# Back on track for sustainable growth
## Deutsche Bahn Autumn Roadshow 2022

Deutsche Bahn AG, October 2022

# Welcome to our Autumn roadshow
# Introduction of Deutsche Bahn team

**DB**



**Dr. Wolfgang Bohner**

Head of Finance and Treasury



**Robert Allen Strehl**

Head of Investor Relations and Sustainable Finance
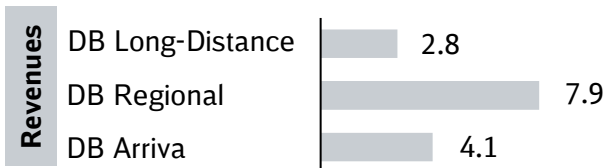


**Christian Große Erdmann**

Head of Capital Markets and Cash Management

# Deutsche Bahn is active in all segments of the transport market with its eight business units
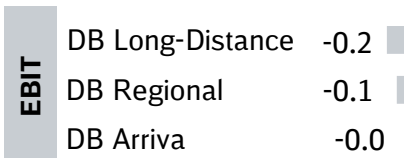
**DB**

## Passenger Transport

› **DB Long-Distance**
Long-distance rail transport

› **DB Regional**
Regional and local transport (Germany)

› **DB Arriva**
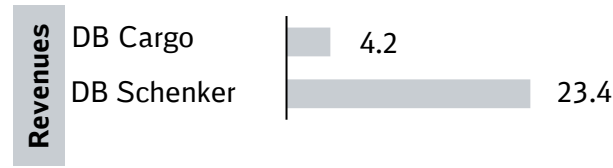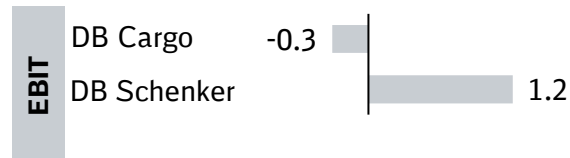Regional and local transport (Europe)

**FY 2021 (€ bn)**

| Revenues | | |
|---|---|---|
| DB Long-Distance | | 2.8 |
| DB Regional | | 7.9 |
| DB Arriva | | 4.1 |

**H1 2022 (€ bn)**

| EBIT | | |
|---|---|---|
| DB Long-Distance | | -0.2 |
| DB Regional | | -0.1 |
| DB Arriva | | -0.0 |

## Freight Transport and Logistics

› **DB Cargo**
European rail freight transport

› **DB Schenker**
Global freight forwarding and logistics services

**FY 2021 (€ bn)**

| Revenues | | |
|---|---|---|
| DB Cargo | | 4.2 |
| DB Schenker | | 23.4 |

**H1 2022 (€ bn)**

| EBIT | | |
|---|---|---|
| DB Cargo | | -0.3 |
| DB Schenker | | 1.2 |

## Rail Infrastructure
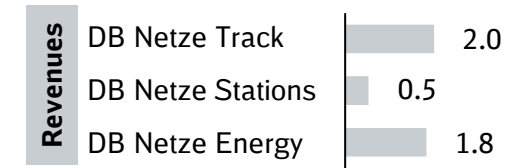
› **DB Netze Track**
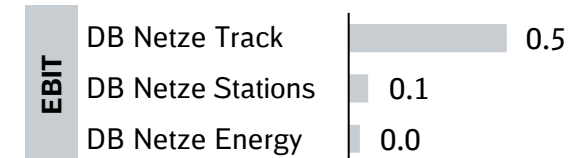Rail network

› **DB Netze Stations**
Passenger stations

› **DB Netze Energy**
Traction energy and stationery energy supply

**FY 2021 (€ bn)**

| Revenues | | |
|---|---|---|
| DB Netze Track | | 2.0 |
| DB Netze Stations | | 0.5 |
| DB Netze Energy | | 1.8 |

**H1 2022 (€ bn)**

| EBIT | | |
|---|---|---|
| DB Netze Track | | 0.5 |
| DB Netze Stations | | 0.1 |
| DB Netze Energy | | 0.0 |

# Deutsche Bahn holds leading market positions – in Europe and throughout the world

**DB**

**Passenger Transport**

**Freight Transport and Logistics**

**DB Arriva**
Bundles all international passenger transport activities of DB Group.

**DB Long-Distance**
Offers daytime traffic with ICE, IC and EC connections.

**DB Regional**
Divided into the line of business rail and bus. Provides services in rail and public road passenger transport.

**Additional mobility services**
DB Group offers interlinked additional mobility solutions like fleet management and last mile services.

**DB Cargo**
Bundles the European rail freight business of DB Group.

**DB Schenker**
Provides logistics services in air and ocean freight, in land transport, as well as in contract logistics.

## Integrated Rail System

**DB Netze Track**
Operates and manages the rail infrastructure with more than 30,000 kilometers of route network, including all operational equipment.

**DB Netze Energy**
Ensures the availability of the daily needed energy, especially for rail traffic.

**DB Netze Stations**
Development and operation of modern, demand- and customer-oriented stations.

**Infrastructure**

# Strong and experienced management team

**DB**

**Federal Republic of Germany** (100% shareholder)

**Deutsche Bahn AG**

| **Chairman and CEO** Dr. Lutz | **Finance and Logistics** Dr. Holle | **Digitalization and Technology** Dr. Gerd tom Markotten | **Human Resources and Legal Affairs** Seiler | **Long-Distance Passenger Transport** Dr. Peterson | **Regional Transport** Palla | **Infrastructure** Huber | **Freight Transport** Dr. Nikutta |

## Inter-national business

**DB Schenker** (Thewes)

**DB Arriva** (Cooper)

# Investing in Deutsche Bahn is combining active climate protection with profitable growth

**DB**

**01**   **Significant volume recovery** to pre-Covid levels since restrictions were lifted in 2022.

**02**   **Financial recovery is on its way**, with significant improvements in 2021 and 2022.

**03**   **Significant positive contribution by DB Schenker** due to ongoing very strong profit development.

**04**   Ongoing resolute cost management and **very strong Government support to mitigate Covid-19 impact.**

**05**   **Outlook for 2022 positive**, but uncertainties remain high due to Covid-19 and energy price development.

**06**   **Fighting climate change** and the political ambition to realize traffic shift to the rails remain **key drivers of our future growth**.

**07**   We are well underway on our path for a **Green Transformation with clear targets** among others for $CO_2$ neutrality by 2040.
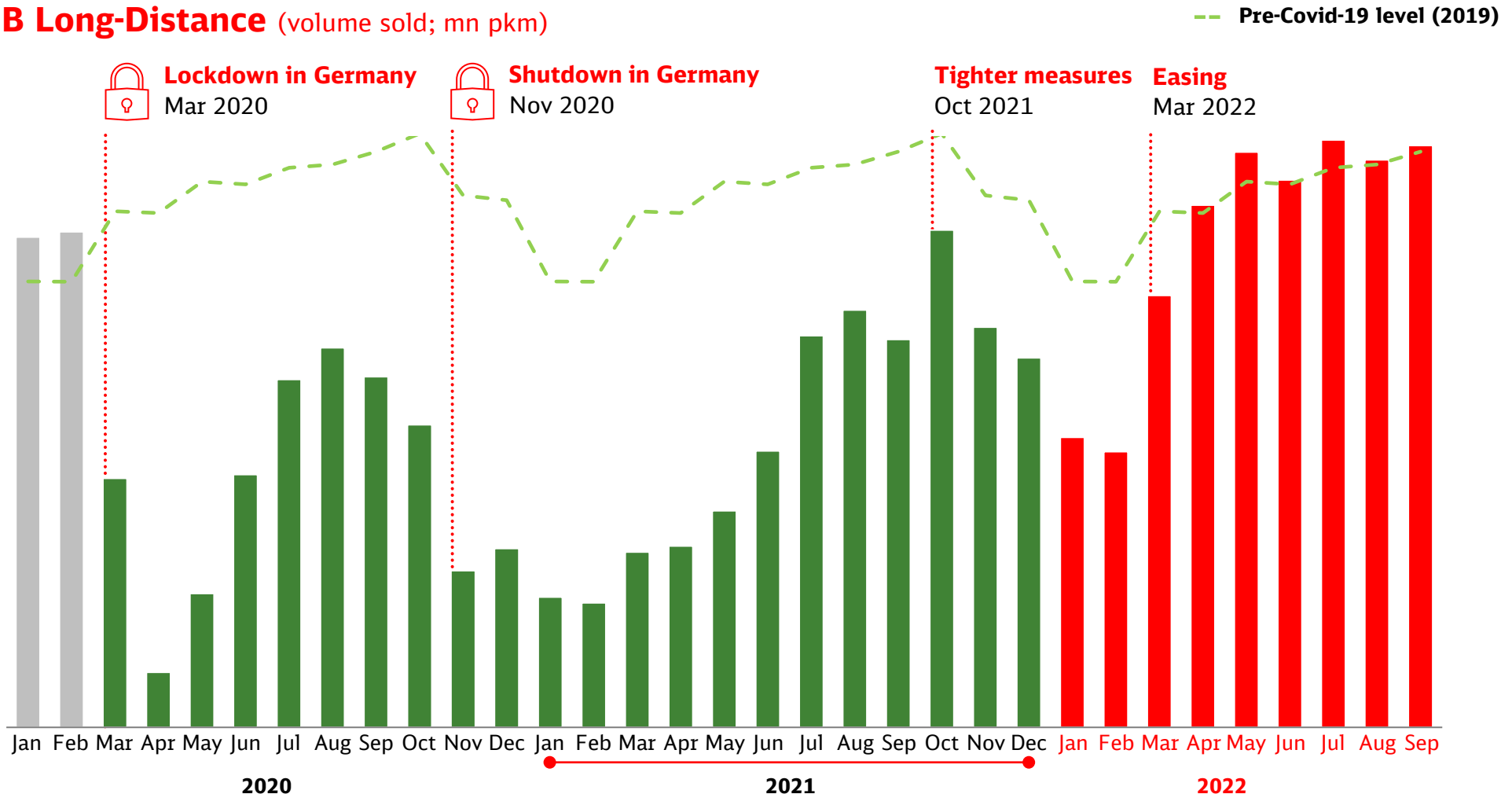
**08**   We will **continue the success story of rail** in Germany and build on our pre-Covid-19 growth with full support of the Government.

# Strong volume recovery since March 2022, long-distance volumes are now on pre-Covid-19 levels again

**DB**

**DB Long-Distance** (volume sold; mn pkm)

**- - Pre-Covid-19 level (2019)**

🔒 **Lockdown in Germany** Mar 2020

🔒 **Shutdown in Germany** Nov 2020

**Tighter measures** Oct 2021

**Easing** Mar 2022



Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep

**2020**         **2021**         **2022**

# 9-€-Ticket as a temporary flat rate ticket for local and regional transport all over Germany gave a strong boost to demand

**DB**

With the 9-€-Ticket local public transport was available throughout Germany from June to August 2022 for 9 € per month. From June to August 2022, we recorded a significant increase in volume sold compared to pre-Covid-19 levels.

## >+20%

**52**
Millions of 9-euro tickets sold

**10**
Percent avoid at least one daily car trip

**17**
Percent of passengers changing to public transport

**5**
Every fifth buyer is a new customer

Source: https://www.vdv.de/bilanz-9-euro-ticket.aspx

# DB Schenker is performing very well, profit growth of more than 90% in H1 2022

**DB**



**Operating profit +91% (vs. H1 2021)**

**EBIT adjusted** (€ mn)

▶ **+162% (2021 vs 2017)**

+75.5%/+537

+91.3%/+566

| 2017 | 2018 | 2019 | 2020 | 2021 | H1 2022 |
|------|------|------|------|------|---------|
| 477 | 503 | 538 | 711 | 1,248 / 620 [1] | 1,186 |
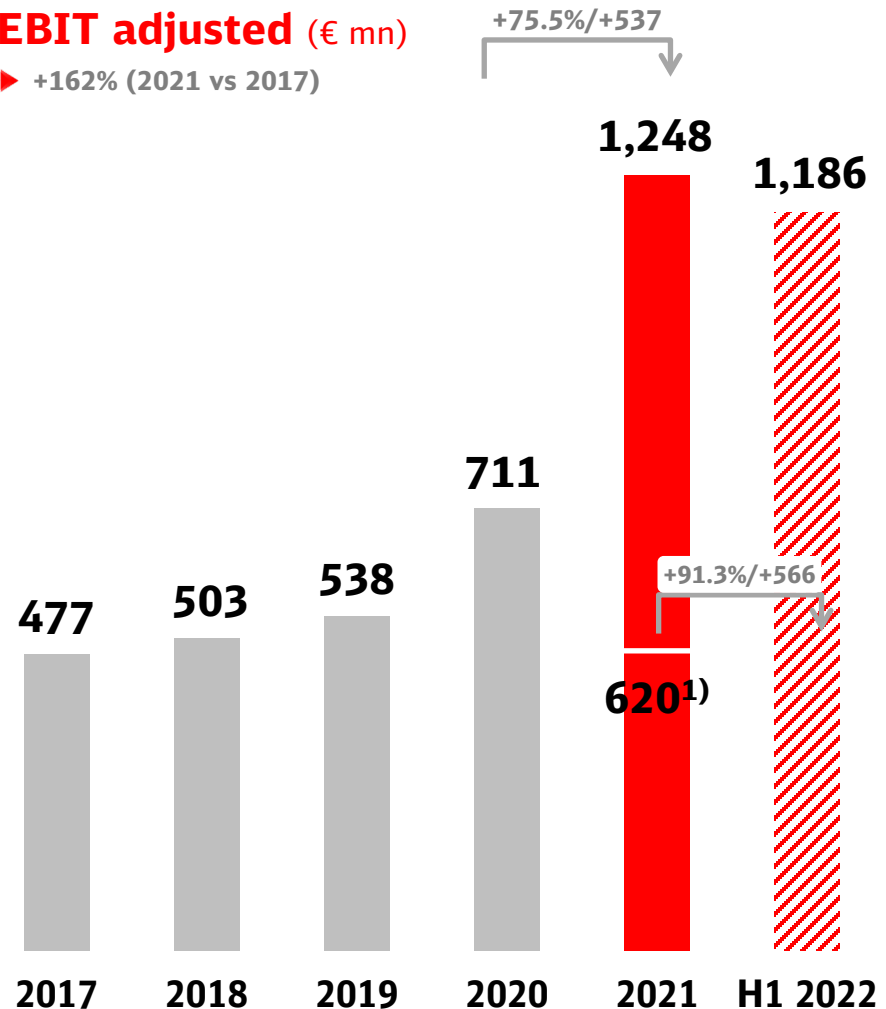
[1] Figure adjusted due to intra-group reassignment of Full Load Solutions operations from DB Schenker to DB Cargo.

# Significant improvements in profitability in 2021.
# We want to be back in positive territory in 2022

**DB**

**EBIT adjusted** (bn)



**1.8**

**-4.7**

**>1**

**-1.6**

**>+2**

**>+1**

**-2.9**

**2019**          **2020**          **2021**          **2022F**
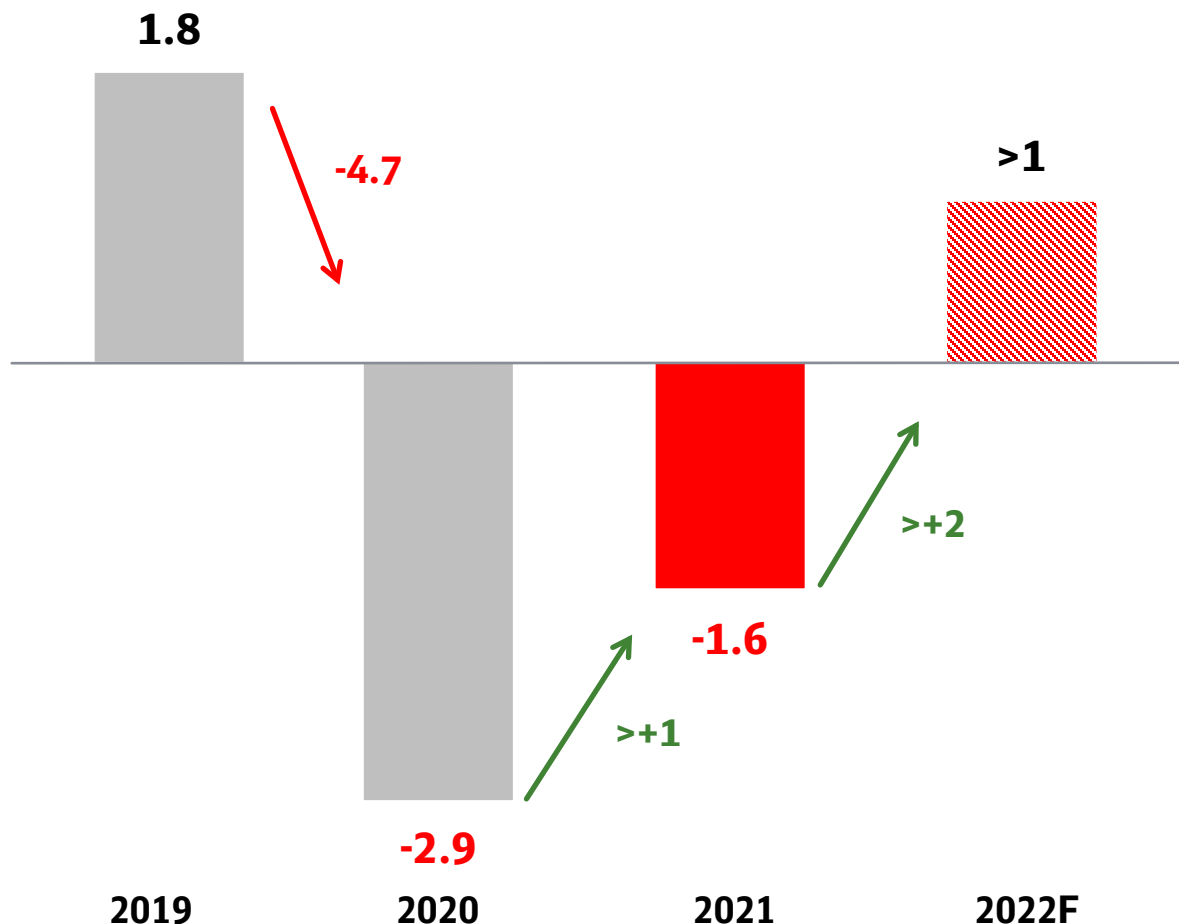
# High level of demand accompanied by performance issues in the rail infrastructure and cost pressure due to an inflationary environment

**DB**

| **Demand** | **Infrastructure** | **Environment** |
|---|---|---|

**Demand is recovering much faster** from Covid-19 impact than anticipated. **Infrastructure usage** was already in 2021 higher than pre-Covid-19.

**Rail network** still suffers due to **high susceptibility to interference** and **from scarce capacities,** because long-term renovation and expansion program needs time.

The **geopolitical situation** is **driving commodity** and **energy prices** across Europe with significant impact on DB Group.

The development of demand is the main driver of the positive **revenue development**.

DB Group will **return to profitability** in 2022.

**Punctuality** and **quality** of rail operations are under **pressure**.

Rapid recovery in demand from Covid-19 impact and **expected further volume growth** add additional pressure.

Thanks to **forward-looking hedging energy price risks** were mostly **avoided** in **2022**.

Inflation-driven cost increases can to a significant extent be compensated by **price increases** and other measures **in 2023**.

# We meet the economic challenges essentially through three major levels

**DB**

## 1

### We are using existing pricing possibilities ...

For 2022/2023, we will be making adjustments to the pricing landscape across all DB products. DB Cargo customers will be most affected, followed by DB Long-Distance. The effects for DB Regional will be smaller due to the high proportion of gross contracts and price adjustment clauses.

**... without damaging demand dynamics in the long term.**

## 2

### We are pushing ahead with measures to increase productivity ...

Operationally, we are **increasing our efforts to boost productivity** in all areas. **Digitalization will play a significant role** in this.

**... which, however, will only take effect with a time delay.**

## 3

### We are making advance payments for infrastructure measures ...

Despite the countermeasures introduced, the current price development and the network situation are a massive burden for the economic development in 2023. In order to achieve quality improvements in the short term, we need to accelerate infrastructure works in 2023, nevertheless.

**... which must be placed on a new sustainable financing basis with the federal government from 2024 onwards in the context of the current infrastructure reorganization.**

# Strong volume development in rail transport leads to bottlenecks: new approach for network modernization developed

**DB**

› Punctuality is largely decided on the highly utilized core lines (passenger and freight transport).

› These currently cover around 3,500 km (10% of overall network) and will increase in the coming years to about 9,000 km.

› In order to realize the planned growth at a good operational quality, facilities need to be more stable, construction to be more efficient and performance capability to be increased.

› **The aim is to develop a core "high-performance network" by mid-decade / the end of the decade at latest. This means bundling all necessary renovation and upgrade works for core corridors.**

## We aim to operate a high-density and highly interconnected network

| **Highly available** | **Digitally densified** | **Purposefully expanded** |
|---|---|---|
| HPN | Digital Rail for Germany | NEUES NETZ |

We will develop a highly available core network. The basis for a **high-performance network** (HPN) is an **improvement in condition** in all areas relevant to punctuality.

With the help of **digitalization of train operations**, we are creating

a) further **capacity increase** without additional tracks and

b) higher **stability** in daily **rail operations** (robustness increase and flexibilization).

By **expanding and building** new lines, we create **additional capacity**

a) in specific areas where we cannot increase density further

b) where we want to segregate traffic (e.g. for high-speed lines).

# The improvement of the quality situation does not tolerate any delay and requires immediate action.

**DB**

Maintenance regime

Equipment standards

Hub renovation

**HPN**$^1$

Lockout optimization

Layout-standards

Building procedures
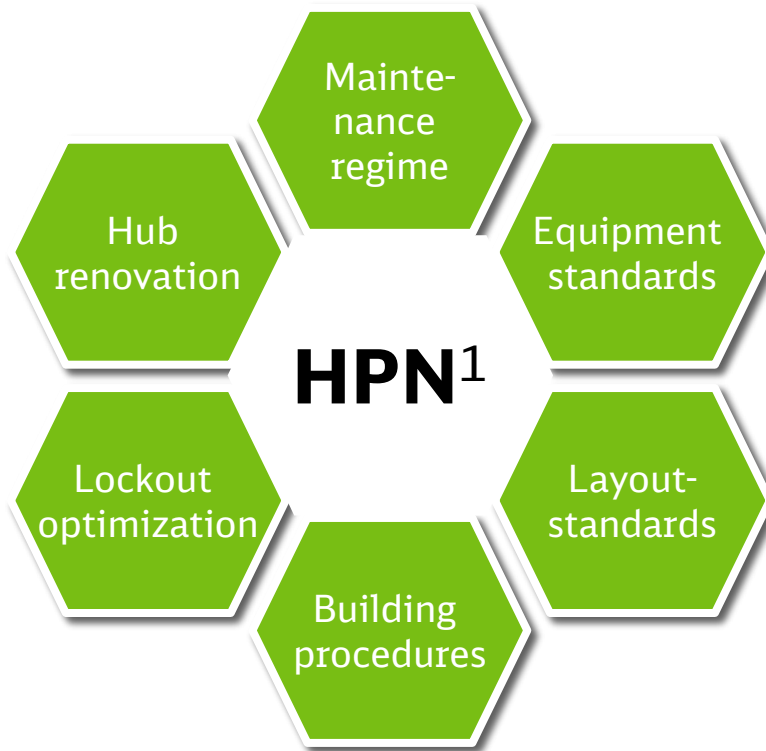
## No delays

Despite all the difficulties and imponderables, infrastructure rehabilitation is the top priority and cannot be delayed. We are tackling this without delay, in close cooperation with the German Government, public transport authorities and the industry.

## Comprehensive modernization

In order to be able to implement the construction activities necessary for the renovation, we create the operational scope and organize sufficient windows for the necessary capex and maintenance work. This means temporarily closing corridors for 4 to 6 months to fully renovate them.

## Higher funding

The short-term expenditures required for the renovation will be borne by DB Group from its own funds and in advance of an overall rail financing concept to be drawn up in 2023. This is to be replaced by Government funding from 2024 onwards.

(1) HPN = high-performance network

# The long-term trends in our markets and thus the foundation of our Strong Rail strategy are unchanged

**DB**
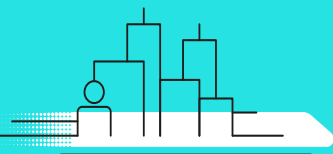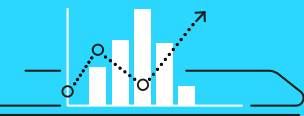
| | |
|---|---|
| **FOR THE CLIMATE.** | ... because climate protection has not lost its relevance and is becoming more urgent. |
| **FOR PEOPLE.** | ... because leisure and business travel are and remain a basic need of a digital society. |
| **FOR THE ECONOMY.** | ... because interlinkage is increasing and the need for green transport solutions is growing. |
| **FOR EUROPE.** | ... because cross-border green transport and travel are essential in a common market and are more and more demanded. |

# Full support for the Strong Rail strategy to strengthen the rail system from the German Government

**DB**

## Our mission


STRONG RAIL

It is our mission to enable a strong rail system for Germany.

This is, what we are working for and what is worth our full engagement.

It is, what DB Group is heading for and standing for, it is the focal point of our attention and for what we pool all our strengths.

## 3 overall sector targets

**Passengers in rail transport**

**x2**

**Market share rail freight transport**

**25%**

**Share of renewable energies**

**100%**

## Our 10 DB targets

**Traffic shift**
› **260 million** passengers in long-distance
› **+1 billion** passengers in regional
› **+70%** volume sold in freight transport
› **+>30%** capacity in infrastructure

**Customers**
› Customer satisfaction: **SI >80/>75/>70**[1]
› Punctuality: **>85%/>95%/>77%**[1]

**Employees**
› Employee satisfaction **3.8**

**Climate**
› **100%** share of renewable energies

**Financials**
› ROCE of **≥6.5%**
› Debt coverage of **≥15%**

[1] DB Long-Distance / DB Regional (rail) / DB Cargo (Germany).

# Ongoing high level of capex for infrastructure, vehicle fleet and IT systems is the backbone of our strategy

**DB**

## Gross capital expenditures 2022−26: about € 90 bn[1]

| **Passenger Transport** (about € 13 bn) | **Transport and Logistics** (about € 8 bn) | **Infrastructure** (about € 65 bn) |
|---|---|---|
| **Long-distance transport** › Procurement of new trains › Modernization / redesign measures › Maintenance facilities | **Freight transport / logistics** › Procurement of locomotives and freight cars › Digitalization / automatization › Expansion of logistics infrastructure | **Rail infrastructure** › Modernization / expansion of network › Modern command and control technology |
| **Regional transport** › Procurement of new vehicles › Workshops | **IT landscape** › Standardization & automation of processes | **Stations** › Renovation of small and mid-size stations › Modernization initiative in individual Federal states |

[1] Including Other (€ 4 bn).

# Increasing fleet capacity and availability in long-distance transport by investing more than € 8 bn in the mid-term

**DB**

€ 6 bn

€ <1 bn

€ <2 bn

## Fleet expansion

› Additional trains required to support growth and stability ambitions.

› Further expansion of fleet by new high-speed trains.

› First order of 23 new trains from Talgo (ICE L).

## Fleet modernization

› Modernization of trains in operation to secure existing capacities.

› Comprehensive technical overhaul and redesign of ICE trains.

## Fleet availability

› Increasing maintenance capacity (personnel and infrastructure).

› Improving maintenance processes and material availability.

› Technical stabilization of vehicles to reduce error rate.

› Digitalize maintenance.

# Supported by ongoing very strong Government funding for capex to make significant traffic shift happen

**DB**

**Between 2020 and 2030 about € 170 bn are available for the modernization and capacity expansion of the rail infrastructure**

01 **Strengthening the existing network**
(Service and Financing Agreement (LuFV))                                    **€ 92 bn**

02 **Expansion of infrastructure capacity**
(among others requirement plan, Germany in sync, digital rail)              **€ 61 bn**

03 **Increasing attractiveness of rail**
(among others attractive stations, electrification and noise remediation)   **€ 10 bn**

04 **Capex supporting infrastructure in former coal mining regions and other topics**   **€ 8 bn**

**Significantly higher funds for rail transport in the Federal budget 2022**

› **Investments in the transport sector** will increase to about **€ 20.5 bn** until 2026.

› This means **significantly higher funds for the rail** mode of transport compared to the road.

› All parts relevant to **rail transport total € 25.3 bn**.

# Infrastructure capex in Germany is mainly financed by the Federal Government

**DB**

**Infrastructure capex** (€ bn)



8.0 — 2018
8.7 — 2019
10.1 — 2020
11.1 — 2021

Net capex (DB funds) (19%)

Investment grants € 9.0 bn (81%)

Other (2%)

Expansion / new construction lines € 2.9 bn (26%)

Existing network € 8.0 bn (72%)

DB Netze Energy € 0.4 bn (3%)

DB Netze Stations € 1.4 bn (13%)

DB Netze Track € 9.3 bn (84%)

Source of funds

Allocation

by project cluster

by business units
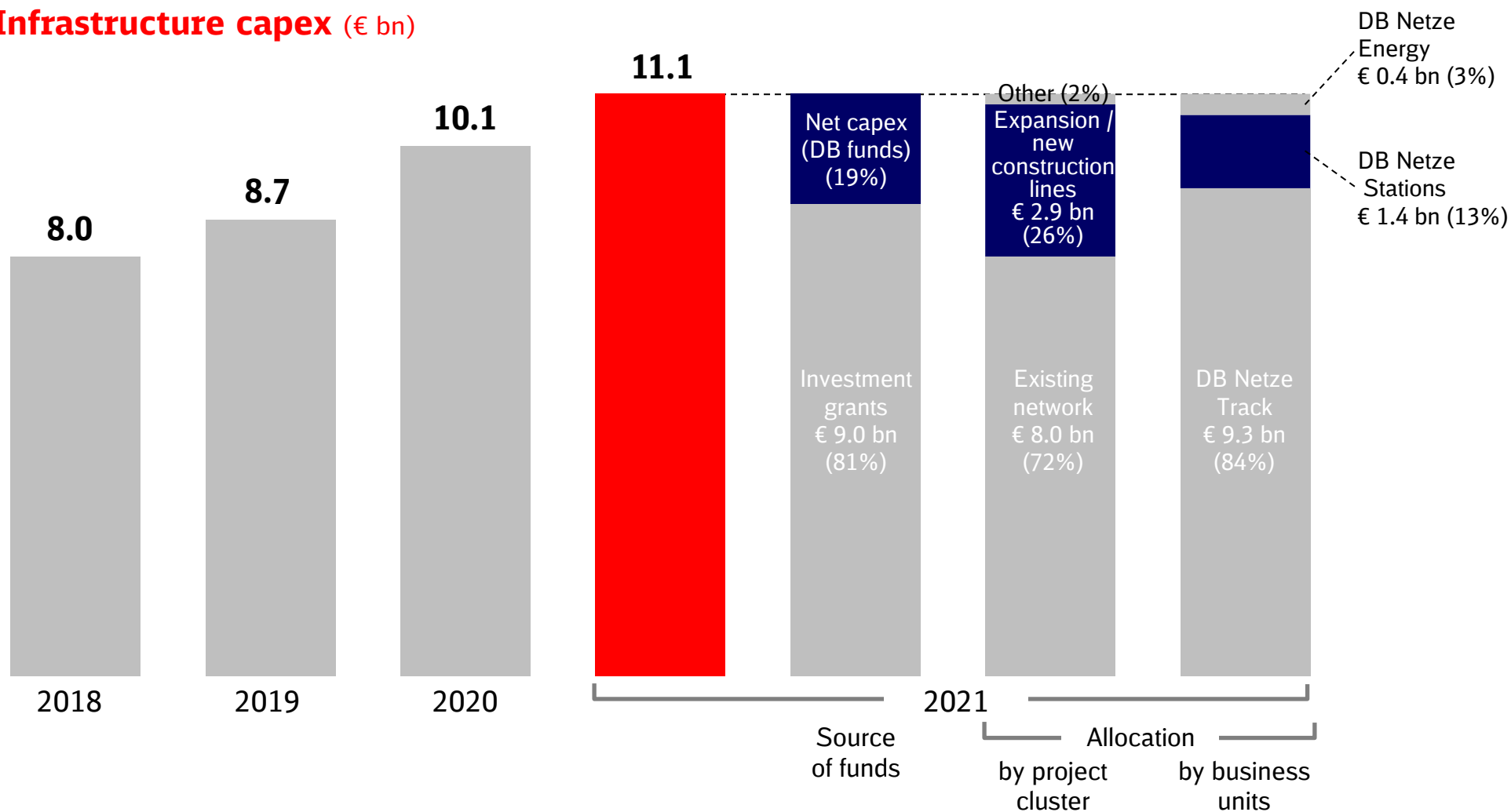
# Digitalization will massively increase the competitiveness of the rail system. Major projects are already on their way

**DB**

## European Train Control System (ETCS)

› "Starter Package" 2020 with three **infrastructure** projects.

› ETCS is to replace the more than 20 different control systems in Europe.

## Automatic Train Operation (ATO)

› First highly automated S-Bahn in **passenger** service in Hamburg. Operation of 4 extremely automated trains with ATO over ETCS.

## Digital Automatic Coupling (DAC)

› More efficient, simpler and cheaper: the DAC will revolutionize **rail freight** transport in Europe.

# German climate protection targets have been raised increasing the need for a significant traffic shift to rail

**DB**

## CO$_2$e emissions in Germany
(mn t CO$_2$e)



**Transport-related emissions −90% by 2050**
> +100% high-speed rail traffic by 2030,
> +100% rail freight transport by 2050 and
> completion of extensive ETCS rollout.

