Deutsche Bahn
Integrated Interim Report
January–June 2024

ABOUT THIS REPORT

We have added a few helpful features to make this report simpler to read:

We have used the following symbol to refer to further information in a certain section within the report: xxx.

green.

With our environmental brand "Das ist grün." (This is green.), we make our green transformation visible both externally and internally.

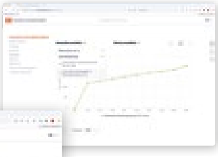
Online report

An online version and a PDF version of this Integrated Interim Report are available online: db.de/zb-e.

ONLINE ADDITIONS

Interactive key figures

You can find our interactive key figure comparison at: db.de/keyfigures.



AT A GLANCE

To the interactive key figure comparison

SELECTED KEY FIGURES	H 1 2024	H 1 2023	Change absolute	Change %
KEY FINANCIAL FIGURES (€ MILLION)				
Revenues [1]	22,310	23,004	- 694	- 3.0
Loss/profit before taxes on income [1]	- 1,113	32	- 1,145	–
Net loss (after taxes)	- 1,231	- 71	- 1,160	–
EBITDA adjusted [1]	1,301	2,178	- 877	- 40.3
EBIT adjusted [1]	- 677	279	- 956	–
Equity as of Jun 30/Dec 31	14,340	12,126	+ 2,214	+ 18.3
Net financial debt as of Jun 30/Dec 31	33,084	33,953	- 869	- 2.6
Total assets as of Jun 30/Dec 31	79,120	77,472	+ 1,648	+ 2.1
Capital employed as of Jun 30/Dec 31	49,238	48,300	+ 938	+ 1.9
Return on capital employed (ROCE) [1] (%)	- 2.7	1.2	- 3.9	–
Debt coverage [1] (%)	4.4	10.2	- 5.8	–
Gross capital expenditures [1]	7,305	6,176	+ 1,129	+ 18.3
Net capital expenditures [1]	4,016	2,977	+ 1,039	+ 34.9
Cash flow from operating activities	946	1,930	-984	-51.0
PERFORMANCE FIGURES				
Passengers [1] (million)	1,193	1,145	+ 48	+ 4.2
RAIL PASSENGER TRANSPORT				
Punctuality of DB passenger transport (rail) in Germany (%)	90.1	91.8	- 1.7	–
Punctuality of DB Long-Distance (%)	62.7	68.7	- 6.0	–
Passengers [1] (million)	919.2	876.5	+ 42.7	+ 4.9
thereof DB Long-Distance	64.2	68.2	- 4.0	- 5.9
Volume sold [1] (million pkm)	40,377	38,323	+ 2,054	+ 5.4
thereof DB Long-Distance	20,869	21,658	- 789	- 3.6
Volume produced [1] (million train-path km)	279.8	288.7	- 8.9	- 3.1
RAIL FREIGHT TRANSPORT				
Freight carried (million t)	92.9	103.5	- 10.6	- 10.2
thereof German companies	77.5	86.1	- 8.6	- 10.0
Volume sold (million tkm)	35,699	38,644	- 2,945	- 7.6
thereof German companies	24,445	27,311	- 2,866	- 10.5
TRACK INFRASTRUCTURE				
Punctuality (rail) in Germany [2] (%)	88.8	90.7	- 1.9	–
Punctuality DB Group (rail) in Germany (%)	89.9	91.7	- 1.8	–
Train kilometers on track infrastructure (million train-path km)	548.1	558.1	- 10.0	- 1.8
thereof non-Group railways	223.5	217.5	+ 6.0	+ 2.8
Share of non-Group railways (%)	40.8	39.0	+ 1.8	–
Station stops (million)	80.6	79.8	+ 0.8	+ 1.0
thereof non-Group railways	24.7	23.8	+ 0.9	+ 3.8
BUS TRANSPORT				
Passengers [1] (million)	273.8	268.6	+ 5.2	+ 1.9
Volume sold (million pkm)	3,043	2,940	+ 103	+ 3.5
Volume produced [1] (million bus km)	268.7	257.7	+ 11.0	+ 4.3
FREIGHT FORWARDING AND LOGISTICS				
Land transport shipments (million)	54.1	50.5	+ 3.6	+ 7.1
Air freight volume (export) (thousand t)	576.7	570.8	+ 5.9	+ 1.0
Ocean freight volume (export) (thousand TEU)	896.1	883.1	+ 13.0	+ 1.5
ADDITIONAL KEY FIGURES				
Order book for passenger transport as of Jun 30/Dec 31 (€ billion)	88.7	89.0	- 0.3	- 0.3
Rating Moody's/S&P Global Ratings	Aa1/AA-	Aa1/AA-	–	–
Employees as of Jun 30 [1] (FTE)	296,449	289,954	+ 6,495	+ 2.2

