

Deutsche Post DHL Group results Q3 2009

Bonn – November 5, 2009



Agenda

State of the company

(Frank Appel)

Financials in Q3 2009

(Larry Rosen)

Roadmap to Value

(Larry Rosen)

Outlook 2009

(Larry Rosen)

Overall state of the company in Q3:
Slow recovery taking shape – Upgrading 2009 Guidance

- **Volumes stabilizing with small signs of improvement**
 - YoY comparisons still negative but signs are encouraging
- **We have successfully mitigated the impact of the crisis**
 - Significant efficiency gains and improved operating cash flow
- **Near-term focus:**
 - Continued performance improvement
 - Further implementation of Strategy 2015

**Upgrading
2009
guidance**

Collective bargaining: Compromise reached with Ver.di

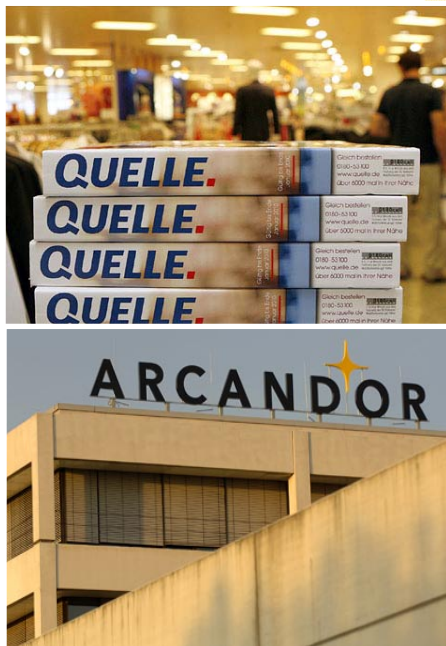


- **Milestone in the interest of our employees, customers and shareholders**
 - Contribution on our way to secure profitability of MAIL and the jobs of our employees
 - No strike during important Christmas business

- **Based upon contribution of employees short-term profitability safeguarded**
 - Appr. € 140m savings in 2010, € 230m in 2011
 - No wage increases in 2010 and 2011
 - Expansion of outsourcing for parcel delivery and transportation between mail centres

- **Long-term sustainability beyond 2011 still to be addressed**
 - E-substitution continues
 - A number of political challenges have to be tackled

Effects of Arcandor



- **Insolvency of Arcandor announced on June 9, 2009**
- **Liquidation of Quelle announced on Oct. 19, 2009**
- **Impact on Group EBIT of €186m YTD, €146m in Q3**
- **Further write-offs for Q4 2009 likely**
- **Business operations with Karstadt and Neckermann not affected at the moment**

In challenging environment underlying performance is improving ...

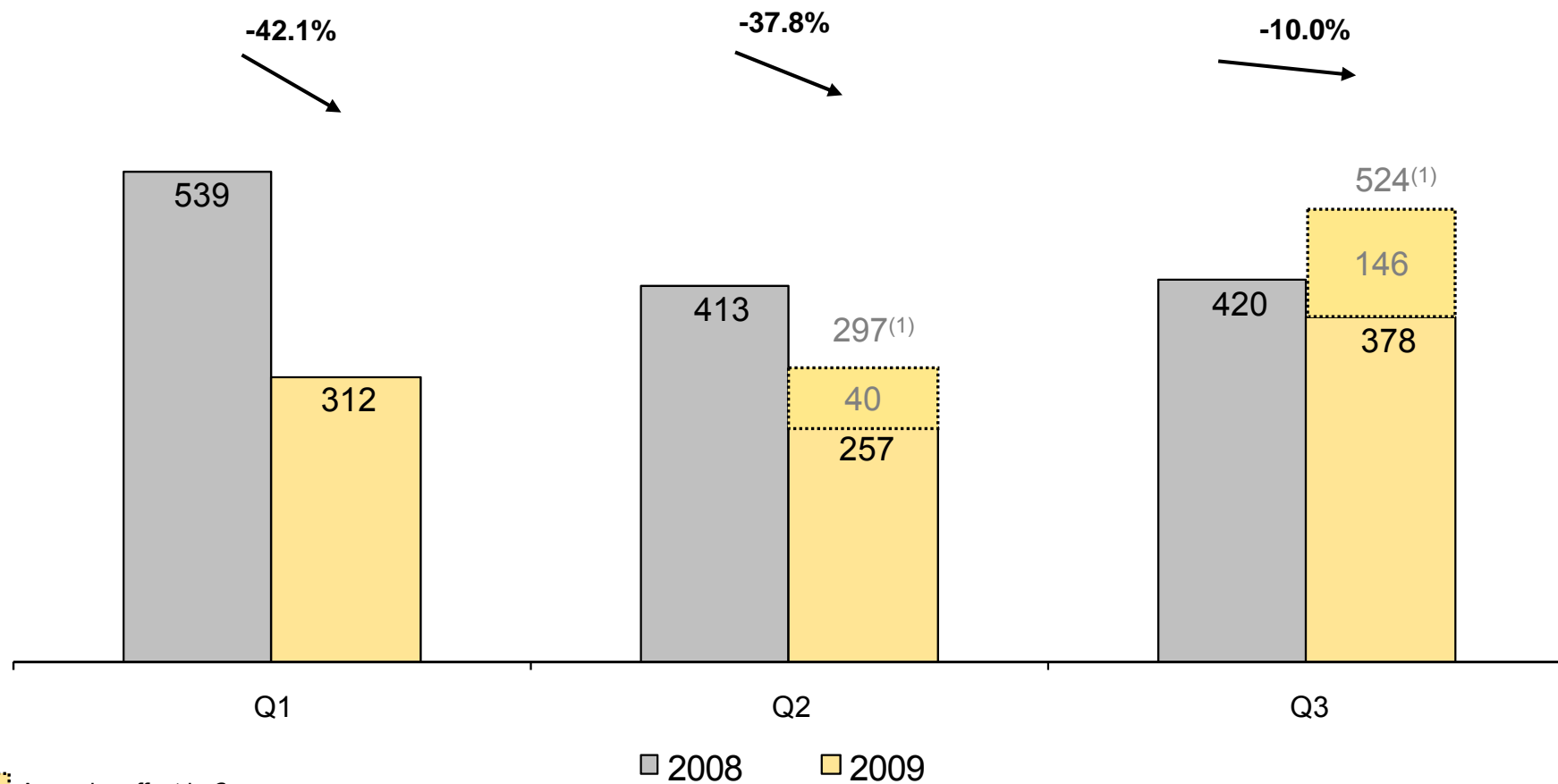
€ m	Q3 2008	Q3 2009	Δ	
Reported revenue	13,801	11,237	-18.6%	<ul style="list-style-type: none"> • Economy • Fuel prices • Closure US domestic
Reported EBIT	953	231	-75.8%	<ul style="list-style-type: none"> • EU Settlement in 2008
Underlying EBIT	420	378	-10.0%	<ul style="list-style-type: none"> • Sequential improvement • Arcandor
Consolidated net profit ⁽¹⁾	879	-83	n.m.	<ul style="list-style-type: none"> • Postbank transaction accounting effects in 2009
EPS	0.73	-0.07	n.m.	<ul style="list-style-type: none"> • EU Settlement in 2008 • Non-recurring and non operating factors

