

Speeches Dr. Richard Lutz and Martin Seiler

Interim results press conference

July 31, 2025

S3: Step by step for a better rail service

Check against delivery.



Dr. Richard Lutz:

Dear media representatives,
ladies and gentlemen,

- Welcome to our **interim results press conference!**
- Before we get to the topic, allow me to say a few words about the events of Sunday evening: All of us at Deutsche Bahn are still reeling from the **terrible accident near Riedlingen**. I was at the scene on Monday morning and the impressions and events affect me deeply, as they do all railway employees.
- Our thoughts are with the victims, the injured and all those who are mourning. **We are deeply saddened by the death of three people, among them two of our colleagues.** I would like to thank again all the emergency services and helpers for their work.
- The competent authorities are still investigating the cause of the accident. **Deutsche Bahn is doing all it can to support the investigating authorities.**

- In light of the accident, it is anything but easy to go back to business as usual and talk about the first half of 2025 at DB Group. Nevertheless, I would like to give you an **overview of the developments**.
- Since the beginning of the year, we have been **working intensively to implement our S3 restructuring program**. By the end of 2027, we will have fundamentally restructured DB Group in the three pillars of profitability, infrastructure and operations. We are making progress **step by step**.
- The first half of 2025 was characterized by the **great progress we made in the area of profitability**, the **implementation of an enormous construction volume in the area of infrastructure** and **successful measures in operations**. However, due to the high level of construction activity and still **poor facilities quality**, these measures are not yet having the impact on punctuality that we would like to see.

**We are implementing
our S3 restructuring
program.**

By **the end of 2027**, we will be
restructuring in three pillars and
making progress **step by step**.



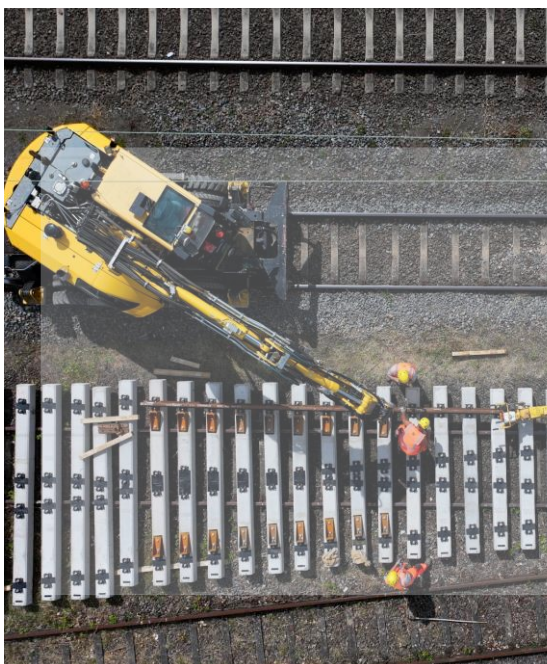
- With the cabinet resolutions on the **2025 and 2026 Federal budgets** and the special funds for infrastructure and climate neutrality, the Federal Government has **sent an important signal in favor of rail**. Over the next two years, more money than ever before is to flow into rail infrastructure.
- This is an **important prerequisite for successfully driving forward the modernization of the infrastructure in the coming years**. We will do this **together with the Federal Government**. But the improvement of DB Group goes far beyond the infrastructure. This is what the S3 restructuring program stands for with its three fields of action: profitability, infrastructure and operations.
- **We have made progress in the first half of 2025, particularly in terms of profitability**, and are significantly ahead of schedule. DB Group is now on a **much more stable footing** than at the beginning of the year.

We have made progress in terms of
profitability:
**We are doing much
better than planned.**

Above all, the
strict cost discipline
has paid off.



- We have exceeded our **EBIT targets**. Although adjusted EBIT in DB Group remains negative at EUR –239 million, it is **almost** EUR 1 billion **better than in the same period of the previous year**.
- The transport business units were able to **compensate** for the **pressure on revenues** due to **operational quality through their own efforts** and thus make significant progress in adjusted EBIT. **The course of strict cost discipline throughout DB Group is paying off**. We have our costs under control because we took early, consistent, comprehensive and cross-functional countermeasures.
- **We are also making good progress** in further **streamlining administration and sales**. **At the same time, we are recruiting new colleagues in the operational area without any ifs or buts**. These are essential for stable operations. Martin Seiler will go into this in more detail in a moment.
- **We are also making progress step by step** in the **infrastructure pillar**. Above all, we are managing to get the planned construction volumes on track. **We have successfully completed the corridor modernization of the Riedbahn**.



