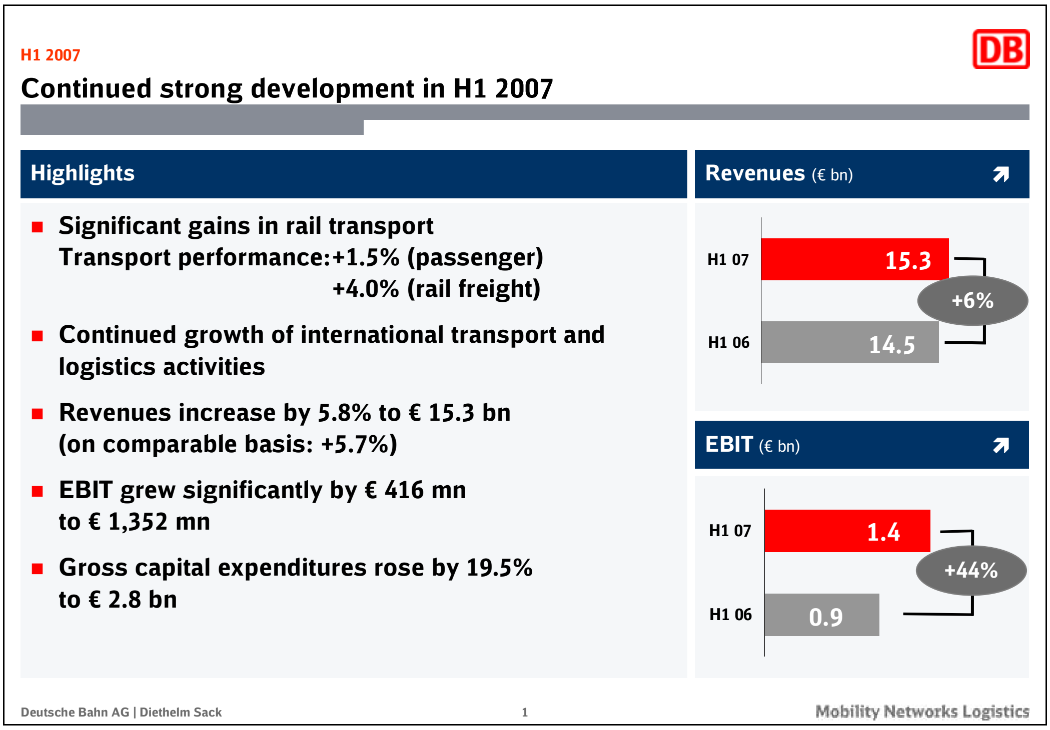
Press Conference
Interim Report January - June 2007

Diethelm Sack
CFO

Frankfurt/Main, August 23, 2007



Good morning ladies and gentlemen,

I would also like to extend a warm welcome to you. This morning I will give you a detailed presentation of our key figures for the first half of 2007. I will then end my presentation with our current forecast for the full year 2007.

First of all, a glance at the key facts and figures for the first six months:

- Revenues rose by 5.8 percent to € 15.3 billion – and on a comparable basis by a slightly less 5.7 percent.
- Our EBIT improved by an additional € 416 million to € 1.4 billion.
- We maintained our high level of capital expenditures. Helped by favorable weather conditions during the first half of the year we further increased our gross capital expenditures by 19.5% to € 2.8 billion.

H1 2007

General remarks

Market environment	**Economic environment continues to be favorable** ↗ Sustained upturn in Germany – key economic parameters with a slight increase vs H1 2006 ↗ Positive impact from general economic development in the Euro-zone and the ongoing upward trend in global economies ↗ Slight increase in German passenger transport market (+0.8%), with 1.8% growth of rail transport ↗ Further expansion of German freight transport market expected, with rail outpacing road ↗ Continued positive development of markets relevant to our international transport and logistics business
Infrastructure utilization	**Further increase in demand by non-Group railways** Passenger stations: ↗ Station stops of non-Group railways (+5%) Track infrastructure: ↗ Train kilometers of non-Group railways (+16%)
Comparability of 2007 FY	**No significant impact from changes in the scope of consolidation**

