



DHL Express

Merrill Lynch Global Transportation Conference 2007 June 12th-14th, New York

John Mullen

Agenda



1st Quarter 2007 and Key Financial Indicators

USA Update

European Update

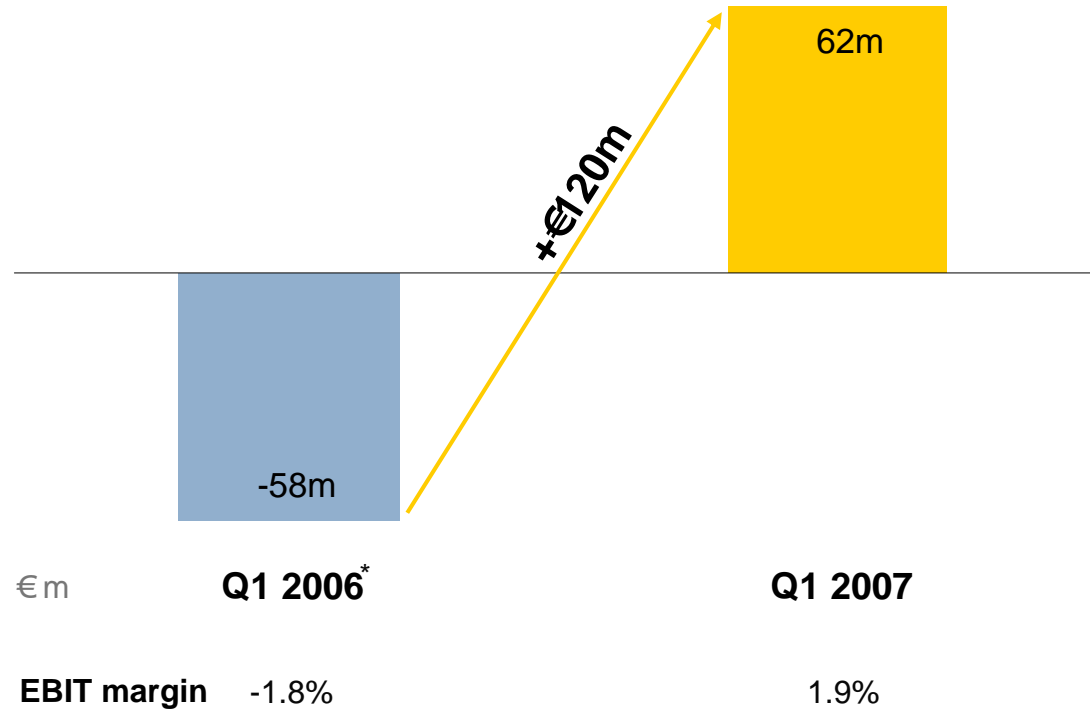
Conclusion

EXPRESS – 1st Quarter 2007



Express has had an encouraging first quarter...

DHL Express EBIT development 1st Quarter 2007



* restated

Underlying Growth - YTD April



Underlying revenue growth (excluding currency) improving...

REVENUE	% Growth
Europe	4.7%
USA	2.4%
International Americas	13.8%
Asia Pacific	10.9%
EEMEA	28.4%
<i>Reconciliation</i>	-
TOTAL EXPRESS	7.1%

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US - Four Key Turnaround Pillars



Main levers

Imperative

1 Drive Quality KPIs Across First Choice Touch Points

- Continue to develop quality focused culture
- Improve across 5 key touch points (Pick-up service, Delivery service, Billing, Track and trace, Complaint handling)

2 Return to Sustainable Growth

- Improve marketability & competitiveness of core products
- Align resources to achieve growth and retention goals
- Improve ability to leverage international network

3 Continue Restructuring of Cost Base

- Realize gains in field, courier, and gateway productivity
- Improve network design, footprint, & fleet
- Restructure vendor & labor management agreements