New EU targets/**Green deal** (December 2020)

Ruling by Federal Constitutional Court (May 2021)

Amendment Climate Protection Act (May 2021)

1,251
164
1,087

−35%

0%

810
164
646

−42%
95
448

−48%
85
353

1990

2019

Target 2030
(old)

Target 2030
(new)

■ Transport sector ■ Other sectors

# Rail can massively contribute to climate protection, as it is the most eco-friendly mode of transport

**DB**

## Passenger transport
(g $CO_2$e/pkm)
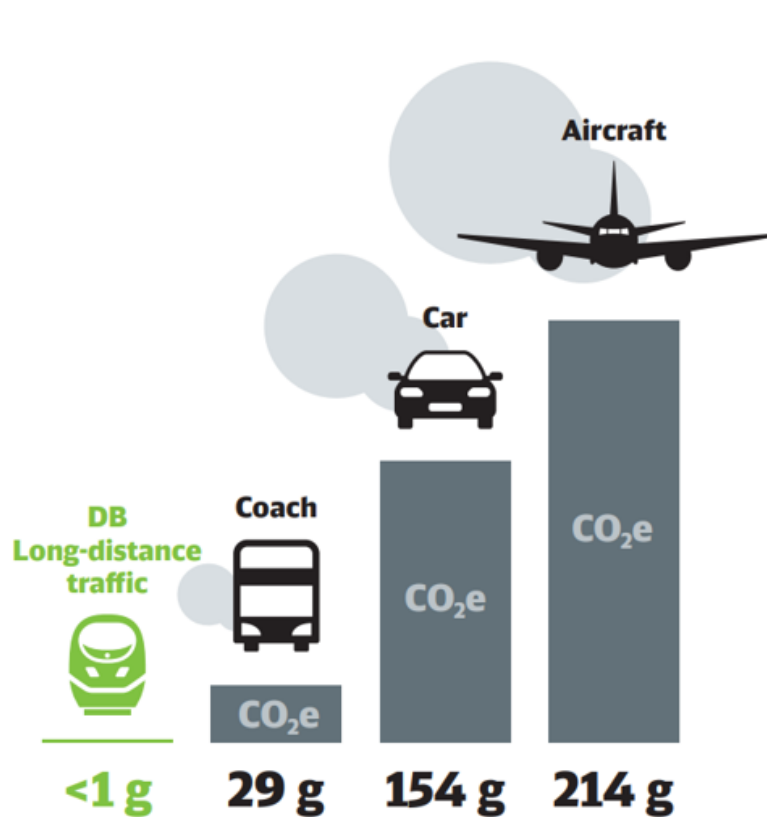
## Freight transport
(g $CO_2$e/tkm)

Aircraft

Car

Coach

DB Long-distance traffic

| DB Long-distance traffic | Coach | Car | Aircraft |
|---|---|---|---|
| <1 g | 29 g | 154 g | 214 g |

Truck

Inland waterways

DB Freight-train

| DB Freight-train | Inland waterways | Truck |
|---|---|---|
| 19 g | 30 g | 113 g |
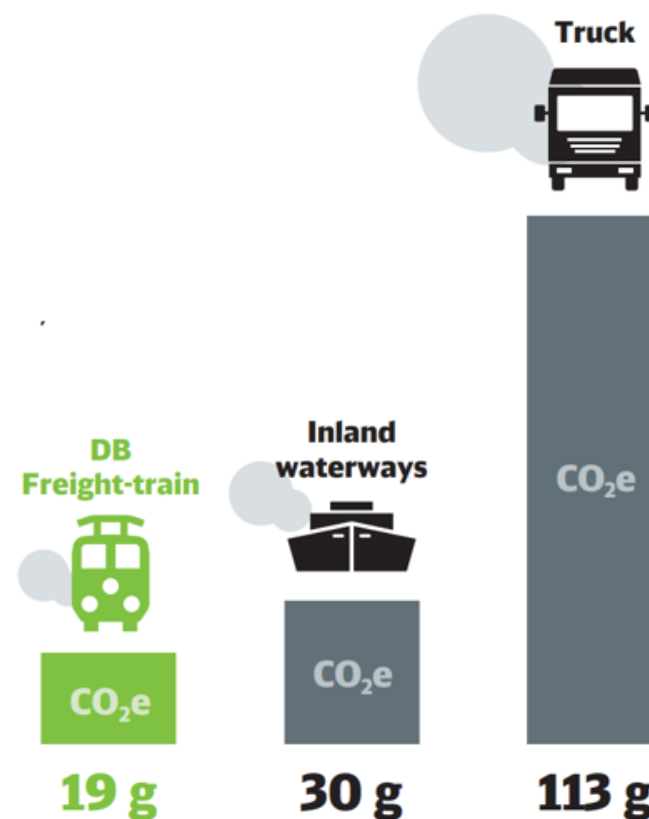
Sources: Plane, car, bus, truck: UBA (TREMOD 6.16 V2 (06/21), reference year 2019); Rail: DB AG (reference year 2019).

# We have set ourselves ambitious climate targets to support Germany's energy transition

**DB**

## DB climate targets

**Specific CO$_2$e-emissions**
of DB carriers vs. 2006 in %

| -33% | -30% | | -50% | -100% |

| 2018 | 2019 | 2020 | 2030 | 2038 | **Climate neutrality** 2040 |

**Share of renewable energies**
in DB traction current mix in %

57%   60%                    80%
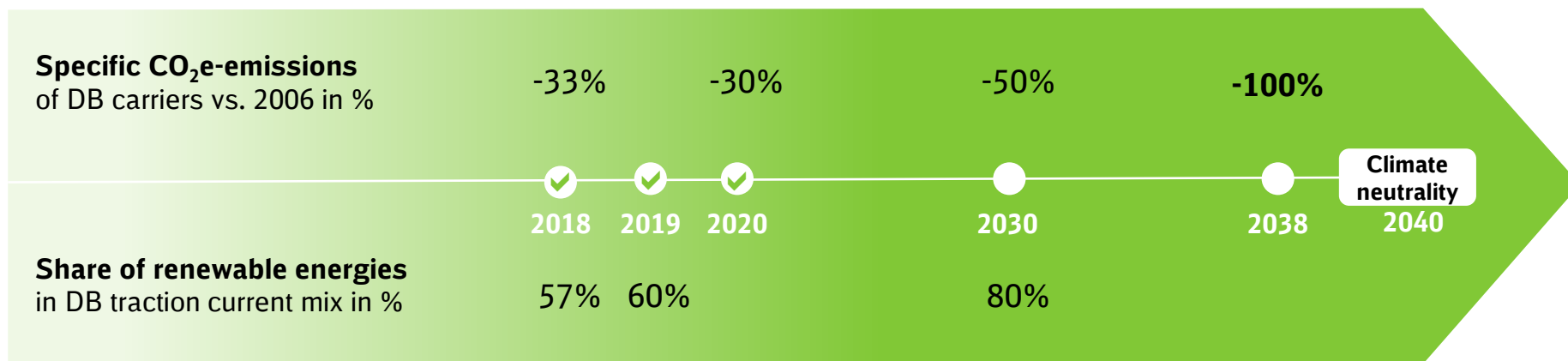
› In 2021, the share of renewable energies in the DB traction current mix reached 62%, thereby exceeding the share of renewable energies in Germany's final energy consumption (46% in 2021) significantly.

› DB Group has set the targets to further enhance the share of renewable energies in the DB traction current mix in Germany to 80% by 2030 as well as to reduce specific greenhouse gas emissions by 50% compared to 2006.

› In addition, from 2025 all DB depots, office buildings and stations in Germany will be fully eco-powered.

› To enable DB Group's vision to become climate neutral by 2040, DB Netze Energy actively supports the energy transition (Energiewende) in Germany.

# We are monitoring a broad variety of ESG KPIs from all dimensions of sustainability

**DB**

## Customer satisfaction DB Long-Distance
(SI)   >80
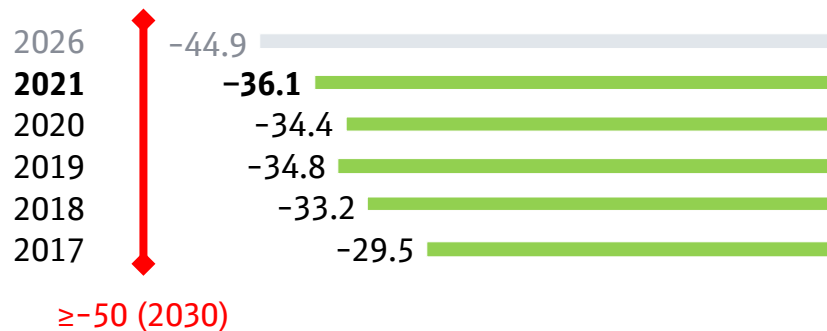
| Year | Value |
|------|-------|
| 2026 | >81 |
| **2021** | **77.8** |
| 2020 | 80.2 |
| 2019 | 76.5 |
| 2018 | 77.1 |
| 2017 | 77.2 |

## Specific greenhouse gas emissions compared to 2006 (%)

| Year | Value |
|------|-------|
| 2026 | −44.9 |
| **2021** | **−36.1** |
| 2020 | −34.4 |
| 2019 | −34.8 |
| 2018 | −33.2 |
| 2017 | −29.5 |

≥−50 (2030)

## Punctuality DB Long-Distance
(%)   >85

| Year | Value |
|------|-------|
| 2026 | >82 |
| **2021** | **75.2** |
| 2020 | 81.8 |
| 2019 | 75.9 |
| 2018 | 74.9 |
| 2017 | 78.5 |

## Employee satisfaction
(SI)   3.8

| Year | Value |
|------|-------|
| 2026 | 3.8 |
| **2021** | – |
| 2020 | 3.9 |
| 2019 | – |
| 2018 | 3.7 |
| 2017 | – |
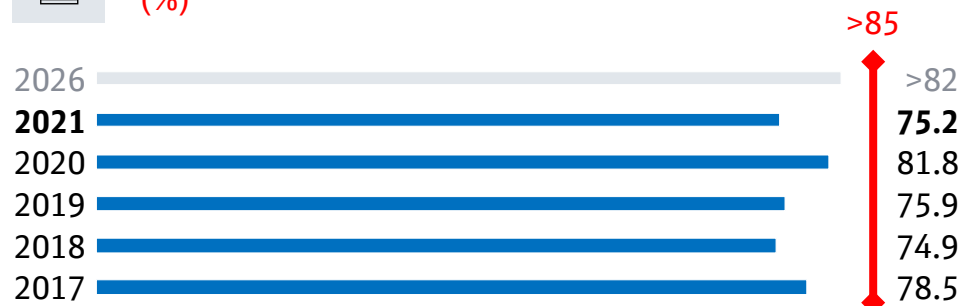
# We have set ourselves ambitious sustainability targets

**DB**

80% renewable power in DB's traction current mix

Reducing the impact of train noise for 50% of all affected people living along tracks

Glyphosate-free rail transport

30% of management positions held by women

100% renewable power in DB's depots, office buildings and stations

100% renewable power in DB's traction current mix

Climate-neutral company

Reducing the impact of train noise for all affected people living along railway lines

2023 — 2024 — 2025 — 2030 — 2038 — 2040 — 2050

# With H2goesRail we have started a project with Siemens for clean mobility through alternative drives for DB Regional Rail

**DB**
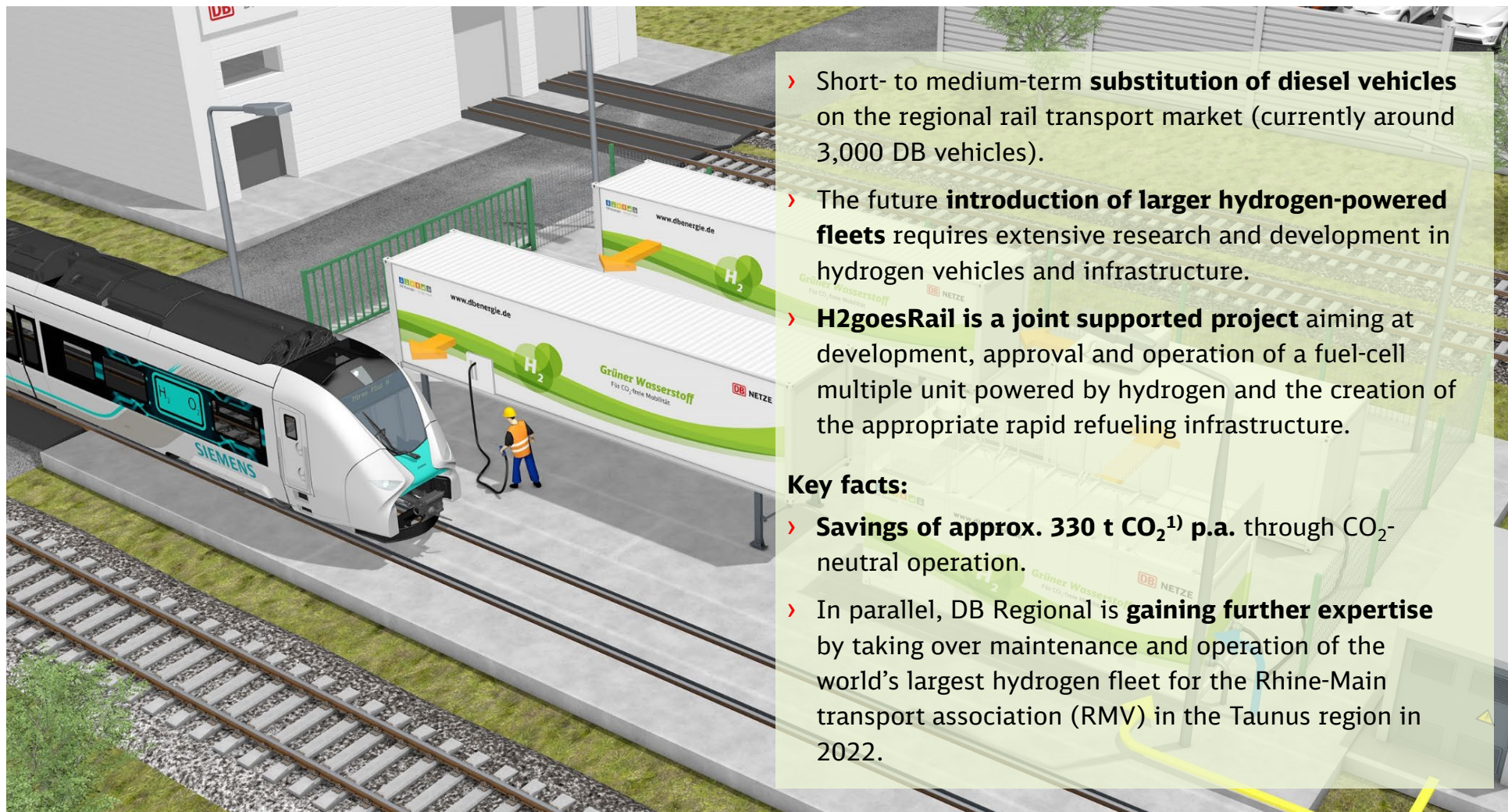
› Short- to medium-term **substitution of diesel vehicles** on the regional rail transport market (currently around 3,000 DB vehicles).

› The future **introduction of larger hydrogen-powered fleets** requires extensive research and development in hydrogen vehicles and infrastructure.

› **H2goesRail is a joint supported project** aiming at development, approval and operation of a fuel-cell multiple unit powered by hydrogen and the creation of the appropriate rapid refueling infrastructure.

**Key facts:**

› **Savings of approx. 330 t $CO_2$[1] p.a.** through $CO_2$-neutral operation.

› In parallel, DB Regional is **gaining further expertise** by taking over maintenance and operation of the world's largest hydrogen fleet for the Rhine-Main transport association (RMV) in the Taunus region in 2022.

[1] Compared to the existing vehicle VT650 plus truck diesel delivery

# Selected ESG highlights from H1 2022

**DB**

## Continuously strong ESG Ratings

| | | | |
|---|---|---|---|
| **CDP** (climate rating) | **A** (Dec. 2021) | **MSCI** MSCI ESG | **AA** (Feb. 2022) |
| **ecovadis** EcoVadis | **68/Gold** (Jun. 2022) | **SUSTAINALYTICS** a Morningstar company Sustainalytics | **24.4** (Feb. 2022) |
| **ISS ESG** ISS ESG | **C+/Prime** (Dec. 2021) | | |

## ESG Highlights H1 2022

## Over 18,000 new employees hired

› In the first half of 2022, DB Group has offered jobs to over 18,000 new employees in Germany. In total, we want to recruit around 24,000 new employees this year.

› Since April, DB Group is helping refugees from Ukraine with advice, trainings and jobs to integrate into the German labor market.

## New HVO fuel at DB Cargo for a last mile without $CO_2$ emissions

› Biofuels as an alternative to diesel make heavy shunting and diesel locomotives climate-neutral and thus climate-neutral supply chains possible throughout for DB Cargo's customers.

› With so-called HVO fuel, DB Cargo's diesel locomotive fleet can be operated without any performance restrictions, as extensive test series have now shown.

## 1.5 mn kilometers completed with electrically powered trucks

› DB Schenker completed more than 1.5 million kilometers with electric vehicles in its European land transport network.

› The network's e-fleet consists of 79 electric vehicles, enabling $CO_2$-free general cargo deliveries from more than 60 locations across Europe.

# Highlights H1 2022: Recovery has accelerated, DB Group returned to profitability and volumes above pre-Covid-level at the end of H1 2021

**DB**

**01** **Pre-Covid level reached** in long-distance transport since May 2022.

**05** **Ongoing very strong Government support** to mitigate financial Covid-19 impact.

**02** **9-€-Ticket gives a boost** to regional transport since June 2022.

**06** **Challenging business environment** in H2 2022 expected.

**03** **Financial recovery is on its way,** operating profit of almost 900 mn in H1 2022.

**07** **Outlook for 2022 positive**, but uncertainties remain high due to Ukraine war and Covid-19.

**04** **Significant positive contribution by DB Schenker** due to further strong increases.

**08** We are well underway on our path for a **Green Transformation**.

# Expectation for full year 2022 slightly raised. Uncertainty remains high mainly due to Covid-19 and war in Ukraine

**DB**

## Outlook (€ bn)

| | H1 2021 | H1 2022 | +/− % | 2021 | 2022 (March forecast) | 2022 (July forecast) |
|---|---|---|---|---|---|---|
| **Revenues adjusted** | 21.8 | **28.0** | +28.4 | 47.3 | >48 | **>54** |
| **EBIT adjusted** | −1.0 | **0.9** | − | −1.6 | >0 | **>1** |
| **ROCE (%)** | −4.5 | **3.9** | − | −3.6 | >0 | **~2** |
| **Debt coverage (%)** | 2.7 | **13.2** | − | 4.3 | ↗ | **~10** |
| **Gross capex** | 5.6 | **5.4** | −2.7 | 15.4 | >16 | **>16** |
| **Net capex** | 2.7 | **2.7** | +3.0 | 6.3 | >6.5 | **>6.5** |
| **Maturities** | − | **−** | − | 2.2 | 2.2 | **2.2** |
| **Bond issues (senior)** | 2.7 | **2.0** | −25.9 | 4.9 | <5 | **<4** |
| **Net financial debt** as of Dec 31/Jun 30 | 29.1 | **30.5** | +4.8 | 29.1 | >30 | **>30** |

# Net profit recovered significantly in 2021 FY after severe decline in 2020 FY– higher operating profit drives improvements in 2022

**DB**

## Net profit development (€ bn)

› € +4.8 bn (2021 vs 2020)

› € +1.9 bn (H1 2022 vs H1 2021)



**+1.3**  +0.1  +0.1  +0.2  +3.1  +0.1  **+4.8**

› € +2.1 bn due to train-path price support

› € +1.4 bn due to omission of impairment effects at DB Arriva

**+1.9**  −0.1  −0.0  +0.1  −0.0  −0.1  **+1.9**  ~+1

| Higher EBITDA adjusted | Lower deprec. | Improve-ment interest balance | Increase other financial result | Increase extra-ordinary result | Increase tax balance | **Net profit increase 2021 FY** | Higher EBITDA adjusted | Higher deprec. | Decline interest balance | Improve-ment other financial result | Decline extra-ordinary result | Decline tax balance | **Net profit increase H1 2022** | **Expected net profit increase 2022 FY** |

Possible differences are due to rounding.

# Implementation of Covid-19 cost-measures in line with expectations

**DB**

**Covid-19 impact**
**Integrated Rail System** (€ bn)

**2.8**

**Expenses**
**1.8**
**(0.8)**

⟵

› **Mainly personnel expenses (reduction in headcount, cuts in variable compensation, ..)**

› **Effects due to lower volume produced**

› **Additional efficiency gains**

**Capex**
**1.0**
**(0.9)**

⟵

› **Cuts in financial investments**

› **Adjustments to capex priority setting**

**Counter-measures 2020-21**       (2020)

**€ 2.8 bn positive effects in 2020 and 2021**

# Net debt driven by capex program and still subdued profitability

**DB**

## Net financial debt (€ bn)

› −0.2/ −0.8% vs Dec 31, 2020    › +1.4/+4.8% vs Dec 31, 2021

**Source of funds −2.3**    **Application of funds +2.1**

**Source of funds −2.8**    **Application of funds +4.2**

**29.3**    −2.3    +6.3    −5.0    +0.8    **29.1**    −2.8    +2.7    +1.0    +0.5    **30.5**    **>30**

› EBIT adj.         1.6
› Depreciation   −3.8

› Dividend      −
› Interest    0.46
› Taxes       0.30

› € +2.1 bn due to Climate Action Program

› € +2.6 bn due to Covid-19 support measures

**Net financial debt** as of Dec 31, 2020 | EBITDA adjusted | Net capex | Working capital/ other | Capital cost/ taxes | **Net financial debt** as of Dec 31, 2021 | EBITDA adjusted | Net capex | Working capital/ other | Capital cost/ taxes | **Net financial debt** as of Jun 30, 2022 | **Expected net financial debt** as of Dec 31, 2022

**2021 FY**    **H1 2022**

Possible differences are due to rounding.

# Financial recovery process is continuing, first positive quarter since Covid-19 begun

**DB**



## Strong development in 2022 so far

› Ongoing recovery with significant gains vs 2022.

› DB Long-Distance with strong volume increase since Covid-19 restrictions in Germany were mostly lifted.

› Q1 2022 was first profitable quarter since development was impacted by Covid-19.

› Ongoing strong growth at DB Schenker.

**Revenues** (€ bn)

| | | |
|---|---|---|
| 29.4 | 33.8 | 42.2 |
| Q3 2020 | Q3 2021 | Q3 2022 |

**EBIT adjusted** (€ bn)

| | | |
|---|---|---|
| -2.2 | -1.1 | +1.1 |
| Q3 2020 | Q3 2021 | Q3 2022 |

**Net financial debt** (€ bn)

| | | |
|---|---|---|
| 28.0 | 32.1 | 30.7 |
| Q3 2020 | Q3 2021 | Q3 2022 |
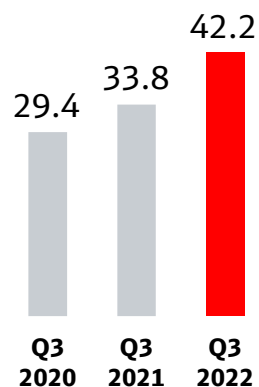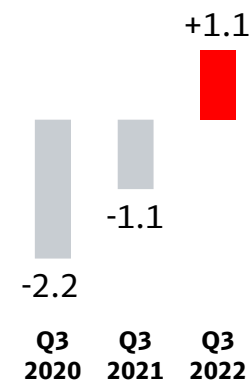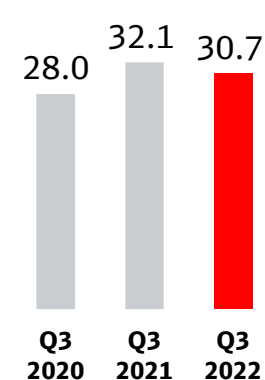
# We enjoy strong credit and sustainability ratings and strong financing power due to established financing programs

**DB**

## Credit ratings

› Moody's: Aa1/stable
› S&P: AA−/stable

## ESG ratings

› CDP: A (best grade)
› MSCI: AA
› ISS ESG C+ (Prime status)
› Sustainalytics: Risk assessment medium
› Moody's ESG: 52 (Scale 0-100) / robust
› EcoVadis: 68 (Scale 0-100) / Gold medal

## Financing programs

› European Medium Term Notes program
› Australian Debt Issuance program
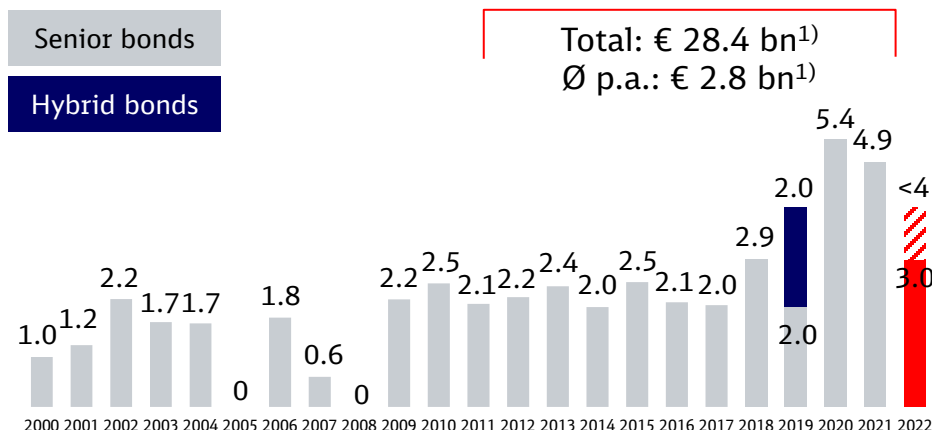› Commercial Paper program

## Bond issues
(€ bn; as of October 10, 2022)

Senior bonds

Hybrid bonds

Total: € 28.4 bn[1]
Ø p.a.: € 2.8 bn[1]



| Year | Value |
|---|---|
| 2000 | 1.0 |
| 2001 | 1.2 |
| 2002 | 2.2 |
| 2003 | 1.7 |
| 2004 | 1.7 |
| 2005 | 0 |
| 2006 | 1.8 |
| 2007 | 0.6 |
| 2008 | 0 |
| 2009 | 2.2 |
| 2010 | 2.5 |
| 2011 | 2.1 |
| 2012 | 2.2 |
| 2013 | 2.4 |
| 2014 | 2.0 |
| 2015 | 2.5 |
| 2016 | 2.1 |
| 2017 | 2.0 |
| 2018 | 2.9 |
| 2019 | 2.0 / 2.0 |
| 2020 | 5.4 |
| 2021 | 4.9 |
| 2022 | <4 / 3.0 |

[1] Senior bonds.

## Maturity profile financial liabilities
(€ bn; incl. swaps; excl. leasing; as of October 10, 2022)

Senior bonds   Hybrid bonds[1]   Federal loans   Bank/other



| Year | Value |
|---|---|
| 2022 | 0.5 |
| 2023 | 2.0 |
| 2024 | 2.1 |
| 2025 | 3.0 |
| 2026 | 2.3 |
| 2027 | 2.2 |
| 2028 | 2.0 |
| 2029 | 2.7 |
| 2030 | 2.3 |
| 2031 | 2.3 |
| 2032 | 1.3 |
| 2033 | 1.0 |
| 2034 | 1.0 |
| 2035 | 0.5 |
| 2036 | 1.6 |
| 2039 | 0.7 |
| 2040 | 0.8 |
| 2041 | 0.2 |
| 2042 | 0.7 |
| 2043 | 0.1 |
| 2050 | 1.0 |
| 2051 | 1.0 |
| 2072 | 0.1 |
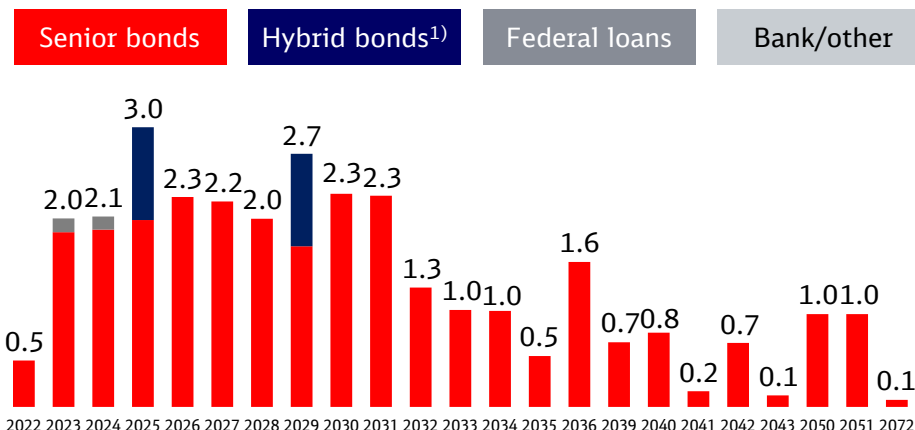
[1] First possible call year.

# We will tap the bond markets again in 2022, eight issues so far with total volume of about € 3.0 bn

## Bond issues

### 2021: 10 transactions

| Volume (€ bn) | Term (Ø years) | Interest[1] (Ø %) |
|---|---|---|
| 4,891 | 15.3[2] | 0.58[2] |

### 2022: 8 transactions (so far)

| Volume (€ bn) | Term (Ø years) | Interest[1] (Ø %) |
|---|---|---|
| 2,951 | 12.1[2] | 2.19[2] |

| Volume | Flag | Term | Interest |
|---|---|---|---|
| 51 | Norway | 12.0 | 3.22 |
| 52 | Sweden | 18.0 | 2.85 |
| 191 | Australia | 20.0 | 1.24 |
| 200 | EU | 5.0 | 0.84 |
| 308 | Switzerland | 10.0 | 2.86 |
| 500 | EU | 20.0 | 3.95 |
| 750 | EU | 12.0 | 1.42 |
| 900 | EU | 8.0 | 2.03 |

[1] Interest all in €. [2] Volume weighted average. Non-€ bond issuances were swapped into €.

**Bond issues € <4 bn expected in 2022**

# Appendix

# Back-Up Materials

| A01 | **DB Group** |
|---|---|
| A02 | 2021 Financial Year |
| A03 | H1 2022 |
| A04 | Debt and Financing |
| A05 | ESG |
| A06 | Government Relations |
| A07 | Track Record |

**A01**

DB

# Successfully developed transport networks ensure top market positions

**DB**

## (1) DB Group in Germany

**No. 1**
**Long-distance rail passenger transport**

**No. 1**
**Local rail passenger transport**

**No. 1**
**Bus transport (regional)**

**No. 1**
**Rail freight transport**

## (2) DB Group in Europe

**No. 2**
**Long-distance rail passenger transport**

**No. 1**
**Local rail passenger transport**

**No. 2**
**Bus transport**

## (3) DB Group worldwide

**No. 4**
**Air freight**

**No. 5**
**Ocean freight**

**No. 1**
**Rail infrastructure**

**No. 1**
**Rail freight transport**
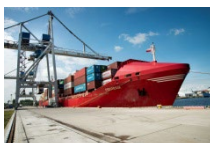
**No. 1**
**Land transport**

**No. 5**
**Contract logistics/SCM**

As of 2020, market positions in terms of revenues.

# We are acting worldwide in more than 130 countries

**DB**



**North America**
› ~9,300 employees (3.4% of total)
› € 3.2 bn revenues (6.5% of total)
**Offerings**
› Logistics services
› Rail projects

**Germany**
› ~218,700 employees (64.9% of total)
› € 24.1 bn revenues (50.9% of total)
**Offerings**
› Rail infrastructure
› Passenger transport (rail and bus)
› Land transport (rail and truck)
› Logistics services
› Rail projects

**Europe** (excl. Germany)
› ~88,500 employees (26.3% of total)
› € 14.3 bn revenues (30.2% of total)
**Offerings**
› Passenger transport (rail and bus)
› Land transport (rail and truck)
› Logistics services
› Rail projects

**Asia/Pacific**
› ~17,000 employees (5.1% of total)
› € 5.0 bn revenues (10.5% of total)
**Offerings**
› Logistics services
› Land transport (rail)
› Rail projects

**South America**
› ~2,300 employees (0.7% of total)
› € 0.59 bn revenues (1.2% of total)
**Offerings**
› Logistics services
› Rail projects

**Africa**
› ~1,150 employees (0,3% of total)
› €0.19 bn revenues (<1% of total)
**Offerings**
› Logistics services
› Rail projects

Employees in natural persons.

# Big Picture: Finance and regulation at a glance

**DB**

## Federal Government

**3. Responsibility for regional public transport**

**2. Infrastructure access and price regulation**

**1. Infrastructure funding and capex**

Regionalization Funds (Länder)

**Intramodal Competition**

**Infrastructure company**

Federal funds

Total infrastructure invest

New built infrastructure (Federal transport planning)

Re-Invest (Multiannual contract)

**Regional public service contracts (B2G)**

**Ext. TOCs**

**DB TOCs[3]**

Net Invest

**Intermodal Competition**

**B2C Regional**

**B2C Long dist.**

**B2B Freight**

Market revenues

Infrastr. expend.

OPEX

Profit AfA

Infrastructure revenues

AfA[1]

OPEX[2]

Profit

**Constitutional obligation: Federal Railways are managed as privat sector companies**

[1] Depreciation of fixed assets. [2] Operating expense. [3] Train operating companies.

# DB Group is active in market segments with independent commercial services and publicly mandated services

**DB**

☐ Independent commercial services
☐ Publicly mandated services

**DB**

## Passenger Transport

### Long-distance transport services
› Direct competition with cars, buses and airplanes
› End-customer business
› Intensive level of fixed assets

### Local public transport services
› Contracted services, tender competition
› Customers here are both the contracting organization[1] as well as the passenger (end-customer)
› Intensive level of fixed assets

## Freight transport and logistics

### Rail freight transport services
› Rail competes directly with other modes of transport
› Big customer business, clear sector focus
› Intensive level of fixed assets
› Train-path price support since 2018

### Freight forward. and logistical services
› Direct competition (world-wide)
› Full-service forwarder, large customer base, broad mix of industries
› Less intensive level of fixed assets

## Infrastructure

### Provision of infrastructure
› No competition, monopoly position in regulated markets, public-sector contracts for reliable and efficient provision of infrastructure at competitive prices
› Customer: Carriers (derived demand)
› Very intensive level of fixed assets

[1] Contracting organizations can be states, state-run enterprises, transport associations, or regional bodies.

