

Press Conference

Interim Report January - June 2006

Deutsche Bahn AG

Chief Financial Officer

Diethelm Sack

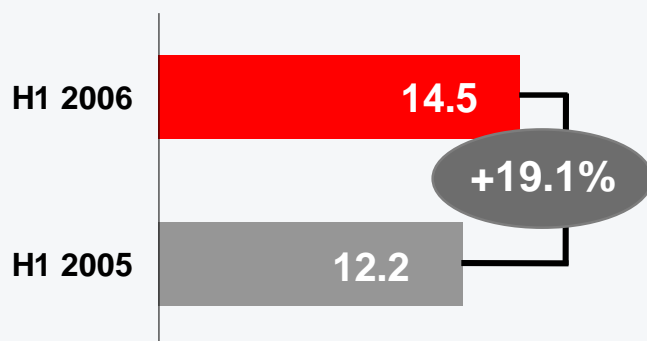
Frankfurt/Main, August 14, 2006

Strong development in the first six months of 2006

Highlights

- ✓ Market share gains in rail transport as well as continued strong development of international freight forwarding and logistics activities
- ✓ Revenues increased by 19.1% to € 14.5 billion (comparable: +8.1%)
- ✓ Significant EBIT growth by € 480 million to € 936 million
- ✓ Gross capital expenditures expanded by 19.7% to € 2.4 billion

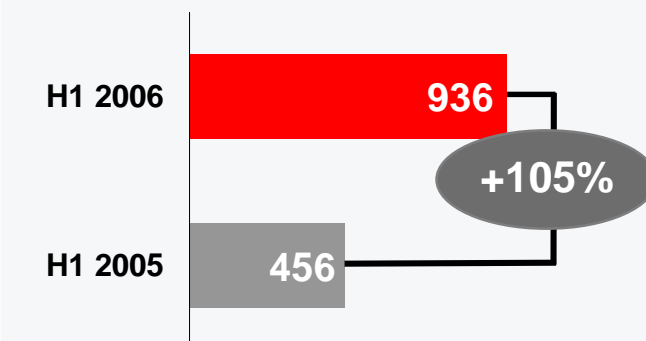
Revenues (€ bn) ↗



Revenues comparable (€ bn) ↗



EBIT (€ mn) ↗



General remarks

Market environment

Economic environment partially more favorable

- Slight improvement in Germany, positive impulse for rail business and especially for rail freight business
- Strong development of international freight forwarding and logistics activities (especially in Asia and North America)
- Significant burdens from energy prices

Competition

Persistently high competition pressure

- High level of intra- and intermodal competition in rail freight and passenger transport as well as pressure on margins in European land transport
- Ongoing consolidation process in logistics markets

Infrastructure utilization

Further increase in utilization of DB infrastructure by non-Group railways

Comparability of H1 2006 vs H1 2005

Growth from operations and acquisitions

- **Additions in 2006:** BAX Global (BAX), RAG Bahn und Hafen GmbH (RBH), Linjegods AS and StarTrans-Group
- **Disposals in 2005:** Deutschen Eisenbahn-Reklame GmbH (DERG) and STINNES-data-SERVICE GmbH (SDS)

Positive development of key performance figures

Passenger Transport

- Slightly positive impact from macroeconomic environment
- Volume increases due to 2006 FIFA World Cup™
- High demand for special price and special package offers
- Positive effects from new and upgraded lines
- Tender-related losses

Long-Distance

- Passengers (+3%)
- Transport performance (+5%)
- Load factor (+1 percentage point)

Regional / Urban

- Transport performance Rail (+4%/+8%)
- Transport performance Bus (-2%)

Transport and Logistics

- Positive impact from macroeconomic environment
- Continued strong growth of air and sea freight markets (main drivers: Asia and North America)
- Additions of RBH (Railion business unit) as well as BAX, Linjegods and StarTrans (Schenker business unit)

Railion

- Freight carried (+13%)
- Transport performance (+11%)
- Tons per train (+5%)

Schenker

- Shipments (land transport)
- Tonnage (air freight)
- Transport volume (sea freight)

