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CREDIT OPINION
28 June 2023

Update

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RATINGS

Deutsche Post AG

Domicile	Bonn, Germany
Long Term Rating	A2
Type	LT Issuer Rating
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

Contacts

Lorenzo Re +39.02.9148.1123
VP-Senior Analyst
lorenzo.re@moodys.com

Gian Mario Cioffi +39.02.9148.1114
Associate Analyst
gianmario.cioffi@moodys.com

Ivan Palacios +34.91.768.8229
Associate Managing Director
ivan.palacios@moodys.com

Deutsche Post AG

Update to credit analysis

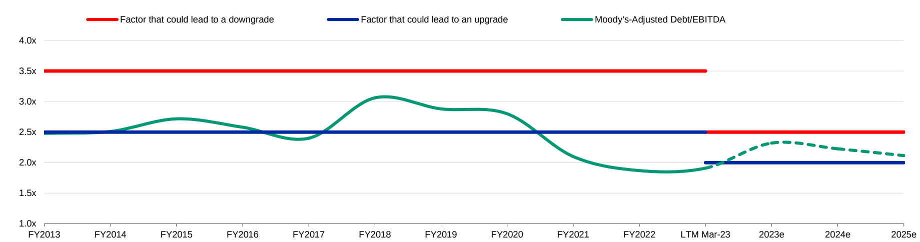
Summary

Deutsche Post AG's (Deutsche Post) A2 rating reflects its large scale and global presence as the world's largest logistics company, with leading positions in a number of segments in which it operates. It also reflects the challenges related to the structural decline in traditional mail services and the demand and price volatility in the company's express, logistics and freight-forwarding businesses.

The rating also reflects our expectation that the company's credit metrics will remain solid, notwithstanding some softness in its operating performance because of the muted economic environment. Weak volumes and cost inflation strain margins, and we expect Deutsche Post's EBIT to decline from the record levels of 2022. However, we expect the company's leverage to remain comfortable below 2.5x through 2024.

Deutsche Post's A2 issuer rating incorporates a one-notch uplift from its a3 Baseline Credit Assessment (BCA), reflecting a moderate probability of the company receiving support from the Government of Germany (Aaa stable) in the event of need.

Exhibit 1
Gross leverage will remain within the thresholds for the current rating level
Moody's-adjusted gross leverage



All figures and ratios are calculated using Moody's estimates and standard adjustments. Moody's forecasts (f) or projections (proj.) are our opinion and do not represent the views of the issuer. Periods are financial year end unless otherwise indicated. Deutsche Post adopted IFRS 16 in 2018. We changed the rating threshold for upgrade/downgrade in June 2022.
Sources: Moody's Financial Metrics™ and Moody's Investors Service forecasts

Credit strengths

» Strong business profile and large scale, supported by the company's global leadership positions in express and logistics services, and its large German mail business

» Support related to its government-related issuer (GRI) status because of the German government's 21% indirect ownership of the company and the importance of the company's services to the German economy

» Solid financial profile

Credit challenges

» Muted economic conditions, which impair volumes

» Challenges in the company's domestic postal division stemming from the structural decline in the traditional mail business and wage cost inflation

» Exposure to highly competitive mature markets and volatile market conditions in the logistics business

» Increasing capital spending, which hampers cash generation

Rating outlook

The stable rating outlook reflects our expectation that Deutsche Post's operating performance, as well as its key credit metrics, will remain solid, with its Moody's-adjusted debt/EBITDA remaining at around 2.0x over the next 24 months, providing it with the financial flexibility to accommodate a potentially more difficult macroeconomic environment or increasing shareholder remuneration/M&A. The stable outlook assumes that the company will maintain a conservative financial policy and solid liquidity at all times.

Factors that could lead to an upgrade

Upward pressure on Deutsche Post's BCA and final rating could develop if the company's performance remains solid, leading to a:

» sustained, considerable expansion of its operating margin

» rise in funds from operations (FFO)/debt above 40%

» decline in Moody's-adjusted debt/EBITDA below 2.0x on a sustained basis

Factors that could lead to a downgrade

We could lower Deutsche Post's rating if there is a downward revision of our assessment of the moderate support from the government, driven by a reduction in the government's stake in the company below the 20% threshold.