We have **successfully** completed the **first corridor modernization**:

Delays due to infrastructural disruptions were reduced by 60 %.

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- We are now seeing clearly positive effects on the line between Frankfurt and Mannheim. The **network condition grade** has improved from 3.7 before the corridor modernization to 2.2. We have **made** an even bigger **leap with regard to the punctuality-relevant crafts and now have a network condition grade of 1.5, compared to 4.2 previously.**
- The modernized infrastructure has a positive effect on the rail operations. We were able to **reduce** delays caused by infrastructural disruptions on the Riedbahn **by 60 %** in the first half of 2025 **compared to the same period last year.** Regional transport is 13 percentage points more punctual. Long-distance transport has also **significantly increased** its **punctuality on the line** since the corridor modernization.
- The modernization of the existing infrastructure is the key to more stable rail operations and sustainable profitability. We have made good progress with implementation in the first half of 2025. By the end of June 2025, we will have **modernized** a total of **157 stations, 16 more than we originally planned.** With 40 **old interlockings replaced** so far, we are 14 ahead of schedule and have already achieved 80 % of our annual target. We were able to significantly reduce **the number of restricted speed sections** compared to the previous year and now have **an average of 70 fewer per day.**

We have **achieved more** than planned:

**157 modernized
stations and
40 replaced old
interlockings**

in the first half of 2025.



- Despite this progress, the condition of the **infrastructure is still critical**. In the highly utilized network in particular, almost **every second facility that is relevant for operations and punctuality is in need of renewal and therefore prone to failure**. This leads to many disruptions to tracks, switches, interlockings and level crossings every day, which put a strain on our transports.
- And this becomes particularly clear when **other factors** are added, such as exceptionally high temperatures. On one day in June, this led to twice as many facilities breaking down as on a normal day. That's why we need a **more climate-resilient infrastructure** that is also better equipped to cope with extreme weather events.
- We knew that **2025 would be a difficult year operationally**. The poor condition of the facilities poses an extreme challenge. The required construction volume is enormous and, as a result, a large number of trains will be affected by construction work. **The high construction volume and the operational situation are two sides of the same coin.**
- Although we improved our punctuality compared to the first half of 2024, **we fell just short of our target of at least 65% for long-distance services**. This was mainly due to the second quarter, in which we had to contend with numerous facility disruptions and unplanned construction measures. Despite the overall unsatisfactory punctuality, it should be noted that **80 % of long-distance stops were less than 15 minutes late**.
- For the year as a whole, we are sticking to our target of achieving a **punctuality rate of at least 65 % for long-distance transport**.

- The biggest driver of poor punctuality remains the infrastructure, which is too prone to disruption. **All train operating companies suffer from this.** DB InfraGO is therefore counteracting this with a package of measures that includes **a total of about EUR 350 million more** for infrastructure **maintenance** and further capital expenditures in the renewal of facilities.
- DB InfraGO intends to use this to implement about **1,000 additional infrastructure improvements** this year - for example, the early modernization of diversionary routes for planned construction sites. **Operation and construction are to be better harmonized overall in** order to keep construction-related disruptions for passengers and transport companies to a minimum. DB InfraGO will therefore also **revise** and improve **processes** - for example, construction timetables in major hubs such as Frankfurt/Main and Cologne.
- This is because delays occur primarily in **congested hubs. At the same time, the regional distribution varies greatly.** North Rhine-Westphalia, for example, has more than a **quarter of the highly utilized infrastructure - more than anywhere else.** That is why we have just **agreed a comprehensive package** with the State Government there, with which we will jointly modernize and improve the infrastructure on the Rhine and Ruhr. This includes, for example, **targeted measures at the Cologne hub and further corridor modernizations.**
- Due to the great importance of North Rhine-Westphalia for interregional long-distance and freight transport, we will make further efforts over the next few years to reduce the **disproportionately high backlog of modernization work** and the high transport utilization on lines and hubs.