Infrastructure

Track Infrastructure

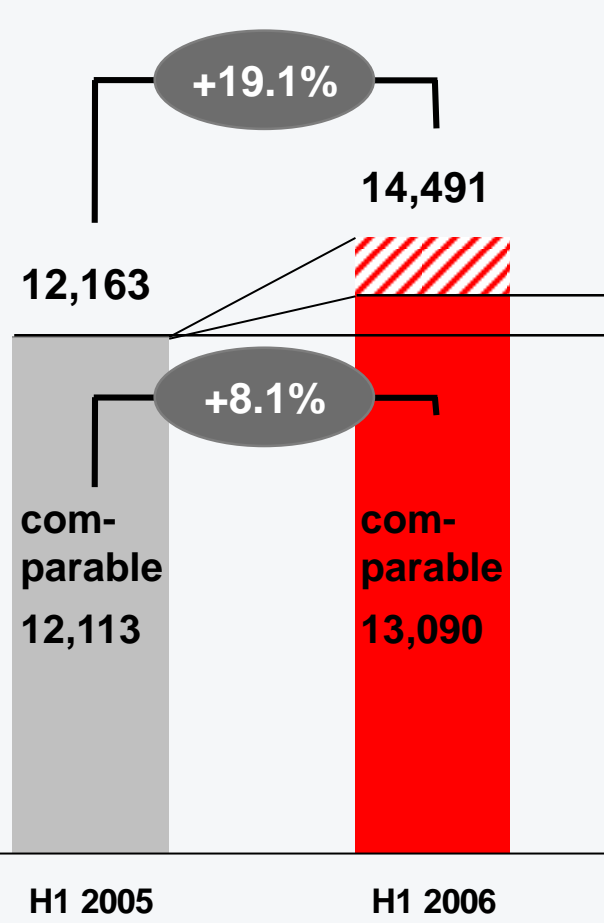
- Train kilometers of non-Group railways (+17%)

Passenger Stations

- Station stops of non-Group railways (+22%)

Strong growth in revenues

Revenues (€ mn) ➔ Split by business units (%)



- **Additions (2006)**
 BAX
 RBH
 Linjegods
 StarTrans
€ +1,401 mn

- **Growth from operations**
€ +977 mn

- **Disposals (2005)**
 SDS
 DERG
€ -50 mn

effective: ➔ +19.1%
 +€ 2,328 mn

comparable: ➔ +8.1%
 +€ 977 mn

Passenger Transport		
■ Regional	22%	} 39%
■ Long-Distance	11%	
■ Urban	6%	

Transport and Logistics		
■ Schenker	43%	} 56%
■ Railion	11%	
■ Stinnes	2%	

Infrastructure and Services		
■ Track Infrastructure	2%	} 4%
■ Passenger Stations	1%	
■ Services	<1%	
■ Energy	1%	
■ Other	1%	

Significant revenue increase in Schenker, Railion and Long-Distance units

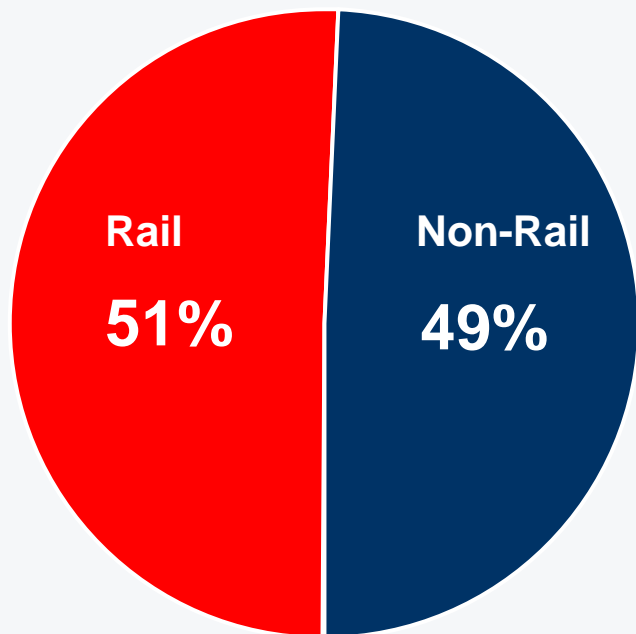
Revenues (€ mn)	H1 2005	H1 2006	+/-
Long-Distance Transport	1,454	1,582	+128
Regional Transport	3,219	3,220	+1
Urban Transport	857	870	+13
Schenker (incl. BAX)	4,319	6,268	+1,949
Railion	1,397	1,536	+139
Stinnes	264	301	+37
Track Infrastructure	217	265	+48
Passenger Stations	143	156	+13
Services	59	43	-16
Energy	106	169	+63
Other	128	81	-47
Total	12,163	14,491	+2,328

