MOODY'S
INVESTORS SERVICE

CREDIT OPINION
23 October 2020

Update

Deutsche Bahn AG

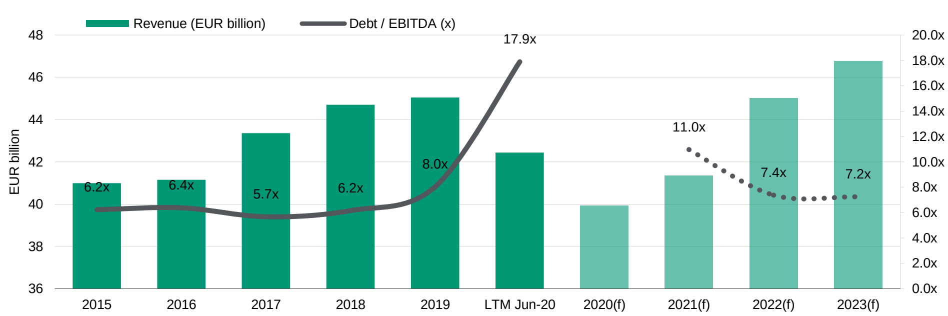
Update following rating affirmation and downgrade of hybrid

Summary
Deutsche Bahn AG's (DB) Aa1 issuer rating combines: (1) its a2 BCA; and (2) our assessment of a high likelihood that the company will receive extraordinary support from the Government of Germany (Aaa stable) in times of need. This assessment is based on the German government's willingness, and very strong ability to provide support to DB, given the sovereign's ample financial reserves, as reflected in its Aaa rating. Such an assessment results in a 4-notch uplift to the company's final rating.

The BCA is weakly positioned at a2 as there is execution risk around the company's ability to improve its leverage towards 6.5x and improve its EBITA margin to 5% from 2022 onwards. The BCA remains supported by the company's size, geographical diversification and leading global market position, as well as the stability and predictability of the legal framework for railway companies in Germany.

The A3 rating of the Hybrid is one notch lower than DB's a2 BCA and five notches lower than the company's Aa1 long-term issuer rating. This reflects certain features of the security, which is perpetual, deeply subordinated and allows DB to opt for coupon deferrals on a cumulative basis. Because of these characteristics we believe that, in case of need, government support may not be as strong, or as timely as it would be for senior unsecured debt.

Exhibit 1
Leverage will remain high even assuming a €5.5 billion capital injection in 2020
Moody's-adjusted debt/EBITDA



All figures and ratios are calculated using Moody's estimates and standard adjustments. Moody's Forecasts (f) are Moody's opinion and do not represent the views of the issuer. Periods are fiscal year-end unless indicated otherwise. 2020 is non-meaningful as EBITDA is likely to be negative.
Source: Moody's Financial Metrics™

Rate this Research

RATINGS

Deutsche Bahn AG

Domicile	Berlin, Germany
Long Term Rating	Aa1
Type	LT Issuer Rating - Dom Curr
Outlook	Negative

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

Credit strengths

» High probability of support from the German government

» Large scale and good degree of geographical and sector diversification

» Vertically integrated business model, including the monopolistic railway infrastructure activities

» Solid business profile, supported by a predictable operating environment, given the reliability of the regulations and subsidies that the company receives

Credit challenges

» Severe traffic declines from the coronavirus pandemic

» Continued pressure on profitability above all due to coronavirus as well as structural challenges

» Strained FCF generation because of an intense capital spending programme

» High leverage for the current a2 BCA, expected above 7.0x in 2022

Rating outlook

The negative outlook reflects the significant uncertainty pertaining to the company's recovery in earnings and cash flow over the next few years and our expectations that it will be challenging for the company to reduce leverage below 6.5x, a level more commensurate with its a2 BCA.

There is also some uncertainty around the timing of the current €5 billion equity injection from the German government due to the still ongoing EU approval process and the German government's willingness to step up its support to DB in case of need given the structural challenges that the pandemic is having on the transportation sector.

Factors that could lead to an upgrade

An upgrade is unlikely given that DB's rating is one notch lower than the sovereign rating and we expect this gap to remain.