# DB's rail infrastructure is clearly allocated to one of the three infrastructure business units

## Infrastructure (DB Netze)

### DB Netze Stations

**DB Station&Service AG**
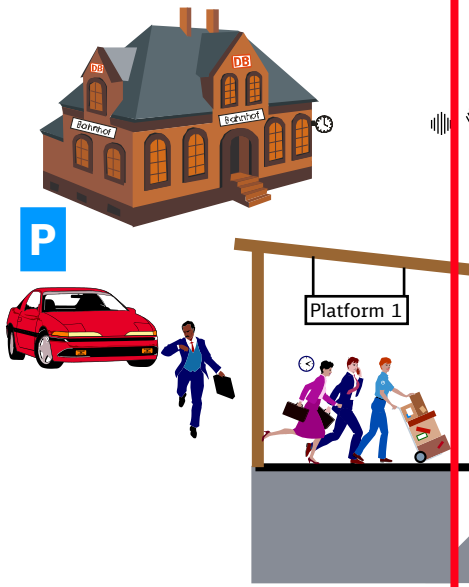
### DB Netze Track

**DB Netz AG**
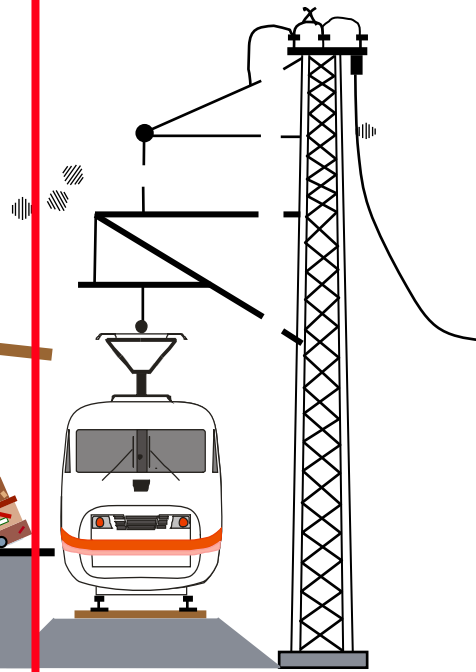
### DB Netze Energy

**DB Energie GmbH**
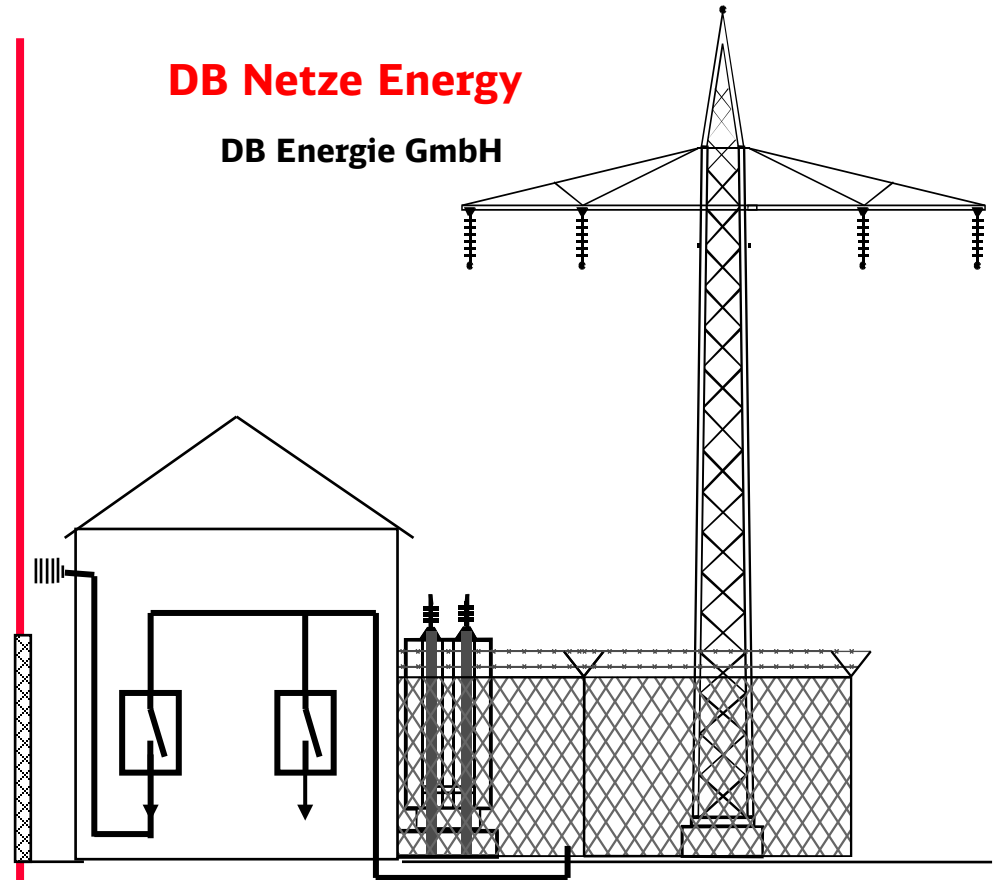
# The long-term trends in our markets and thus the foundation of our Strong Rail strategy are unchanged

**DB**

| | | |
|---|---|---|
|  | **FOR THE CLIMATE.** | … because climate protection has not lost its relevance and is becoming more urgent. |
|  | **FOR PEOPLE.** | … because leisure and business travel are and remain a basic need of a digital society. |
|  | **FOR THE ECONOMY.** | … because interlinkage is increasing and the need for green transport solutions is growing. |
|  | **FOR EUROPE.** | … because cross-border green transport and travel are essential in a common market and are more and more demanded. |

# This is how DB Group lives up to its responsibility: The 15 + 1 building blocks of the strategy in the overview

**DB**

| | | | | | |
|---|---|---|---|---|---|
| **MORE ROBUST** | Building block: **Infrastructure upgrade** | Building block: **Digital Rail for Germany** | Building block: **Network capacity management** | Building block: **Fleet and depot expansion** | Building block: **100,000 employees** |
| **MORE POWERFUL** | Building block: **Strong line organization** | Building block: **Integrated accountability** | Building block: **Strong admin** | Building block: **Stable processes** | Building block: **15 employee building blocks** |
| **MORE MODERN** | Building block: **Germany in sync** | Building block: **Focus on growth segments** | Building block: **Digital platforms** | Building block: **New forms of mobility** | Building block: **Smart services** |

**+** Building block: **Environment and 100% green power**

# Progress in the rail sector will be the focus of all our efforts

**DB**

**To live up to its responsibility for Strong Rail, DB Group has set itself a STRATEGY FOR PROGRESS, with three STRATEGIC AREAS.**

| The first STRATEGIC AREA will ensure that sufficient resources are in place: | The second STRATEGIC AREA will set the organization in motion: | The third STRATEGIC AREA will accelerate the pace of innovation: |
|---|---|---|
| *DB will become MORE ROBUST. More routes. More trains. More employees.* | *DB will become MORE POWERFUL. Simple structures. Clear workflows. Dedicated teamwork.* | *DB will become MORE PIONEERING. More frequent service. Greater connectivity. Smarter service.* |
| **Progress in this area means that DB Group will focus on long-term growth and technological innovation that will generate the necessary capacity for DB to live up to its responsibility.** | **Progress in this area means that DB Group will consolidate and simplify its organization as it pursues its overarching goal with courage and follow-through. It means that DB will focus more on the needs of its customers and employees.** | **Progress in this area means that DB Group will raise service frequency and make its products more attractive by using digital technology to ensure seamless connections between modes of transport.** |

# Becoming more robust by implementing five key building blocks

**DB**

## Building block
### Infrastructure expansion

› Planned new and expansion projects will be realized consistently and as fast as possible.
› Additional smaller infrastructure measures improve the robustness in areas where capacity is tight.
› As a result, existing bottlenecks will be removed, and capacities will be increased.

## Building block
### Digital Rail for Germany

› The infrastructure will become more modern and thus strong through technological innovations.
› Digital Rail for Germany enables a further capacity increase, reduces traffic jams and creates the operational prerequisites for digital rail operations.
› Broad roll out of ETCS and digital signaling across the board, increasing service frequency and reducing disruptions while maintaining the same high safety standards.

## Building block
### Network capacity management[1]

› Capacity consumption will be reduced through capacity-friendly construction.
› Timetables wil be more in line with existing capacities through capacity-friendly operations. The utilization will be increased among others by harmonizing the speed profiles.
› PlanCorridor and PlanStart are first measures for an optimized utilization of existing capacities in bottlenecks.

## Building block
### Fleet and depot expansion

› Fleet capacity will be extended by modernizing our existing rail vehicles and investing in new ones.
› Maintenance capacity will be extended by expansion of the maintenance facilities.
› Maintenance efficiency will be improved by using sensor technology, AI-based processes und 3D printing technology.

## Building block
### 100,000 employees

› In the coming years DB Group will hire at least 100,000 new employees.
› Therefore, an end-to-end process for a dynamic demand assessment will be established, a comprehensive employer branding campaign will be conducted and the work of the future will be newly shaped.
› As a result, DB's image as an attractive employer will be strengthened; personnel bottlenecks, mainly in jobs critical for operations, will be avoided.

[1] Including involvement of third parties.

# Becoming more powerful by implementing five key building blocks

**DB**

### Building block
## Strong line organization

› The organization will be focused on one target system. Existing trade-offs will be solved, and responsibilities sharpened.
› The effectiveness of the organization will be improved by the elimination of management levels, dissolution of redundancies and streamlining of management boards.
› Projects will be strictly focused on Strong Rail and limited in its number.

### Building block
## Integrated accountability[1]

› Cross-business unit process will have one clear process owner in the future.
› This one process owner is responsible for the focus on customer value, the result and the continuous improvement of the process.
› The process owner is part of the line organization and connected with a direct reporting line to the Management Board.

### Building block
## Strong admin[1]

› Strong admin in Finance and Controlling, Procurement, HR and Technology and Digitalization set standards and realize economies of scale by bundling resources and competencies.
› They draw up binding quality guidelines at important interfaces, have veto rights in case of non-conformance and a direct reporting line to the Management Board.
› They lead the respective functions at the business units with regard to their defined spectrum of responsibilities.

### Building block
## Stable processes

› With the DB excellence system, DB Group establishes a common language and a common method and toolbox for process design and development.
› All 21 core processes of the integrated rail system will be optimized and standardized with this method box.

### Building block
## 15 building blocks of employees

› DB employees will be involved in the change and shall develop and create their own building blocks.
› DB Group is looking for 15 building blocks of employees, that mobilize DB Group and help to successful implement the 15 strategy building blocks.
› The development will take place in employee forums and events – the Management Board is committed to implement them.

[1] In line with regulatory requirements

# Becoming more modern by implementing five key building blocks

**DB**

## Building block
### Germany in Sync

› Regional transport, long-distance transport, rail and bus will be aligned better across Germany.
› Hence, travel time can be reduced, and customer experience can be improved.
› On all major intra-German connections, there will be a train running twice an hour, to major European cities at least once an hour.

## Building block
### Focus on growth segments

› Strong intermodal transport – enabling access to the rail network for as many customers as possible with an integrated range of products and services in intermodal transport at all stages in the value chain.
› Strong block train service – with regular scheduled and special trains tailored to meet customer requirements and win back market share for rail.
› Strong single car service – offering better single freight car transport to appeal to growth sectors.

## Building block
### Digital platforms

› DB expands existing and establishes new platforms to integrate own services and third-party services.
› Therefore, DB develops customized solutions for rail freight transport and passenger transport.

## Building block
### New forms of mobility

› DB Group expands the core product mobility on the rails by adding new and innovative forms of mobility.
› So, DB Group enables seamless end-to-end transport and travel chains for customers.

## Building block
### Smart services

› Optimization of travel experience in long-distance, among others through improved travel information, for more se determination during the journey as well as through personalized services.
› Innovative services in regional transport jointly with the sector for the customers – for instance Wi-Fi and innovative space and train concepts.
› New services in freight transport, for instance through further development supply chain solutions

# DB Long-Distance operates a network of long-distance commercial rail passenger transport services centered on Germany

**DB**



## DB Long-Distance in 2021

| | |
|---|---|
| **Revenues** | € 2,911 mn |
| **EBIT** | € -1,790 mn |
| **Employees** (FTE) | 18,790 |
| **Volume sold** | 24,762 mn pkm |
| **Passengers** | 81.9 mn |
| **Fleet** | 210[1) / 341[2) |
| **Avg. dist. traveled** | 302.3 km |

[1) Locomotives   [2) ICEs

## Profile

› DB Long-Distance provides fast, comfortable, convenient and eco-friendly travel within Germany as well as to and from its neighboring countries on a commercial basis.

› Daily scheduled ICE, IC, and EC routes are the backbone of the
DB Long-Distance portfolio.

› DB Long-Distance is increasing and modernizing its fleet, with more and longer ICE 4 trains, fast ICE 3neo trains, IC 2 and ICE L trains along with modernized ICE 1 and ICE 3 trains.

› With its high percentage of renewable traction power, new energy-efficient trains and a completely carbon-neutral ICE maintenance depot, DB Long Distance is committed to environmental sustainability. Since 2018, all electrically driven trains have been running on 100% green power.

› With around five million holders, the BahnCard discount card is the most important customer loyalty tool at DB Long-Distance.

› According to forecasts, the long-distance transport market will continue its successful growth after the end of the Covid-19 pandemic. Therefore, DB Long-Distance continues to pursue its growth strategy in alignment with the corporate strategy "Strong Rail".

# Campaign for twice-hourly travel between metropoles and for direct connection of 80% of the population to the long-distance network

**DB**



Westerland
Binz
Stralsund
Kiel
Rostock
Norddeich
Schwerin
Hamburg
Bremen
Berlin
Münster
Hannover
Magdeburg
Cottbus
Duis...
Hamm
Kassel
Erfurt
Leipzig
Dresden
Aache...
Köln
Jena
Chemnitz
Ffm
Hof
Bamberg
Trier
Würzburg
Nürnberg
Mannhe...
Saarbrücken
Regensburg
Karlsruh...
Stuttgart
Tübingen
München
Lindau
Berchtesgaden
Zürich
Oberstdorf

At least 2 ICEs per hour
At least 1 ICE per hour
At least 1 ICE every 2 hours
1 IC per hour
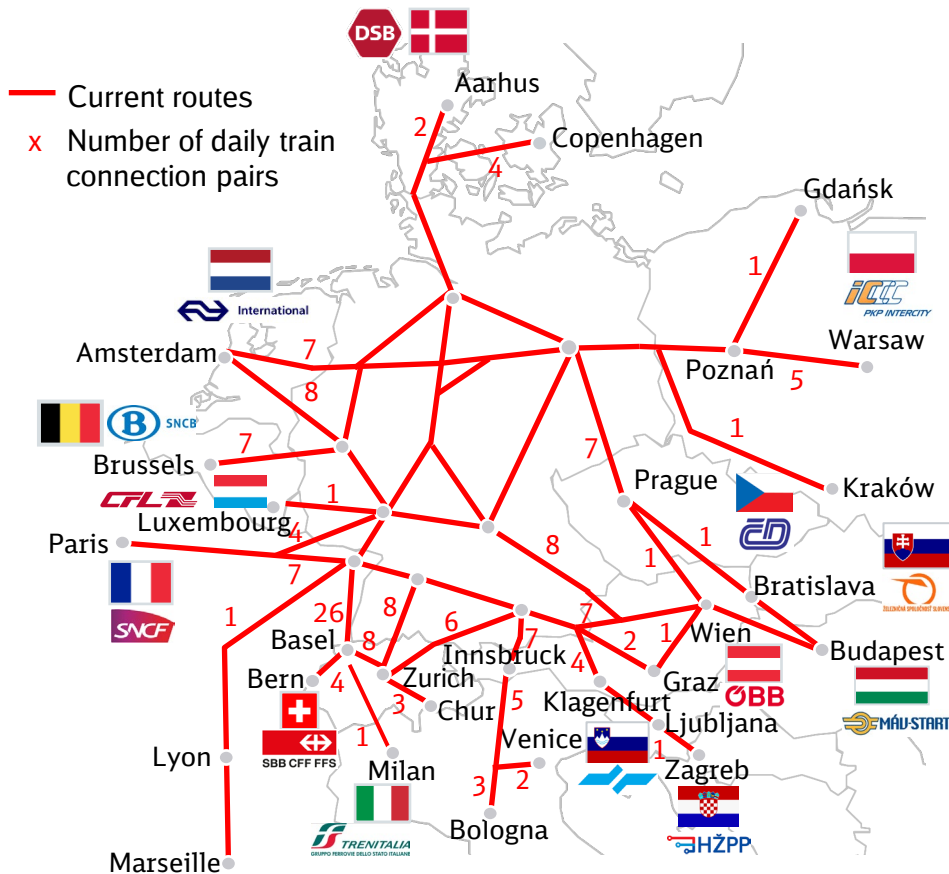1 IC every 2 hours
IC tourist services

## GERMANY IN SYNC

**The objective: 260 million passengers per year.**

› Target network with a total of approx. 200 mn train-path km per year.

› DB Long-Distance will expand its flexible, reliable and high-frequency long distance transport network.

   › More frequent: More trips in ICE quality - two connections per hour on each of the main axes between 30 major cities.

   › Faster: Shorter travel times - using new infrastructure and additional Sprinter connections.

   › More interconnected: approx. 2/3 more stops in Germany and expansion of services in regions – connecting 80% of the population to the long-distance network.

› Expanding services to double the number of passengers will save 4 million tons of $CO_2$ per year, which is equivalent to the annual carbon footprint of just under 0.5 mn people.

# DB Long-Distance: Rail network connections with European neighbors

**DB**

## Market overview for DB Long-Distance



— Current routes

x Number of daily train connection pairs

DSB

Aarhus

Copenhagen — 2, 4

Gdańsk

International (NS)

Amsterdam — 7, 8

Warsaw — 1, PKP INTERCITY

Poznań — 5

B SNCB

Brussels — 7

CFL

Luxembourg — 1, 4

Prague — 7, CD

Kraków — 1

SNCF

Paris — 7, 1

Basel — 26, 8

Bern — 4

Zurich — 8, 3

Chur

Innsbruck — 6, 7

Klagenfurt — 5

Venice — 1

Bratislava

Wien — 8, 1, 1, 2, 4, 7

Budapest — 1

Graz

Ljubljana — 1

Zagreb

ÖBB

MÁV-START

Lyon — 1

Milan — 3, 2

Bologna

TRENITALIA GRUPPO FERROVIE DELLO STATO ITALIANE

HŽPP

Marseille

SBB CFF FFS

## Significant characteristics

› DB Long-Distance links the most important neighboring cities with point-to-point connections from the German network. Vacation trips to neighboring European countries are very attractive and in demand.

› Cross-border connections operated in most cases in cooperation with other national railways.

› Above-average growth before Covid-19 pandemic: In the last 10 years the international revenue has grown by more than 60% (based on the year 2019).

› In comparison to 2019, 56% international revenues were achieved in 2021, 87% are planned for 2022.

› In the future, further systematic expansion of international services with new vehicles and new infrastructure (Stuttgart 21, Fehmarnbelt Tunnel, Brenner Base Tunnel) are envisioned.

# DB Regional offers on-time, reliable and eco-friendly regional transport service

## DB Regional in 2021

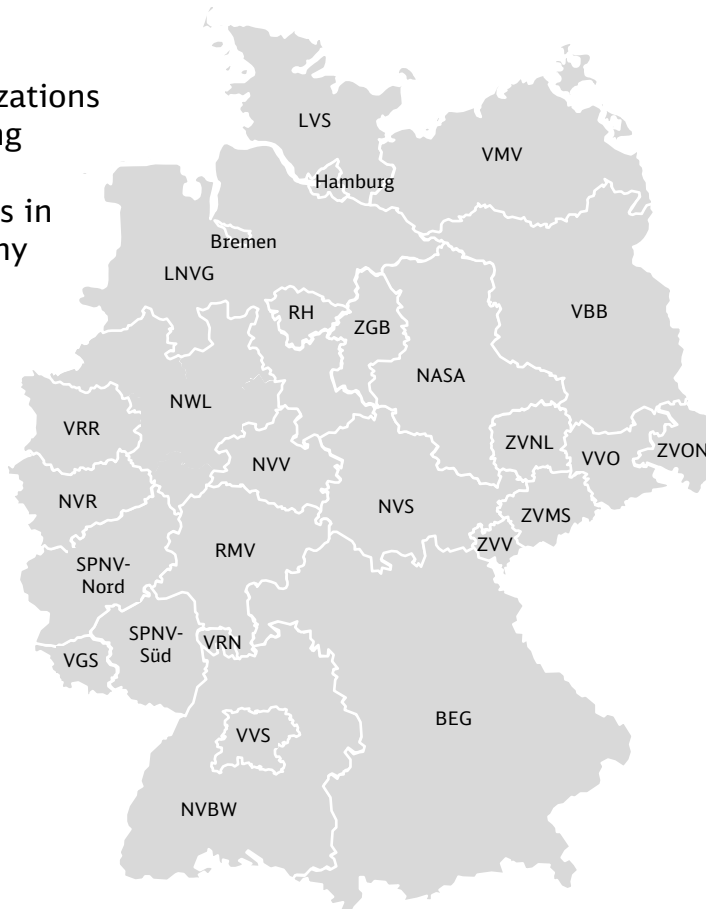| | |
|---|---|
| **Revenues** | € 8,043 mn |
| **EBIT** | € -417 mn |
| **Employees** (FTE) | 37,220 |
| **Volume sold** | 25,921 mn pkm |
| **Passengers** | 1.540 bn[1] |
| **Fleet** | 4,587[2] / 9,803[3] |
| **Avg. dist. traveled** | 19.1 km |

## Profile

› DB Regional Trains is commissioned by local transport authorities to offer rail passenger transport tailored to regional and local needs and is market leader in local German public transport. Its services cover both urban transport in high-population areas and regional transport in lower-population areas.

› The 27 contracting organizations in Germany use competitive tendering to select operators for regional and local rail passenger transport service.

› These public service obligation (PSO) services are financed by concession fees and ticket sales.

› The gross-cost contracts model is predominant in Germany, with ticket sales attributed to the contracting organizations.

› DB Regional Bus offers both commercial and PSO services on the regional bus market in Germany.

› There are over 400 local transport authorities responsible for public road transport, and services are increasingly awarded in competitive tenders.

[1] Thereof 0.4 bn bus passengers. [2] Locomotives (556) and multiple units (4,031). [3] Buses (including DB Regional's own buses and external ones).

# DB Regional Rail: 27 client organizations order local rail passenger transport services

## Market overview for DB Regional Rail

Organizations ordering LRPT[1] services in Germany



Map labels: LVS, VMV, Hamburg, Bremen, LNVG, RH, ZGB, VBB, NASA, NWL, VRR, NVV, ZVNL, VVO, ZVON, NVR, NVS, ZVMS, ZVV, SPNV-Nord, RMV, SPNV-Süd, VRN, VGS, VVS, BEG, NVBW

› In 1996 responsibility for local rail passenger transport (LRPT) was transferred from the German government to the Federal states.

› To finance this, the Federal Government makes regionalization funds available to the Federal states (2020: € 8.95 bn + 2.5 bn Government financial support due to Covid-19, 2021: € 9.25 bn, 2022: € 9,43 bn).

› 27 client organizations order LRPT services from train operating companies on behalf of the states.

› Market volume was about 704 mn train km in 2021.

› The market in Germany is completely liberalized. With a market share of 60% in 2021, DB Regional is the pillar of the LRPT market.
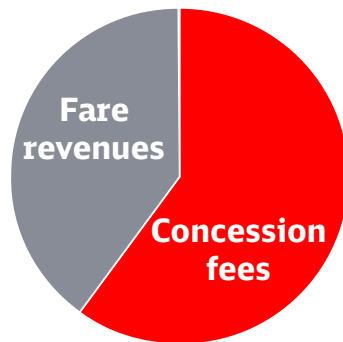
[1] LRPT = local rail passenger transport

# German regional rail market is subject to service contracts and concession fees

## Funding of regional passenger rail transport

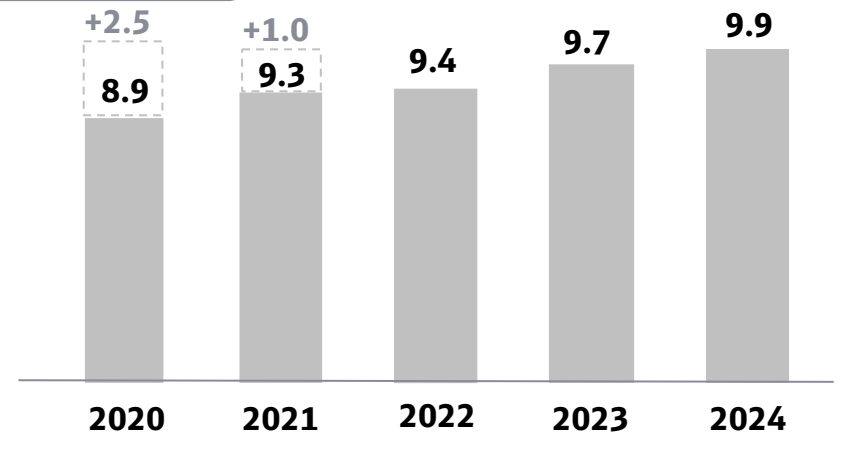**Regional passenger rail transport**

**Federal budget for funding regional and urban passenger transport (€ bn)**



Covid-19 compensation in 2020 (2.5 bn) and 2021 (1.0 bn)

>+1.8% p.a. from 2020 until 2024

+1.8% p.a. from 2024 until 2031

Fare revenues

Concession fees

+2.5 / 8.9 (2020)
+1.0 / 9.3 (2021)
9.4 (2022)
9.7 (2023)
9.9 (2024)

› Federal states receive annual funds to warrant regional passenger rail transport.

› Service definitions and fees are subject to contracts between regional authorities and operators.

› Contracts are tendered or negotiated competitively.

› By law, Federal states are required to use funds for regional and urban transport, these funds are predominantly used for concession fees.

› Total regionalization funds increase constantly by 1.8% p.a. 2024-2031 (€ 11.2 bn in 2031), extraordinary increases 2020-2024 derive from Climate Action Package and Covid-19 measures.

# DB Cargo has a strong European network and is the number one in European rail freight transport

**DB**



## DB Cargo in 2021

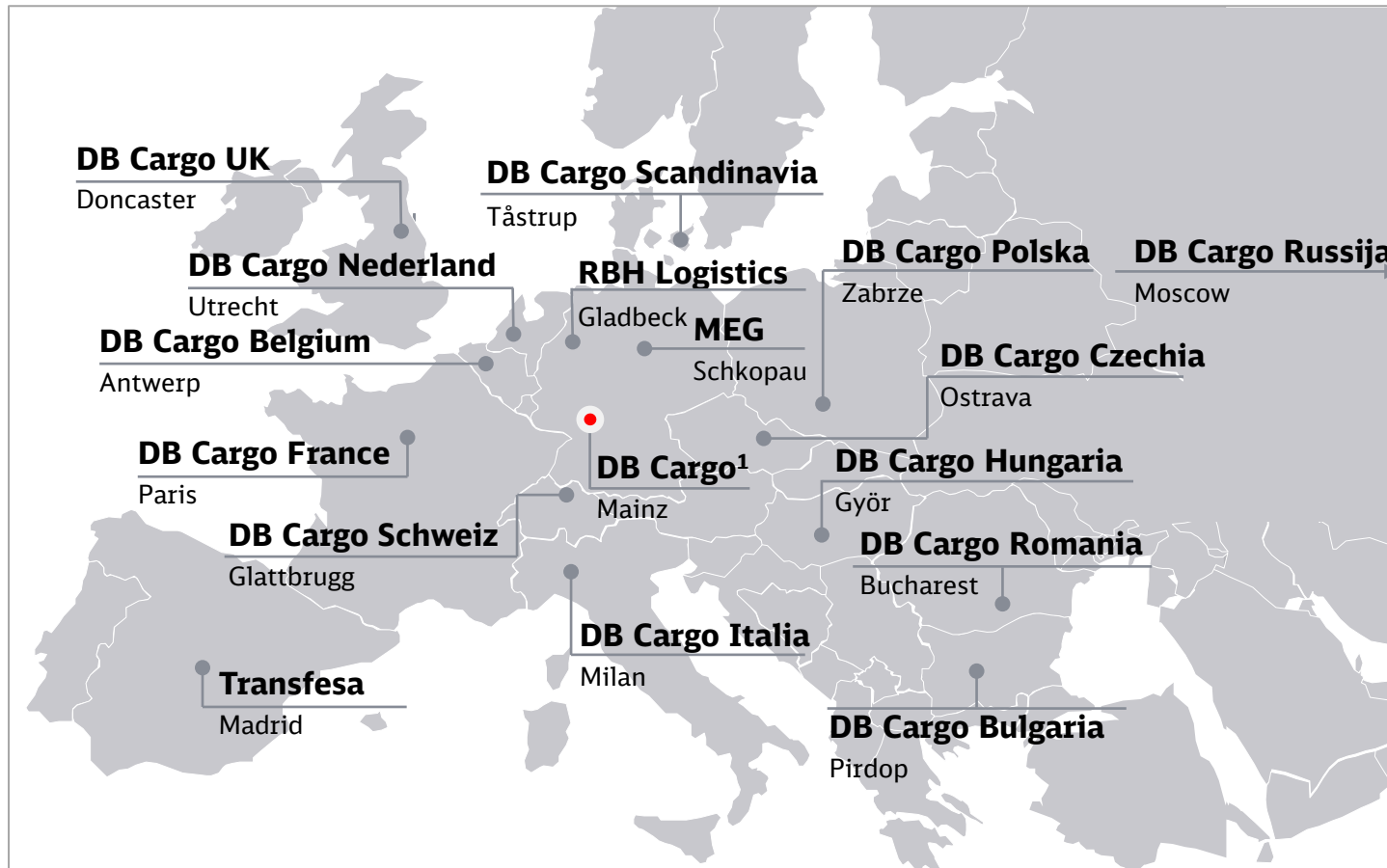| | |
|---|---|
| **Revenues** | € 4,487 mn |
| **EBIT** | € -481 mn |
| **Employees** (FTEs) | 30,057 |
| **Volume sold** (tkm) | 84.9 bn |
| **Freight carried** | 227 mn t |
| **Fleet**[1] | 2,566 / 80,507 |
| **Avg. transport dist.** | 375 km |

[1] Locomotives / freight wagons.

## Profile

› With approx. 4,200 private customer sidings in Europe, DB Cargo offers customers access to one of the world's largest rail networks.

› DB Cargo's international network follows the major European rail freight corridors.

› DB Cargo offers European rail transport in the form of block train, single wagonload and multimodal services.

› Tailor-made transport and logistics solutions are also available as additional services that link rail and road (trucking) and ocean freight service.

› Target customers are:

  › In the segment of bulk logistics: Building materials, fertilizers, metal and coal industry.

  › In the segment of industrial and commercial logistics: Automotive, chemical, petroleum, consumer goods, timber, pulp and paper industries.

  › In the segment of combined transport: Operators, freight forwarders and ship-owners.

› Most of DB Cargo's services are carried out using an own fleet of locomotives and freight wagon.

# DB Cargo offers its customers a comprehensive European network

**DB**

## DB Cargo in Europe

**DB Cargo UK**
Doncaster

**DB Cargo Scandinavia**
Tåstrup

**DB Cargo Polska**
Zabrze

**DB Cargo Russija**
Moscow

**DB Cargo Nederland**
Utrecht

**RBH Logistics**
Gladbeck

**MEG**
Schkopau

**DB Cargo Czechia**
Ostrava

**DB Cargo Belgium**
Antwerp

**DB Cargo France**
Paris

**DB Cargo¹**
Mainz

**DB Cargo Hungaria**
Györ

**DB Cargo Schweiz**
Glattbrugg

**DB Cargo Romania**
Bucharest

**DB Cargo Italia**
Milan

**Transfesa**
Madrid

**DB Cargo Bulgaria**
Pirdop

¹⁾ Headquarter.

# DB Netze Track is Europe's number one track infrastructure provider

## DB Netze Track in 2021

| Revenues | € 5,984 mn |
|---|---|
| EBIT | € 334 mn |
| Employees (FTE) | 51,290 |
| Train-path km | 1,108 mn |
| Line operated | 33,288[1] |
| Switches | 65,221 |
| Bridges | 25,163 |

[1] Including 20,540 km powered by electricity. [2] Based on timetable year 2021.

## Profile

› DB Netze Track is responsible for the rail network and all the infrastructure which is necessary for operations.

› DB Netze Track ensures non-discriminatory network access for all authorized rail companies, local and regional passenger transport authorities, freight forwarders and consignors.

› Eight operations centers and one network control center keep rail service in Germany running smoothly 365 days a year. A more decentralized concept is currently being rolled out.

› DB Netze Track's core responsibilities also include preparing train schedules in close partnership with customers, managing operations as well as construction, and providing maintenance service.

› Train path products are the most important source of revenues for DB Netze Track.

› Track access charges are set in a transparent train path pricing system regulated by the Federal Network Agency.

› DB Netze Track coordinates 83,000 regular train path requests in its working timetable, and roughly 880,000 ad hoc requests from the freight transport sector in particular.[2]

› Focusing on new line and line upgrade projects - removing infra-structure bottlenecks and creating additional capacity for transport growth along core routes and urban areas − are crucial for further growth.

# DB Netze Stations is the largest operator of rail stations in Europe

## DB Netze Stations in 2021

| Revenues | € 1,285 mn |
|---|---|
| EBIT | € 1 mn |
| Employees (FTE) | 6,811 |
| Station stops | 155,5 mn |
| Stations | 5,399 |
| Platforms | 9,257 |
| Passenger info | 13,334[1] |

[1] 6,498 passenger information systems and 6,836 dynamic displays.

## Profile

› In addition to the core business of developing and operating rail stations, DB Netze Stations also offers a variety of services at and around stations for customers and visitors ensuring that stations are pleasant places to spend time in.

› DB Netze Stations is also one of the largest landlords for commercial real estate in Germany, with about 900,000 m² of rentable space.

› Each day, stations are served by more than 426,000 trains operated by 114 rail companies. In 2019, before the corona pandemic, the number of passengers and visitors amounted roughly to 21 mn daily. Due to the pandemic, there are no reliable figures at the moment.