[1] Continuing operations. Figures for the first half of 2023 adjusted due to reclassification of DB Arriva.
[2] Non-Group and DB Group train operating companies.

CONTENTS

CHAIRMAN'S LETTER

Dear readers,

The UEFA European Football Championship acted as a magnifying glass, raising public awareness of the high demand for environmentally friendly mobility and, at the same time, the need for action in track infrastructure. This is why it is all the more important that we have started the general modernization of the Riedbahn, the line between Frankfurt am Main and Mannheim, which represents the first major project to sustainably improve quality and stability. Many more projects such as this will – and must – follow over the next few years.

Overall, the first half of 2024 showed that demand is intact. After some difficult months, both operationally and economically, we were once again able to record a significant increase in revenues in long-distance transport in June. DB Regional also recorded positive effects in revenues.

However, the track infrastructure is outdated and prone to failure. When extreme weather events also come into play, which occurred more frequently than ever in the first half of 2024, this has a huge impact on rail traffic. In June 2024 alone, on average more than 400 long-distance trains per day were affected by infrastructure damage caused by external factors such as landslides, floods and dam damage.

Several strikes by the German Train Drivers' Union (GDL) in the first quarter of 2024 also had a significant economic effect on us. In addition to the difficult operating situation, these strikes had a negative impact on the booking behavior of our passengers and on demand in freight transport, where the companies concerned depend on reliable, environmentally friendly logistics.

We are therefore resolute in our efforts to achieve short-term improvements: a punctuality action plan to stabilize the operating situation and a strict spending monitoring and control program to safeguard our profit targets in 2024. Our target is set: we want to improve our profit in the Integrated Rail System by about two billion euros compared to the previous year.

It is also clear that we can only achieve sustainable improvement in all areas if we completely renovate and modernize the rail infrastructure. Our customers rightly expect better quality. A robust, efficient existing network is the prerequisite for a more reliable and thus more attractive railway.

We are grateful that the Federal Government shares this conviction. In 2024, we will receive about 60 percent more funding from the Federal Government for infrastructure than in previous years. A similar level can also be expected for 2025 and 2026. This will enable us to continue modernizing the infrastructure. Building on this, the stabilization of the operating situation as well as the economic recovery and efficient structure of all business units of DB Group remain high priorities for us.

This means that we will standardize, automate and digitize significantly more – also to deploy employees more efficiently and with the greatest benefit for our customers. This is the only way to increase our productivity. In times of a shortage of skilled labor, this is crucial for our readiness for the future.

Five years ago, we launched our Strong Rail strategy to achieve growth and a shift in the mode of transport. Since then, despite a series of global crises such as the Covid-19 pandemic and the war in Ukraine, we have made great progress: we have modernized our long-distance transport fleet and expanded our depots. We have hired at record levels. We have better linked modes of transport and massively expanded the schedule.

Now it is time to pull the central lever: by modernizing the infrastructure, we have the opportunity to bring our strategy to fruition and to progressively contribute to a modern, environmentally friendly society, which is what we have set out to do. A modernized and thoroughly overhauled existing network with high-performance corridors at the heart of it is the foundation for this. The start of the general modernization of the Riedbahn marks the beginning. Germany needs a strong rail system!

