

# Q2 2022 RESULTS

FRANK APPEL, GROUP CEO  
MELANIE KREIS, GROUP CFO

5 AUGUST 2022



## RESILIENCE ON A NEW LEVEL

# Financial Highlights:

## Another quarter with double-digit growth; Guidance confirmed

Q2 2022 Revenue

€ 24.0bn

+23% yoy

Unchanged positive momentum based on our **balanced global** Group portfolio in Q2

Q2 2022 EBIT

€ 2.3bn

+12% yoy

**Double-digit Group EBIT growth** while e-commerce going through expected post-pandemic normalization phase

H1 2022 EBIT

€ 4.5bn

+13% yoy

**H1 strong basis for delivering on 2022 guidance** of €8.0bn (+/-5%). Low-end of current guidance also achievable in sharp downturn scenario, potential upside possible

# GROUP EBIT, Q2 2022

**€2,337m** yoy: +€254m (+12%)

in €m

DHL Express	DHL Global Forwarding, Freight	DHL Supply Chain	DHL eCommerce Solutions	P&P Germany	Group Functions / Consolidation
<b>1,101</b>	<b>746</b>	<b>244</b>	<b>109</b>	<b>242</b>	<b>-105</b>
-6%	>100%	+23%	-6%	-23%	<-100%
Q2 2021: €1,177m	Q2 2021: €312m	Q2 2021: €198m	Q2 2021: €116m	Q2 2021: €315m	Q2 2021: €-35m

TDI revenue/day up +15%, mainly driven by higher yield and weight/shipment; TDI shipment/day -5% yoy due to expected B2C base effects and China lockdown. **EBIT margin at 16%.**

Once more, strong **EBIT/GP conversion of 50% in DGF** due to continued imbalances in freight markets but also increasing utilization of and efficiencies from the new IT system landscape.

EBIT growth due to high renewal rates, new business wins, growth of strategic products and accelerated digitalization. **Margin of 6%, in line with 5+% target.**

Revenue up 5% despite high B2C base effect in 2021, driven by yield management and FX effects. **EBIT margin maintained at high level of 7%.**

**Expected normalization from 2021 base effects** led to volume decline in parcel (-14%) and increase in Mail (+4%). Additional cost inflation addressed through cost and pricing measures.

Q2 2022 EBIT includes €+23m from StreetScooter sale. Q2 2021 EBIT included €+44m positive effect, mainly related to the group's minority stake in Global-e.

## Q2 2022 Group P&L

**Double-digit topline growth fully translated into strong EPS growth**

in €m	Q2 2021	Q2 2022	vs. LY
<b>Revenue</b>	<b>19,473</b>	<b>24,029</b>	<b>+23.4%</b>
<b>EBIT</b>	<b>2,083</b>	<b>2,337</b>	<b>+12.2%</b>
Financial result	-165	-146	+11.5%
Taxes	-537	-636	-18.4%
<b>Consolidated net profit*</b>	<b>1,292</b>	<b>1,461</b>	<b>+13.1%</b>
<b>Basic EPS (in €)</b>	<b>1.05</b>	<b>1.20</b>	<b>+14.3%</b>

\*attributable to DPDHL Group shareholders

# On track to fully deliver Group Free Cash Flow guidance

**Q2 2022**

**EBIT** **€2,337m (€+254m yoy)**

**OCF** **€1,984m (€-254m yoy)**

**FCF** **€665m (€-254m yoy)**

## Comments:

- OCF development driven by change in working capital and expected higher tax payments (Q2 2022: €-457m; Q2 2021: €-271m)
- Fully on track towards FY 2022 FCF guidance of €3.6bn (+/- 5%), excl. Net M&A
- FCF usage in line with Finance Policy: €2bn share buy-back program ongoing and accelerated



# Execution of Sustainability Roadmap in full focus: Rollout of our green product alternatives, GOGREEN PLUS



Ocean Freight (LCL & FCL)



