




Deutsche Post DHL  
Investor Relations package Q4/FY 2009

March 9, 2010



# Agenda

|  |                     |    |
|--|---------------------|----|
|   | • Q4/2009 in detail | 3  |
|   | • Outlook           | 57 |
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# Group level financial overview

## Continuing operations



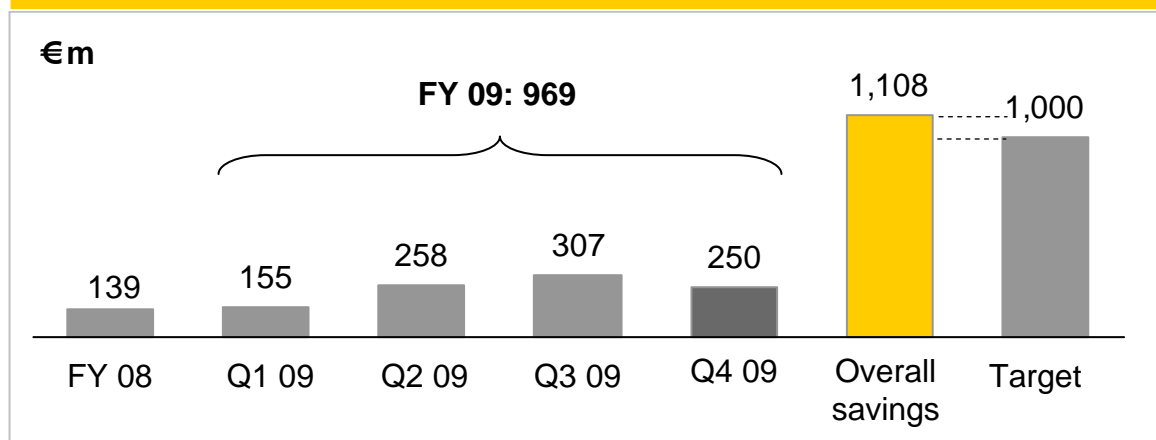
| €m                               | Q4/2008 | Q4/2009 | Δ    | Organic |
|----------------------------------|---------|---------|------|---------|
| Revenue                          | 14,020  | 12,389  | -12% | -10%    |
| EBIT                             |         |         |      |         |
| • Reported EBIT                  | -2,824  | -136    | 95%  |         |
| • Underlying EBIT <sup>(1)</sup> | 639     | 526     | -18% |         |
| • Operating cash flow            | 1,441   | 974     | -32% |         |
| • Capex                          | 515     | 385     | -25% |         |

| €m                               | FY 2008 | FY 2009 | Δ    | Organic |
|----------------------------------|---------|---------|------|---------|
| Revenue                          | 54,474  | 46,201  | -15% | -14%    |
| EBIT                             |         |         |      |         |
| • Reported EBIT                  | -966    | 231     | n.m. |         |
| • Underlying EBIT <sup>(1)</sup> | 2,011   | 1,473   | -27% |         |
| • Operating cash flow            | 3,362   | 1,244   | -63% |         |
| • Capex                          | 1,727   | 1,171   | -32% |         |

(1) Details about non-recurring effects can be found in the appendix

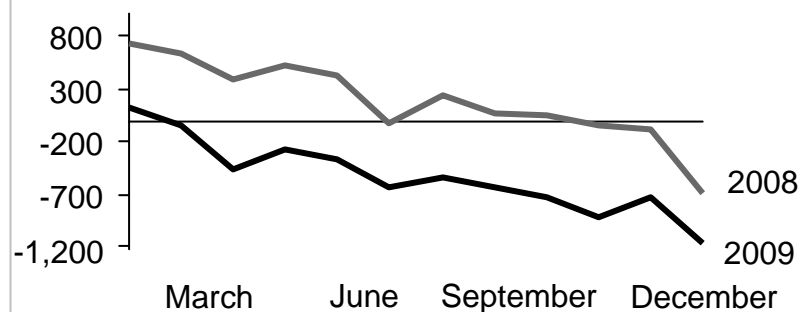
# Focus on cost management and cash generation

## Index cost savings to date (annualized)



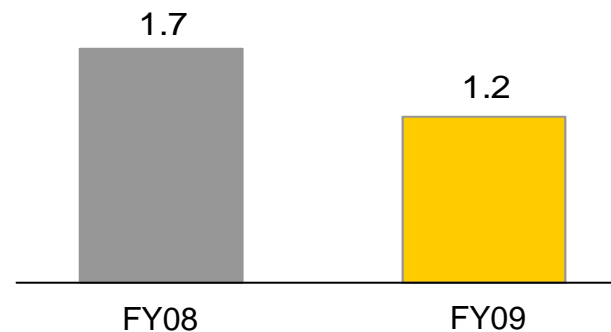
## Reduced working capital

### Net working capital (€m)



## Reduced investments

### Capex (€bn)

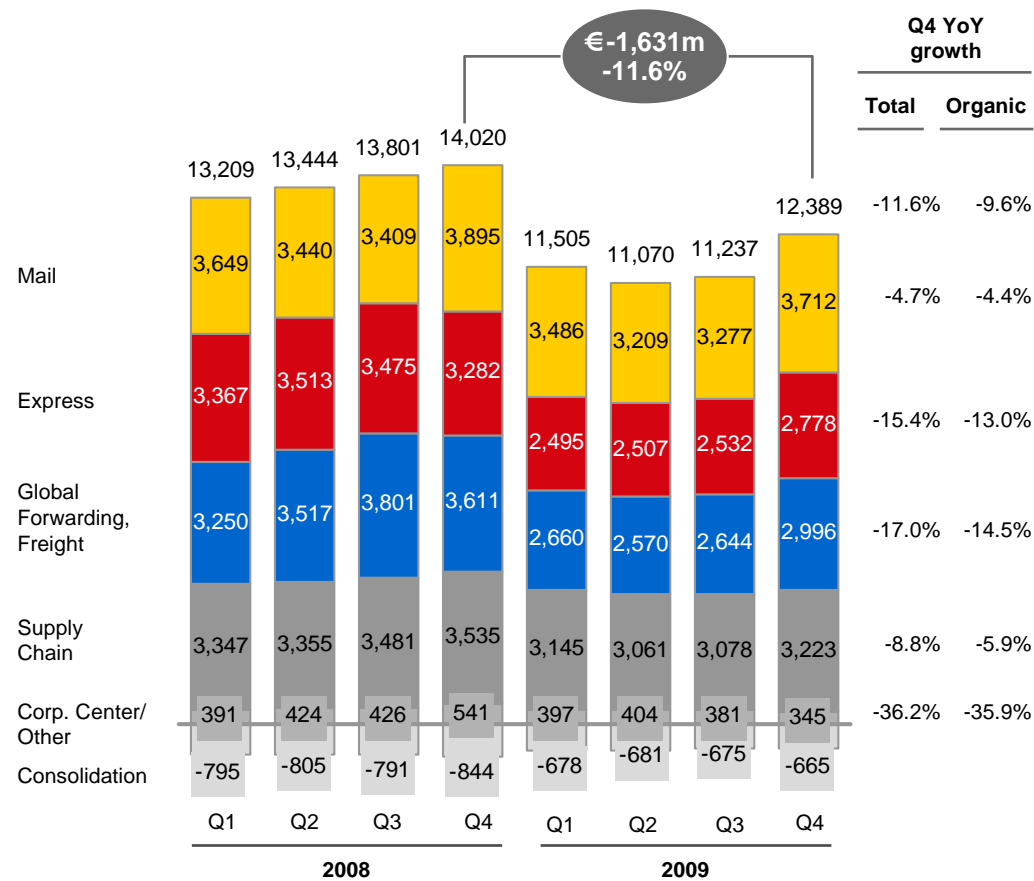


# Organic revenue declined YoY across all divisions but overall Q4 up sequentially

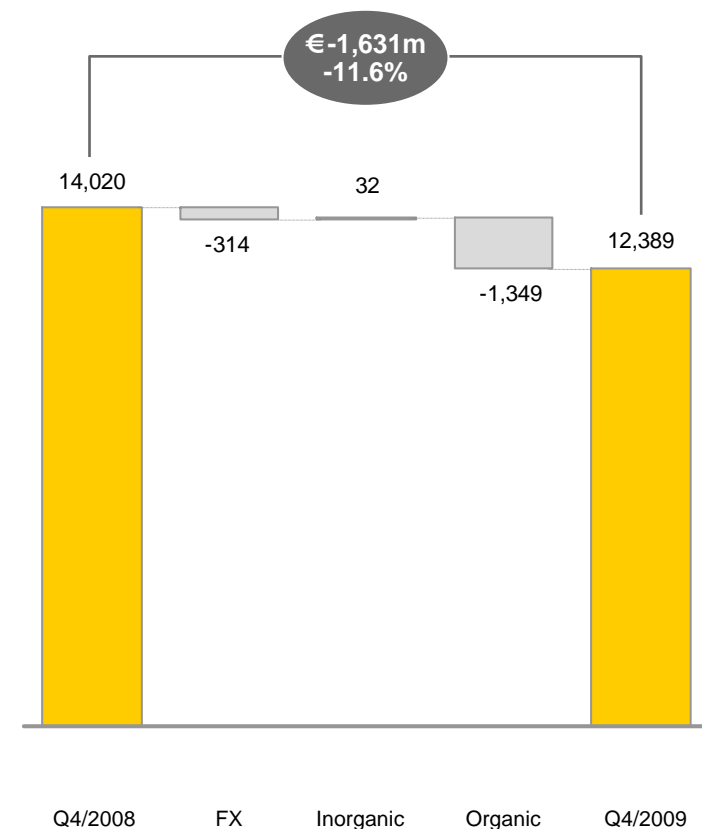
## Group revenue overview

€ m

### Quarterly revenue development



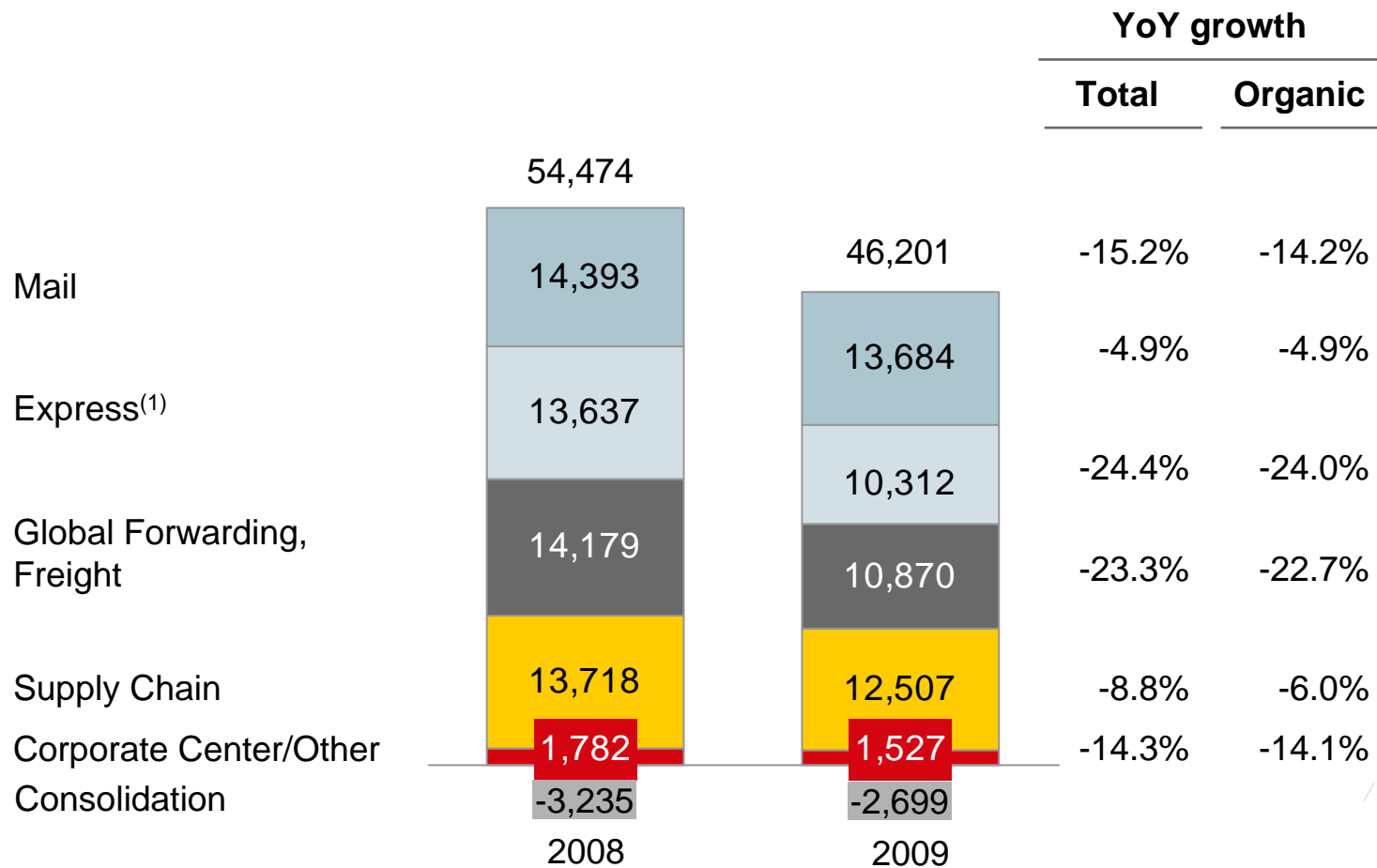
### Revenue development Q4/2009 vs. Q4/2008



# On a full-year basis, EXPRESS and GLOBAL FORWARDING affected most by economic slowdown Deutsche Post DHL

## Group revenue overview (FY 2009 vs. FY 2008)

€ m

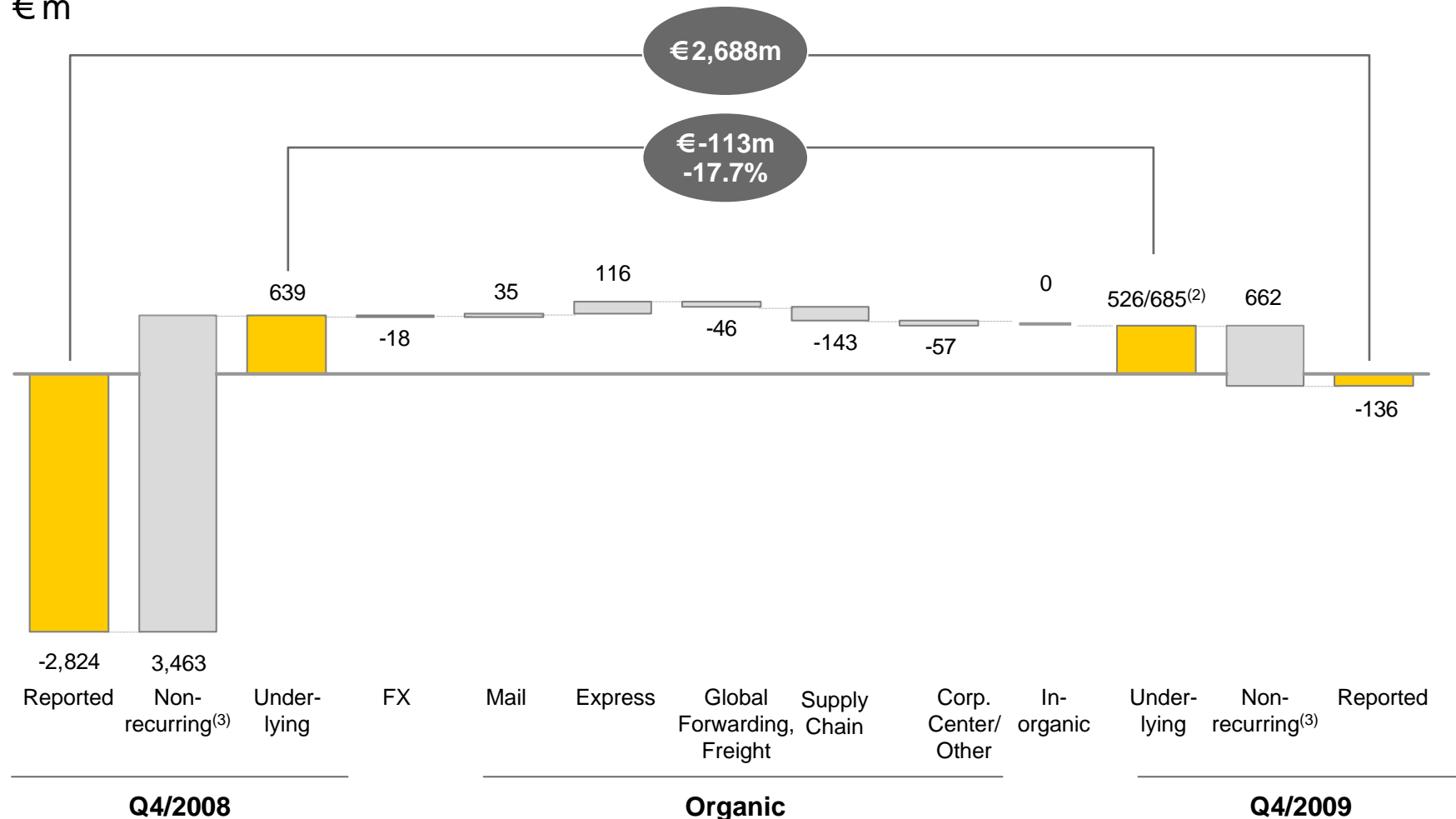


(1) Revenue growth outside US: total: -12.5% / organic: -11.8%

Underlying Q4 EBIT of € 526m (-18%) includes a negative Arcandor effect<sup>(1)</sup> of € -62m and € -97m for other charges

### Underlying EBIT development (Q4/2009 vs. Q4/2008)

€ m



(1) Includes Arcandor charges of: € -14m MAIL / € -48m SUPPLY CHAIN

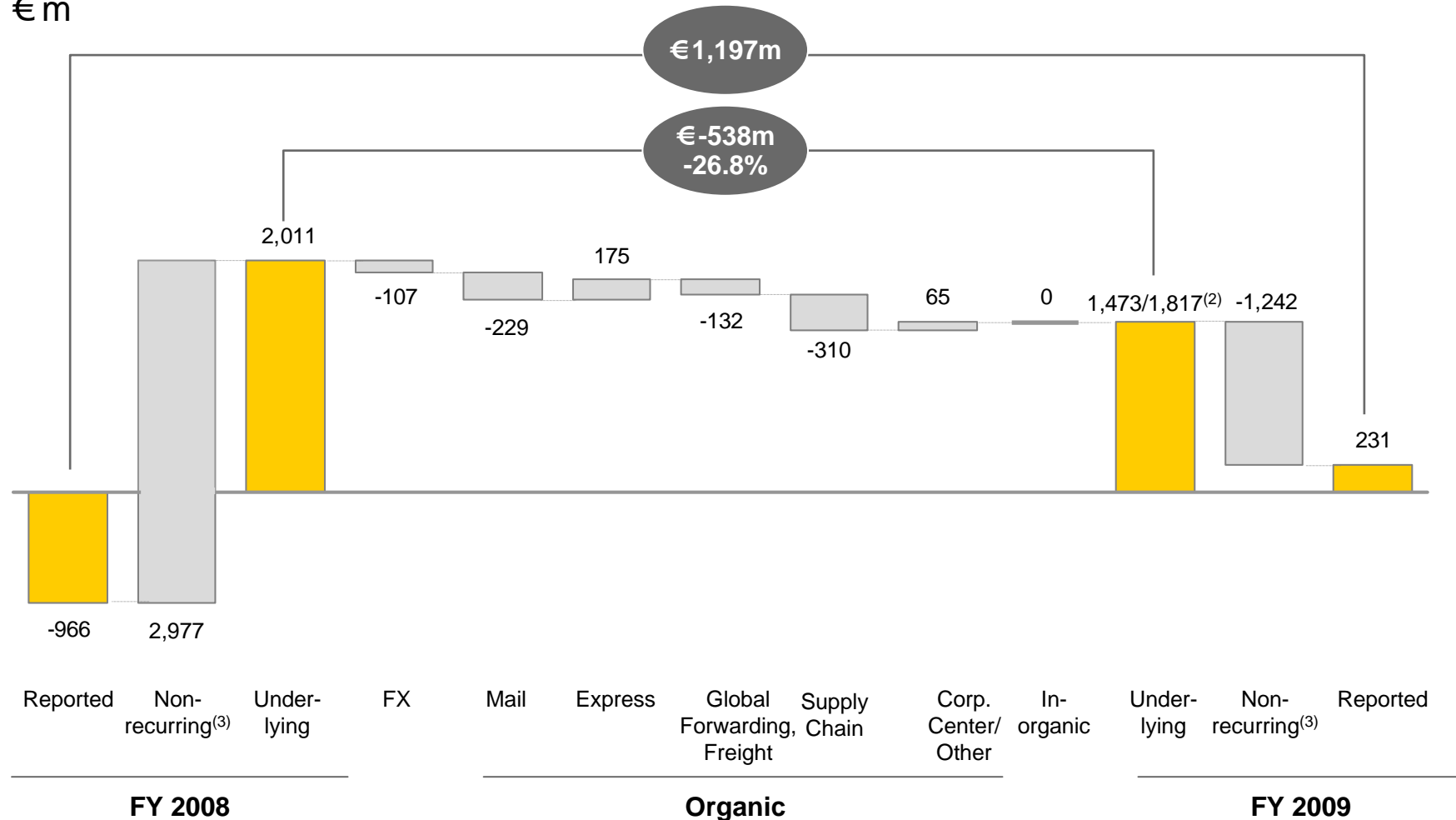
(2) Excluding € -62m charges related to Arcandor and € -97m costs incurred in Europe related to certain onerous contracts and impairment charges relating to legacy properties

(3) Details about non-recurring effects can be found in the appendix

Underlying FY 2009 EBIT of € 1,473m includes negative Arcandor effect<sup>(1)</sup> of € -247m and other charges

### Underlying EBIT development (FY 2009 vs. FY 2008)

€ m



(1) Includes Arcandor charges of: € -34m MAIL / € -213m SUPPLY CHAIN

(2) Excluding € -247m charges related to Arcandor and € -97m costs incurred in Europe related to certain onerous contracts and impairment charges relating to legacy properties

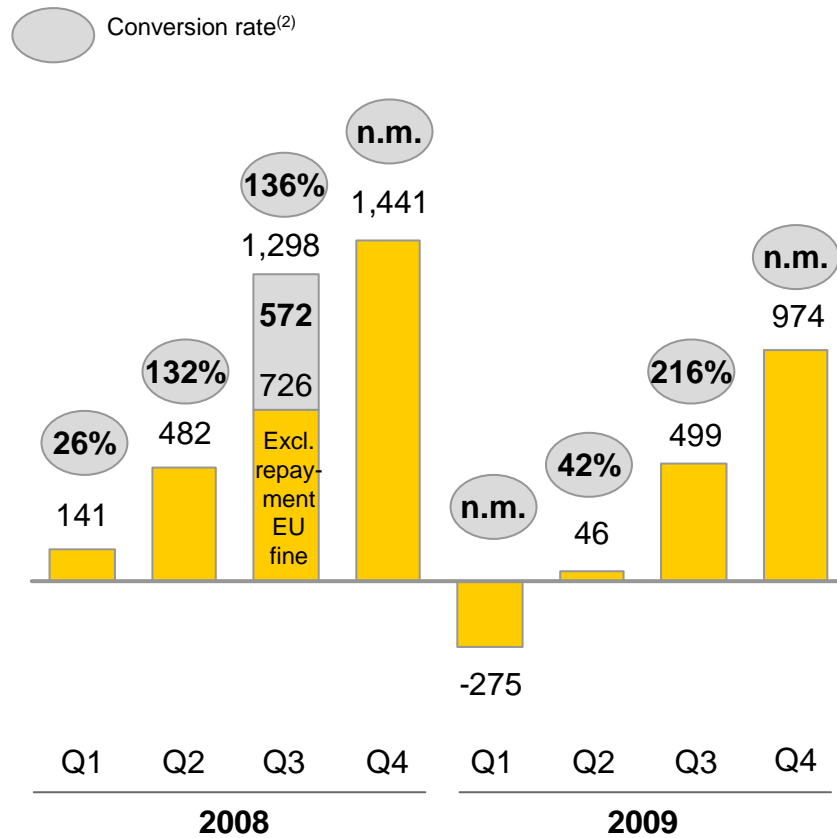
(3) Details about non-recurring effects can be found in the appendix

# Operating cash flow below last year due to restructuring costs – Capex significantly lower than Q4/2008

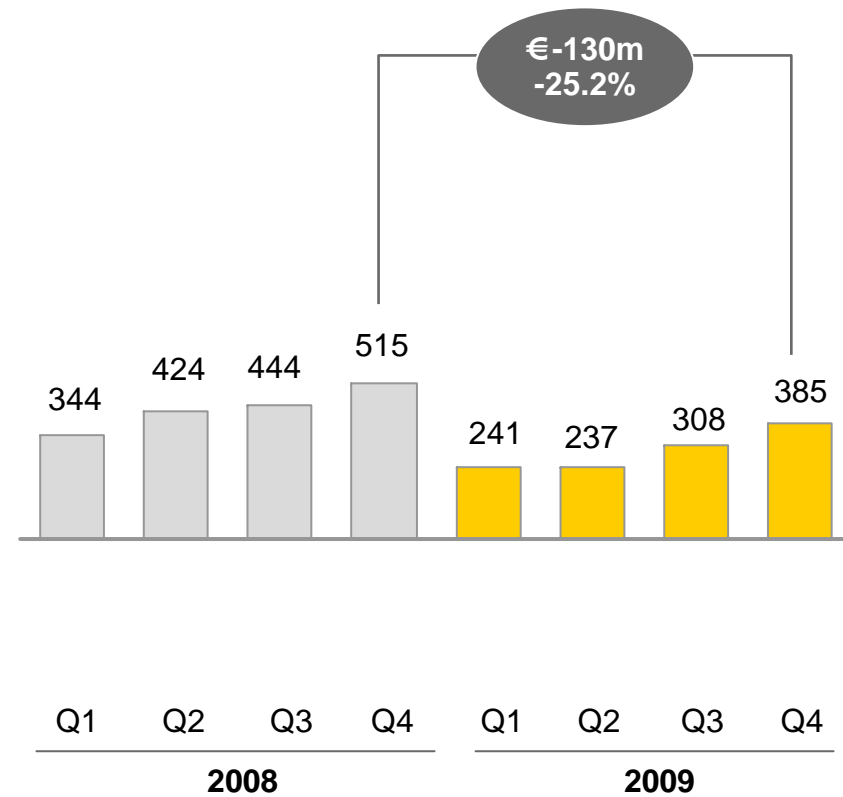
## Group operating cash flow and Capex

€ m

Operating cash flow<sup>(1)</sup>



Capex development



(1) After changes in Net Working Capital  
 (2) Operating cash / EBIT reported

# Operating cash flow below last year due to restructuring costs – Capex significantly lower than FY 2008

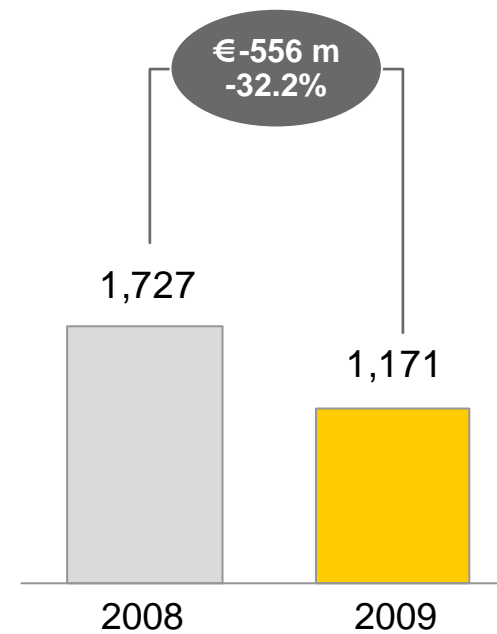
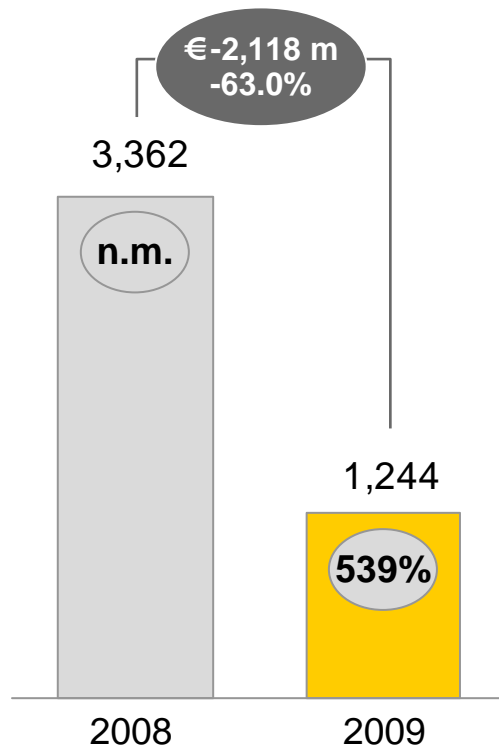
## Group level overview (FY 2009 vs. FY 2008)