Sincerely,

Dr. Richard Lutz
Chief Executive Officer and Chairman of the Management Board
of Deutsche Bahn AG

INTERIM GROUP MANAGEMENT REPORT (UNAUDITED)

OVERVIEW

Significantly more Government funds for rail

The 2024 Federal budget was approved on February 2, 2024. A total of over € 17 billion is available for the major rail items, which is about € 7 billion more than provided for in the 2023 Government budget and the previous Government financial planning.

First equity increase implemented

In the 2024 Federal budget, the Federal Government has earmarked € 4.37 billion in addition to the funds from the Climate Action Program 2030 to increase the equity of Deutsche Bahn AG (DB AG) for the purpose of upgrading the rail network. The first tranche of the additional equity in the amount of € 3.02 billion was paid out to DB AG at the end of June 2024.

The funds will be used exclusively for infrastructure and were passed on to DB InfraGO AG on the same day to increase equity.

Collective bargaining agreement reached with GDL

Deutsche Bahn Group (DB Group) and the German Train Drivers' Union (Gewerkschaft Deutscher Lokomotivführer; GDL) have reached a collective bargaining agreement 21 after five months of negotiations. In the first half of 2024, the GDL took strike action on 13 days.

DB InfraGO commences operations

DB InfraGO has been bundling DB Group's activities in the areas of track infrastructure and passenger stations since the turn of the year. The launch of DB InfraGO also marked the start of a comprehensive renovation and modernization program for the rail network and stations. The focus is on the existing network: over 2,000 km of track, 2,000 switches, 150 bridges and 1,000 stations are being modernized. This will make the existing infrastructure more robust and efficient and create more capacity in the rail network.

Arriva sale finalized

DB AG finalized the sale of Arriva Group to I Squared Capital, a leading independent global infrastructure investor, on May 31, 2024. The transaction was initiated with the signing of the purchase agreement in October 2023 and has since met the usual closing conditions and received final approval from the relevant regulatory authorities.

DB Schenker sale process continues

The process for a potential sale of up to 100 % of the shares in DB Schenker was continued as planned in the first half of 2024. The outcome remains open. According to the Supervisory Board's resolution, proceeds from a potential sale of DB Schenker should remain entirely within DB Group, and contribute to a significant reduction in DB Group's debt. A sale will only take place if it is economically advantageous for DB Group.

General rehearsal for first general modernization

At the beginning of January 2024, DB InfraGO tested the concept of the planned five-month general modernization of the 70-km-long Riedbahn between Frankfurt am Main and Mannheim, that began on July 15, 2024. In long-distance and regional transport, DB Group has reorganized the services between the Rhine-Main and Rhine-Neckar metropolitan areas together with the responsible contracting organizations. Freight transport also ran smoothly and on time via the detour routes. In regional transport, 150 replacement buses took up to 16,000 passengers to their destinations every day.

ICE 4 fleet delivered in full

With the delivery of the 137th train, the ICE 4 fleet is now complete. Since 2016, the manufacturer Siemens Mobility has delivered three different train variants – a total of over 1,500 cars with about 105,000 seats. In addition to the 37 7-car trains, 50 12-car trains and 50 13-car XXL ICE trains are in operation. The latter offers almost 1,000 seats.

The DB Cargo transformation has begun

DB Cargo is undergoing a comprehensive transformation to sustainably improve its economic situation. At the heart of this is the simplification of production in order to make transport services more robust and resilient and to realize significant improvements in profitability.

Flood aid for employees

DB Group, the Group Works Council, the Railway and Transport Workers Union (Eisenbahn- und Verkehrsgewerkschaft; EVG) and the BSW&EWH Foundation Family have extended the relief campaign 21 for DB employees in the areas affected by storms in southern Germany.