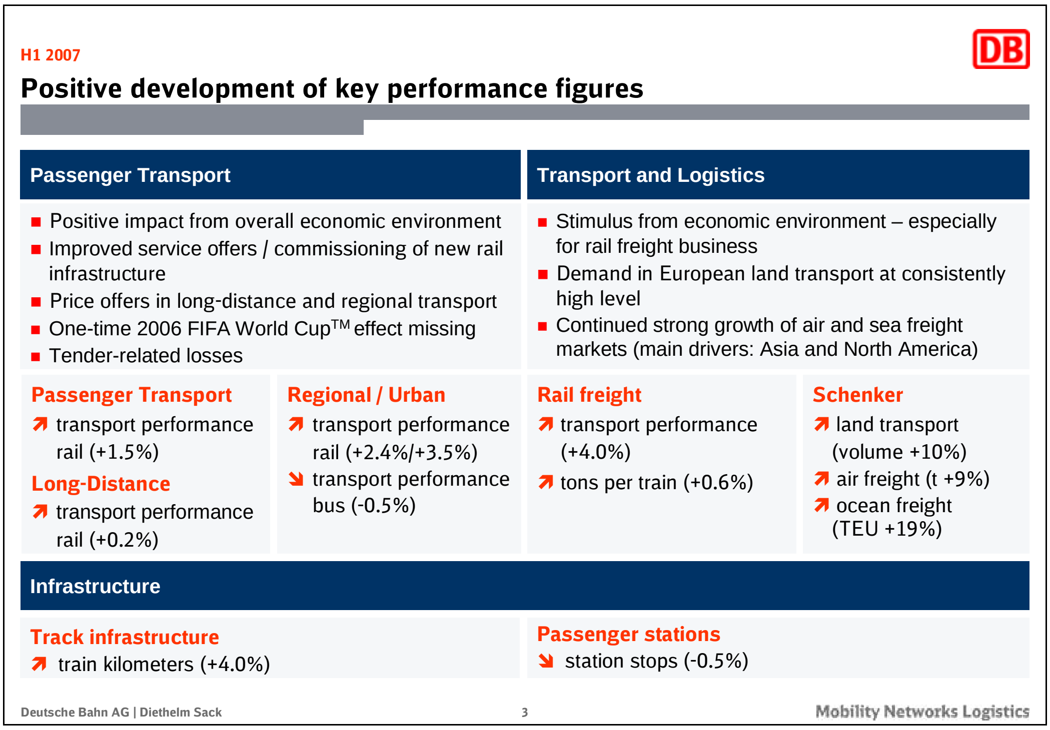
Deutsche Bahn AG | Diethelm Sack 2 Mobility Networks Logistics

Key business conditions continued generate favorable impetus during the first half of 2007. Improvements were seen in the global economy as well as in the Euro-zone, and in our home market, Germany. Within our market environment these factors had a favorable influence on rail transport, and especially rail freight transport.

Favorable economic conditions generated strong demand in European land transport, which occasionally suffered from significant shortages of shipping space. Furthermore, the high price of diesel is still a burden. The air freight market showed stable development with the strongest growth posted on routes between Asia and North America, and along the inner-Asian routes. In contrast, the ocean freight market continued to grow at a dynamic pace with major growth driven by exports from Asia to Europe and North America, as well as the inner-Asian routes.

In our rail infrastructure business we noted that non-Group railways are increasingly using our system, confirming recent trends. This was reflected in both demands for train-path as well in the number of station stops.

When comparing our business development with the same year-ago period in 2006, there were no significant effects arising from changes to the scope of consolidation. Two small divestments were made and we also made some additions to our scope of consolidation that have no real significance for today's presentation. The sum of the effects of these changes on revenues amounted to € 25 million, while EBIT was reduced by € 3 million.



In general, performance developed favorably during the first six months and was supported by the positive overall conditions.

Total transport performance of our business units in the Passenger Transport Group division rose by 1.5 percent. The Long-Distance Transport business unit increased slightly by 0.2 percent, while the Regional Transport business unit rose more strongly by 2.4 percent. The transport performance of the S-Bahn (metro) in the Urban Transport business unit climbed by 3.5 percent. These activities benefited from numerous favorable factors. In addition to the previously mentioned favorable overall conditions, these factors included:

- Comprehensive improvements to our range of offers, especially the start of operations on new rail infrastructure like the new and upgraded Nuremberg-Ingolstadt-Munich line as well as the Berlin Central Station, and
- our renewed special price offers and partner-offers.