In addition, we could lower Deutsche Post's BCA and final rating if its operating performance weakens or it engages in large debt-financed acquisitions, such that:

» its Moody's-adjusted debt/EBITDA rises above 2.5x

» its FFO/debt deteriorates below 35% on a sustained basis

Key indicators

Exhibit 2

Deutsche Post AG[1][2][3]

EUR million	Dec-17	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22	LTM Mar-23	2023 (E)	2024 (E)	2025 (E)
Revenue	60,444	61,550	63,341	66,716	81,747	94,436	92,761	84,955	86,320	89,392
Operating Margin	6.5%	5.0%	5.4%	7.3%	9.7%	9.0%	8.6%	7.4%	8.1%	8.5%
EBITA / Average Assets	8.7%	6.7%	7.1%	9.3%	13.6%	13.2%	12.1%	9.2%	9.9%	10.5%
Debt / EBITDA	2.4x	3.1x	2.9x	2.8x	2.1x	1.9x	1.9x	2.3x	2.2x	2.1x
FFO / Debt	33.8%	28.0%	27.7%	30.9%	40.8%	43.7%	42.5%	33.2%	34.9%	36.7%
EBIT / Interest Expense	6.4x	5.4x	4.8x	7.3x	12.8x	12.1x	10.8x	8.9x	9.4x	10.0x

[1] All figures and ratios are calculated using Moody's estimates and standard adjustments.
[2]Periods are Financial Year-End unless indicated. LTM = Last Twelve Months.
[3] Moody's Forecasts (f) or Projections (proj.) are Moody's opinion and do not represent the views of the issuer.
Source: Moody's Investors Service

Profile

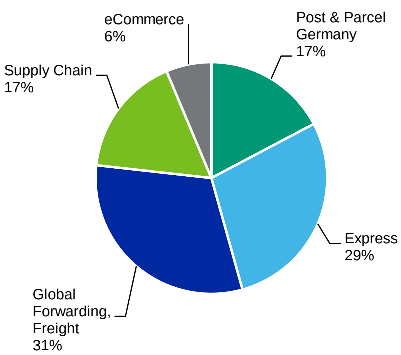
Deutsche Post AG (Deutsche Post), headquartered in Bonn, Germany, is the incumbent postal operator in Germany and the world's largest logistics service provider, with total revenue of €94.4 billion in 2022 and operations in more than 220 countries and territories. The company operates under five different divisions: Post & Parcel Germany; Express; Global Forwarding, Freight; Supply Chain (SC); and eCommerce.

Around 20.5% of Deutsche Post's share capital is owned by Kreditanstalt fuer Wiederaufbau (KfW, Aaa stable[1]), Germany's largest public development bank, which serves the government's domestic and international public-policy objectives.

Exhibit 3

Deutsche Post is well diversified, with a presence in different sectors

2022 revenue breakdown by division

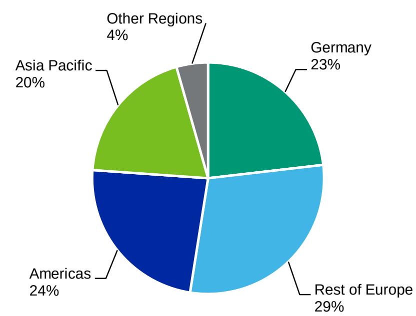


Source: Company's accounts

Exhibit 4

Deutsche Post has a global presence

2022 revenue breakdown by region



Source: Company's accounts

Detailed credit considerations

Strong business profile, supported by domestic and global leadership positions

With €94.4 billion in revenue in 2022, Deutsche Post is one the world's largest mail, parcel and logistic operators, holding leading market positions in almost all the segments in which it operates. Under the DHL brand, the group offers express delivery services in more than 220 countries throught a fleet of more than 300 airplanes, with a strong focus on time-definite international (TDI) services. DHL is the global leader in the highly fragmented contract logistics market, with a share of around 6% according to the company's estimates, and holds number one or two positions globally in the air and ocean freight-forwarding sector. Deutsche Post is the largest postal service provider in Europe. In 2022, it delivered around 48 million letters and 6.2 million parcels daily, holding a 62% market share in the mail communication market in Germany.

Because of Deutsche Post's incumbent market position and established domestic mail network, the group's revenue mix is weighted towards Europe, in general, and Germany, in particular, which accounted for 52% of the group's revenue in 2022. However, Deutsche

Post is one of the few logistics companies that have a large scale and a comprehensive global network. Globalisation has led to growth in demand for express and logistics services and, as a result, a greater proportion of Deutsche Post's revenue is now generated in emerging markets, especially in Asia-Pacific (19.5% in 2022).