€ m

### Operating cash flow<sup>(1)</sup>

### Capex development

○ Conversion rate<sup>(2)</sup>

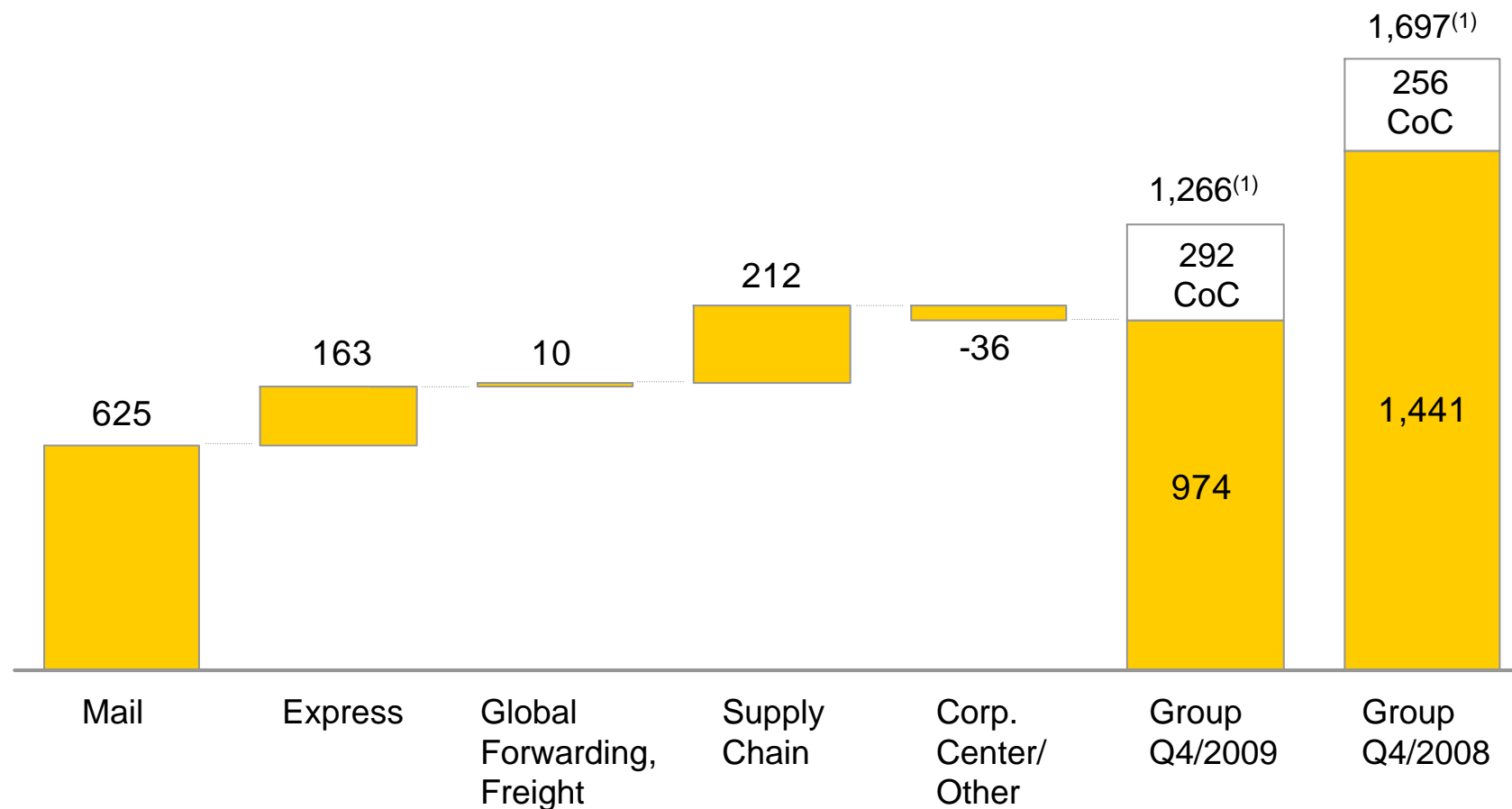


(1) After changes in Net Working Capital  
(2) Operating cash flow / EBIT reported

# Operating cash flow at € 1,266m excluding restructuring costs

## Q4/2009: Operating cash flow by division

€ m

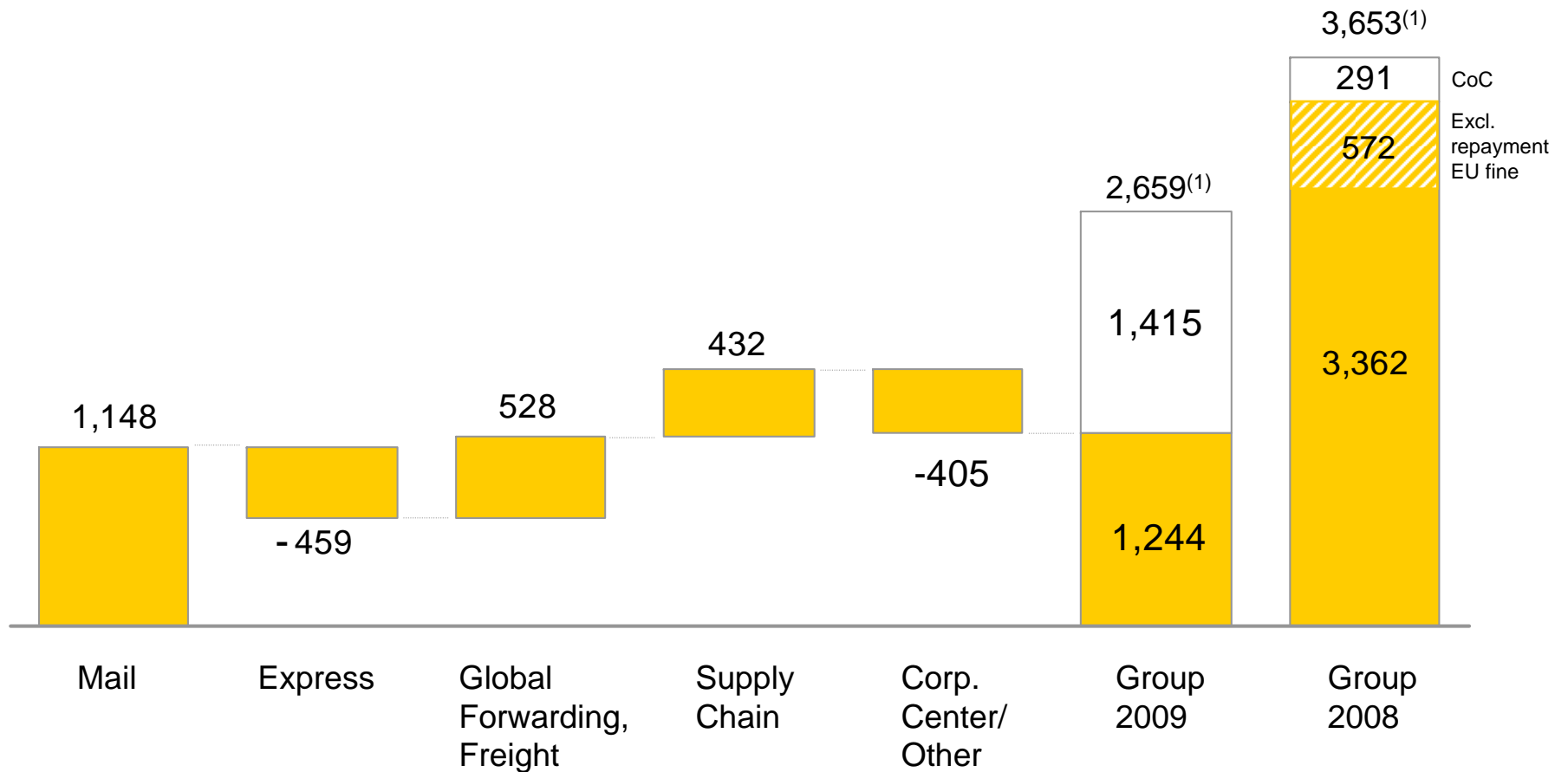


(1) Group Cash Flow excluding Cost of Change (CoC) related cash out

Positive cash contribution from all divisions except EXPRESS due to continuously high US restructuring cash-out in FY 2009

Operating cash flow by division FY 2009

€ m



(1) Group Cash Flow excluding Cost of Change (CoC) related cash out

## MAIL – Divisional results overview



| €m                          | Q4/2008 | Q4/2009 | Δ   |
|-----------------------------|---------|---------|-----|
| Revenue                     | 3,895   | 3,712   | -5% |
| EBIT                        |         |         |     |
| • Reported                  | 442     | 503     | 14% |
| • Underlying <sup>(1)</sup> | 476     | 511     | 7%  |
| • Operating cash flow       | 673     | 625     | -7% |
| • Capex                     | 113     | 129     | 14% |

| €m                    | FY 2008              | FY 2009 | Δ    |
|-----------------------|----------------------|---------|------|
| Revenue               | 14,393               | 13,684  | -5%  |
| EBIT                  |                      |         |      |
| • Reported            | 2,179                | 1,383   | -37% |
| • Underlying          | 1,641                | 1,412   | -14% |
| • Operating cash flow | 2,235 <sup>(2)</sup> | 1,148   | -49% |
| • Capex               | 282                  | 329     | 17%  |

(1) Details about non-recurring effects can be found in the appendix

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

# Solid result in Q4 despite economic crisis; cost initiatives successful

## Mail division highlights (Q4/2009)

### Performance highlights

- Key financials show solid YoY performance
  - Revenue down by 4.7% mainly driven by economic downturn
  - Revenue with business customers stabilizing
  - Parcel Germany revenue increased due to the growth of online sales and despite the crisis amongst traditional mail-order companies
  - Revenue at Global Mail impacted by divestment of Koba and FX effects
  - EBIT at €503m still affected by market decline. Strict cost control was able to compensate for this. Underlying EBIT up by 7.4% to €511m including €-14m charges related to Arcandor
- Total Mail volumes below Q4/2008 (-8.1%)
  - Mail communication volumes below last year (-2.3%) mainly driven by e-substitution
  - Volumes Dialogue Marketing (-10.6%) affected by a slowdown in advertising spend by our customers
  - Parcel volumes slightly below last year (-2.7%) mainly due to insolvency of Arcandor. Private customer parcels volumes stable compared to Q4/2008. Overall volumes holding up well despite the crisis amongst traditional mail-order companies and the economic crisis
  - Global Mail volumes below previous year (-11.8%) mainly due to economic downturn

### Market/competition highlights

- Ongoing e-substitution in Mail Communication
- We are maintaining our position with all major key account clients
- We are providing more customer contact points and drop boxes to our customers for easy network access
- Competition is regrouping but has so far achieved only limited success
- The impact of the minimum wage on competitors was greatly overstated, as nearly all competitors paid below minimum wage without penalties
- Based upon wage agreement short-term profitability safeguarded
- Long-term sustainability beyond 2011 still to be addressed by discussion of USO and pricing

### Investment/growth outlook

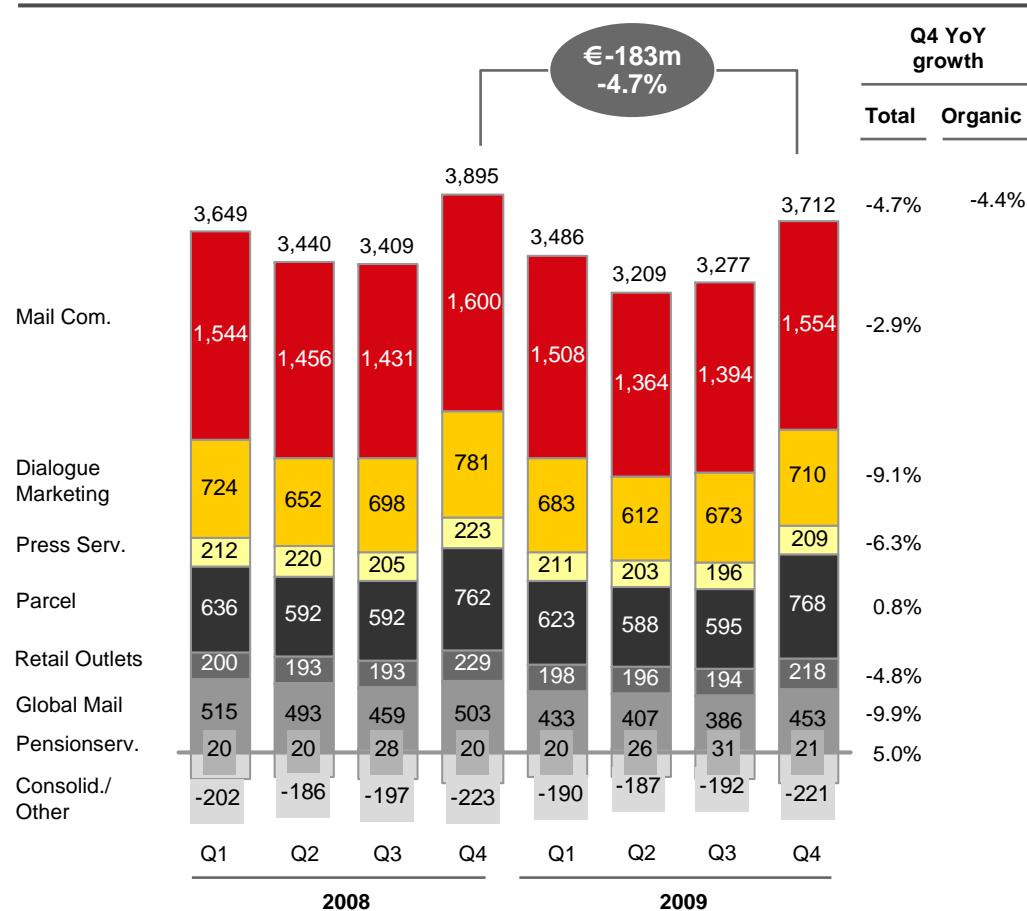
- Focus on replacement of older assets and investment in new sorting machines with increased throughput and lower energy consumption to maintain highest technological standards
- We expect that the planned VAT legislation in Germany will correctly implement the requirements laid down by European Union law and, in particular, those contained in the European Court of Justice ruling issued in April 2009
- Letter in the internet starting mid 2010 providing a binding, confidential and reliable electronic written communication

# Revenues in Q4 down by -4.7% mainly driven by economic downturn and electronic substitution; seasonal pattern intact

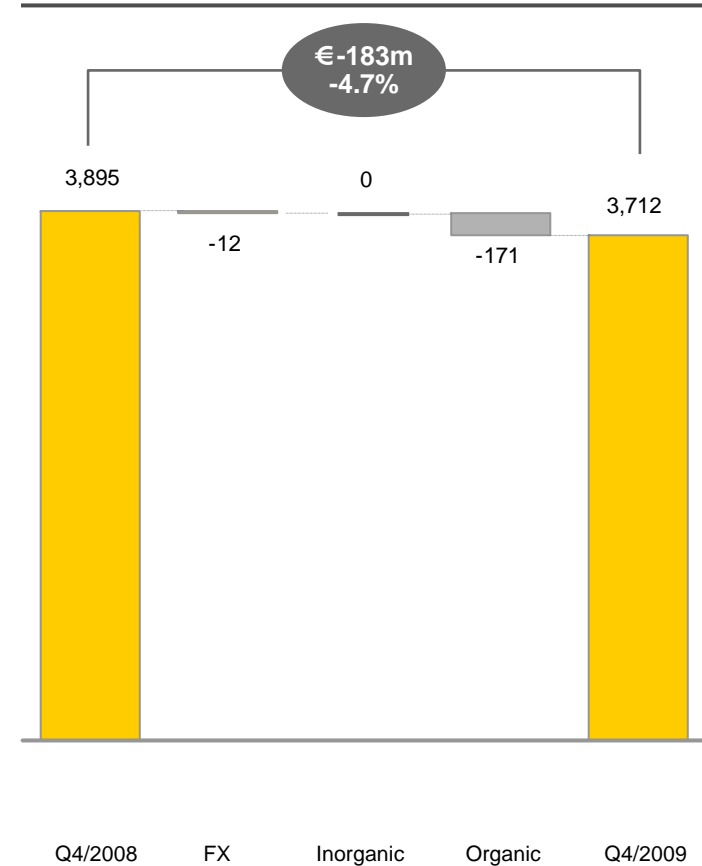
## Mail divisional overview

€ m

Quarterly revenue development



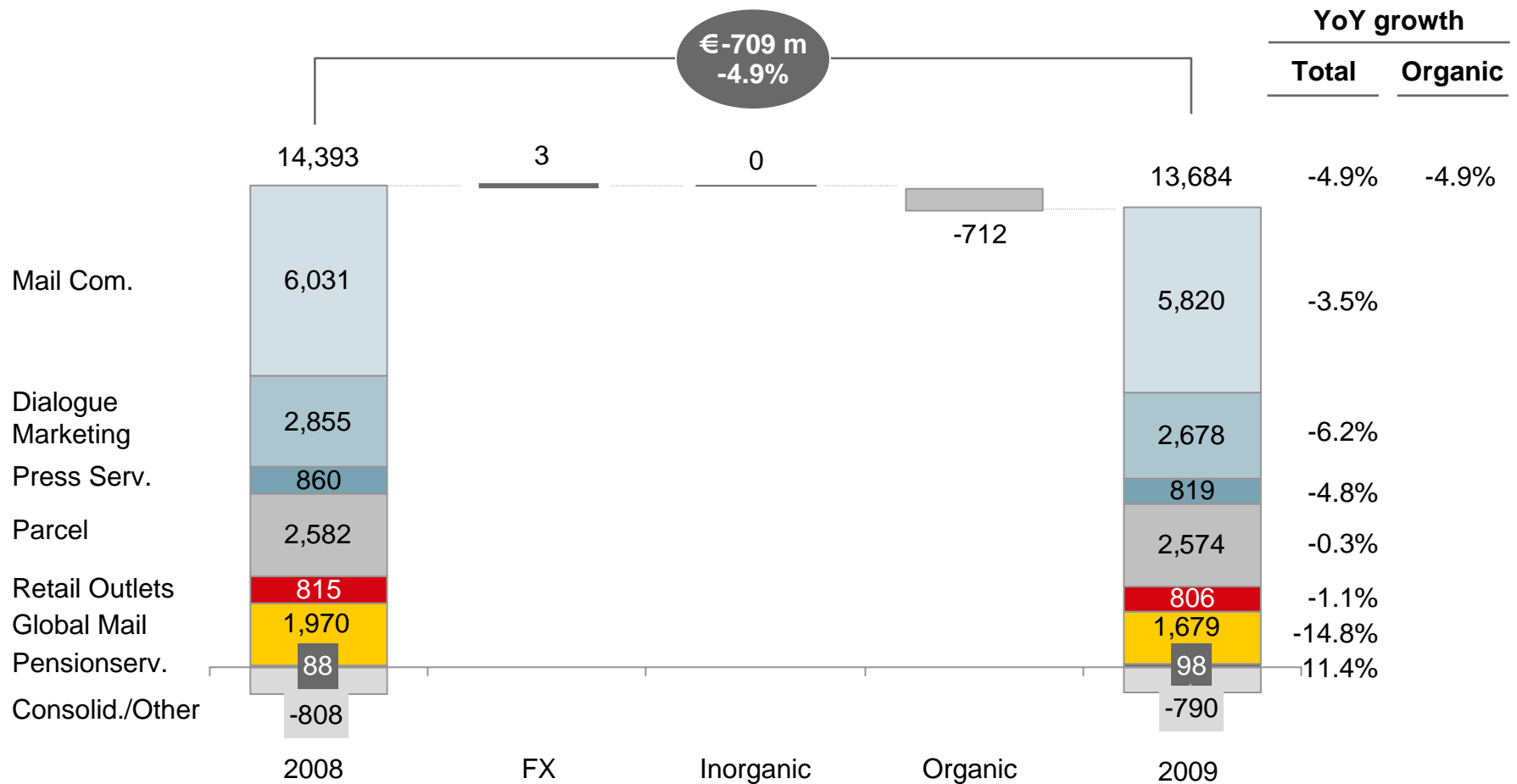
Revenue development Q4/2009 vs. Q4/2008



Revenues down by -4.9% mainly driven by economic downturn and electronic substitution