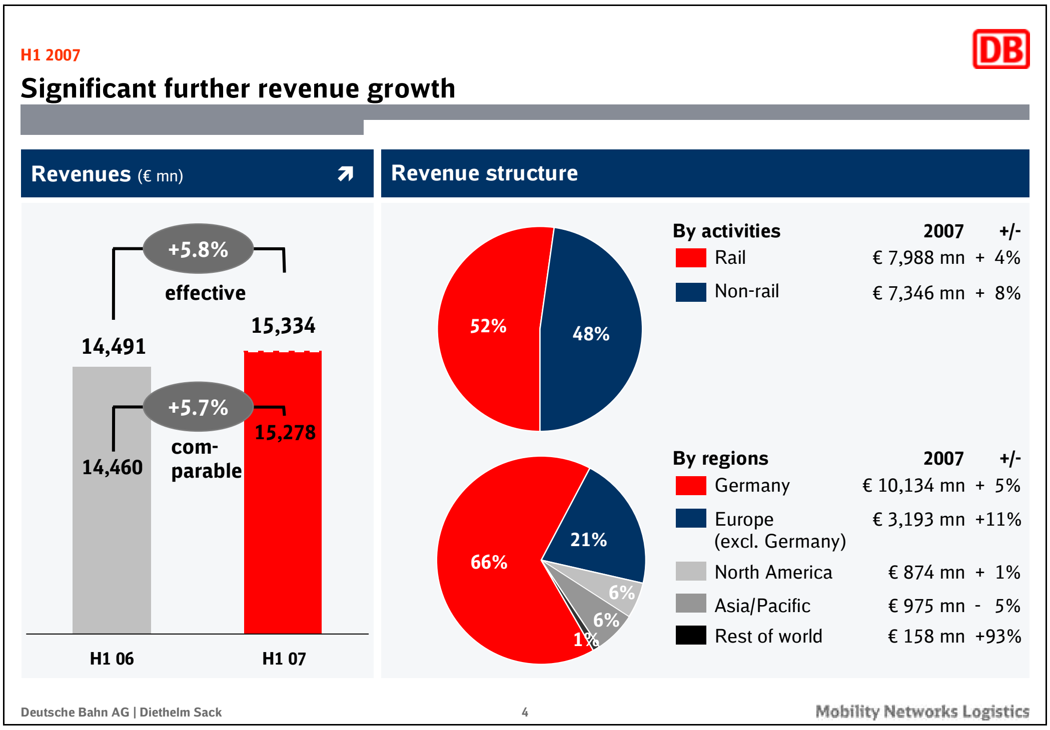
On the other hand, we missed out on the transport volumes generated during the same year-ago period by the FIFA 2006 World Cup™, as well as the loss of tenders – especially in regional and bus transport.

The business units in the Transport and Logistics Group division also benefited from the positive influence of the favorable business environment.

- During the first six months of 2007 rail freight transport once again expanded significantly, and transport performance increased by 4 percent. These gains reflected, in particular, strong developments seen in intermodal transport. Favorable conditions in the coal, iron and steel industries as well as the good situation in the building industry also helped.
- Ongoing high demand enabled us to further increase the volume of shipping we recorded in our European land transport activities by a total of approximately 10 percent.
- The international transport and logistics markets continued to post high rates of growth. Our Schenker business unit continued to develop favorably: its air freight business grew significantly by 9 percent, while its ocean freight increased by an impressive 19 percent. We noted here a slight tendency on the part of our customers to shift their shipments from air to ocean freight.

Among the business units within the Infrastructure and Service Group division, the Track Infrastructure business unit posted a 16 percent increase in non-Group demand for train-path usage, and continued its double-digit growth. But demand by intra-Group customers was also higher than in the same year-ago period. Overall demand for train-path usage climbed by 4 percent.

The number of station stops remained almost unchanged in comparison to the same year-ago period. Here we noted a shift in the structure of stops away from Group customers to non-Group customers.



Driven by the favorable development of performance in the first half of 2007, revenues rose by a significant 5.8 percent, or € 843 million to € 15.3 billion.

