



*MAIL*



*EXPRESS*



*LOGISTICS*



*FINANCE*

# Mail: A Successful Division in a Powerful Group

Dr Hans-Dieter Petram, Bonn, 22.08.2003

- Where we come from

- Where we are now

- Where we want to go

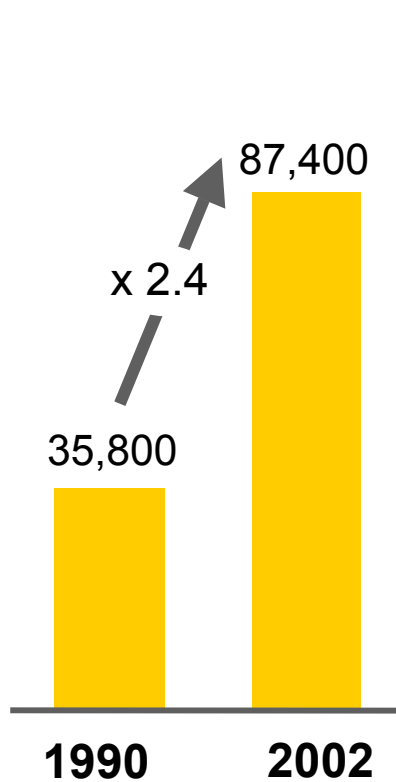
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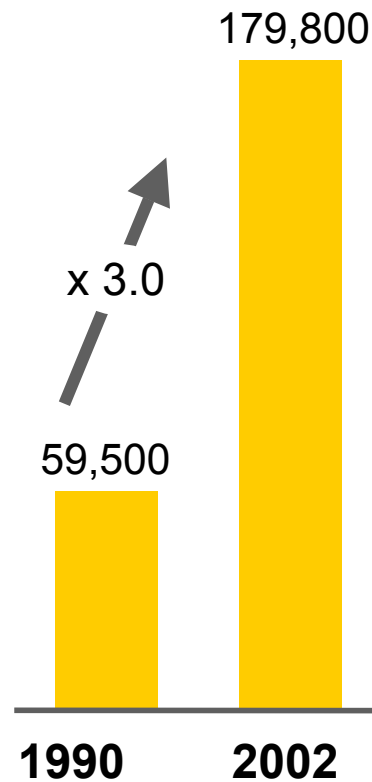
- Where we want to go

# Successful turnaround in the last decade

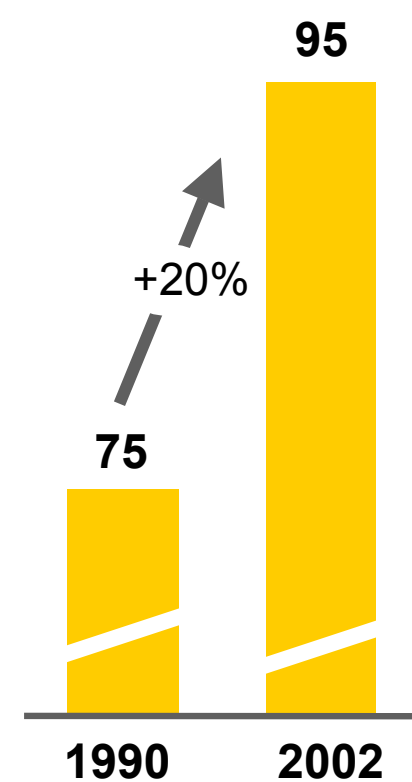
## Revenue/employee (€)



