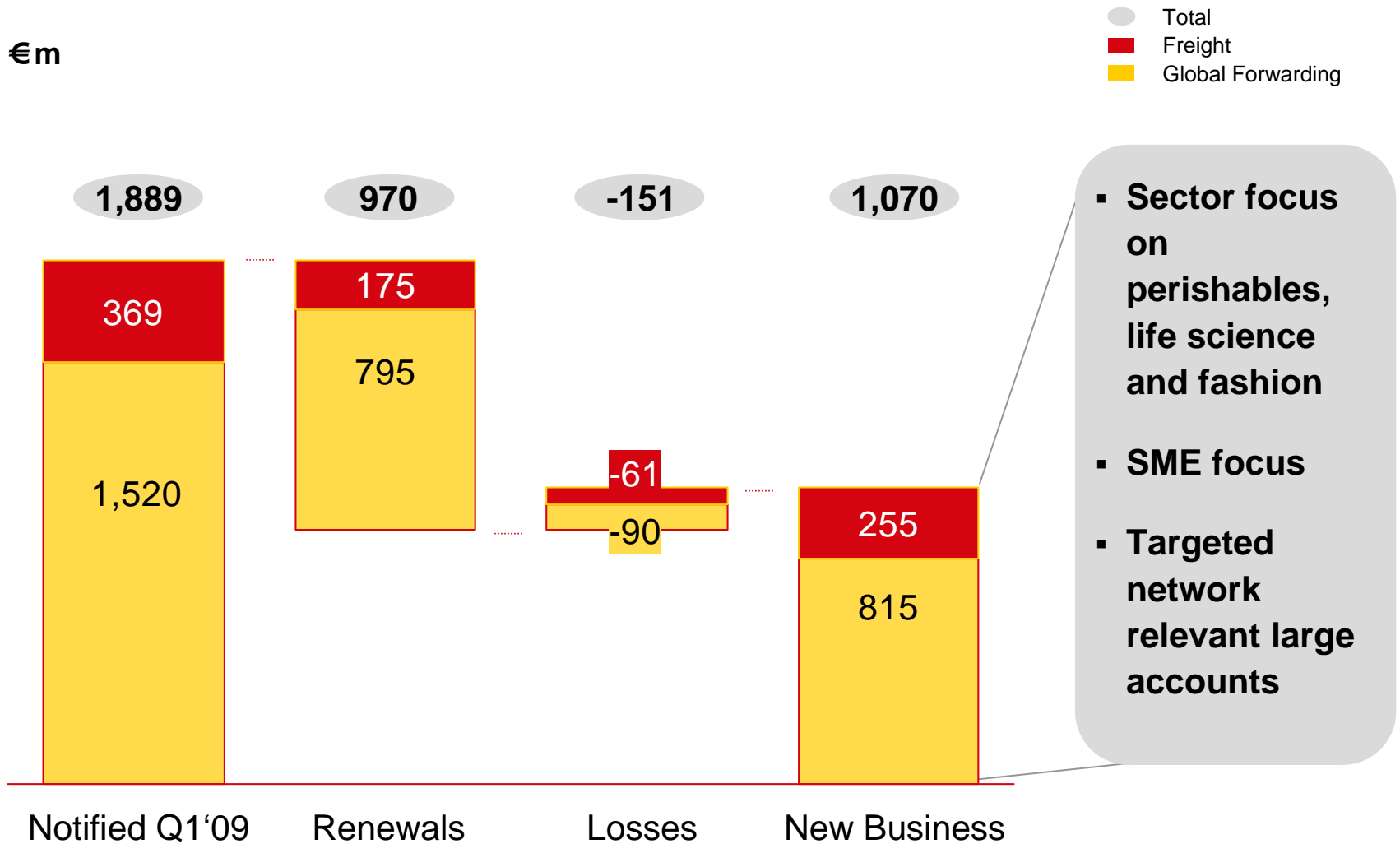
¹ Twenty Foot Equivalent Unit

GLOBAL FORWARDING, FREIGHT CURRENT CHALLENGES AND SHORT TERM ACTIONS

Deutsche Post DHL

€m	Q1/2008	Q1/2009	Δ		Short Term Actions
Revenue	3,250	2,660	-18%	→	Improve Sales performance and safeguard existing, win new business
Gross Profit	758	702	-7%	→	Secure gross profit margin by reducing cost base with suppliers
Direct Operating Expenses	680	652	-4%	→	Continue to reduce direct operation expenses, invest into long term strategies and sales
Underlying EBIT	78	50	-36%		
Operating Cash Flow	170	252	48%	→	Continued focus under Roadmap to Value

SALES PERFORMANCE Q1/2009 (AT RFQ VALUES)



SECURE GROSS PROFIT

Ocean Freight



- Leveraging of lower buying rates as well as structural reduction of cost of sales via ...
 - best practice procurement and network optimisation
 - stringent global volume steering and optimisation of capacity
 - information and tool-based differentiation

GP
+5%¹

Air Freight



- Leveraging of lower buying rates as well as structural reduction of cost of sales via ...
 - stringent core carrier adherence
 - network steering and in-house carrier conception
 - best practice implementation on local and regional procurement processes
 - core partner/supplier collaboration

GP
-11%¹

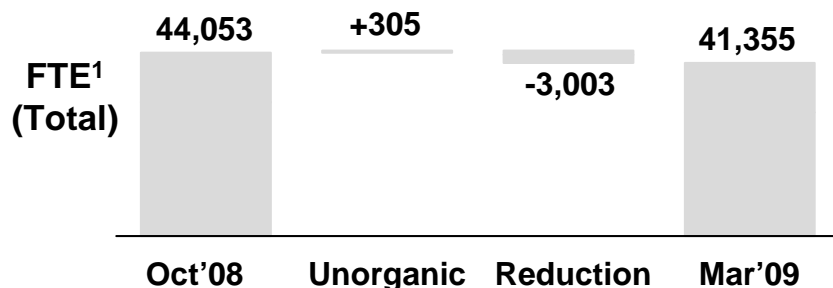
REDUCTION OF DIRECT OPERATING EXPENSES

Measures implemented supporting P&L



Measures started – effects only mid-term

- Hiring and salary freeze / pay renegotiation
 - Tight cost control e.g., savings of 4.5m€ on travel, entertainment, marketing in 2008
 - Head office budget reduction of at least 15% in 2009
 - Reduced overtime and temporary labour employment
 - Renegotiation with all suppliers
 - FTE reduction, achieve average 2008 productivity by Q2/2009
- Complexity reduction by leveraging idle resources
 - Offshoring/centralization and outsourcing of activities, pilot centres of competence already in place
 - New process and IT infrastructure incl. automation tools



¹ FTEs on monthly average incl. temporary staff

Global Forwarding builds end-to-end solutions ...

- Globally all modes and combinations (Air, Sea, Road & Rail)
- Value added services and innovation
- Always asset light

... simplifying services tailored to customer needs ...

- Differentiated sector approach
- Modular service portfolio allowing flexible combinations
- Sustainable solutions

... and based on reliable and highly efficient processes.

- Modularized processes and KPI driven measurement
- Continuous improvement methodology
- Strong technology support

We leverage our unique scale ...

- Global trade lane management
- Best price and access for our customers

... and are a qualified and entrepreneurial team based on respect and trust.

- Excellent skill building and one of a kind development opportunities
- Worldwide team of entrepreneurs that trusts, respects and supports each other