Softening macroeconomic conditions hurt volumes and strain margins

Operating performance in 2022 was very strong, and Deutsche Post reported record EBIT of €8.4 billion (+5.4% from 2021) and cash flow from operations (CFO) of €11 billion (€10 billion in 2021). However, we expect operating performance to deteriorate in the next 12-18 months because of weakening macroeconomic conditions, normalisation of trade and supply chains, and cost inflation. We expect the group's revenue to decline by 10% in 2023 and to stabilise in 2024. The softness in revenue is primarily attributable to lower volumes in most of the company's businesses, especially those that are more exposed to business-to-business (B2B) activities, which are impaired by muted economic activity. In particular, the air and ocean freight-forwarding volumes declined by 18.7% and 17%, respectively, in Q1 2023 (-9.3% and -7.4% in 2022), while in the express division, TDI shipments decreased by 5.3% (-5.5% in 2022). In addition, declining ocean and air freight rates also weighted on revenue in the forwarding division. Lower disposable income for households, because of inflation and rising interest rates, also weighs on e-commerce, reducing parcel volumes in Deutsche Post's parcel, e-commerce and express divisions. Notably, the supply chain division continued its positive growth, with sales increasing by 5.7% in Q1 2023 (+11.8% in 2022), driven by continued new contract wins.

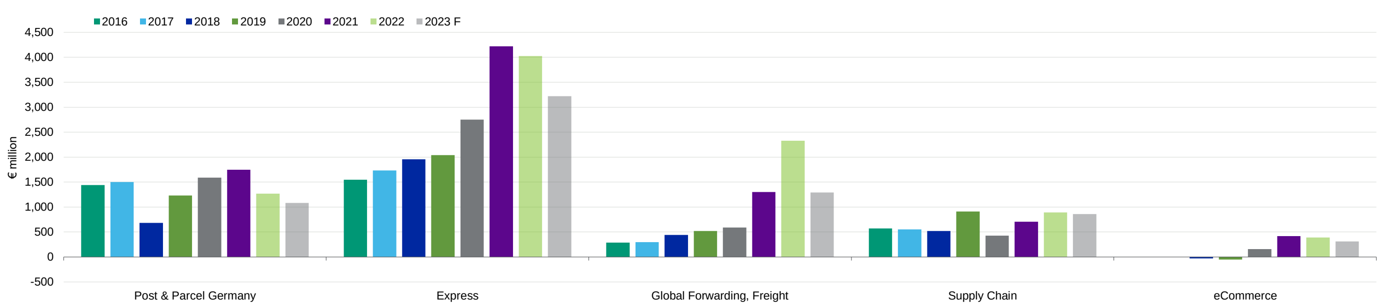
Deutsche Post guided to EBIT in the range of €6 billion-€7 billion in 2023, depending on the pace of recovery in the second half of 2023, down from €8.4 billion in 2022. Operating profit will be strained by the volume decline and by cost inflation, particularly on wages. In March 2023, the company has signed an agreement with German unions on salary hikes through 2024 for the tariff employees of Deutsche Post AG. The agreement entails about €400 million in incremental costs in 2023. Deutsche Post will not be able to fully offset this increase in costs by hiking prices because the prices of a number of mail and parcel services are regulated. The company has already applied to the regulator for a price hike next year.

We expect the company's EBIT to decline to €6.3 billion this year, the mid-point of the company's guidance, and to gradually improve towards €7.5 billion through 2025.

Exhibit 5

We expect Deutsche Post's EBIT to decline in 2023, after two record years

Reported EBIT



The eCommerce division was grouped under Post & Parcel Germany until 2018.
Sources: Company's accounts and Moody's Investors Service forecasts

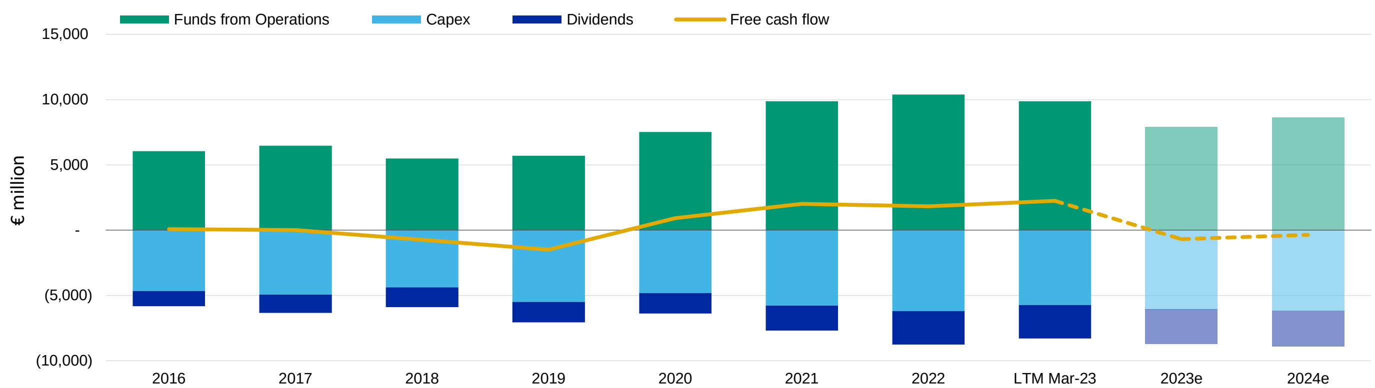
Cash generation remains solid, despite temporary softness