## Mail items/employee



## On-time delivery rate (J + 1)

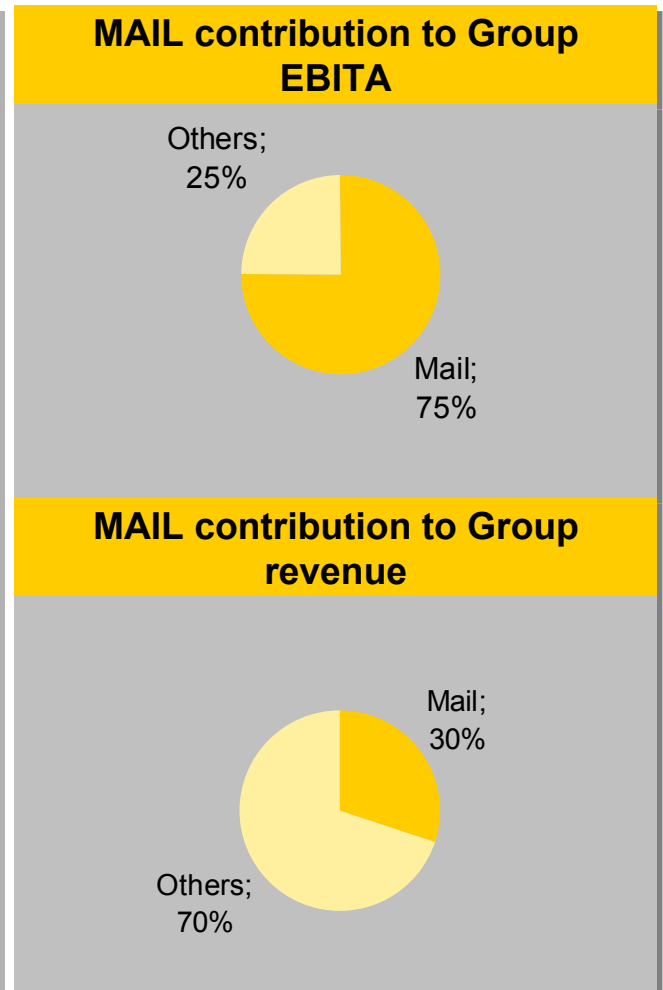
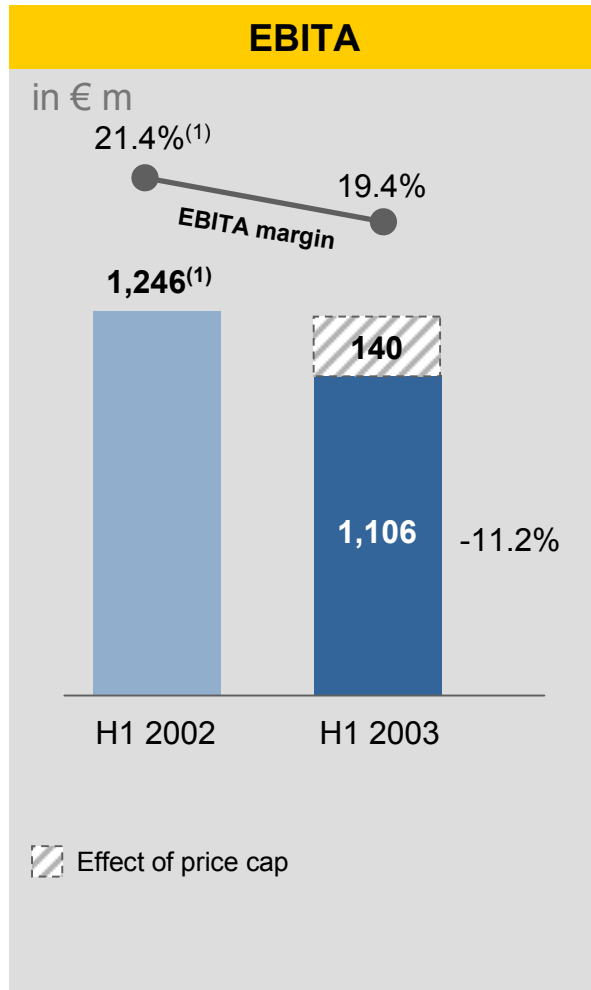
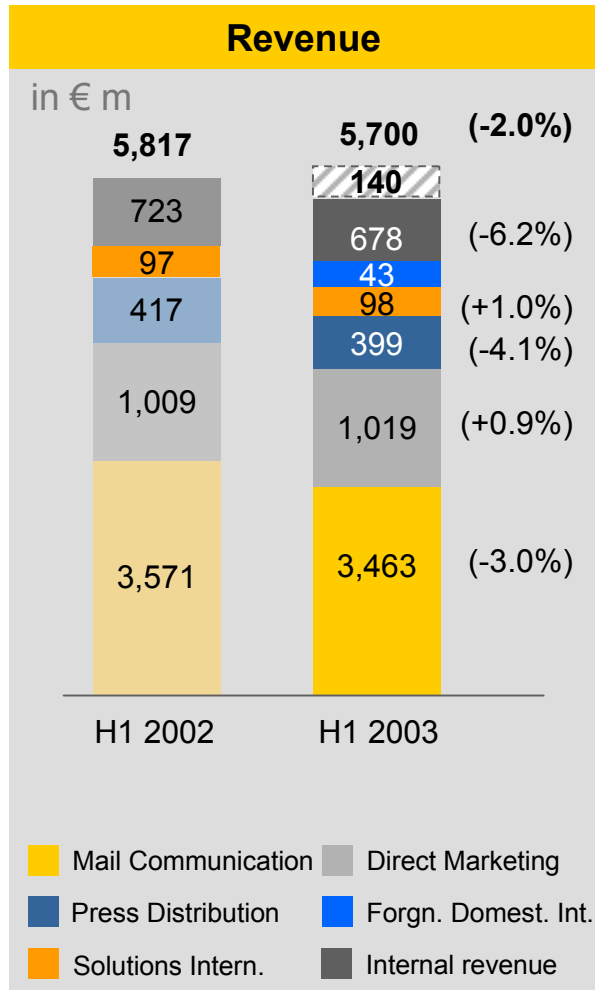