The BCA could be upgraded if:

» DB's Moody's-adjusted debt/EBITDA remains well below 5.5x on a sustained basis

» DB's operating performance improves as evidenced by a substantial and sustained improvement in Moody's-adjusted EBITA margin

» Company decreases substantially its negative free cash flows

Factors that could lead to a downgrade

A downgrade of Germany's sovereign rating will result in a downgrade of DB's ratings.

In addition, we could downgrade DB's ratings if the likelihood of extraordinary support from the government decreases or if the BCA deteriorates further and this is not adequately compensated by evidence of stronger government support.

The BCA could be downgraded if:

» DB's Moody's-adjusted debt/EBITDA looks unlikely to improve towards 6.5x from 2022 onwards

» DB's EBITA margins fail to improve to around 5%

» There is a weakening of the company's business profile, resulting from a change in its integrated business model

Key indicators

Exhibit 2
Deutsche Bahn AG

Deutsche Bahn AG

USD Billions	Dec-15	Dec-16	Dec-17	Dec-18	Dec-19	LTM (Jun-20)	Dec-20 (f)	Dec-21 (f)	Dec-22 (f)
Revenue	$45.5	$45.5	$49.0	$52.8	$50.4	$46.7	$43.93	$45.47	$49.53
EBITA Margin %	1.7%	2.7%	3.0%	3.1%	2.0%	-6.8%	-6.8%	1.1%	4.6%
EBITA / Average Assets	1.2%	1.8%	2.1%	2.2%	1.4%	-4.5%	-4.1%	0.7%	2.9%
Debt / Book Capitalization	69.0%	71.7%	68.8%	71.2%	71.6%	81.0%	68.3%	68.4%	66.8%
Debt / EBITDA	6.2x	6.4x	5.7x	6.2x	8.0x	17.9x	34.8x	11.0x	7.4x
FCF / Debt	-4.8%	-1.1%	-6.9%	-3.9%	-6.5%	-11.5%	-18.5%	-13.6%	-6.1%
RCF / Net Debt	20.8%	18.7%	20.8%	18.4%	15.2%	8.4%	-1.3%	5.9%	10.8%
(FFO + Interest Expense) / Interest E	7.5x	7.6x	7.9x	7.6x	8.4x	5.8x	1.3x	4.5x	6.8x

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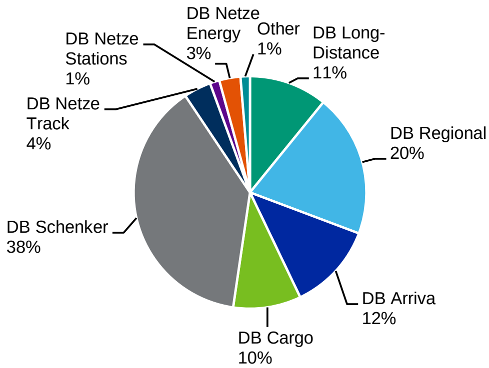
Source: Moody's Financial Metrics™

Profile

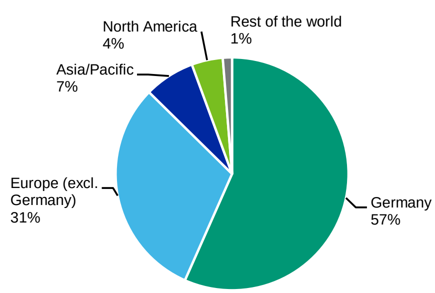
DB is a vertically integrated rail and logistics group that owns and operates the German national rail transportation network. DB is one of the largest rail and logistics companies in the world. In 2019, DB generated €44.4 billion of revenue and more than €5 billion of reported EBITDA. The company provides rail track infrastructure, and passenger and freight transportation services under its holding umbrella. DB holds leading market positions in most of the segments in which it operates. These segments include long-distance rail (11% of revenues), regional passenger rail in Germany (20%), mass-transit transportation services through its subsidiaries DB Arriva (12%) and DB Cargo (10%), logistic services through its subsidiary DB Schenker (38%), and railway stations and infrastructure management (9%).