FUNDAMENTALS

Changes in the executive bodies of DB AG

There were no changes in the Management Board or Supervisory Board of DB AG in the first half of 2024.

Sustainability management

Sustainability is a high priority at DB Group. With the green transformation 17f. and our social responsibility, we are pursuing a holistic approach anchored in the Strong Rail strategy.

SOCIAL RESPONSIBILITY

With about 296,000 employees worldwide, millions of passengers every day and a large number of different business partners, DB Group occupies a central position in society. In addition to environmental and economic aspects, commitment to social issues is an integral component of our holistic approach to sustainability. Our social responsibility is expressed in four principles that guide our daily actions:

- Strengthening community
- Supporting social engagement
- Promoting diversity
- Responsibility for our history

IMPLEMENTATION OF THE ACT ON CORPORATE DUE DILIGENCE OBLIGATIONS IN SUPPLY CHAINS

To comply with our human rights and environmental due diligence obligations under the Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz; LkSG), we have set up an appropriate risk management system in accordance with the LkSG. This is something we are gradually anchoring in all relevant business processes. Due to the planned lowering of the statutory threshold for the obligation to apply the LkSG from 3,000 to 1,000 employees as of January 1, 2024, a total of 25 Group companies (previous year: 16 Group companies) now fall within the scope of the LkSG.

We have defined clear responsibilities to ensure effective compliance with the LkSG. The central element of our LkSG risk management system is the regular and ad hoc performance of risk analyses.

The new Group Code of Conduct and the DB Code of Conduct for Business Partners, which we have adapted to the requirements of the LkSG, have been in force since the beginning of 2024. To take suitable preventive and corrective measures, we develop risk-based corrective action plans on a case-by-case basis using an overarching catalog of measures. Our current whistle-blower management system can be used for all LkSG topics, making it possible to report human rights-related and environmental risks as well as corresponding breaches of duty.

ESG RATINGS

The feedback from ESG (environmental, social and governance) rating agencies is very important to us as a benchmark and an indicator for our stakeholders' main concerns.

ESG RATINGS	2024	2023	2022	Last update	Rating scale
CDP (climate rating)	–	A–	A	Feb 2024	A to F
EcoVadis	71/ Silver	68/ Silver	68/ Gold	Jun 2024	From 2024: Platinum: the top 1% Gold: the top 5% Silver: the top 15% Bronze: the top 35%
ISS ESG	B–	B–	C+	Sep 2023	A+/4.00 to D–/1.00
MSCI	A	A	AA	May 2024	Leader (AA–AAA) Average (BB–A) Laggard (CCC–B)
Sustainalytics	22.3	22.1	24.5	May 2024	Risk assessment: Negligible (0–10) Low (10–20) Moderate (20–30) High (30–40) Severe (40–100)

In alphabetical order.

More information on our ESG ratings are available on our investor relations website.

- In the EcoVadis rating, DB Group has improved its overall score in 2024. The score puts DB Group in the top 2% of companies in the rail transport industry assessed by EcoVadis. The industry average is 42 points. As in the previous year, DB Group was also awarded a silver medal for its sustainability performance.

Development of business environment

NATIONAL ENVIRONMENT

DB Group

IMPLEMENTATION OF COMMON GOOD-ORIENTED INFRASTRUCTURE

Since the end of 2023, DB InfraGO AG has been the common good-oriented infrastructure company of DB Group: on December 27, 2023, DB Netz AG was renamed as DB InfraGO AG following its registration in the trade register. At the same time, DB Station&Service AG was merged into DB InfraGO AG. The track infrastructure will therefore be managed, planned and further developed from a single source from 2024. The quality, capacity and stability of rail operations should be improved continuously. This will create the conditions for achieving the targets regarding growth and the shift in the mode of transport set by the Federal Government and the Strong Rail strategy. The underlying reform package comprises five pillars:

- The first pillar is the overall content-related program for the new management of the infrastructure with the following fields of action: availability and operation, creation of the high-performance network, maintenance and modernization of the other parts of the network, rapid capacity expansion, consistent digitalization, stations of the future, efficient service facilities, and expansion/new construction and electrification. The new management regime is intended to reverse the trend in terms of aging and quality of the rail network and stations. By 2030, this is expected to create noticeably greater robustness and capacity.
- The second pillar is the creation of the necessary legal bases, in particular making the financing regulations more flexible through a reform of the Federal Rail Infrastructure Extension Act (Bundesschienenwegeausbaugesetz; BSWAG). The amendment to BSWAG 7 came into force on July 9, 2024. Further measures to improve the rail network are to be implemented by means of the Modern Railway Act (Implementation of the Rail Acceleration Commission 6).
- The third pillar redefines the financing framework. The financing architecture of the various funding pots is to be simplified based on the recommendations of the Rail Acceleration Commission. Moreover, the additional financial resources necessary for the implementation of the entire program need to be provided by the Federal Government, and the content of the Performance and Financing Agreement (Leistungs- und Finanzierungsvereinbarung; LuFV) needs to be developed further.
- With the fourth pillar, the Federal Government intends to further develop the management of the infrastructure. Infraplan is a central control tool. Infraplan is intended to present measures, strategies and overarching targets for infrastructure development for a rolling five-year period – including key figures and documentation of progress.

  The institutionalized involvement of the industry in the work of DB InfraGO AG is carried out via the Sector Advisory Board, which was constituted on March 25, 2024. Its targets are to increase transparency and participation, as well as to exchange specialist knowledge. The new Sector Advisory Board replaces the existing advisory boards, the Rail Network Advisory Board and the Station Advisory Board. The Federal Ministry for Digital and Transport (Bundesministerium für Digitales und Verkehr; BMDV) operates the branch office of the Sector Advisory Board.
- The fifth pillar includes the organizational merger of DB Netz AG and DB Station&Service AG. DB InfraGO then developed a mission statement for 2030, which was completed in spring 2024. The mission statement describes the requirements placed on DB InfraGO for achieving corporate and political targets.

2024 FEDERAL BUDGET

The 2024 Federal budget was approved on February 2, 2024. A total of over € 17 billion is available for the major rail items, which is about € 7 billion more than provided for in the 2023 Federal budget and the previous Government financial planning.

- Part of the funding for rail is an equity increase of € 5.5 billion for infrastructure, € 4.375 billion more than provided for in the Government draft. The additional equity increase is intended to compensate for funds lost from the Climate and Transformation Fund (Klima- und Transformationsfond; KTF) in the Government draft of August 9, 2023.
- The funds allocated to the budget item for the modernization of the existing network (Performance and Financing Agreement) saw significant growth of just under

€ 2.8 billion compared to 2023, bringing them to just under € 7.5 billion. The allocation of funding in the 2024 Federal budget covers the financing needs for the general modernization and maintenance of the existing network in 2024.
- The European Rail Traffic Management System (ERTMS) item for the digitalization of the rail system was allocated just under € 1.1 billion in 2024, an increase of about € 0.45 billion compared to 2023.
- The funds allocated to the construction and expansion of new and existing lines under the requirement plan amounted to just under € 1.7 billion, about € 0.3 billion less than in 2023.

In the area of support for rail transport, there have been reductions compared to the Government draft in order to finance the lowering of the BMDV budget reduction required by the overall budget consolidation. The cuts are mainly related to the train-path and facility price support for rail freight transport, which is € 229 million for 2024 (instead of € 350 million) or € 20 million (instead of € 85 million). The budget item for single wagon transport support remains unchanged at just under € 300 million, which is a significantly higher level than in 2023. Together with the facility price support of € 20 million, there is a total of just under € 320 million available for the support of single wagon transport in 2024.

The 2024 Federal budget, the current financial plan up to 2027 and the DB Group's own contribution together provide about € 27 billion of additional funds for the period from 2024 to 2027. The additional funding needed for rail up to 2027 has been identified as € 45 billion in total and is therefore not yet fully covered.