The split in revenues contributed by rail and non-rail activities remained basically unchanged, even if the 8% pace of growth in the non-rail area continued to be more dynamic than the 4 percent posted by the rail area. Contributions to revenues by regions were also basically the same in comparison to the first half of 2006, with Germany contributing an unchanged approximate two-thirds of Group revenues. During the first months we noted a 5 percent increase in revenues here. The pace of growth was the most dynamic in the rest of Europe with 11 percent, which mainly reflects the developments noted in European land transport. The share of Group revenues now amounts to 21 percent. Significantly favorable overall development in Europe more than offset the dampened development noted in North America – plus 1 percent - and the Asia/Pacific region – a decline of 5 percent - , which were primarily caused by weaker exchange rates. Together, each of these regions accounted for 6 percent of Group revenues.

Finally, the share of revenues contributed by the individual business units also remained basically unchanged.

H1 2007

Highest revenue increase in Schenker, Rail Freight and Urban Transport units

Revenues (€ mn)	H1 2006	H1 2007	Changes by business units (€ mn)
Long-Distance	1,582	1,623	+41
Regional	3,220	3,270	+50
Urban	870	929	+59
Schenker	6,268	6,777	+509
Rail Freight	1,837	1,932	+95
Track Infrastructure	265	285	+20
Passenger Stations	156	173	+17
Services	43	39	-4
Energy	169	207	+38
Other	81	99	+18
DB Group	14,491	15,334	+843

Deutsche Bahn AG | Diethelm Sack 5 Mobility Networks Logistics

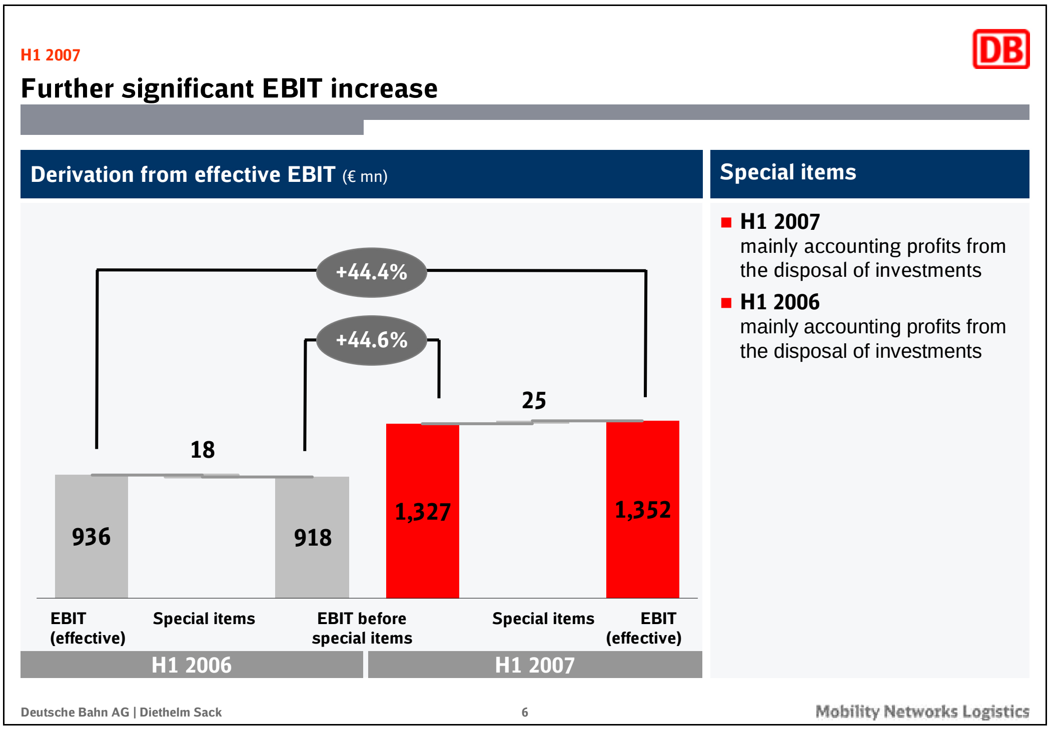
If we take a look at the development of revenues by business units we recognize the previously mentioned effects of the positive development of performance seen in rail transport and in the area of our international transport and logistics activities. Accordingly, the biggest gains were recorded by the Schenker and the Rail Freight business units, as well as the Regional and Urban Transport business units. Growth in the Energy business unit reflected the ongoing positive developments noted in the energy services business activities.