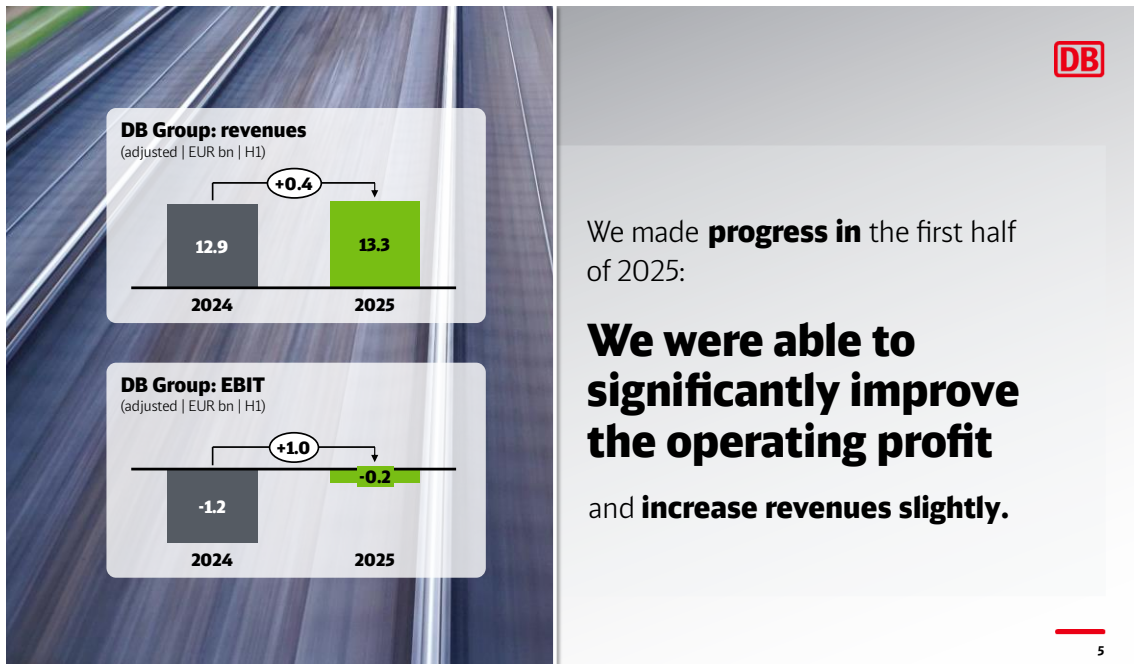
Never before have passengers traveled
**as many kilometers
on our long-
distance trains**
as in the first half of
2025.

- On the positive side, **passengers remain loyal to rail**. Demand has **increased** compared **to the previous year**. Never before have passengers traveled so many kilometers on our long-distance trains in the first six months of a year. **Volume sold rose to a new record level** and was more than five percent higher between January and June 2025 than in the same period in 2024. Our **growth strategy is paying off** here, **especially in international long-distance transport**.
- What we are also seeing: Our passengers are aware of the current infrastructure situation and are understanding. Thanks to the outstanding commitment of all our colleagues, **customer satisfaction at DB Long-Distance** has even recovered slightly and, with a **grade of 2.5**, is **better than the previous year's figure of 2.7**.
- **We have also made progress** in terms of **vehicle quality despite the difficult conditions**. In long-distance transport, cancellations of a train due to vehicle-related disruptions have continued to fall. We were able to reduce failures of comfort-related components, such as air conditioning systems and toilets, by more than 20 % in each case and have fewer technical malfunctions, for example with the drive system.
- **All this shows: The capital expenditures in the consistent rejuvenation of the long-distance fleet are paying off in full**. At DB Regional, we have also seen a significant reduction in technical and personnel-related train cancellations. Many of our passengers are benefiting directly from this.
- It is therefore all the more important that we continue to press ahead with the modernization with determination in order to increase quality and reliability for our passengers. Stable operations are the prerequisite **for sustainable economic development**.
- Martin Seiler will now give you a detailed overview of the key figures for the first half of the year.

