

Deutsche Post DHL exceeds forecasts for 2009 and targets sustainable earnings improvement

- **Underlying EBIT of €1.47 billion surpasses the revised guidance of at least €1.35 billion**
- **Consolidated net profit of €644 million considerably higher than 2008**
- **Group presents the cornerstones of its new financial strategy – proposed dividend for 2009 unchanged at €0.60**
- **Group forecasts higher operating profit for 2010 and 2011**
- **CEO Frank Appel: “We have successfully managed the crisis.”**
- **Hermann Ude and Bruce Edwards appointed to Board of Management for a further five-year term**

Bonn, 9 March 2010: The world's leading mail and logistics group, Deutsche Post DHL, generated underlying EBIT of €1.47 billion in the full year 2009, exceeding its November forecast of at least €1.35 billion. One of the key contributors to this positive development was the introduction of the 'IndEx' program at the end of 2008: It generated cost savings of €1.1 billion – one year ahead of the original schedule and €100 million ahead of the last forecast for the end of 2009. These efficiency increases also significantly helped Deutsche Post DHL to achieve its consolidated net profit target. Following a loss in 2008, the full-year consolidated net profit rose to €644 million in 2009. Deutsche Post DHL's 2009 capital expenditure of €1.17 billion also fully met expectations.

“We have successfully managed the repercussions of the economic crisis and exceeded our targets for 2009,” said Frank Appel, Chief Executive Officer of Deutsche Post DHL.

“Thanks to strict cost management and the consistent implementation of our Strategy 2015, we are now able to benefit overproportionally from the accelerating global economic recovery.”

Outlook: Sustainable improvement of profitability

For this year, the Group foresees a moderate recovery in global transport volumes. Against this backdrop, Deutsche Post DHL expects underlying EBIT to total between €1.6 billion and €1.9 billion in 2010. In a reflection of the Group's two-pillar strategy announced last year, the DHL Divisions and the MAIL Division are to make roughly equal contributions to earnings for the first time: While the MAIL Division is expected to generate earnings between €1.0 billion and €1.2 billion, the contribution by DHL is expected to total between €1.0 billion and €1.1 billion. Corporate Center expenditures are forecast at around €400 million. As a result of an anticipated significant decline in non-recurring items Deutsche Post DHL's reported EBIT is expected to be considerably above last year's level. Consolidated net profit should further improve compared to 2009. "We are optimistic about the future, even though many uncertainties remain about the strength of the economic recovery as well as about political and regulatory issues," Appel added. „We will move ahead as planned this year and sustainably improve the Group's profitability with innovative products, high service levels and the ongoing development of customer-oriented solutions.“ The Group expects the positive earnings trend to continue in 2011.

Business year 2009: Increase in earnings despite global economic crisis

At Deutsche Post DHL, the global economic crisis caused a significant decrease in transport volumes last year triggering a 15.2 percent drop in revenues to €46.2 billion. However, successful cost cutting across all businesses, substantially lower restructuring expenses as well as the planned reduction of losses from the U.S. EXPRESS business helped mitigate the impact on the Group's profitability. Reported EBIT of €231 million for 2009 thus substantially exceeded the €966 million loss incurred in 2008. The 2009 result includes losses from the Arcandor insolvency and costs related to onerous contracts amounting to a total of €344 million. In addition to the operational improvements, positive effects from the Postbank sale as well as lower taxes led to an increase of the consolidated net profit to €644 million compared to a loss of €1.7 billion in 2008. As a result, earnings per share climbed from €-1.40 in the previous year to €0.53 in 2009.

Based on last year's positive results and the Group's confidence in the future, the Board of Management and the Supervisory Board will propose a dividend of €0.60 to the Annual General Meeting on April 28, 2010, maintaining last year's level. In addition, Deutsche Post DHL's Supervisory Board in its meeting yesterday appointed Hermann Ude and

Bruce Edwards to the Board of Management for another five years starting 2011. Ude (48) will continue to be in charge of the Corporate Division „Global Forwarding, Freight“ while Bruce Edwards (54) will remain in charge of the Corporate Division „Supply Chain“. Both were first appointed to the Board of Management in March 2008.

Financial strategy: Focus on stability and flexibility

As in the past, ensuring financial stability and flexibility will remain a top priority for Deutsche Post DHL. As an appropriate balance sheet structure is paramount to achieving this objective, the Group's new financial strategy will predominantly focus on the firm's credit rating: Deutsche Post DHL currently holds a BBB+ rating from Standard & Poor's and a Baa1 from Moody's. The company seeks to retain these rating levels long-term. The financial strategy also includes a specific target for the long-term dividend policy: going forward, the firm plans to distribute 40 percent to 60 percent of its consolidated net profit to shareholders. "This long-term oriented dividend policy with its focus on sustainability is an important message to the capital market, showcasing our efforts to further increase our attractiveness to investors," explained Deutsche Post DHL Chief Financial Officer Larry Rosen. "At the same time, our financial strategy will ensure that we possess the necessary financial strength and flexibility to further grow our operations and thus successfully implement our Strategy 2015."