› DB Netze Stations earns the revenues from station access fees (regulated in the station pricing system by the Federal Network Agency) and commercial property leases (not regulated).

› Station access fees account for roughly 75% of total revenues.

› To ensure high quality, DB Netze Stations focuses on safety, service, and station cleanliness, with its Triple-S Centers.

# Our goal: attractive future stations in four product lines



| **Metropolitan stations (18)** | **Junction stations (408)** | **Urban stations (954)** | **Local stations (4,004)** |
|---|---|---|---|
| Bremen | Bochum | Neukölln | Bredenbek |
| … comprehensive mobility offers, high quality of stay, diverse consumption and experience possibilities. | … regional identity, support the passenger transfer and provide a frequency-oriented offer for consumers. | … backbone of urban mobility with smooth access to public transport and local neighborhood development. | … support of rail transport, are to be designed in cooperation with municipalities. |
| Benchmark: International TOP-stations | Benchmark: Foreign regional stations | Benchmark: Provider of public transport (BVG, MVG, HVV, …) | Benchmark: Competitors with stations infrastructure (Regional operators, …) |

# DB Netze Energy is the utility company for DB Group and one of the largest power providers in Germany

## DB Netze Energy in 2021

| | |
|---|---|
| **Revenues** | € 3,366 mn |
| **EBIT** | € 169 mn |
| **Employees** (FTE) | 1,900 |
| **Traction power**[1] | 7,445 GWh |
| **Stationary Power**[2] | 14,070 GWh |
| **Diesel** | 389 mn liters |
| **Traction power grid** | ~ 7,900 km |

[1] 16.7 Hz and DC. [2] 50 Hz and 16.7 Hz.

## Profile

› DB Netze Energy offers the entire range of energy products for traction as well as stationary power supply for properties in Germany.

› This commodity portfolio includes traction power and diesel for rail traffic, and electricity, gas, hydrogen and heat for DB Group's stations and other buildings.

› DB Netze Energy also offers a broad range of electricity and natural gas products to industrial and commercial customers throughout Germany.

› Energy consulting and technical services enhance the commodities offered.

› DB Netze Energy is operator for the nationwide high-voltage traction power grid, offering non-discriminatory use to all railway companies.

› DB Netze Energy's network charges are regulated by the German Federal Network Agency.

› DB Netze Energy furthermore operates the nationwide network of diesel refueling stations for trains and has started to build up its network of hydrogen stations.

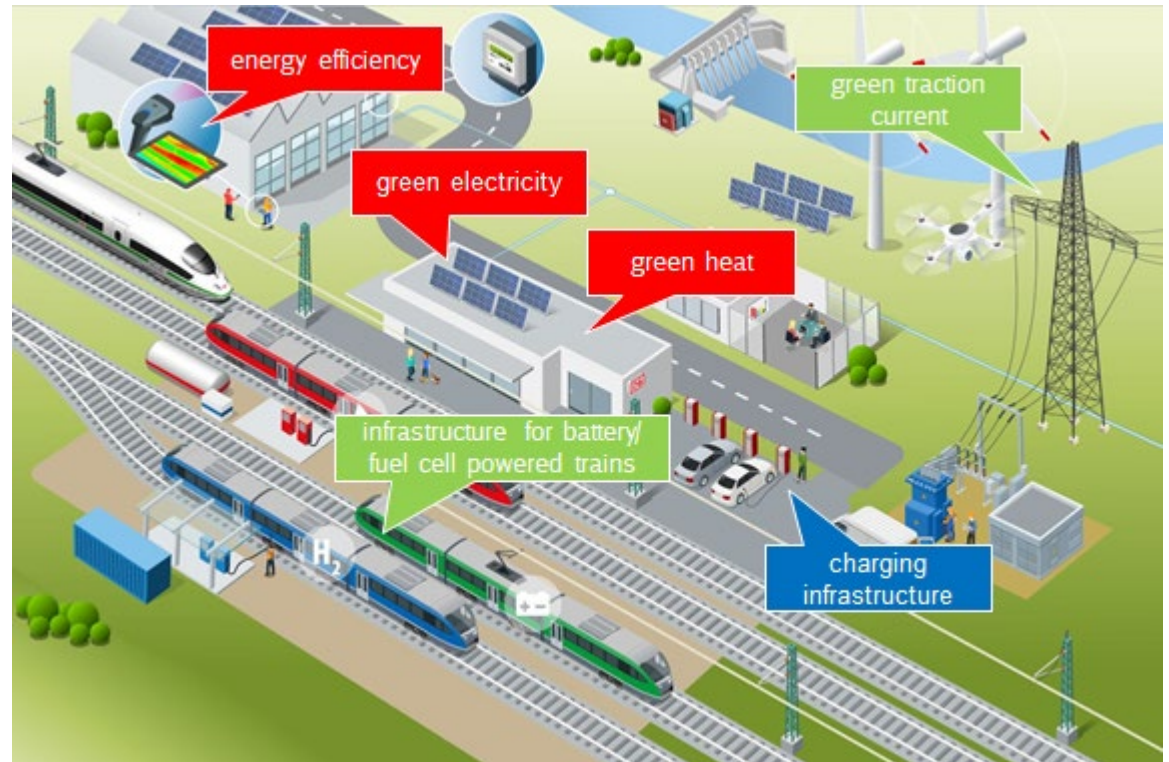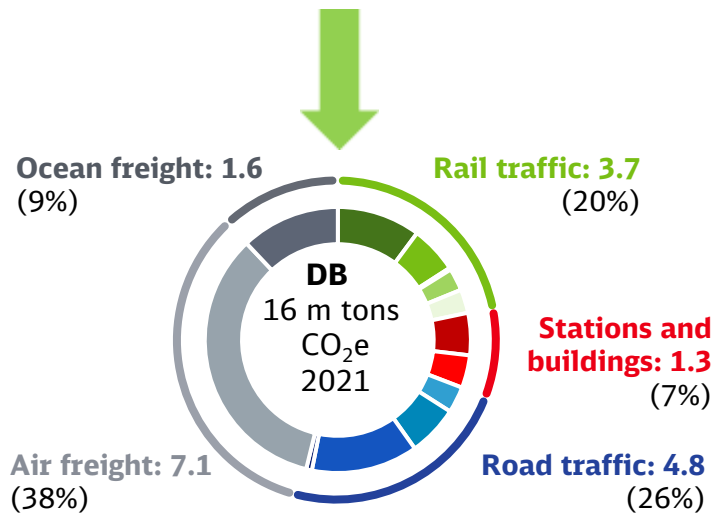› DB Netze Energy continually raises the share of renewables in its traction current portfolio (2021: 62.4%).

# DB Netze Energy is enabler of the energy transition at DB Group and focuses on reducing $CO_2$ emission in energy sector

**DB**

Transition to green energies is one of the main building blocks in strategy Strong Rail.

DB Netze Energy provides green energy and infrastructure solutions for traffic both on rails and roads. We also focus on energy transition in stations and buildings of DB Group.

Building block
**Sustainability and Green Energy**

Ocean freight: 1.6 (9%)

Rail traffic: 3.7 (20%)

**DB** 16 m tons $CO_2e$ 2021

Stations and buildings: 1.3 (7%)

Air freight: 7.1 (38%)

Road traffic: 4.8 (26%)



energy efficiency

green traction current

green electricity

green heat

infrastructure for battery/ fuel cell powered trains

charging infrastructure

$H_2$

Our green solutions for | rail | stations | road

# DB Arriva - the foundation for DB Group's regional passenger services outside Germany

## DB Arriva in 2021

| | |
|---|---|
| **Revenues** | € 4,069 mn |
| **EBIT** | € -73 mn |
| **Employees** (FTE) | 43,189 |
| **Volume sold** (rail) | 4,663 mn pkm |
| **Volume produced** (bus) | 948 mn bus km |
| **Passengers** | 1,308 mn[1] |
| **Fleet** | 831[2] / 15,676[3] |

## Profile

› DB Arriva is the foundation for DB's passenger services outside Germany (with the exception of cross border long-distance services).

› DB Arriva offers a broad range of transport services in 14 European countries with 15,676 buses and 831 trains (light and heavy rail), 7 waterbuses and 684 car-share cars.

› DB Arriva is usually commissioned by regional and national authorities or other parties ordering transport services.

› DB Arriva runs both commercial and PSO services, generating the majority of its revenues with the latter.

› UK Trains is a leader on the UK rail passenger transport market.

› UK Bus is one of the largest providers of urban and regional bus transport in the UK.

› Mainland Europe operates a range of transport services in continental Europe.

[1] Including 210 mn rail passengers. [2] Locomotives (18) and multiple units (813)). [3] Buses (including 15,050 of DB Arriva's own).

# DB Arriva: large footprint with a presence in 14 European countries

**DB**

## Market overview DB Arriva

### Bus



### Rail



**Legend:**
- mature
- mid-liberalization
- emerging
- yet to liberalize
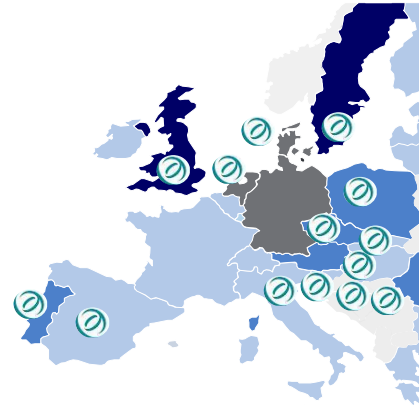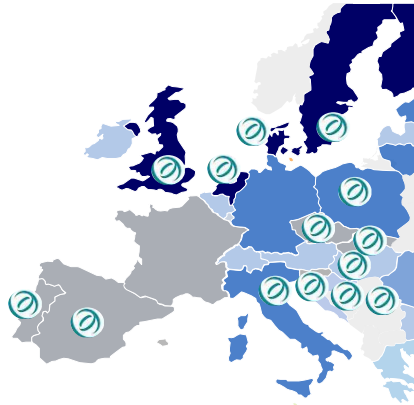- not defined

## Significant characteristics

› Europe sees varying degrees of liberalization

› Heterogeneous markets throughout Europe – in terms of both market liberalization and competition – complete liberalization means a redistribution of contracts

› DB Arriva is already well-established in 14 markets with 15,676 buses, 774 trains and 51 trams, as well as waterbuses, and shared cars and bikes

› Thanks to its diversified portfolio, DB Arriva is well positioned for further market opening (broad geographical coverage, various modes of transport and business models)

› DB Arriva has proven its ability to generate profitable growth in the past

# DB Schenker offers global transport and logistics solutions – by land, ocean and air

**DB**



## DB Schenker in 2021

| | |
|---|---|
| **Revenues** | € 23,443 mn |
| **EBIT** | € 1.248 mn |
| **Employees** (FTE) | 76,114 |
| **Shipments** | 111 mn |
| **Air freight volume** | 1.4 mn t |
| **Ocean freight volume** | 2.0 mn TEU[1] |
| **Warehousing space** | 8.0 mn m$^2$ |

[1] Twenty-foot Equivalent Unit.

## Profile

› As an integrated transport and logistics provider, DB Schenker serves both established and emerging markets, with a global network in ~130 countries.

› DB Schenker's dense land transport network links the most important economic centers in Europe; growing engagement in America and Asia.

› Schenker is one of the world's leading air and ocean freight providers, offering a full range of services in this segment.

› The contract logistics portfolio serves every stage of the value chain: suppliers, manufacturers and dealers, customers, and spare part service.

› DB Schenker has a global customer base in a wide range of industries.

› DB Schenker uses a vertical market approach to develop sector-specific solutions.

› In air and ocean freight, DB Schenker serves as a freight forwarder, without own planes or ships; in land transport, however, DB Schenker relies in part on own vehicles and swap bodies.

› Effective IT support and digital solutions play an especially important role.

# DB Schenker provides integrated logistics solutions
# With deep industry focus and IT know-how

**DB**

**eServices**

| Contract Logistics | Air Freight |
|---|---|
| Ocean Freight | Land Transport |

Automotive

Electronics

Industrial

Consumer/Retail

Aerospace/Marine/Defense

Healthcare

Semicon/Solar

# DB Schenker's business model: A broad global customer base and asset-light operations



**Network business**

› Size is key for a high supply density and for economies of scale when purchasing transport capacity
› Door-to-door solutions thanks to a global presence in more than 130 countries

**Broad customer**

› Approximately 700,000 customers with a wide range of industries
› Large anchor customers and small/medium-sized customers
› Broad base of customers/industries makes business less prone to crisis

**Asset-light business**

› Own vehicles and swap bodies only in parts of land transport
› Predominately leased logistics locations
› Asset-light business model drives flexibility

# Back-Up Materials



| A01 | DB Group |
| --- | --- |
| **A02** | **2021 Financial Year** |
| A03 | H1 2022 |
| A04 | Debt and Financing |
| A05 | ESG |
| A06 | Government Relations |
| A07 | Track Record |

A02

DB

# Highlights 2021: Significant improvements supported by the implementation of Covid-19 support measures and strong growth at DB Schenker

**DB**

| 1 | Positive development in 2021 with significant **improvements in revenues and operating profit**. |

| 2 | Since April 2021 significant **volume recovery process** in passenger transport. |

| 3 | Very **strong development at DB Schenker** mainly driven by air and ocean freight business. |

| 4 | Implementation of **Covid-19 cost-measures** in line with expectations. |

| 5 | **Covid-19 support measures** broadly implemented with positive impact on net debt and equity. |

| 6 | **Coalition agreement** of the new German Government very supportive of DB Group. |

| 7 | We brought forward our **target for climate neutrality** by 10 years to 2040. |

| 8 | Continuing positive **developments in passenger transport** at the beginning of 2022. |

| 9 | **Outlook for 2022** positive, but uncertainties remain high due to Covid-19 and Ukraine war. |

| 10 | **DB Group supports the people of Ukraine** with its full range of capabilities. |

# Improvement in performance in rail transport in Germany dampened by ongoing Covid-19 pandemic

**DB**

## Performance indicators – Integrated Rail System

**Long-distance**
(bn pkm)
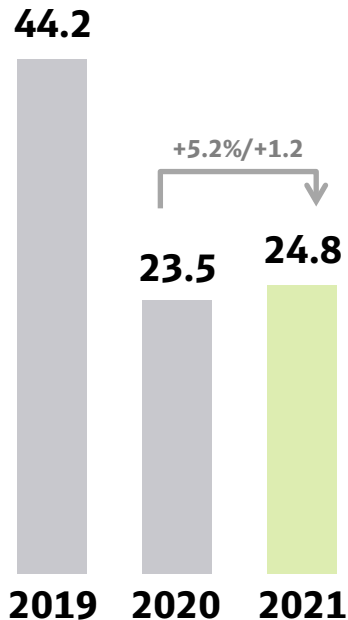
**Regional**[1]
(bn pkm)

**Rail freight**
(bn tkm)

**Infrastructure**
(mn train-path km)



**Long-distance (bn pkm):**
- 2019: 44.2
- 2020: 23.5
- 2021: 24.8
- +5.2%/+1.2

**Regional[1] (bn pkm):**
- 2019: 41.6
- 2020: 23.9
- 2021: 21.4
- −10.4%/−2.5

**Rail freight (bn tkm):**
- 2019: 85.0
- 2020: 78.7
- 2021: 84.9
- +7.9%/+6.2
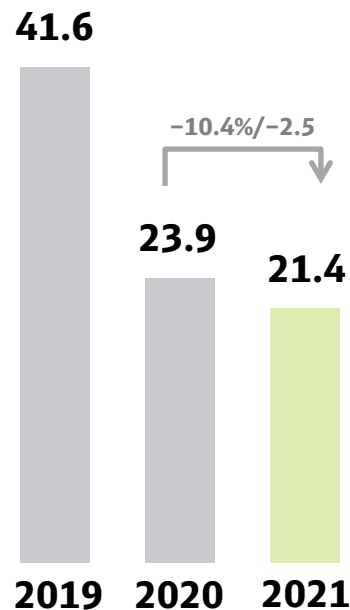
**Infrastructure (mn train-path km):**
- 2019: 1,090
- 2020: 1,066
- 2021: 1,109
- +4.0%/+43
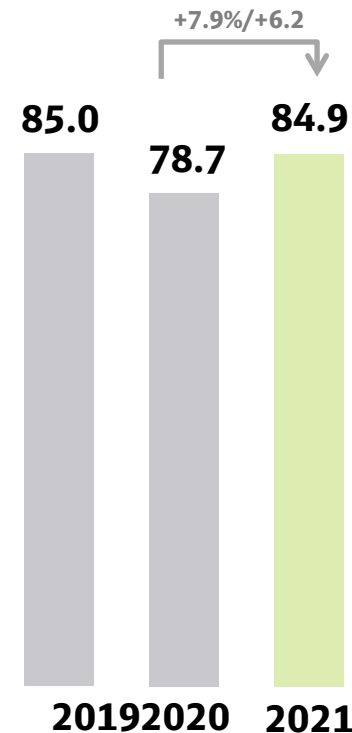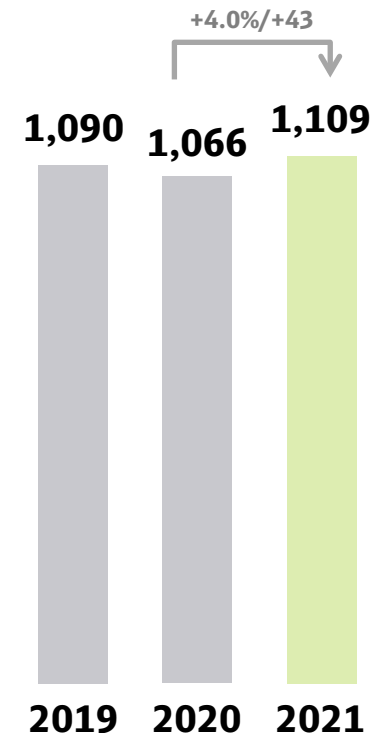
[1] DB Regional and UBB Usedomer Bäderbahn GmbH. pkm = passenger kilometer. tkm = ton kilometer.

# Further intensification of non-Group infrastructure usage in 2021

## Train-path usage total/non-Group (mn train-path km)

1,090 — 2019
1,066 — 2020
1,109 — 2021

+4.7%   +7.5%

368 — 2019
386 — 2020
414 — 2021
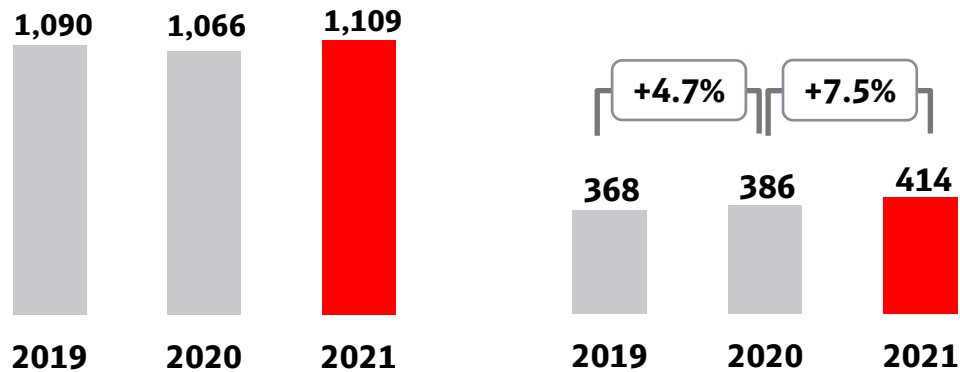
## Structure of train-path usage (%)

(2020)

Non-Group railways
37%
(36%)

DB Group
63%
(64%)
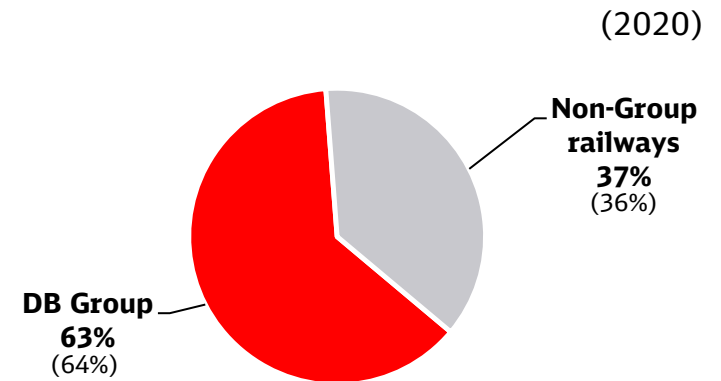
## Station stops total/non-Group (mn stops)

156,4 — 2019
155,4 — 2020
158,8 — 2021

+10.0%   +4.3%

40,2 — 2019
44,2 — 2020
46,1 — 2021
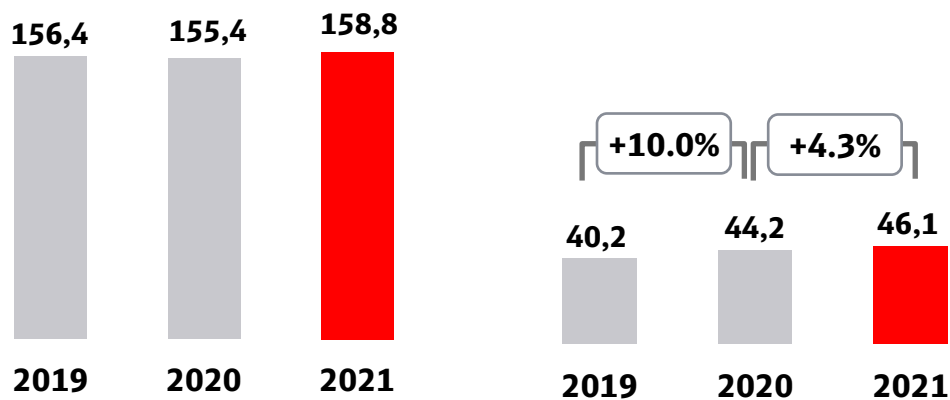
## Structure of station stops (%)

(2020)

Non-Group railways
29%
(28%)

DB Group
71%
(72%)
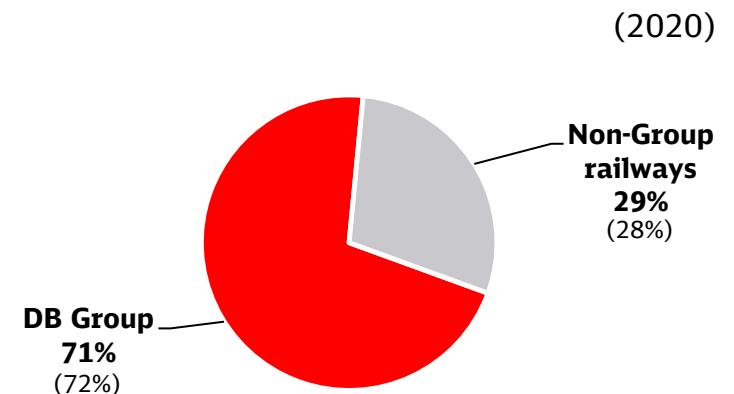
# Recovery of performance figures at DB Arriva, but still significant impact due to Covid-19

**DB**

## Performance indicators – DB Arriva

**Passengers**
(million)



2,214
2,105
+10.9%/+129
1,179
1,161
1,308

2019   2020   2021
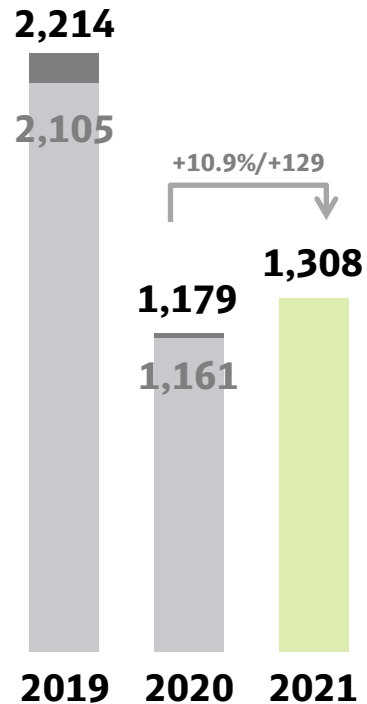
**Volume sold rail**
(billion pkm)



12.6
9.7
+3.8%/+0.2
4.5
4.0
4.7

2019   2020   2021
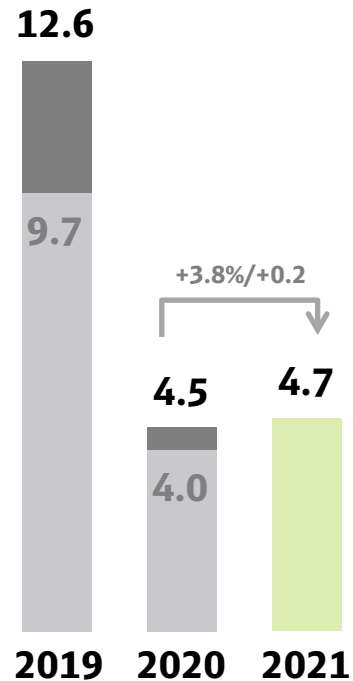
**Volume produced rail**
(million train-path km)



168.9
112.4
−1.9%/−2.1
111.3   109.2
102.3

2019   2020   2021
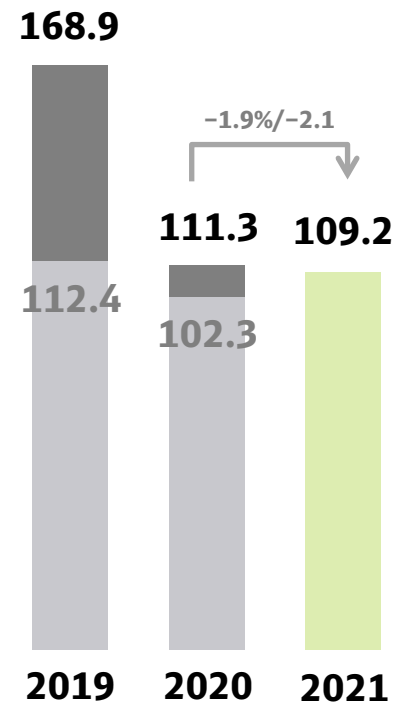
**Volume produced bus**
(million bus km)



+2.1%/+19.9
1,065
927.7   947.6

2019   2020   2021

■ Arriva Rail North (until March 1, 2020).

# Very strong performance development in air freight, decline in ocean freight (financially overcompensated by price effects)

**DB**

## Performance indicators – DB Schenker

**Land transport**
(mn shipments)

+2.3%/+2.5

107.1  108.2  110.7

**2019  2020  2021**

**Air freight**
(thousand t[1])

+31.4%/+344

1,186  1,094  1,438

**2019  2020  2021**

**Ocean freight**
(thousand TEU[1])

−2.4%/−49

2,294  2,052  2,003

**2019  2020  2021**

**Contract logistics**
(€ mn)

+9.2%/+249

2,734  2,715  2,964

**2019  2020  2021**
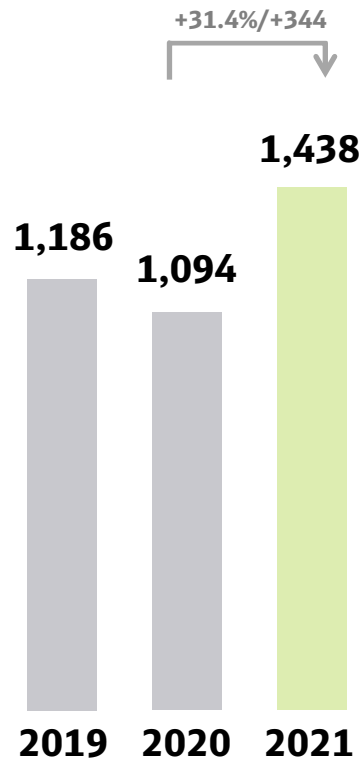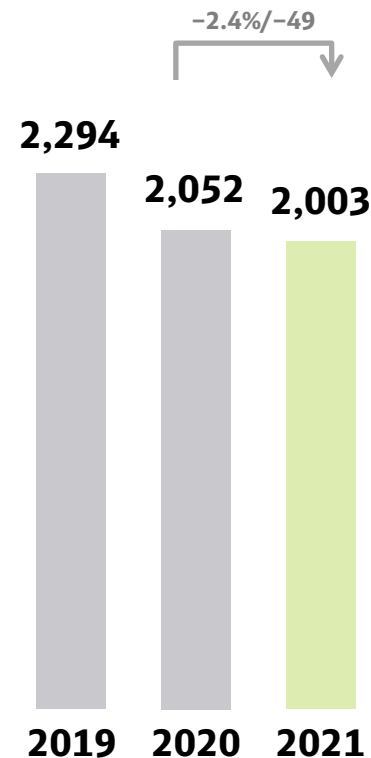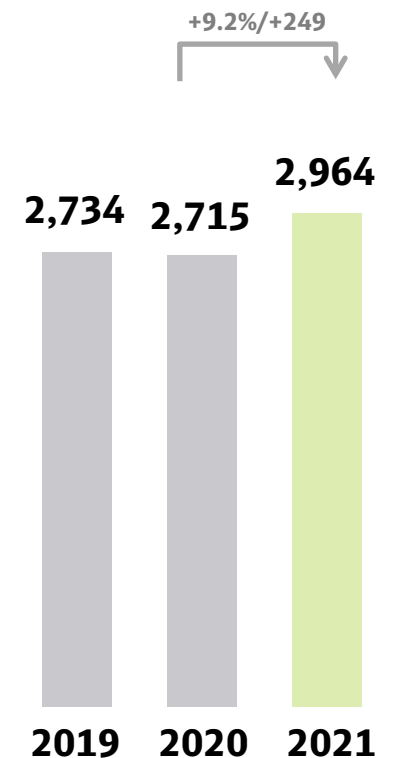
[1] Exports.