IMPLEMENTATION OF THE RAIL ACCELERATION COMMISSION

On December 13, 2022, the Rail Acceleration Commission presented its final report under the guidance of the BMDV. The Commission provides comprehensive recommendations for action to speed up planning, approval and construction processes in rail transport and to further develop financing processes. It proposes the creation of a high-performance network through the general modernization of highly utilized lines. The Commission has developed a list proposal of 89 measures that can be implemented in the short-term, focusing on track change facilities. Faster approval processes are to be achieved through legislation modeled on the example of the energy sector. To reduce the complexity of track infrastructure financing, a new financing architecture is recommended that summarizes financing sources and uses partly additional income from truck tolls. On April 24, 2024, the BMDV submitted the second progress report on the implementation of the recommendations of the Rail Acceleration Commission. The report states that 38 recommendations are either in the process of being implemented or have already been implemented in full. The implementation of 32 further recommendations is being prepared. Several of the recommendations require amendments to existing laws. Some of the Rail Acceleration Commission's recommendations have already been taken into account in legislative procedures. These include the implementation of the sublime public interest for numerous infrastructure projects (including all projects set out in the rail requirement plan and the Municipal Transport Financing Act) in the Approval Acceleration Act that came into force in late 2023. The truck toll has also been expanded and adjusted so that a proportion of the income from it is now also used for Federal rail infrastructure.

Further legislative recommendations from the Rail Acceleration Commission are currently being implemented as a result of the adoption of the Federal Rail Infrastructure Extension Act and the Government draft of the Fourth Bureaucracy Reduction Act (Regierungsentwurf zum Vierten Bürokratieentlastungsgesetz; BEG IV). The draft of the BEG IV includes measures to accelerate planning for rail. The BMDV has announced a draft of the Modern Railway Act recommended by the Rail Acceleration Commission for the combined implementation of its proposals, to be completed in the summer of 2024.

AMENDMENT TO THE FEDERAL CLIMATE PROTECTION LAW

The amendment to the Federal Climate Protection Law came into force on July 17, 2024. Germany's climate protection targets remain unchanged. By 2030, the reduction is expected to be 65 % compared to 1990 and 88 % by 2040, and net greenhouse gas neutrality is expected to be reached by 2045.

In future, all sectors will be considered in a forward-looking multi-year accounting system. The forecast emission trends, together with monitoring of the previous year's emissions data, will serve as a basis for action. If the projection data shows a missed target in total annual emissions for two consecutive years, the Federal Government must work out measures to achieve the target.

Passenger transport

INTRODUCTION OF A MOBILITY BUDGET IN TAX LAW

As part of the Annual Tax Act 2024, the Federal Government is planning for the first time to introduce a mobility budget. A mobility budget is an offer made available to employees for the use of off-duty mobility services, regardless of the means of transport (e.g. e-scooters, rental bicycles, car-sharing), in addition to the wages otherwise due. Single tickets and passes for bus and rail transport are also covered by the mobility budget. The use of off-duty mobility services is to be taxable at 25% on a flat-rate basis up to a maximum of € 2,400 per year. Long-term motor vehicle leases, company bicycles or job tickets will not be covered by the flat-rate taxation option. The rules regarding taxation of company cars remain unchanged.

GERMANY-TICKET

The Germany-Ticket, which is valid for local public transport nationwide, was introduced on May 1, 2023, at a price of € 49 per month. The interim results after about a year show a high level of acceptance among customers, and intensive use: an average of 11.2 million passengers a month hold a Germany-Ticket. Since the Germany-Ticket was introduced, DB Regional has recorded passenger growth of 14%. Two-thirds of DB Regional customers hold a Germany-Ticket. The frequency of local public transport use and the total distance covered have risen thanks to the ticket. Of all journeys made with a Germany-Ticket, 12% displaced other means of transport, 7% thereof motorized private transport.