Fourth quarter 2009: Negative revenue trend halted

During the fourth quarter, the Group was able to halt the negative revenue trend created by weakened demand and reduced transport rates. The Group increased quarter-on-quarter revenues for the second time in a row. Year-on-year, though, revenues fell by 11.6 percent to €12.4 billion. At €283 million, the consolidated net profit was considerably better than the previous year's level. A loss of more than €3 billion was recorded in the final quarter of 2008. At the same time, earnings per share rose from €-2.64 to €-0.24. The loss of the final quarter in 2009 is wholly attributable to high restructuring costs, expenditures related to the Arcandor insolvency and costs related to onerous contracts.

MAIL Division: Market share maintained

During the past year, the MAIL Division not only was affected by the global economic crisis, but was also confronted with the increasing substitution of physical mail by electronic media. As a result, revenues were 4.9 percent below the previous year's level, totalling €13.7 billion. Thanks to its intense customer focus and its high-quality service, Deutsche Post maintained its share of this shrinking market at 87.2 percent. In addition, comprehensive cost-cutting measures cushioned the impact from higher wages and losses related to the Arcandor insolvency on the division's profitability. For fiscal year 2009, underlying EBIT fell by 14.0 percent to €1.4 billion. In the fourth quarter, though, it rose by 7.4 percent despite the continuing decline in revenues.

EXPRESS Division: Profitability improved

Lower volumes also impacted the EXPRESS Division. During the second half of the year, however, trade volumes began to rise sequentially. The fourth quarter saw a slight recovery of the Time Definite Domestic and Day Definite Domestic product groups outside the U.S. Nonetheless, revenues for fiscal year 2009 fell by 24.4 percent year-on-year to €10.3 billion. The main causes of this decrease were the Group's exit from the domestic express business in the U.S. along with exchange rate fluctuations and lower revenues from fuel surcharges. Outside the U.S., revenues adjusted for acquisitions and exchange rate fluctuations were only 11.8 percent below the previous year's level. The smallest drop in revenues was reported by the Asia Pacific region at 6.0 percent to €2.6 billion. In Europe and the EEMEA region (Eastern Europe, the Middle East and Africa), revenues fell by 15.5 percent and 10.4 percent, respectively, to €5.6 billion and €1.1 billion. In the Americas region, which includes Latin America and the Caribbean as well as Canada and the U.S., revenues decreased by 58.6 percent. Excluding the U.S., revenues in the region fell by 14.8 percent in the past year.

Unlike the revenue trend, the division's profitability climbed considerably in the past year. Thanks to strict cost management, underlying EBIT was 45.1 percent above the previous year's level at €238 million. A key reason for this positive development was the significant reduction in losses previously incurred in the U.S. The target of reducing the annualized loss to less than U.S.\$400 million by the fourth quarter has been achieved. In the other regions, underlying EBIT totalled €692 million, compared to €1.1 billion in the previous year.

GLOBAL FORWARDING, FREIGHT Division: Positive trend

The decline in world trade levels resulted in double-digit decreases in transport volumes in the air and ocean freight markets. Nonetheless, the GLOBAL FORWARDING, FREIGHT Division was able to sequentially increase volumes each quarter during the year.

Marketing and sales efforts were increasingly successful, particularly in the areas of life sciences and consumer goods. Due to the initial economic recovery, air freight volumes rose year-on-year for the first time in six quarters during the fourth quarter. In fiscal year 2009, DHL was able to maintain or even expand its market share in the international air and ocean freight markets and in European road transport. However, as a result of the general decline in freight volumes, lower fuel surcharges and reduced freight rates, revenues in this division were 23.3 percent lower year-on-year at €10.9 billion. Thanks to systematic cost management including noteworthy productivity gains, the effect on the division's profitability could be cushioned. The underlying EBIT decreased from €403 million in 2008 to €272 million.

SUPPLY CHAIN Division: Market position further strengthened

Despite the difficult market conditions, the contract logistics business of Deutsche Post DHL was able to further expand its market position in 2009. Two key reasons for this positive development were new business contracts worth €1.1 billion and a continuing high contract-renewal rate of 90 percent. Nonetheless, revenues fell by 8.8 percent to €12.5 billion. This decrease resulted from substantial negative currency translation effects and the company's own decision to decline renewal of underperforming contracts or to terminate them prematurely. With the help of cost-cutting measures, the impact of the economic crisis on the division's profitability could be held in check. While underlying EBIT was indeed €121 million, this loss was exclusively related to charges totalling €213 million that were connected with the insolvency of Arcandor. Excluding this effect and additional one-time costs for onerous contracts, underlying EBIT in this division would have been near the previous year's total of €196 million.

- Ends -

Note to the media: Go to www.dp-dhl.com for further information, including interviews with CEO Frank Appel and CFO Larry Rosen. The Annual Earnings Press Conference of Deutsche Post DHL will be broadcast live on the Internet at www.dp-dhl.com from 10 a.m. CET. The full annual report 2009 will be published on the Internet on March 16 at 8 a.m. CET.