Air Freight

**GOGREEN**  
PLUS

Launch Date: 2021 | 2022



DHL Supply Chain



P&P Germany

## Insetting

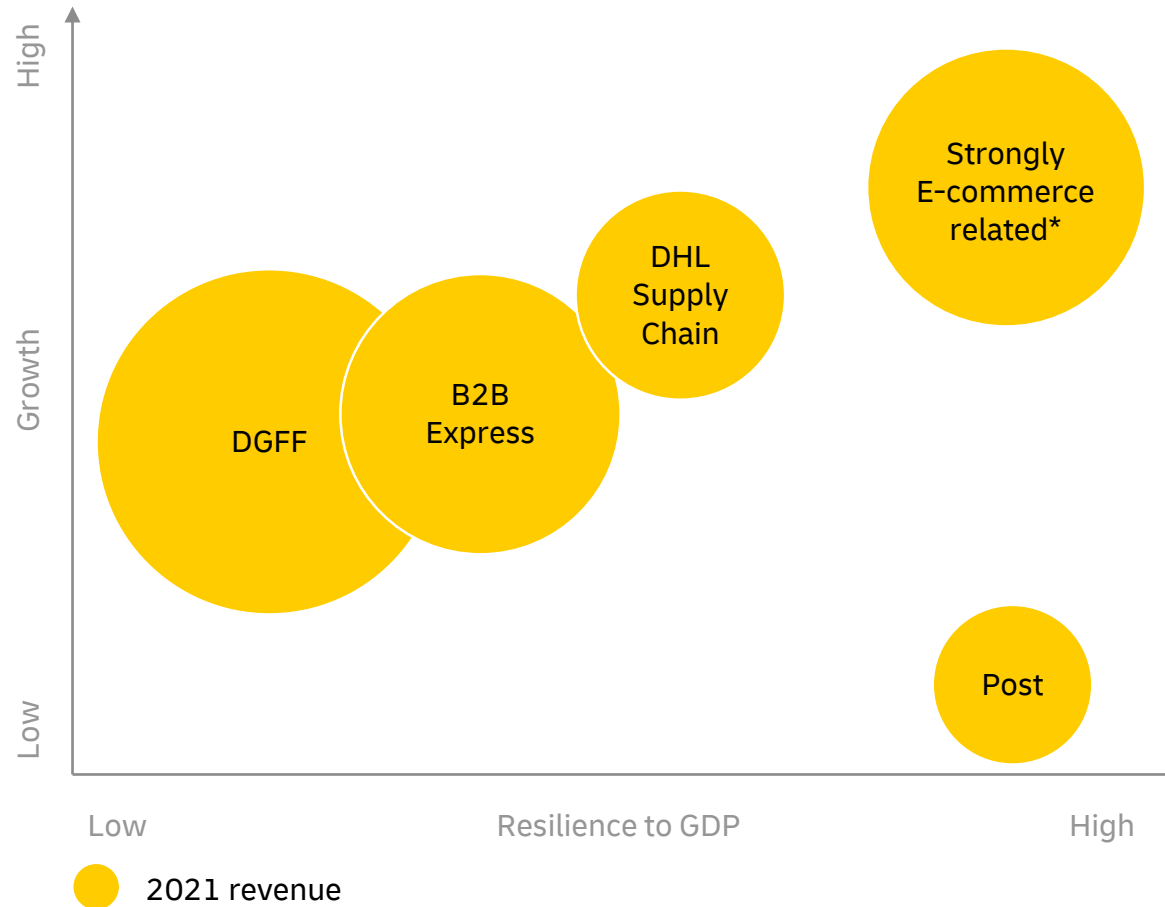
### Truly reduced emissions

thanks to additional  
investments in green  
solutions such as SMF, SAF,  
biofuels, electric vehicles



# DPDHL Group

## Resilience on a new level



\*B2C Express, Parcel Germany and DHL eCommerce Solutions

### Strength through the economic cycle

- **Very diversified and well-balanced** portfolio in terms of businesses, B2C/B2B, regions and industries as well as customer groups
- **Logistics has gained strategic importance** for customers in an ever more complex environment
- In case of global downturn: **network flexibility** in asset-heavy divisions (DHL Express, P&P Germany, DeCS) complemented by **asset-light** divisions (DGFF and DSC) as well as strict **cost management** (e.g. indirect costs)

# DPDHL Group

## Resilience on a new level

### Current main financial market worries – well addressed and/or less relevant for DPDHL Group

#### INFLATION

- **Higher wage costs addressed by:** labor productivity, digitalization, pass-through clauses in contracts as well as yield management. Strong employer culture with recognition as Top Employer
- Focus on **revenue quality** based on high service quality

#### ENERGY PRICES

- Major fuel costs for DPDHL Group in DHL divisions, largely subject to pass-through via **fuel surcharges / clauses / rates**
- Minor share of gas consumption, **not critical for operations** (predominantly used for heating)

#### INTEREST RATES

- **Strong balance sheet** and liquidity position with **Free Cash Flow on sustainably higher level** – credit rating recently upgraded by Moody's
- Higher interest rates lead to **reduction in net pension provision** (down €2.4bn YTD to €1.4bn)
- **No significant financial interest cost**



# Well-established levers to manage volatility through economic cycle



## Volume



Very **diversified** regional/sector exposure across the group

**B2C** pandemic base effects easing going forward. Lower overall consumption (retail sales) partly balanced by higher e-commerce usage