Exhibit 3
Revenue breakdown by segment
2019



External revenue.
Source: Company report

Exhibit 4
Revenue breakdown by region
2019



External revenue.
Source: Company report

Detailed credit considerations

Passenger and cargo volumes will decline in 2020 because of the spread of the coronavirus

The number of passengers and the cargo volumes have been impacted since the coronavirus started to spread in Germany in March 2020. Travel restrictions have significantly limited passenger traffic in Germany, which reduced by 80%-90% in April and have started to recover since May. The pace of recovery slowed bit down since August. As some of the company's revenue is linked to volume produced, through contracts with local authorities, rather than to passenger numbers, we expect the impact on revenue to be lower (compared with that on passenger volumes). Lockdown measures and travel restrictions in Germany were less severe than in other European countries during Q2, but a recent increase in infections in Germany could lead to a tightening of restrictions over the next few months through to the end of 2020. We expect travel to only resume gradually and reaching 2019 levels only by 2022, reflecting the weakened public desire to move around to attend social gatherings and business meetings, to commute and to travel for leisure. Even after the pandemic ends we expect increased working from home which may permanently affect business travel.

We also expect cargo rail traffic in Germany to gradually recover and reach 2019 levels by 2022 from a reduction of around 20% in H1 2020, reflecting the slowdown in economic activity in the country and in the rest of Europe.

Low profitability and high leverage will remain a key credit concern

We expect DB's revenues to decline by 11% and EBITDA by over 90% in 2020 compared to 2019 mainly as a result of a coronavirus-related reduction in passenger levels. However, we expect both passenger and cargo traffic revenues, EBITDA and operating cash flow will continue to recover by 2022 to 2019 levels thanks to the gradual return to normal passenger and cargo traffic levels and to DB's cost savings program, which aims to reduce costs by more than €4 billion by 2024. The company will need to address structural profitability issues such as the weak performance in the rail freight division (DB Cargo), inflationary pressure on DB's cost structure and additional expenses for quality improvement measures.

DB is expected to receive up to €5 billion capital injection planned by the government to compensate for the losses incurred due to coronavirus. Despite the government's support measures, we expect DB's funded debt to increase by at least €4 billion by 2024 to fund the cash shortfall deriving from coronavirus and reflecting the government's decision to temporarily raise DB's debt ceiling from €24.6 billion to €30 billion.

While EBITDA will only recover gradually, debt will remain high as the company will need to finance its large capex program in the coming years in addition to the government grants. As a result we expect the company's leverage to remain high at around 7.0x in the next 24 months and only start to improve to 6.5x thereafter.

High and increasing capital spending will strain FCF

We expect that the company's free cash flows will be materially negative in the next 24 months, much higher than levels seen in the past, as a result of reduced passenger numbers due to the coronavirus pandemic and ongoing high capital expenditure (averaging around €6 billion per annum till 2024, after deducting investment grants). We also expect DB to delay the sale of its subsidiary Arriva as market conditions have deteriorated significantly as a result of the coronavirus pandemic.

Vertically integrated business model is credit positive

DB's weak leverage and FCF coverage are largely driven by the company's vertically integrated business model and substantial investment needs in rail track infrastructure and in rolling stock. This setup is unusual in the European rail operators market, where the infrastructure and rail operating businesses are mostly managed and run separately. We believe that the combination of the two businesses provides DB with an advantage, given the breadth of its operations. Therefore, DB can accommodate higher leverage in the a2 category than pure rail operators such as Ceske drahy, a.s. (Baa2 stable, BCA ba2). SNCF S.A. (Aa3 stable, BCA a3) is DB's closest peer following the integration of the infrastructure manager SNCF Réseau's (Aa2 stable) monopolistic activities on 1 January 2020. SNCF's lower BCA reflects the higher leverage of the company and the risks related to the upcoming liberalisation of the passenger railway market in France.

Solid business profile, supported by a predictable operating environment

We consider DB's operating environment in Germany to be stable and supportive of the company's credit quality. Germany has set the pace for rail sector liberalisation. For this purpose, the government has put in place a stable legal framework, entailing (1) the government's constitutional obligation to provide a functional rail infrastructure, implying that it will sustain most of the investments in infrastructure; (2) the budgeting of funds for regional transportation according to the German regionalization act; and (3) the existence of a performance and financing agreement for the existing rail infrastructure between DB and the federal government, with well-defined quality levels.