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Deutsche Post DHL is the world's leading mail and logistics services group.

The Deutsche Post and DHL corporate brands represent a one-of-a-kind portfolio of logistics (DHL) and communications (Deutsche Post) services. The Group provides its customers with both easy to use standardized products as well as innovative and tailored solutions ranging from dialog marketing to industrial supply chains. About 500,000 employees in more than 220 countries and territories form a global network focused on service, quality and sustainability. With programs in the areas of climate protection, disaster relief and education, the Group is committed to social responsibility. In 2009, Deutsche Post DHL revenues exceeded € 46 billion.

The postal service for Germany. The logistics company for the world.

Group financial highlights 2009¹⁾

in million Euros	2008	2009	Change in %
Revenues	54,474	46,201	-15.2%
- of which international revenues	37,952	30,354	-19.3%
Reported EBIT	-966	231	123.9%
Underlying EBIT	2,011	1,473	-26.8%
Consolidated net profit after minorities (incl. Postbank)	-1,688	644	138.2%
Basic earnings per share (incl. Postbank, in Euros)	-1.40	0.53	137.9%
Diluted earnings per share (incl. Postbank, in Euros)	-1.40	0.53	137.9%

Divisional revenues 2009¹⁾

in million Euros	2008	Share of total revenues	2009	Share of total revenues	Change in %
MAIL	14,393	26.4%	13,684	29.6%	-4.9%
EXPRESS	13,637	25.0%	10,312	22.3%	-24.4%
GLOBAL FORWARDING, FREIGHT	14,179	26.0%	10,870	23.5%	-23.3%
SUPPLY CHAIN	13,718	25.2%	12,507	27.1%	-8.8%
Corporate Center / Other and consolidation	-1,453	n.m.	-1,172	n.m.	19.3%
Revenues - continuing operations	54,474	100%	46,201	100%	-15.2%

Divisional EBIT 2009¹⁾

in million Euros	2008	2009	Change in %
MAIL	2,179	1,383	-36.5%
EXPRESS	-2,194	-807	63.2%
GLOBAL FORWARDING, FREIGHT	362	191	-47.2%
SUPPLY CHAIN	-920	-208	77.4%
Corporate Center / Other and consolidation	-393	-328	16.5%
EBIT - continuing operations	-966	231	123.9%

Underlying divisional EBIT 2009¹⁾

in million Euros	2008	2009	Change in %
MAIL	1,641	1,412	-14.0%
EXPRESS	164	238	45.1%
GLOBAL FORWARDING, FREIGHT	403	272	-32.5%
SUPPLY CHAIN	196	-121	n.m.
Corporate Center / Other and consolidation	-393	-328	16.5%
Underlying EBIT continuing operations	2,011	1,473	-26.8%

¹⁾ Prior-year figures adjusted

Group financial highlights for fourth quarter 2009¹⁾

in million Euros	Q4 2008	Q4 2009	Change in %
Revenues	14,020	12,389	-11.6%
- of which international revenues	9,449	8,105	-14.2%
Reported EBIT	-2,824	-136	95.2%
Underlying EBIT	639	526	-17.7%
Consolidated net profit after minorities (incl. Postbank)	-3,181	-283	91.1%
Basic earnings per share (incl. Postbank, in Euros)	-2.64	-0.24	90.9%
Diluted earnings per share (incl. Postbank, in Euros)	-2.64	-0.24	90.9%

Divisional revenues for the fourth quarter 2009¹⁾

in million Euros	Q4 2008	Share of total revenues	Q4 2009	Share of total revenues	Change in %
MAIL	3,895	27.8%	3,712	30.0%	-4.7%
EXPRESS	3,282	23.4%	2,778	22.4%	-15.4%
GLOBAL FORWARDING, FREIGHT	3,611	25.8%	2,996	24.2%	-17.0%
SUPPLY CHAIN	3,535	25.2%	3,223	26.0%	-8.8%
Corporate Center / Other and consolidation	-303	n.m.	-320	n.m.	-5.6%
Revenues - continuing operations	14,020	100%	12,389	100%	-11.6%

Divisional EBIT for the fourth quarter 2009¹⁾

in million Euros	Q4 2008	Q4 2009	Change in %
MAIL	442	503	13.8%
EXPRESS	-2,206	-375	83.0%
GLOBAL FORWARDING, FREIGHT	73	23	-68.5%
SUPPLY CHAIN	-1,069	-171	84.0%
Corporate Center / Other and consolidation	-64	-116	-81.3%
EBIT - continuing operations	-2,824	-136	95.2%

Underlying divisional EBIT for the fourth quarter 2009¹⁾

in million Euros	Q4 2008	Q4 2009	Change in %
MAIL	476	511	7.4%
EXPRESS	66	162	145.5%
GLOBAL FORWARDING, FREIGHT	114	67	-41.2%
SUPPLY CHAIN	47	-98	n.m.
Corporate Center / Other and Consolidation	-64	-116	-81.3%
Underlying EBIT continuing operations	639	526	-17.7%

¹⁾ Prior-year figures adjusted