

Preliminary results: Deutsche Post DHL Group raises guidance after record quarterly earnings and once again announces corona bonus for employees

07-07-2021

Deutsche Post DHL Group (Symbol: DPW), the world's leading logistics company, has today released preliminary results for the second quarter of 2021. Simultaneously, the outlook for the current financial year and for 2023 has been raised. Furthermore, a one-time corona bonus for approximately 550,000 employees worldwide has been decided. Preliminary operating profit (EBIT) for the second quarter has improved to record level with around EUR 2,075 million (Q2 2020: EUR 912 million) and has more than doubled compared to previous year. Against the backdrop of the excellent business performance, the Group has raised its EBIT outlook for 2021 to more than EUR 7.0 billion (so far: more than EUR 6.7 billion). The mid-term EBIT outlook for 2023 is now expected to be more than EUR 7.4 billion (so far: more than EUR 7.0 billion).

"The second quarter proved once again that global trade volume continues to recover and the e-commerce boom is sustainable - and we benefit strongly from both. All divisions continue to operate at full speed worldwide and achieve double-digit EBIT growth rates. We want to thank our employees who do fantastic work around the world and deserve another corona bonus", said Frank Appel, CEO of Deutsche Post DHL Group.

Group grants once again one-time corona bonus of around EUR 200 million

As an appreciation for their tireless efforts during the pandemic the Group has decided

to grant again a corona bonus of EUR 3001 to employees worldwide. This one-time payment is aimed at approximately 550,000 colleagues in all divisions and countries. Excluded are Executives. The corresponding expenses of around EUR 200 million will be booked in the third quarter 2021 and are already included in the updated earnings outlook for 2021.

All divisions achieved a significant jump in earnings

All divisions significantly exceeded the previous year's results. Network capacity utilization was constantly high in the second quarter 2021. B2C shipment volumes remained ahead of last year in all networks,

while the recovery in the B2B businesses continued to gain momentum. At the same time the tight capacity situation both in Ocean and Air Freight markets remained unchanged.

Express: EBIT in the Express division reached around EUR 1,170 million in the second quarter 2021 compared to EUR 565 million in the previous year's quarter.

Global Forwarding, Freight: EBIT in Global Forwarding, Freight stood at around EUR 315 million in the second quarter 2021, also clearly ahead of previous year's result of EUR 190 million.

Supply Chain: EBIT at Supply Chain came in at around EUR 195 million in the second quarter 2021. It was at EUR 33 million in Q2 2020 in the initial stage of the pandemic.

eCommerce Solutions: eCommerce Solutions recorded EBIT of around EUR 115 million in the second quarter 2021, significantly above last year's Q2 result which stood at EUR 1 million.

Post & Parcel Germany: EBIT in Post & Parcel Germany in the second quarter 2021 was around EUR 315 million (Q2 2020: EUR 264 million).

The positive business development is underpinned by a continued strong development of cash flow. Free cash flow in

the second quarter 2021 amounted to more than EUR 800 million (Q2 2020: EUR 605 million). For the first half of 2021 free cash flow now stands at more than EUR 2.0 billion (H1 2020: EUR 196 million).

Earnings outlook raised in expectation of unchanged high shipment volumes and improved efficiency

In light of the ongoing earnings momentum the Group EBIT for 2021 is now expected to be more than EUR 7.0 billion (so far: more than EUR 6.7 billion). This includes additional expenses of around EUR 200 million for the one-time corona bonus. For the full year 2021, the Group now forecasts a free cash flow of more than EUR 3.2 billion (so far: more than EUR 3.0 billion). Gross capex in 2021 is expected to reach around EUR 3.9 billion (so far: around EUR 3.8 billion). The full year 2021 Group tax rate will now reach 28 percent, the upper end of the previously guided range of 26-28 percent.

Mid-term guidance for Group EBIT 2023 is now expected to be more than EUR 7.4 billion (previously: more than EUR 7.0 billion). The aggregated 2021-2023 guidance for free cash flow was left unchanged at around EUR 9.0 billion. The cumulative outlook for gross capex was also confirmed at around EUR 11.0 billion for the period 2021 to 2023.

The comprehensive disclosure for Q2/H1

2021 will be published as planned on August 5, 2021. ¹ EUR 300 per full-time employee

Source: [Deutsche Post DHL Group](#)