Revenues recorded by the business units within the Infrastructure and Services Group division were once again dominated by internally generated revenues, or 86% of the total, due to the division's customer structure. We did note, however, a favorable development in external revenues as demand from non-Group railways, as previously mentioned, once again grew significantly.

- Total revenues generated by the Track Infrastructure business unit during the first half of 2007 amounted to about € 2.2 billion, of which external revenues represented € 285 million, or approximately 13 percent of the total.

- Total revenues generated by the Passenger Stations business unit during the first six months of 2007 amounted to about € 0.5 billion, of which external revenues represented € 173 million, or approximately 35 percent of the total.

- Total revenues generated by the Services Infrastructure business unit during the first half of 2007 amounted to about € 1.2 billion, of which external revenues represented € 39 million, or approximately 3 percent of the total.
- Total revenues generated by the Energy business unit during the first half of 2007 amounted to about € 1 billion, of which external revenues represented € 207 million, or approximately 20 percent of the total.



Based on the positive development of our performance and revenues, the profit situation recorded stable further development during the first half of 2007. Our earnings before interest and taxes – EBIT, increased over the comparable period in 2006 by € 416 million, or 44 percent to € 1.3 billion.

As you can see in this chart, as in the first half of 2006, the development of our EBIT in the first six months of 2007 was basically uninfluenced by special items. In both periods the special items were mainly related to results arising from the sale of participations. You can see here that the effective EBIT and EBIT before special items for the first halves of 2006 and 2007, respectively, are almost at the same level.

The major special items that influenced the development of the EBIT figure in the 2006 financial year only took effect in the second half of 2006. As a result EBIT before special items for the first half of 2007 was also improved notably by 44.6 percent, or € 409 million to € 1.3 billion.

H1 2007

DB

Strong EBIT-growth in Track Infrastructure, Rail Freight and Urban Transport

EBIT (€ mn)	H1 2006	H1 2007	Changes by business units (€ mn)
Long-Distance	58	**86**	**+28**
Regional	406	**416**	**+10**
Urban	50	**91**	**+41**
Schenker	174	**192**	**+18**
Rail Freight	134	**200**	**+66**
Track Infrastructure	147	**294**	**+147**
Passenger Stations	78	**103**	**+25**
Service	69	**98**	**+29**
Energy	74	**82**	**+8**
Other/consolidation	-254	**-210**	**+44**
DB Group	**936**	**1,352**	**+416**

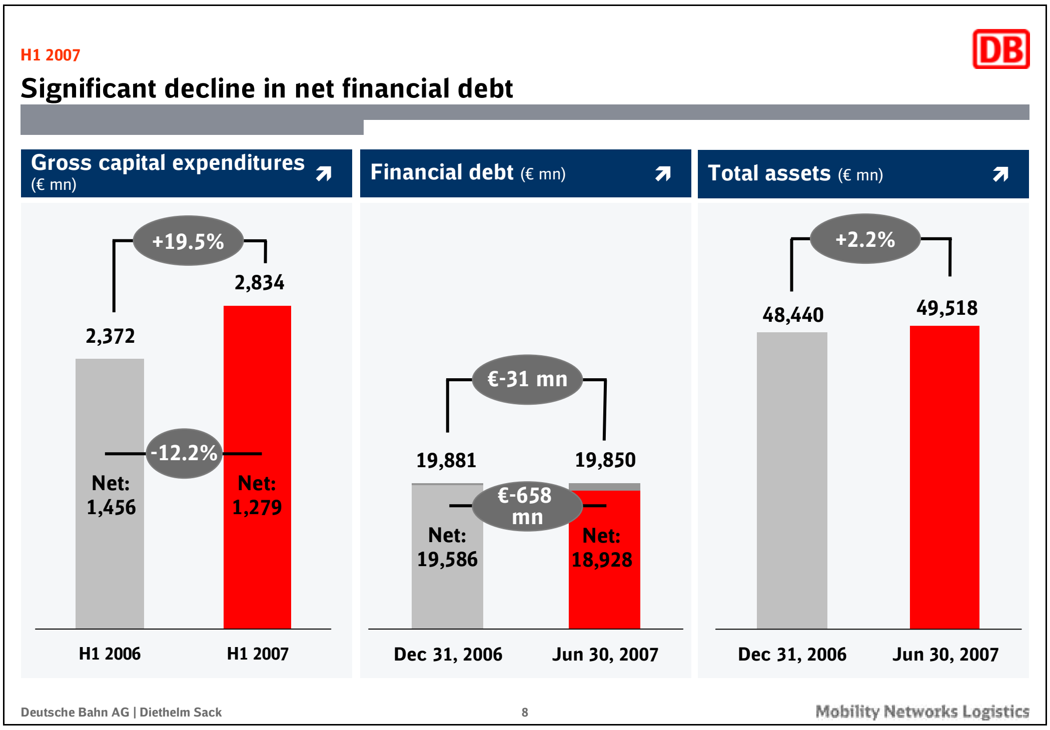
Deutsche Bahn AG | Diethelm Sack 7 Mobility Networks Logistics