⁽¹⁾ Attributable to Deutsche Post AG shareholders

... with solid yoy comparison in Q3

Underlying EBIT development by quarter

€ m



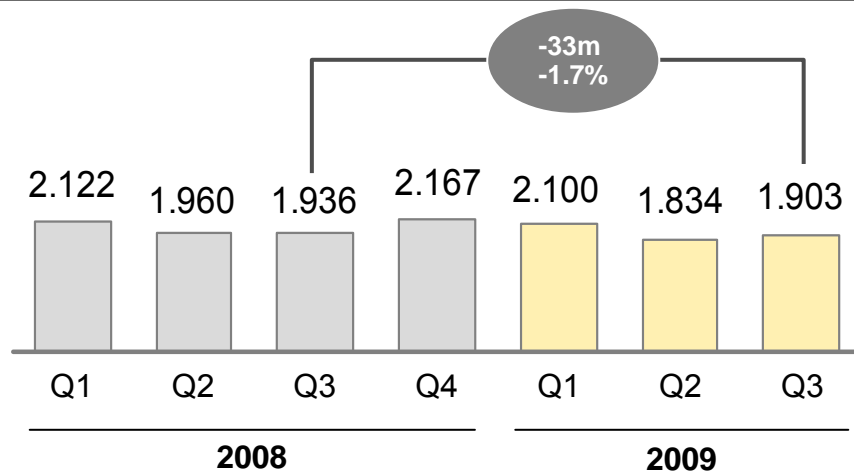
⁽¹⁾ Excluding Arcandor charges

Total MAIL volumes continue to decline

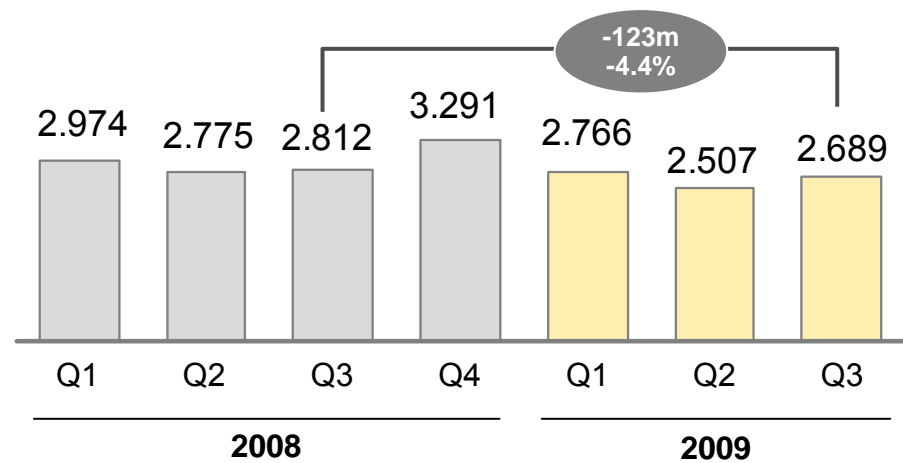
Mail divisional overview – Quarterly volume development