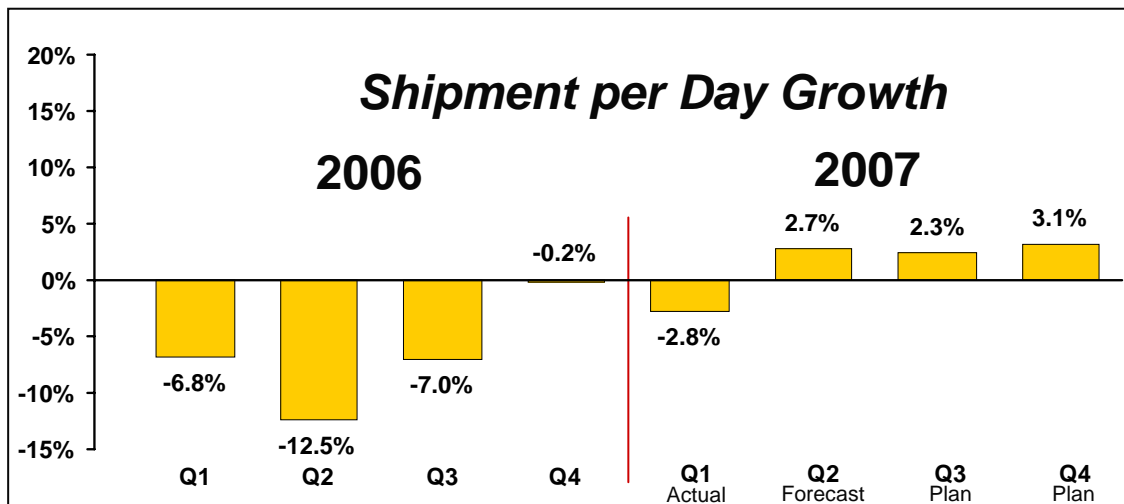
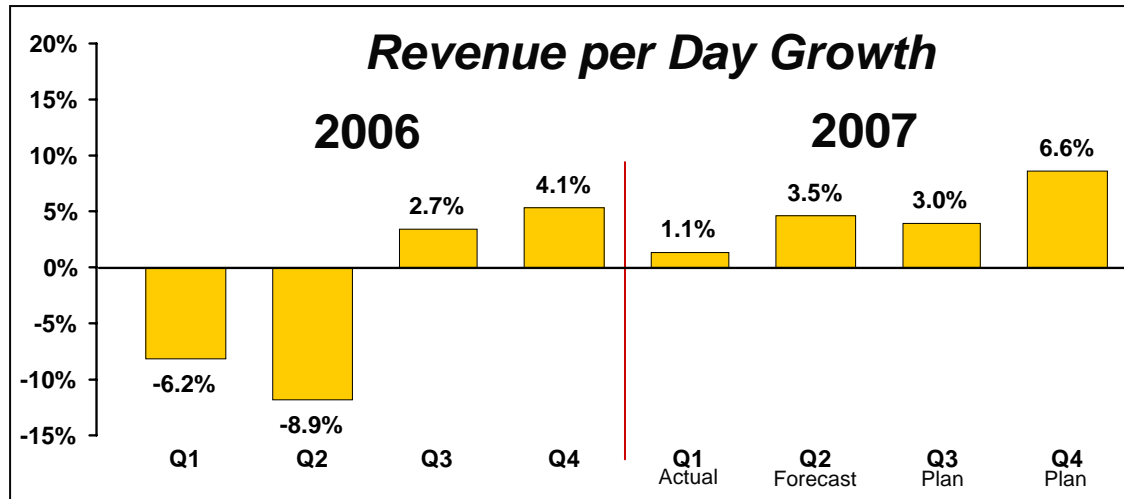
4 Close Out Legacy Issues & Revitalize IT

- Complete migration from legacy systems and processes
- Revitalize information technology

US Revenue & Shipment Growth



Albeit still weak, revenue growth is now strengthening...