In March 2023, Deutsche Post provided its guidance through 2025, incorporating the weaker macroeconomic scenario. The new guidance points to EBIT of more than €8 billion in 2025 and to cumulative free cash flow of €9 billion-€11 billion over 2023-25. While the new EBIT target is slightly below the previous guidance, at €8.5 billion in 2024, the company's fundamentals and cash generation capacity remain solid.

The €6 billion EBIT that management indicated as the worst-case scenario for 2023 is still significantly higher than the EBIT that Deutsche Post used to generate before 2020 (between €3.2 billion and €4.1 billion per year from 2016 to 2019). Similarly, we expect Deutsche Post's cash from operations to remain between €8 billion and €8.5 billion per year in 2023 and 2024, down from the record €10.6 billion level of 2022, but still significantly higher than pre-2020 levels.

This indicates that the group has structurally shifted to a higher level of profit and cash generation capacity. This is because of the successful turnaround of the freight-forwarding business; continued growth in the supply chain solutions division, backed by new contract wins; and the boost from e-commerce, which supports both the e-commerce solution and the express division. Moreover, we expect the company's cash generation to increase again and exceed €9.0 billion per annum as soon as the macroeconomic environment improves after 2024.

Exhibit 6
FCF would turn slightly negative because of the earnings pressure in the next 12-18 months
Moody's-adjusted FCF



Sources: Moody's Financial Metrics™ and Moody's Investors Service forecasts

Solid credit metrics provide financial flexibility

Notwithstanding the deterioration in the company's operating performance, we expect Deutsche Post's credit metrics to remain solid, with its Moody's-adjusted debt/EBITDA remaining comfortably below 2.5x in 2023 and 2024, assuming continued bolt-on acquisitions. Deutsche Post's credit metrics have improved significantly over the last two years on the back of its very strong operating performance and are currently strong for the rating. In particular, leverage decreased to 1.9x as of March 2023 from 2.1x in 2021 and 2.8x in 2020 and FFO/debt increased to 42.5% in Q1 2023 from 31% in 2020, which provides sufficient financial flexibility to accommodate a temporary weakening in performance.

The rating is also supported by Deutsche Post's conservative financial policy, including the commitment to a Baa1/A3 rating on a standalone basis (i.e., excluding the one-notch uplift for government support). The company's dividend policy entails the distribution of 40%-60% of net profit. After the completion of a €1 billion share buyback in 2021, the company announced a new €2 billion buyback through 2024, of which €1.3 billion has been already executed. This share buyback is commensurate with the healthy cash flow in the last two years.

The company is also targeting strategic acquisitions to accelerate growth in the logistics business and, in March 2022, it completed the acquisition of the ocean freight forwarder J.F. Hillebrand Group for €1.45 billion. We expect the company to continue to pursue small bolt-on acquisitions in the next 24 months, but we do not assume any large and transformational M&A.

One-notch uplift because of government support

In light of the German government's ownership of a 20.5% stake in Deutsche Post, we consider the company a GRI. Under our Government-Related Issuers Methodology, the group's A2 rating reflects a combination of the following:

» a BCA of a3

» the German government's Aaa rating

» low default dependence

» a moderate probability of support

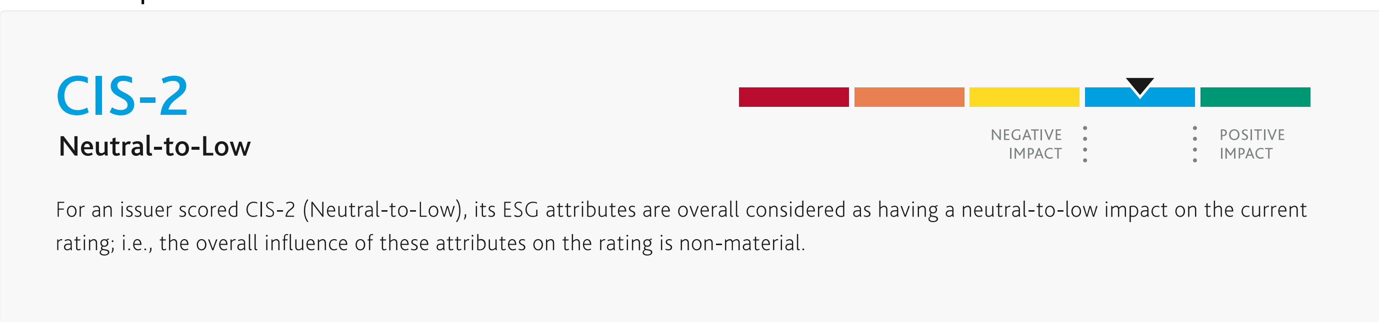
Our assessment of a moderate probability of support, in particular, reflects Deutsche Post's social, economic and political significance to Germany in light of the importance of mail delivery and the group's universal service obligation; the group's overall size, both in terms of revenue (given its status as one of the largest German corporates) and number of local employees; and the high probability that the government will intervene in the event of need, despite the EU regulations that limit direct support from the State. Despite a reduction in KfW's stake in the group over 2012-13 (from 30.5% to the current 21%), the abovementioned factors are adequate to warrant a moderate support assumption for the company. The potential reduction in the government's stake in the group could lead to a lowering of our support assumption and any element of the rating uplift under the methodology.

The low default dependence reflects the fact that both the German economy and Deutsche Post are highly diversified, with the group generating just 26% of 2021 revenue from its domestic market.

ESG considerations

ESG considerations are not material to Deutsche Post's current credit rating

Exhibit 7
ESG Credit Impact Score



Source: Moody's Investors Service

Deutsche Post's CIS-2 indicates that ESG considerations are not material to the rating. The company's has highly negative exposure to environmental risks, mainly related to carbon transition, and moderately negative exposure to social risks, stemming from labour conditions in the logistics business. These risks are mitigated by the company's solid market position, pricing power and financial flexibility. Deutsche Post has a prudent financial policy and good governance as a listed entity.

Exhibit 8
ESG Issuer Profile Scores

Source: Moody's Investors Service

Environmental

E-4. Deutsche Post is exposed to carbon transition because the company is a large consumer of fossil fuels for both its large air fleet in the Express division, as well as its trucks and commercial vehicles in the postal and parcel businesses, which also exposes to waste and pollution risk because of other air pollutant emissions. Deutsche Post has set specific milestones towards reducing its environmental footprint and plans to reduce its logistics-related emissions to 0% by 2050 and increase its carbon efficiency to above 50% by 2025, compared with the levels recorded in 2007.

Social

S-3. Deutsche Post's social risks mainly relate to health and safety and human capital considerations. These risks mainly regard working conditions in the logistics sector, such as long working hours and low salaries in some countries. The company is one of the world's largest employers in the sector, with around 600,000 employees, and is committed to maintaining high standards with regard to employees' working conditions. Demographics and societal trend risk are moderately negative, as final customers may pressure the company for more sustainable parcel delivery models.

Governance

G-2. Deutsche Post's IPS reflects the company's prudent financial policy, including its commitment to a rating between Baa1 and A3 (excluding any government support), as well as its strong track record in executing its growth strategy. The company's good governance practices mitigate some degree of concentrated ownership as the German government, through KfW, owns a 20.5% equity stake in the company.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Liquidity analysis