m units

Mail Communication



Dialogue Marketing

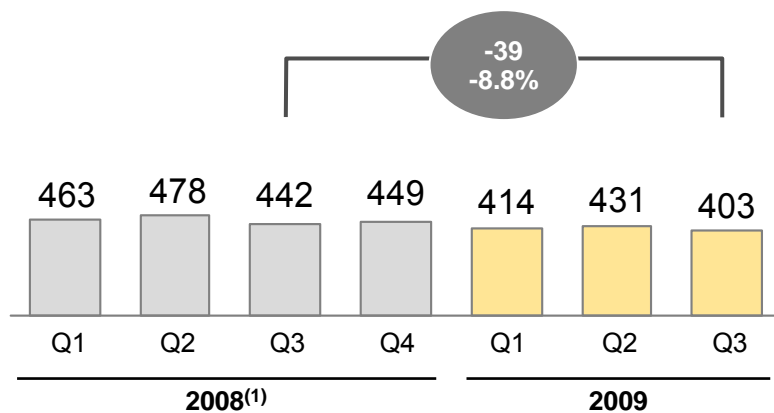


Volume development EXPRESS still reflecting weak economy

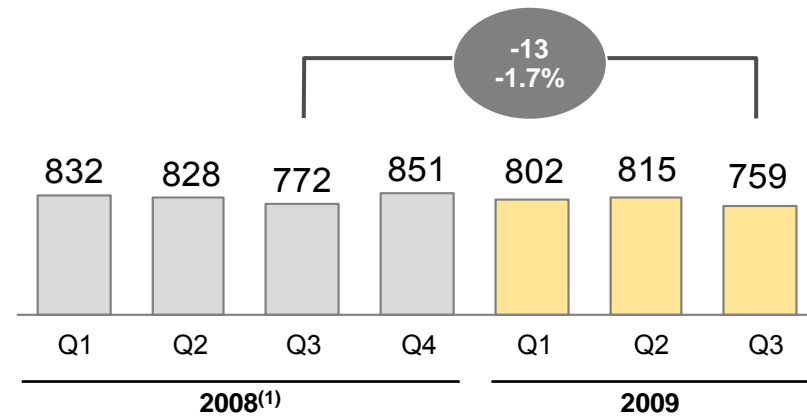
DHL Express Outside US – quarterly development shipments by product

shipments per day in '000s

Time Definite International



Day Definite Domestic



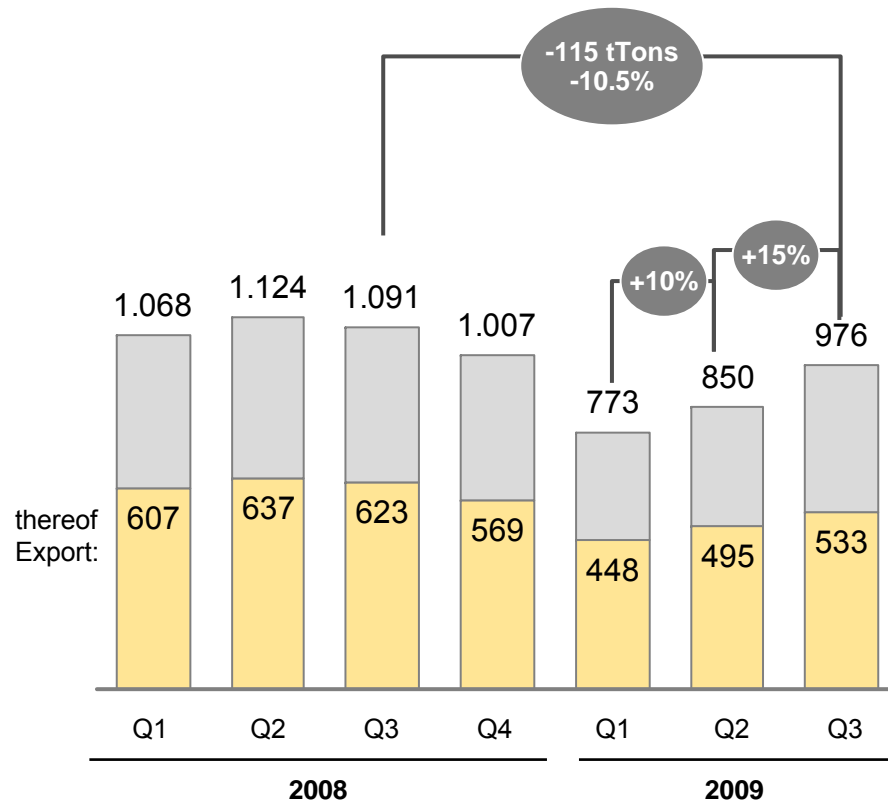
⁽¹⁾ 2008 data have been adjusted to reflect different working days for each product category