**Mail divisional overview – revenue development (FY 2009 vs. FY 2008)**

€m

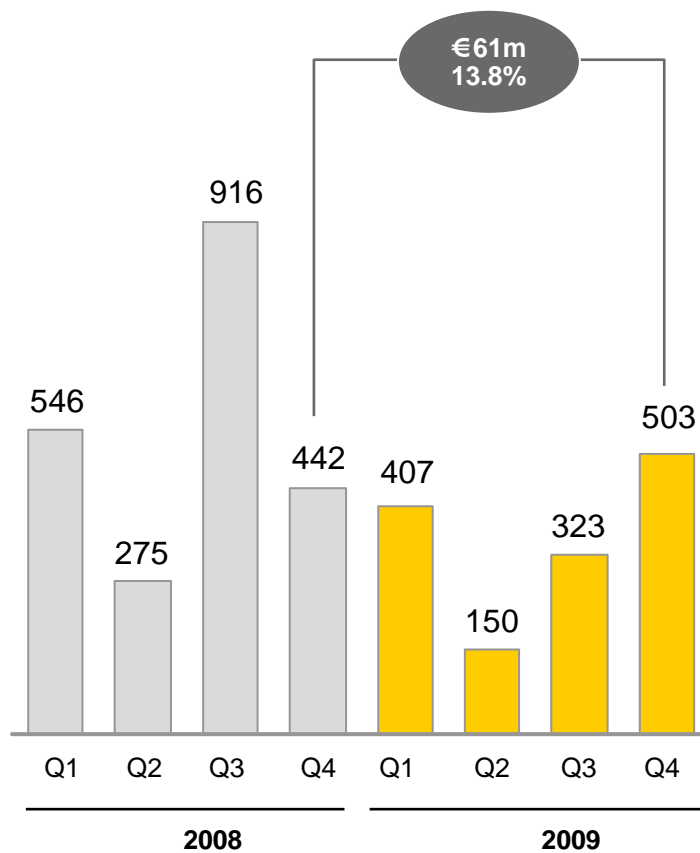


# Underlying EBIT increased due to strict cost management by 7.4%

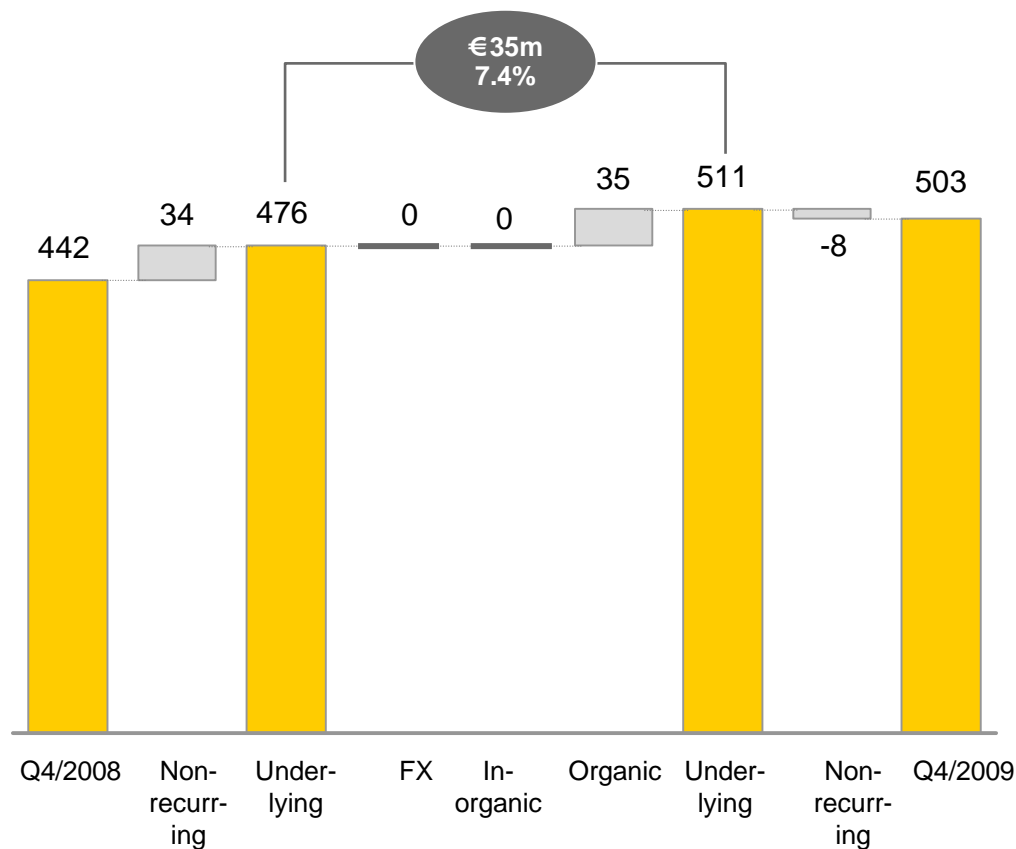
## Mail divisional overview

€m

Quarterly EBIT development



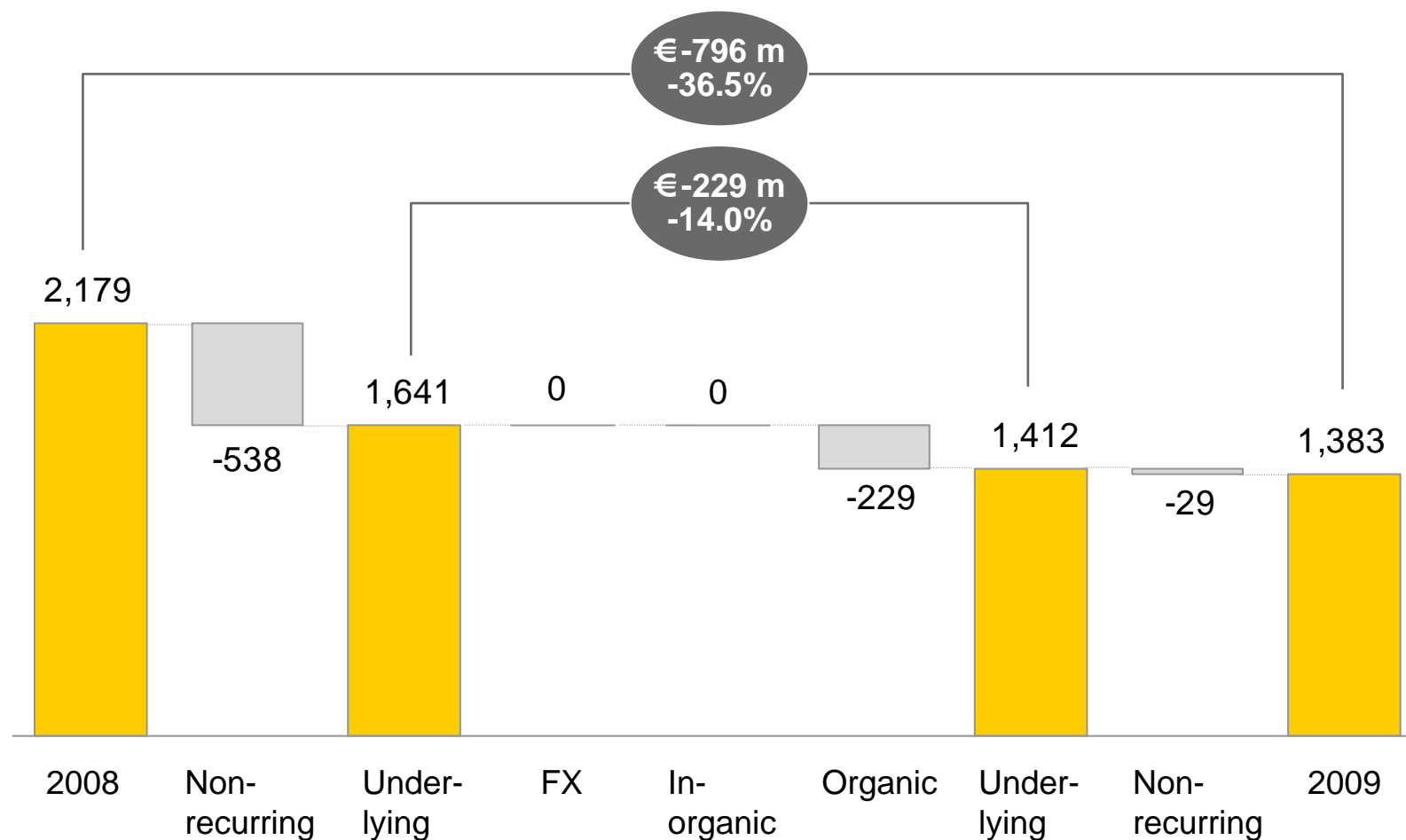
EBIT change Q4/2009 vs. Q4/2008



On a full year basis underlying EBIT down by -14%

**Mail divisional overview – EBIT development (FY 2009 vs. FY 2008)**

€m

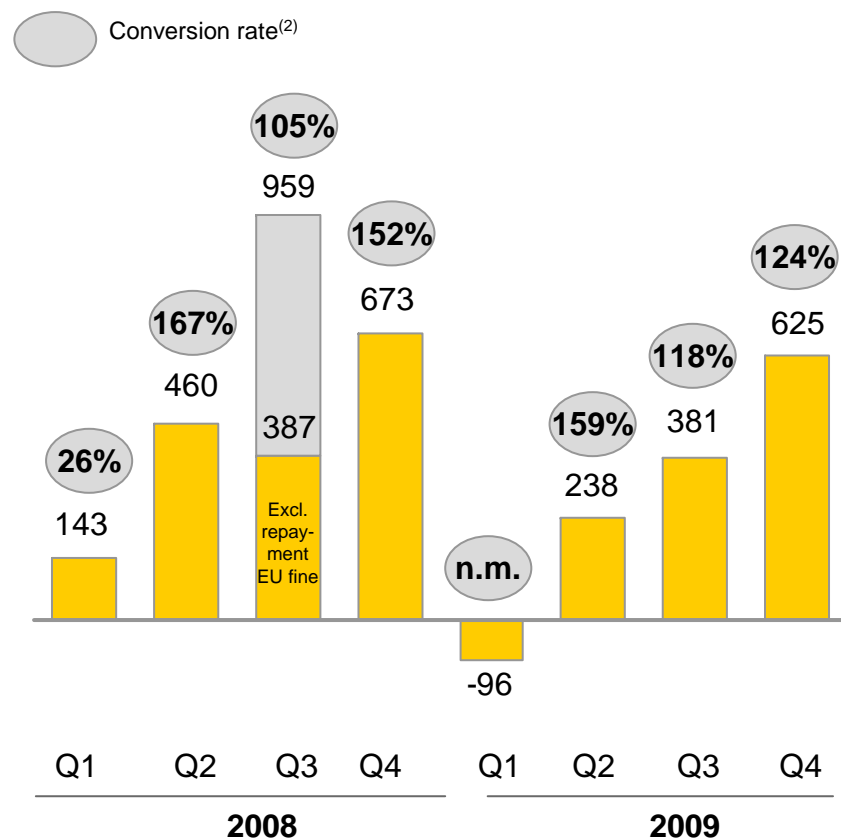


Further strong cash contribution in Q4 with minor decline YoY –  
Capex 14% in Q4 higher than last year due to investment in new  
sorting equipment

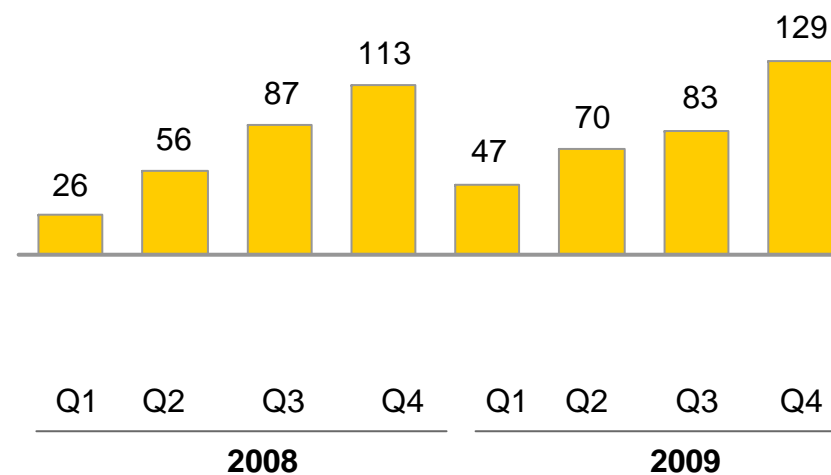
## Mail operating cash flow and Capex

€ m

Operating cash flow<sup>(1)</sup>



Capex development



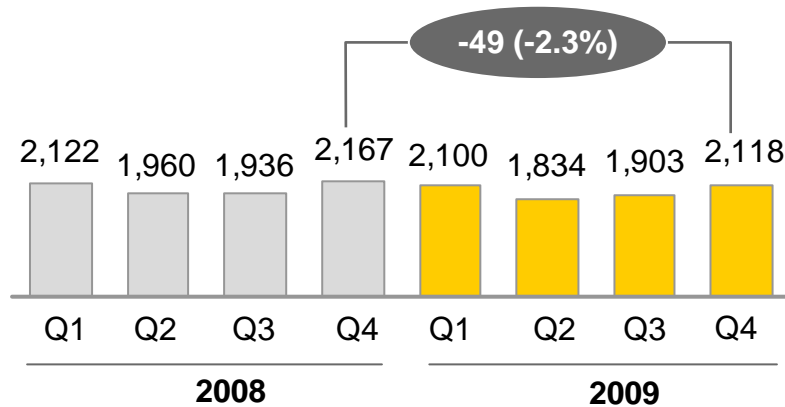
(1) After changes in Net Working Capital  
(2) Operating cash / EBIT reported

Total MAIL volumes below Q4/2008 – Parcel holding up well despite economic crises and traditional mail-order customers declining

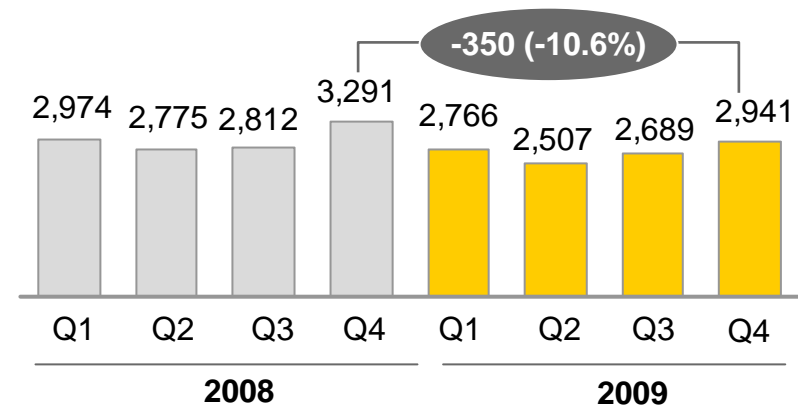
## Mail divisional overview – Quarterly volume development

m units

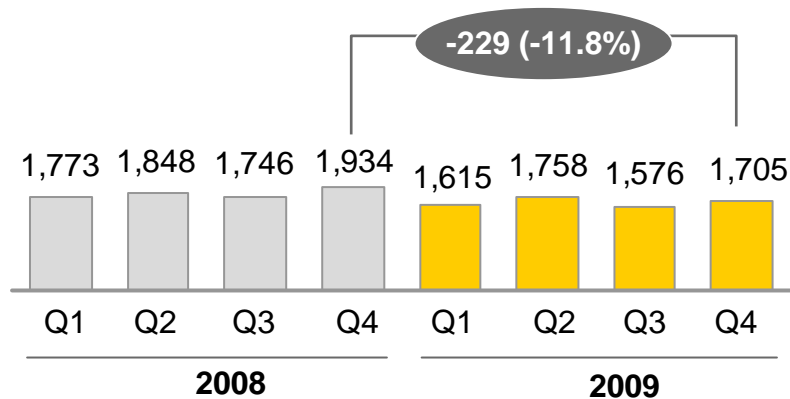
### Mail Communication



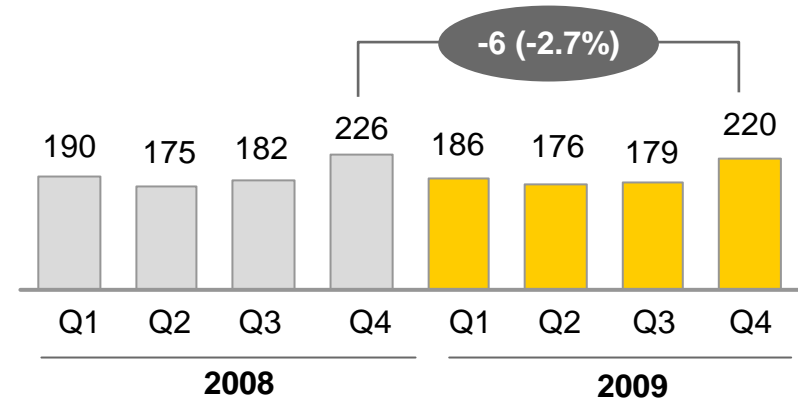
### Dialogue Marketing



### Global Mail



### Parcel

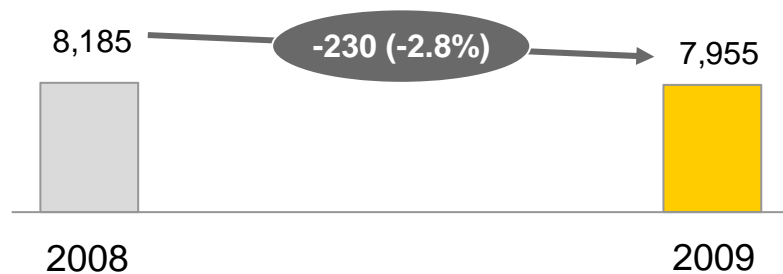


Total MAIL volumes below FY 2008 – Parcel holding up well despite economic crises and traditional mail-order customers declining

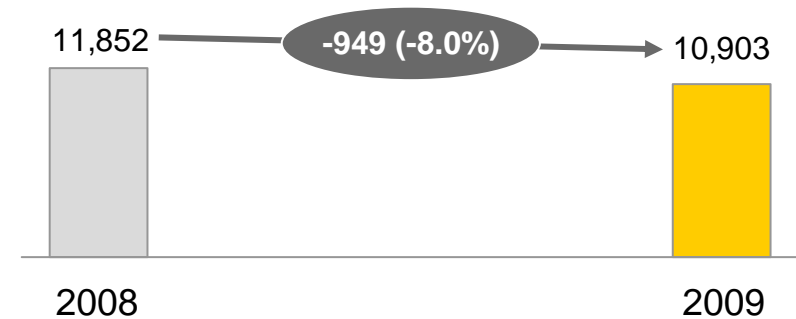
### Mail divisional overview – Volume development (FY 2009 vs. FY 2008)

m units

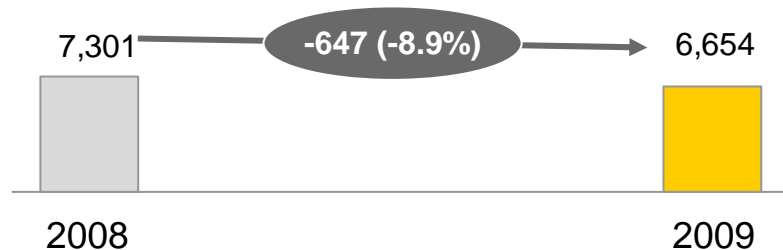
#### Mail Communication



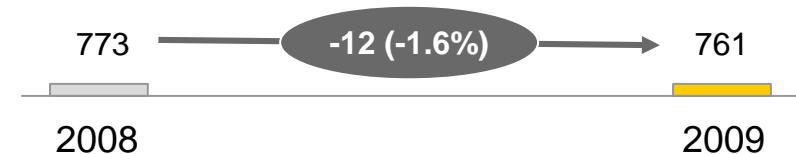
#### Dialogue Marketing



#### Global Mail



#### Parcel



## EXPRESS – Divisional results overview



| €m  | Q4/2008 | Q4/2009 | Δ Organic |      |
|---|---------|---------|-----------|------|
| Revenue                                     | 3,282   | 2,778   | -15%      | -13% |
| EBIT  |         |         |           |      |
| • Reported EBIT                             | -2,206  | -375    | 83%       |      |
| • Underlying EBIT <sup>(1)</sup>            | 66      | 162     | 145%      |      |
| • Underlying EBIT outside US <sup>(1)</sup> | 356     | 226     | -37%      |      |
| • Underlying EBIT US <sup>(1)</sup>         | -290    | -64     | 78%       |      |
| • Operating cash flow                       | 108     | 163     | 51%       |      |
| • Capex                                     | 195     | 99      | -49%      |      |

| €m  | FY 2008 | FY 2009 | Δ Organic |      |
|---|---------|---------|-----------|------|
| Revenue                                     | 13,637  | 10,312  | -24%      | -24% |
| EBIT  |         |         |           |      |
| • Reported EBIT                             | -2,194  | -807    | 63%       |      |
| • Underlying EBIT <sup>(1)</sup>            | 164     | 238     | 45%       |      |
| • Underlying EBIT outside US <sup>(1)</sup> | 1,118   | 692     | -38%      |      |
| • Underlying EBIT US <sup>(1)</sup>         | -954    | -454    | 52%       |      |
| • Operating cash flow                       | 263     | -459    | n.m.      |      |
| • Capex                                     | 727     | 380     | -48%      |      |

(1) Details about non-recurring effects can be found in the appendix

## Express division highlights (Q4/2009)

### Performance highlights

- Overall divisional organic decline of -13.0% driven by economic recession, the cease of the US domestic market, and reduction of fuel surcharge (-34% outside of US). Organic revenue **outside US** decreased by -5.5%
- **Europe:** Organic revenue decline of -8.8% due to lower fuel charge (-39%), lower volumes per day in TDI (-3.6%) and continuing pressure on yield
- **Asia Pacific:** Organic revenue increase by 2.6% mainly resulting from higher shipments per day of 4.3 % in TDI, 4.7% in TDD and despite a negative impact of lower fuel surcharges (-21%). FX effects impacted revenues negatively by €-31m
- **EEMEA:** Organic revenue flat despite lower fuel surcharge (down -19%). FX effects influencing revenue negatively by €-30m. Daily TDI volumes remain at last year's level with an increasing revenue per day
- **Americas:** US organic revenue variance was negative by -59.6% mainly resulting from the exit of the domestic business and the overall economic slowdown  
  
International Americas organic revenue declined of -9.1% with volume decline and lower fuel surcharge (-59%). Daily volumes decreased in TDI by -10.5%, mainly due to Canada
- Underlying EBIT improved to €162m compared to €66m in Q4/2008 mainly due to the strong impact of the US turnaround  
  
Underlying EBIT outside US was below last year by €-130m (Q4 2008: €356m / Q4 2009: €226m) significantly impacted by the revenue shortfall in Europe

### Market/competition highlights

- TDI Volumes per day are improving across the board especially in November and December following the starting economic recovery
- Price pressure remains driven by overall competition for volume
- Express maintained market leadership in Europe, Asia and EEMEA

### Investment/growth outlook

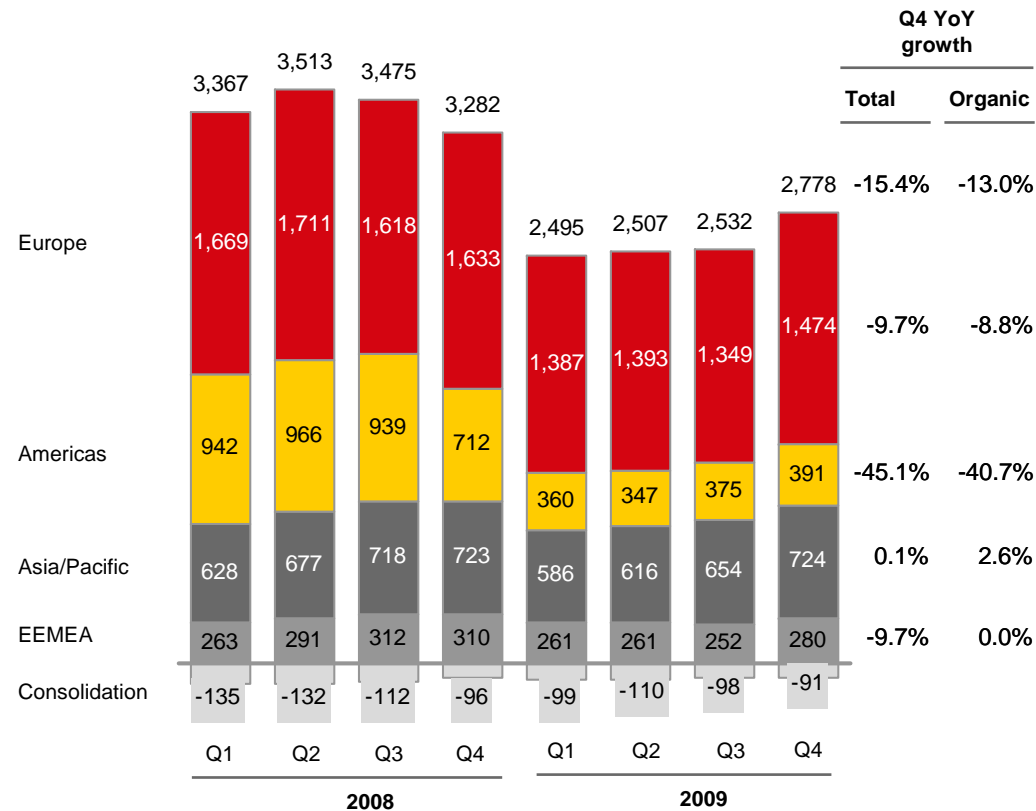
- In light of the economic environment, Express reduced Capex in Q4 by 49% versus Q4 2008
- Portfolio review to increase profitability by disposal of loss-making domestic businesses
  - Sale of domestic parcel business in UK, focus on TDI and Same Day
  - Intention to dispose of Day Definite business in France. Talks to potential buyers ongoing
- In 2009, Express was able to reduce costs by nearly €1bn outside the US, and excluding non-recurring costs

Overall divisional revenue declined mainly impacted by the economic downturn and the exit from US domestic, but improving QoQ **Deutsche Post DHL**

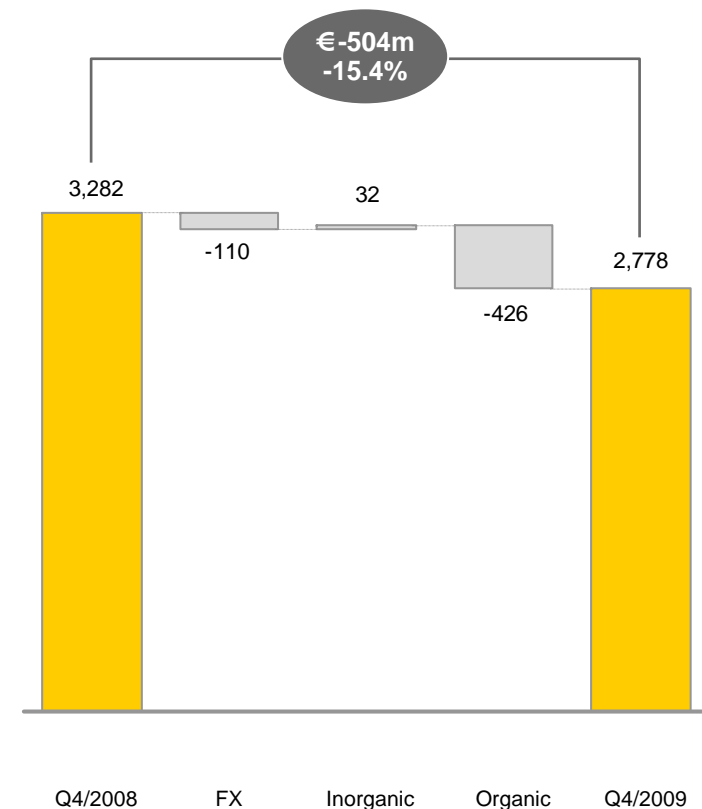
## Express divisional overview

€ m

### Quarterly revenue development



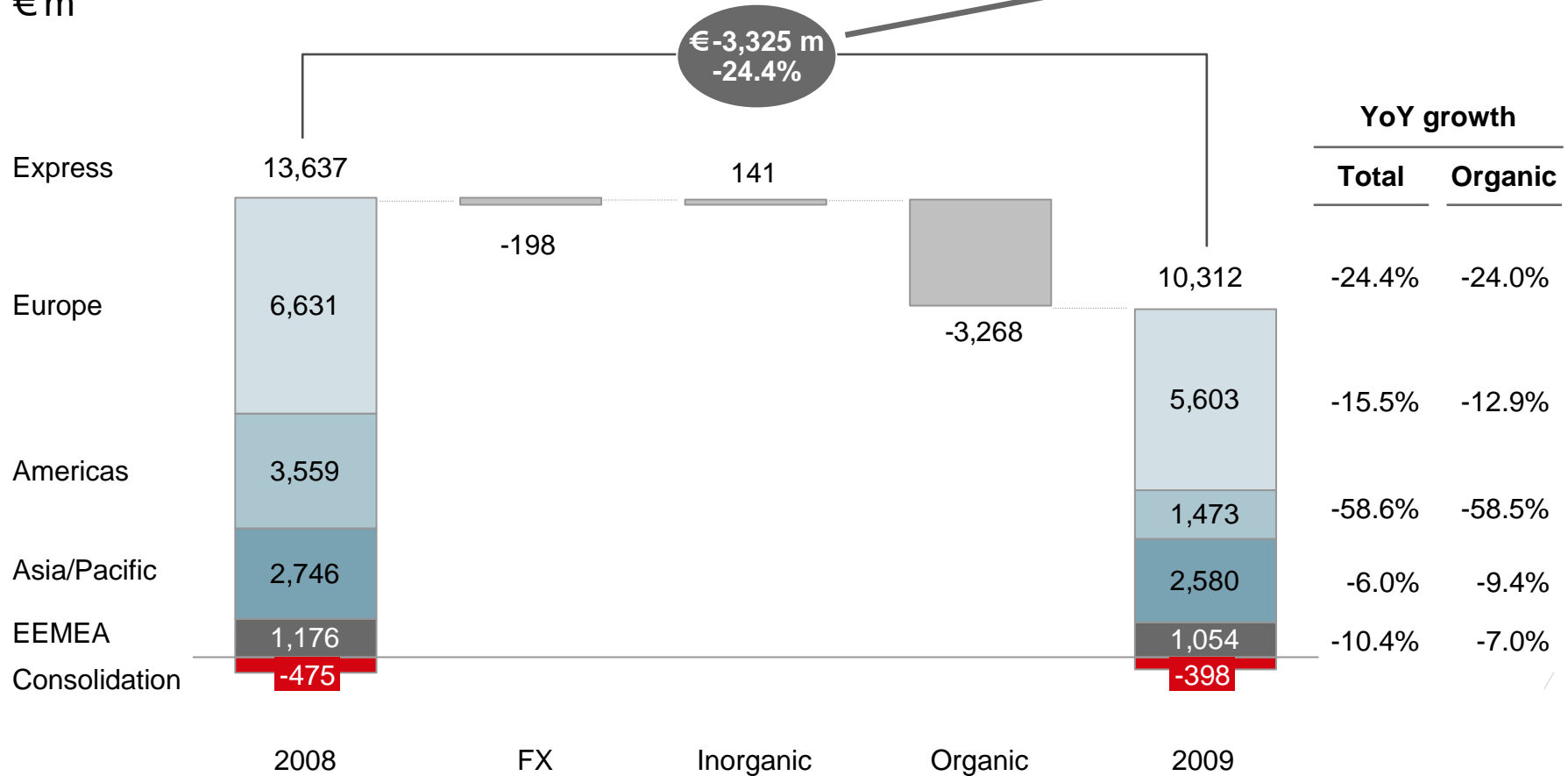
### Revenue development Q4/2009 vs. Q4/2008



Overall divisional revenue declined mainly impacted by the economic downturn and the exit from US domestic