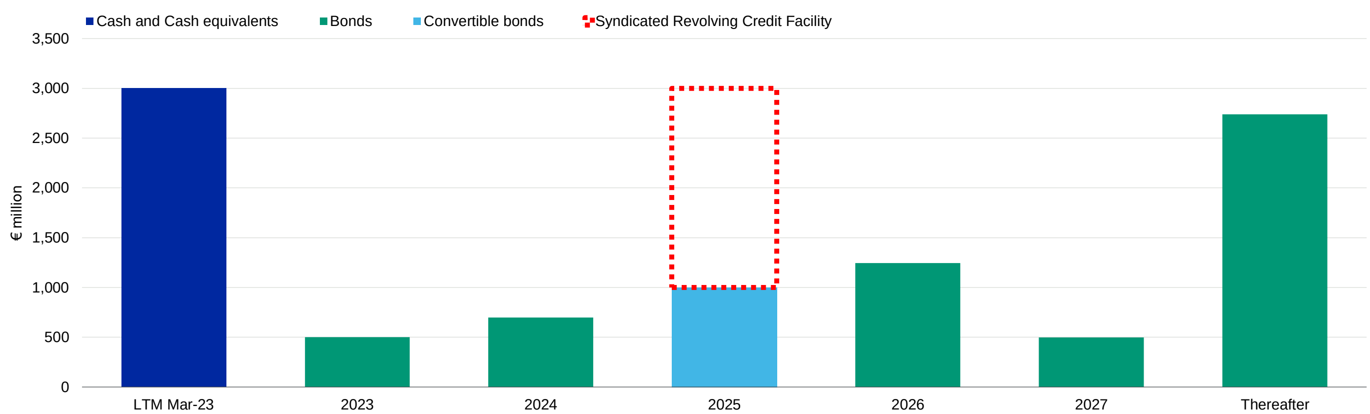
Deutsche Post maintains excellent liquidity, underpinned by €3.6 billion of cash and financial assets on balance sheet as of March 2023, full availability under its €2 billion syndicated revolving credit facility and solid operating cash flow, which we expect to be between €8 billion and €8.5 billion per year through 2024. This liquidity will comfortably cover the company's estimated capital spending of €6.1 billion per year, including lease payments; estimated dividend payout of around €2.6 billion; the remaining €1.7 billion million of the €3 billion share buyback programme through 2024; and €1.3 billion of debt maturities over the next 18 months.

Deutsche Post has a comfortable amortisation profile, with no significant debt repayments in any given year. The company's revolving credit facility is not subject to financial covenants and has a final maturity in 2025.

Exhibit 9

Deutsche Post has no significant debt repayments in any year

Debt maturity profile



Source: Company's accounts

Methodology and scorecard

Deutsche Post's a3 BCA is two notches lower than the A1 scorecard-indicated outcome according to our Surface Transportation and Logistics rating methodology, published in December 2021. Other methodologies used include the Government-Related Issuers Methodology, published in February 2020. The two-notch difference reflects the cyclicality of the business, which remains exposed to macroeconomic downturns.

Exhibit 10

Rating factors

Deutsche Post AG

Surface Transportation and Logistics Industry Grid [1][2]	Current LTM 3/31/2023		Moody's 12-18 Month Forward View As of June 2023 [3]	
Factor 1 : Scale (15%)	**Measure**	**Score**	**Measure**	**Score**
a) Revenue (USD Billion)	$96.6	Aaa	$91.8 - $93.2	Aaa
Factor 2 : Business Profile (20%)				
a) Business Profile	Aa	Aa	Aa	Aa
Factor 3 : Profitability & Efficiency (10%)				
a) Operating Margin %	8.6%	Ba	7.4% - 8.1%	Ba
b) EBITA / Average Assets	12.1%	Baa	9.2% - 9.9%	Ba
Factor 4 : Leverage & Coverage (40%)				
a) Debt / EBITDA	1.9x	A	2.2x - 2.3x	A
b) FFO / Debt	42.5%	A	33.2% - 34.9%	A
c) EBIT / Interest Expense	10.8x	Aa	8.9x - 9.4x	A
Factor 5 : Financial Policy (15%)				
a) Financial Policy	A	A	A	A
Rating:				
a) Scorecard-Indicated Outcome		A1		A1
b) Actual Rating Assigned				A2
Government-Related Issuer	**Factor**			
a) Baseline Credit Assessment	a3			
b) Government Local Currency Rating	Aaa			
c) Default Dependence	Low			
d) Support	Moderate			
e) Actual Rating Assigned	A2			

[1] All ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations. [2] As of 3/31/2023. [3] This represents Moody's forward view, not the view of the issuer, and unless noted in the text, does not incorporate significant acquisitions and divestitures.
Source: Moody's Financial Metrics™

Ratings

Exhibit 11

Category	Moody's Rating
DEUTSCHE POST AG	
Outlook	Stable
Issuer Rating	A2
Senior Unsecured -Dom Curr	A2
ST Issuer Rating	P-1