GLOBAL FORWARDING volumes improve further sequentially

Global Forwarding – Quarterly volume development Air- & Ocean Freight

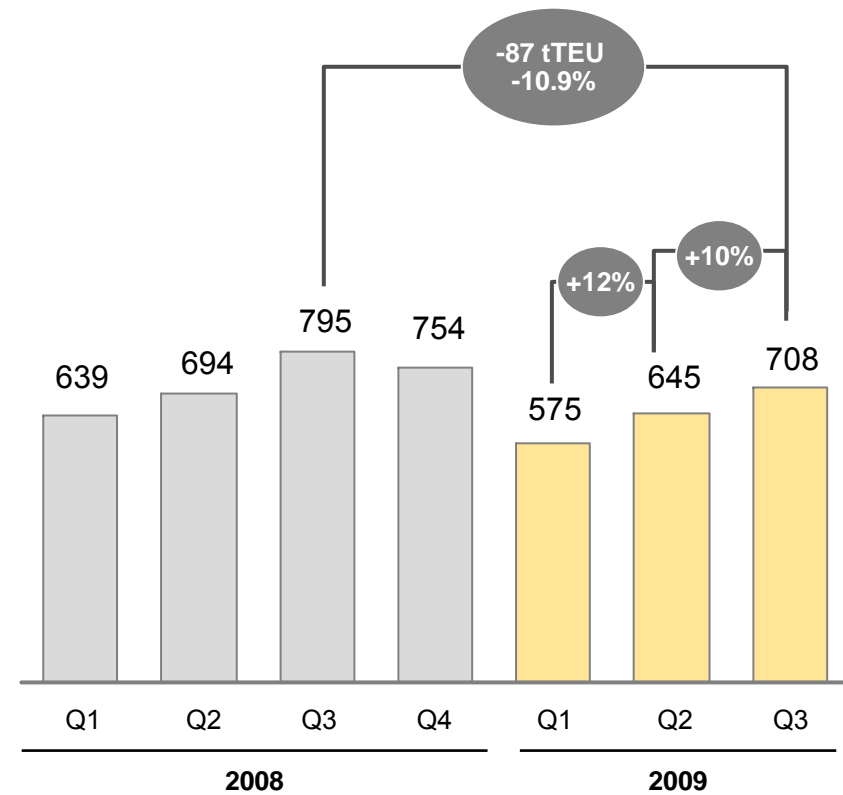
Air Freight

'000s Tons



Ocean Freight

'000s TEU⁽¹⁾



⁽¹⁾ Twenty Foot Equivalent Unit

Business development in SUPPLY CHAIN

Growth meeting ambitious targets

**YTD September 2009: New gains totaling
€850m annualized revenue**

NEC Empowered by Innovation

**Q3 2009: New gains totaling €300m annualized
revenue**

HOUSE OF FRASER

Renewal rate⁽¹⁾ consistently above 90%

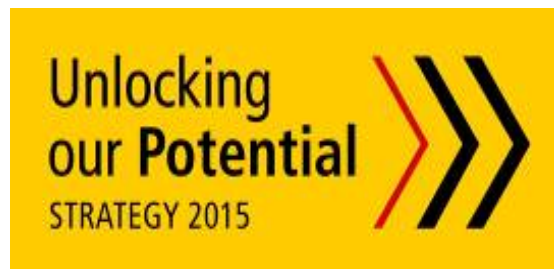
Nisa Today's

REHAU
Unlimited Polymer Solutions

⁽¹⁾ 12 months Rolling Oct 08 to Sep 09 renewal rate

Key priorities for 2009/ 2010

Continued performance improvement



**Implement
Strategy 2015**

**Establish long-term
and sustainable
basis for MAIL**

**Talent
management**

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P&L Overview

9M Group P&L continuing operations

€ m	9M 2008	9M 2009	Chg.
Revenue	40,454	33,812	-16%
EBIT	1,858	367	-80%
Underlying EBIT	1,372	947	-31%
Financial result	66	300	+355%
Taxes	-335	-133	60%
Consolidated net profit ⁽¹⁾	1,493	927	-38%

- Economic downturn, exit from US domestic Express business and lower fuel costs
- Despite significant cost reduction, reported EBIT declined due to lower revenues, cost of change, Arcandor charges and favorable EU settlement in 2008
- Excluding Arcandor charges underlying EBIT declined by -17%
- Valuation of Postbank options positively impacts finance cost by € +646m
- Net profit 2008 included EU settlement

⁽¹⁾ Attributable to Deutsche Post AG shareholders

P&L Overview

Q3 Group P&L continuing operations

€ m	Q3 2008	Q3 2009	Chg.
Revenue	13,801	11,237	-19%
EBIT	953	231	-76%
Underlying EBIT	420	378	-10%
Financial result	379	-310	n.m.
Taxes	-264	17	n.m.
Consolidated net profit ⁽¹⁾	879	-83	n.m.

- Economic downturn, exit from US domestic Express business and lower fuel costs
- Despite significant cost reduction, reported EBIT declined due to lower revenues, cost of change, Arcandor charges and favorable EU settlement in 2008
- Excluding Arcandor charges underlying EBIT grew by 25%
- Valuation of Postbank options burdens finance cost by € -188m in Q3
- Net profit 2008 included EU settlement

⁽¹⁾ Attributable to Deutsche Post AG shareholders

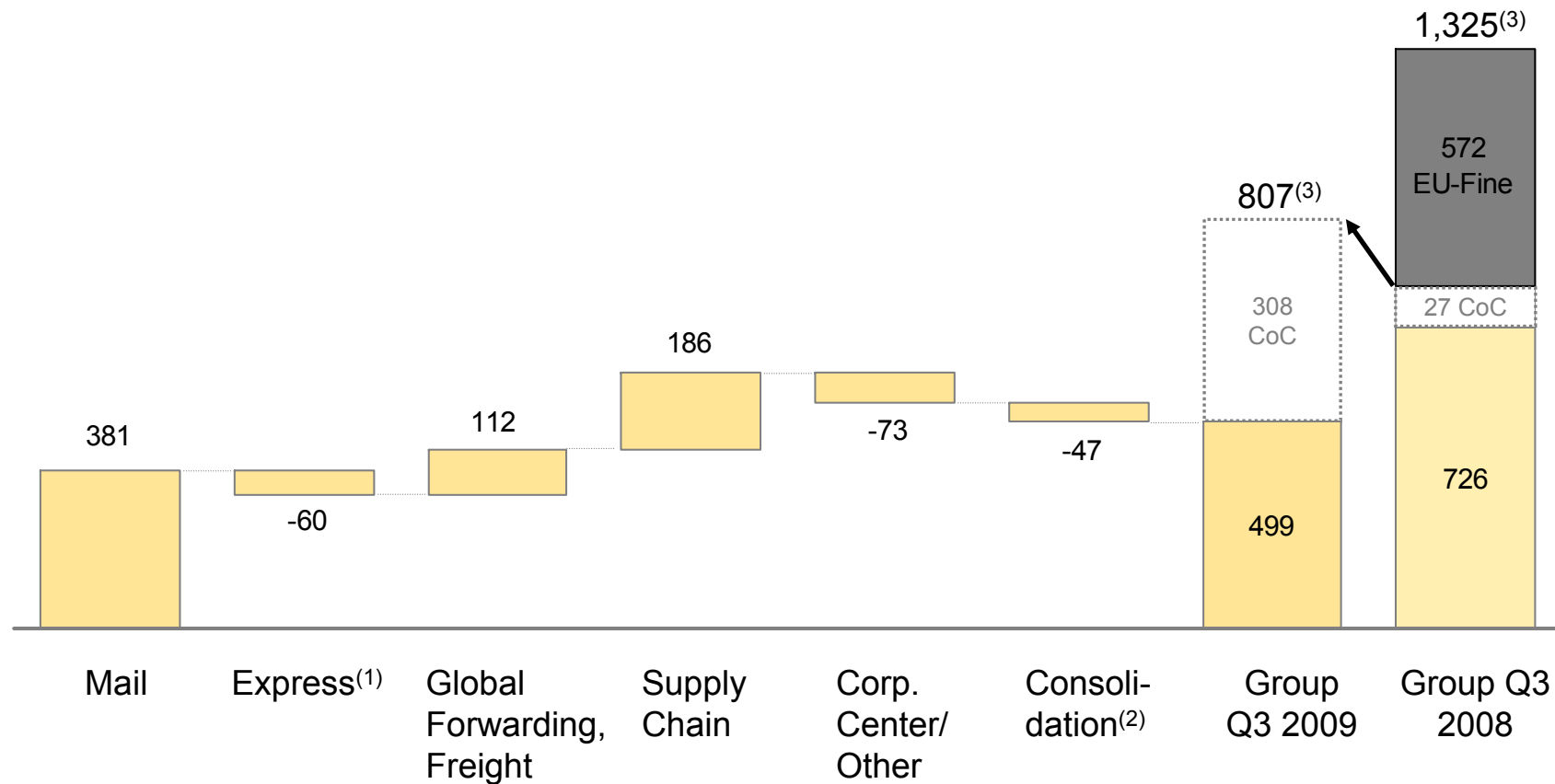
Impacts on the financial result in Q3/2009 from the sale of Postbank