Martin Seiler:

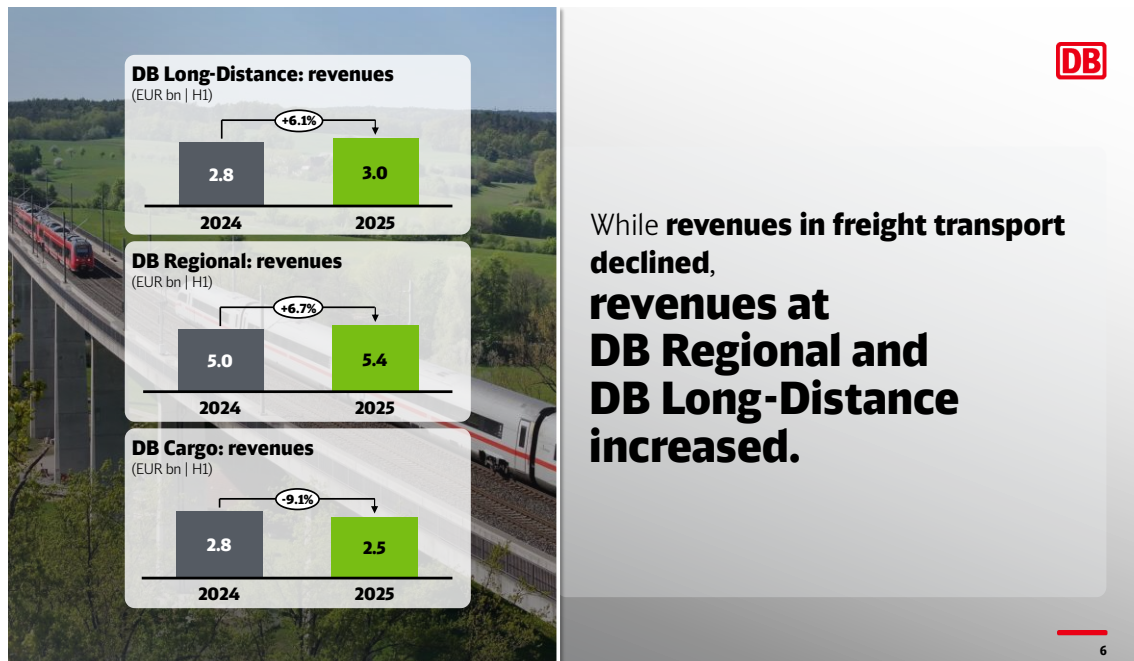
Ladies and gentlemen, **welcome** to the 2025 interim results press conference from me too.

- I would like to start directly with the Profitability pillar of our S3 restructuring program. Overall, we are **well ahead of plan** here - we are delivering and getting **back on track step by step!**
- At the same time, our financial situation remains **very tense**. We must therefore **continue to work consistently** in the second half of the year and make further progress in many areas so that we can achieve our **ambitious annual targets**.
- But let's start with the first half of the year.



- At about EUR 13.3 billion, our **revenues in** the first six months of 2025 were slightly **higher** than in the first half of the previous year.
- That spurs us on: DB Group has even more potential! What has **slowed** us down in terms of revenues, however, is the **tense operational situation**. We are working **hard** to improve this area as part of our S3 restructuring program. We are **continuing to** drive this forward.
- We made **clear progress** in the first half of 2025 in terms of our **operating profit**, with a **significant improvement** of almost EUR 1 billion compared to the first six months of 2024.
- The amendment to the German Federal Rail Infrastructure Extension Act in 2024 enabled **Government funding for maintenance work**. In doing so, the Federal Government wants to facilitate **better and more comprehensive maintenance of the rail infrastructure**. At the same time, it wants to **prevent further increases in train-path prices** for train operating companies.
- DB InfraGO initially provided pre-financing with higher own contributions in 2024. **At the end of 2024, the Federal Government compensated** for this and increased its financing contributions. This is **clearly reflected in the half-year comparison to 2024**. Further improvements in infrastructure funding are still to be realized, meaning that **DB InfraGO's profits remain under pressure**.
- In addition, we have **worked hard to achieve the financial successes** in the first half of 2025 **ourselves**: Despite the current challenges in terms of revenues, higher procurement prices, pay scale increases and higher maintenance expenses, we achieved and even exceeded our targets for operating profit.
- The key** to this was **cost discipline at all levels**.
- About EUR 100 million were saved by strictly monitoring and **controlling operating expenditures**.

- One **very important point**: we have become **leaner, particularly in the administration and sales**, with significantly fewer employees - I will come back to this in a moment.
- The examples show: DB Group is working **more profitably step by step**.
- At this point, it should be mentioned that the figures I mentioned refer to DB Group **without** the former logistics subsidiary **DB Schenker**, which was successfully sold in April.