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# Revenue and EBITA H1 2003



(1) Restated due to reclassification of interest cost on provisions for pensions and other interest-bearing provisions from EBITA to net finance costs

# Our sales organisation was aligned with our customers' requirements

## Central key account management

- Services for large and key customers
- Lead function in Group services

100 customers  
€ 2 bn

## Corporate customers

- Services for customers with defined postal revenue p.a.
- Sectored handling e.g. financial services, mail order

30,000 customers  
€ 6 bn

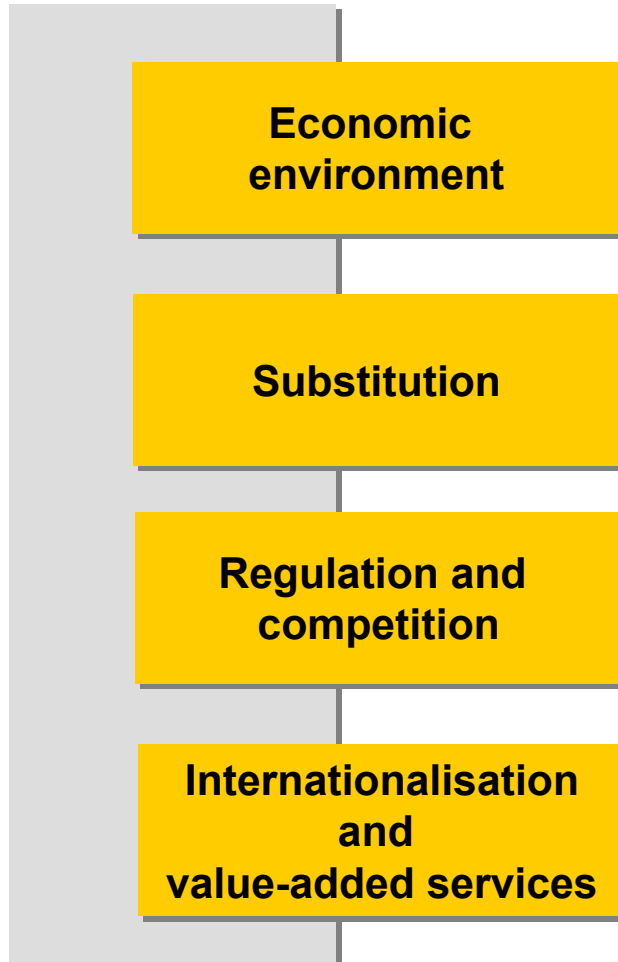
## Public sector

- Specific conditions
- Local mail, self-delivery

## Small and medium-sized enterprises

- Services for customers with multi-channel management via
  - Mail
  - Internet
  - Call centres
  - DM centres

1.5 m customers  
€ 1 bn



- Letter Mail correlates with weak GDP
- Developments in Direct Marketing segment better than in advertising market
- Maintain mail volume and realise market potential by offering new innovative products
- Offer own electronic products (e.g. PrintCom)
- Compensate for price cap losses
- Face increasing competition as a result of ongoing liberalisation

# Monopoly areas will be reduced step by step

	Letters	Addressed mail	Revenue split in CD MAIL
EU regulation until 2002	350g	350g	
Regulation in Germany until 2002	200g	50g	MAIL revenue: € 11.7 bn ■ Monopoly: € 7.4 bn (63%) ■ Competition: € 4.3 bn (37%)
EU decision 1st step in 2003	100g	100g	> additional 4.0% in competition ≙ € 0.5 bn
EU decision 2nd step in 2006	50g	50g	> additional 4.7% in competition ≙ € 0.6 bn

**By 2006 an additional 4.7% of the current revenue of the MAIL Corporate Division will be exposed to competition**

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## International Mail

- Our achievements
- Our way forward

## Business Solutions

- From core business to dialogue-, logistic- and outsourcing-consulting

## Operations

- Turnaround
- Automation and Optimization