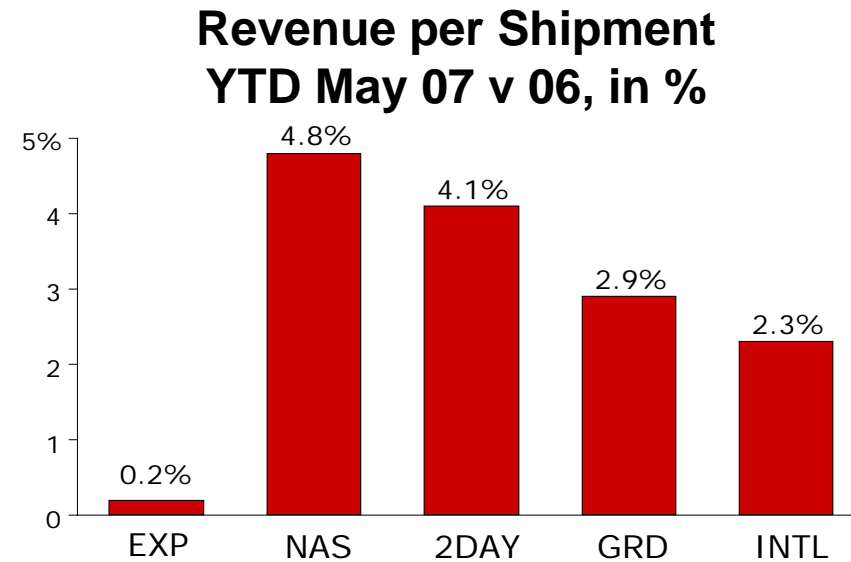
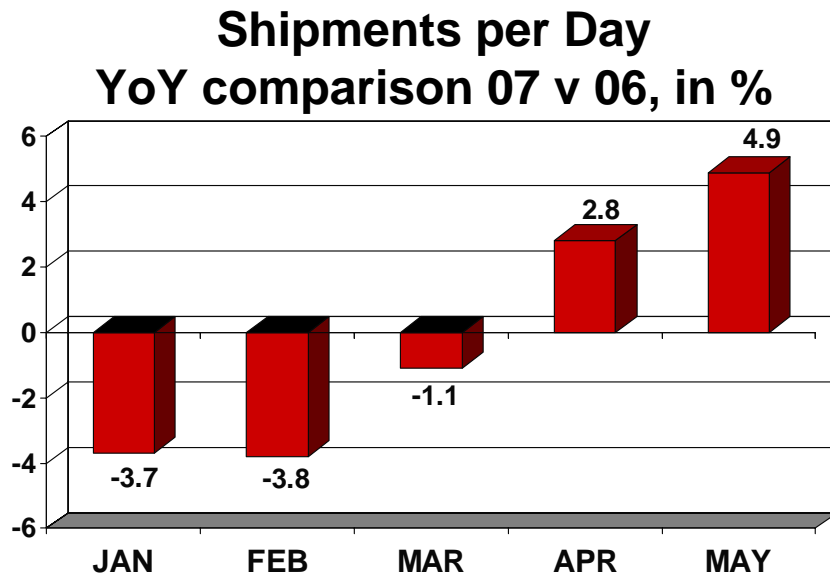
- Revenue decline halted
- Improving trend of 2nd half 2006 continuing
- 2nd Qtr expected to record positive shipment growth as well as revenue growth
- Yield improving due to faster revenue growth than shipment growth
- Continued focus to improve pricing and margins
- Still challenging to obtain Air Express growth
- Ground revenue now growing again

US Volume and Yield Trends



Return to volume growth in 2nd Quarter on improved yields...