- If we take a closer look at the revenues of our transport business units, it becomes clear that while **DB Long-Distance** and **DB Regional** have **increased** their revenues compared to the first half of 2024, **DB Cargo's** revenues are significantly **lower than** in the first half of 2024.
- This also has to do with the **transformation of DB Cargo**: our freight subsidiary has deliberately **terminated uneconomical contracts** and accepted revenue losses in order to become **profitable by the end of 2026**. There are clear requirements from the EU Commission in this regard.
- In addition, DB Cargo continues to suffer from the **difficult economic environment** in key industries. This is leading to fewer **car transports**, for example.
- **Despite significant increases, long-distance transport was unable to fully exploit its potential** in terms of revenue in the first half of 2025, particularly due to the disruption-prone infrastructure. **Business passengers in** particular remained reluctant to switch to climate-friendly rail transport due to poor punctuality.
- DB Regional once again increased its revenues. Among other things, the successes from the active renegotiation of transport contracts are paying off here.

All **three**
transport business units
improved their
operating profit.

DB Long-Distance: EBIT (adjusted | EUR bn | H1)

-232

2024

+173

-59

2025

DB Regional: EBIT (adjusted | EUR bn | H1)

-66

2024

+147

103

2025

DB Cargo: EBIT (adjusted | EUR bn | H1)

-261

2024

+165

-96

2025

- Even if overall **revenues** fell short of the planned figures: **All three** of DB Group's **transport business units compensated** for this on **the expense side**. In the first six months of 2025, their **operating profit was up** on the first half of the previous year.
- Despite some **significant improvements**, DB Long-Distance and DB Cargo are still recording **losses**.
- **DB Regional** has **achieved a turnaround** and is demonstrating what is possible: with a **significant increase** in operating profit of **EUR 169 million**, DB Group's regional transport business unit has **clearly moved into the profit zone**.
- Still in the red in the first half of the previous year, DB Regional **generated** an **adjusted EBIT of EUR 103 million** in the first half of 2025.

Employees in Germany

(FTE | excl. among others DB Zeitarbeit and DB Jobservice)

207,728

Actual, as
of Dec 2024

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205,397

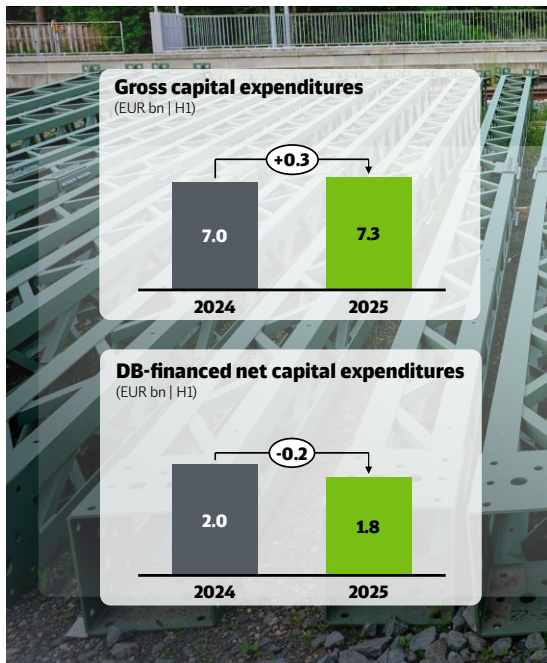
Actual, as
of Jun 2025

We have **exceeded** our **targets in streamlining DB Group:**

We reduced the number of employees by **about 2,300 full-time employees.**

Focus is on **administration and sales.**

- As part of the **S3 restructuring program**, DB Group's **workforce** will be **reduced by more than 10,000 full-time employees by 2027**. The aim is to make DB Group **more efficient** and **profitable**. Personnel reductions **are making good progress**.
- As part of the S3 restructuring program, we have set ourselves the target of **reducing the workforce to about 208,000 full-time employees** by 2025. As of the end of June, we have **already reached 205,000 full-time employees**. This means that we have already **exceeded** our **target** of 2,000 full-time equivalents **by the end of the first half of the year**. About **half of this** is attributable to **traditional overheads**.
- In the **operational area**, we will continue to hire the **personnel we need** for our business **without any ifs or buts**. We are following a **fixed plan**: we are reducing our personnel requirements with more **standardization, automation and digitalization**. This is right and important, if only in view of the **shortage of skilled labor**.
- In order to substantially **reduce bureaucracy, special and duplicate structures** are being **eliminated** and entire **departments are being dissolved or merged**.
- One thing is clear: we are taking a **two-handed approach**. We are making savings in one area and **continuing to hire heavily** in other areas, namely **operational personnel**.
- We are continuing our recruitment offensive at full speed in **operational professions** such as **interlockings, trains and rail construction** - and are bringing **more than 20,000 employees** on board this year in Germany, including about **5,700 young talents**. If DB Schenker employees are included until the time of the sale in April 2025, there would have been **about 6,000 new young talents**.