**Express divisional overview –  
Revenue development (FY 2009 vs. FY 2008)**

€ m

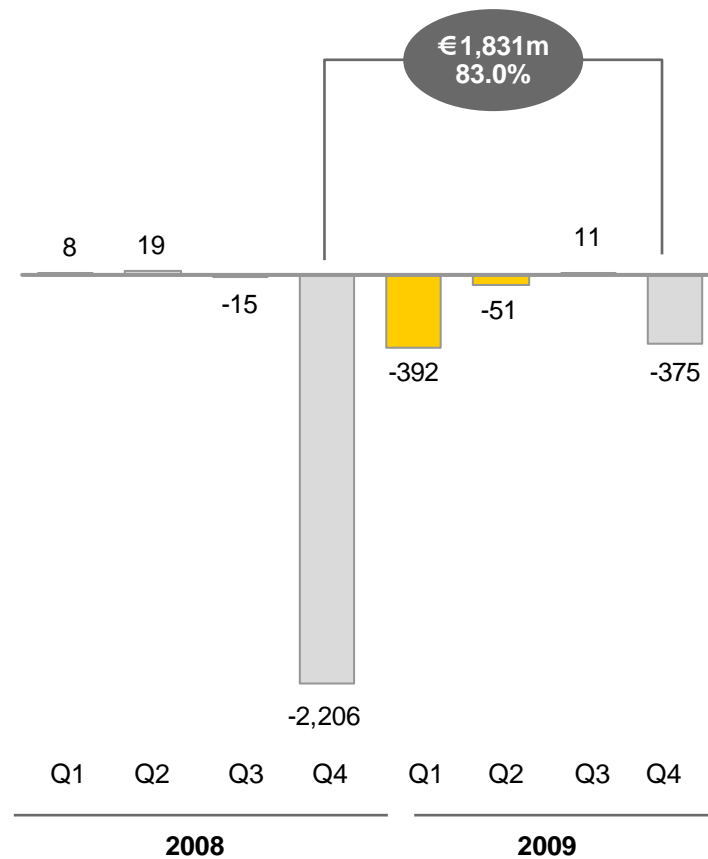


# Underlying EBIT increased YoY as a result of significant progress in US, in line with turnaround plan

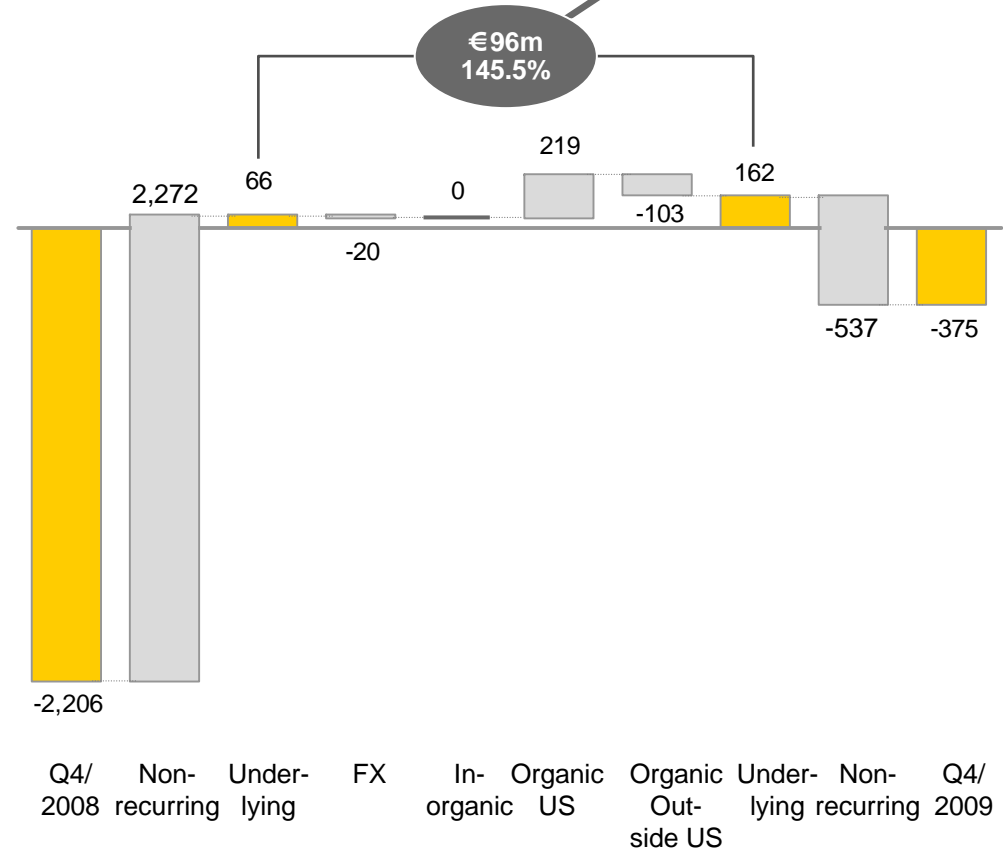
## Express divisional overview

€ m

Quarterly EBIT development



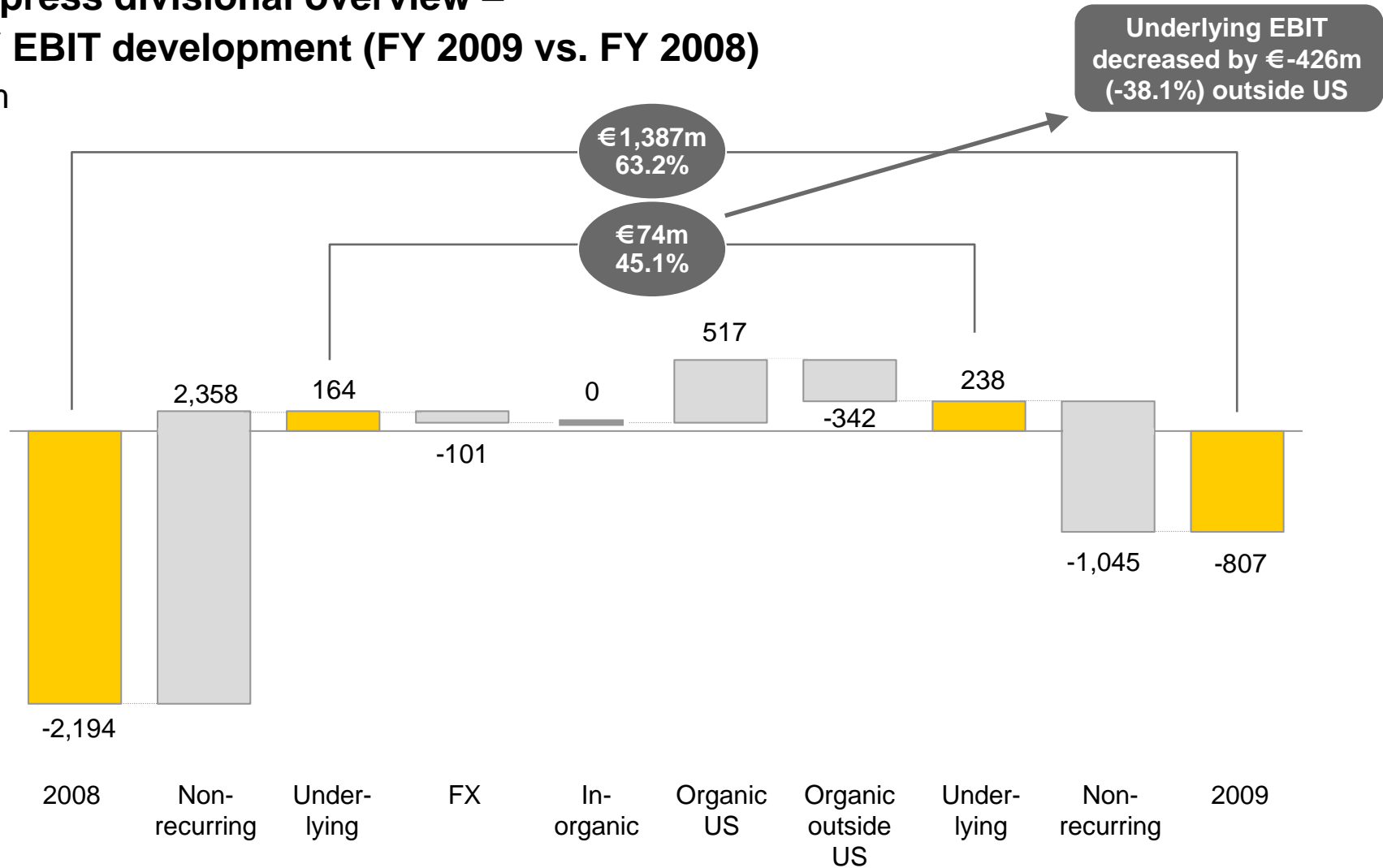
EBIT development Q4/2009 vs. Q4/2008



Underlying EBIT increased YoY as a result of US turnaround **Deutsche Post DHL**  
 added to nearly € 1bn of cost savings mitigating revenue shortfall

**Express divisional overview –  
 FY EBIT development (FY 2009 vs. FY 2008)**

€ m

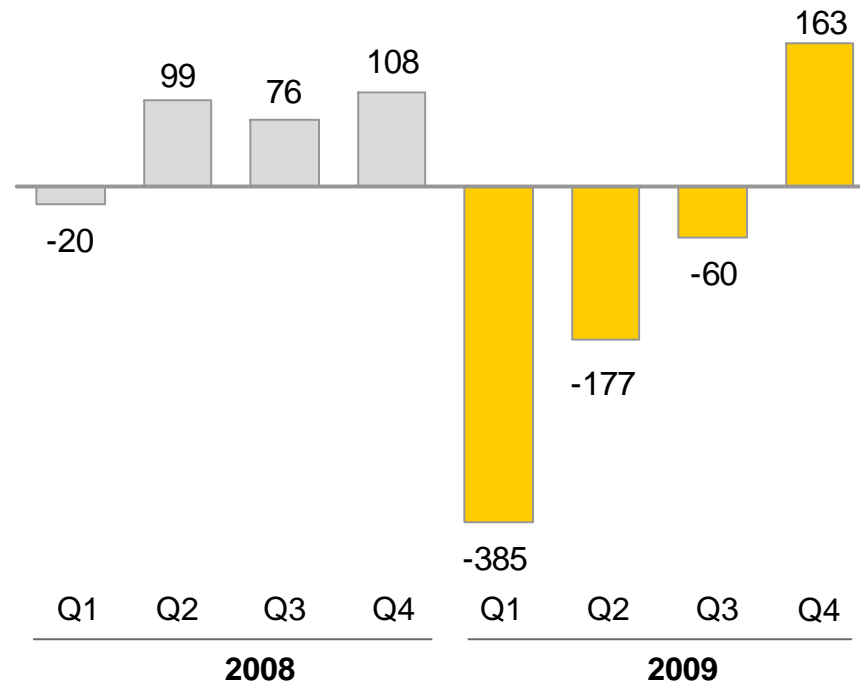


Positive cash development, absorbing cash-out from restructuring, thanks to improved operations and with Capex minimized

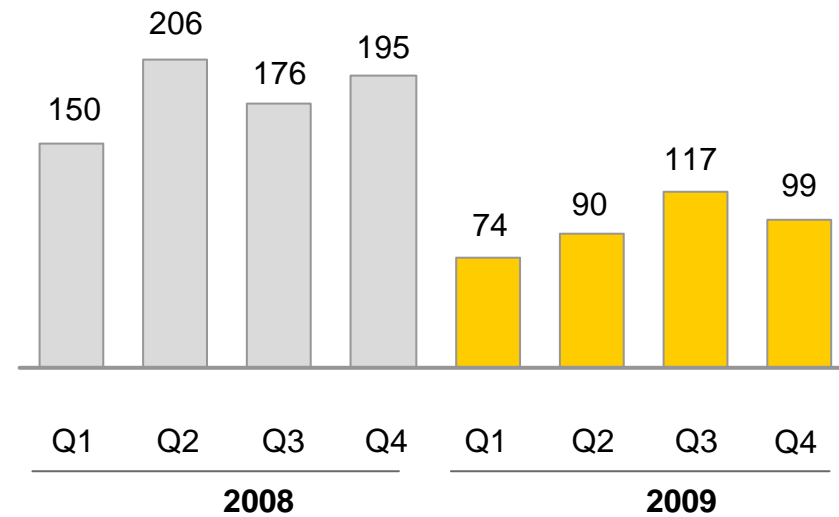
## Express operating cash flow and Capex

€m

Operating cash flow<sup>(1)</sup>



Capex development

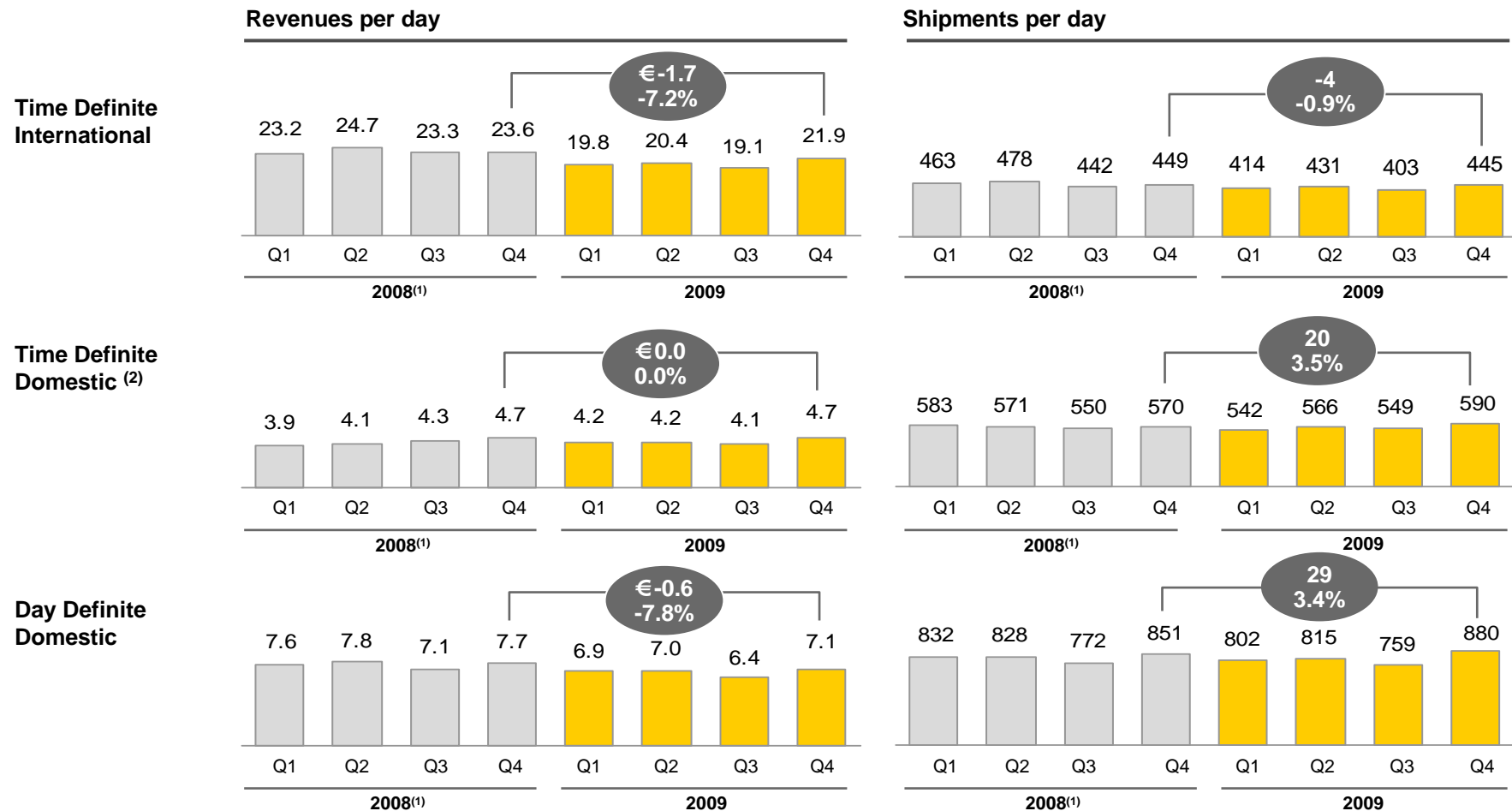


(1) After changes in Net Working Capital

# Revenues are impacted by lower fuel surcharge and yield - Q4 volumes improving sequentially

## Outside US – revenue and shipments by product

Revenue per day in € m; shipments per day in '000s



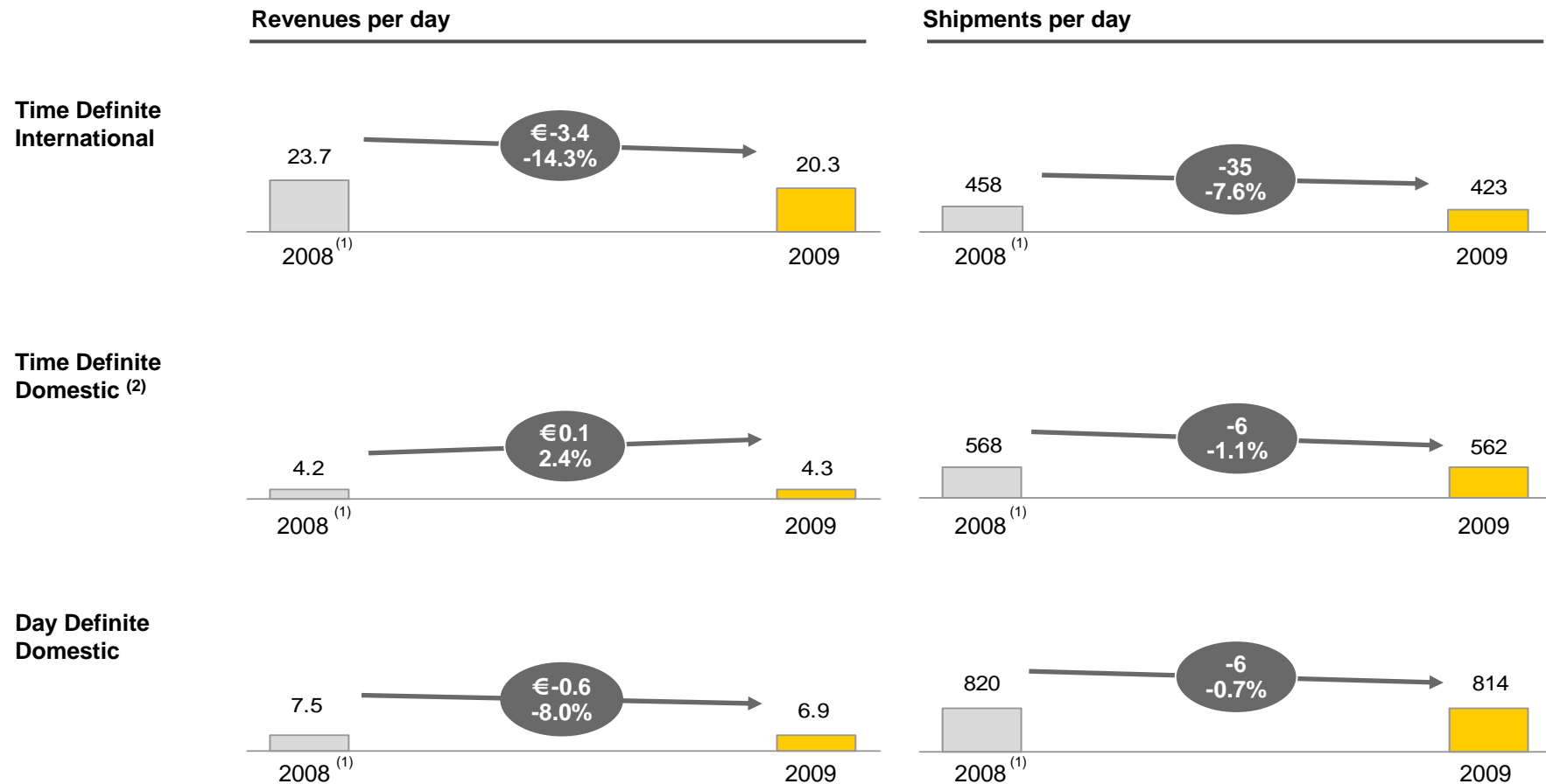
(1) 2008 data have been adjusted to reflect different working days for each product category

(2) TDD Revenue per day is not adjusted for PDG (prev. ECA) acquisition in Australia from June 2008 and China Domestic acquisition from July 2009

Overall revenues down due to volumes suffering from global recession, lower fuel surcharge revenue and yield pressure

## Outside US Express revenues and shipments by product (FY 2008 vs. FY 2009)

Revenues per day in € millions; shipments per day in '000s



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

(2) TDD Revenue per day is not adjusted for PDG (prev. ECA) acquisition in Australia from June 2008 and China Domestic acquisition from July 2009

# GLOBAL FORWARDING, FREIGHT – Divisional results overview

Deutsche Post DHL



| €m                          | Q4/2008 | Q4/2009 | Δ    | Organic |
|-----------------------------|---------|---------|------|---------|
| Revenue                     | 3,611   | 2,996   | -17% | -14%    |
| EBIT                        |         |         |      |         |
| • Reported                  | 73      | 23      | -68% |         |
| • Underlying <sup>(1)</sup> | 114     | 67      | -41% |         |
| • Operating cash flow       | 246     | 10      | -96% |         |
| • Capex                     | 29      | 32      | 10%  |         |

| €m                          | FY 2008 | FY 2009 | Δ    | Organic |
|-----------------------------|---------|---------|------|---------|
| Revenue                     | 14,179  | 10,870  | -23% | -23%    |
| EBIT                        |         |         |      |         |
| • Reported                  | 362     | 191     | -47% |         |
| • Underlying <sup>(1)</sup> | 403     | 272     | -33% |         |
| • Operating cash flow       | 630     | 528     | -16% |         |
| • Capex                     | 94      | 82      | -13% |         |

(1) Details about non-recurring effects can be found in the appendix

# GLOBAL FORWARDING, FREIGHT volumes grow again, but **Deutsche Post DHL** reduced gross profit margin due to high market volatility

## Global Forwarding, Freight division highlights (Q4/2009)

### Financial highlights

- Global Forwarding organic revenue down by -16% due to customer downtrading and still relatively lower rates / fuel price
- Freight organic revenue down by -9% especially in automotive sector
- Gross profit (GP) down by 16% (129 m€) to €689m; GP-margin fell 4 pp from Q2 to Q4 due to unprecedented capacity shortage in Air Freight mainly ex Greater China
- Tight management of direct operating expense reduced (underlying) EBIT impact of GP shortfall to €47m
- Underlying EBIT €67m - due to €44m restructuring cost reported EBIT down by 68% to €23m
- Industrial projects performing well vs LY and previous quarter – continuously good business pipeline
- Net working capital remains at low level and negative for Freight
- Operating cash flow down by €236 m to €10m due to very high net working capital contribution in Q4 2008 from falling volumes
- Productivity exceeding pre-crisis level; headcount on like for like basis reduced by 8,6%
- In spite of layoffs and selective pay cuts employee engagement reached new all time high
- Strong investment into sales and products generating significant new business wins that help to compensate severe downtrading
- Our customer interaction study shows that First Choice is generating positive impact and has brought customer satisfaction up in the third consecutive year

### Volume/Market highlights

- Air Freight tons (total) +16% vs Q3, +34% vs Q2 and +47% vs Q1
- Air Freight tons (Export): +20% vs Q3, +29% vs Q2 and +43% vs Q1
- Air Freight tons (total & Export): +13% YoY
- Capacity for Air Freight especially ex Greater China remains tight, Rates will stay high
- Ocean Freight TEUs -3% vs Q3, +7% vs Q2 and +19% vs Q1
- Ocean Freight TEUs -9% YoY
- Capacity for Ocean Freight especially ex Asia remains tight, rates will stay high or even increase
- Geographical expansion into fast growing regions received good support by customers (DGF in additional African countries, Freight into Middle East)

### Outlook

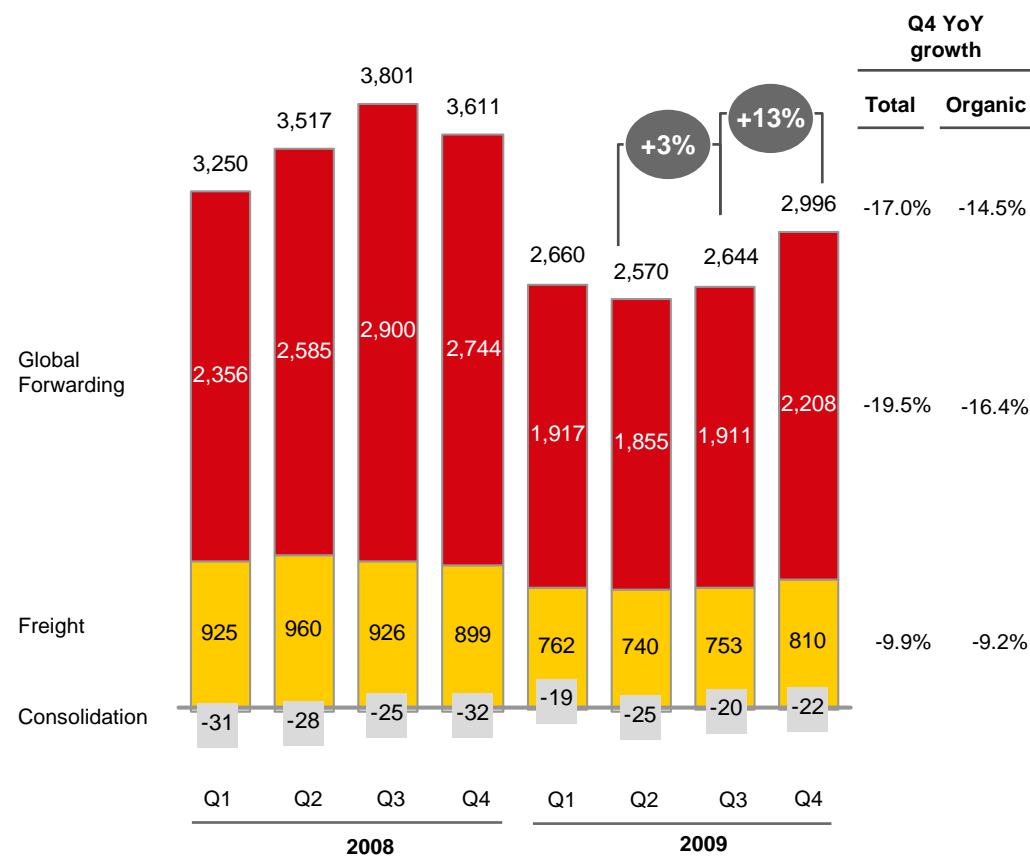
- Macro-economic outlook: Improvement over Q1 2009 anticipated but less than pre-crisis level
- Rates for Air- and Ocean Freight are expected to stay high or even increase due to capacity shortage → this will require pricing measures in order to protect GP
- Tight cost management on IndEx scope will be maintained but investment into sales and sector competencies
- Strategic initiatives to continue full speed (product innovation, improved IT features and competence center role out)
- High commitment to environment protection efforts: measures and product offering developed showing first success
- Consolidation in European Freight market to continue

# GLOBAL FORWARDING, FREIGHT revenue further improving QoQ due to increasing volumes and freight rates

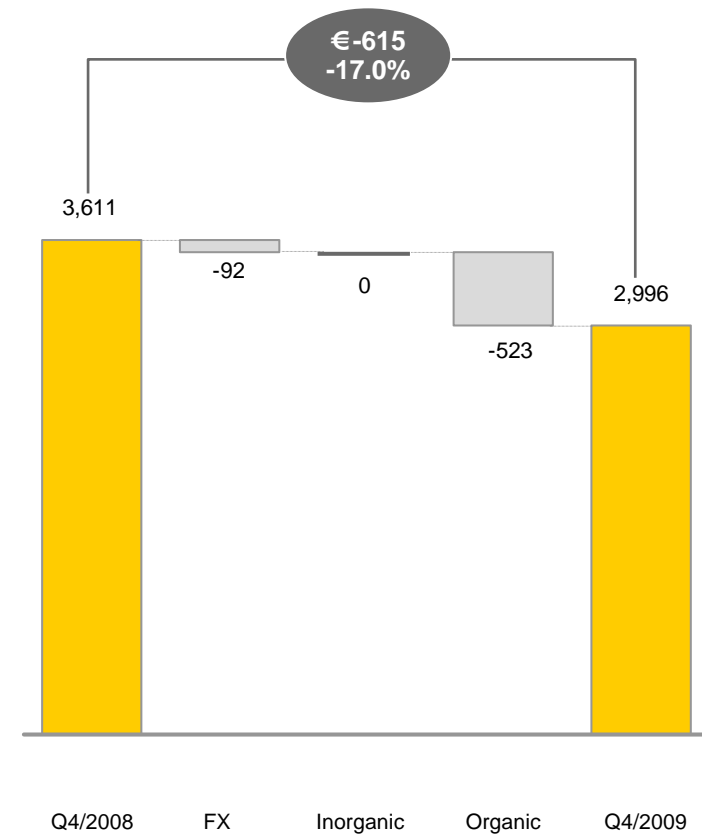
## Global Forwarding, Freight divisional overview