# Very strong revenue recovery exceeding pre-Covid-19 level, mainly driven by DB Schenker as well as Integrated Rail System

**DB**

## Revenues (€ mn)

+18.4%/+7,348
comparable[1]:
+18.2%/+7,279

44,431

39,902

47,250

| 2019 | 2020 | 2021 |
|------|------|------|

[1] Excluding FX effects and chances in the scope of consolidation.
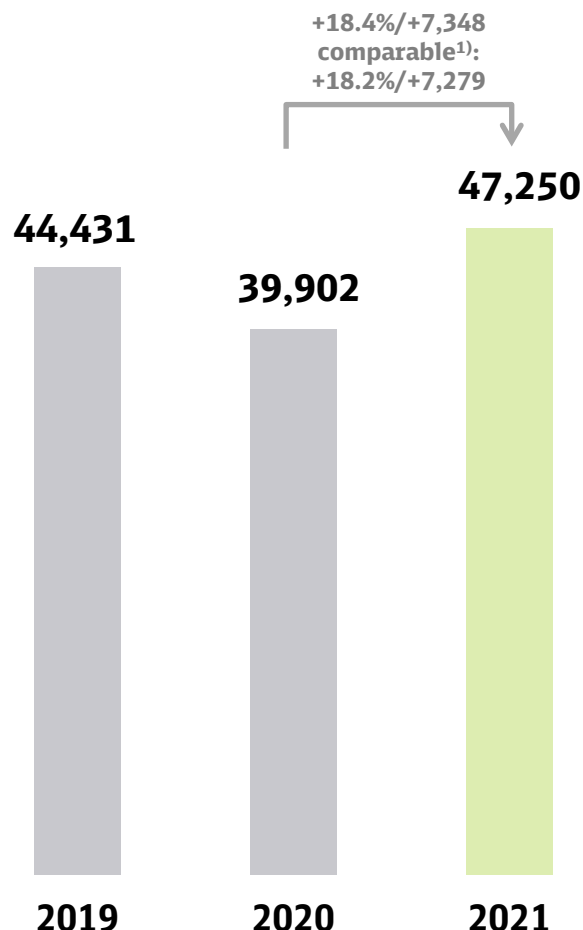
## Key impact factors

- ➕ Price and volume effects at DB Schenker
- ➕ Volume recovery in passenger transport
- ➕ Energy price effects
- ➖ Still Covid-19 related performance losses
- ➖ Cessation of Arriva Rail North

## External revenues by business units (€ mn)

|  | 2021 | 2020 | +/− € | +/− % | 2019 |
|---|------|------|-------|-------|------|
| DB Long-Distance | 2,792 | 2,753 | +39 | +1.4 | 4,824 |
| DB Regional | 7,929 | 7,553 | +376 | +5.0 | 8,830 |
| DB Cargo | 4,195 | 3,854 | +341 | +8.8 | 4,188 |
| DB Netze Track | 1,975 | 1,808 | +167 | +9.2 | 1,687 |
| DB Netze Stations | 520 | 525 | −5 | −1.0 | 590 |
| DB Netze Energy | 1,808 | 1,297 | +511 | +39.4 | 1,308 |
| Other | 593 | 523 | +70 | +13.4 | 581 |
| **Integrated Rail System** | **19,812** | **18,313** | **+1,499** | **+8.2** | **22,008** |
| DB Arriva | 4,067 | 3,988 | +79 | +2.0 | 5,405 |
| DB Schenker | 23,371 | 17,601 | +5,770 | +32.8 | 17,018 |
| **DB Group** | **47,250** | **39,902** | **+7,348** | **+18.4** | **44,431** |

# Revenue structure changed in light of the strong development of DB Schenker and the Covid-19-related decline in passenger transport

### By sectors
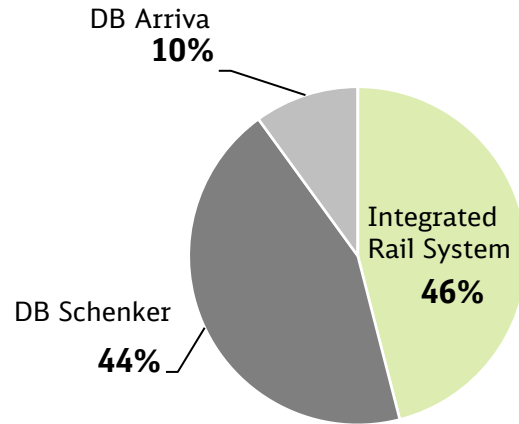
### By activities

### By regions

**2020**



By sectors 2020:
- DB Arriva **10%**
- DB Schenker **44%**
- Integrated Rail System **46%**

By activities 2020:
- Non-rail **53%**
- Rail **47%**

By regions 2020:
- Asia/Pacific **9%**
- North America **6%**
- Rest of World **1%**
- Germany **54%**
- Europe (excluding Germany) **30%**

**2021**

By sectors 2021:
- DB Arriva **9%**
- DB Schenker **49%**
- Integrated Rail System **42%**

By activities 2021:
- Non-rail **58%**
- Rail **42%**

By regions 2021:
- Asia / Pacific **10%**
- North America **7%**
- Rest of World **2%**
- Germany **51%**
- Europe (excluding Germany) **30%**

# Significantly lower net loss mainly driven by operating profit gains, Covid-19 support measures and omission of impairment at DB Arriva

**Net loss development vs. 2020** (€ bn)



› **€ +2.1 bn due to train-path price support**

› **€ +1.4 bn due to omission of impairment effects at DB Arriva**

| +1.3 | +0.1 | +0.1 | +0.2 | +3.1 | +0.1 | +4.8 |
|------|------|------|------|------|------|------|
| Increase EBITDA adjusted | Lower depreciation | Improvement interest balance | Increase other financial result | Increase extraordinary result | Increase tax balance | **Net loss improvement** |
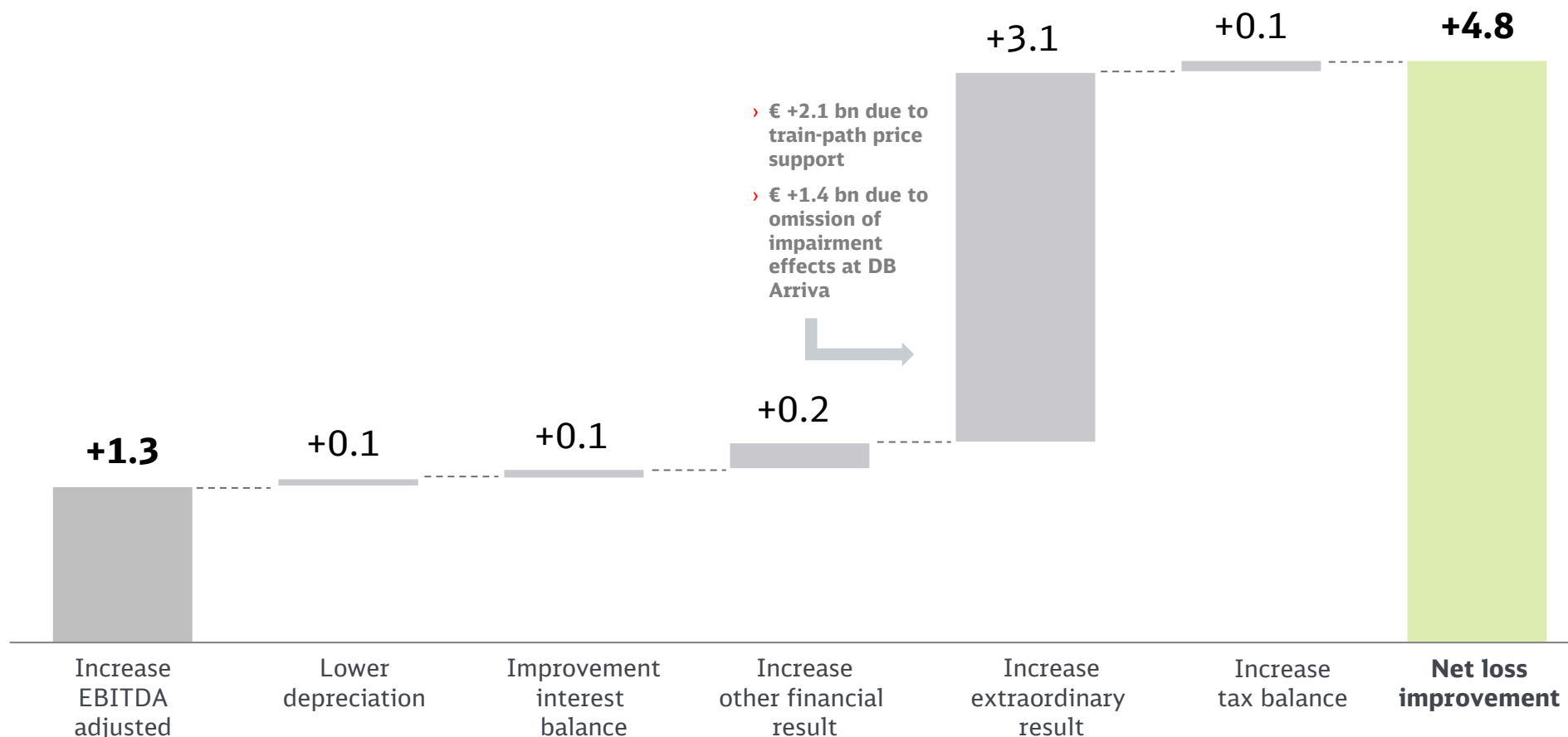
Possible differences are due to rounding.

# Significant EBITDA improvement mainly driven by DB Schenker, DB Arriva and DB Cargo

**EBITDA adjusted** (€ mn)
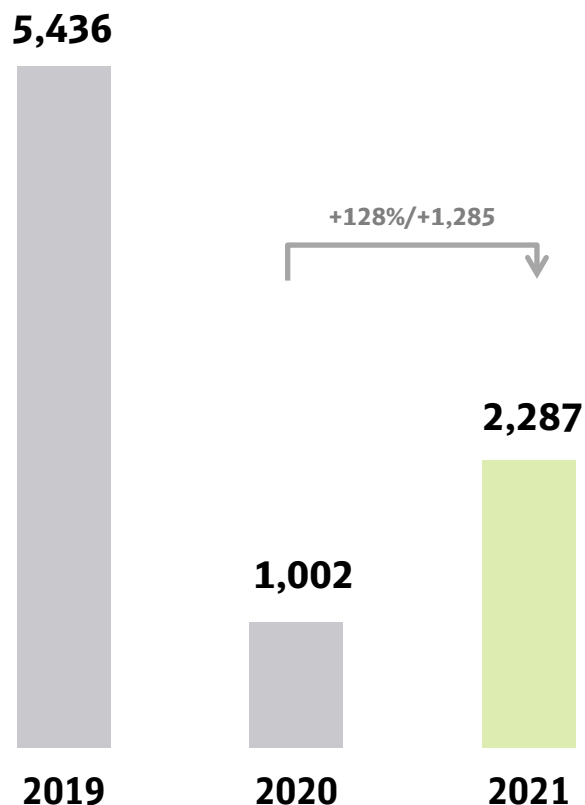
5,436

+128%/+1,285

2,287

1,002

2019   2020   2021

## Key impact factors

- ⊕ Cost management
- ⊕ Development of DB Schenker
- ⊕ Additional support at DB Cargo
- ⊖ Cost increases (mainly cost of materials and personnel)
- ⊖ Strike action
- ⊖ Floods

## EBITDA adjusted by business units (€ mn)

|  | **2021** | **2020** | +/− € | +/− % | **2019** |
|---|---|---|---|---|---|
| DB Long-Distance | **−1,434** | **−1,337** | −97 | +7.3 | **789** |
| DB Regional | **218** | **184** | +34 | +18.5 | **1,056** |
| DB Cargo | **−100** | **−321** | +221 | −68.8 | **13** |
| DB Netze Track | **1,010** | **1,086** | −76 | −7.0 | **1,443** |
| DB Netze Stations | **160** | **171** | −11 | −6.4 | **349** |
| DB Netze Energy | **254** | **91** | +163 | − | **128** |
| Other/Consolidation IRS | **−25** | **−220** | +195 | −88.6 | **−162** |
| **Integrated Rail System** | **83** | **−346** | **+429** | − | **3,616** |
| DB Arriva | **359** | **51** | +308 | − | **752** |
| DB Schenker | **1,845** | **1,307** | +538 | +41.2 | **1,082** |
| Consolidation miscel. | **−0** | **−10** | +10 | −100 | **−14** |
| **DB Group** | **2,287** | **1,002** | **+1,285** | **+128** | **5,436** |

# EBIT development mainly driven by DB Schenker, DB Arriva and DB Cargo
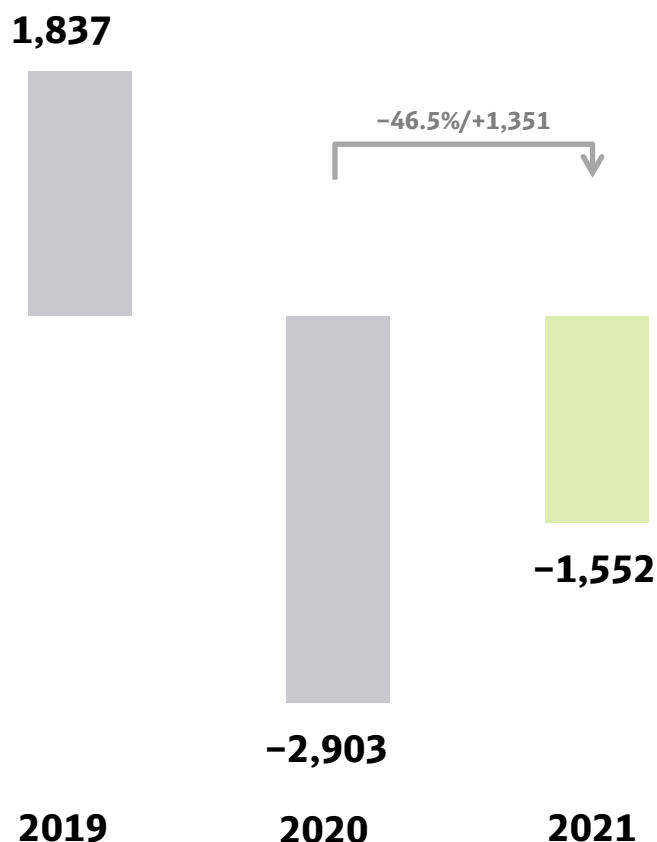
**DB**

## EBIT adjusted (€ mn)

1,837

−46.5%/+1,351

−1,552

−2,903

2019    2020    2021

## Key impact factors

- ➕ Cost management
- ➕ Development of DB Schenker
- ➕ Additional support at DB Cargo

- ➖ Cost increases (mainly cost of materials and personnel)
- ➖ Strike action
- ➖ Floods

## EBIT adjusted by business units (€ mn)

|  | 2021 | 2020 | +/− € | +/− % | 2019 |
|---|---|---|---|---|---|
| DB Long-Distance | −1,790 | −1,681 | −109 | +6.5 | 485 |
| DB Regional | −417 | −451 | +34 | −7.5 | 408 |
| DB Cargo | −481 | −728 | +247 | −33.9 | −308 |
| DB Netze Track | 334 | 409 | −75 | −18.3 | 807 |
| DB Netze Stations | 1 | 24 | −23 | −95.8 | 210 |
| DB Netze Energy | 169 | 5 | +164 | − | 43 |
| Other/Consolidation IRS | −545 | −753 | +208 | −27.6 | −622 |
| **Integrated Rail System** | **−2,729** | **−3,175** | **+446** | **−14.0** | **1,023** |
| DB Arriva | −73 | −431 | +358 | −83.1 | 289 |
| DB Schenker | 1,248 | 711 | +537 | +75.5 | 538 |
| Consolidation miscel. | 2 | −8 | +10 | − | −13 |
| **DB Group** | **−1,552** | **−2,903** | **+1,351** | **−46.5** | **1,837** |

# Revenue gains had a positive effect as well as Government support measures and omission of goodwill impairment at DB Arriva

**DB**

| Adjusted P&L (€ mn) | 2021 | 2020 | +/− € | +/− % | 2019 |
|---|---|---|---|---|---|
| Revenues | 47,250 | 39,902 | +7,348 | +18.4 | 44,431 |
| Total income | 54,856 | 46,857 | +7,999 | +17.1 | 50,605 |
| Cost of materials | −28,399 | −22,683 | −5,716 | +25.2 | −22,259 |
| Personnel expenses | −19,126 | −18,167 | −959 | +5.3 | −18,011 |
| Other operating expenses | −5,044 | −5,005 | −39 | +0.8 | −4,899 |
| **EBITDA adjusted** | **2,287** | **1,002** | **+1,285** | **+128** | **5,436** |
| Depreciation | −3,839 | −3,905 | +66 | −1.7 | −3,599 |
| **EBIT adjusted** | **−1,552** | **−2,903** | **+1,351** | **−46.5** | **1,837** |
| Financial result | −487 | −781 | +294 | −37.6 | −763 |
| Extraordinary result | 1,251 | −1,800 | +3,051 | − | −393 |
| **Profit before taxes** | **−788** | **−5,484** | **+4,696** | **−85.6** | **681** |
| Taxes on income | −123 | −223 | +100 | −44.8 | −1 |
| **Net profit/loss** | **−911** | **−5,707** | **+4,796** | **−84.0** | **680** |

**Key impact factors**

› Revenue increased mainly due to DB Schenker and performance development.

› Operating expenses increased mainly due to additional expenses for additional employees and wage increases as well as higher freight rates, higher maintenance expenses and higher energy costs.

› Significant improvement in extraordinary result due to omission of goodwill impairment at DB Arriva and Covid-19 related train-path price support from the Government.

# Personnel expenses and cost of materials dominate expense structure

## Expenses adjusted (€ mn)

| +0.3% | +1.2% | +3.1% | −0.3% | +5.1% | +3.5% | +1.9% | +2.0% | +13.4% |
|---|---|---|---|---|---|---|---|---|

| 42,210 | 42,330 | 42,840 | 44,171 | 44,021 | 46,254 | 47,866 | 48,768 | 49,760 | 56,408 |
|---|---|---|---|---|---|---|---|---|---|



| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| Other operating expenses | 11% | 11% | 12% | 12% | 13% | 12% | 12% | 10% | 10% | 9% |
| Depreciation | 7% | 7% | 7% | 7% | 6% | 6% | 5% | 7% | 8% | 7% |
| Personnel expenses | 33% | 34% | 34% | 35% | 36% | 36% | 36% | 37% | 36% | 34% |
| Cost of materials | 49% | 48% | 47% | 46% | 45% | 46% | 47% | 46% | 46% | 50% |

Other operating expenses changes: +2.5%, +4.6%, +12.2%, +2.1%, +0.5%, +2.9%, −16.0%, +2.2%, +0.8%

Depreciation changes: +0.3%, +3.4%, +0.6%, −5.6%, −2.6%, −5.4%, +36.9%, +8.5%, −1.7%

Personnel expenses changes: +4.3%, +2.2%, +5.2%, +1.3%, +4.4%, +4.8%, +5.0%, +0.9%, +5.3%

Cost of materials changes: −4.3%, −0.6%, −0.3%, −1.5%, +8.0%, +3.8%, −%, +1.9%, +25.2%

**Legend:** ■ Cost of materials  ■ Personnel expenses  ■ Depreciation  ■ Other operating expenses

# Key value management figures improved driven by operating profit development and lower net debt

## ROCE (%)



| 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|------|------|------|------|------|------|------|------|------|------|
| 8.3 | 6.8 | 6.3 | 5.3 | 5.9 | 6.1 | 5.8 | 4.3 | -7.0 | -3.6 |

## Debt coverage (%)



| 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|------|------|------|------|------|------|------|------|------|------|
| 22.2 | 20.8 | 20.3 | 19.0 | 18.1 | 18.7 | 17.6 | 15.3 | 0.8 | 4.3 |
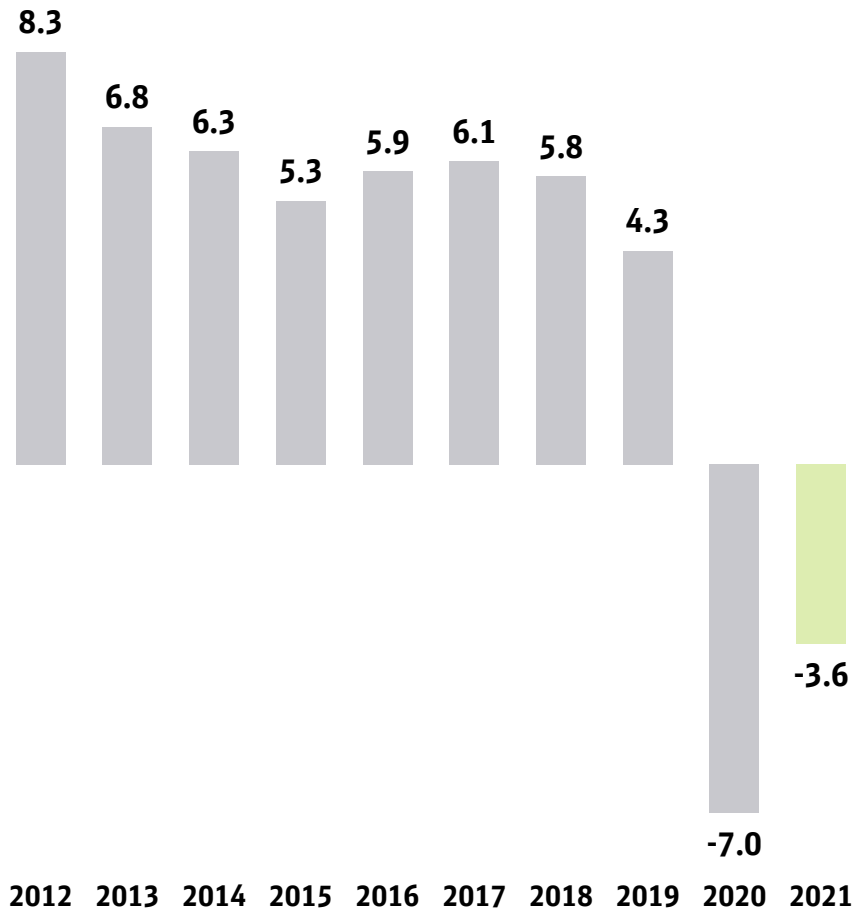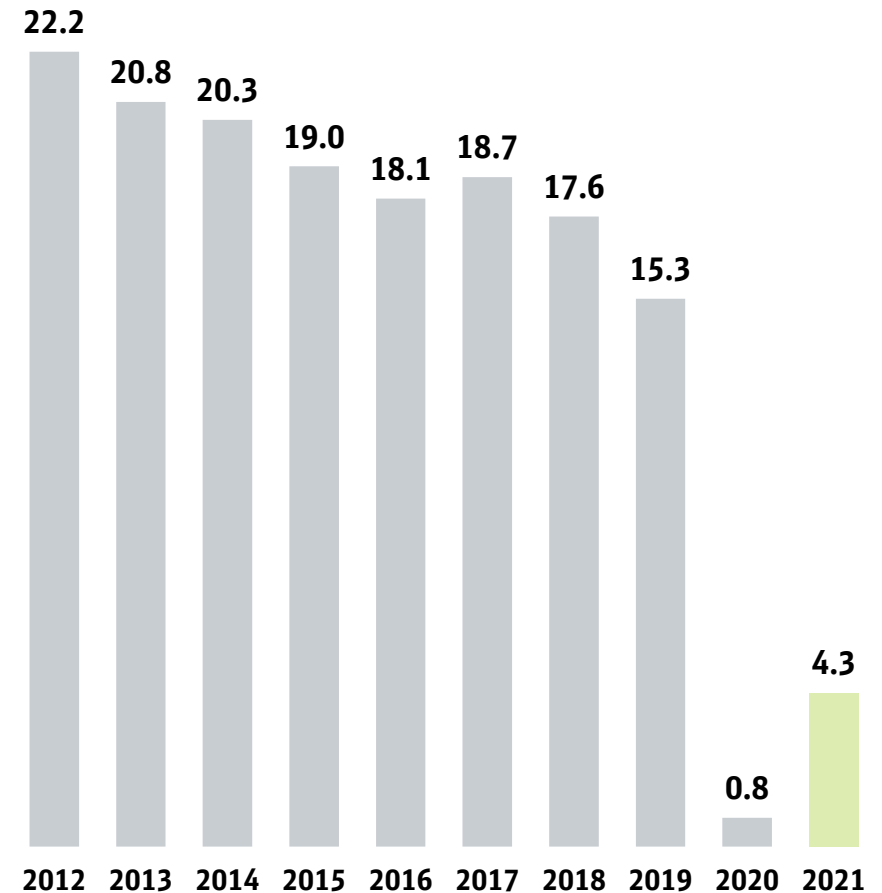
# Capex increase due to higher infrastructure capex, rolling stock capex ongoing on high level

## Capital expenditures (€ mn)

+6.8%/+985

15,387

14,402

13,093

**Gross**

+7.7%/+456

5,646  5,886  6,342

**Net**

2019    2020    2021
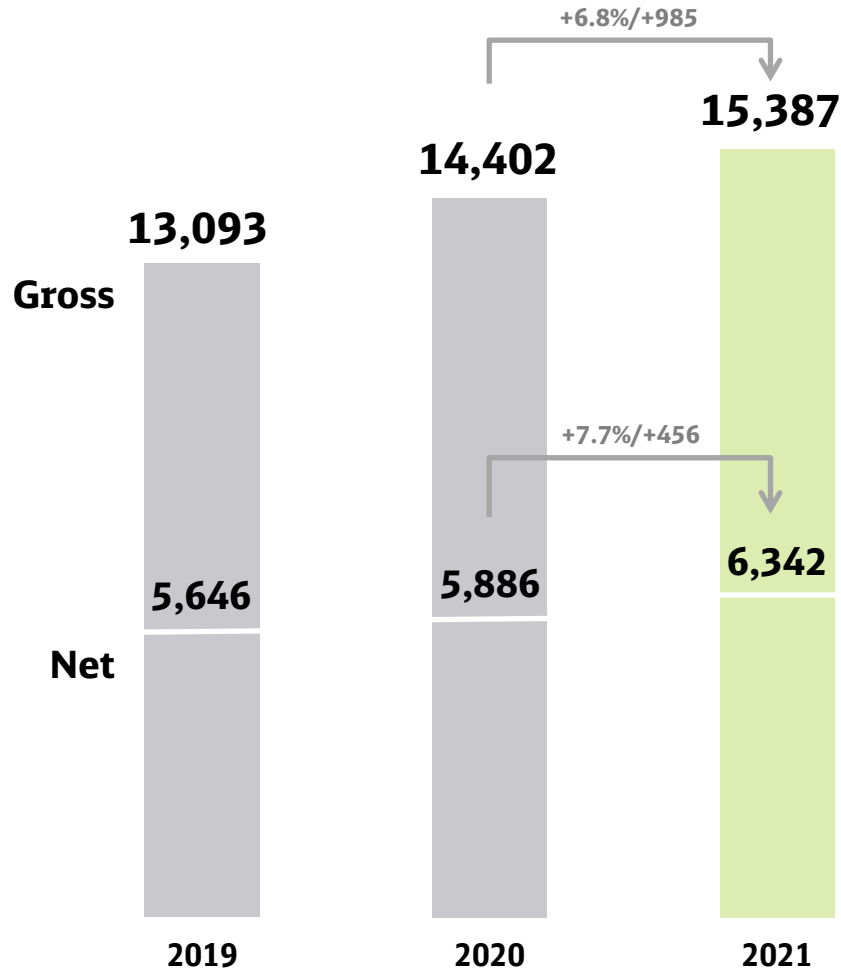
## Key impact factors

➕ Higher infrastructure capex

➕ DB Long-Distance fleet capex increased further

## Gross capex split (%)

### By sectors

2021 (2020)

Freight transport and logistics
**9** (9)

Other/ consolidation
**4** (6)

Passenger transport
**15** (15)

Infrastructure
**72** (70)

### By regions

2021 (2020)

Other
**7** (8)

Germany
**93** (92)
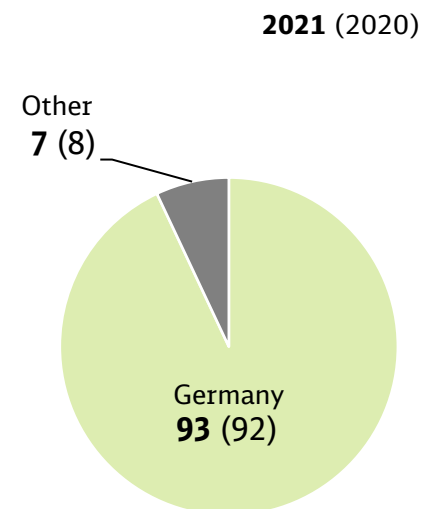
# Our capex program supports the growth targets of our Strong Rail strategy by adding more capacity to our infrastructure and fleet
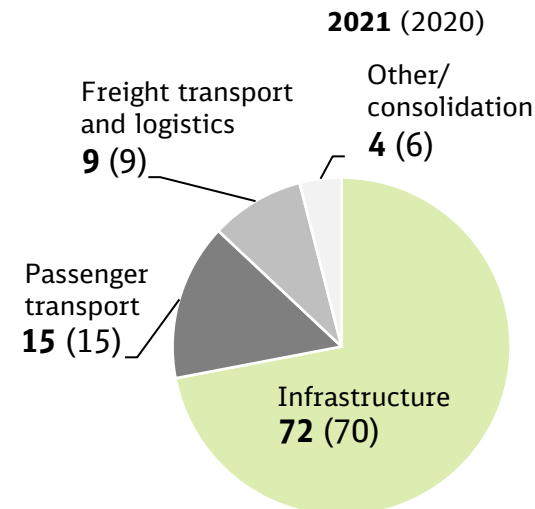


**DB Long-Distance (€ 1.5 bn)**
› ICE 4
› Intercity 2
› Redesign of ICE trains



**DB Cargo (€ 0.5 bn)**
› Freight cars
› Locomotives



**DB Regional (€ 0.5 bn)**
› Redesign S-Bahn Munich
› Trains
› Buses



**Infrastructure (€ 11.1 bn)**
› Modernization existing network
› New line and expansion measures



**DB Schenker (€ 0.8 bn)**
› Land transport terminals
› Logistics center
› Digitalization



**DB Arriva (€ 0.3 bn)**
› Buses

# Increased capex mainly at infrastructure business units and at DB Long-Distance
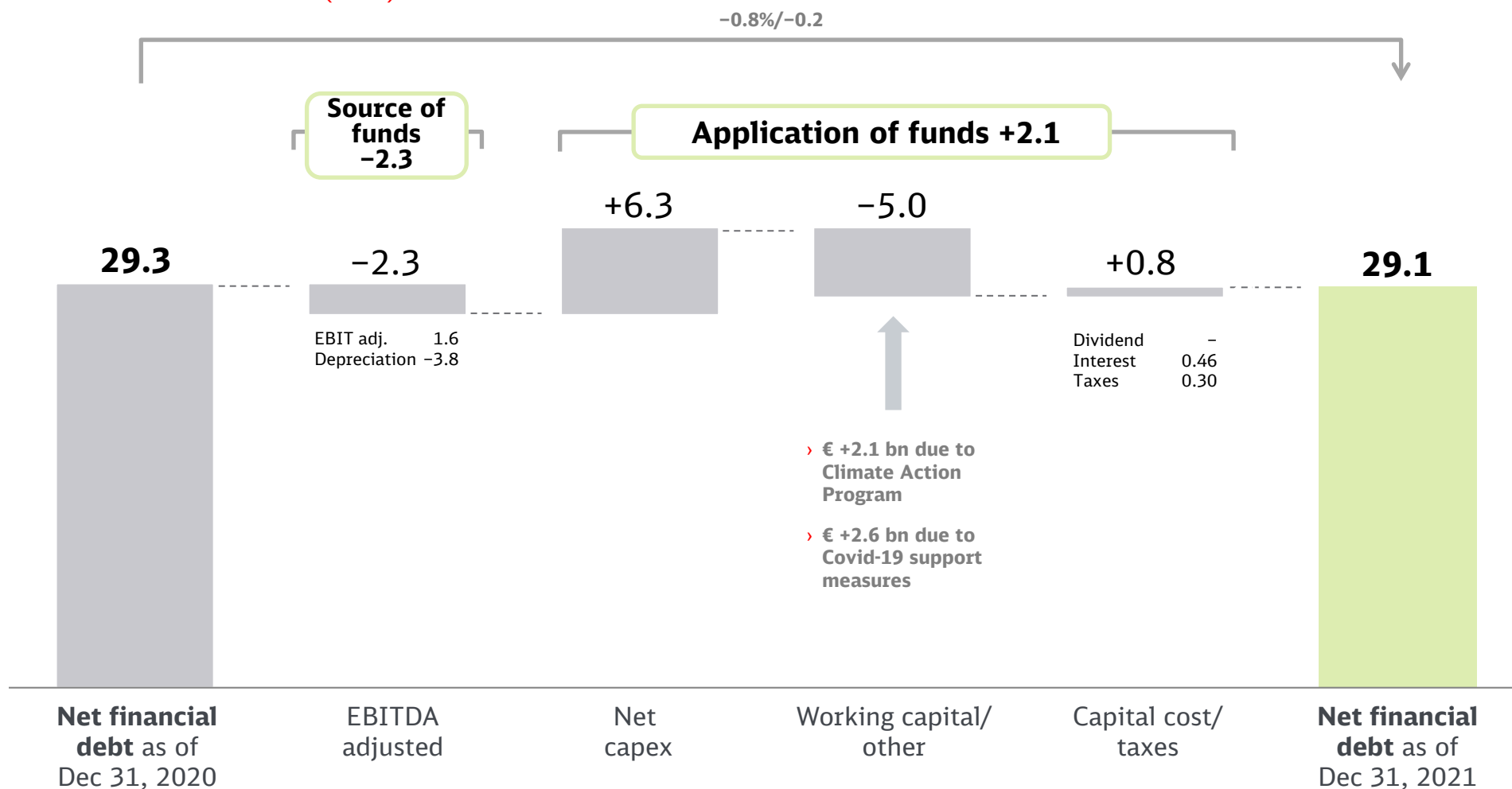
**DB**

## Capital expenditures (€ mn)

| | Gross capex | | | | | Net capex | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **2021** | **2020** | **+/− €** | **+/− %** | **2019** | **2021** | **2020** | **+/− €** | **+/− %** | **2019** |
| DB Long-Distance | **1,507** | 1,290 | +217 | +16.8 | 1,241 | **1,507** | 1,250 | +257 | +20.6 | 1,241 |
| DB Regional | **480** | 434 | +46 | +10.6 | 560 | **455** | 418 | +37 | +8.9 | 548 |
| DB Cargo | **525** | 452 | +73 | +16.2 | 570 | **497** | 438 | +59 | +13.5 | 523 |
| DB Netze Track | **9,349** | 8,480 | +869 | +10.2 | 7,441 | **1,738** | 1,363 | +375 | +27.5 | 1,055 |
| DB Netze Stations | **1,380** | 1,338 | +42 | +3.1 | 1,096 | **297** | 253 | +44 | +17.4 | 262 |
| DB Netze Energy | **340** | 273 | +67 | +24.5 | 193 | **66** | 51 | +15 | +29.4 | 61 |
| Other/Consolidation IRS | **695** | 861 | −166 | −19.3 | 612 | **689** | 861 | −172 | −20.0 | 611 |
| **Integrated Rail System** | **14,276** | **13,128** | **+1,148** | **+8.7** | **11,713** | **5,249** | **4,634** | **+615** | **+13.3** | **4,301** |
| DB Arriva | **267** | 457 | −190 | −41.6 | 718 | **249** | 435 | −186 | −42.8 | 683 |
| DB Schenker | **844** | 817 | +27 | +3.3 | 662 | **844** | 817 | +27 | +3.3 | 662 |
| **DB Group** | **15,387** | **14,402** | **+985** | **+6.8** | **13,093** | **6,342** | **5,886** | **+456** | **+7.7** | **5,646** |

# Net financial debt decreased slightly mainly due to profit development and implementation of Government support measures

**Net financial debt** (€ bn)



−0.8%/−0.2

**Source of funds −2.3**

**Application of funds +2.1**

| | | | | | |
|---|---|---|---|---|---|
| **29.3** | −2.3 | +6.3 | −5.0 | +0.8 | **29.1** |

EBIT adj.        1.6
Depreciation  −3.8

Dividend        −
Interest       0.46
Taxes          0.30

› € +2.1 bn due to Climate Action Program

› € +2.6 bn due to Covid-19 support measures

| **Net financial debt** as of Dec 31, 2020 | EBITDA adjusted | Net capex | Working capital/ other | Capital cost/ taxes | **Net financial debt** as of Dec 31, 2021 |

# Balance sheet with some changes on the equity and liabilities side due to implementation of Government equity support measures

**DB**

## Balance sheet (€ mn, as of Dec 31)

| Assets | 2021 | 2020 | +/− € | +/− % | 2019 |
|---|---|---|---|---|---|
| **Non-current assets** | **56,149** | **52,964** | **+3,185** | **+6.0** | **53,213** |
| Property, plant and equipment | 50,100 | 47,704 | +2,396 | +5.0 | 46,591 |
| Intangible assets | 2,387 | 2,290 | +97 | +4.2 | 3,894 |
| Deferred tax assets | 1,305 | 1,164 | +141 | +12.1 | 1,246 |
| **Current assets** | **15,694** | **12,471** | **+3,223** | **+25.8** | **12,615** |
| Trade receivables | 6,476 | 4,849 | +1,627 | +33.6 | 4,871 |
| Cash and cash equivalents | 4,591 | 3,411 | +1,180 | +34.6 | 3,993 |
| **Equity and liabilities** | | | | | |
| **Equity** | **10,621** | **7,270** | **+3,351** | **+46.1** | **14,927** |
| **Non-current liabilities** | **39,631** | **37,686** | **+1,945** | **+5.2** | **32,820** |
| Financial debt | 30,322 | 27,070 | +3,252 | +12.0 | 23,977 |
| **Current liabilities** | **21,591** | **20,479** | **+1,112** | **+5.4** | **18,081** |
| Financial debt | 4,164 | 6,254 | −2,090 | −33.4 | 4,716 |
| Trade liabilities | 8,097 | 6,312 | +1,785 | +28.3 | 5,789 |
| **Total assets** | **71,843** | **65,435** | **+6,408** | **+9.8** | **65,828** |

## Maturity structure
(as of Dec 31, 2021/Dec 31, 2020)

**Assets**

Non-current assets
(78% / 81%)