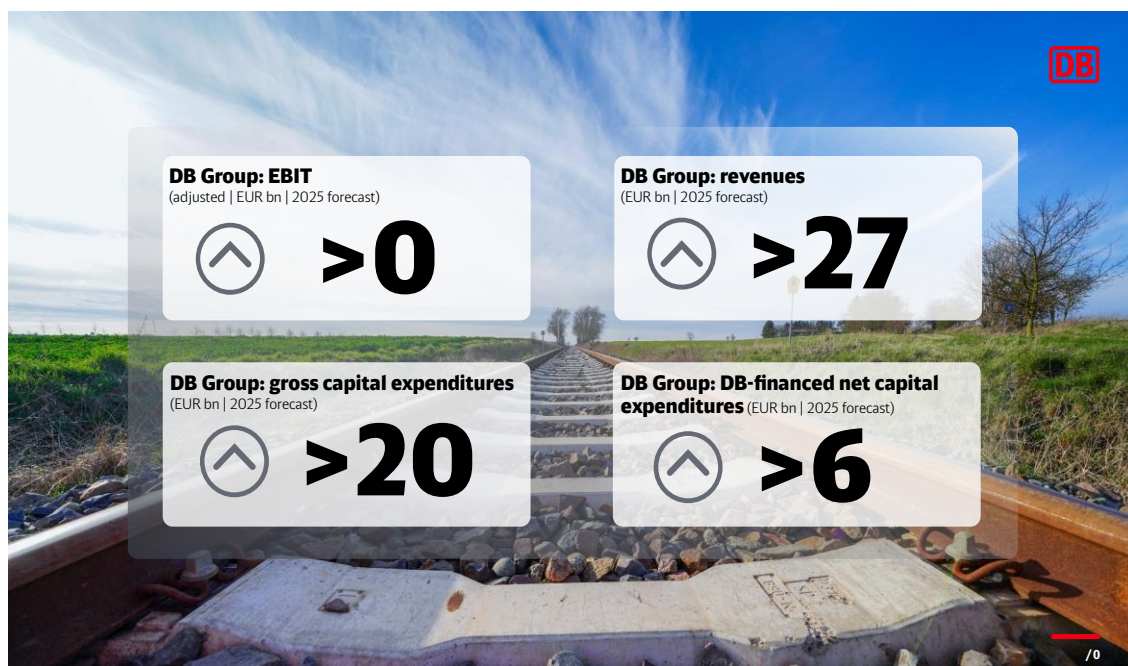
In H1 2025 DB Group

**continued to invest
at a high level.**



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- DB Group **continued to invest at a high level** in its core business in the first half of 2025 - primarily in **rail infrastructure**, but also in **trains**. Overall, gross capital expenditures were even **slightly higher than the record figures** for the first six months of 2024.
- At **EUR 7.3 billion**, **gross capital expenditures** in the first half of 2025 were slightly lower than planned. This is also due to the fact that many construction projects will not be completed until the second half of the year.
- **DB-financed net capital expenditures** - excluding the Federal Government's investment grants and equity increases - **fell slightly** compared to the first half of 2024 to about EUR 1.8 billion. This is due to the fact that the Federal Government has assumed a higher share of the overall increased capital expenditures in infrastructure.
- Following the aforementioned **sale of our logistics subsidiary DB Schenker**, we are now **focusing** our capital expenditures **even more strongly** than before on our **core business**.
- **The proceeds** from the DB Schenker sale, which **was successfully completed earlier** than expected, remained **entirely within DB Group** and were used primarily for **debt reduction as planned**. As a result, our **net financial debt** has **fallen** by about EUR 10.5 billion to **EUR 22 billion** compared to December 31, 2024.