€ m	2009			
	Q1	Q2	Q3	YTD
Net income from associates	20	26	25	71
t/o Postbank-related	20	26	25	71
Net other finance costs / net other financial income	598	-34	-335	229
t/o Postbank-related	737	97	-188	646
t/o not Postbank-related	-139	-131	-147	-417
Total net finance costs / net financial income	618	-8	-310	300
t/o Postbank-related	757	123	-163	717
t/o not Postbank-related	-139	-131	-147	-417

Improving cash flow trend

Q3 2009: Operating cash flow by division

€ m

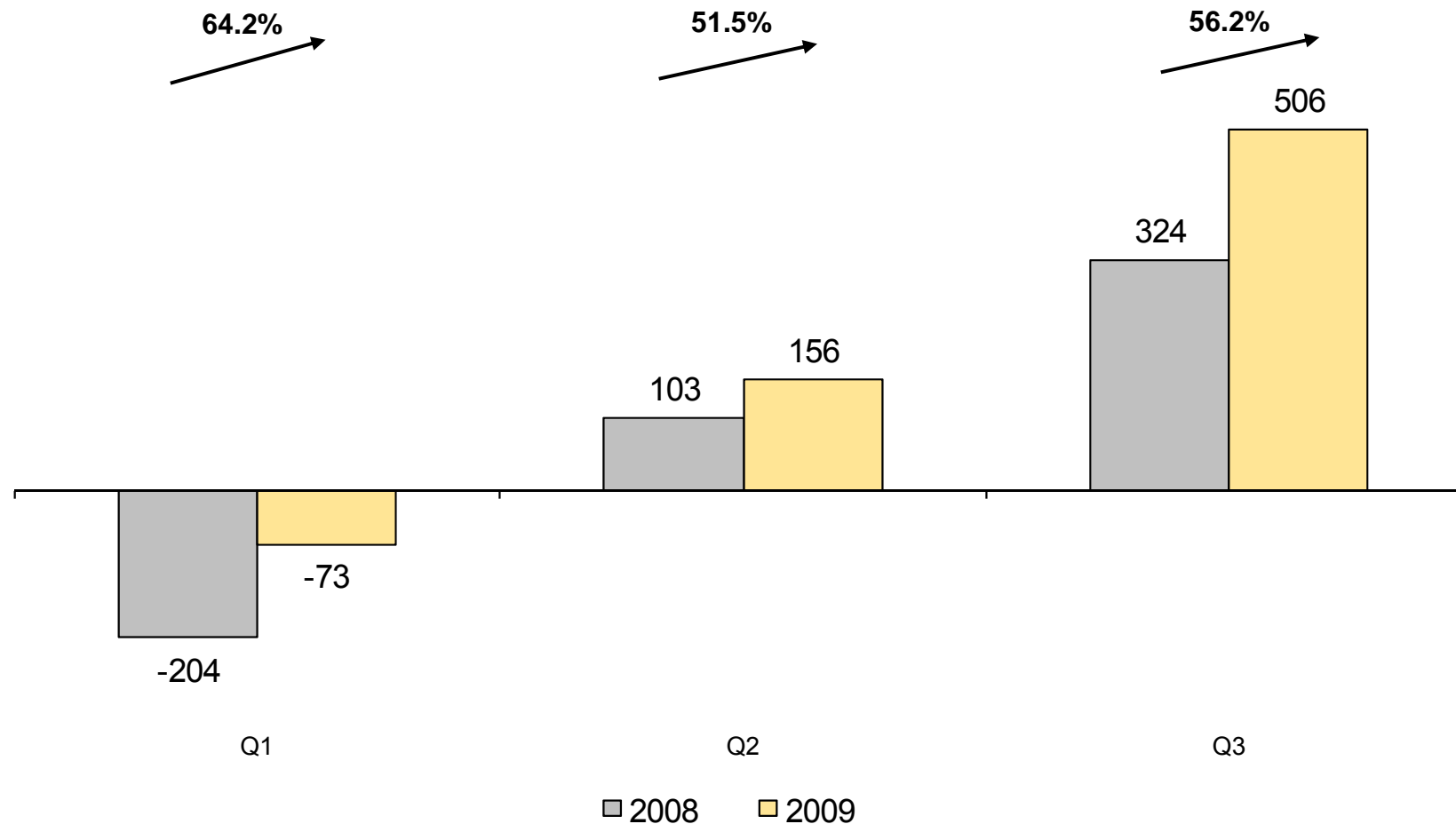


(1) Includes €283m Cost of Change (CoC) related cash out
 (2) „Income taxes paid“ shown only on group level
 (3) Group Cash Flow excluding Cost of Change (CoC) related cash out