Highlights

- **Long-Distance:** Continued strong performance development
- **Regional:** Higher fare-box revenues offset by decline in ordered-services fees
- **Urban:** Positive development of fare-box revenues at the S-Bahn (metro) in Hamburg and Berlin
- **Schenker:** Once again strong growth from operations and additional increase from first-time consolidations (especially BAX)
- **Railion:** Positive performance development supported through addition of RBH
- **Track Infrastructure/Passenger Stations:** Further increased infrastructure utilization of non-Group railways
- **Energy:** Expansion of energy services offerings and effects from price developments on (global) energy markets

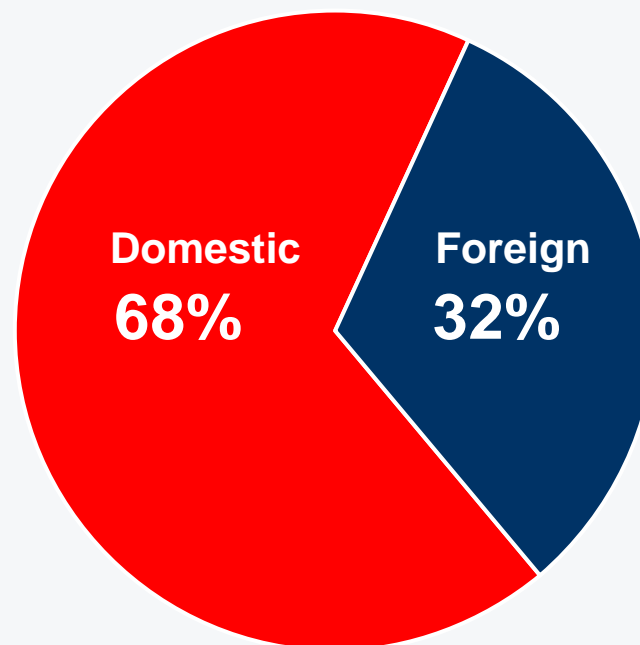
Revenue structure: Growth potential realized in line with strategy