As a result of the opening of the German rail sector to competition, DB's market shares in both passenger transport and rail freight have been declining gradually. However, this decline has been offset by an increase in the absolute number of passengers, and is, therefore, manageable. Moreover, DB's business profile is supported by its large size and broad diversification by both business segment (rail and bus passenger transport, rail freight, logistics and rail infrastructure) and geography.

DB's business profile is also underpinned by its leading market positions. DB is the market leader in the European rail freight business and is the second-largest passenger railway operator in Europe after SNCF. In addition, DB is one of the leading groups in European land transport, air freight, ocean freight and contract logistics.

Increased importance of DB to achieve the government's CO_2 reduction targets in the transportation sector in Germany

We expect the German government will continue to provide timely support to DB if the viability of its German rail infrastructure and operation is at risk, owing to its strategic role of guaranteeing a public rail service across Germany, as well as its strategic role as one of the key drivers for the government's climate action plan (Climate Action Programme 2030) aimed at reducing pollution in the transportation sector. The government has also established a track record of ongoing and extraordinary support for DB as evidenced by a up to €5 billion capital injection planned by the government to compensate for the losses incurred due to coronavirus. This is in addition to the €1 billion annual capital injection (equity and investment grants) the Government will make through to 2030 from 2020 onwards and other indirect measures such as VAT reductions for long-distance rail services since January 1, 2020 and surcharges to domestic air travel aimed at promoting the increased utilisation of rail transport in Germany. The €5 billion capital injection is currently under scrutiny from the EU commission and Moody's expects DB to obtain clearance for this within the next six months.

We expect the German government will continue to provide timely support to DB if the viability of its German rail infrastructure and operation is at risk, owing to its strategic role of guaranteeing a public rail service across Germany.

Given DB's 100% ownership by the German government, we apply our Government-Related Issuers rating methodology for the company. Therefore, DB's rating reflects a combination of the following inputs:

» A BCA of a2

» The Aaa domestic-currency rating of the Federal Republic of Germany

» The high default dependence between DB and the government

» The high probability of support from the government

Our assessment of high default dependence between DB and the German government reflects Germany's status as a key hub of European rail traffic, and the strong integration of railway infrastructure into the international economy and trade flow. These factors are balanced by DB's geographical diversification, mainly via its international logistics and freight-forwarding activities; and the company's rail freight activities in neighboring European rail markets.

Our expectation that the government will provide DB with a high level of support in case of need is based on (1) the constitutional requirement that the government remains the owner of rail infrastructure in the country and is responsible for ensuring that it is functional; (2) DB's 100% state ownership; (3) the strategic importance of a functioning, well-funded rail infrastructure for Germany's economy; (4) an overall strong political consensus regarding the public role of DB and the importance of its activities for the German economy; and (5) DB's dominant role as a regional transport provider, in addition to its de facto monopoly in the long-distance passenger rail segment.

Environmental, social and governance considerations

We take into account the impact of environmental, social and governance (ESG) factors when assessing companies' credit quality. In the case of DB, the main ESG-related drivers are the following:

Environmental

» Shift to greener forms of transport supports DB's volume growth. Passenger railways tend to be environmentally clean and highly energy efficient. With about 60% of rail lines electrified in Germany (including roughly all of the main lines) as of December 2019, rail transport produces lower emissions than alternative transport such as air, bus or car travel. Passenger railway volumes will be driven by increasing awareness among travellers as well as government or local authorities' incentives to choose public transportation. On the other hand, DB's ongoing efforts to reduce its environmental impact will continue to strain the company's cash flow.

» DB is already experiencing the consequences of climate change. Record temperatures and fiercer storms challenge the company's punctuality and the viability of rail tracks, leading to potential disruptions and higher capital spending.

Social

» We regard the coronavirus outbreak as a social risk. The passenger railway sector in Germany has been significantly affected by the shock given its sensitivity to consumer demand and sentiment.

