

Deutsche Post DHL Group proves itself even in challenging market environment and confirms forecasts

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Deutsche Post DHL Group got off to a robust start to the new fiscal year in 2023. In a challenging market environment, the Group achieved revenue of EUR 20.9 billion in the first quarter (Q1 2022: EUR 22.6 billion). At EUR 1.6 billion, operating profit (EBIT) was 24.1 percent lower than in the prior-year quarter. The Group-wide EBIT margin was 7.8 percent (Q1 2022: 9.6 percent). As anticipated by Deutsche Post DHL Group, the slowdown in global economic momentum was clearly noticeable in the first quarter. Based on the expected development, the Group has fully confirmed its earnings forecasts.

"Deutsche Post DHL Group continued to develop as planned in the first quarter of 2023. We anticipated the slowdown in global growth momentum at an early stage and were able to respond efficiently. Our measures are taking effect and we have achieved a continued high revenue and earnings level. This was made possible by our consistent earnings and cost management, our well-balanced portfolio of logistics services and our international footprint. We once again demonstrated the strong resilience of our business model and therefore fully confirm our forecast," said Tobias Meyer, CEO designate of Deutsche Post DHL Group.

Forecast scenarios confirmed: Group expects further growth in the medium term

The EBIT forecast for the fiscal year 2023, as presented at the annual press conference in

March, is still valid. It contains three scenarios and ranges from EUR 6.0 billion to EUR 7.0 billion:

In the favorable case of a recovery starting around mid-year ('V-shape' recovery) the Group expects EBIT of around EUR 7.0 billion.

In case of a recovery starting more towards year end ('U-shape' recovery) the Group anticipates EBIT of around EUR 6.5 billion.

In the least favorable case of no significant recovery in 2023 ('L-shape' recovery) the Group predicts EBIT of at least EUR 6.0 billion.

Further investments in profitable growth and sustainability planned

The Group's solid financial situation is reflected in the development of cash flow: in the first quarter of 2023, the Group's operating cash flow was level with the prior

year at EUR 2.4 billion (Q1 2022: EUR 2.4 billion). Free cash flow was around EUR 983 million (Q1 2022: minus EUR 197 million).

"With the fundamental improvement in earnings in recent years, we have raised our financial strength to a new level. In view of the slowdown in global economic momentum, we are nevertheless acting prudently and relying on our proven management tools. At the same time, we are able to actively invest in our core business even in challenging times. The focus is primarily on investing in sustainable logistics solutions and strengthening our global networks," said Melanie Kreis, Chief Financial Officer of Deutsche Post DHL Group.

Deutsche Post DHL Group continued to invest in sustainable growth in the first quarter. Gross capital expenditure (capex) amounted to EUR 569 million (Q1 2022: EUR 564 million). Investments focused, among other things, on renewing the intercontinental express aircraft fleet and expanding sustainable and low-emission transport structures. For the full year, the Group continues to plan an investment volume of between EUR 3.4 and EUR 3.9 billion (2022: EUR 4.1 billion).

Overall, Deutsche Post DHL Group generated net profit after non-controlling interests of EUR 911 million in the first quarter of 2023 (Q1 2022: EUR 1.4 billion). Basic earnings per share came in accordingly at EUR 0.76,

compared with EUR 1.10 in the previous year.

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Source: [Deutsche Post DHL](#)