Underlying Free Cash Flow increased significantly yoy and qoq

Underlying operating Free Cash Flow

€ m

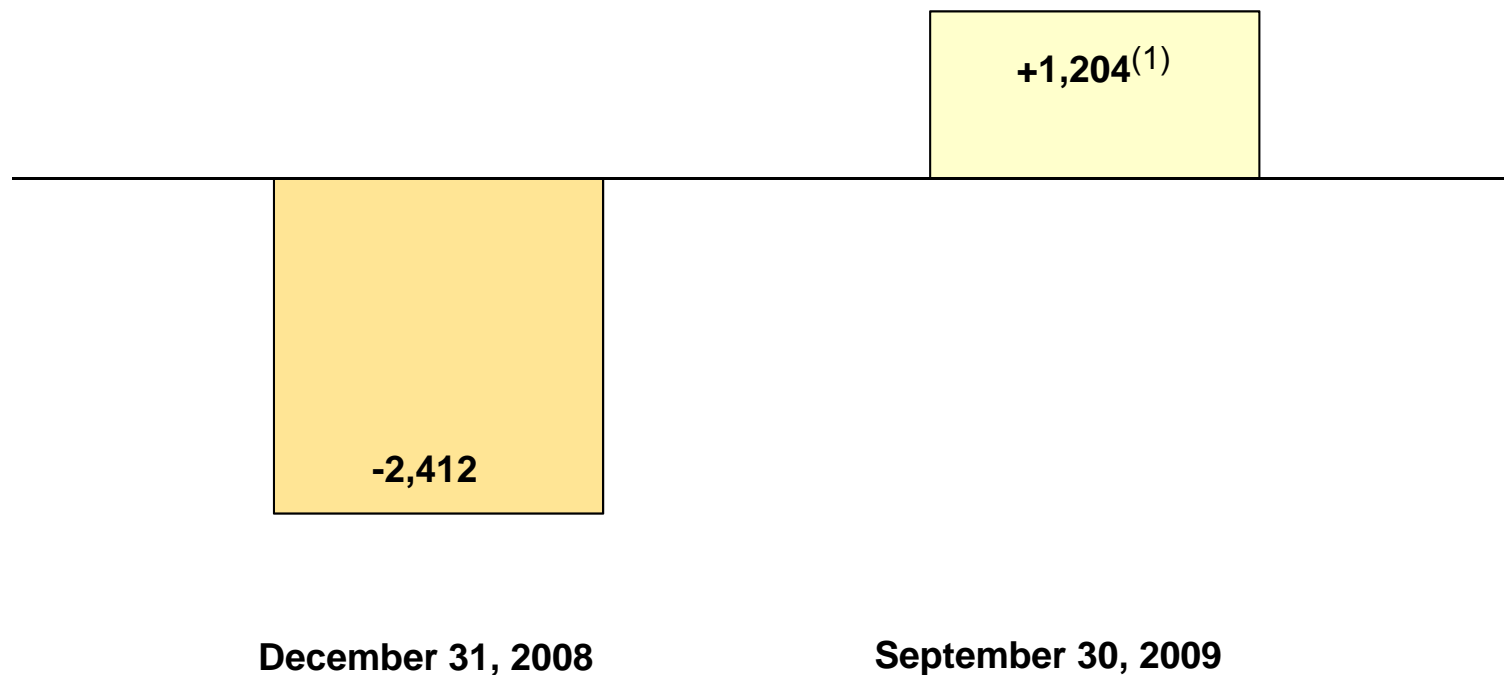


Underlying operating Free Cash Flow definition:

Net cash from operating activities after changes in working capital – Cash paid to acquire non-current assets (PP&E and intangible assets)

Solid net cash position of €1.2bn following the sale of Postbank and despite the US restructuring expenses