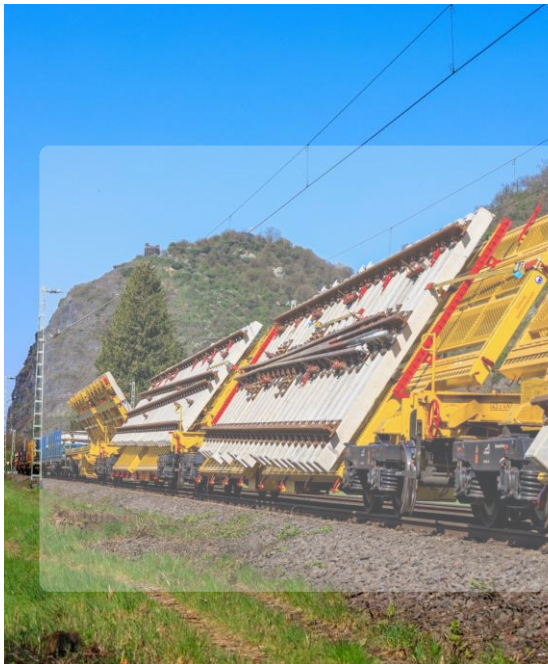


- **We are sticking to our targets for 2025.** In terms of **operating profit**, we want to **achieve** more than a **black zero** in 2025. **Revenues** are set to grow to **more than EUR 27 billion**.
- In **the second half of 2025**, we will **continue to invest heavily** together with the Federal Government, particularly in **rail infrastructure**. Our **gross and DB-financed net capital expenditures** for 2025 are expected to be **well above the previous year**.

Back to you for **the further outlook**, Richard.

Dr. Richard Lutz:

- Thank you, Martin.



The **outlook is clear**:
In order **to achieve our ambitious goal**, we will

**resolutely continue
our restructuring
course.**

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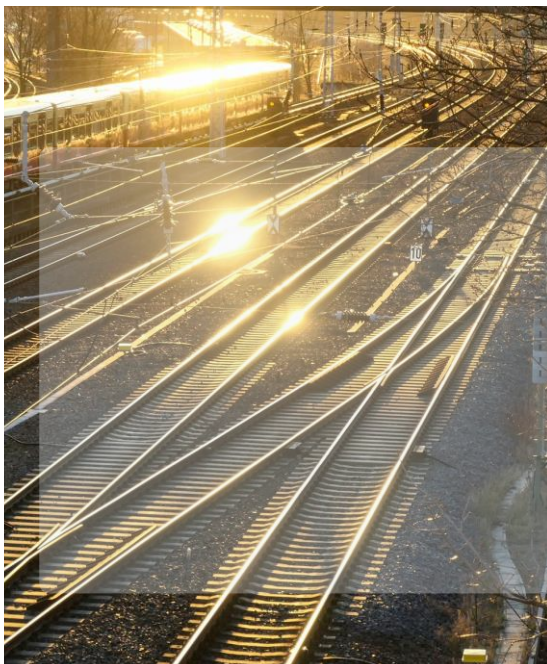
- The outlook is clear: we will **continue our restructuring course with determination**. That is absolutely essential. This is the only way we can achieve our ambitious goal of **being back in the black** operationally in **2025**.
- We are therefore actively working on **additional efficiency and productivity increases** in **administration**, at our **service providers** and in our **transport business units**.
- We will stick to **strict cost discipline** with the aim of **building up a buffer** from our own resources. In this way, we aim to compensate for at least some of the risks for the second half of 2025 that we cannot control ourselves.
- Nevertheless, there are still **risks for 2025 that we will not be able to completely eliminate on our own**. We are optimistic that further **funding for infrastructure maintenance measures** will be provided to the required extent this year.
- We are also confident that **the train-path price support** will be increased in the parliamentary process for the **2025 Federal budget** and that the **conditions for support will be created**.
- One thing is clear: if **this year's train-path price support and the subsequent reform of the train-path pricing system** are not implemented to a sufficient extent, long-distance transport will have to review its services for economic viability as part of its **corporate responsibility** and adjust them if necessary.
- In order to shift more traffic to climate-friendly rail transport, **we need to consistently continue our restructuring course**.

- **Corridor modernizations of the highly utilized corridors** are and will remain an essential element of this. The next key project begins tomorrow with the **Berlin–Hamburg line**.