DHL Express - USA

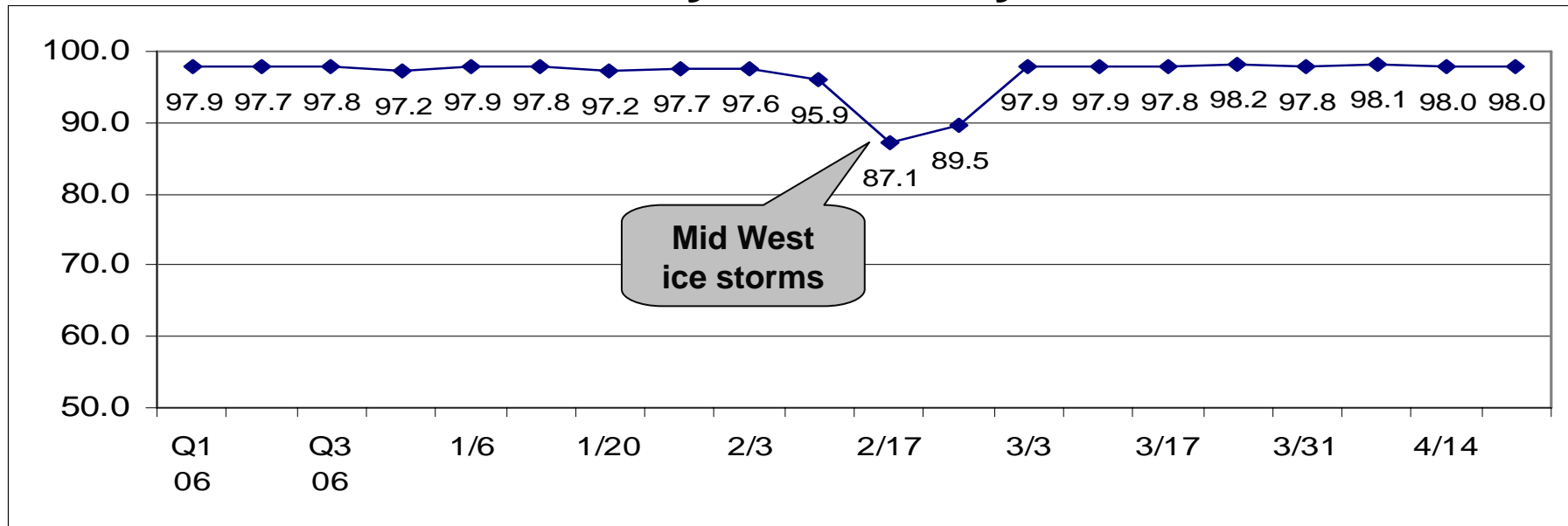


US Domestic Service Quality



On-Time delivery performance at all-time highs...

DHL USA - On-Time Performance Next Day End of Day

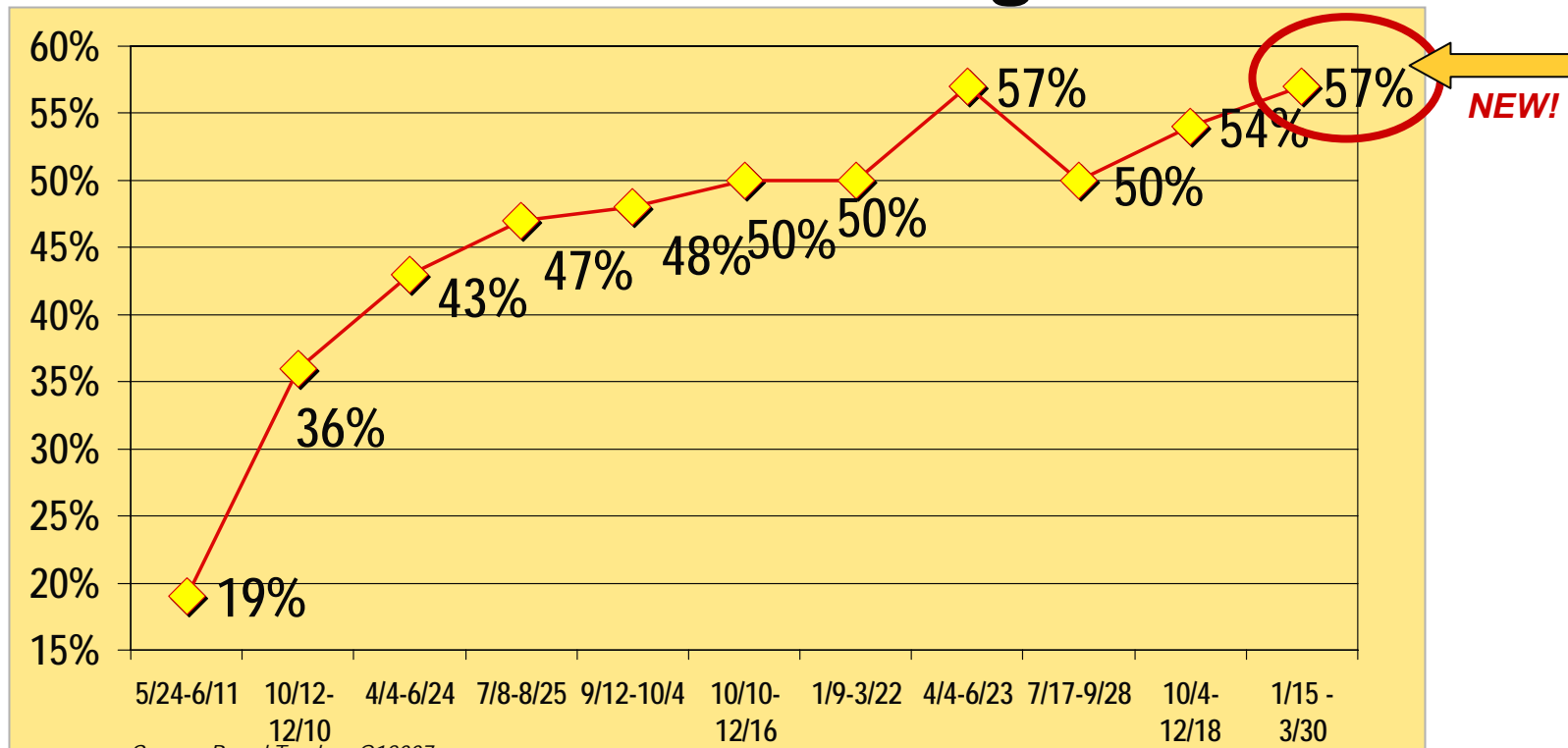


US Brand Awareness



DHL's brand awareness has also reached an all-time high...