» Social risks also stem from the company's high exposure to human capital, with 323,944 employees as of December 2019 and a high number of unionised employees. Passenger railways are highly exposed to the risk of collective bargaining and industrial actions. Strikes can have both reputational and financial consequences. No major strike action has been recorded in Germany in recent years and or not to be expected in the short to mid-term. We understand that in the light of the pandemic a moderate tariff increase was agreed and signed with the Railway and Transport Workers union (EVG) in mid September 2020 including a wage increase of 1.5% as of Jan 1, 2022 and a term until February 2023. Discussions are ongoing with the second major union (the German Train Drivers´ union; GDL).

Governance

» DB's corporate governance structure is in line with German law and the articles of association. The supervisory board consists of 20 members and, consistent with the German Codetermination Act (MitBestiG), includes equal numbers of shareholders and employee representatives with an additional vote of the chairman in case of a draw. Despite high leverage, DB's financial policy is relatively balanced with a track record of support from the German government.

Liquidity analysis

We expect DB to maintain good liquidity over the next 12 months, supported by: (1) its cash position of €3.7 billion as of June 30, 2020; (2) its €3 billion commercial paper programme, of which €1.7 billion was drawn as of June 30, 2020; (3) €2 billion of unused committed credit lines; (4) its recovering cash flow from operations, which we expect to be €3.5 billion in 2021 and (5) the planned about €6 billion in capital injections from the government expected within the next 6-12 months.

Major cash needs include high capital spending, which we estimate will be roughly €6 billion (including leasing) in 2021, net of grants from the German government and more than €3 billion in debt maturities until December 2021.

We also expect DB to maintain its excellent access to the capital markets.

Methodology and scorecard

DB's BCA of a2 is two notches higher than the historic scorecard-indicated outcome of our Global Passenger Railway Companies rating methodology, published in June 2017. The BCA is also two notches above the forward-looking scorecard-indicated outcome. Deviations in both grids with the actual BCA of a2 reflect our expectation that DB will recover to a leverage of around 6.5x and EBITA margin around only from 2022 onwards, which is not captured in the current forward looking view.

Exhibit 5

Rating factors

Deutsche Bahn AG

Passenger Railway Industry [1][2]	Current LTM 6/30/2020		Moody's 12-18 Month Forward View As of 10/16/2020 [3]	
Factor 1 : SIZE (15%)	**Measure**	**Score**	**Measure**	**Score**
a) Revenue ($ Billion)	$46.9	Aaa	$45.5	Aaa
b) Number of Passenger Transported (PKM billion)	Aaa	Aaa	Aaa	Aaa
Factor 2 : MARKET POSITION (40%)				
a) Stability of Operating Environment	Aaa	Aaa	Aaa	Aaa
b) Market Characteristics	Aaa	Aaa	Aaa	Aaa
c) Competitive Environment	Aa	Aa	Aa	Aa
Factor 3 : COST POSITION AND PROFITABILITY (15%)				
a) EBITA Margin	-6.8%	Ca	1.1%	Ca
b) EBITA / Avg. Assets	-4.5%	Ca	0.7%	Caa
Factor 4 : CAPITAL STRUCTURE (15%)				
a) Debt / Book Capitalisation	81.0%	Ba	68.4%	A
b) Debt / EBITDA	17.9x	Ca	11x	Ca
Factor 5 : CASH FLOW AND INTEREST COVERAGE (15%)				
a) FCF / Debt	-11.5%	Caa	-13.6%	Caa
b) RCF / Net Debt	8.4%	Ba	5.9%	B
c) (FFO + Interest) / Interest	5.8x	A	4.5x	A
Rating:				
a) Scorecard-Indicated Outcome		Baa1		Baa1
b) Actual Rating Assigned				(P)Aa1
Government-Related Issuer	**Factor**			
a) Baseline Credit Assessment	a2			
b) Government Local Currency Rating	Aaa Stable			
c) Default Dependence	High			
d) Support	High			
e) Actual Rating Assigned	Aa1 Neg			

(1) All ratios are based on 'Adjusted' financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
(2) As of 06/30/2020.
(3) This represents Moody's forward view, not the view of the issuer, and unless noted in the text, does not incorporate significant acquisitions and divestitures.
Source: Moody's Financial Metrics™