Market-oriented focus on revenue sources



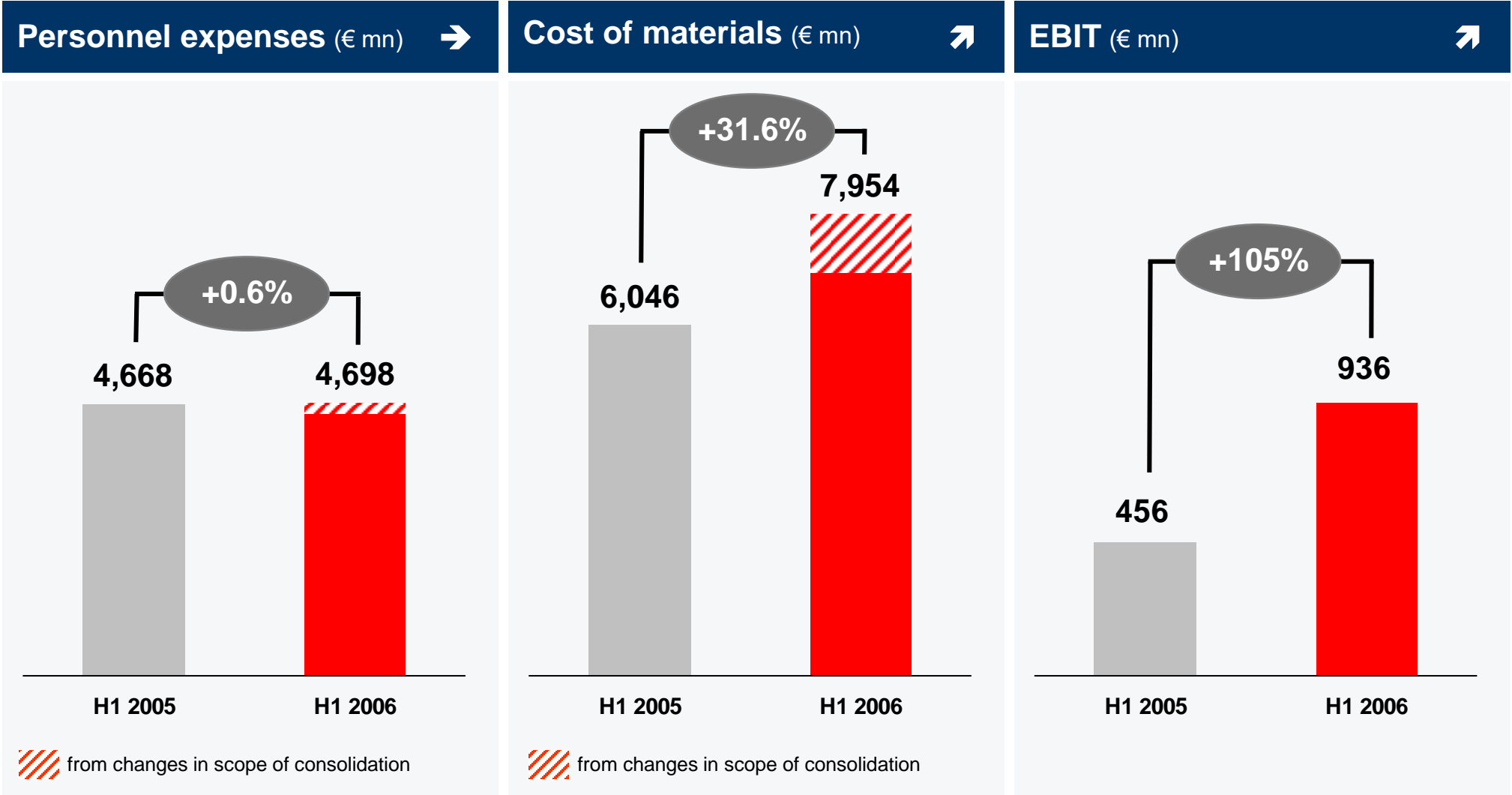
Revenues (rail): ↗ + 5%
Revenues (non-rail): ↗ +39%

International business further expanded



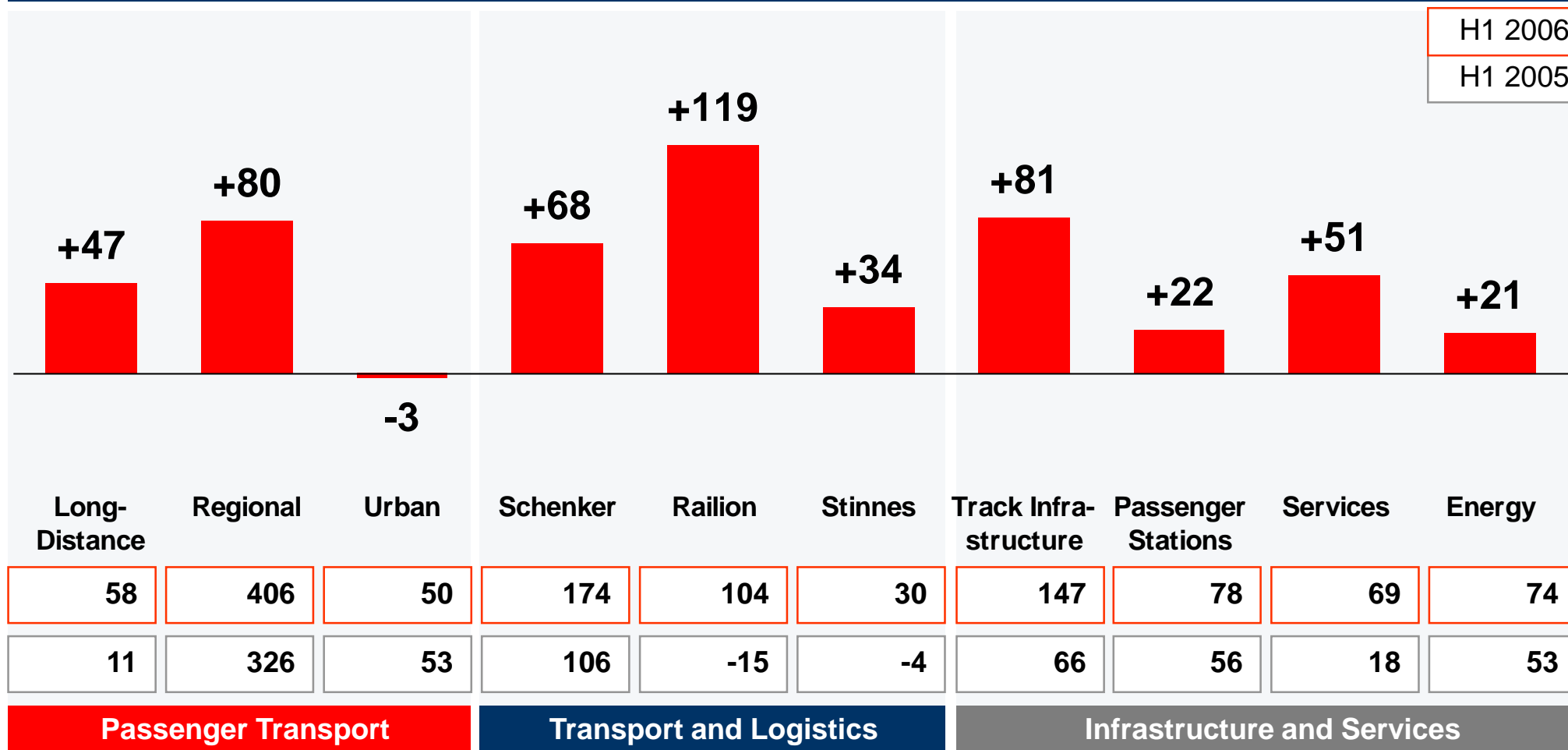
Segment revenues (domestic): ↗ + 6%
Segment revenues (foreign): ↗ +61%