€ m

Quarterly revenue development



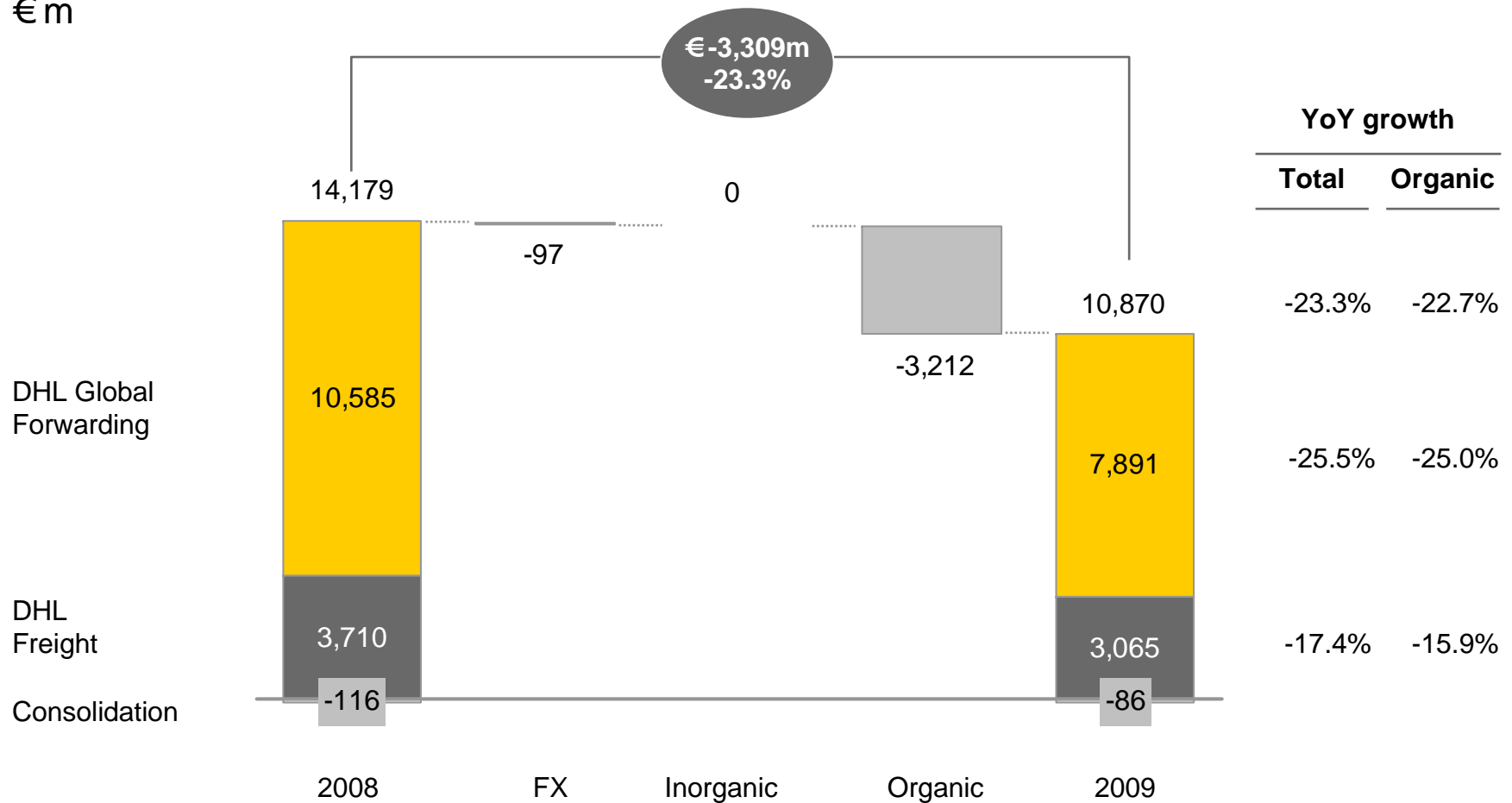
Revenue development Q4/2009 vs. Q4/2008



# GLOBAL FORWARDING, FREIGHT overall with satisfying development despite difficult economic environment

## Global Forwarding, Freight divisional overview – Revenue development (FY 2009 vs. FY 2008)

€ m

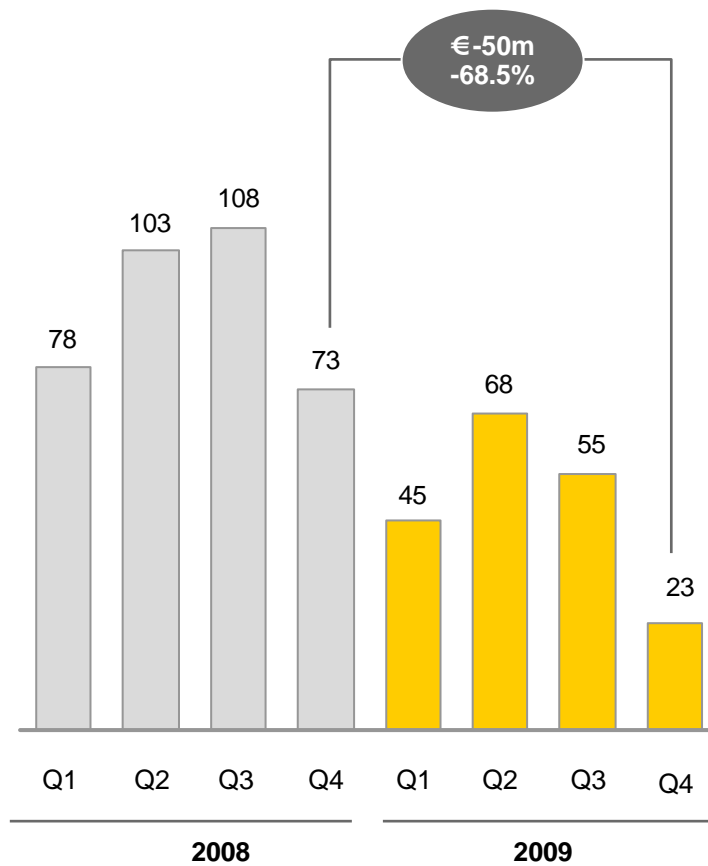


# EBIT affected by margin pressure due to increasing freight rates

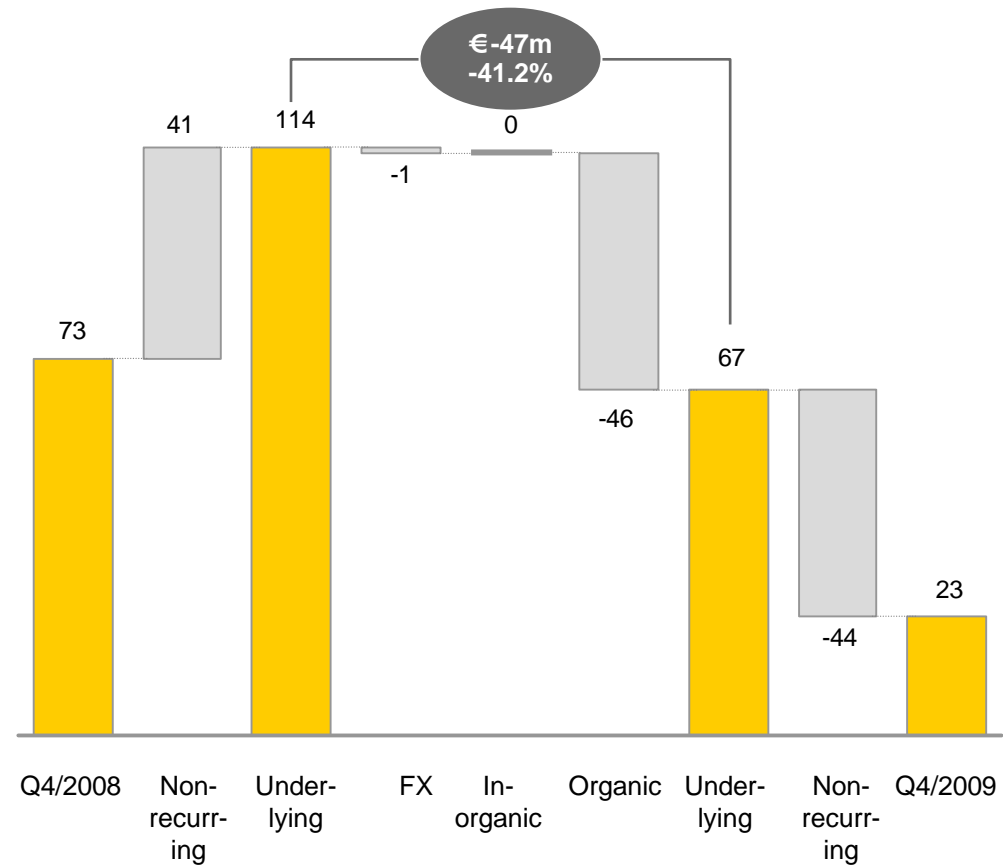
## Global Forwarding, Freight divisional overview

€ m

Quarterly EBIT development



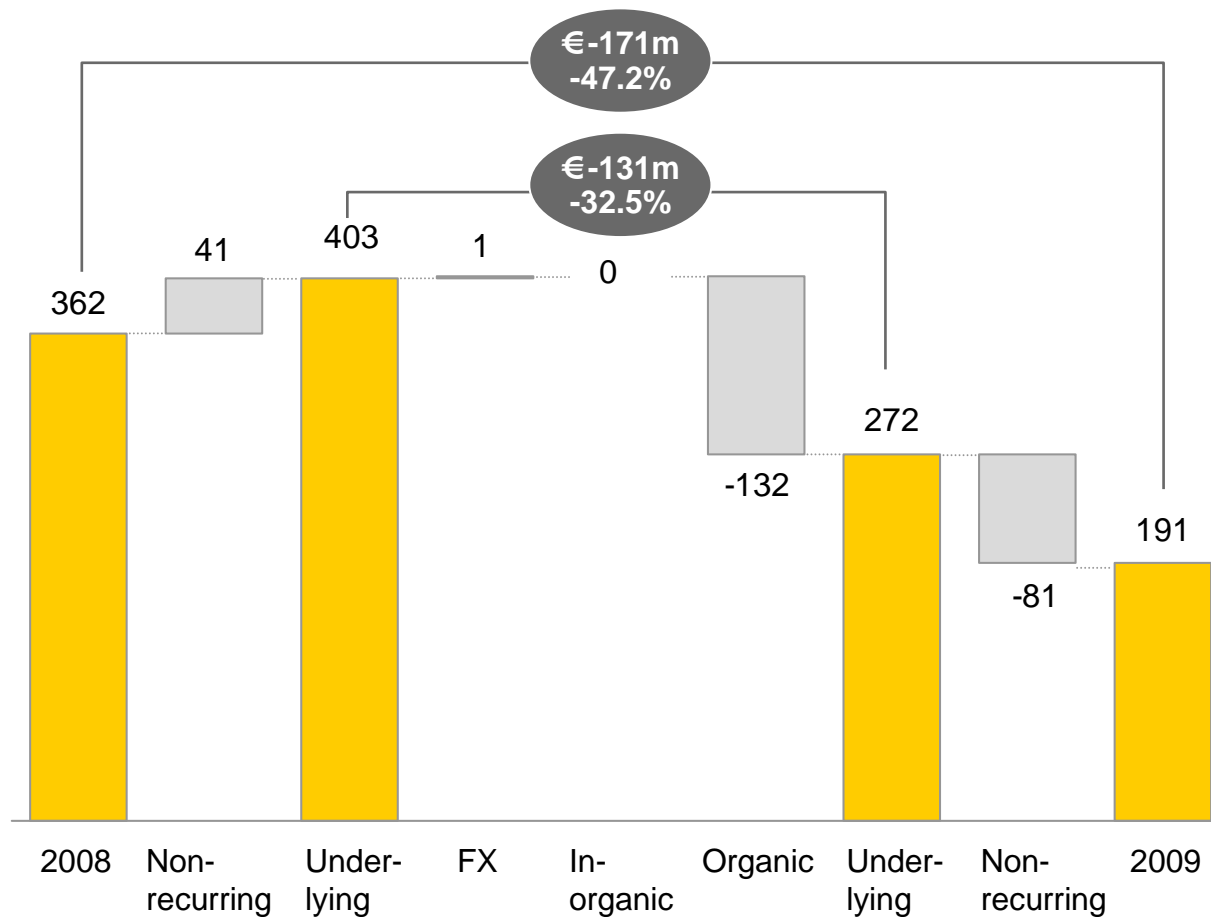
EBIT development Q4/2009 vs. Q4/2008



EBIT affected by non-recurring restructuring costs helping to reduce cost baseline; results in line with ongoing economic downturn since Q4 2008

### Global Forwarding, Freight divisional overview – EBIT development (FY 2009 vs. FY 2008)

€m



Operating cash flow down YoY in line with EBIT – very high net working capital contribution in Q4 2008 from falling volumes

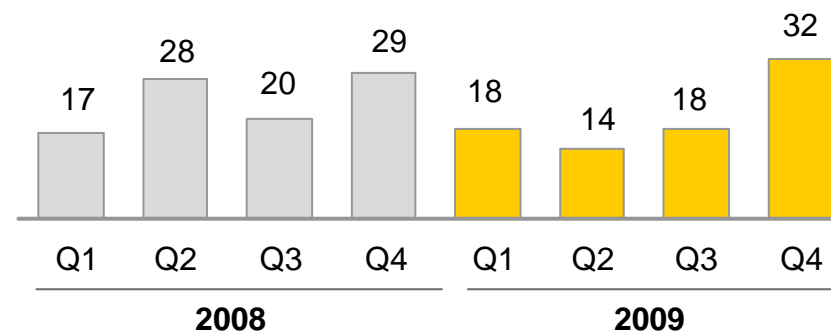
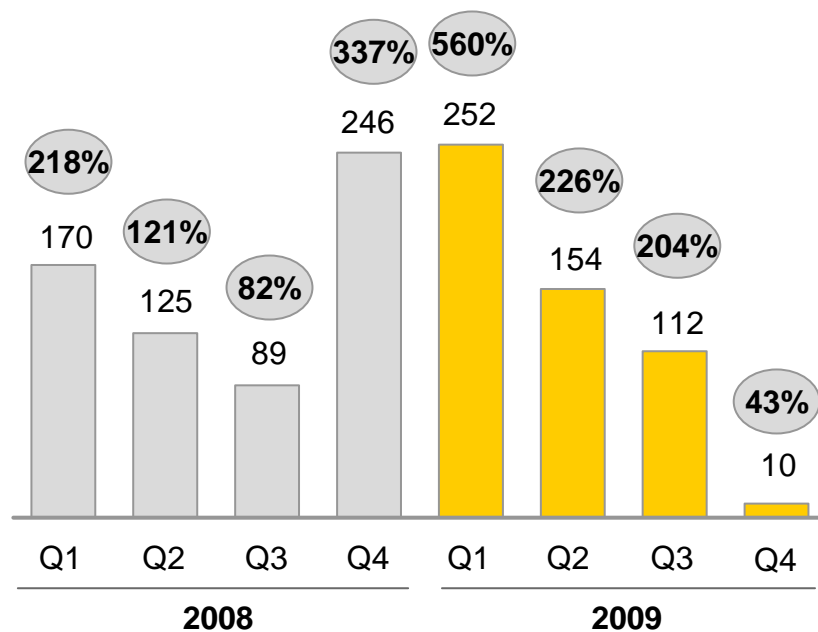
## Global Forwarding, Freight operating cash flow and Capex

€ m

Operating cash flow<sup>(1)</sup>

Capex development

○ Conversion rate<sup>(2)</sup>

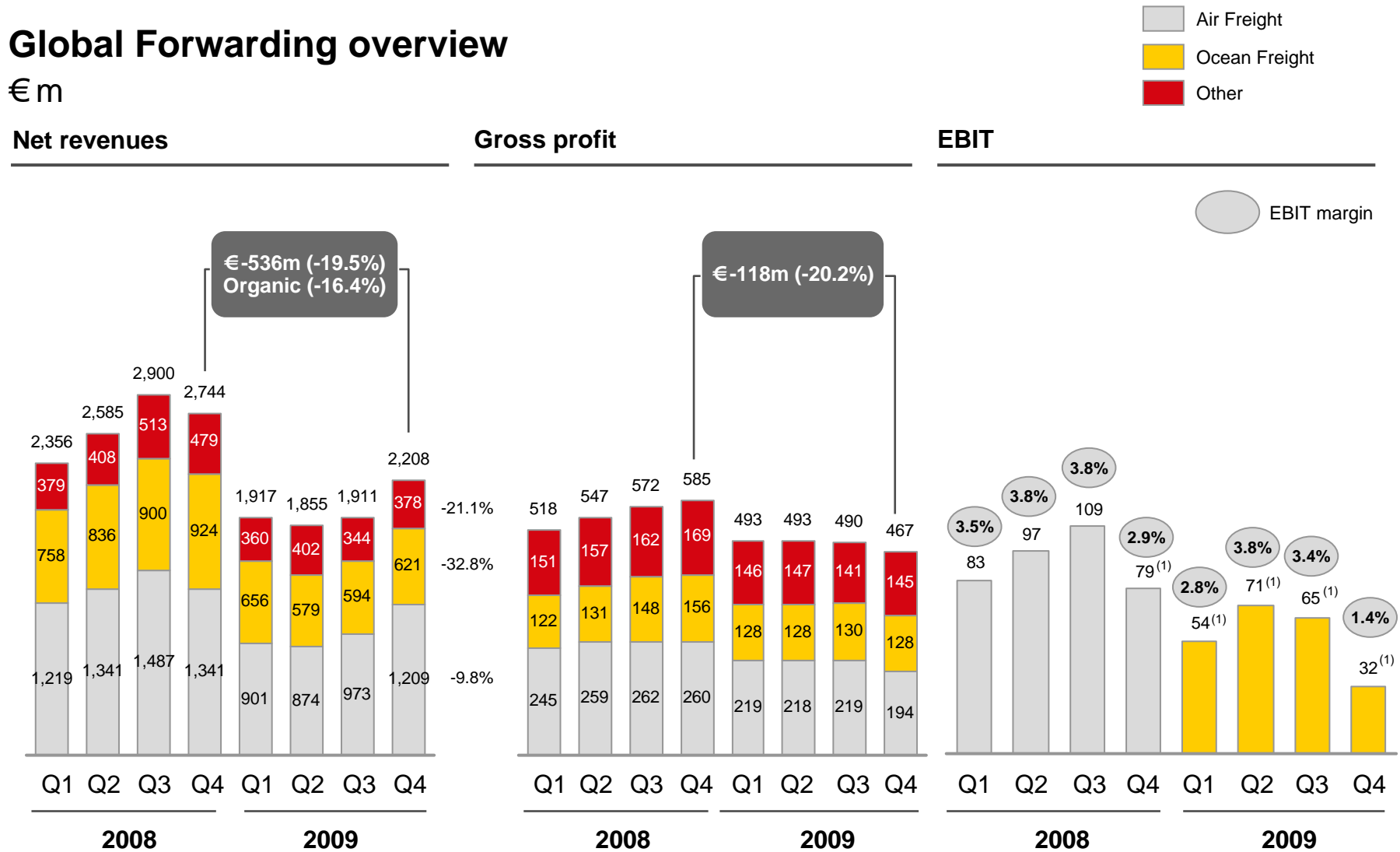


(1) After changes in Net Working Capital  
 (2) Operating cash / EBIT reported

H1 saw rather low volumes but margins helped to compensate missing gross profit; as of end of Q3 volumes increased at expense of deteriorating gross profit margin

## Global Forwarding overview

€ m

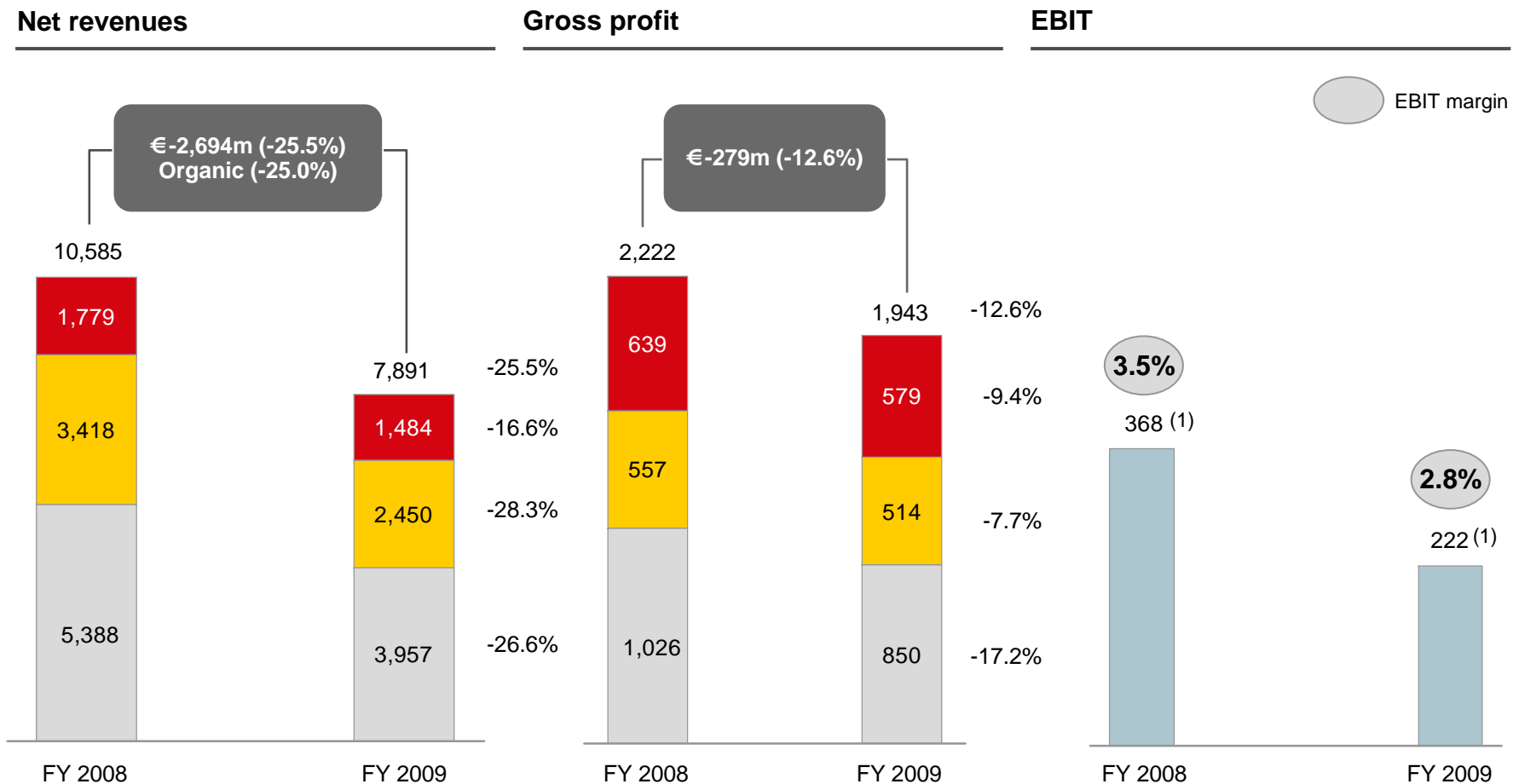


(1) Includes restructuring provisions

# Missing Air Freight gross profit due to increasing carrier rates, mainly out of North Asia / Greater China region Deutsche Post DHL

## DHL Global Forwarding overview (FY 2009 vs. FY 2008)

€ m



(1) Includes restructuring provisions

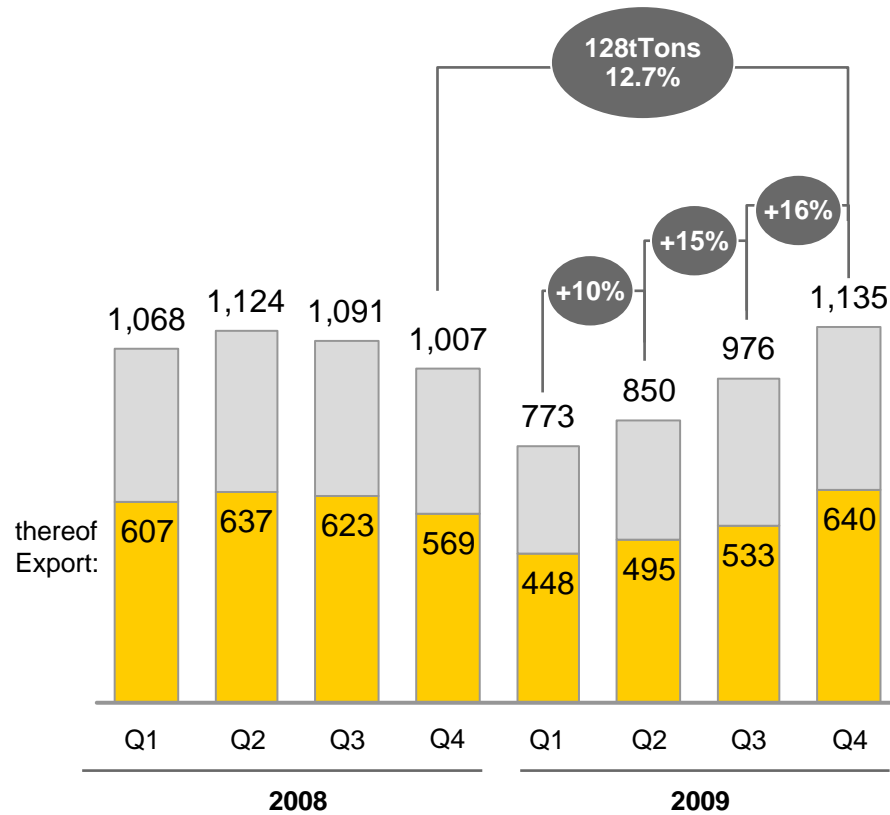
Air Freight volumes up QoQ;

Ocean Freight further stabilizing, but carriers are continuing to reduce capacity, therefore further general rate increases expected

## Global Forwarding – Quarterly development Air and Ocean Freight

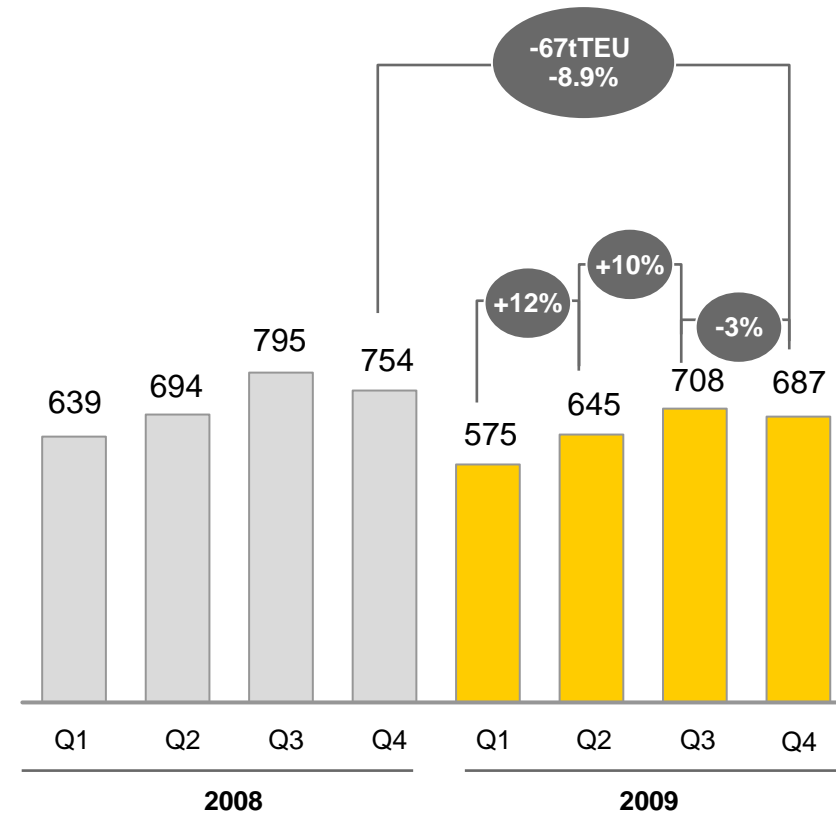
### Air Freight

'000s Tons



### Ocean Freight

'000s TEU<sup>(1)</sup>



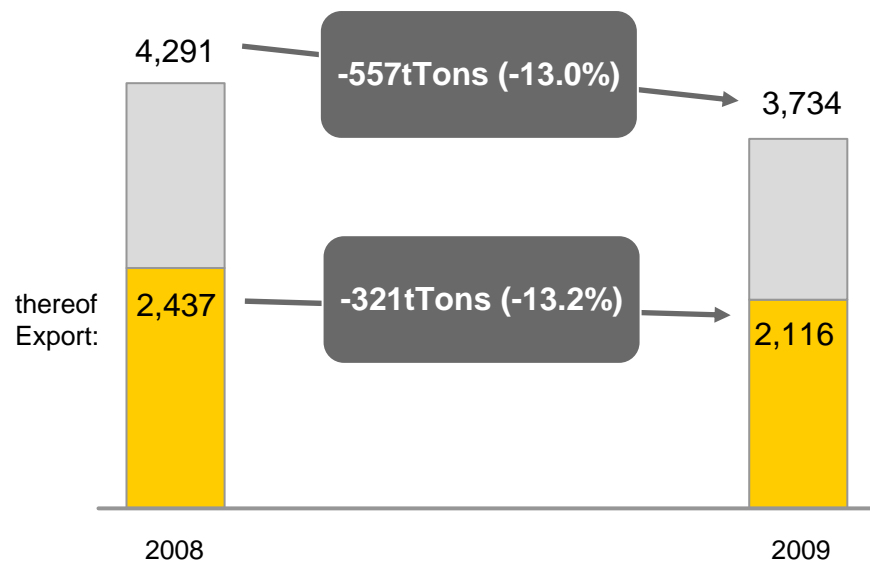
(1) Twenty Foot Equivalent Unit

On a full year basis volumes below last year due to difficult economic environment