Source: Moody's Investors Service

Appendix

Exhibit 12

Moody's-adjusted debt reconciliation for Deutsche Post AG

(in EUR million)	FYE Dec-18	FYE Dec-19	FYE Dec-20	FYE Dec-21	FYE Dec-22	LTM Mar-23
As Reported Total Debt	**16,462**	**16,974**	**19,098**	**19,897**	**21,818**	**21,248**
Securitization	420	365	255	90	15	15
Pensions	2,735	3,199	4,973	4,185	1,936	1,936
Leases	0	0	0	0	0	0
Moody's Adjusted Total Debt	**19,617**	**20,538**	**24,326**	**24,172**	**23,769**	**23,199**

[1] All figures are calculated using Moody's estimates and standard adjustments.
[2] Periods are financial year end unless indicated. LTM = Last 12 months.
Source: Moody's Financial Metrics™

Exhibit 13

Moody's-adjusted EBITDA reconciliation for Deutsche Post AG

(in EUR million)	FYE Dec-18	FYE Dec-19	FYE Dec-20	FYE Dec-21	FYE Dec-22	LTM Mar-23
As Reported EBITDA	**6,507**	**7,859**	**8,635**	**11,698**	**12,687**	**12,170**
Unusual Items - Income Statement	(3)	(446)	0	0	0	0
Pensions	(103)	(286)	(11)	0	(2)	(2)
Leases	0	0	0	0	0	0
Non-Standard Adjustments	2	8	0	0	0	0
Moody's Adjusted EBITDA	**6,401**	**7,127**	**8,624**	**11,698**	**12,685**	**12,168**

[1] All figures are calculated using Moody's estimates and standard adjustments.
[2] Periods are financial year end unless indicated. LTM = Last 12 months.
Source: Moody's Financial Metrics™

Exhibit 14

Peer comparison

	Deutsche Post AG A2 Stable			United Parcel Service, Inc. A2 Stable			DSV Panalpina A/S A3 Stable			FedEx Corporation Baa2 Stable			Poste Italiane S.p.A. Baa3 Negative			Inpost S.A. Ba2 Stable		
(in USD billion)	FYE Dec-21	FYE Dec-22	LTM Mar-23	FYE Dec-21	FYE Dec-22	LTM Mar-23	FYE Dec-21	FYE Dec-22	LTM Mar-23	FYE May-21	FYE May-22	LTM Feb-23	FYE Dec-20	FYE Dec-21	FYE Dec-22	FYE Dec-20	FYE Dec-21	FYE Dec-22
Revenue	$96.7	$99.5	$96.6	$97.3	$100.3	$98.9	$29.0	$33.4	$30.2	$84.0	$93.5	$92.6	$10.4	$11.2	$10.5	$0.6	$1.2	$1.6
OPERATING PROFITS	$9.4	$8.9	$8.3	$12.9	$13.2	$12.5	$2.6	$3.6	$3.3	$6.3	$6.7	$5.8	$0.7	$0.9	$1.0	$0.2	$0.2	$0.2
EBITDA	$13.8	$13.4	$12.7	$16.4	$17.1	$16.6	$3.2	$4.4	$4.1	$12.4	$13.5	$12.7	$2.5	$3.0	$3.0	$0.3	$0.4	$0.5
Total Debt (Gross)	$27.5	$25.4	$25.2	$31.2	$27.4	$30.3	$6.0	$6.1	$6.3	$38.8	$40.5	$41.4	$5.9	$5.5	$4.7	$0.4	$1.5	$1.5
Cash & Cash Equivalents	$1.8	$2.0	$3.3	$10.3	$5.6	$6.2	$1.1	$1.2	$1.4	$7.1	$6.9	$5.4	$3.4	$2.9	$1.3	$0.0	$0.1	$0.1
EBIT / Interest Expense	12.8x	12.1x	10.8x	11.9x	12.3x	11.7x	17.4x	18.2x	16.9x	4.4x	5.3x	4.4x	18.3x	28.8x	25.3x	8.5x	7.7x	3.5x
Debt / EBITDA	2.1x	1.9x	1.9x	1.9x	1.6x	1.8x	1.9x	1.4x	1.5x	3.1x	3.0x	3.3x	2.2x	1.9x	1.5x	1.4x	3.9x	3.3x
RCF / Net Debt	35.3%	35.6%	36.1%	61.0%	45.6%	31.4%	45.1%	65.0%	59.6%	43.0%	43.8%	37.4%	69.4%	60.1%	60.8%	65.3%	20.7%	22.2%
FCF / Debt	8.3%	7.7%	9.7%	22.9%	14.9%	5.9%	16.2%	45.8%	46.1%	9.0%	5.4%	2.2%	-12.5%	1.6%	38.0%	0.4%	-2.3%	-3.9%
Operating Margin %	9.7%	9.0%	8.6%	13.2%	13.1%	12.6%	8.9%	10.7%	10.8%	7.5%	7.2%	6.3%	6.8%	7.7%	9.3%	25.0%	20.2%	13.3%
EBITA / Average Assets	13.6%	13.2%	12.1%	20.2%	19.7%	18.6%	12.7%	16.1%	15.1%	8.0%	8.3%	7.1%	1.6%	1.7%	2.0%	32.1%	20.6%	14.4%
FFO / Debt	40.8%	43.7%	42.5%	52.0%	55.0%	42.1%	38.9%	55.3%	49.2%	36.9%	38.3%	35.2%	41.5%	41.5%	62.1%	58.3%	19.0%	20.8%