Significant EBIT improvement continued



EBIT split by business units: Significant improvements on a broad base

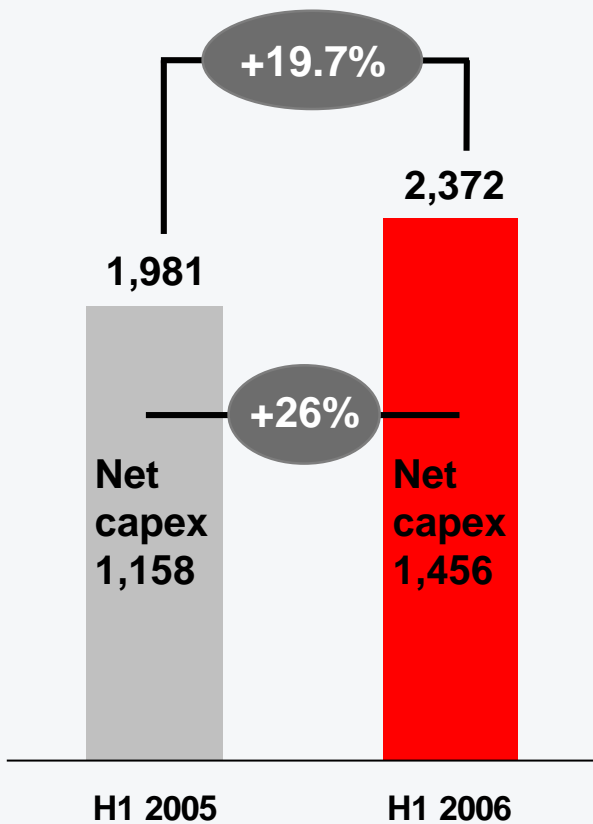
EBIT changes according to business units (€ mn)