**B2B** develops in line with global trade / GDP

## Pricing



Focus on **revenue quality** based on high service quality

Well-established and strict **yield management** (e.g. General Rate Increase, surcharges) to also offset accelerating inflation

**DHL Supply Chain:** Multi-year contracts designed to reflect moving volume and including inflation recovery clauses

## Cost



Well-established **costs control** across the Group

**Network flexibility** in asset-heavy divisions (DHL Express, P&P Germany, DeCS)

Complemented by **asset-light** business model of DHL Global Forwarding, Freight and DHL Supply Chain

## 2022 and mid-term guidance confirmed

*in € bn*

EBIT	2022 Guidance
<b>Group</b>	<b>8.0 +/- 5%</b>
DHL	7.0 +/- 4%
P&P Germany	1.5 +/- 10%
Group Functions	~-0.45
<b>Free Cash Flow</b>	<b>3.6 +/- 5%</b>
<b>Gross Capex (excl. leases)</b>	<b>~4.2</b>
<b>Tax Rate</b>	<b>~29%</b>

**Note:**

- FCF guidance excludes Net M&A

	Mid-term Guidance
<b>2024 Group EBIT</b>	<b>~8.5</b>
<b>Free Cash Flow 2022-2024 cumulative</b>	<b>~11</b>
<b>Gross Capex (excl. leases) 2022-2024 cumulative</b>	<b>~12</b>

# 2022 guidance confirmed: €8bn (+/-5%) H1 strong basis for delivering on 2022 guidance

## H2 2022 macroeconomic scenario:

Sudden, sharp GDP deceleration

Decline in global GDP growth towards year-end

Based on currently still valid, solid business momentum

## 2022 EBIT sensitivities vs current guidance

**€7.6-8.0bn (LOWER HALF)**

**€8.0-8.4bn (UPPER HALF)**

**>€8.4bn (ABOVE)**

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**Low-end of current guidance also achievable in sharp downturn scenario**

# RESILIENCE ON A NEW LEVEL



Resilient e-commerce driven  
GDP+ growth at **sustainably  
higher earnings level**



Significantly increased &  
sustainable **Free Cash Flow  
generation**, supporting  
attractive shareholder return



Industry-leadership cemented  
by strong strategic focus on  
**digitalization and ESG**



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## **Q&A Session**

Dear Journalists,  
If you'd like to ask a question, please use the "Raise Hand" button.  
Please do not forget to unmute your line while asking questions.

# **RESILIENCE ON A NEW LEVEL**



# APPENDICES



# RESILIENCE ON A NEW LEVEL





**DHL Express**

**€6,993m**    **€1,101m**

Revenue, Q2 2022  
+17% yoy

EBIT, Q2 2022  
-6% yoy

**-5% yoy**

TDI Shipments/Day

**+15% yoy**

TDI Revenue/Day

- TDI revenue/day up +15%, mainly driven by higher yield and weight/shipment; TDI shipment/day -5% yoy due to expected B2C base effects and China lockdown
- EBIT margin at 16%



## DHL Global Forwarding, Freight

**€8,156m** **€746m**

Revenue, Q2 2022  
+56% yoy

EBIT, Q2 2022  
>100% yoy

### Air Freight (AFR)

**-8% yoy**  
Volumes

**+81% yoy**  
GP/unit

### Ocean Freight (OFR)

**+11% yoy**  
Volumes

**+93% yoy**  
GP/unit

- Once more, strong EBIT/GP conversion of 50% in DGF due to continued imbalances in freight markets but also increasing utilization of and efficiencies from the new IT system landscape



**+16% yoy**

Organic revenue growth

**6%**

EBIT margin

- EBIT growth due to high renewal rates, new business wins, growth of strategic products and accelerated digitalization
- Margin of 6%, in line with 5+% target





**7%**

EBIT margin

- Revenue up 5% despite high B2C base effect in 2021, driven by yield management and FX effects
- EBIT margin maintained at high level of 7%



## Post & Parcel Germany

**€3,963m**

Revenue, Q2 2022  
-5% yoy

**€242m**

EBIT, Q2 2022  
-23% yoy

### Mail\*

**+4% yoy**  
Volumes

**+2% yoy**  
Revenue

### Parcel

**-14% yoy**  
Volumes

**-11% yoy**  
Revenue

- Expected normalization from 2021 base effects led to volume decline in parcel (-14%) and increase in Mail (+4%)
- Additional cost inflation addressed through cost and pricing measures

\*Mail = Mail Communication & Dialogue Marketing