### DHL Global Forwarding – Development Air and Ocean Freight (FY 2009 vs. FY 2008)

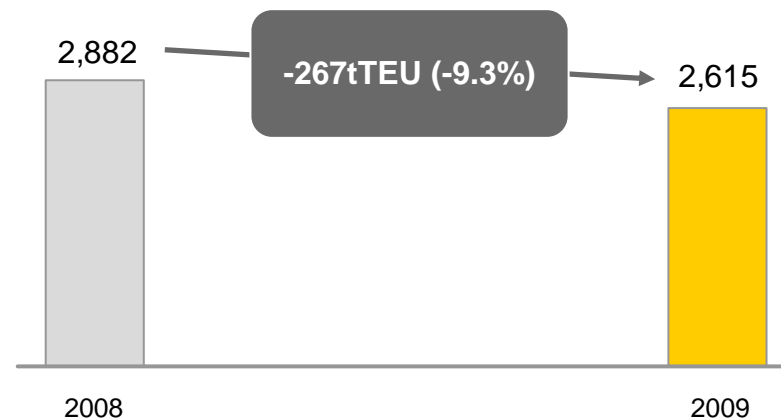
#### Air Freight

'000s Tons



#### Ocean Freight

'000s TEU<sup>(1)</sup>



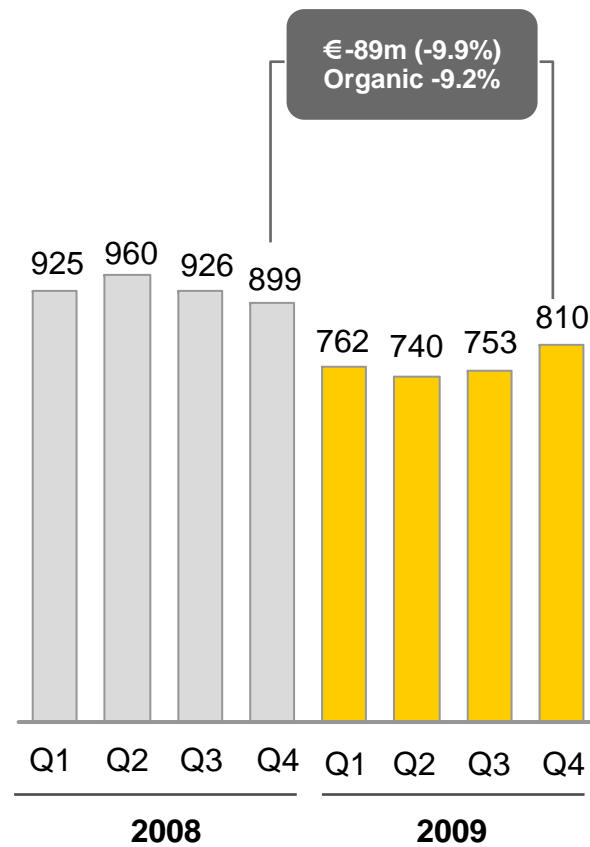
(1) Twenty Foot Equivalent Unit

Freight revenues and gross profit increased sequentially;  
underlying EBIT in Q4 positive excluding restructuring costs

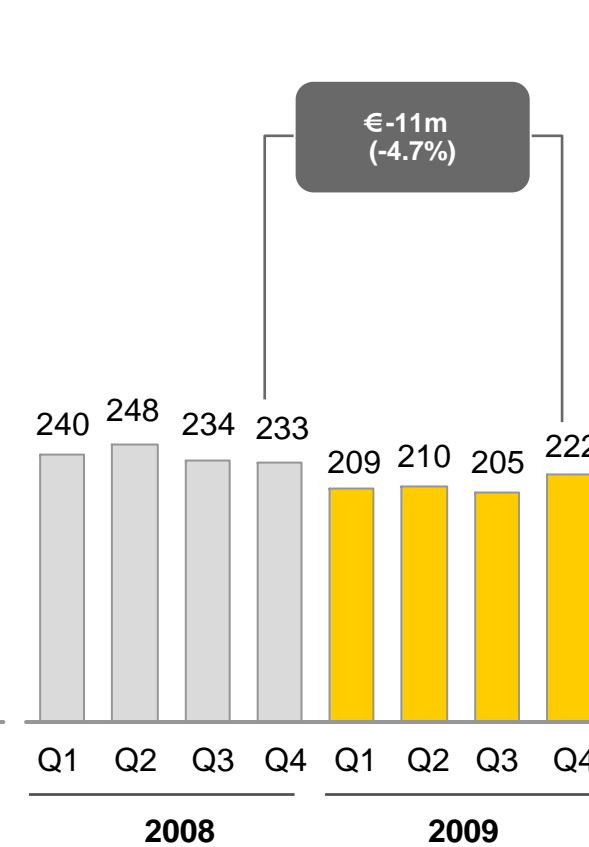
## Freight overview

€m

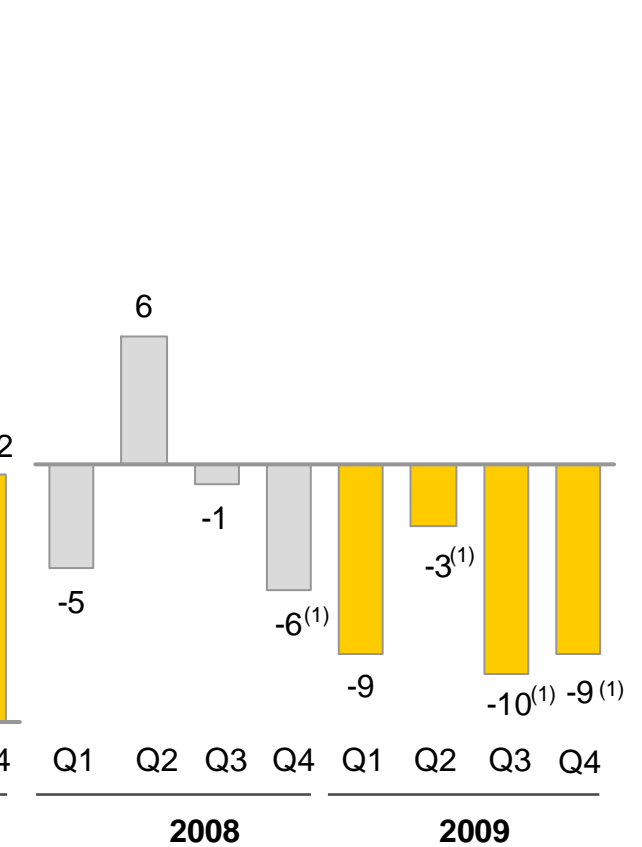
### Net revenues



### Gross profit



### EBIT

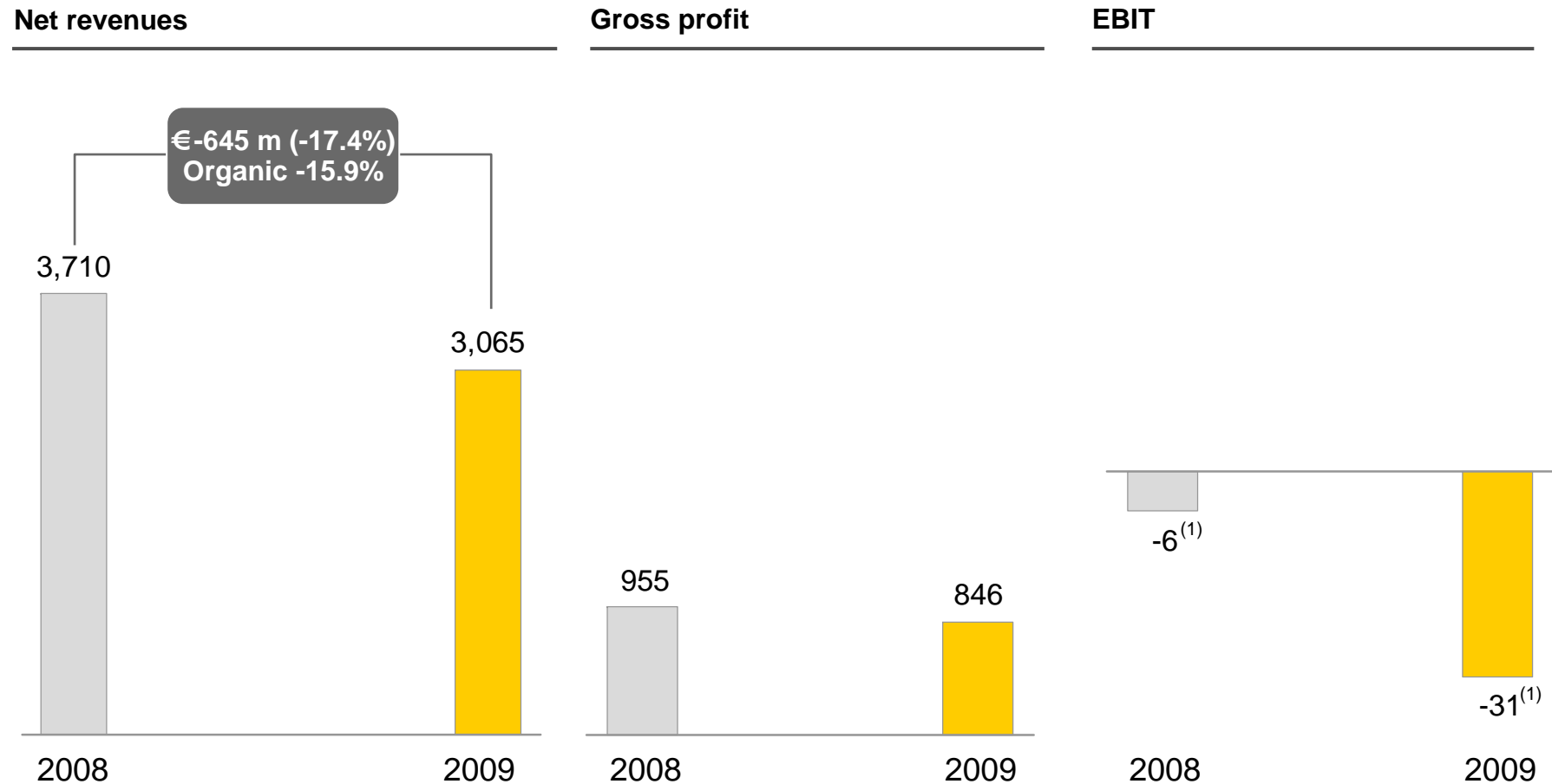


(1) Includes restructuring provisions

On a full year basis revenues and gross profit well below last year; underlying EBIT positive due to cost saving measures

### DHL Freight overview (FY 2009 vs. FY 2008)

€ m



(1) Includes restructuring provisions

## SUPPLY CHAIN – Divisional results overview



| €m                          | Q4/2008 | Q4/2009 | Δ    | Organic |
|-----------------------------|---------|---------|------|---------|
| Revenue                     | 3,535   | 3,223   | -9%  | -6%     |
| EBIT                        |         |         |      |         |
| • Reported                  | -1,069  | -171    | 84%  |         |
| • Underlying <sup>(1)</sup> | 47      | -98     | n.m. |         |
| • Operating cash flow       | 284     | 212     | -25% |         |
| • Capex                     | 104     | 64      | -39% |         |

| €m                          | 2008   | 2009   | Δ    | Organic |
|-----------------------------|--------|--------|------|---------|
| Revenue                     | 13,718 | 12,507 | -9%  | -6%     |
| EBIT                        |        |        |      |         |
| • Reported                  | -920   | -208   | 77%  |         |
| • Underlying <sup>(1)</sup> | 196    | -121   | n.m. |         |
| • Operating cash flow       | 481    | 432    | -10% |         |
| • Capex                     | 390    | 204    | -48% |         |

## Contracts won – Annualized revenue Supply Chain

|                     | Q1/09 | Q2/09 | Q3/09 | Q4/09 |
|---------------------|-------|-------|-------|-------|
| <b>New gains</b>    | 300   | 250   | 300   | 250   |
| <b>Renewal rate</b> | 94%   | 92%   | 91%   | 91%   |

(1) Includes Arcandor effects of € -48m Q4/2009 and € -213m 2009 as well as other charges in Q4 (note 2) but excludes non-recurring effects which can be found in the appendix  
(2) € -97m costs incurred in Europe related to certain onerous contracts and impairment charges relating to legacy properties

# Supply Chain Q4 earnings recovered to the prior year level after excluding restructuring costs, Arcandor charges and other one-off effects

## Supply Chain division highlights Q4/2009

### Performance highlights

- Supply Chain generated revenue of €3,223m, which was -8.8% lower than Q4/2008, excluding adverse currency effects organic revenue decreased by -5.9%
  - The economic downturn had a negative impact on our Americas business, with lower volumes in the Automotive, Technology, Home Delivery and Transport sectors. This resulted in a -10.5% organic revenue reduction
  - Germany activity levels were also impacted by the downturn and compounded by the Arcandor trading difficulties, revenue dropped -12.4% on Q4/2008
  - A number of unprofitable contracts have either been terminated or not renewed as part of our portfolio review announced earlier. This accounted for almost a quarter of the organic revenue decline
  - Our UK business performed well in Q4 which was attributed primarily to our operations in the Healthcare sector
  - Williams Lea organic revenue grew by +0.9% reflecting new business gains
- An EBIT loss of €-171m was reported for the quarter which included: €-73m restructuring costs, a €-48m charge following the Arcandor AG insolvency application and €-97m costs incurred in Europe for write-down of certain onerous contracts, other liabilities and impairment charges relating to legacy properties. Prior year EBIT loss €-1,069m contained charges of €-1,116m for goodwill, Exel brand write-downs and restructuring
- Underlying EBIT amounted to €-98m (€+47m in Q4/2008). This figure is not adjusted for the Arcandor impact and the other European charges mentioned above (€-145m). Excluding these significant costs, underlying EBIT would have been on a level comparable to Q4/2008
  - This performance was achieved through continued operational productivity gains and overhead reductions which were able to mitigate the significant adverse EBIT impact of reduced volumes. Notably:
    - Staff costs, including temporary labour reduced by 8% in Q4
    - Overall indirect costs are 20% lower than Q4/2008
  - Much improved performance from our Asia region was principally due to the turnaround of underperforming contracts
  - Williams Lea underlying EBIT doubled, with benefits coming through from diversifying away from financial services customers and cost savings, offsetting the effect of customer volume declines
- Sound operating cash flow of €212m was generated in Q4/2009 (previous year €284m). The Arcandor charges had a cash impact of €4m in the quarter

### Market/competition highlights

- 2009 was dominated by the downturn in the global economy, which affected our customers, particularly in the Automotive and Technology sectors
- As a result we estimate an overall contraction in the 2009 Contract Logistics market in the range of a high single digit to low double digit figure
- Despite the uncertain economic climate, DHL Supply Chain generated new business of €250m in annualized revenue in Q4/2009 (€100m Q4/2008). A contract renewal rate of 91% was maintained
- Consistent with the leading economic research organizations, we expect a moderate upturn in global economic output for the coming year. This should also result in a modest recovery of the contract logistics market

### Investment/growth outlook

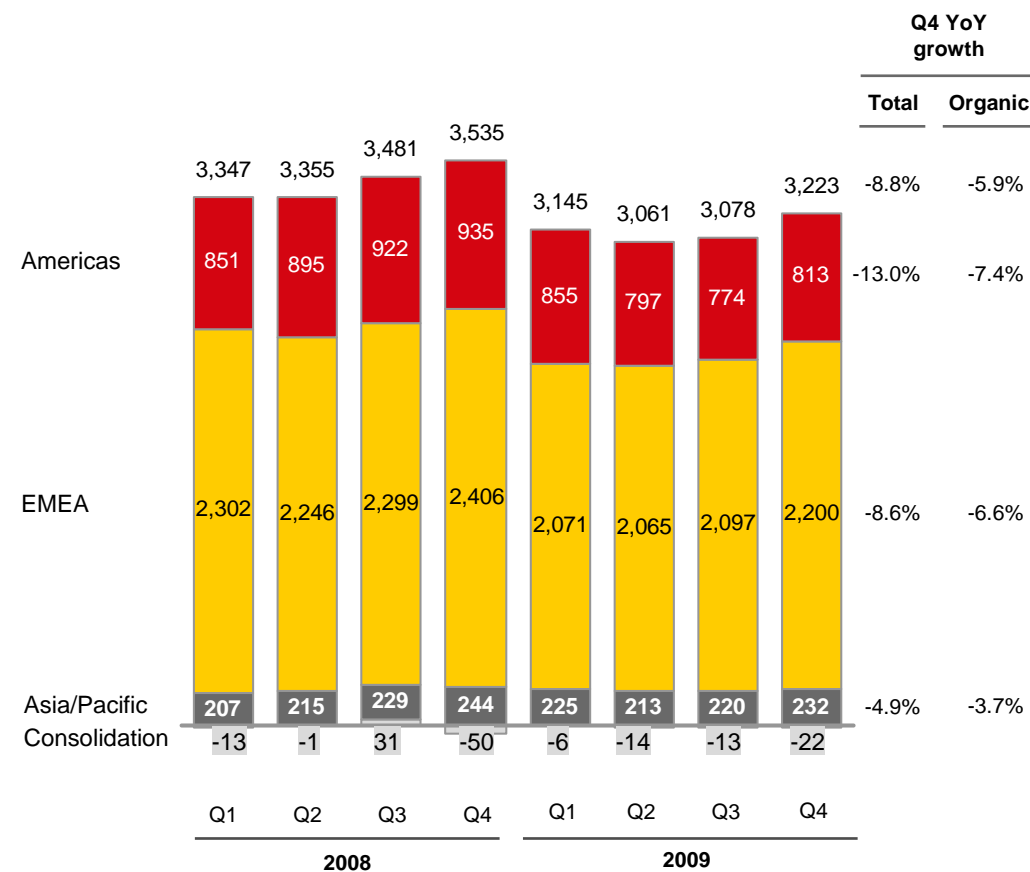
- The Arcandor insolvency had a significant adverse impact in 2009 but we do not expect exposure of this scale going forward
- To improve our profitability, we will continue the initiatives of our "5 To Thrive" program that aim to reduce costs and enhance operational excellence
- Furthermore, we intend to foster profitable business growth in all regions through targeted sales, marketing and communication initiatives
- Our sector teams are working on a more industry focused service portfolio, driving innovation and further strengthening our industry sector approach

# Organic revenue reflects reduced customer activity across most sectors

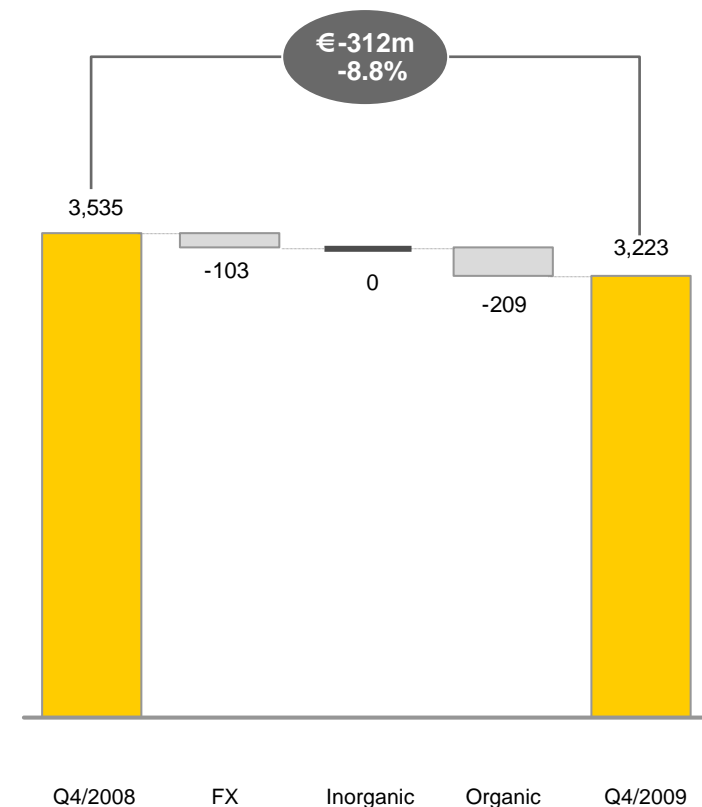
## Supply Chain divisional overview

€ m

Quarterly revenue development by region



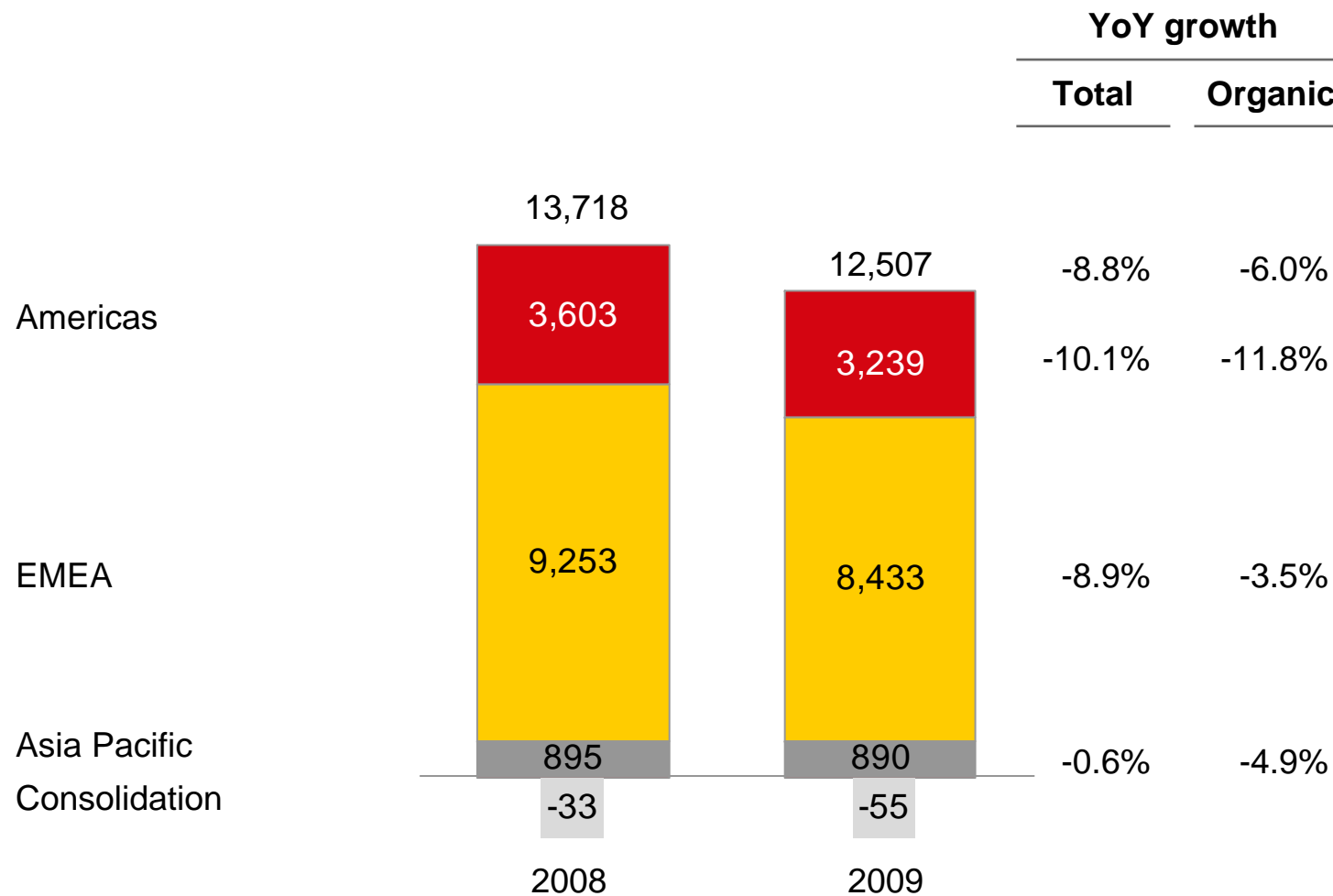
Revenue development Q4/2009 vs. Q4/2008



Americas organic revenue declined the most with the biggest reductions in the Automotive, Technology and Transport sectors

### Supply Chain divisional overview (FY 2009 vs. FY 2008)

€m

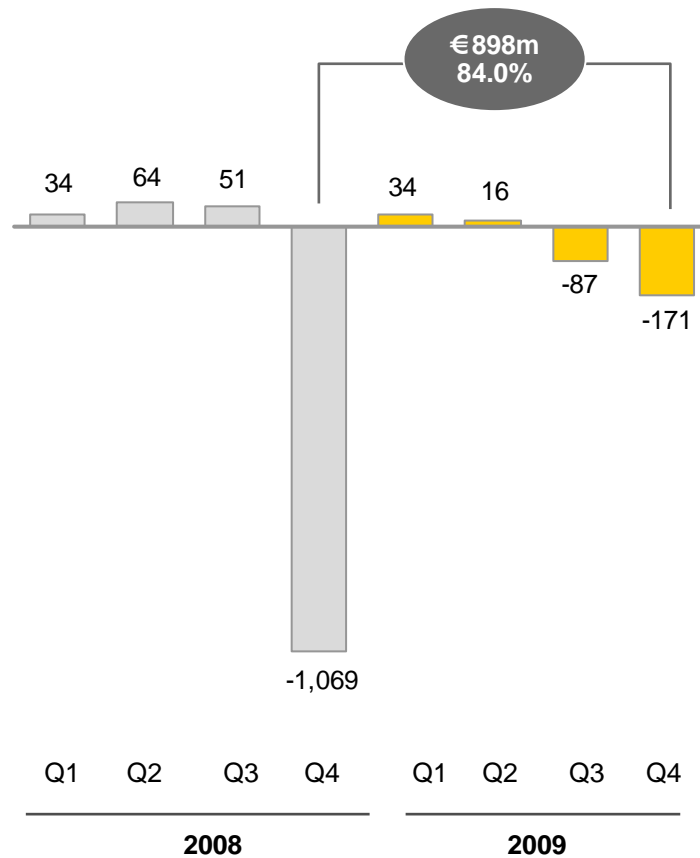


# Supply Chain Q4 underlying EBIT recovered to the prior year level when Arcandor effects and other charges are excluded<sup>(2)</sup>