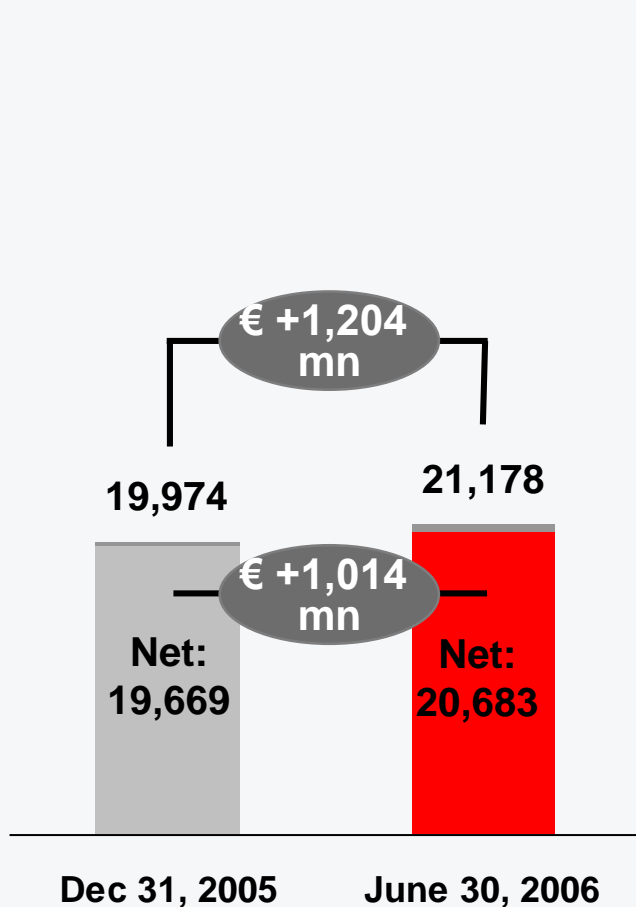
Other/Consolidation (incl. Holding): € -40 mn vs H1 2005