Appendix

Exhibit 6

Peer comparison

(in USD millions)	Deutsche Bahn AG (P)Aa1 Negative FYE Dec-18	FYE Dec-19	LTM Jun-20	SNCF S.A. Aa3 Stable FYE Dec-18	FYE Dec-19	LTM Jun-20	Ceske drahy, a.s. Baa2 Stable FYE Dec-18	FYE Dec-19	LTM Jun-20
Revenue	$52,784	$50,424	$46,925	$39,337	$39,317	$34,714	$1,801	$1,773	$1,599
EBITDA	$6,517	$4,952	$2,366	$6,522	$6,483	$3,668	$449	$399	$344
EBITA Margin	3.1%	2.0%	-6.8%	6.7%	6.4%	-1.0%	6.0%	5.3%	3.0%
EBITA / Avg. Assets	2.2%	1.4%	-4.5%	3.3%	2.4%	-0.3%	2.6%	2.3%	1.1%
FFO + Int Exp / Int Exp	7.6x	8.4x	5.8x	2.8x	3.0x	1.6x	7.4x	7.3x	3.7x
Total Debt/Capital	71.2%	71.6%	81.0%	110.7%	113.6%	86.1%	46.6%	48.9%	52.9%
Debt / EBITDA	6.2x	8.0x	17.9x	13.4x	13.3x	25.0x	3.7x	4.6x	5.6x
FCF / Debt	-3.9%	-6.5%	-11.5%	-4.9%	-4.4%	-6.0%	-3.7%	-7.3%	-9.8%
RCF / Net Debt	18.4%	15.2%	8.4%	4.5%	4.6%	1.6%	24.6%	22.2%	13.2%

All figures and ratios are calculated using Moody's estimates and standard adjustments. FYE = Financial year-end. LTM = Last 12 months. RUR* = Ratings under review, where UPG = for upgrade and DNG = for downgrade.
Source: Moody's Financial Metrics™

Exhibit 7

Moody's-adjusted debt breakdown
Deutsche Bahn AG

(in USD Millions)	FYE Dec-15	FYE Dec-16	FYE Dec-17	FYE Dec-18	FYE Dec-19	LTM Ending Jun-20
As Reported Debt	**24,363.4**	**23,711.9**	**26,508.8**	**26,571.3**	**32,207.8**	**35,279.4**
Pensions	4,006.3	4,769.6	4,731.1	5,513.4	6,009.9	6,013.4
Operating Leases	4,360.1	5,313.4	6,376.2	6,179.8	0.0	0.0
Hybrid Securities	0.0	0.0	0.0	0.0	1,120.8	1,126.0
Securitizations	156.4	340.7	450.3	599.0	590.4	590.8
Moody's-Adjusted Debt	**32,886.2**	**34,135.5**	**38,066.5**	**38,863.5**	**39,928.9**	**43,009.5**

Source: Moody's Financial Metrics™

Exhibit 8

Moody's-adjusted EBITDA breakdown
Deutsche Bahn AG

(in USD Millions)	FYE Dec-15	FYE Dec-16	FYE Dec-17	FYE Dec-18	FYE Dec-19	LTM Ending Jun-20
As Reported EBITDA	**4,870.8**	**5,018.9**	**5,165.7**	**5,348.3**	**5,659.1**	**2,960.0**
Pensions	-94.4	-106.2	9.0	13.0	29.1	28.7
Operating Leases	1,485.4	1,571.1	1,999.9	2,128.0	0.0	0.0
Interest Expense – Discounting	-56.6	-55.3	0.0	0.0	0.0	0.0
Unusual	-785.0	-777.8	-840.6	-957.7	-750.1	-641.3
Non-Standard Adjustments	-24.4	-36.5	-15.8	-14.2	13.4	18.8
Moody's-Adjusted EBITDA	**5,395.8**	**5,614.1**	**6,318.2**	**6,517.4**	**4,951.6**	**2,366.2**