All of the business units contributed to the improved EBIT figure, with major increases reported by the Track Infrastructure, Rail Freight and Urban Transport business units. The other business units were also able to further improve their profits.

Increased revenues along with continued rationalization measures had a noticeable effect within the Track Infrastructure business unit. Despite higher outlays to improve quality, the positive trend, even if somewhat weakened, will remain intact.

The higher profits noted for the Rail Freight Transport business unit mirrored the development of Railion Deutschland AG. Favorable results here were driven by higher revenues and disproportionately lower increases in costs.

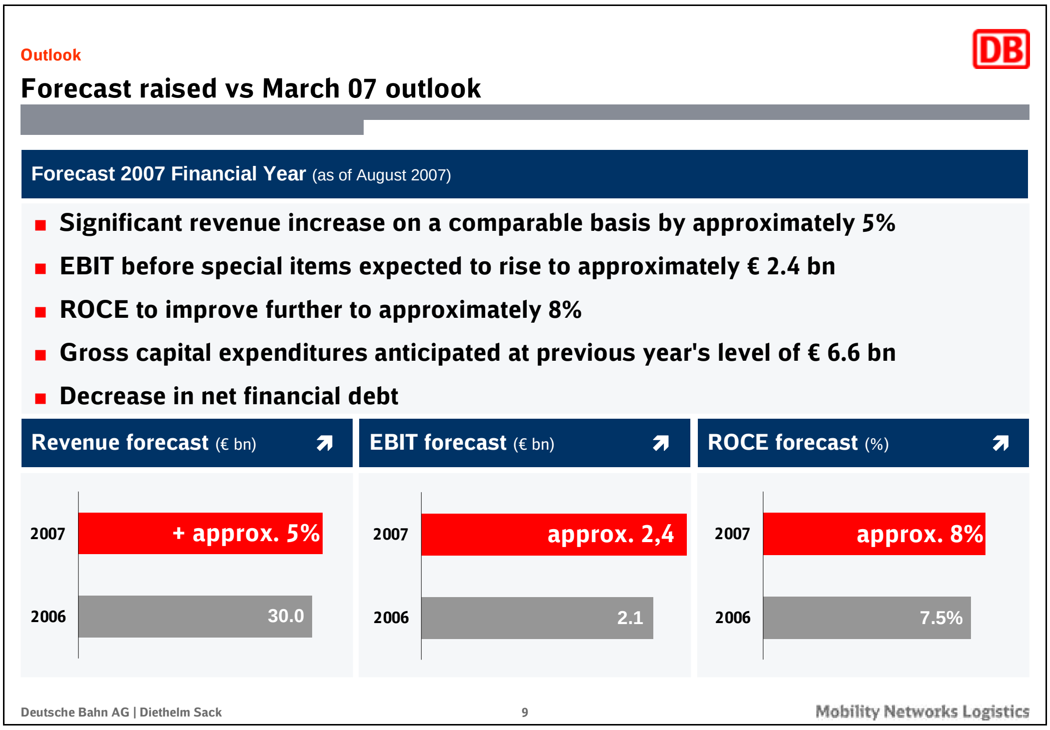
Profits posted by business units within the Passenger Transport Group division reflect higher revenues, which were driven by expanded services and by one-time effects, such as the settlement of previous years' transport association revenues.