Current assets
(22% / 19%)

**Equity and liabilities**

Equity
(15% / 11%)

Non-current liabilities
(55% / 58%)

Current liabilities
(30% / 31%)

# Back-Up Materials

| A01 | DB Group |
|-----|----------|
| A02 | 2021 Financial Year |
| **A03** | **H1 2022** |
| A04 | Debt and Financing |
| A05 | ESG |
| A06 | Government Relations |
| A07 | Track Record |

**A03**

# Key drivers of financial development in H1 2022 were the Covid-19 recovery and further growth at DB Schenker

**DB**

**1**   Positive development in H1 2022 with significant improvements in revenues and profits.

**2**   Since March 2022 significant recovery process in passenger volumes.

**3**   Very strong development at DB Schenker mainly driven by air and ocean freight business.

**4**   DB Arriva with improvements but still impacted by Covid-19 effects.

**5**   Government Covid-19 support measures ongoing in implementation.

**6**   Continuation of our Strong Rail strategic approach with ongoing high level of capex.

**7**   Net debt slightly higher compared to year-end 2021 in line with expectations.

**8**   Capital market activities continued, €2 bn issued so far in 2022.

**9**   Outlook for 2022 positive, but uncertainties remain high due to war in Ukraine and Covid-19.

# Key figures brighten up again as the recovery process continues in Q2 2022 and DB Schenker is developing very strongly

**DB**

## Key figures (€ mn)

|  | **H1 2022** | **H1 2021** | **+/− €** | **+/− %** | **H1 2019** |
|---|---|---|---|---|---|
| **Revenues adjusted** | 27,969 | 21,786 | +6,183 | +28.4 | 22,013 |
| **Revenues comparable** | 27,485 | 21,786 | +5,699 | +26.2 | 22,013 |
| **EBIT adjusted** | 876 | −975 | +1,851 | − | 757 |
| **Net profit/loss** | 424 | −1,428 | +1,852 | − | 205 |
| **Gross capex** | 5,402 | 5,550 | −148 | −2.7 | 4,825 |
| **Net capex** | 2,740 | 2,659 | +81 | +3.0 | 2,350 |
| **ROCE** (%) | 3.9 | −4.5 | +8.4 | − | 3.6 |
| **Net financial debt** as of Jun 30/Dec 31 | 30,504 | 29,107 | +1,397 | +4.8 | 24,175 |

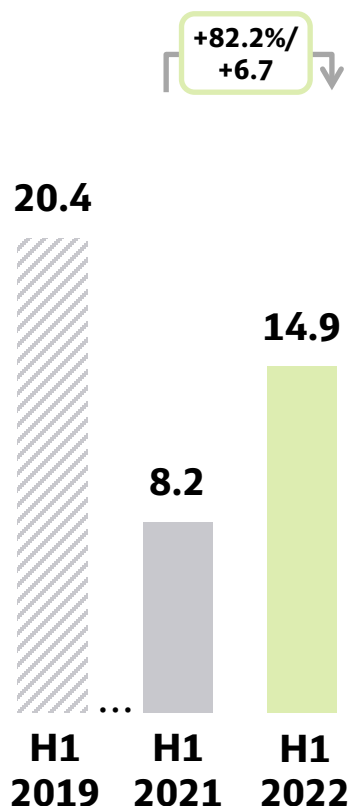# Significant performance improvements in passenger transport in Germany

**DB**

## Performance indicators – Integrated Rail System
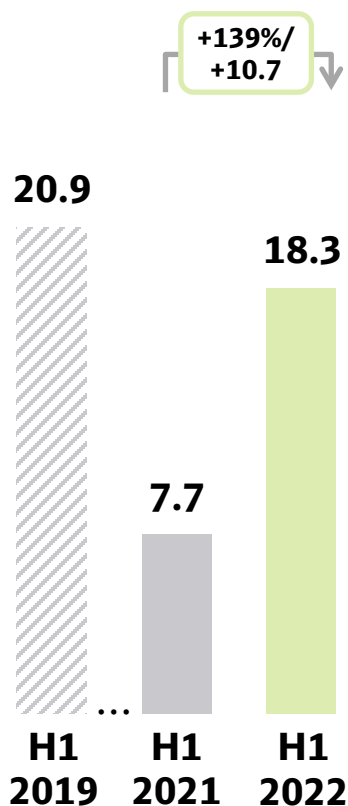
| **Long-distance** (bn pkm) | **Regional** (bn pkm) | **Rail freight** (bn tkm) | **Infrastructure** (mn train-path km) |



**Long-distance** (bn pkm) — +139%/ +10.7
- H1 2019: 20.9
- H1 2021: 7.7
- H1 2022: 18.3

**Regional** (bn pkm) — +82.2%/ +6.7
- H1 2019: 20.4
- H1 2021: 8.2
- H1 2022: 14.9

**Rail freight** (bn tkm) — +1.2%/ +0.5
- H1 2019: 43.7
- H1 2021: 43.0
- H1 2022: 43.5

**Infrastructure** (mn train-path km) — +2.7%/ +14.8
- H1 2019: 543.0
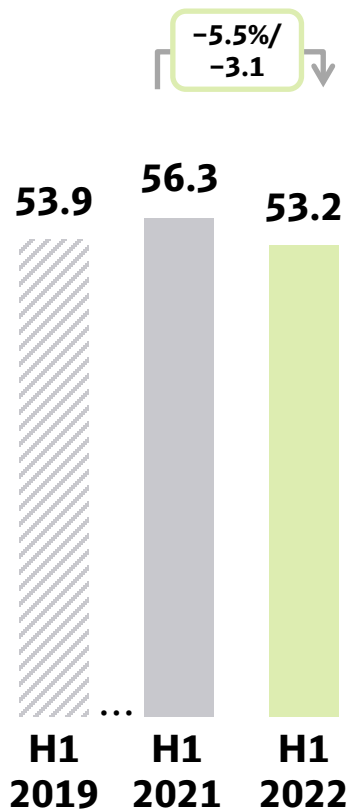- H1 2021: 548.4
- H1 2022: 563.2

Pkm = Passenger kilometers. Tkm = Ton kilometers.

# Volume development at DB Schenker was more than compensated by rate increases

**DB**

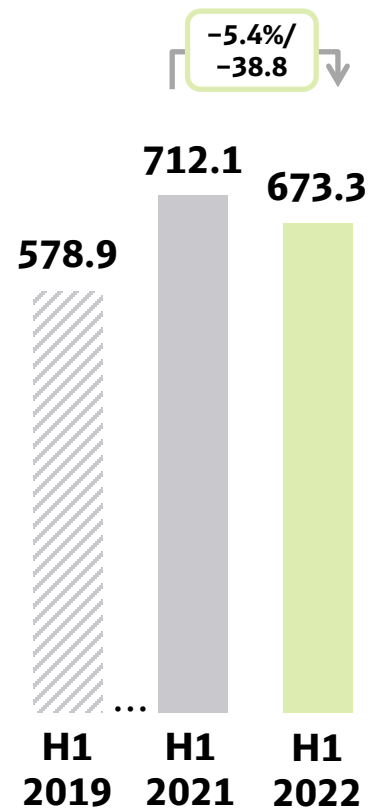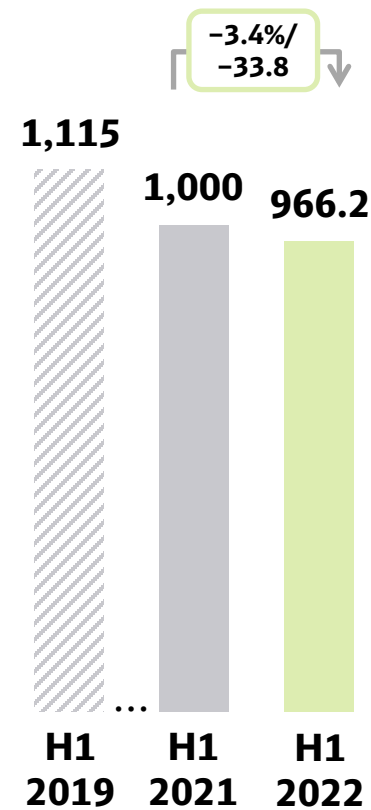## Performance indicators – DB Schenker
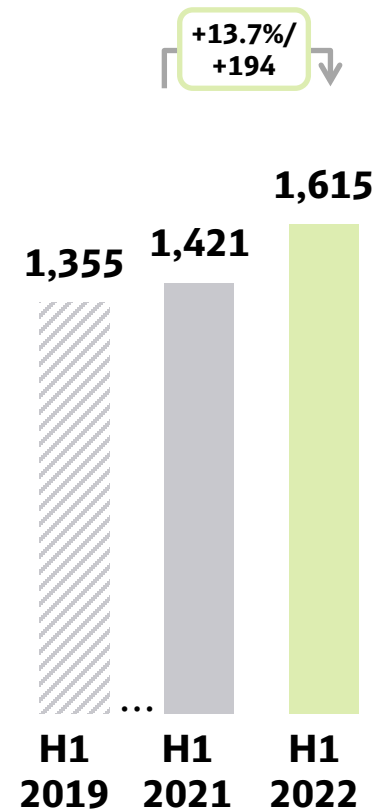
**Land transport**
(mn shipments)

−5.5%/ −3.1

53.9    56.3    53.2

H1 2019    H1 2021    H1 2022

**Air freight**
(thousand t[1])

−5.4%/ −38.8

578.9    712.1    673.3

H1 2019    H1 2021    H1 2022

**Ocean freight**
(thousand TEU[1])

−3.4%/ −33.8

1,115    1,000    966.2

H1 2019    H1 2021    H1 2022

**Contract logistics**
(€ mn)

+13.7%/ +194

1,355    1,421    1,615

H1 2019    H1 2021    H1 2022

[1] Exports.

# Very strong performance recovery in passenger transport in H1 2022

## Performance development (vs respective quarter of 2021)

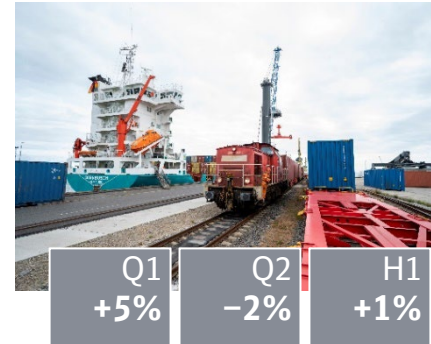### DB Long-Distance (pkm)



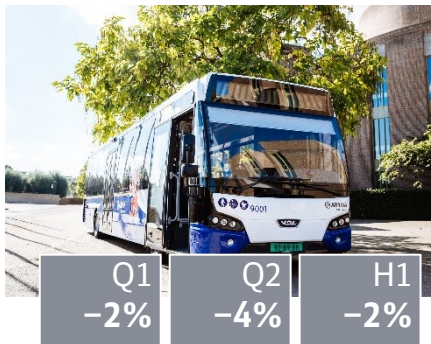| Q1 | Q2 | H1 |
|---|---|---|
| +132% | +144% | +139% |

### DB Regional rail (pkm)



| Q1 | Q2 | H1 |
|---|---|---|
| +57% | +103% | +82% |

### DB Cargo (tkm)



| Q1 | Q2 | H1 |
|---|---|---|
| +5% | −2% | +1% |

### DB Netze Track (train-path km)



| Q1 | Q2 | H1 |
|---|---|---|
| +3 | +2% | +3% |

### DB Arriva (bus km)



| Q1 | Q2 | H1 |
|---|---|---|
| −2% | −4% | −2% |

### Land transport (shipments)



| Q1 | Q2 | H1 |
|---|---|---|
| −4% | −7% | −6% |

### Air freight (t)



| Q1 | Q2 | H1 |
|---|---|---|
| +0% | −11% | −5% |

### Ocean freight (TEU)



| Q1 | Q2 | H1 |
|---|---|---|
| −2% | −5% | −3% |
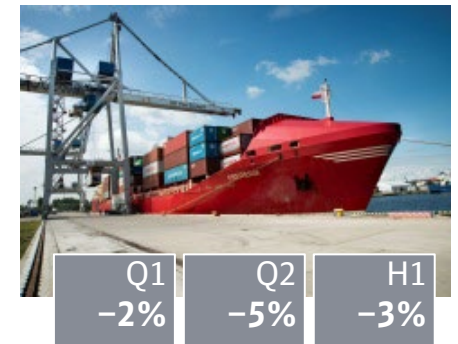
# Strong increase at DB Schenker drove revenue development of DB Group in H1 2022

## Revenues (€ mn)
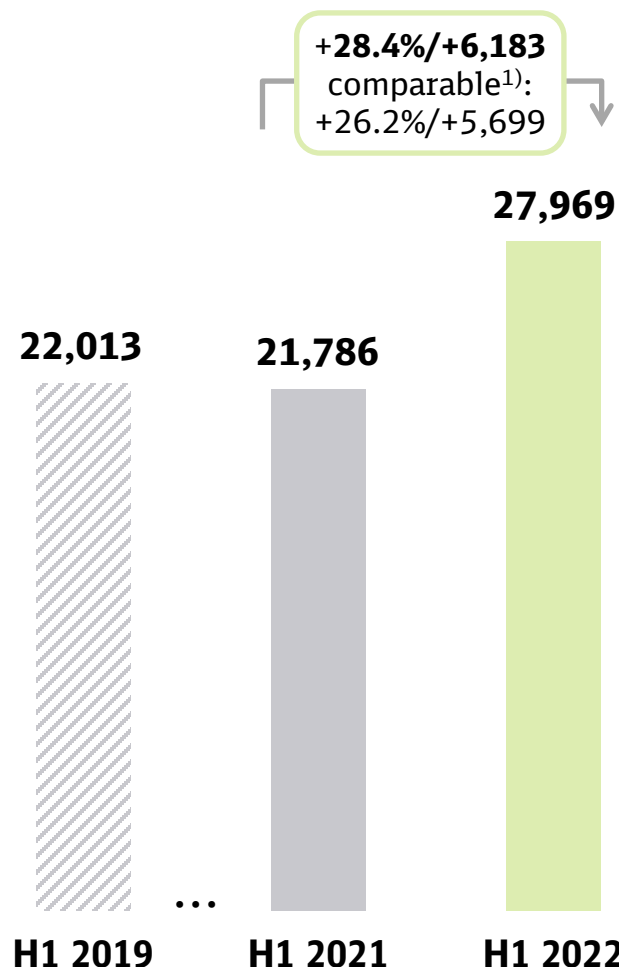
+**28.4%/+6,183**
comparable[1]:
+26.2%/+5,699

27,969

22,013          21,786

H1 2019      ...     H1 2021      H1 2022

[1] Excluding FX effects and chances in the scope of consolidation.

## Key impact factors

- ⊕ Price and volume effects at DB Schenker
- ⊕ Strong recovery at DB Long-Distance
- ⊕ Gains at DB Regional and DB Arriva
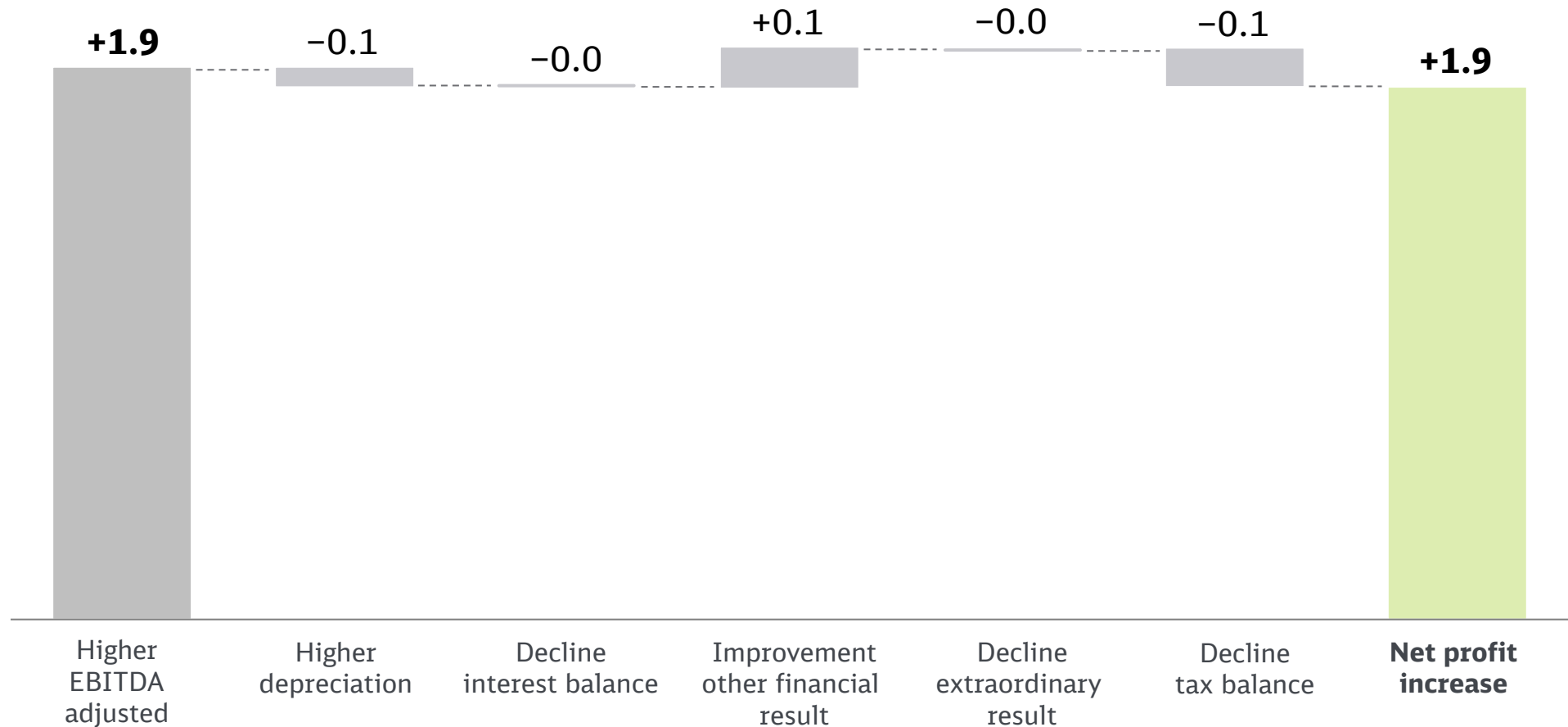
⊖ -

## External revenues by business units (€ mn)

|  | **H1 2022** | H1 2021 | +/− € | +/− % | H1 2019 |
|---|---|---|---|---|---|
| DB Long-Distance | 2,052 | 996 | +1,056 | +106 | 2,310 |
| DB Regional | 4,433 | 3,902 | +531 | +13.6 | 4,361 |
| DB Cargo[2] | 2,521 | 2,388 | +133 | +5.6 | 2,141 |
| DB Netze Track | 995 | 966 | +29 | +3.0 | 812 |
| DB Netze Stations | 300 | 243 | +57 | +23.5 | 303 |
| DB Netze Energy | 1,051 | 695 | +356 | +51.2 | 640 |
| Other | 314 | 270 | +44 | +16.3 | 280 |
| **Integrated rail system[2]** | 11,666 | 9,460 | +2,206 | +23.3 | 10,847 |
| DB Arriva | 2,174 | 1,930 | +244 | +12.6 | 2,687 |
| DB Schenker[2] | 14,129 | 10,396 | +3,733 | +35.9 | 8,491 |
| **DB Group** | 27,969 | 21,786 | +6,183 | +28.4 | 22,013 |

[2] H1 2021 figures adjusted due to intra-group reassignment of Full Load Solutions operations from DB Schenker to DB Cargo.

# Net profit improved due to higher operating profit

**DB**

**Net profit development vs H1 2021** (€ bn)



|  |  |  |  |  |  |  |
|---|---|---|---|---|---|---|
| **+1.9** | −0.1 | −0.0 | +0.1 | −0.0 | −0.1 | **+1.9** |
| Higher EBITDA adjusted | Higher depreciation | Decline interest balance | Improvement other financial result | Decline extraordinary result | Decline tax balance | **Net profit increase** |

Possible differences are due to rounding.

# EBITDA improvement mainly driven by recovery in passenger transport and strong gains at DB Schenker

**DB**

## EBITDA adjusted (€ mn)



2,534

−%/+1,921

2,804

883

...

H1 2019    H1 2021    H1 2022
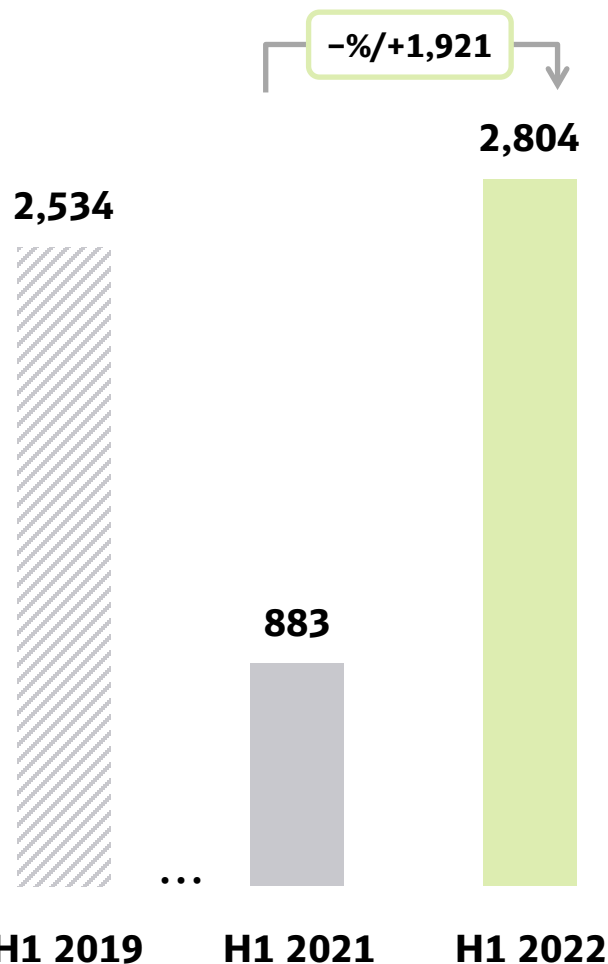
## Key impact factors

- ⊕ Development of DB Schenker
- ⊕ Volume recovery
- ⊕ Support measures

- ⊖ Revenue losses due to Covid-19 early in H1 2022
- ⊖ Cost increases (mainly cost of materials and personnel)
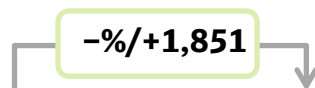
## EBITDA adjusted by business units (€ mn)

|  | H1 2022 | H1 2021 | +/− € | +/− % | H1 2019 |
|---|---|---|---|---|---|
| DB Long-Distance | 9 | −975 | +984 | − | 367 |
| DB Regional | 213 | −43 | +256 | − | 512 |
| DB Cargo[1] | −99 | −21 | −78 | − | 20 |
| DB Netze Track | 834 | 649 | +185 | +28.5 | 708 |
| DB Netze Stations | 142 | 67 | +75 | +112 | 201 |
| DB Netze Energy | 76 | 81 | −5 | −6.2 | 65 |
| Other/Consolidation IRS[1] | −61 | 52 | −113 | − | −156 |
| **Integrated rail system[1]** | **1,114** | **−190** | **+1,304** | **−** | **1,717** |
| DB Arriva | 197 | 166 | +31 | +18.7 | 326 |
| DB Schenker[1] | 1,486 | 906 | +580 | +64.0 | 499 |
| Consolidation miscel. | 7 | 1 | +6 | − | −8 |
| **DB Group** | **2,804** | **883** | **+1,921** | **−** | **2,534** |

[1] H1 2021 figures adjusted due to intra-group reassignment of Full Load Solutions operations from DB Schenker to DB Cargo.

# EBIT improvement mainly driven by recovery in passenger transport and strong gains at DB Schenker

**DB**

## EBIT adjusted (€ mn)

−%/+1,851

757

...

876

−975

H1 2019    H1 2021    H1 2022

## Key impact factors

➕ Development of DB Schenker

➖ Revenue losses due to Covid-19 early in H1 2022

➕ Volume recovery

➖ Cost increases (mainly cost of materials and personnel)

➕ Support measures

## EBIT adjusted by business units (€ mn)

| | H1 2022 | H1 2021 | +/− € | +/− % | H1 2019 |
|---|---|---|---|---|---|
| DB Long-Distance | −195 | −1,144 | +949 | −83.0 | 224 |
| DB Regional | −104 | −359 | +255 | −71.0 | 186 |
| DB Cargo[1] | −299 | −204 | −95 | +46.6 | −132 |
| DB Netze Track | 496 | 302 | +194 | +64.2 | 379 |
| DB Netze Stations | 61 | −7 | +68 | − | 123 |
| DB Netze Energy | 35 | 40 | −5 | −12.5 | 23 |
| Other/Consolidation IRS[1] | −304 | −194 | −110 | +56.7 | −376 |
| **Integrated rail system**[1] | **−310** | **−1,566** | **+1,256** | **−80.2** | **427** |
| DB Arriva | −8 | −31 | +23 | −74.2 | 101 |
| DB Schenker[1] | 1,186 | 620 | +566 | +91.3 | 238 |
| Consolidation miscel. | 8 | 2 | +6 | − | −9 |
| **DB Group** | **876** | **−975** | **+1,851** | **−** | **757** |

[1] H1 2021 figures adjusted due to intra-group reassignment of Full Load Solutions operations from DB Schenker to DB Cargo.

# DB Group is significantly profitable again due to strong business development

**DB**

| Adjusted P&L (€ mn) | H1 2022 | H1 2021 | +/− € | +/− % | H1 2019 |
|---|---|---|---|---|---|
| Revenues | 27,969 | 21,786 | +6,183 | +28.4 | 22,013 |
| Total income | 31,601 | 24,994 | +6,607 | +26.4 | 24,619 |
| Cost of materials | −16,502 | −12,682 | −3,820 | +30.1 | −10,876 |
| Personnel expenses | −9,958 | −9,349 | −609 | +6.5 | −8,902 |
| Other operating expenses | −2,337 | −2,080 | −257 | +12.4 | −2,307 |
| **EBITDA adjusted** | **2,804** | **883** | **+1,921** | **−** | **2,534** |
| Depreciation | −1,928 | −1,858 | −70 | +3.8 | −1,777 |
| **EBIT adjusted** | **876** | **−975** | **+1,851** | **−** | **757** |
| Financial result | −109 | −249 | +140 | −56.2 | −383 |
| Extraordinary result | −85 | −82 | −3 | +3.7 | −97 |
| **Profit/loss before taxes** | **682** | **−1,306** | **+1,988** | **−** | **277** |
| Taxes on income | −258 | −122 | −136 | +111 | −72 |
| **Net profit/loss** | **424** | **−1,428** | **+1,852** | **−** | **205** |

## Key impact factors

› Revenue increase due to development of DB Schenker and volume recovery in passenger transport.

› Operating expenses increased due to higher purchased services at DB Schenker and DB Cargo, additional employees and wage increases as well as higher infrastructure and energy costs.
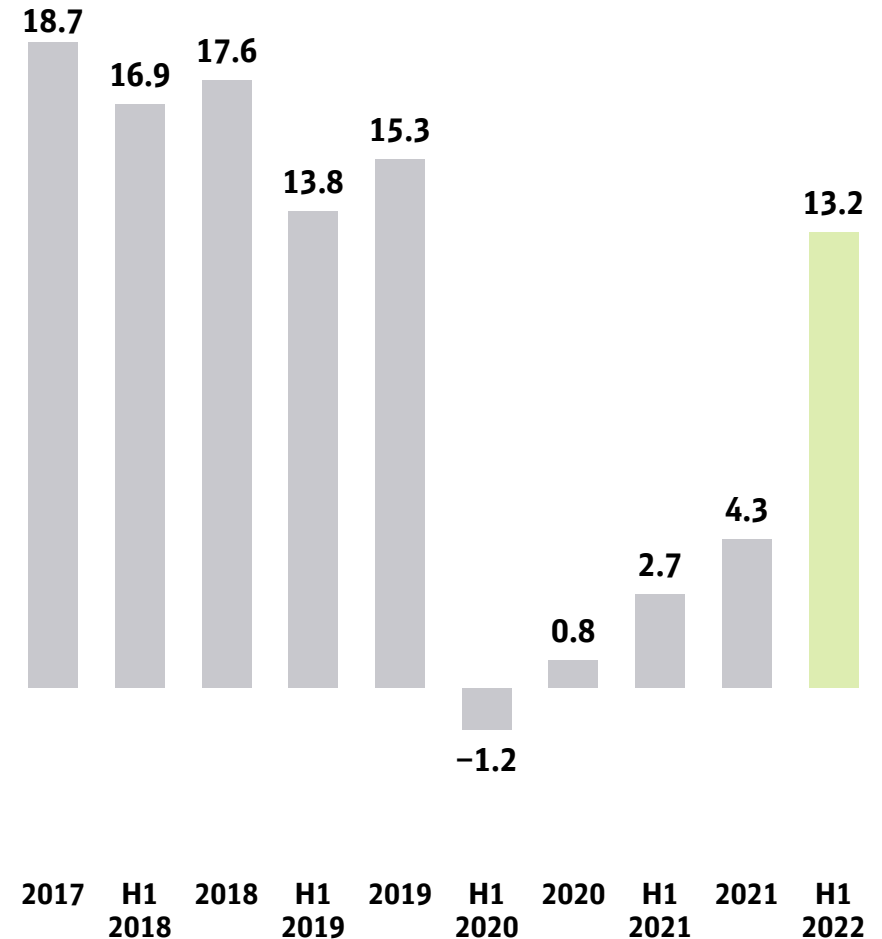
# Value management figures improved, but are still impacted by current operating profit level and increased debt
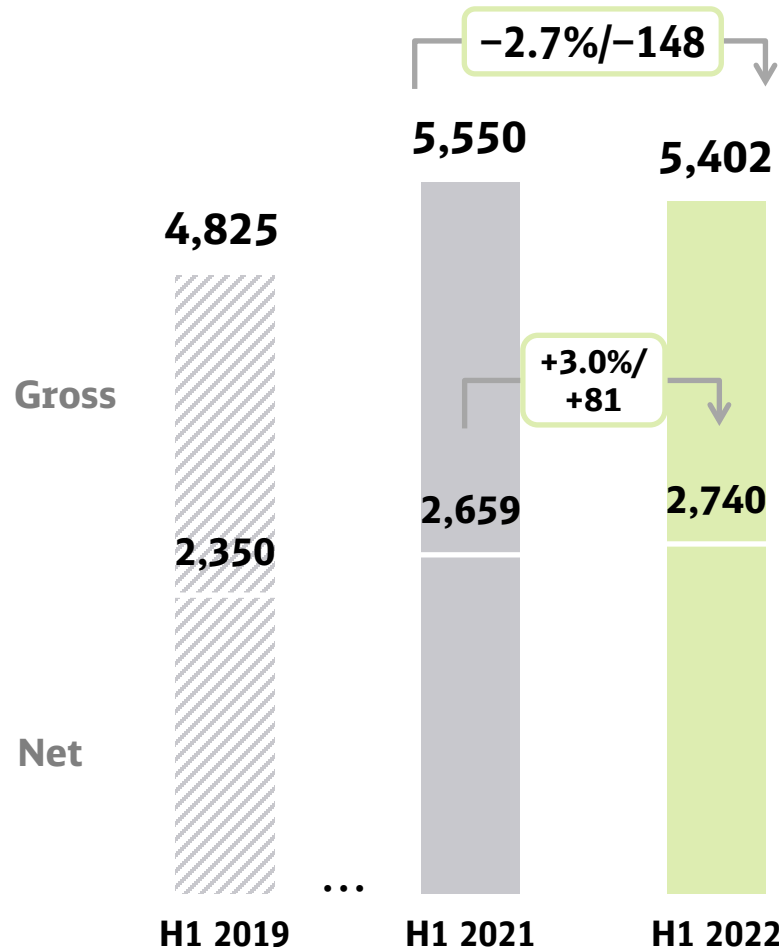
## ROCE (%)

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 6.1 | 5.4 | 5.8 | 3.6 | 4.3 | −8.5 | −7.0 | −4.5 | −3.6 | 3.9 |
| 2017 | H1 2018 | 2018 | H1 2019 | 2019 | H1 2020 | 2020 | H1 2021 | 2021 | H1 2022 |

## Debt coverage (%)

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 18.7 | 16.9 | 17.6 | 13.8 | 15.3 | −1.2 | 0.8 | 2.7 | 4.3 | 13.2 |
| 2017 | H1 2018 | 2018 | H1 2019 | 2019 | H1 2020 | 2020 | H1 2021 | 2021 | H1 2022 |
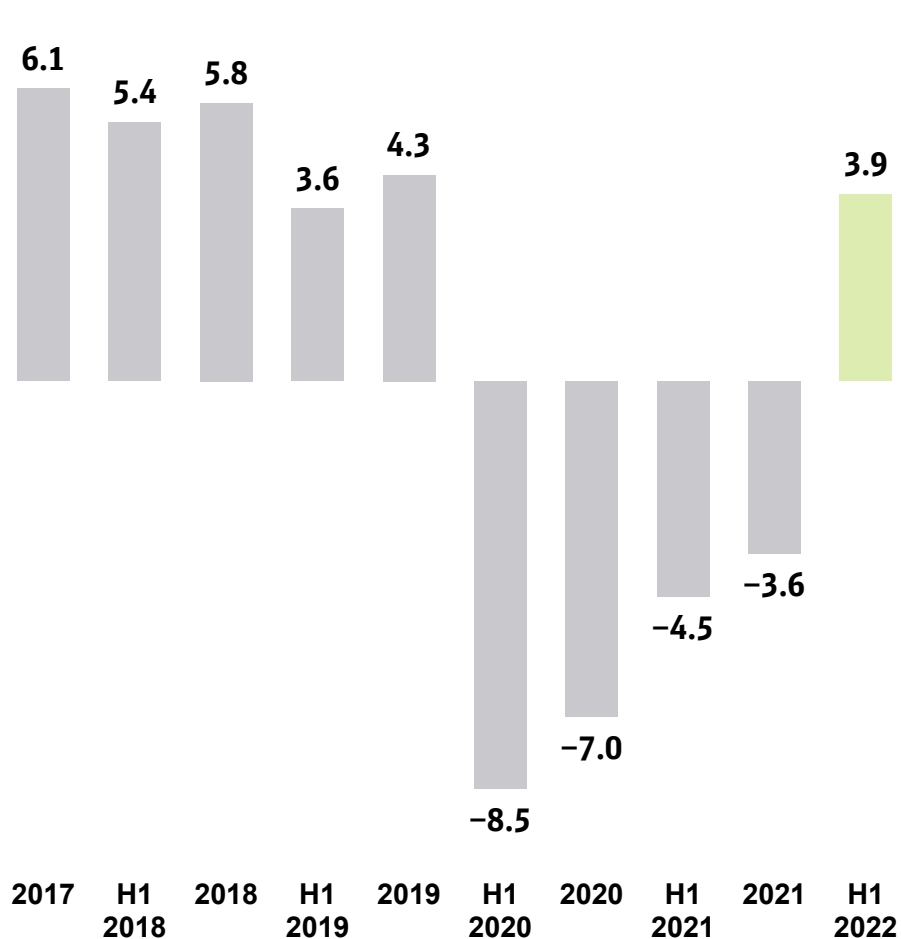
# Capex remains at high level with unchanged focus on infrastructure modernization and fleet expansion