- By **April 30, 2026, DB InfraGO will have completely modernized the line** and carried out extensive work on the tracks, switches and overhead wires. We will also be renewing the command and control technology and modernizing 28 stations along the line.
- We know that we are asking a lot of all customers in passenger and freight transport and the people in the region with this long closure. With comprehensive transport concepts, we will do everything we can to **cushion** the consequences of the **closure as much as possible**.
- **Corridor modernizations of highly utilized lines are and will remain an essential element in the fundamental modernization of the infrastructure.** With the proposed extension of the further projects, **DB InfraGO, which is oriented towards the common good**, is responding to the demands of politicians and the industry.
- The **coalition agreement** provides **for an ongoing review and adjustment of the modernization concept**. In addition, the corridor modernizations are to be aligned to the term of the special funds. The original plan which had envisaged completion by 2030, would have meant that **a large number of lines would have been modernized at the same time in 2028, 2029 and 2030**, which would have led to extensive closures.
- Against this backdrop, **intensive sector dialogs** have **taken place** in recent weeks. The result is a timetable that takes better account of the construction sector's operations and resources and **enables a more balanced implementation by 2036**. Final coordination with the Federal Ministry for Transport is currently underway.

- However, the corridor modernizations of the high-performance corridors are not the only field of action to make the **infrastructure efficient again**:
- We are pursuing a clear plan which, in addition to the core network, also includes the modernization of other parts of the network, **focuses on the targeted modernization of large bridges, takes into account the continuation of small and medium-scale measures as well as additional service facilities** and includes the conversion of further stations into **stations of the future, new construction and expansion** as well as **digitalization**.
- We have developed the **work program for this and the specific funding requirements** in recent years in close cooperation with the sector and the Federal Government. **We stand behind this program and are committed to its implementation.**
- **There are still gaps in funding** compared to these **requirements in the medium-term Federal financial plan**, particularly because funding will not increase further from 2027, but will instead decrease slightly. **We are campaigning for the gap to be closed so that the rail in Germany is once again fit for growth and the shift in the mode of transport with a high level of stability and reliability.**
- Of course, we accept that it is **ultimately the Federal Government and the German parliament that determine how much money should be invested in the railway in Germany**. How **the capacity, stability and quality of the rail infrastructure** will develop depends largely on this.



Together with the Federal Government, we will set the right priorities and thus achieve the best for the customers in passenger and freight transport.

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- Based on the final decisions, we will do everything we can together with the Federal Government to **set the right priorities** and improve the operational situation for passengers and freight transport customers. Maintenance and renewal of the existing infrastructure always take precedence over new construction and expansion. This is where the **greatest potential for more stability and better quality** lies.

- The **Federal Government** is **also** currently working **on its future strategy for rail and for DB Group**. A **distinction** must be **made** between **the Federal Government's ownership strategy** and **DB Group's corporate strategy**.
- For a company that is wholly owned by the Federal Government, there needs to be a **clear ownership strategy** that not only sets out the framework, but also specifies the Federal Government's interests with regard to its stake in DB AG.
- DB Group has a strategy that is aligned with the Federal Government's transport and climate policy goals and a suitable structure that has been approved by the Supervisory Board. If there is a need for action as a result of the new ownership strategy, the owners and the company's executive bodies, in particular the Supervisory Board and the Management Board, must discuss this and find solutions together. **We have succeeded in doing this in the past and I have no doubt that this will also be the case in the future.**
- Our **clear conviction is that the objectives and content of the S3 restructuring program will not contradict the ownership strategy**, because the improvement of operations and profitability is always the right thing to do and will remain **an executive task for management**.
- That is why the Management Board, executives and employees are continuing to work **step by step on a better railway** and are focusing consistently and with discipline on the targets, key figures and measures that we have set ourselves with our S3 restructuring program.
- Developments in the first half of the year have shown this: This is the right thing to do and there is no alternative. **We will not deviate from our objectives**. Because this is the only way we can make our contribution to **people's everyday lives and a strong economy!**
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- **Thank you very much!**

Photo credits



Slide 1	Deutsche Bahn AG Volker Emerleben	Slide 10	Deutsche Bahn AG Volker Emerleben
Slide 2	Deutsche Bahn AG Oliver Lang, Jonas Wresch	Slide 11	Deutsche Bahn AG Stefan Wildhirt
Slide 3	Deutsche Bahn AG Volker Emerleben	Slide 12	Deutsche Bahn AG Volker Emerleben
Slide 4	Deutsche Bahn AG Oliver Lang	Slide 13	Deutsche Bahn AG Georg Wagner
Slide 5	Deutsche Bahn AG Jörg Bönisch, Volker Emerleben	Slide 14	Deutsche Bahn AG Bauüberwachung
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