Unaided Brand Recognition



Source: Brand Tracker Q12007

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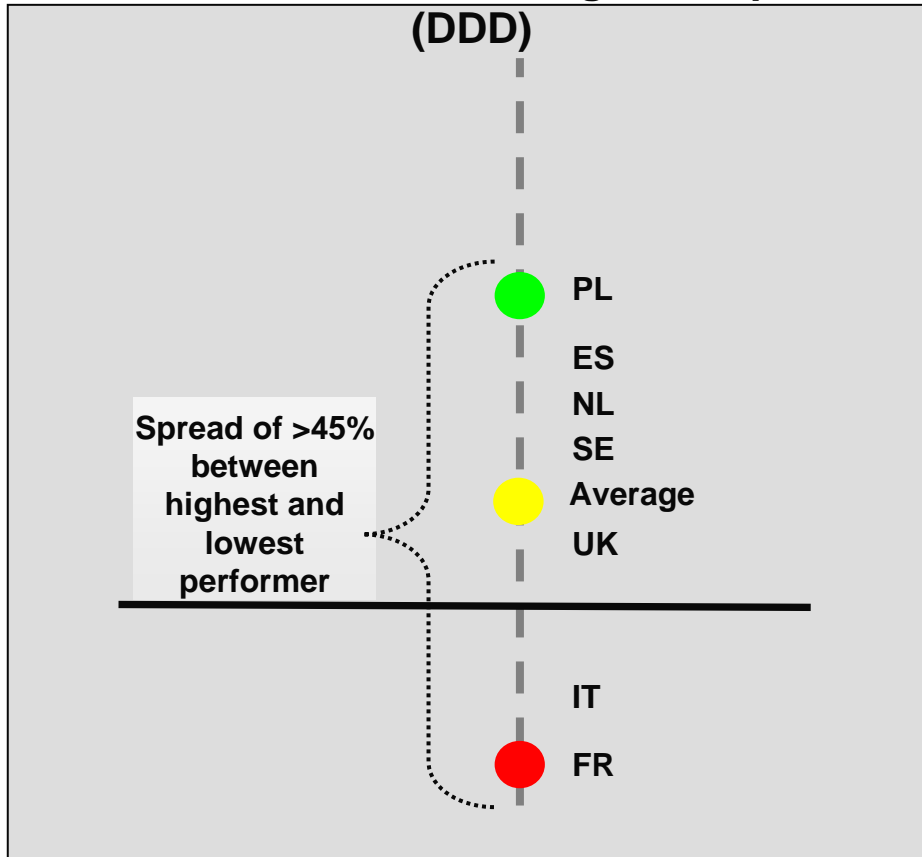
Conclusion

Domestic Day Definite



Domestic Gross Margins now improving in almost all countries...

Domestic Gross Profit Margin Comparison (DDD)



Key Country Domestic Programs

Gross Margin Improvement Q1 2007 v Q1 2006

	Variance %
France	+ 0.4%
UK/Ireland	- 9.1%
Denmark	+13.4%
Austria	+3.6%
Italy	+2.0%

UK positive when non-recurring effects excluded

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- **Good first Quarter, slightly ahead of expectations**
- **Second Quarter expected to be flatter v 2006 and so far on track**
- **Overall economic environment neutral**
 - ~ **Slower US economy but still positive**
 - ~ **More buoyant European economy**
 - ~ **Indications of a slowing in Asia**
 - ~ **Strong growth in EEMEA and International Americas**
- **Strong monthly fluctuations a challenge:**
eg. **Poor March, strong April, poor May**
- **Slow but steady US progress with positive revenue trend**
- **European progress good**
- **DHL Express is now stand-alone cash positive**
- **Overall 2007 guidance reaffirmed**
 - **>€400m EBIT for Express overall (>€500m operative)**
 - **EBIT Margin of >10% for total Express excluding USA**