Source: Moody's Financial Metrics™

Exhibit 9

Selected historical and projected Moody's-adjusted financial data

Deutsche Bahn AG

(in USD million)	FYE Dec-16	FYE Dec-17	FYE Dec-18	FYE Dec-19	LTM Jun-20	FYE Dec-20 (f)	FYE Dec-21 (f)
INCOME STATEMENT							
Revenue	45,535	48,985	52,784	50,424	46,925	43,926	45,474
EBITDA	5,614	6,318	6,517	4,952	2,366	1,374	4,161
EBIT	996	1,235	1,409	823	(3,443)	(2,890)	238
Interest Expense	1,017	1,069	1,081	823	826	777	830
BALANCE SHEET							
Cash & Cash Equivalents	4,694	4,079	4,051	4,482	4,151	5,028	4,418
Total Debt	34,136	38,066	38,863	39,929	43,009	39,238	42,066
Total Liabilities	51,906	57,696	58,326	59,022	63,252	56,699	59,196
Average Assets	67,046	68,093	69,618	71,946	71,133	73,113	74,876
Book Capitalization	49,663	50,666	52,515	54,629	52,019	57,465	61,474
CASH FLOW							
Capital Expenditures	(4,679)	(6,030)	(6,252)	(5,766)	(6,320)	(6,116)	(7,612)
Cash from Investing Activities	(4,335)	(5,706)	(5,808)	(5,288)	(5,924)	(6,116)	(7,612)
Cash Dividends	(863)	(612)	(463)	(662)	(656)	(650)	(650)
Retained Cash Flow (RCF)	5,750	6,472	6,153	5,276	3,197	(461)	2,218
RCF / Debt	16.2%	18.6%	16.5%	13.5%	7.6%	-1.2%	5.3%
Free Cash Flow (FCF)	(409)	(2,418)	(1,444)	(2,531)	(4,864)	(7,256)	(5,728)
FCF / Debt	-1.1%	-6.9%	-3.9%	-6.5%	-11.5%	-18.5%	-13.6%
RCF / Net Debt	18.7%	20.8%	18.4%	15.2%	8.4%	-1.3%	5.9%
PROFITABILITY							
% Change in Sales	0.4%	5.3%	3.2%	0.8%	4.0%	-11.5%	3.6%
SG&A % of Sales	37.3%	36.8%	37.1%	40.3%	43.1%	45.5%	45.6%
EBIT margin %	2.2%	2.5%	2.7%	1.6%	-7.3%	-7.4%	0.5%
EBITDA margin %	12.3%	12.9%	12.3%	9.8%	5.0%	2.6%	8.4%
EBITA / Average Assets	1.8%	2.1%	2.2%	1.4%	-4.5%	-4.1%	0.7%
INTEREST COVERAGE							
EBIT / Interest Expense	1.0x	1.2x	1.3x	1.0x	-4.2x	-4.2x	0.3x
EBITDA / Interest Expense	5.5x	5.9x	6.0x	6.0x	2.9x	1.5x	4.6x
(EBITDA-CAPEX) / Interest Expense	0.9x	0.1x	-0.2x	-1.1x	-4.8x	-6.4x	-4.6x
(FFO + Interest Expense) / Interest Expense	7.6x	7.9x	7.6x	8.4x	5.8x	1.3x	4.5x
LEVERAGE							
Debt / EBITDA	6.4x	5.7x	6.2x	8.0x	17.9x	34.8x	11.0x
Debt / (EBITDA-CAPEX)	39.5x	287.3x	-206.4x	-43.4x	-10.6x	-7.9x	-11.1x
Avg. Assets / Avg. Equity	4.7x	4.7x	4.6x	4.8x	4.6x	4.4x	4.1x
Debt / Book Capitalization	71.7%	68.8%	71.2%	71.6%	81.0%	68.3%	68.4%

FYE = Financial Year-End. LTM = Last Twelve Months. RUR = Ratings under Review, where UPG = for upgrade and DNG = for downgrade.*

Source: Moody's Financial Metrics™

Ratings

Exhibit 10

Category	Moody's Rating
DEUTSCHE BAHN AG	
Outlook	Negative
Issuer Rating -Dom Curr	Aa1
Senior Unsecured MTN	(P)Aa1
Commercial Paper -Dom Curr	P-1
Other Short Term -Dom Curr	(P)P-1
DEUTSCHE BAHN FINANCE GMBH	
Outlook	Negative
Senior Unsecured	Aa1
Bkd Subordinate -Dom Curr	A3
Bkd Commercial Paper -Dom Curr	P-1
Bkd Other Short Term -Dom Curr	(P)P-1

Source: Moody's Investors Service

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CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454