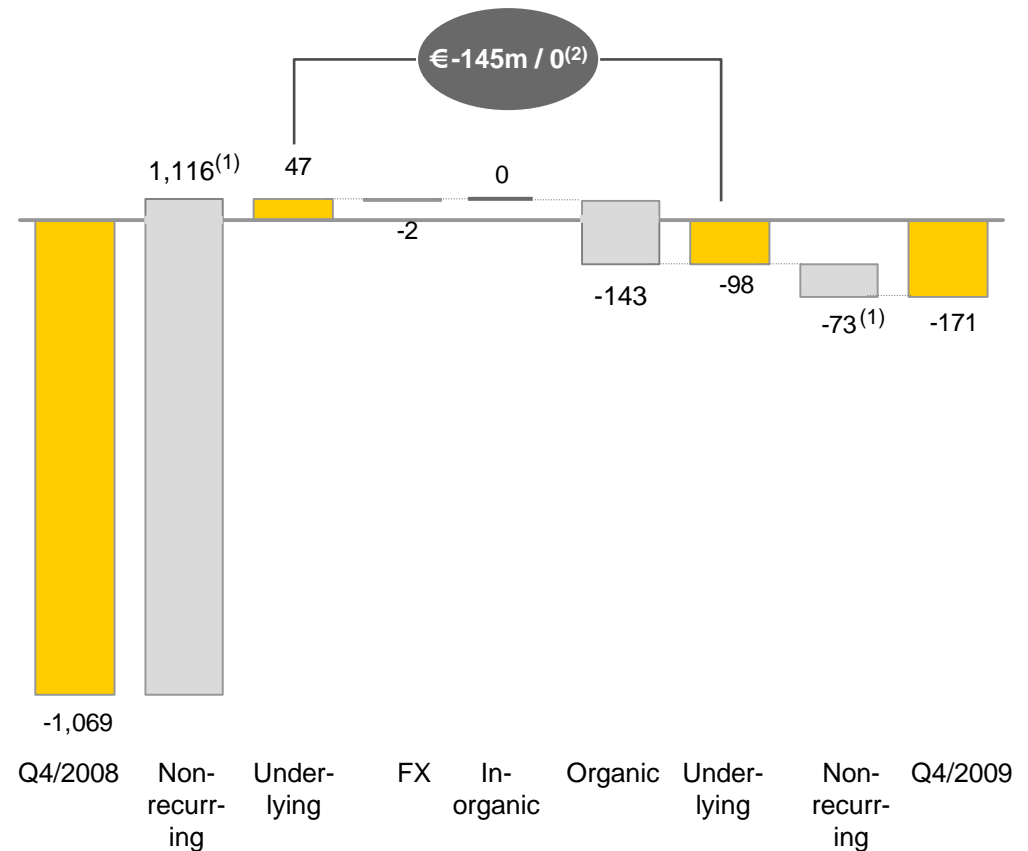
## Supply Chain divisional overview

€ m

Quarterly EBIT development



EBIT development Q4/2009 vs. Q4/2008



(1) Non-recurring effects can be found in the appendix

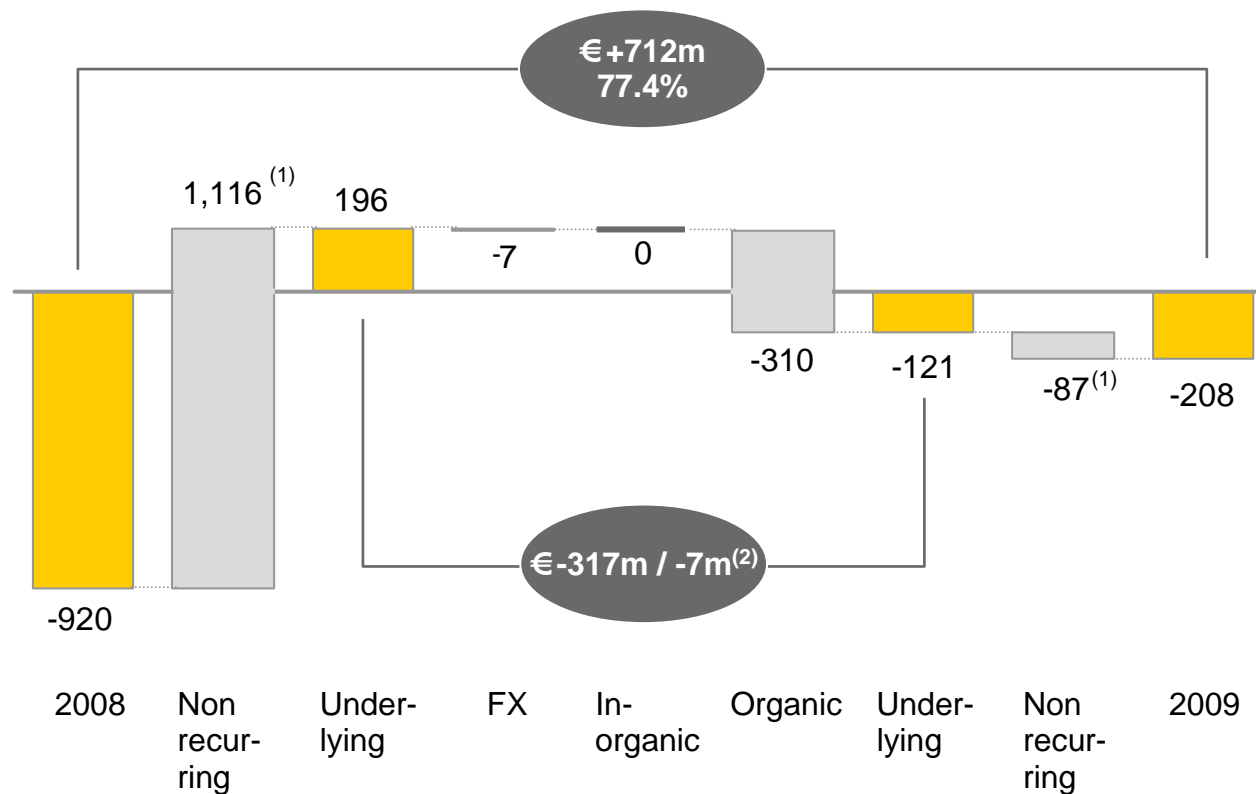
(2) Excluding €-48m charges related to Arcandor and €-97m costs incurred in Europe related to certain onerous contracts and impairment charges relating to legacy properties; this variance to prior year would be zero

Supply Chain underlying EBIT 2009 recovered to a level approaching prior year when Arcandor charges and other one-off effects are excluded<sup>(2)</sup>

### Supply Chain divisional overview (FY 2009 vs. FY 2008)

€ m

#### EBIT development 2009 vs. 2008



(1) Non-recurring effects can be found in the appendix

(2) Excluding €-213m charges related to Arcandor and €-97m costs incurred in Europe related to certain onerous contracts and impairment charges relating to legacy properties; this variance to prior year would be €-7m

# Continued solid operating cash flow generation and Capex down 48% year on year

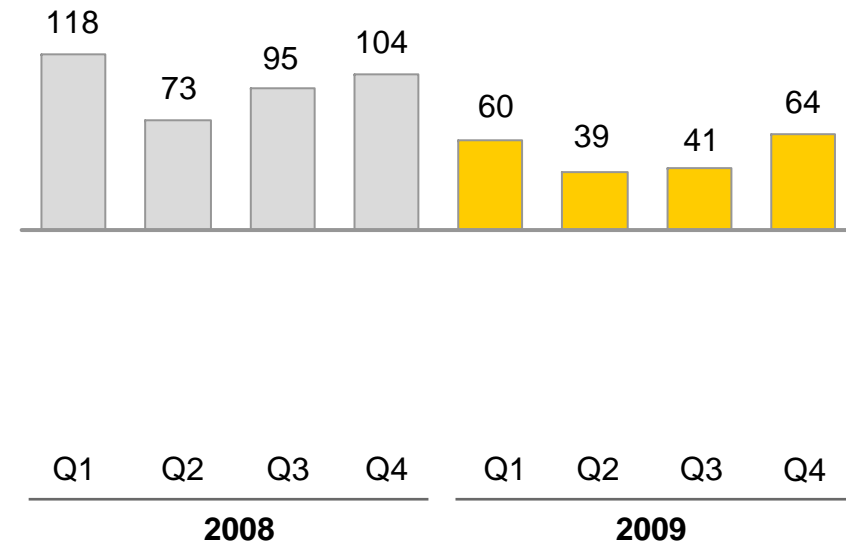
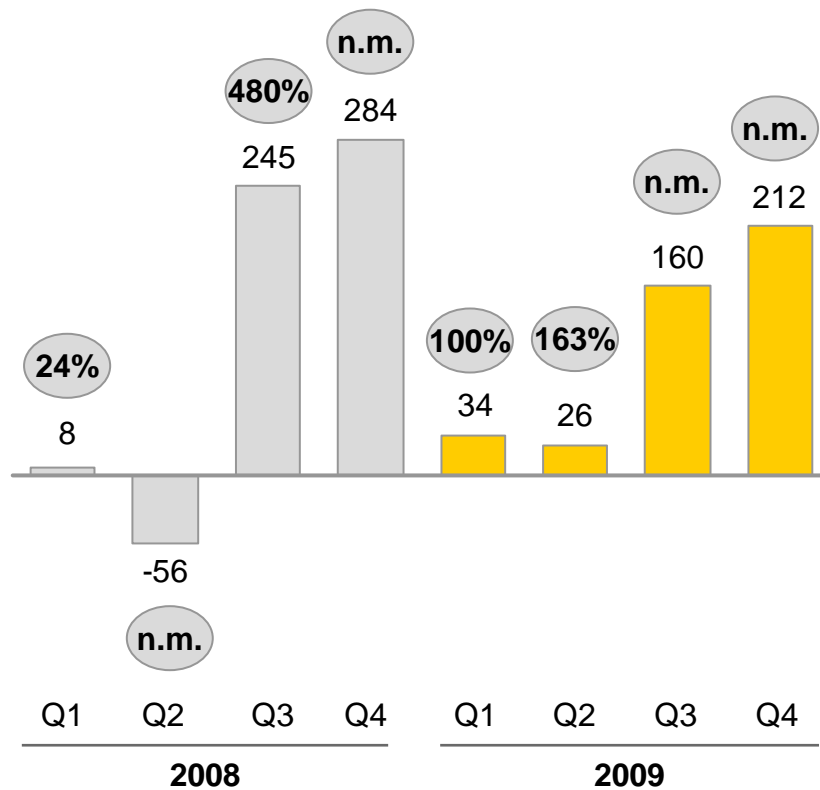
## Supply Chain operating cash flow and Capex

€ m

Operating cash flow<sup>(1, 2)</sup>

Capex development

○ Conversion rate<sup>(3)</sup>



(1) Operating cash flow is after changes in Net Working Capital

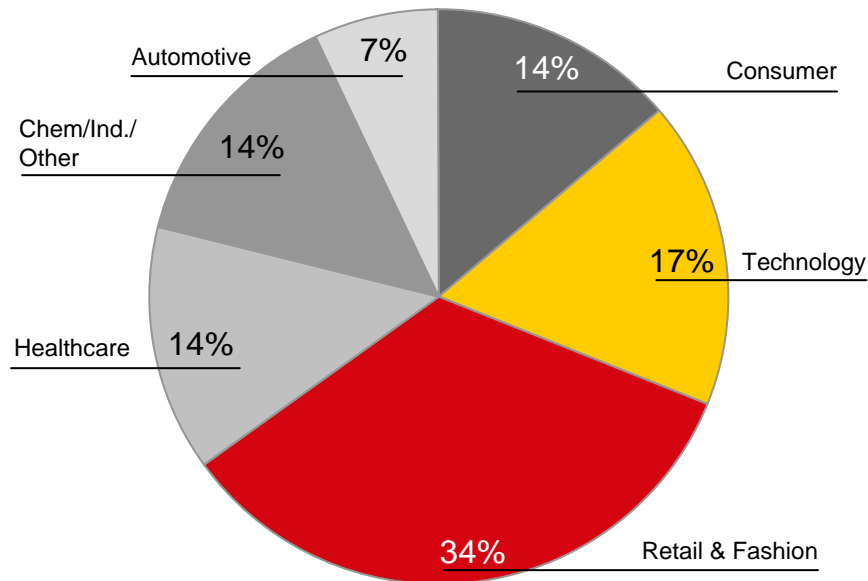
(2) Supply Chain Division transferred a reporting unit to Global Business Services to centralize the related services. The operating cash flow figures of 2009 and 2008 were adjusted accordingly with no EBIT impact

(3) Operating cash flow / EBIT reported

# SUPPLY CHAIN business wins by sector

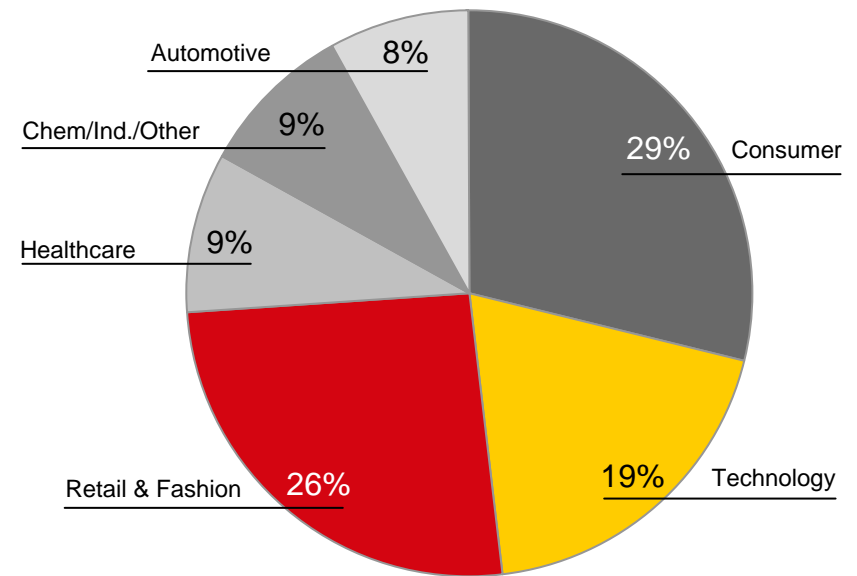
## Business wins by sector Q4/2008

Annualized revenue won €100m



## Business wins by sector Q4/2009

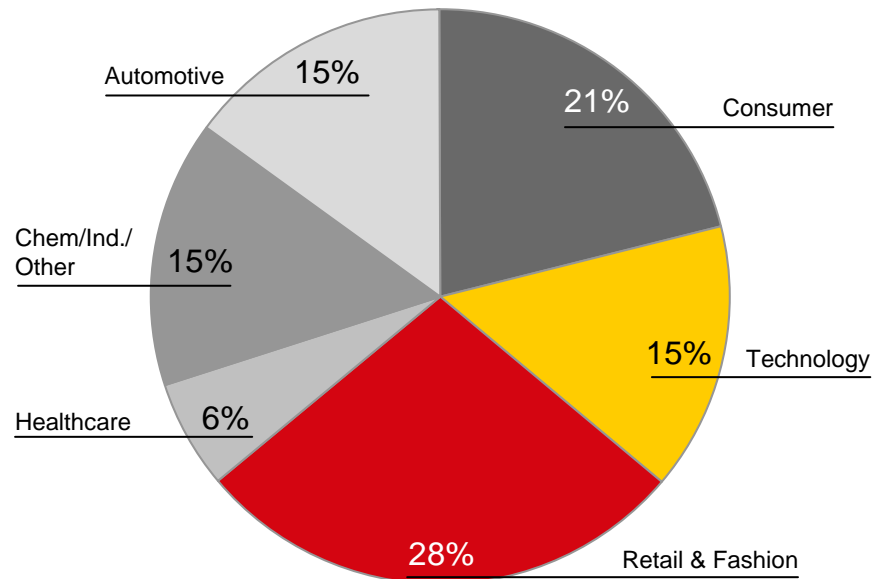
Annualized revenue won €250m



# SUPPLY CHAIN business wins by sector

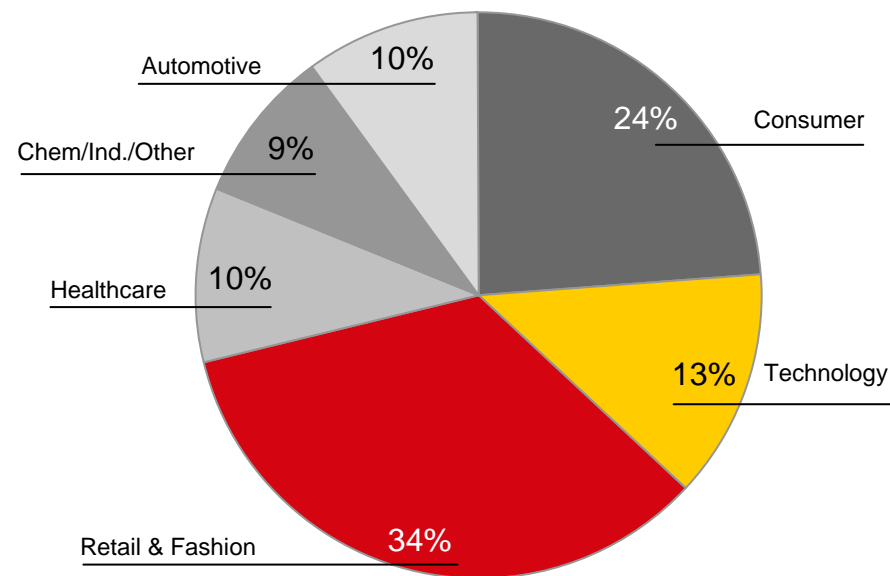
## Business wins by sector 2008

Annualized revenue won €1,100m



## Business wins by sector 2009

Annualized revenue won €1,100m



# Supply Chain Customer Success Story



## Williams Lea – Walmart US



- Multi-year print services agreement, effective 13th July 2009
- Williams Lea to provide print procurement and related services covering a large portion of Walmart's print expenditures
- With this deal, Williams Lea has grown its US Marketing Solutions business from a start-up position 2 years ago, to annual revenues of over \$400m today, all under long-term contracts ranging from 3 to 7 years



## Supply Chain Customer Success Story – Petroplus

Region / Country:  
**UK**

Sector:  
**Industrial**

Date Gain:  
**December 2009**

Date Go-Live:  
**2010**

### Customer solution offered & Value for the customer

#### Solution Offered

- Order management, customer services and movements of Bitumen at elevated temperatures to quarries and asphalt manufacturing plants throughout the UK.

#### Value for the customer

- DHL will be implementing a number of sustainability measures to reduce fleet fuel and yield. Significant cost savings of up to £90,000 (€100,000) within one year.
- “DHL has an exemplary track record in health and safety and on-time delivery of goods to our customers”, Peter Clement (UK Logistics & Supply Chain Manager Petroplus).

### Approach & Value for DHL Supply Chain

#### Background & Approach

- Extends existing nine year relationship (formerly with BP Bitumen for seven years then with Petroplus Bitumen since their acquisition of BP Bitumen).

#### Value for DHL

- Demonstration of DHL’s capability to work in a specialist industry and its commitment to extensive training to meet the customer’s specific requirements.

#### Contract terms

Total contract volume:  
£30 million (€33.6 million)  
over five years

# Corporate Center/Other – Divisional results overview

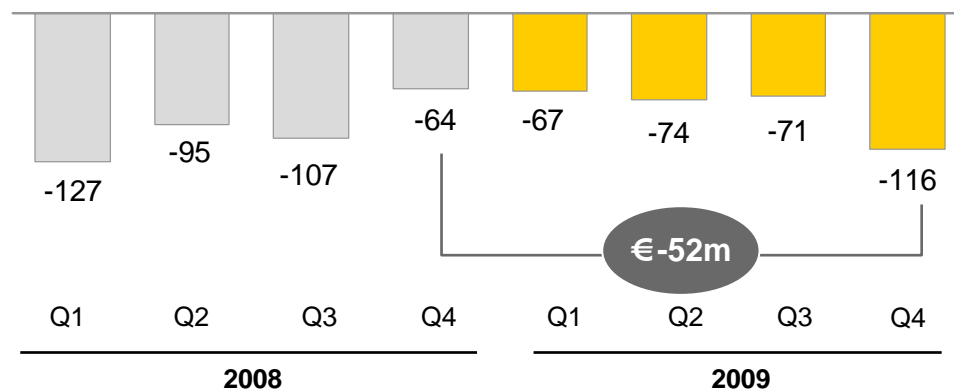


| €m      | FY 2008 | FY 2009 |
|---------|---------|---------|
| Revenue | 1,782   | 1,527   |
| EBIT    | -393    | -328    |




| €m      | Q4/2008 | Q4/2009 |
|---------|---------|---------|
| Revenue | 541     | 345     |
| EBIT    | -64     | -116    |

## Corporate Center/Other EBIT

€m



# Agenda

|  |                     |           |
|--|---------------------|-----------|
|   | • Q4/2009 in detail | 3         |
|   | • <b>Outlook</b>    | <b>57</b> |
|  | • Appendix          | 59        |

# Outlook 2010




## Underlying EBIT 2010

|                           |                     |
|---------------------------|---------------------|
| <b>Group</b>              | <b>€1.6 – 1.9bn</b> |
| Mail                      | € 1.0 – 1.2bn       |
| DHL divisions             | € 1.0 – 1.1bn       |
| Corporate Center / others | around € -0.4bn     |

- Reported EBIT expected to grow over proportionally in 2010 due to significantly lower restructuring expenses
- Non-recurring restructuring expenses reduced to ~ €350m<sup>(1)</sup> in 2010
- Capex expected to increase slightly to around € 1.4bn
- Operating cash flow expected to be impacted by around € 1.0bn related to our restructuring programs
- Net profit above 2009 level

(1) E.g. Express UK and Express France

# Agenda

|  |                     |           |
|--|---------------------|-----------|
|   | • Q4/2009 in detail | 3         |
|   | • Outlook           | 57        |
|  | • <b>Appendix</b>   | <b>59</b> |

## Impacts on the financial result from the sale of Postbank

€m

|   | 2009       |            |             |      |           |
|---|------------|------------|-------------|------|-----------|
|   | Q1         | Q2         | Q3          | Q4   | YTD       |
| <b>Net income from associates</b>                           | <b>20</b>  | <b>26</b>  | <b>25</b>   | -43  | <b>28</b> |
| t/o Postbank-related  | 20         | 26         | 25          | -52  | 19        |
| <b>Net other finance costs / net other financial income</b> | <b>598</b> | <b>-34</b> | <b>-335</b> | -212 | <b>17</b> |
| t/o Postbank-related  | 737        | 97         | -188        | -14  | 632       |
| t/o not Postbank-related                                    | -139       | -131       | -147        | -198 | -615      |
| <b>Total net finance costs / net financial income</b>       | <b>618</b> | <b>-8</b>  | <b>-310</b> | -255 | <b>45</b> |
| t/o Postbank-related  | 757        | 123        | -163        | -66  | 651       |
| t/o not Postbank-related                                    | -139       | -131       | -147        | -189 | -606      |

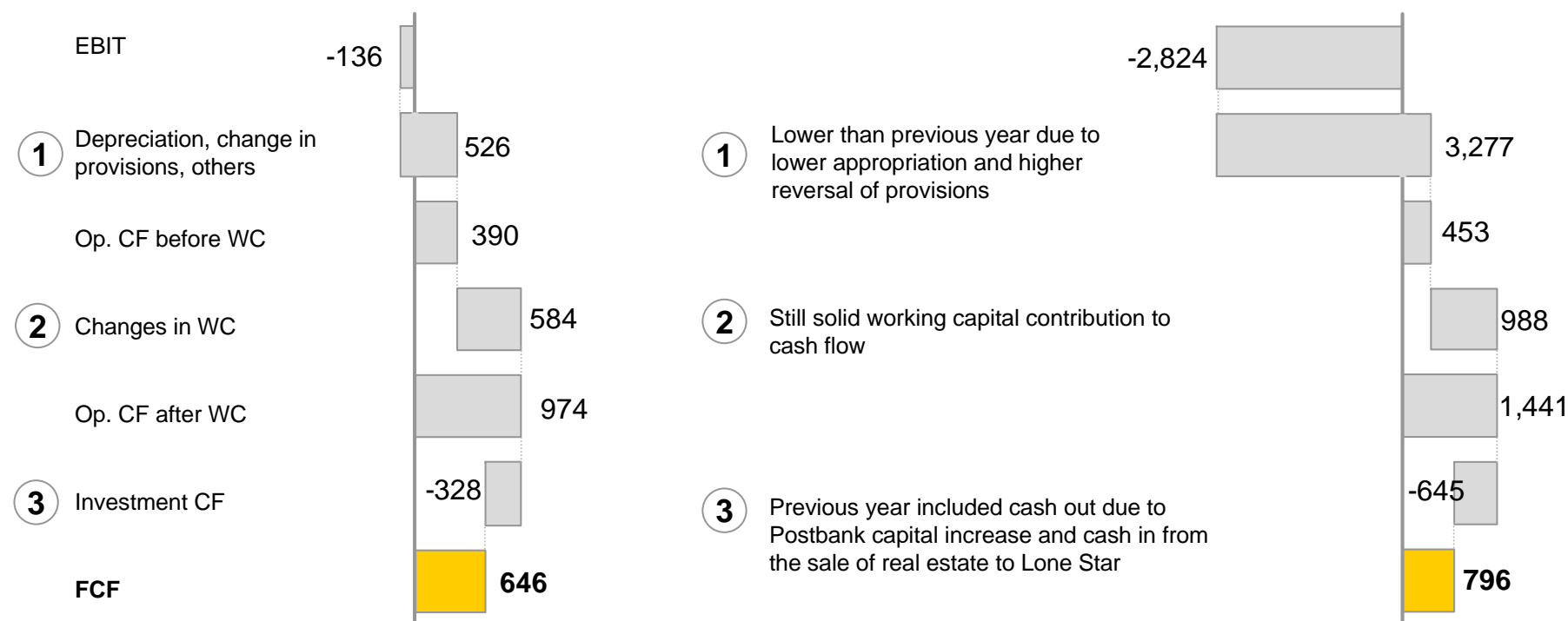
# Cash flow – Q4/2009

€ m

Q4/2009

Observations

Q4/2008



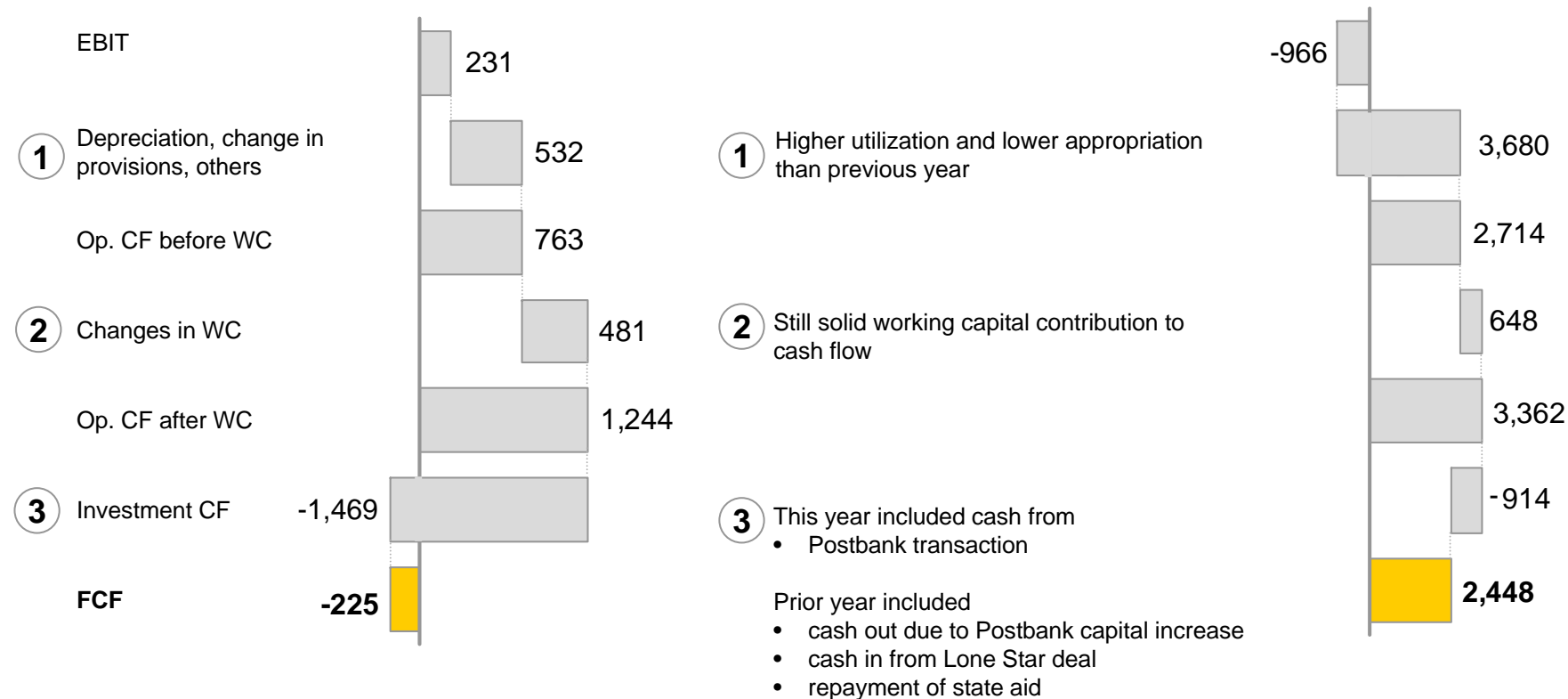
# Cash flow – 2009

€m

2009

Observations

2008



## MAIL – Cost structure

€m

|                                    | Q4           |              |              | FY            |               |             |
|------------------------------------|--------------|--------------|--------------|---------------|---------------|-------------|
|                                    | 2008         | 2009         | Δ            | 2008          | 2009          | Δ           |
| Materials expense                  | 1,385        | 1,246        | -10.0%       | 4,818         | 4,431         | -8.0%       |
| <i>in % of divisional revenues</i> | 35.6%        | 33.6%        |              | 33.5%         | 32.4%         |             |
| Staff costs                        | 1,730        | 1,705        | -1.4%        | 6,859         | 6,784         | -1.1%       |
| <i>in % of divisional revenues</i> | 44.4%        | 45.9%        |              | 47.7%         | 49.6%         |             |
| Depreciation                       | 93           | 76           | -18.3%       | 346           | 321           | -7.2%       |
| <i>in % of divisional revenues</i> | 2.4%         | 2.0%         |              | 2.4%          | 2.3%          |             |
| Net other operating                | 245          | 182          | -25.7%       | 191           | 765           | >100%       |
| <b>Total</b>                       | <b>3,453</b> | <b>3,209</b> | <b>-7.1%</b> | <b>12,214</b> | <b>12,301</b> | <b>0.7%</b> |