We significantly increased the level of our capital expenditures for modernization measures in the first half to € 2.8 billion in order to continue developing successfully. Capital expenditures for rail infrastructure measures again dominated total outlays as the Track Infrastructure business unit absorbed 68 percent of our Group-wide capital expenditures. The focal point remained unchanged on measures to enhance the performance of the rail infrastructure, as well as modernizing our passenger stations, expanding our fleet of vehicles and further developing our logistics networks.

We were able to fully finance our operational capital expenditures funding requirements from our cash flow. As of June 30, 2007 financial debt, including figures for interest-free loans received from the German government to finance the infrastructure, which are prepared in accordance with IFRS requirements and stated at their present value, declined slightly by € 31 million. After taking the strong increase in liquidity into consideration, we were able to significantly reduce our net financial debt by € 658 million.

Total assets rose slightly by 2 percent over the figure recorded on December 31, 2006. The increase primarily reflects an increase in working capital due to the expansion of business activities within the Schenker business unit. The improvement on the equity and liabilities side is worth mentioning and especially the increase in equity capital. As a result of the continuing favorable development of profits we were able to increase equity capital by €0.9 billion, or 10 percent to € 10.1 billion. As a result, the equity ratio rose by 1.4 percentage points to 20.4 percent.



And now, as promised, I'd like to give you our updated outlook: in light of the favorable developments we have seen thus far this year and the more precise expectations for the second half, today we can raise the forecast we made at our Annual Results Press Conference in March:

- Based on current estimates, we anticipate revenues will rise on a comparable basis by about 5 percent.
- We expect that our EBIT before special items will be approximately € 2.4 billion. Furthermore, we anticipate positive one-time effects arising from the sale of participations.
- Based on this anticipated EBIT development we are aiming to achieve a ROCE of about 8 percent. This development means that we are gradually approaching as planned the level of our cost of capital (8.8 percent).
- We estimate that total capital expenditures will be at about the same level as in the previous year and amount to € 6.6 billion.
- We expect to use free cash flow from business operations to reduce net financial debt. The sum of the changes made to the Group portfolio will not impact on debt.

We will decisively continue our internal programs that are currently operating in order to achieve these goals. We anticipate that the external conditions that shape our market and competitive environment will remain generally stable. Additionally, this forecast is based on the assumption that none of our significant markets will experience any unforeseen events – including strikes.

Ladies and gentlemen, I would like to thank all of you for your attention. Mr. Mehdorn and I will now be very pleased to answer your questions.

Appendix

Disclaimer

Disclaimer

This information contains forward-looking statements or trend information that are based on current beliefs and estimates of Deutsche Bahn's management and involves known and unknown risks and uncertainties. They are not guarantees of future performance.
In addition to statements which are forward-looking by reason of context, including without limitation, statements referring to risk limitations, operational profitability, financial strength, performance targets, profitable growth opportunities, and risk adequate pricing, as well as the words "may, will, should, expects, plans, intends, anticipates, believes, estimates, predicts, or continue", "potential, future, or further", and similar expressions identify forward-looking statements.
These forward-looking statements are subject to certain risks and uncertainties that could cause the Company's actual results or performance to be materially different from those expressed or implied by such statements. Many of these risks and uncertainties relate to factors that are beyond Deutsche Bahn's ability to control or estimate precisely, e.g. future market and economic conditions and the behavior of market participants. Deutsche Bahn does not intend or assume any obligation to update these forward-looking statements.
This document represents the Company's judgment as on the date of this presentation.

Deutsche Bahn AG | Diethelm Sack 11 Mobility Networks Logistics

---

Speech given by Diethelm Sack, CFO and Head of Controlling, Deutschen Bahn AG, at the First half year results Press Conference, August 23, 2007, Frankfurt/Main.
The spoken work takes precedence.

Contact:
Deutsche Bahn AG
Potsdamer Platz 2
10785 Berlin,

Group Marketing and Communication
Tel.: +49 (0)30 297-61131
Fax: +49 (0)30 297-61919
E-Mail: medienbetreuung@bahn.de

Investor Relations
Tel.: +49 (0)30 297-61130
Fax: +49 (0)30 297-61959
E-Mail: investor.relations@bahn.de