## Capital expenditures (€ mn)



−2.7%/−148
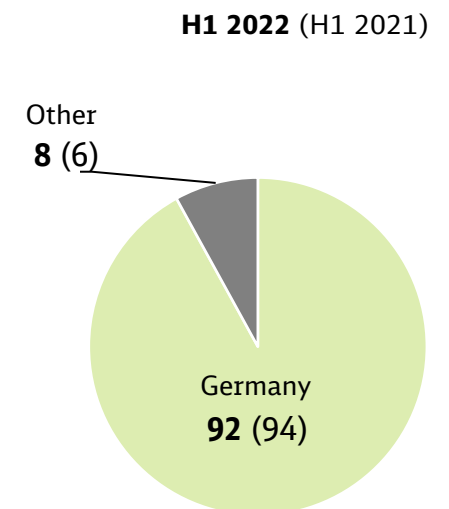
5,550   5,402

4,825

**Gross**

+3.0%/+81

2,659   2,740

2,350

**Net**

H1 2019 ... H1 2021   H1 2022

## Gross capex split (%)

### By sectors

**H1 2022** (H1 2021)

Freight transport and logistics
**8** (8)

Other/consolidation
**5** (6)

Passenger transport
**20** (18)

Infrastructure
**67** (68)

### By regions

**H1 2022** (H1 2021)

Other
**8** (6)

Germany
**92** (94)
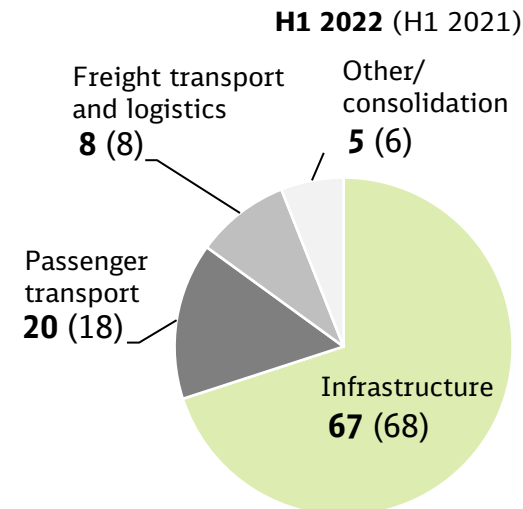
# Increased capex mainly at TOCs, infrastructure with cyclical fluctuations

**DB**

| **Capital expenditures** (€ mn) | **Gross capex** | | | | | **Net capex** | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **H1 2022** | **H1 2021** | +/− € | +/− % | **H1 2019** | **H1 2022** | **H1 2021** | +/− € | +/− % | **H1 2019** |
| DB Long-Distance | **793** | 675 | +118 | +17.5 | 169 | **793** | 675 | +118 | +17.5 | 169 |
| DB Regional | **150** | 259 | −109 | −42.1 | 273 | **145** | 246 | −101 | −41.1 | 269 |
| DB Cargo | **132** | 179 | −47 | −26.3 | 163 | **117** | 178 | −61 | −34.3 | 163 |
| DB Netze Track | **3,019** | 3,155 | −136 | −4.3 | 2,875 | **718** | 725 | −7 | −1.0 | 636 |
| DB Netze Stations | **490** | 491 | −1 | −0.2 | 397 | **245** | 142 | +103 | +72.5 | 216 |
| DB Netze Energy | **102** | 127 | −25 | −19.7 | 67 | **27** | 38 | −11 | −28.9 | 23 |
| Other/Consolidation IRS | **297** | 327 | −30 | −9.2 | 297 | **293** | 327 | −34 | −10.4 | 297 |
| **Integrated rail system** | **4,983** | **5,213** | **−230** | **−4.4** | **4,241** | **2,338** | **2,331** | **+7** | **+0.3** | **1,773** |
| DB Arriva | **120** | 88 | +32 | +36.4 | 323 | **103** | 79 | +24 | +30.4 | 316 |
| DB Schenker | **299** | 249 | +50 | +20.1 | 261 | **299** | 249 | +50 | +20.1 | 261 |
| **DB Group** | **5,402** | **5,550** | **−148** | **−2.7** | **4,825** | **2,740** | **2,659** | **+81** | **+3.0** | **2,350** |

# Net debt driven by capex program and still subdued profitability

**DB**

**Net financial debt** (€ bn)

+4.8%/+1.4

Source of funds −2.8

Application of funds +4.2

**29.1**

−2.8

+2.7

+1.0

+0.5

**30.5**

**Net financial debt** as of Dec 31, 2021

EBITDA adjusted

Net capex

Working capital/ other

Capital cost/ taxes

**Net financial debt** as of Jun 30, 2022
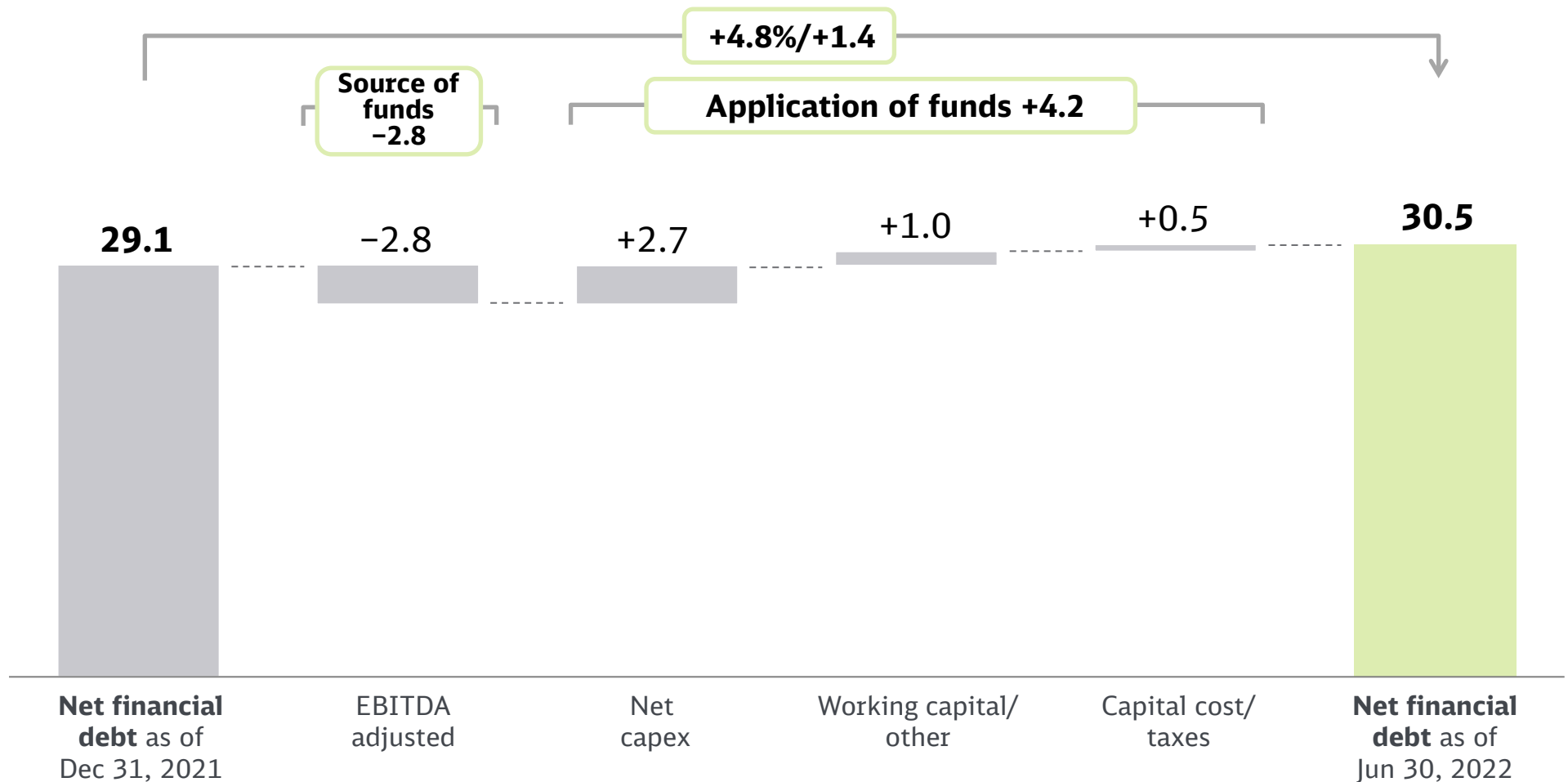
Possible differences are due to rounding.

# Balance sheet structure with no major changes

**DB**

## Balance sheet (€ mn, as of Jun 30/Dec 31)

| | 2022 | 2021 | +/− € | +/− % | 2019 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| **Non-current assets** | **57,655** | **56,149** | **+1,506** | **+2.7** | **53,213** |
| Property, plant and equipment | 50,756 | 50,100 | +656 | +1.3 | 46,591 |
| Intangible assets | 2,411 | 2,387 | +24 | +1.0 | 3,894 |
| Deferred tax assets | 1,246 | 1,305 | −59 | −4.5 | 1,246 |
| **Current assets** | **16,401** | **15,694** | **+707** | **+4.5** | **12,615** |
| Trade receivables | 7,282 | 6,476 | +806 | +12.4 | 4,871 |
| Cash and cash equivalents | 3,827 | 4,591 | −764 | −16.6 | 3,993 |
| **Equity and liabilities** | | | | | |
| **Equity** | **13,459** | **10,621** | **+2,838** | **+26.7** | **14,927** |
| **Non-current liabilities** | **39,510** | **39,631** | **−121** | **−0.3** | **32,820** |
| Financial debt | 31,674 | 30,322 | +1,352 | +4.5 | 23,977 |
| **Current liabilities** | **21,087** | **21,591** | **−504** | **−2.3** | **18,081** |
| Financial debt | 3,526 | 4,164 | −638 | −15.3 | 4,716 |
| Trade liabilities | 7,617 | 8,097 | −480 | −5.9 | 5,789 |
| **Total assets** | **74,056** | **71,843** | **+2,213** | **+3.1** | **65,828** |

## Maturity structure
(as of Jun 30, 2022/Dec 31, 2021)

**Assets**

Non-current assets (78%/78%)

Current assets (22%/22%)

**Equity and liabilities**

Equity (18%/15%)

Non-current liabilities (53%/55%)

Current liabilities (29%/30%)

# Back-Up Materials

| A01 | DB Group |
|-----|----------|
| A02 | 2021 Financial Year |
| A03 | H1 2022 |
| **A04** | **Debt and Financing** |
| A05 | ESG |
| A06 | Government Relations |
| A07 | Track Record |

A04

DB

# Components of financial debt as of Dec 31, 2021

## Financial debt (€ mn)

**+1,162**

33,324      34,486

**−238**

Net: 29,345      Net: 29,107

Dec 31, 2020      Dec 31, 2021
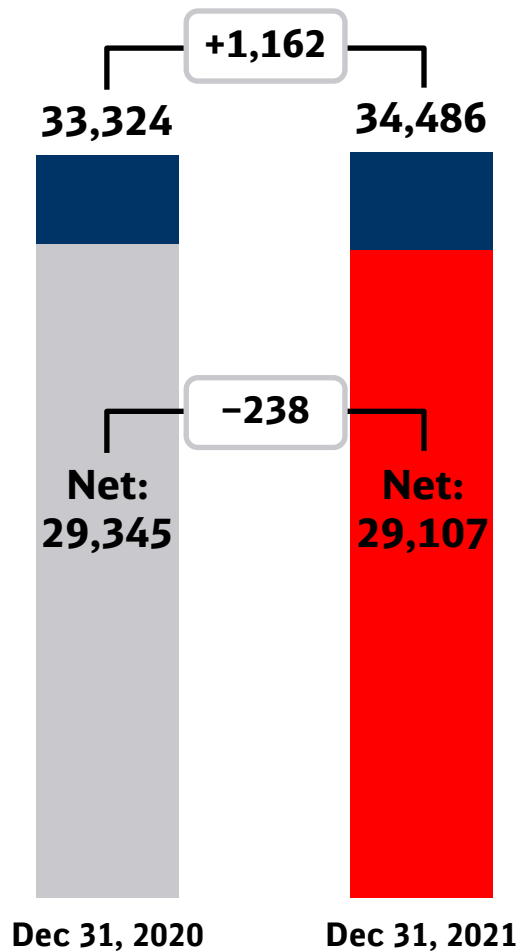
| | 2021 | 2020 | +/- |
|---|---:|---:|---:|
| Bonds | 27,403 | 24,021 | +3,382 |
| + EUROFIMA loans | – | 200 | −200 |
| + Commercial paper | – | – | – |
| + Bank borrowings (incl. EIB) | 1,320 | 3,304 | −664 |
| | 28,723 | 27,525 | **+1,198** |
| + Finance lease (present value) | 5,059 | 4,931 | +128 |
| + Finance liabilities from transport concessions | 180 | 191 | −11 |
| + Other finance liabilities | 78 | 97 | −19 |
| Financial debt excl. Federal loans | 34,040 | 32,744 | **+1,296** |
| + Interest-free loans (present value) | 446 | 580 | −134 |
| **Financial debt** | 34,486 | 33,324 | **+1,162** |
| − Cash and cash equivalents and receivables from financing | 5,132 | 4,036 | −361 |
| − Effects from currency hedges | 247 | −57 | −304 |
| **Net financial debt** | 29,107 | 29,345 | **−238** |

# Concept of DB Group financing unchanged

## Cash management and financing of DB Group

```
┌─────────────────────────────┐   ┌─────────────────────────────┐
│   Money market / banks      │   │      Capital markets        │
└─────────────────────────────┘   └─────────────────────────────┘
   Short term                          Long term
   financing   ↓ ↑                     financing  ↓ ↑

┌─────────────────────────────┐   ┌─────────────────────────────┐
│                             │ ← │ Deutsche Bahn Finance GmbH¹)│
│          DB AG              │   │      Berlin / Germany       │
│                             │ → │                             │
└─────────────────────────────┘   └─────────────────────────────┘
       ↓ ↑ Intercompany financing / cash pooling
```

| DB Long-Distance | DB Regional | DB Netze Stations | DB Cargo |
| DB Arriva | | DB Netze Track | DB Netze Energy | DB Schenker |
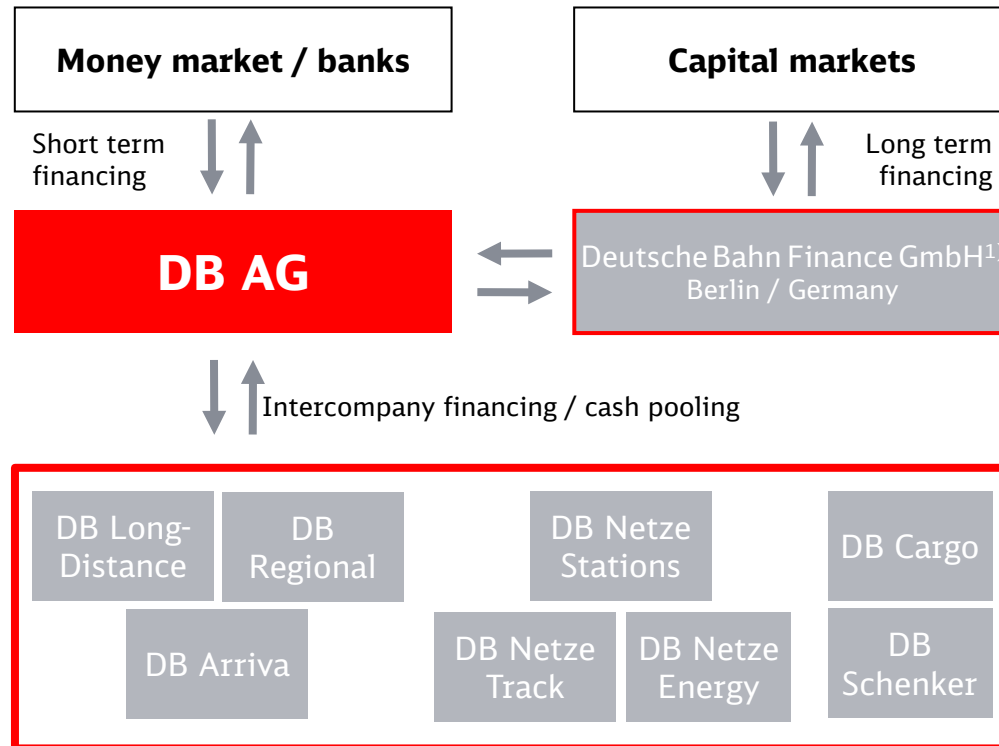
## Comments

› DB AG's central Treasury department manages all financing, liquidity and hedging activities.

› External Group financing procured exclusively by DB AG and DB Finance.

› Internal funding conditions at arm's length.

› Cash pooling with 299 subsidiaries in 21 countries; 2 regional cash pools.

› Two debt issuance programs, issuer DB AG / DB Finance guaranteed by DB AG:

› Euro debt issuance program (since 2001), volume € 35 bn.

› Kangaroo debt issuance program (since 2017), volume AUD 5.0 bn.

› Commercial paper program (since 1994), volume € 3 bn (updated 2019).

1) Since September 1, 2017. Formerly Deutsche Bahn Finance B.V., Amsterdam / the Netherlands.

# We have an unchanged excellent access to the bond markets at very favorable conditions

## Bond issues 2021: 10 transactions

| Volume (€ bn) | | Term (Ø years) | Interest[1] (Ø %) |
|---|---|---|---|
| **4,891** | | **15.3**[2] | **0.58**[2] |
| 168 | 🇦🇺 | 20.0 | 0.99 |
| 196 | 🇳🇴 | 15.0 | 0.91 |
| 279 | 🇨🇭 | 10.0 | 0.42 |
| 296 | 🇨🇭 | 12.0 | 0.47 |
| 339 | 🇬🇧 | 5.8 | −0.17 |
| 370 | 🇨🇭 | 15.0 | 0.33 |
| 494 | 🇸🇪 | 5.0 | −0.10 |
| 750 | 🇪🇺 | 10.0 | 0.39 |
| 1,000 | 🇪🇺 | 15.0 | 0.76 |
| 1,000 | 🇪🇺 | 29.9 | 1.16 |

## Bond issues 2022: 8 transactions (so far)

| Volume (€ bn) | Term (Ø years) | Interest[1] (Ø %) |
|---|---|---|
| **2,951** | **12.1**[2] | **2.19**[2] |

**€ <4 bn bond issues expected in 2022**

[1] Interest all in €. [2] Volume weighted average. Non-€ bond issuances were swapped into €.

# Back-Up Materials

| A01 | DB Group |
|-----|----------|
| A02 | 2021 Financial Year |
| A03 | H1 2022 |
| A04 | Debt and Financing |
| **A05** | **ESG** |
| A06 | Government Relations |
| A07 | Track Record |

**A05**

DB

# DB Group enjoys good assessments in various established sustainability ESG ratings

**DB**

**MSCI**

## DB with "AA" rating

› The February 2022 rating places DB Group in a good position in the "Road & Rail Transport" sector.

› MSCI emphasizes strong carbon mitigation program and emission reduction target.

**SUSTAINALYTICS**
a Morningstar company

## Medium ESG risk

› Deutsche Bahn received a score of 24.4 in Sustainalytics' ESG risk rating in February 2022.

› This rating places DB Group in the mid-range of ratings in the transport sector.

**ISS ESG**

## DB with "Prime" status since 2010

› In the 2021 ISS ESG corporate rating, Deutsche Bahn maintained it's "Prime" status.

› The rating, however, has deteriorated slightly to "C+". This is due to, among other things, the development in the eco-efficiency category as a result of reduced capacity utilisation due to the Corona pandemic.

› DB Group maintained a decile rank of 1 (as of: 24 November 2021).

**CDP**
DRIVING SUSTAINABLE ECONOMIES

## DB for fifth time part of the CDP climate "A List"

› DB Group once again received the top climate rating of "A" in 2021 and was singled out as one of the world's leading companies for its commitment to climate change.

**ecovadis**

## DB with "Gold" status

› In the June 2022 EcoVadis rating, the DB Group is among the top 3% in the rail transport sector.

› The rating result was improved by 7 points to a total of 68 points (Gold status) compared to the 2020 rating.

# Sustainability key figures 2021 (1/2)

**DB**

## Climate protection

**By 2040** at the latest, we as Deutsche Bahn will be **climate-neutral**. To achieve this goal, we are relying on three powerful levers - expanding **green electricity**, **phasing out diesel**, and embarking on the **heat transition**. In 2021, for example, we could reduce specific greenhouse gas emissions by 36.1% compared with 2006.

| Specific CO$_2$e emissionen of journeys and transports of DB Group by mode of transport | 2021 | 2020 |
|---|---|---|
| Regional rails passenger transport (g/pkm) | 76.5 | 72.6 |
| Long-distance rail passenger transport (g/pkm) | 1.4 | 1.5 |

| Share of renewable energies in the DB traction current mix /% | 2021 | 2020 |
|---|---|---|
| DB Group | 62.4 | 61.4 |

Since 2019, we have been operating **33 of our stations with 100% eco-power**, including the 15 largest stations.

## Noise remediation

Together with the federal government, we are placing people at the center of our noise abatement target and will **relieve at least half of the residents living along noisy routes by 2030**, and ultimately **all of them by 2050**.

| Noise remediation and prevention | 2021 | 2020 |
|---|---|---|
| *Noise remediation (existing network)* | | |
| Noise barriers completed (km) | 44.2 | 75.1 |
| Homes with passive measures | 1,820 | 1,485 |
| Track kilometers noise-remediation in total (km) | 2,110 | 2,039 |
| *Noise prevention (new construction and expansion/upgrade projects)* | | |
| Noise barriers completed (km) | 41.2 | 18.4 |
| Homes with passive measures | 590 | 1.173 |

In 2021, around **€ 150 mn** of federal funds were invested in active and passive noise remediation measures under the noise remediation program.

**DB**

## Resource conservation

We want to keep the **recycling rate** for all our waste **steady at over 95%.**

| Recycling rate / % | 2021 | 2020 |
|---|---|---|
| DB Group | 96.2 | 95.6 |

| Water consumed / million m³ | 2021 | 2020 |
|---|---|---|
| DB Group | 7.25 | 8.40 |

Water consumption decreased by about **14%** in 2021 compared to 2020.

## Nature conservation

**From 2023,** we plan to operate rail transport **free of glyphosate.**

| Chemical vegetation control / t | 2021 | 2018 |
|---|---|---|
| Absolute amount of active ingredient used | 5 | 56 |

| Protection and compensation measures under nature conservation law | 2021 | 2020 |
|---|---|---|
| Compensation measures for nature conservation | 46,015 | 38,858 |
| of these for species protection | 15,777 | 12,804 |

**Over 50 million honeybees** find their habitat on DB land.

## Social responsibility

We will increase the **share of women in all management positions** to 30% by the end of 2024.

In 2021, the **proportion of women in management positions** by organizational structure was **25.4%**, up from 24.4% in the previous year.

# This is green. We use our environmental brand to raise the profile of Deutsche Bahn's Green Transformation

The environmental brand **This is green.** represents Deutsche Bahn's sustainability and environmental strategy, our Green Transformation and the 150 and more measures that underpin this.

With **This is green.** we make all our environmental measures visible externally as well as internally.

Behind every **This is green.**-measure there are dedicated colleagues who are driving DB's green transformation forward with innovative and digital solutions.

All sustainability targets, KPIs and individual measures are presented transparently on the website deutschebahn.com/green

# Deutsche Bahn takes responsibility for achieving the 2-degree target of the Paris Climate Conference

**DB**

Deutsche Bahn has received the seal of approval of the renowned Science-Based Targets Initiative (SBTi). This is a scientific confirmation: With our greenhouse gas reduction targets, we at Deutsche Bahn take responsibility for achieving the 2-degree target of the Paris Climate Conference. The SBTi seal of approval once again confirms that travel by train is active climate protection.

# We remain committed to our strategic goals despite the challenging development due to Covid-19

**DB**

| Traffic shift (rail in Germany) | 2019 | 2020 | 2021 | 2022 (forecast) | Target |
|---|---|---|---|---|---|
| Passengers long-distance transport (mn pkm) | 150.7 | 81.3 | **81.9** | ~130 | 260 |
| Passengers regional transport (mn pkm) | 1,972 | 1,215 | **1,121** | ~1,400 | 2,500 |
| Volume sold rail freight transport (bn tkm) | 60.7 | 56.2 | **60.3** | >62 | 120 |
| Capacity in infrastructure (mn train-path km) | 1,090 | 1,066 | **1,109** | >1,130 | 1,400 |
| **Climate** (rail in Germany) | | | | | |
| Share of renewable energies in DB traction current mix (%) | 60.1 | 61.4 | **62.4** | 64 | 100 |
| **Customers** (rail in Germany) | | | | | |
| Punctuality (DB Long-Distance) (%) | 75.9 | 81.8 | **75.2** | ~80 | >85 |
| Punctuality (DB Regional) (%) | 94.3 | 95.6 | **94.3** | ~95 | >95 |
| Punctuality (DB Cargo (Germany)) (%) | 73.8 | 77.6 | **69.8** | ~72 | >77 |
| Customer satisfaction (DB Long-Distance) (index) | 76.5 | 80.2 | **77.8** | 80 | >80 |
| Customer satisfaction (DB Regional) (index) | 66.1 | 69.0 | **71.6** | 72 | >75 |
| Customer satisfaction (DB Cargo) (index) | 61 | 68 | **70** | 67 | >70 |
| **Employees** | | | | | |
| Employee satisfaction (index) | – | 3.9 | – | 3.8 | 3.8 |
| **Financials** | | | | | |
| ROCE (%) | 4.3 | −7.0 | **−3.6** | >0 | ≥6.5 |
| Debt coverage (%) | 15.3 | 0.8 | **4.3** | ↗ | ≥15 |

# Overall ongoing positive development of environmental targets, lower volumes with dampening effects on specific $CO_2$ reduction
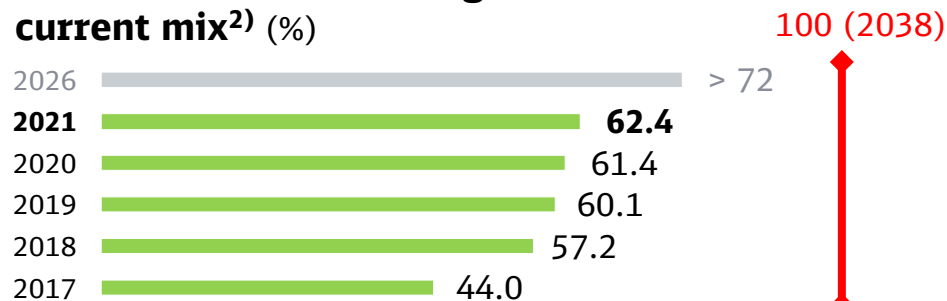
**DB**

## Strong Rail targets – environmental (rail in Germany)
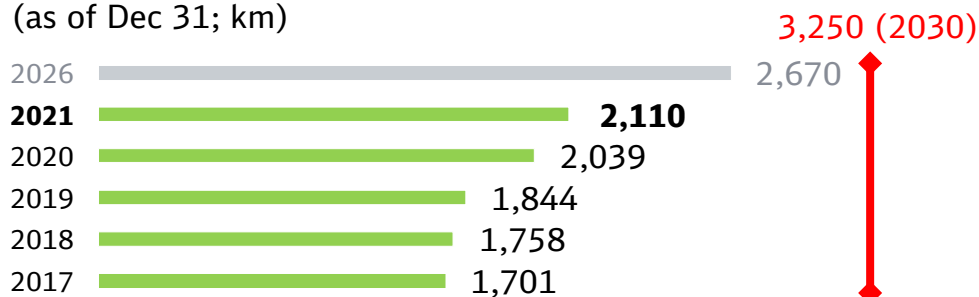
### Specific greenhouse gas emissions compared to 2006[1] (%)

| | |
|---|---|
| 2026 | −44.9 |
| **2021** | **− 36.1** |
| 2020 | − 34.4 |
| 2019 | − 34.8 |
| 2018 | − 33.2 |
| 2017 | − 29.5 |
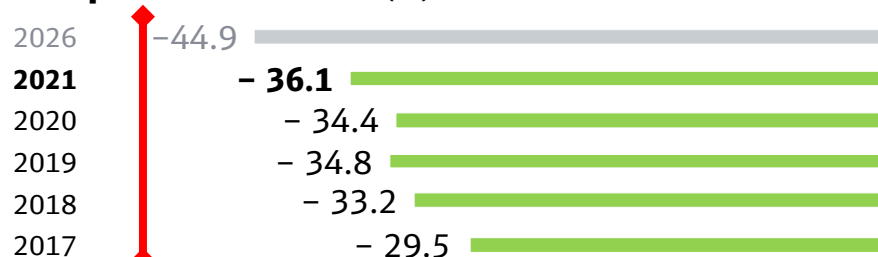
≥−50 (2030)

### Share of renewable energies in DB traction current mix[2] (%)

100 (2038)

| | |
|---|---|
| 2026 | > 72 |
| **2021** | **62.4** |
| 2020 | 61.4 |
| 2019 | 60.1 |
| 2018 | 57.2 |
| 2017 | 44.0 |

### Track kilometers noise remediated in total (as of Dec 31; km)

3,250 (2030)

| | |
|---|---|
| 2026 | 2,670 |
| **2021** | **2,110** |
| 2020 | 2,039 |
| 2019 | 1,844 |
| 2018 | 1,758 |
| 2017 | 1,701 |

### Recycling rate[3] (%)

| | |
|---|---|
| 2026 | > 95 |
| **2021** | **96.2** |
| 2020 | 95.6 |
| 2019 | 97.7 |
| 2018 | 98.0 |
| 2017 | 98.0 |

Short-/mid-term target | Long-term target

[1] 2021 without DB Arriva. Excluding fleet vehicles, stationary units DB Schenker and DB Arriva as well as individual units of DB Cargo.
[2] In Germany.
[3] Period Oct 1 to Sep 30. Includes only DB Cargo AG from the DB Cargo business unit.

# Deutsche Bahn remains very attractive as an employer as hiring campaign continues at a high level

**DB**

## Strong Rail targets – social (rail in Germany)

### Employee satisfaction (SI)

3.8

| | |
|---|---|
| 2026 | 3.8 |
| **2021** | – |
| 2020 | 3.9 |
| 2019 | – |
| 2018 | 3.7 |
| 2017 | – |
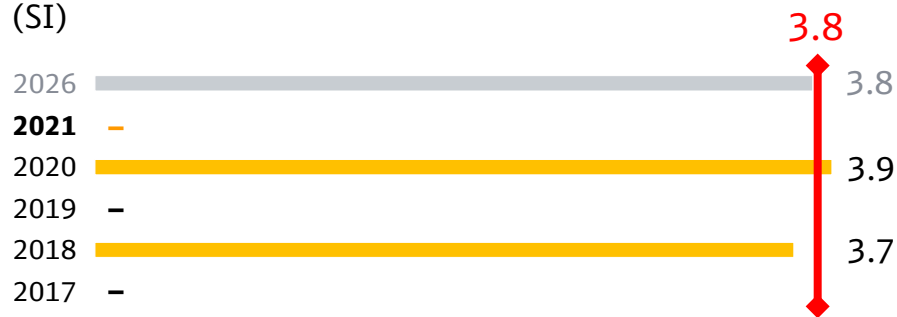
### External new hires in Germany (excluding young professionals) (NP)

| | |
|---|---|
| **2021** | **18,450** |
| 2020 | 21,700 |
| 2019 | 22,758 |
| 2018 | 20,815 |
| 2017 | 16,064 |

Mid-term target   Long-term target
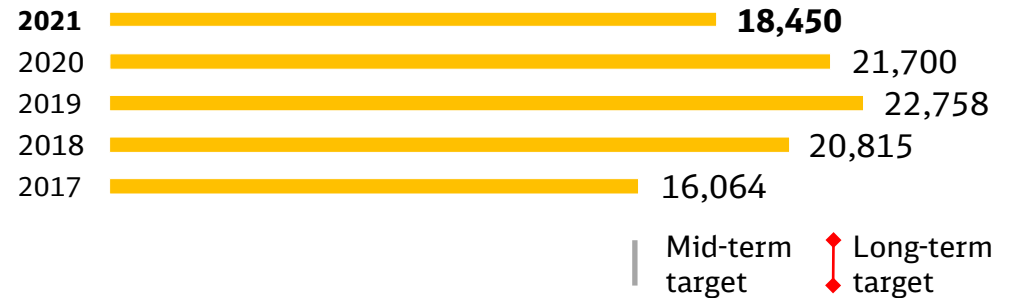
# Our answer - the Green Transformation of Deutsche Bahn

**Green Transformation**
We are taking responsibility for our planet, turning not just our products green but also the ways in which we work.