-3.8% excluding €572m  
repayment due to state aid  
proceedings in Q3/2008

## EXPRESS – Cost structure

€ m

|                             | Q4                   |              |                       | FY                   |               |                       |
|-----------------------------|----------------------|--------------|-----------------------|----------------------|---------------|-----------------------|
|                             | 2008                 | 2009         | Δ                     | 2008                 | 2009          | Δ                     |
| Materials expense           | 2,487 <sup>(1)</sup> | 1,693        | -31.9%                | 8,636 <sup>(1)</sup> | 6,366         | -26.3%                |
| in % of divisional revenues | 75.8%                | 60.9%        |                       | 63.3%                | 61.7%         |                       |
| Staff costs                 | 1,712                | 938          | -45.2% <sup>(2)</sup> | 4,612                | 3,486         | -24.4% <sup>(2)</sup> |
| in % of divisional revenues | 52.2%                | 33.8%        |                       | 33.8%                | 33.8%         |                       |
| Depreciation                | 208                  | 170          | -18.3%                | 542                  | 489           | -9.8%                 |
| in % of divisional revenues | 6.3%                 | 6.1%         |                       | 4.0%                 | 4.7%          |                       |
| Net other operating         | 1,081                | 352          | -67.4%                | 2,041                | 778           | -61.9%                |
| <b>Total</b>                | <b>5,488</b>         | <b>3,153</b> | <b>-42.5%</b>         | <b>15,831</b>        | <b>11,119</b> | <b>-29.8%</b>         |

(1) Predominantly fuel price increases in 2008

(2) Staff cost include one-off redundancy cost related to the ongoing restructuring program Q4 2008: € 338m, Q4 2009: € 223m / FY 2008: € 360m, FY 2009: € 446m

## GLOBAL FORWARDING, FREIGHT – Cost structure

€m

|                                    | Q4           |              |               | FY            |               |               |
|------------------------------------|--------------|--------------|---------------|---------------|---------------|---------------|
|                                    | 2008         | 2009         | Δ             | 2008          | 2009          | Δ             |
| Materials expense                  | 2,997        | 2,555        | -14.7%        | 11,561        | 8,818         | -23.7%        |
| <i>in % of divisional revenues</i> | 83.0%        | 85.3%        |               | 81.5%         | 81.1%         |               |
| Staff costs                        | 432          | 391          | -9.5%         | 1,589         | 1,553         | -2.3%         |
| <i>in % of divisional revenues</i> | 12.0%        | 13.1%        |               | 11.2%         | 14.3%         |               |
| Depreciation                       | 30           | 28           | -6.7%         | 105           | 108           | 2.9%          |
| <i>in % of divisional revenues</i> | 0.8%         | 0.9%         |               | 0.7%          | 1.0%          |               |
| Net other operating                | 79           | -1           | -101.3%       | 562           | 200           | -64.4%        |
| <b>Total</b>                       | <b>3,538</b> | <b>2,973</b> | <b>-16.0%</b> | <b>13,817</b> | <b>10,679</b> | <b>-22.7%</b> |

## SUPPLY CHAIN – Cost structure

| €m                                 | Q4           |              |               | FY            |               |               |
|------------------------------------|--------------|--------------|---------------|---------------|---------------|---------------|
|                                    | 2008         | 2009         | Δ             | 2008          | 2009          | Δ             |
| Materials expense                  | 2,115        | 1,931        | -8.7%         | 8,270         | 7,317         | -11.5%        |
| <i>in % of divisional revenues</i> | 59.8%        | 59.9%        |               | 60.3%         | 58.5%         |               |
| Staff costs                        | 1,104        | 1,173        | 6.3%          | 4,331         | 4,276         | -1.3%         |
| <i>in % of divisional revenues</i> | 31.2%        | 36.4%        |               | 31.6%         | 34.2%         |               |
| Depreciation                       | 1,101        | 92           | -91.6%        | 1,343         | 403           | -70.0%        |
| <i>in % of divisional revenues</i> | 31.1%        | 2.9%         |               | 9.8%          | 3.2%          |               |
| Net other operating                | 284          | 198          | -30.3%        | 694           | 719           | 3.6%          |
| <b>Total <sup>(1)</sup></b>        | <b>4,604</b> | <b>3,394</b> | <b>-26.3%</b> | <b>14,638</b> | <b>12,715</b> | <b>-13.1%</b> |

Staff costs include severance costs but exclude temporary labor. With these adjusted we would see a -7.7% Q4 and -7.9% FY reduction

(1) Includes Arcandor effects of € -48m Q4/2009 and € -213m 2009 as well as other charges in Q4 (note 2) and non-recurring effects which can be found in the appendix

(2) € -97m costs incurred in Europe related to certain onerous contracts and impairment charges relating to legacy properties

## Net debt

€ m

|  | December 31, 2008 | December 31, 2009 |
|--|-------------------|-------------------|
| Non-current financial liabilities  | 3,452             | 6,699             |
| Current financial liabilities  | + 1,422           | + 740             |
| <b>Financial liabilities</b>   | <b>= 4,874</b>    | <b>= 7,439</b>    |
| Cash and cash equivalents  | - 1,350           | - 3,064           |
| Current financial assets   | - 684             | - 1,894           |
| Long-term deposits <sup>(1)</sup>  | - 256             | - 120             |
| Positive fair value of non current derivatives <sup>(2)</sup>  | - 89              | - 805             |
| Net valuation of financial assets and liabilities – Postbank deal  | 0                 | + 647             |
| Financial liabilities to Williams Lea minority shareholders  | - 29              | - 23              |
| Mandatory exchangeable bond <sup>(3)</sup>   | - 0               | - 2,670           |
| <b>Net debt (+) / liquidity (-), adjusted for mandatory exchangeable bond</b>                                    | <b>= 2,466</b>    | <b>= -490</b>     |
| Cash collateral put options <sup>(3)</sup>   | - 0               | - 1,200           |
| <b>Net debt (+) / liquidity (-), adjusted for mandatory exchangeable bond and cash collateral on put options</b> | <b>= 2,466</b>    | <b>= -1,690</b>   |

(1) Listed on the balance sheet under assets available for sale

(2) Listed on the balance sheet under non-current financial assets

(3) Listed on the balance sheet under non-current financial liabilities

## Non-recurring effects in EBIT

€ m

2008

| Continuing operations             | Q1       | Q2         | Q3          | Q4            | FY            |
|-----------------------------------|----------|------------|-------------|---------------|---------------|
| <b>Group</b>                      | <b>0</b> | <b>-47</b> | <b>+533</b> | <b>-3,463</b> | <b>-2,977</b> |
| <b>Mail</b>                       | <b>0</b> | <b>0</b>   | <b>+572</b> | <b>-34</b>    | <b>+538</b>   |
| • CoC <sup>(1)</sup>              | 0        | 0          | 0           | -34           | -34           |
| • EU fine repaym.                 | 0        | 0          | +572        | 0             | +572          |
| <b>Express</b>                    | <b>0</b> | <b>-47</b> | <b>-39</b>  | <b>-2,272</b> | <b>-2,358</b> |
| • Outside US CoC <sup>(1)</sup>   | 0        | 0          | 0           | -261          | -261          |
| • US CoC <sup>(1)</sup>           | 0        | -47        | -39         | -2,011        | -2,097        |
| <b>Global Forwarding, Freight</b> | <b>0</b> | <b>0</b>   | <b>0</b>    | <b>-41</b>    | <b>-41</b>    |
| • CoC <sup>(1)</sup>              | 0        | 0          | 0           | -41           | -41           |
| <b>Supply Chain</b>               | <b>0</b> | <b>0</b>   | <b>0</b>    | <b>-1,116</b> | <b>-1,116</b> |
| • CoC <sup>(1)</sup>              | 0        | 0          | 0           | -124          | -124          |
| • Impairment                      | 0        | 0          | 0           | -610          | -610          |
| • Exel brand write-off            | 0        | 0          | 0           | -382          | -382          |

2009

| Continuing operations             | Q1          | Q2          | Q3          | Q4          | FY            |
|-----------------------------------|-------------|-------------|-------------|-------------|---------------|
| <b>Group</b>                      | <b>-285</b> | <b>-148</b> | <b>-147</b> | <b>-662</b> | <b>-1,242</b> |
| <b>Mail</b>                       | <b>0</b>    | <b>-21</b>  | <b>0</b>    | <b>-8</b>   | <b>-29</b>    |
| • CoC <sup>(1)</sup>              | 0           | -21         | 0           | -8          | -29           |
| <b>Express</b>                    | <b>-272</b> | <b>-116</b> | <b>-120</b> | <b>-537</b> | <b>-1,045</b> |
| • Outside US CoC <sup>(1)</sup>   | -29         | -111        | -57         | -353        | -550          |
| • US CoC <sup>(1)</sup>           | -243        | -5          | -63         | -184        | -495          |
| <b>Global Forwarding, Freight</b> | <b>-5</b>   | <b>-11</b>  | <b>-21</b>  | <b>-44</b>  | <b>-81</b>    |
| • CoC <sup>(1)</sup>              | -5          | -11         | -21         | -44         | -81           |
| <b>Supply Chain</b>               | <b>-8</b>   | <b>0</b>    | <b>-6</b>   | <b>-73</b>  | <b>-87</b>    |
| • CoC <sup>(1)</sup>              | -8          | 0           | -6          | -73         | -87           |

(1) CoC = Cost of Change

## Restructuring impact on P&L and Cash Flow

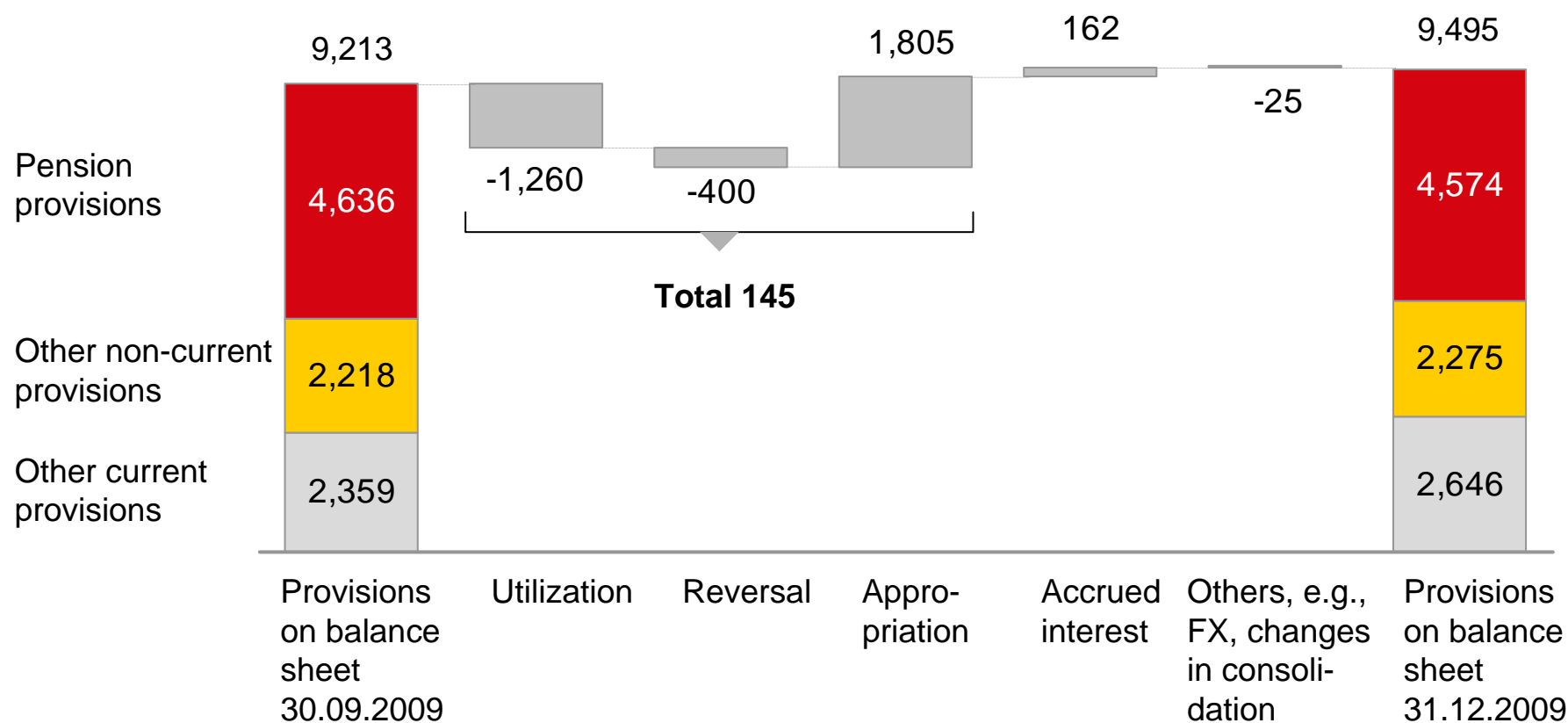
### Cost of Change

€m

|                     | 2008  | 2009 |     |     |     |       | 2010         |
|---------------------|-------|------|-----|-----|-----|-------|--------------|
|                     | FY    | Q1   | Q2  | Q3  | Q4  | FY    | FY forecast  |
| <b>P&amp;L View</b> | 2,557 | 285  | 148 | 147 | 662 | 1,242 | Around 350m  |
| <b>t/o US</b>       | 2,097 | 243  | 5   | 63  | 184 | 495   |              |
| <b>Cash View</b>    | 291   | 433  | 382 | 308 | 292 | 1,415 | Around 1.0bn |
| <b>t/o US</b>       | 212   | 351  | 267 | 209 | 163 | 990   |              |

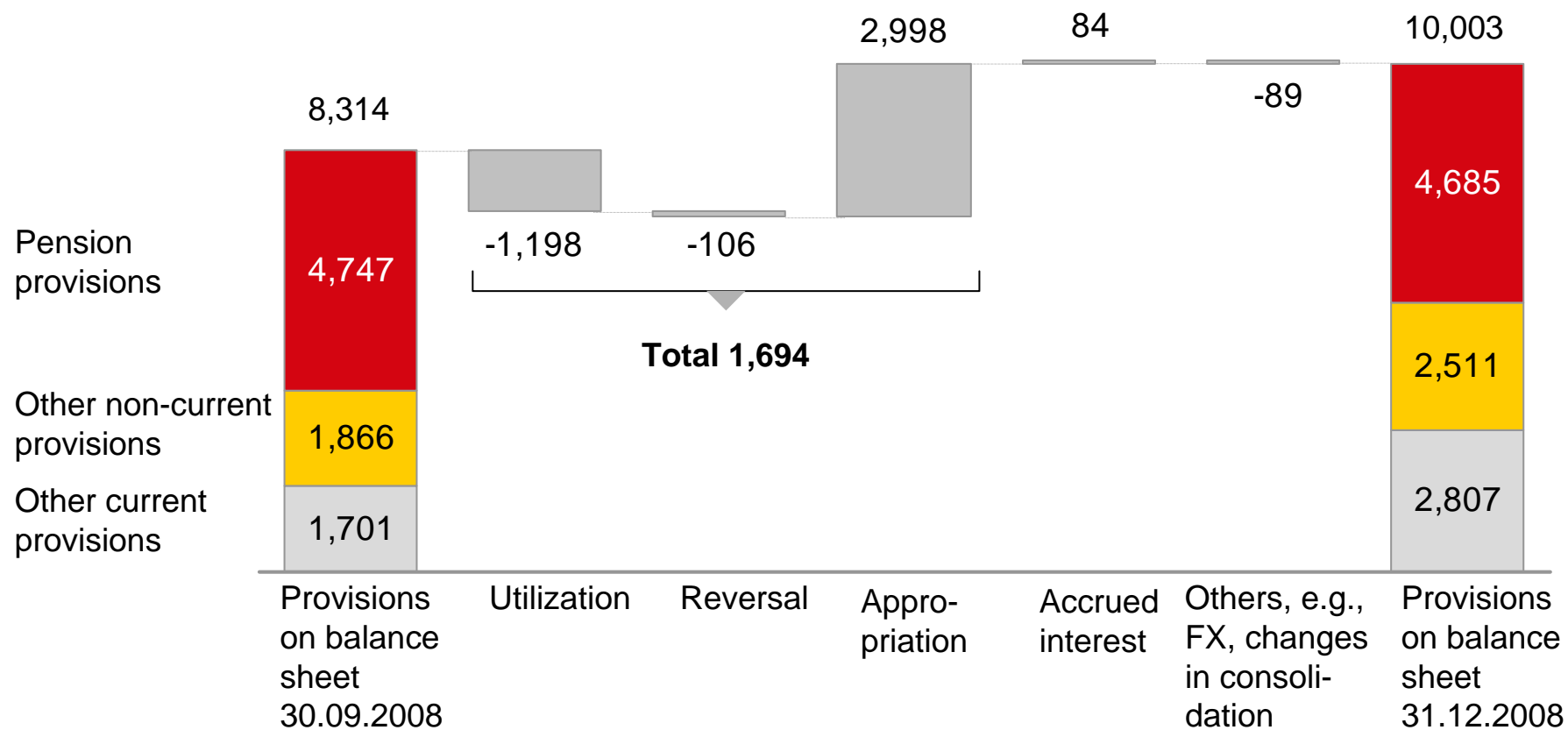
# Provision movements – Q4/2009

€m



# Provision movements – Q4/2008

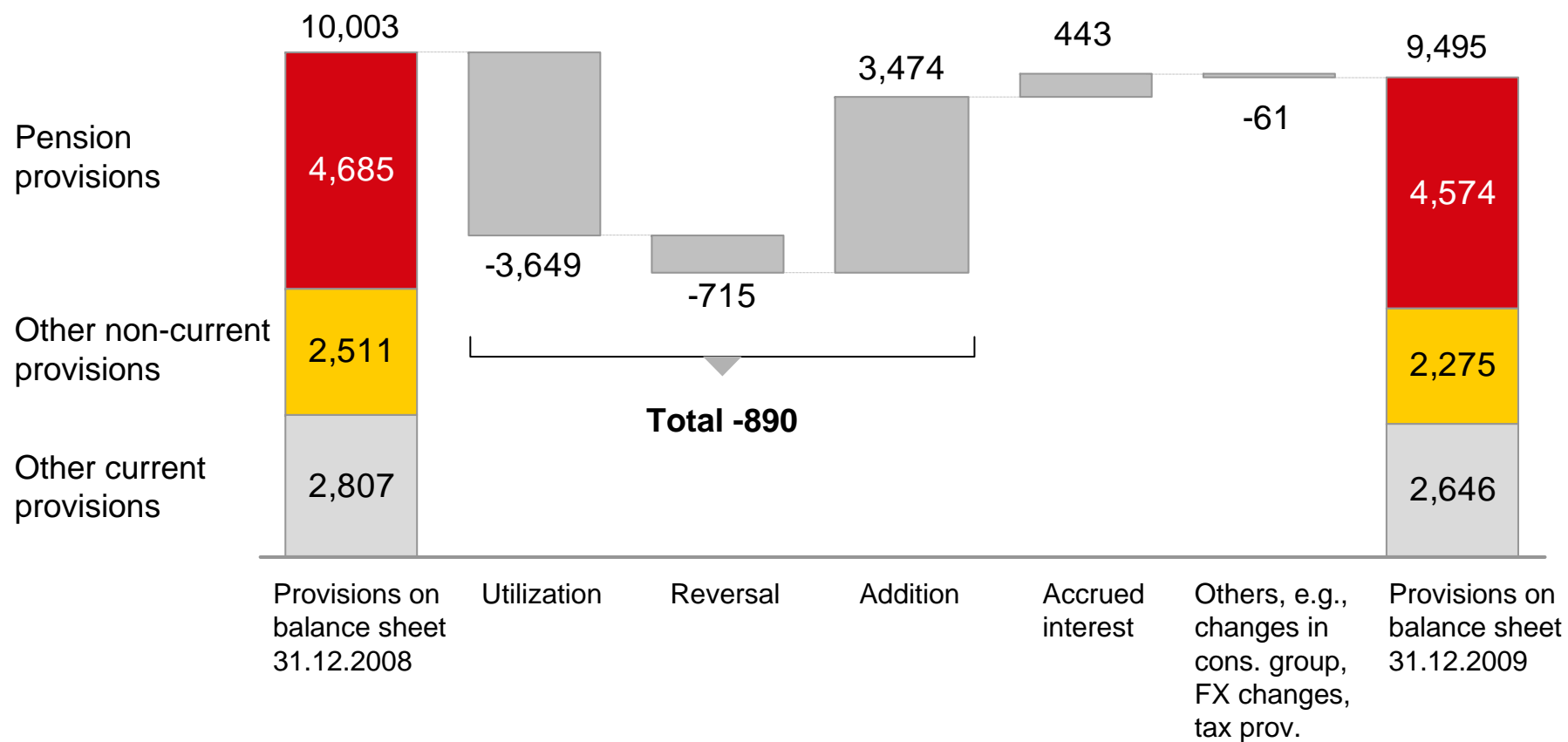
€m



# Provision movements – 2009

## Provision analysis December YTD 2009

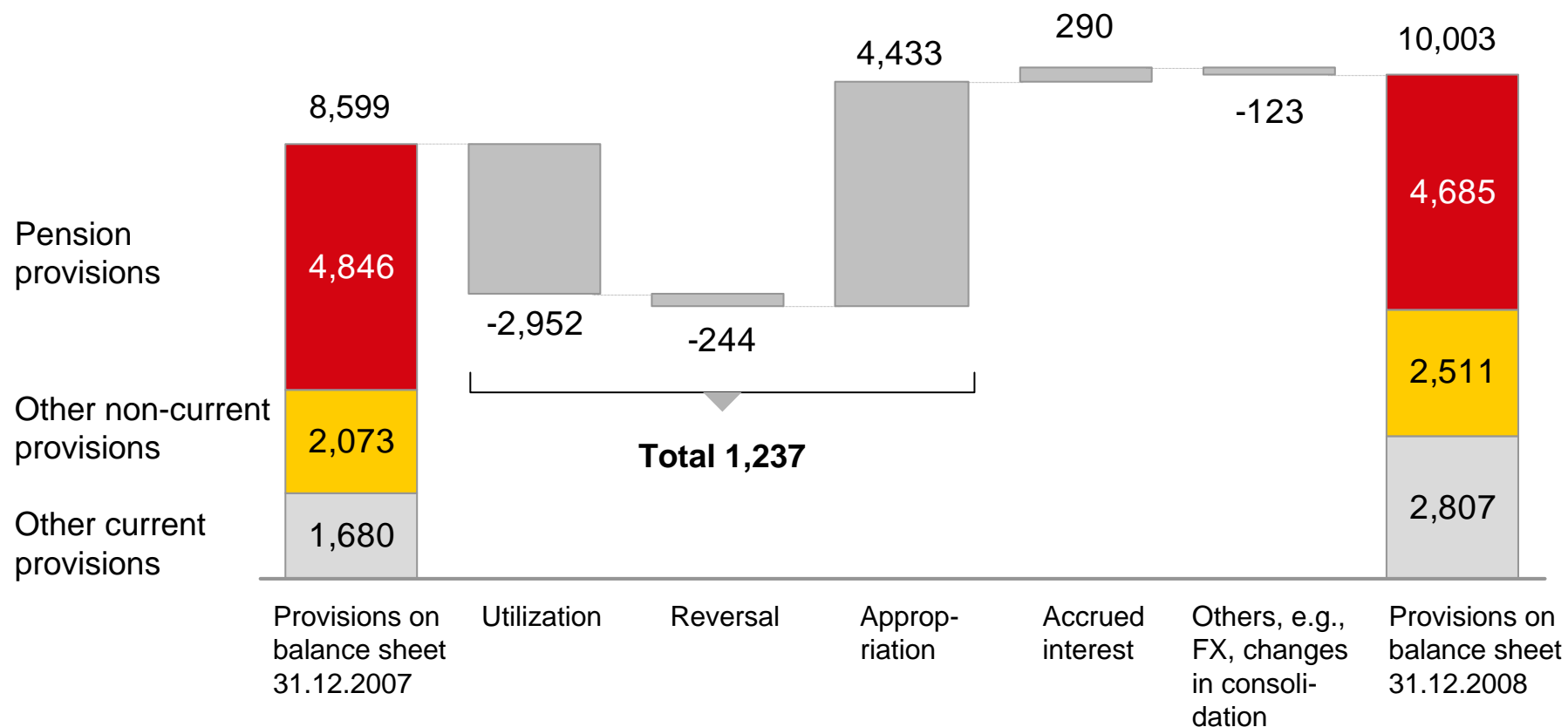
€ m



# Provision movements – 2008

## Provision analysis December YTD 2008

€ m



Working Days<sup>(1)</sup> in Germany, 2008 - 2012

|           | 2008  | 2009  | 2010  | 2011  | 2012  |
|-----------|-------|-------|-------|-------|-------|
| <b>Q1</b> | 61.6  | 62.2  | 62.2  | 63.2  | 64.2  |
| <b>Q2</b> | 62.3  | 59.3  | 60.3  | 60.3  | 59.3  |
| <b>H1</b> | 123.9 | 121.5 | 122.5 | 123.5 | 123.5 |
| <b>Q3</b> | 65.8  | 66.0  | 66.0  | 65.8  | 64.8  |
| <b>9M</b> | 189.7 | 187.5 | 188.5 | 189.3 | 188.3 |
| <b>Q4</b> | 60.9  | 63.0  | 63.3  | 62.2  | 60.2  |
| <b>H2</b> | 126.7 | 129.0 | 129.3 | 128.0 | 125.0 |
| <b>FY</b> | 250.6 | 250.5 | 251.8 | 251.5 | 248.5 |

(1) Uneven working days are due to regional holidays

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