



Press Release

Customers return after pandemic • Record revenues lead back to profitable business

DB Group achieves operating profit of almost EUR 1.3 billion • Logistics subsidiary DB Schenker generates highest profit in its history

(Berlin, March 30, 2023) Deutsche Bahn Group (DB) has reported positive figures again. Despite burdens faced in the passenger transport due to the impact of Covid-19, the war in Ukraine and a steep rise in inflation, DB Group closed the 2022 financial year with a clear operating profit. Operating profit (adjusted EBIT) improved in comparison to 2021, which was heavily affected by Covid-19, by around EUR 2.8 billion to almost EUR 1.3 billion. In 2022, Group revenues (adjusted) grew by 19.1% compared with the previous year to around EUR 56.3 billion – the highest ever reported. In both 2020 and 2021, the Covid-19 pandemic meant that DB Group experienced losses amounting to billions of euros.

DB Group's positive development in 2022 was principally driven by strong demand in passenger transport and again by the considerable success of logistics subsidiary DB Schenker. With its operating profit, DB Schenker exceeded the top figure from 2021 by almost 50%, thus achieving the highest operating profit in its history at about EUR 1.8 billion and bringing DB Group back to profitability.

DB's CEO Lutz: "Demand is good and is continuing to grow"

In DB Group's core business, revenues and profits also improved markedly year on year in 2022. "Climate-friendly mobility is booming. Demand is good and is continuing to grow strongly. We may well set a new record in 2023, with significantly more than 150 million travelers on our long-distance trains. That is energizing us to deliver improvements as quickly as possible to give Germany the more efficient and punctual rail system it deserves," said Dr. Richard Lutz, Chairman of the Management Board and CEO of Deutsche Bahn AG, in Berlin. The key to achieving this, he said, is having more capacities, particularly in the very busy rail network. That is why DB Group is working at top speed with its owner and the industry to carry out a thorough overhaul of the rail infrastructure.

When the Covid-19 pandemic situation became less urgent, passengers quickly returned. About two billion passengers used DB Group's trains in 2022 – a good 40% more than in 2021. DB Long-Distance even recorded around 61% more passengers and increased its revenues year on year by more than EUR 2 billion to about EUR 4.8 billion. DB Regional achieved a revenue increase of almost EUR 1 billion. Volume sold in rail passenger transport rose considerably in 2022 year on year, growing by around 63% to about 82.6 billion passenger kilometers. This was partly thanks to the 9-Euro-Ticket, of which 52 million were sold in total across the German transport sector last summer.

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While DB Cargo was able to improve revenues, it nevertheless posted a loss again. The rail freight transport business unit suffered particularly against the backdrop of difficult operating conditions and additional expenses. Altogether, the Integrated Rail System saw significantly improved revenues and profits, but failed to be profitable with an operating loss of EUR 600 million.

Volume produced on DB Group's well-used infrastructure continued to rise year on year in 2022, by 2.2% to 1.13 billion train-path kilometers. The rail network is, therefore, under more strain than it was before the Covid-19 pandemic. It is too old, too failure-prone and has too little capacity. As a record number of modernization and construction measures were being carried out across Germany in the reporting period, DB trains were less punctual than ever before in 2022, with only 65.2% of long-distance trains arriving on time (2021: 75.2%). CEO Lutz said: "The past year marked a turning point. It became clear to everyone involved that we have to switch course and approach infrastructure renewal and modernization completely differently."

DB Group again ramped up its net capital expenditures in 2022, by 6.4% to some EUR 6.8 billion. Gross capital expenditures, which include investment grants provided principally by the German Government, measured up to the record value from the previous year at around EUR 15.4 billion. Net financial debt amounted to about EUR 28.8 billion as of December 31, 2022, and was thus slightly below the figure posted at the end of 2021.

In 2022, DB Group's profit before taxes showed a year on year improvement of EUR 1.73 billion, increasing to EUR 932 million. Profit after taxes was also considerably higher than in the previous year but, due to a sharp tax expense increase reported on the balance sheet, remained negative at EUR -227 million (2021: EUR -900 million, 2020: EUR -5.7 billion).

CFO Holle: "We must take care of cost development in a difficult environment in 2023"

CFO Dr. Levin Holle highlighted the extraordinarily positive contribution that DB Schenker made to the Group profit. Despite the current market developments, which recently included a considerable drop in freight rates in air and ocean freight, the logistics subsidiary had shown itself to be in top form, he said. "DB Schenker is a success story with a strong position in all the relevant industry sectors. With the transformation program that DB Schenker launched in 2022, it is setting the way for more steady growth. DB Schenker has the potential to continue delivering excellent results in the coming years," said Holle.

The European local transport subsidiary DB Arriva made good progress with its business and generated an operating profit again in 2022.

In the 2023 financial year, the very high energy costs and much inflated purchase prices will be a burden on DB Group's development. In addition, the extremely high freight rates are expected to normalize further across the logistics industry. Holle said: "In the difficult conditions of 2023, we must take care to balance DB Group's

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expenses and income in an economically viable way. This includes concluding sensible collective bargaining agreements that the group can afford."

He said the objective is to be able to realize the urgently needed expenditures for more capacity and punctuality in the future too. For this to happen, productivity would have to be increased.

For reasons such as the high rate of inflation and the pre-financing of billions of euros required for implementing additional infrastructure overhaul measures, DB Group forecasts that it will post an operating loss of around EUR 1 billion in the 2023 financial year. Group revenues (adjusted) are expected to total more than EUR 56 billion in 2023. It is expected that gross capital expenditures will be increased to more than EUR 18 billion and net capital expenditures to more than EUR 8.5 billion. The net financial debt will probably grow to over EUR 33 billion. Volatile market developments mean that all forecasts are subject to a high degree of uncertainty.

Note for the media

Photographic images are available on DB's Media Portal: mediaportal.deutschebahn.com. The complete 2022 annual results are available online in the Integrated Report at www.db.de/ib.

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