Net debt (-)/ Liquidity (+) € m

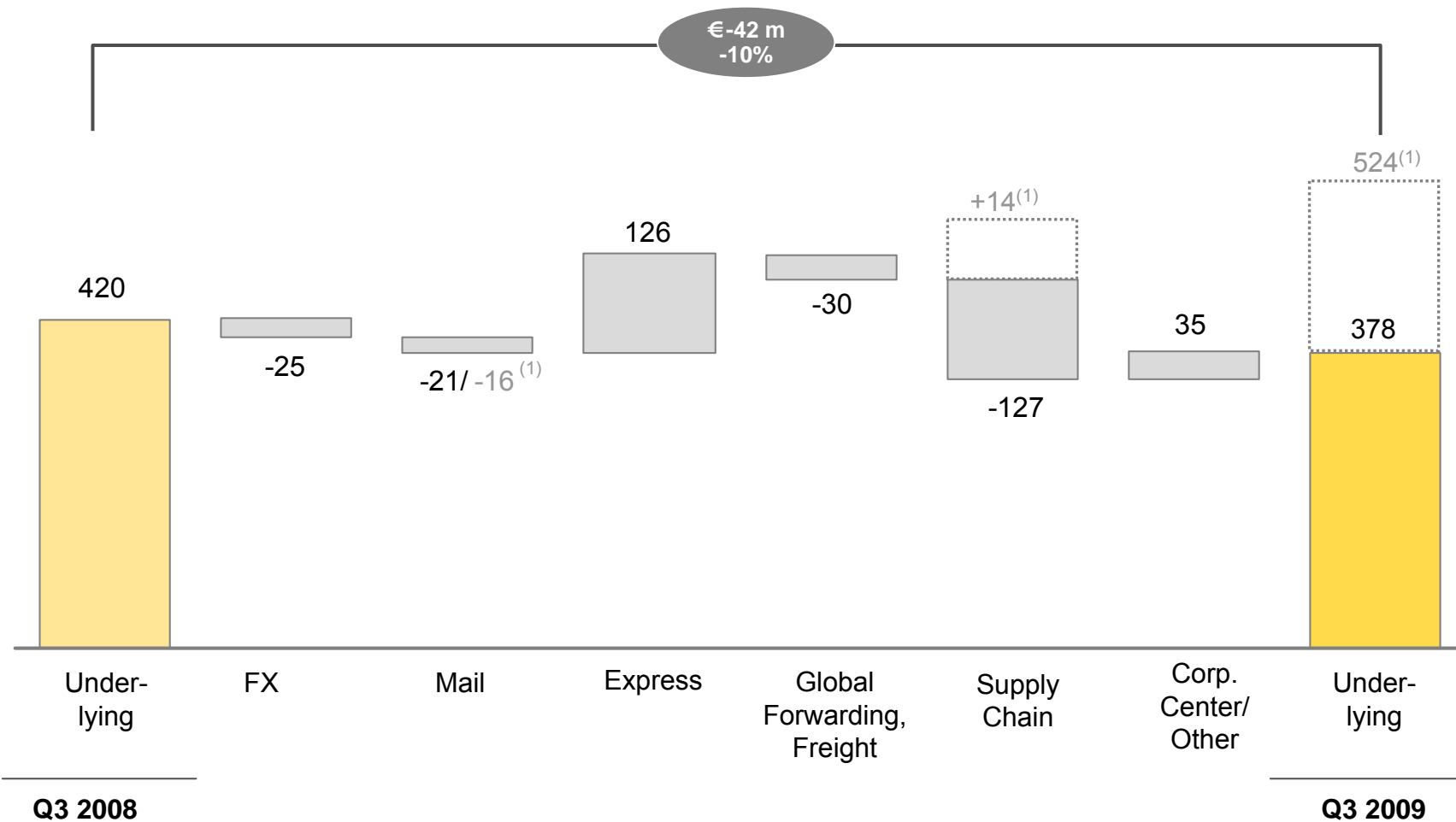


⁽¹⁾ adjusted for mandatory exchangeable bond (€2,640m) and cash collateral on put options (€1,188m)

Underlying Q3 EBIT of € 378m (-10%) includes a negative Arcandor effect of € -146m

Underlying EBIT development (Q3 2009 vs. Q3 2008)

€ m



⁽¹⁾ Excluding Arcandor effects of: -5m MAIL / -141m Supply Chain

MAIL – Divisional results overview

Good cost management almost offsetting market decline

€ m	Q3 2008	Q3 2009	Chg.
Revenue	3,409	3,277	-4%
Reported EBIT	916 ⁽²⁾	323	-65%
Underlying EBIT	344	323 ⁽¹⁾	-6%
Operating cash flow	959 ⁽²⁾	381	-60%
Capex	87	83	-5%

- Economic downturn, electronic substitution
- Underlying EBIT burdened by increased factor costs and market decline
- Reported EBIT and operating cash flow in 2008 included € 572m repayment of state aid proceeding

⁽¹⁾ Includes € -5m charges related to Arcandor

⁽²⁾ Includes € 572m repayment from state aid proceedings

EXPRESS – Divisional results overview

Strong efficiency gains and significant US bottom line improvement

€ m	Q3 2008	Q3 2009	Chg.
Revenue	3,475	2,532	-27%
Reported EBIT	-15	11	n.m.
Underlying EBIT	24	131	+446%
Underlying EBIT outside US	242	227	-6%
Underlying EBIT US	-218	-96	56%
Operating cash flow	76	-60 ⁽¹⁾	n.m.
Capex	176	117	-34%

- Organic revenue decline outside US -14.4%
- Underlying EBIT margin outside US at 9.5%
- Strong focus on cost reduction

⁽¹⁾ Includes €283m Cost of Change (CoC) related cash out

GLOBAL FORWARDING, FREIGHT – Divisional results overview

Strong cash flow performance despite market decline

€ m	Q3 2008	Q3 2009	Chg.
Revenue	3,801	2,644	-30%
Reported EBIT	108	55	-49%
Underlying EBIT	108	76	-30%
Operating cash flow	89	112	+26%
Capex	20	18	-10%

- Volume decline has stabilized and Q3 volumes significantly up versus Q2 and Q1 volumes
- Continued excellent operating cash flow and conversion rate due to tight net working capital management
- Strict cost management
- Productivity surpassing pre-crisis levels
- Carrier rates increasing and therefore general price increases being implemented, nevertheless margin pressure impacting Q3 results

SUPPLY CHAIN – Divisional results overview

Arcandor effects significantly impact otherwise improving performance

€ m	Q3 2008	Q3 2009	Chg.	
Revenue	3,481	3,078	-12%	• Revenue decline less than market
Reported EBIT	51	-87	n.m.	• Tight cost control
Underlying EBIT	51	-81 ⁽¹⁾	n.m.	• Underlying EBIT turned negative due to Arcandor charges in the amount of -€ 141m
Operating cash flow	245	186	-24%	• Sound operating cash flow of € 186m
Capex	95	41	-57%	