Higher capex/increase in financial debt and total assets due to BAX

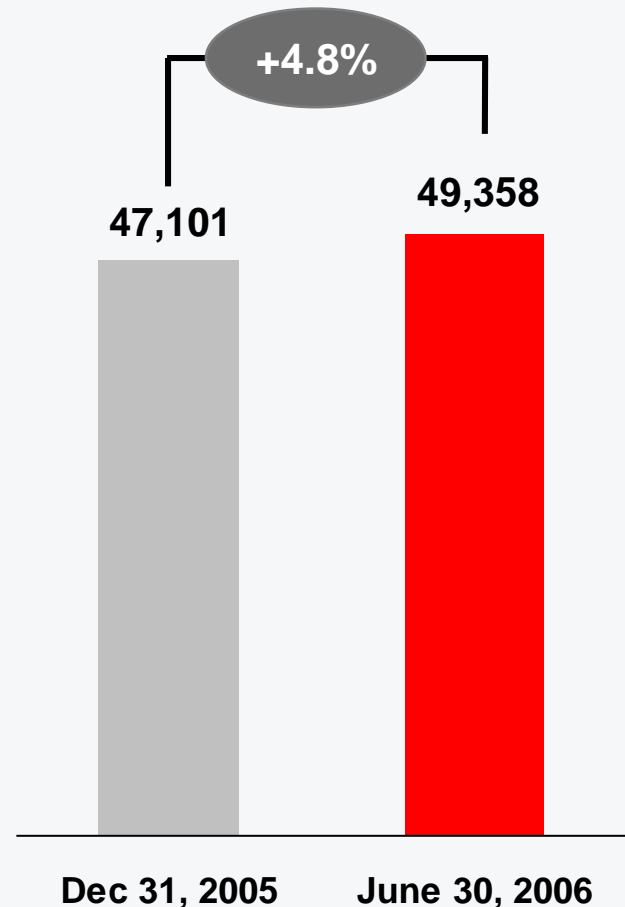
Gross capital expenditures (€ mn) ↗



Financial debt (€ mn) ↗



Total assets (€ mn) ↗

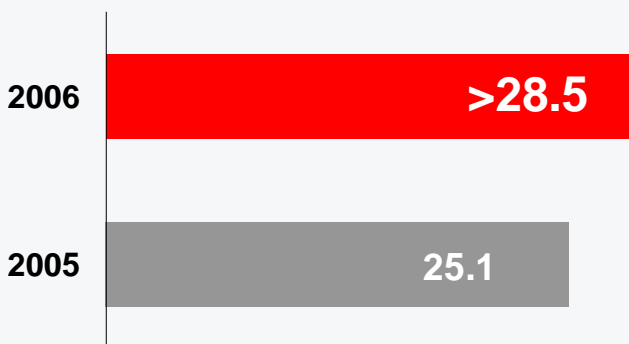


Expectations raised vs March 06 forecast

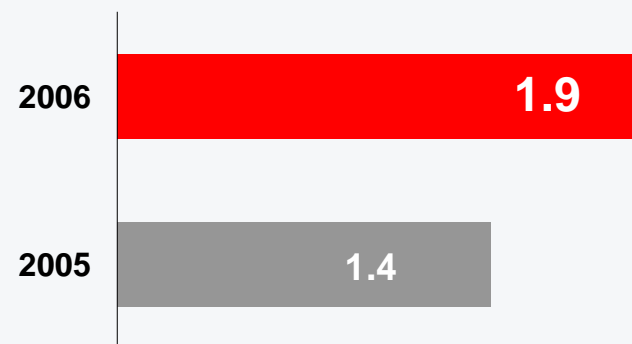
Forecast 2006 Financial Year

- Significant increase in revenues expected
- EBIT forecast at € 1.9 bn (€ +300 mn vs March 06 forecast)
- Further ROCE increase anticipated
- Gross capital expenditures estimated at or better than previous year's level (€ 6.4 bn)

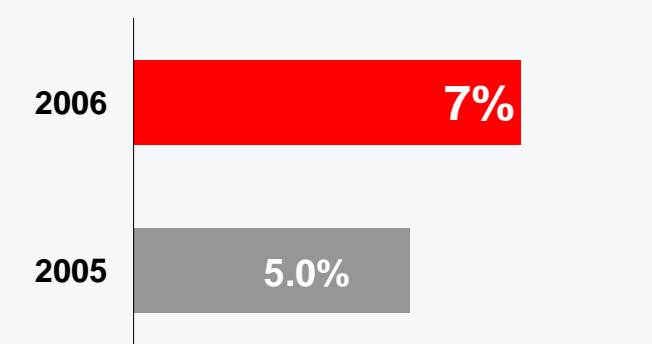
Revenue forecast (€ bn) ↗



EBIT forecast (€ bn) ↗



ROCE forecast (%) ↗



Disclaimer

Disclaimer

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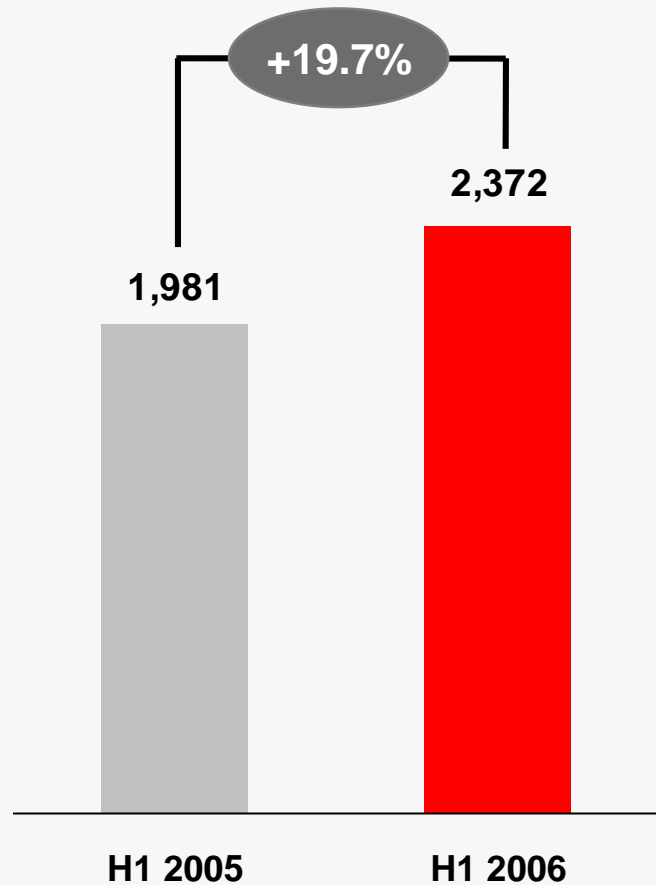
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This document represents the Company's judgment as on the date of this presentation.

Modernization process continued: capex programs of € 2.4 bn



Gross capital expenditures (€ mn) ↗



Split by business units (%) →