Source: Moody's Financial Metrics™

Exhibit 15

Overview of key metrics for Deutsche Post AG

(in EUR million)	FYE Dec-18	FYE Dec-19	FYE Dec-20	FYE Dec-21	FYE Dec-22	LTM Mar-23	FYE 2023F	FYE 2024F	FYE 2025F
INCOME STATEMENT									
Revenue	61,550	63,341	66,716	81,747	94,436	92,761	84,955	86,320	89,392
EBITDA	6,401	7,127	8,624	11,698	12,685	12,168	10,237	11,116	11,941
EBIT	3,125	3,487	4,794	7,930	8,508	7,929	6,323	6,981	7,581
BALANCE SHEET									
Cash & Cash Equivalents	2,040	1,808	3,234	1,626	1,834	2,999	2,393	2,280	2,398
Total Debt	19,617	20,538	24,326	24,172	23,769	23,199	23,754	24,755	25,256
CASH FLOW									
Capital Expenditures	(4,371)	(5,506)	(4,816)	(5,787)	(6,195)	(5,740)	(6,065)	(6,167)	(6,141)
Dividends	1,533	1,569	1,579	1,898	2,571	2,570	2,674	2,743	2,643
Funds From Operations (FFO)	5,494	5,696	7,516	9,863	10,383	9,861	7,892	8,634	9,274
FFO / Debt	28.0%	27.7%	30.9%	40.8%	43.7%	42.5%	33.2%	34.9%	36.7%
Retained Cash Flow (RCF)	3,961	4,127	5,937	7,965	7,812	7,291	5,218	5,890	6,631
RCF / Debt	20.2%	20.1%	24.4%	33.0%	32.9%	31.4%	22.0%	23.8%	26.3%
RCF / Net Debt	22.5%	22.0%	28.2%	35.3%	35.6%	36.1%	24.4%	26.2%	29.0%
Free Cash Flow (FCF)	(735)	(1,497)	925	2,014	1,820	2,242	(692)	(363)	368
FCF / Debt	-3.8%	-7.3%	3.8%	8.3%	7.7%	9.7%	-2.9%	-1.5%	1.5%
PROFITABILITY									
% Change in Sales (YoY)	1.8%	2.9%	5.3%	22.5%	15.5%	8.5%	-10.0%	1.6%	3.6%
Operating Margin %	5.0%	5.4%	7.3%	9.7%	9.0%	8.6%	7.4%	8.1%	8.5%
EBIT Margin %	5.1%	5.5%	7.2%	9.7%	9.0%	8.6%	7.4%	8.1%	8.5%
EBITDA Margin %	10.4%	11.3%	12.9%	14.3%	13.4%	13.1%	12.0%	12.9%	13.4%
INTEREST COVERAGE									
EBIT / Interest Expense	5.4x	4.8x	7.3x	12.8x	12.1x	10.8x	8.9x	9.4x	10.0x
EBITDA / Interest Expense	11.1x	9.9x	13.2x	18.8x	18.0x	16.6x	14.4x	15.0x	15.8x
(EBITDA - CAPEX) / Interest Expense	3.5x	2.3x	5.8x	9.5x	9.2x	8.8x	5.9x	6.7x	7.7x
LEVERAGE									
Debt / EBITDA	3.1x	2.9x	2.8x	2.1x	1.9x	1.9x	2.3x	2.2x	2.1x
Net Debt / EBITDA	2.7x	2.6x	2.4x	1.9x	1.7x	1.7x	2.1x	2.0x	1.9x

All ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations. Deutsche Post has adopted IFRS 16 since 2018.
Sources: Moody's Financial Metrics™ and Moody's Investors Service forecasts

Endnotes

1 The rating shown is KfW's backed senior unsecured debt and deposit ratings.

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