Climate protection

Social responsibility

Nature conservation

Noise reduction

Resource protection

DEUTSCHLAND BRAUCHT EINE STARKE SCHIENE

**Purpose of the
Strong Rail corporate strategy**

# Climate protection - we protect the climate for a livable future

**DB**

## Ambition and targets

- 100% renewable energy in our depots, office buildings and stations by 2025.

- DB's traction current mix composed of 80% renewable power by 2030.

- DB's traction current mix composed of 100% renewable power by 2038.

- DB Groupis fully climate neutral by 2040.

## Actions

- **Shift to 100% renewable energies:** Continuous portfolio development with an open technology approach, and further electrification.

- **The end of diesel:** End of fossil fuel usage and introduction of intermodal mobility offerings.

- **Start of the heat transition:** Ensuring climate-friendly heat supply in all our buildings.

### Project Climate neutral DB

- Developing and introducing innovative, environmentally friendly solutions, such as alternative drive systems (e.g. battery, hydrogen) and biofuels (including HVO).

- Implementing the starter packages for diesel phase-out and heat transition.

# Origin of directly fed-in energy sources gas and coal via power plants in the 16.7 Hz traction current grid

## High share of renewables in DB traction current mix in Germany
(%)

**2021** / 2020

Renewable energies[1]
**62.4** / 61.4

Nuclear energy **10.7** / 12.0

Black coal **13.9** / 11.2

Natural gas **6.3** / 8.1

Lignite **6.4** / 7.0

Other **0.3** / 0.3
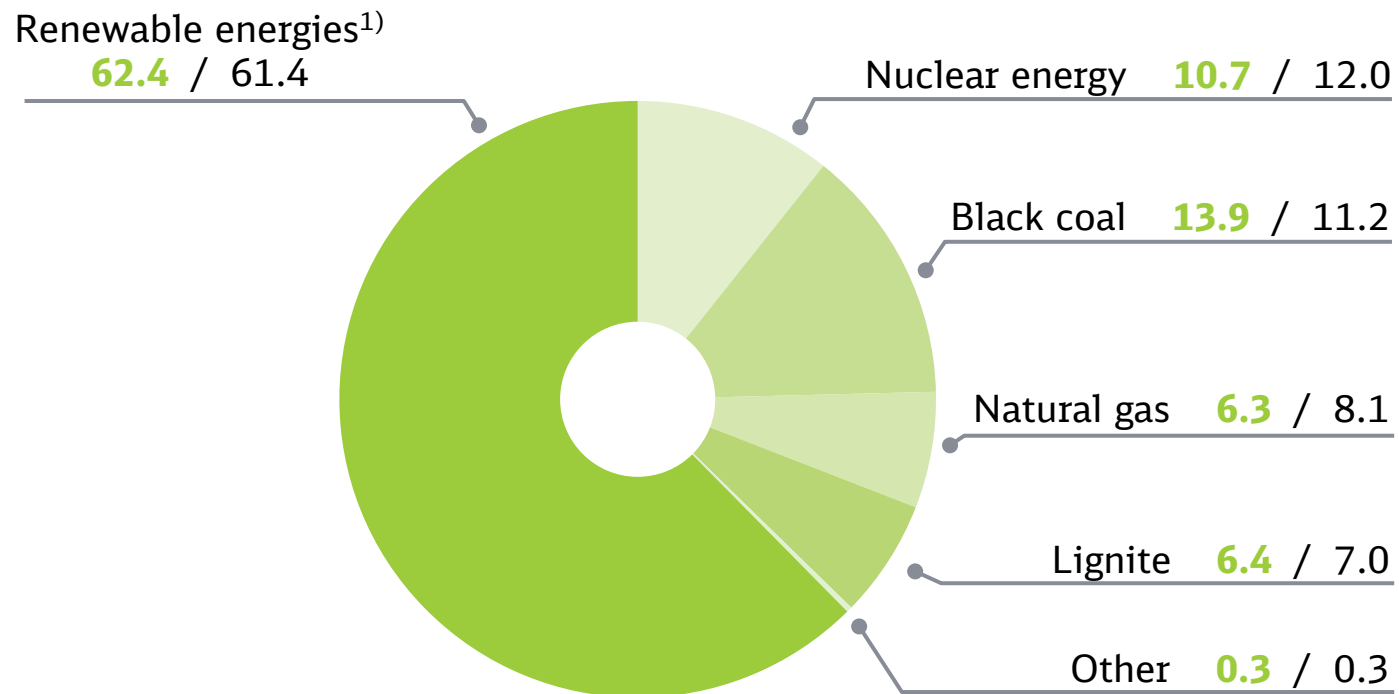
Share of renewable energies in the general German electricity mix was 45.7% in 2021 (2020: 50%).

# We work intensely with our partners to reduce emissions across all three scopes



**CO₂e emissions according to scope 1—3** (2021, %)

CO$_2$e emissions: 18.5 mn t

Scope 3
65%

Scope 1
18%

Scope 2
17%
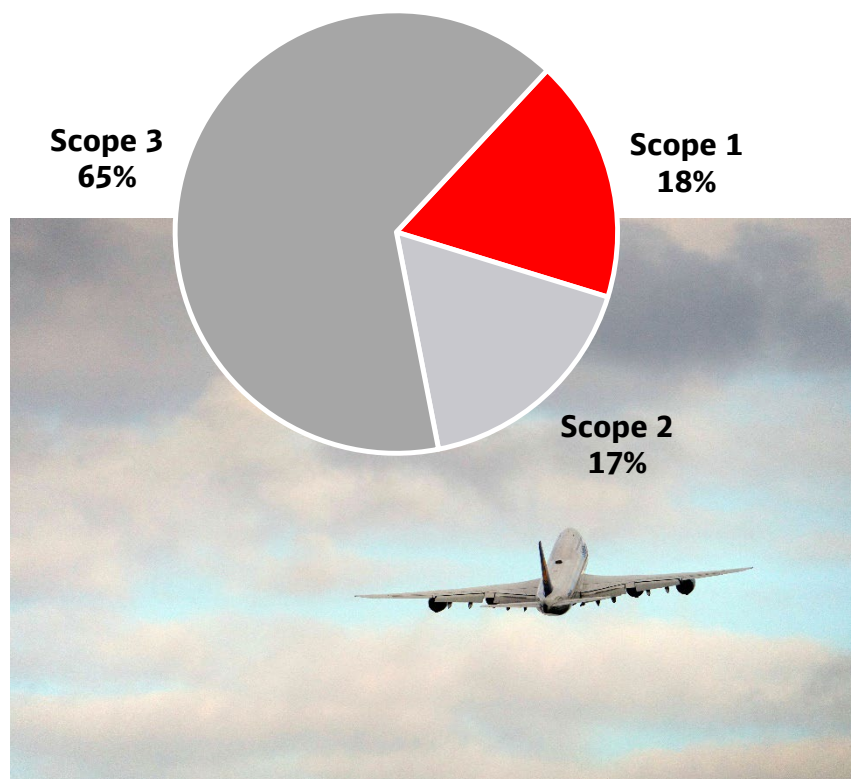
› Our greenhouse gas footprint shows the amount of greenhouse gases that we emitted in one year.

› It consists of the emissions from all journeys and transports by rail, road, air and shipping for which DB Group is responsible, and the emissions of stationary facilities such as stations or workshops and emissions of the fleet.

› These figures provide the basis for calculating specific greenhouse gas emissions and determining our climate target within the limits set.

› They also act as a benchmark for our efficiency improvement measures and provide a basis for us to compare our performance with other companies.

› The scope 2 emissions take into account market-based mechanisms, meaning that this figure includes all contractually regulated instruments for generating and trading electricity from renewable energies. In accordance with the scope 2 guidelines of the Greenhouse Gas Protocol on dual reporting, we also report location-based scope 2 emissions.

› The majority of our greenhouse gas emissions are scope 3 emissions from our subcontractors. We are in contact with our preferred carriers and develop strategies to decarbonize air and ocean transport, particularly in the Clean Cargo Working Group (CCWG) and the Sustainable Air Freight Alliance (SAFA).

# In addition to our reduction target we have a very material indirect impact on carbon reductions in the transport sector

## Direct: Our net zero target for rail operations

**Reduction of $CO_2$ emissions Integrated Rail System** (mn t $CO_2$e)

Rail
3.2

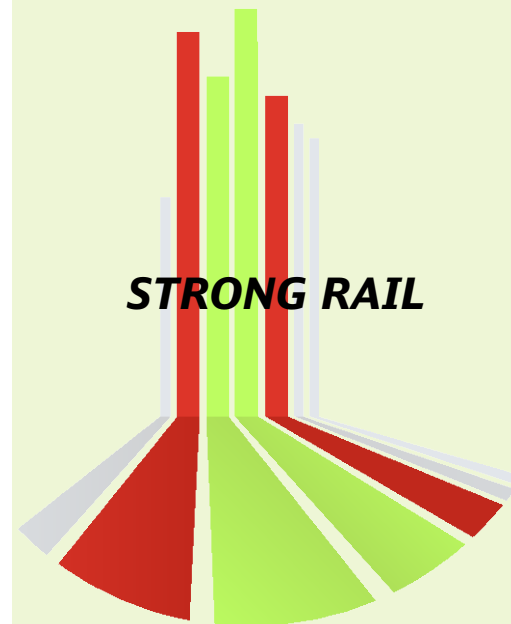Stationary facilities
1.3

Road 0.7

**2019**
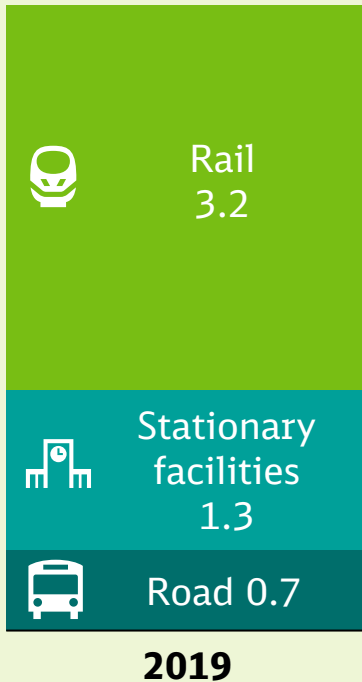
**-5 p.a.**
due to DB climate neutrality target until 2040

## Indirect: Decarbonizing the transport sector via traffic shift

**Reduction of $CO_2$ emissions due to Strong Rail strategy** (mn t $CO_2$e)

*STRONG RAIL*

**>-10 p.a.**
due to DB traffic shift targets

# Nature conservation - we protect plant and animal species to safeguard ecosystem diversity

**DB**

### 🎯 Ambition and targets

- Maintaining biodiversity, protecting flora and fauna.

- Creating an eco-friendly trackside vegetation management system.

- Cutting glyphosate by 50% since 2020 compared to 2018.

- Glyphosate-free rail transport by 2023.

### Actions

- **Offsetting:** Planning and implementing a total of more than 46,000 offsetting activities since 2010.

- **Conservation measures:** Over 15,000 measures to safeguard the biodiversity of habitats for plants and animals that live along rail lines.

- **Expansion of nature-friendly infrastructure:** e. g. through increased animal guards on overhead lines to protect birds.

**Project:
Exit of Glyphosate**

- Developing, trialing and introducing alternative processes.

- Shift from controlling vegetation to sustainably managing vegetation.

# Resource protection - we use resources in a responsible manner

**DB**

## Ambition and targets

- Goal is to have a circular economy for resources.

- Recycling level of at least 95% since 2014 (incl. construction and municipal waste).

- Developing strategies for using innovative and sustainable materials in digital and technology strategies.

## Actions

- **Using of recycled material:** Using recycled materials in infrastructure and extending the lifespan of our products by means of redesigning, 3D printing and upcycling.

- **Greening of all catering services:** Sustainable range of food and drinks, take-away items and packaging etc.

- **Greening of further products and services**, e.g. shift to sustainable premiums within our BahnBonus rewards program.

**Project: Resource protection target 2030/2040**

- Target: Full circular economy.
- Continuation of the high recycling rate on the output side.
- Sustainable and binding ramp-up of recycled products on the input side.

# We are transforming our approach to waste management from an optimized system into a modern resource management system

## Volume of waste according to type, 2021
### (thousand t)

| construction waste | scrap metal | municipal waste | other | paper | waste oil | electronic scrap |
|---|---|---|---|---|---|---|
| 8,342 | 327 | 55 | 62 | 38 | 2 | 4 |

**Waste in total:** 8,830 thousand t

# Noise reduction - we reduce noise levels affecting people living near tracks

**Ambition and targets**

- Reducing the impact of noise for at least 50% of people living along railway lines by 2030 (more than 800.000 people).

- Reducing the impact of noise for all people living along DB's railway lines by 2050 (more than 1.6 million people).

**Actions**

- Noise mitigation measures on the ground: Measures installed for a total distance of 3,250 kilometers of line by 2030 and over 6,500 by 2050. The entire railroad network will therefore be quiet by 2050.

- Noise mitigation measures at source: Use of quiet brake systems in DB Cargo's main-line locomotives and quiet hybrid switching locomotives for long-distance services from 2025.

**Project: Implementing 2030/2050 noise reduction target**

# DB's Green Transformation – we have already scored successes in each of the five areas for action

## Climate protection

**62.4%** Renewable energy in traction current mix

**36.1%** $CO_2$ Greenhouse gas emissions reduced (relative to 2006)

**Grade A** from CDP for climate rating

**100% renew-able energy** on long-distance services since 2018 and at Germany's 15 biggest stations (since January 2019)

## Nature conservation

**365,000** Trees planted in cooperation with Bergwaldprojekt e.V. since 2009

**Over 46,000** conservation activities > 15,000 of them focus on specific species

**Use of glyphosate cut by 50%** since 2020 compared to 2018

## Resource protection

**96.2%** recycling rate

**No microplastics** in our hand soap on long-distance and regional trains

**FairTrade** products in on-board bistros

## Noise reduction

**Rail noise reduced by 50%** Down 10 dB(A) in 2020 relative to 2000

**100%** of freight wagons refitted with whisper brakes

**>2,100** kilometers of rail line with noise control features

## Social responsibility

**Tafel Deutschland e.V.** Cooperation with a German food bank

**Percentage of women** in management positions **25.4%**

**share** Alliance for drinking water donations

As of Dec 31, 2021

Over 150 This is green. measures implemented

# Social responsibility - we accept our social responsibility

**DB**

## Ambition and targets

- Social responsibility as a holistic strategy at Deutsche Bahn that encompasses employees, business partners and suppliers.

- Emphasis on an open and diverse corporate culture and sustainable value chains.

- 30% of management positions held by women in 2024.

## Actions

- Obligation to adhere to DB Group's code of conduct: Collective system of values for business partners and suppliers.

- Pressing ahead with successful campaigns: Cooperation with the start-up share, etc.

- Larger number of women: Safeguarding employment, making these jobs appealing and family-friendly.

### Project: Sustainable value chain

- Ethical and responsible interaction between people.

- Careful use of technological advances and digitalization throughout our value chain (sustainable supply chains, human rights, digital responsibility).

# Back-Up Materials

| A01 | DB Group |
|-----|----------|
| A02 | 2021 Financial Year |
| A03 | H1 2022 |
| A04 | Debt and Financing |
| A05 | ESG |
| **A06** | **Government Relations** |
| A07 | Track Record |

A06

DB

# Additional support package in regional transport to mitigate lasting Covid-19 impact and to stimulate demand

**DB**



## Additional measures to support local and regional transport in 2022

› Amendment of Regionalization Act to **increase regionalization funds by € 3.7 bn** in 2022.

› This amount is earmarked for the financing of **"9 € ticket"** and the contribution of the Federal Government to the **prolongation of the sector support for regional transport in 2022.**

› The intention of the "9 € ticket" is to give commuters relief regarding the high energy and fuel prices. **The Federal government is fully financing the initiative** (€ 2.5 bn).

› In the summer months of June, July and August, the ticket will be offered at a price of € 9 per month. Equalization of new and existing customers: Discounting of existing subscriptions to € 9 per month.

› It is to be valid nationwide and for all passengers on scheduled buses, streetcars, subways, commuter trains, regional trains (2nd class) and regional express trains.

› Implementation will be **using the same procedures as for the Covid-19 related sector support**.

› The aim also is to analyze the effects of discounted tickets on user behavior. The results are to be incorporated into further work to improve public transport in the long term.

# Overview Climate Action Program 2030

**DB**

**Climate Action Program 2030**

› The Federal Government outlined the Climate Action Program 2030 on October 9, 2019. The funds for this were included in the budgets for 2020/2021 and in the Federal Government's Financial Plan for 2021 to 2024.

› Key measures are embedded in rail and public transport (selection):

  › Attractiveness of rail passenger transport: € 86 bn from the Federal Government and DB Group to fund modernization of the rail network (LuFV III), introduction of digital command and control technology, elimination of bottlenecks, introduction of Germany in Sync, further electrification measures and additional increase in regionalization funds.

  › Strengthening rail freight transport: Strengthening combined transport, single wagon transport support (Federal Program for the Future of Rail Freight Transport (Bundesprogramm Zukunft SGV), facility price support, extended train-path price support).

  › DB capital increase: An additional € 11 bn is to be invested in rail infrastructure by 2030.

  › Lowering of value added tax in long-distance transport to 7% as of January 1, 2020.

  › Increase in Municipal Transport Financing Act (Gemeindeverkehrsfinanzierungsgesetz; GVFG) funds: € 1 bn from 2021 and € 2 bn p.a. from 2025.

  › Planning acceleration: measures laws, integration of regional planning and plan approval procedures, waiving of approval for new replacement bridges.

  › Introduction of $CO_2$ pricing: national certificate trading for fuel emissions in the heating and transport sectors. Reduction of the Renewable Energy Sources Act (Erneuerbare-Energien-Gesetz; EEG) levy.

# On Jan 31, 2020, the Federal Government and DB Group signed a letter [DB] of intent to strengthen the rail and achieve the climate targets by 2030

**Federal Ministry of Finance (BMF)**

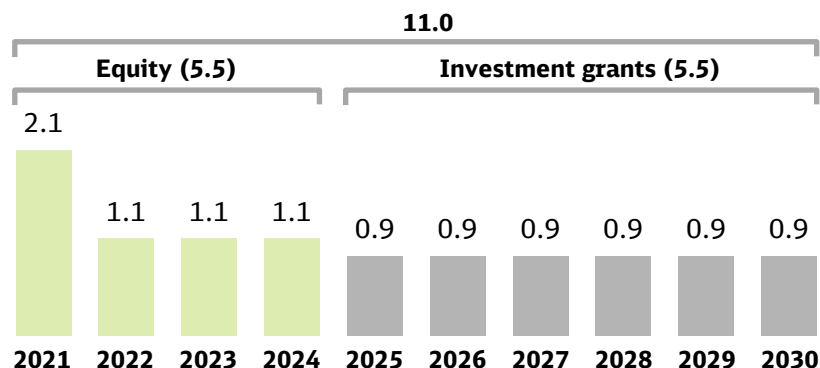**Federal Ministry for Digital and Transport (BMDV)**

**Shifting traffic to the rails as a key action point for achieving climate targets**

› The Federal Government's targets for rail transport are to double the transport volume in passenger transport and to shift freight transport significantly toward rail.

› In order to achieve the growth targets and maintain high operational quality, a wide-ranging reinforcement of the track infrastructure's durability and capacity is necessary.

› The reinforcement program targets commercially viable measures that are necessary for rail growth and climate action and that do not have sufficient financing from other existing Federal programs and could not previously be financed by DB Group/RICs.

› The "Robust Network" measures target small and medium-sized infrastructure measures that generally serve long-distance, local and freight transport. They improve the capacity and operating quality of the network.

› Financial contributions to the starter package, roll-out and technology development for the Digital Rail are regulated as part of this agreement.

› Alongside the rail network expansion, the attractiveness, accessibility and capacity of stations will also be improved.

› In addition to other reinforcement measures, projects improving the quality and capacity of track infrastructure and therefore contributing to the achievement of climate action targets can be carried out with the funds for commercial infrastructure measures.
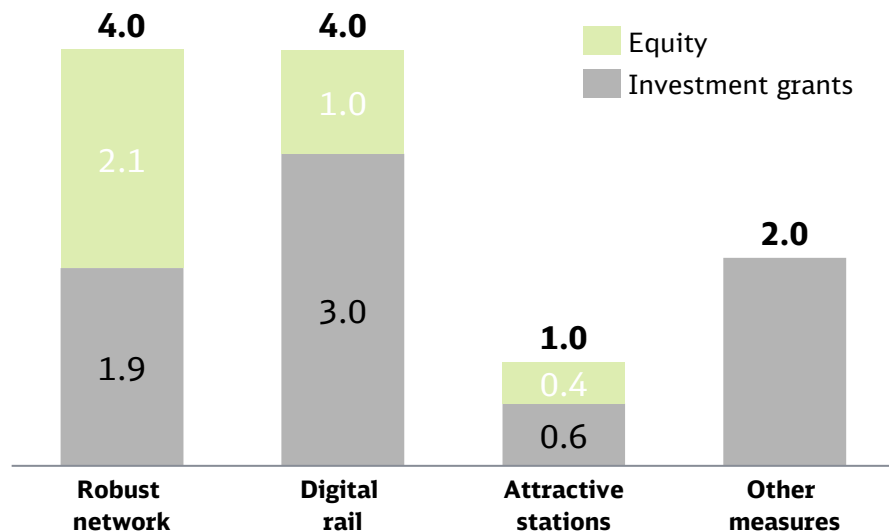
# Climate Action Program is in implementation. First two equity installments paid out in 2021, 2022 tranche to follow in autumn

**DB**

## Cash inflow from Climate Action Program (€ bn)



11.0

Equity (5.5)          Investment grants (5.5)

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 2.1 | 1.1 | 1.1 | 1.1 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 |
| 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |

## Cash outflow from 2020 to 2030 (€ bn)



Equity
Investment grants

| Robust network | Digital rail | Attractive stations | Other measures |
|---|---|---|---|
| **4.0** | **4.0** | **1.0** | **2.0** |
| 2.1 (Equity) / 1.9 (Investment grants) | 1.0 (Equity) / 3.0 (Investment grants) | 0.4 (Equity) / 0.6 (Investment grants) | 2.0 |

### Fund usage

› **Robust Network**
  › Bridging program for interlockings (€ 1.8 bn).
  › Small and medium-sized measures including implementation of the synchronized timetable for the whole of Germany (€ 1.4 bn).
  › Electrification of rail freight tracks (€ 0.5 bn).

› **Digital Rail**
  › European Train Control System/digital interlockings starter package financing and preparing the roll-outs (€ 3.2 bn).
  › Digital rail technology (€ 0.8 bn).

› **Attractive stations**
  › Accessibility, fire protection, concourse building (€ 0.6 bn).
  › Quality and capacity of stations (€ 0.4 bn).

› **Remaining portion** (€ 2 bn) will be used to finance other infrastructure measures, such as capacity and quality measures for the existing network, stations and concourse buildings.

# The extraordinary Government support for Covid-19 damage consists of three elements, that generally support the whole sector

**DB**

| | What is supported? | Who is supported? |
|---|---|---|
| **Train-path price support** | › Reduction of track access charges (~98%). | Long-distance rail<br>Rail cargo |
| **Investment grants replacing dividend** | › Omission of dividend payment in 2021 and 2022.<br>› Gap in the financing circle according to LuFV III, which will be offset by the Federal Government. | Rail infrastructure |
| **Compensation of Covid-19-related damages** | › State Aid to make good the damage caused by an exceptional occurrence according to Art. 107 (2) (b) Treaty on the Functioning of the European Union (TFEU). | Long-distance rail<br>Rail cargo<br>Rail infrastructure |

# German Government is overall very supportive for DB Group and the rail system beyond the extraordinary measures

**DB**

## Milestones
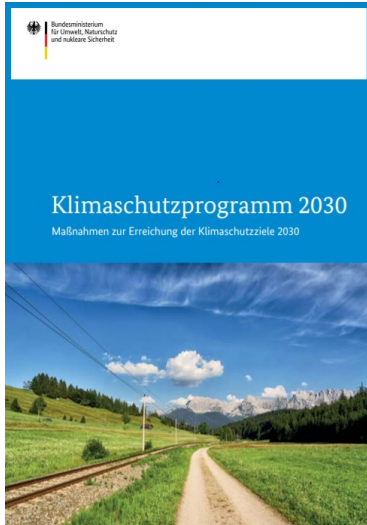
**Masterplan for Rail Transport**

**Economic Stimulus Program**

**Germany in sync (Deutschlandtakt)**

## Specific measures (selection)

**Infrastructure/ all modes of transport**

› Strengthening of existing network (LuFV III)
› Strengthening of new and expansion projects/ Germany in sync
› Starter package Digital Rail for Germany
› Increase of GVFG funds
› Program for attractiveness and environmental friendliness (stations, noise protection, electrification, alternative drives, ...)
› Acceleration of planning and construction
› German Centre for Rail Traffic Research
› Capex law coal regions
› Pandemic mitigation

**Rail cargo**

› Train path-price support and facility price support
› Federal program Future of Rail Freight Transport
› New connection support

**Rail passenger**

› Increase of regionalization funds for regional transport
› Lowering of value-added tax for long-distance tickets

# Significantly more funds available for modernization of the existing network until 2029 due to the LuFV III

## LuFV III



**Financing volume LuFV I – III (€ bn)**



| | 4.158 | 5.600 | 7.985 | 9.252 |
|---|---|---|---|---|
| +35% | | | | |
| +43% | | | | |
| +16% | | | | |
| Requirement plan assumptions | 2.583 | 3.316 | 4.643 | 5.643 |
| | | | 0.385 | 0.385 |
| Dividend | | 0.440 | 0.650 | 0.700 |
| DB funds | 0.500 | 0.100 | 0.125 | 0.150 |
| Minimum maintenance | 1.075 | 1.600 | 2.182 | 2.374 |
| | Ø 2009-2014 | Ø 2015-2019 | Ø 2020-2024 | Ø 2025-2029 |

■ Minimum maintenance   ■ DB funds
■ Dividend   ■ Funds from Federal budget
■ Requirement plan assumptions
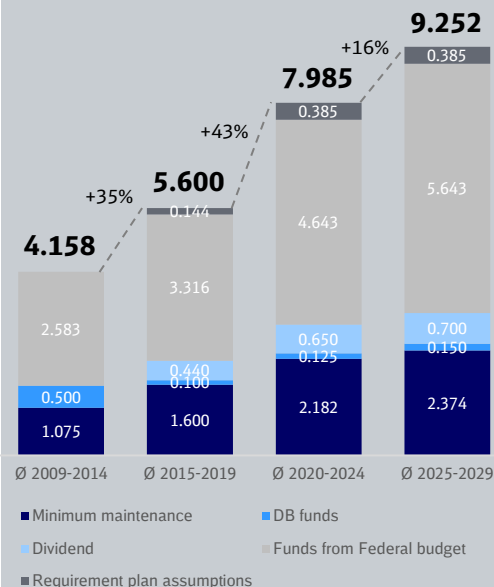
› The Federal Government and DB Group signed the new Service and Performance Agreement (LuFV) III on January 14, 2020.

› The term of the LuFV is ten years for the first time.

› In total € 86 bn are available for the existing network between 2020 and 2029. From 2020 to 2024 the Federal Government contributes an annual amount of € 4.6 bn. This will be increased by € 1 bn on average from 2025 to 2029.

› DB Group will contribute € 24 bn over the whole term of the agreement.

› In addition to technical needs substantial further requirements have been included, for instance measure for optimizing capacity during construction, raising platforms for accessibility, BOS Digital Radio Network and video surveillance.

› For the first time a contractual regulation on the reduction of backlog requirements has been included in the LuFV. Provision of funds amounting to around € 4.5 bn to reduce the backlog, particularly in critical sectors.

› Additional annual targets have been concluded for the quality indicators, to ensure an ongoing improvement of infrastructure quality.

# Infrastructure finance is based on public and private sources

**DB**

## Infrastructure Financing

> Federal funds contribute to major part of capex

> DB Group finances all operating and maintenance expenses as well as part of capex

| Sources | Purpose of use |
|---|---|
| Federal Government | Capex |
| DB Group | Maintenance |
| | Operation |

Federal funds

> Capex in infrastructure replacement: multiannual contract (Performance and Financing Agreement; LuFV)[1]

> Capex in newly built infrastructure: framework agreement (BuV) and individual contracts, derived from Federal Transport Planning[2]

[1] Leistungs- und Finanzierungsvereinbarung.
[2] Excluding EU-/ Länder-Funds/ Economic stimulus programs.

# Gross capex mainly financed by investment grants, share declined due to high volume of rolling stock capex

**€ 15.4 bn**

| | | | | | |
|---|---|---|---|---|---|
| **DB Schenker** | **Rest of world** | | **Net capex (DB funds) € 6.3 bn (41%)** | **Rest of world** | **DB Schenker** |
| **DB Arriva** | | | | **Germany € 5.3 bn (84%[2])** | **DB Arriva** |
| **Integrated rail system € 14.3 bn (93%)** | **Germany € 14.4 bn (93%)** | | | | **Integrated rail system € 4.6 bn (78%[2])** |
| | | | **Investment grants € 9.0 bn (59%)** | **EU / Other Federal States (12%[1])** | **Other € 0.0 bn (<1%)** |
| | | | | **Federal Government € 7.9 bn (88%[1])** | **Integrated rail system € 9.0 bn (>99%[1])** |

| **Allocation** | | **Gross capex** | **Source of funds** | | Allocation by divisions |
|---|---|---|---|---|---|
| by divisions | by regions | | by financing | by regions/ source | |

Possible differences are due to rounding. [1] Share of total investments grants. [2] Share of total net capex.

# Back-Up Materials

| A01 | DB Group |
| --- | --- |

| A02 | 2021 Financial Year |
| --- | --- |

| A03 | H1 2022 |
| --- | --- |

| A04 | Debt and Financing |
| --- | --- |

| A05 | ESG |
| --- | --- |

| A06 | Government Relations |
| --- | --- |

| A07 | Track Record |
| --- | --- |

A07

# Development since 2006

**DB**

| (€ mn) | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Rail passenger volume sold** (mn pkm) | 50,831 | 51,933 | 98,402 | 97,707 | 95,854 | 91,651 | 88,636 | 88,407 | 88,746 | 88,433 | 79,228 | 78,582 | 76,772 | 77,812 | 74,792 | 74,788 |
| **Rail freight volume sold** (mn tkm) | 84,850 | 78,670 | 85,005 | 88,237 | 92,651 | 94,698 | 98,445 | 102,871 | 104,259 | 105,894 | 111,980 | 105,794 | 93,948 | 113,634 | 98,794 | 96,388 |
| **Revenues** | 47,250 | 39,902 | 44,431 | 44,024 | 42,704 | 40,576 | 40,403 | 39,728 | 39,107 | 39,296 | 37,979 | 34,410 | 29,335 | 33,452 | 31,309 | 30,053 |
| **Profit before taxes** | −788 | −5,484 | 681 | 1,172 | 968 | 706 | −932 | 937 | 876 | 1,525 | 1,359 | 900 | 1,387 | 1,807 | 2,016 | 1,555 |
| **EBIT adjusted** | −1,552 | −2,903 | 1,837 | 2,111 | 2,152 | 1,946 | 1,759 | 2,109 | 2,236 | 2,708 | 2,309 | 1,866 | 1,685 | 2,483 | 2,370 | 2,143 |
| **EBITDA adjusted** | 2,287 | 1,002 | 5,436 | 4,739 | 4,930 | 4,797 | 4,778 | 5,110 | 5,139 | 5,601 | 5,141 | 4,651 | 4,402 | 5,206 | 5,113 | – |
| **Cash flow from operating activities** | 3,900 | 1,420 | 3,278 | 3,371 | 2,329 | 3,648 | 3,489 | 3,896 | 3,730 | 4,094 | 3,390 | 3,409 | 3,133 | 3,539 | 3,364 | 3,678 |
| **Total assets** | 71,843 | 65,435 | 65,828 | 58,527 | 56,436 | 56,324 | 56,059 | 55,883 | 52,894 | 52,525 | 51,791 | 52,003 | 47,303 | 48,193 | 48,529 | 48,440 |
| **Gross capex** | 15,387 | 14,402 | 13,093 | 11,205 | 10,464 | 9,510 | 9,344 | 9,129 | 8,224 | 8,053 | 7,501 | 6,891 | 6,462 | 6,765 | 6,320 | 6,584 |
| **Net capex** | 6,342 | 5,886 | 5,646 | 3,996 | 3,740 | 3,320 | 3,866 | 4,442 | 3,412 | 3,487 | 2,569 | 2,072 | 1,813 | 2,599 | 2,060 | 2,836 |
| **Ratings** (Moody's/S&P) | Aa1/AA− | Aa1/AA− | Aa1/AA | Aa1/AA− | Aa1/AA− | Aa1/AA− | Aa1/AA | Aa1/AA | Aa1/AA | Aa1/AA | Aa1/AA | Aa1/AA | Aa1/AA | Aa1/AA | Aa1/AA | Aa1/AA |
| **Employees** (as of Dec 31) | 323,716 | 322,768 | 323,994 | 318,528 | 310,935 | 306,368 | 297,202 | 295,763 | 295,653 | 287,508 | 284,319 | 276,310 | 239,382 | 240,242 | 237,078 | 229,200 |

# Contact details and further information

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Rating:
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Integrated Report:
www.db.de/ib-e

Integrated Interim Report
www.db.de/zb-e
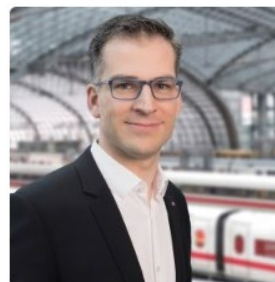
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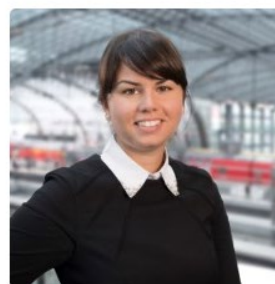
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Sustainable Finance
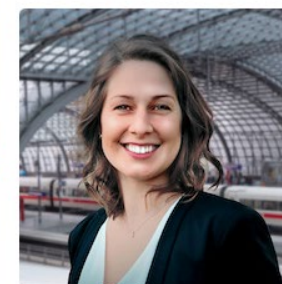
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