(1) Includes € -141m charges related to Arcandor

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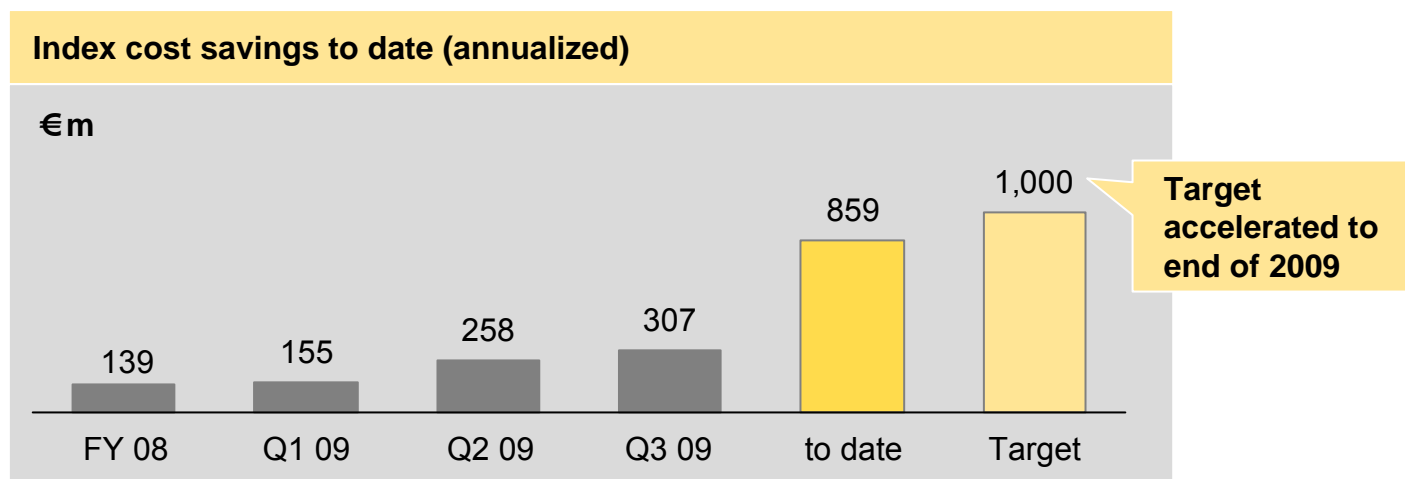
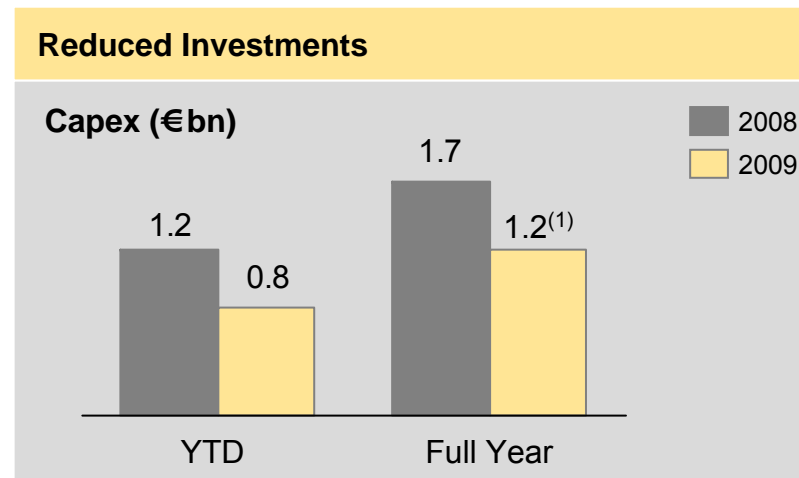
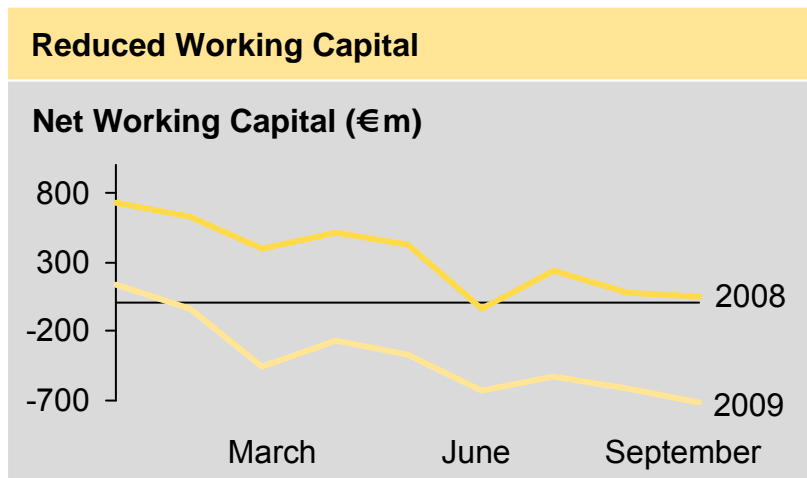
Roadmap to Value

(Larry Rosen)

Outlook 2009

(Larry Rosen)

Tight cash and cost management



⁽¹⁾ Target for 2009

Roadmap to Value

Roadmap to Value Targets 2007

2-year profit improvement program of € 1bn initiated



Group EBIT in 2008 to reach at least € 4.2bn



Net working capital reduction of € 700m by year-end 2009



Sales of non-strategic assets of at least € 1bn cash within 24 months



Proposed increasing dividend for 2007 by 20% to € 0.90 per share and continuous growth in the years to follow



Enhanced transparency and disclosure



Reduce M&A spend



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Outlook 2009

	Former Guidance	New Guidance	Status
Underlying EBIT	€1.2bn ⁽¹⁾	At least €1.35bn ⁽¹⁾	Increased
IndEx cost savings	€1.0bn by Q2 2010	€1.0bn end of 2009	Accelerated
Net Income	Positive	Positive	Confirmed

- Very slight volume recovery can be observed
- Continue to cautiously assume no significant pick-up in trading in the remainder of the year
- Good progress in implementing our efficiency improvement measures
- Customer insolvency risks have materialized (i.e. Arcandor)
- Outlook increase despite further risk from customer insolvencies
- Efficiency gains underpin increase in outlook

⁽¹⁾ Including Arcandor effects