There are currently no long-term funding prospects for the Germany-Ticket. The transferability of funds from 2023 to 2024 and from 2024 to 2025, as adopted by the Federal Government and the Federal states at the Transport Ministers' Conference on November 6, 2023, is to be implemented in an amendment to the Regionalization Act. A draft to that effect was adopted by the Federal Government on July 17, 2024. At their meeting on January 22, 2024, the transport ministers of the Federal states set the price at € 49 per month for 2024 and announced that the ticket price for 2025 would be set in fall 2024. At the special meeting on July 8, 2024, the transport ministers of the Federal states determined that, according to the current funding requirement forecasts for 2025, a price increase for the Germany-Ticket would be required.

The existing funding for the Germany-Ticket up to 2025 was adopted in March 2023 as part of the Ninth Act Amending the Regionalization Act. According to the Act, the Federal Government and the Federal states each cover half of the costs of the Germany-Ticket at € 1.5 billion per year from 2023 to 2025. In addition to the increase in regionalization funds, it was decided with this amendment that the increase in train-path and station charges for regional rail passenger transport will be set at 1.8% per annum until 2025. As a result, there is a deviation from the previous regulation in the Railway Regulation Act, according to which the charges for regional rail passenger transport are linked to the regular increase of regionalization funds, which was adjusted from 1.8% to 3.0% from 2023. This capping leads to a strong, disproportionately high increase in the train-path usage fees for long-distance and freight transport.

Infrastructure

In addition to several of the topics described above, there are other relevant legislative procedures for the field of infrastructure, which are explained below.

AMENDMENT TO THE FEDERAL RAIL INFRASTRUCTURE EXTENSION ACT

The Fourth Act Amending the Federal Rail Infrastructure Extension Act (Bundesschienenwegeausbaugesetz; BSWAG) came into force on July 9, 2024. The BSWAG is the legal basis for capital expenditures on Federal rail infrastructure. The amendment removes existing capital expenditure barriers and strengthens the performance capability and availability of track infrastructure. In concrete terms, it creates new financing options by opening up public funding to non-capital expenditure elements. In future, maintenance expenses, for example, could also be subsidized by the Federal Government, as could one-time expenses (e.g. dismantling, IT services) and follow-up costs of measures initiated by the Federal Government. The adoption of the amendment was made possible by the agreement between the Federal Government and the Federal states on the remaining open questions in the Mediation Committee on June 12, 2024. The agreed compromise set out the cost sharing arrangement for rail replacement services during the general modernizations, the funding option for equipping vehicles with digital (ETCS) on-board equipment, the ability to fund concourse buildings (exclusion of commercial spaces) and clarifications on the application of funds in the context of general modernizations.

GERMANY PACT FOR THE ACCELERATION OF PLANNING

On November 6, 2023, the leaders of the Federal states reached an agreement with the German Chancellor on a pact to accelerate planning, approval and implementation. The pact contains numerous measures, some of which are in line with the recommendations of the Rail Acceleration Commission. In particular, these relate to the avoidance of replanning, the introduction of reporting date regulations on the legal and factual situation at the time of the application and the establishment of wildlife conservation standards. Furthermore, the procedures are to be shortened by optimized environmental impact assessments and plan approval procedures. Further acceleration legislation is to be implemented in order to implement the pact. The first legislative measures under the pact have been implemented in the amendment to the Federal Immission Control Act (Bundes-Immissionsschutzgesetz; BImSchG). For rail, this will make it easier to begin construction early in some cases.

Freight transport

IMPLEMENTATION OF MASTER PLAN FOR RAIL FREIGHT TRANSPORT

The implementation of the Master Plan for Rail Freight Transport will continue as per the current procedure in order to supplement the work of the Rail Future Alliance. Important matters for rail freight transport include the prorated funding of train-path and facility prices, the Federal Future of Rail Freight Transport program, the Funding Guidelines for Railway Sidings and the Combined Transport Funding Guidelines.

On June 28, 2024, the BMDV created the legal basis for an extension of the prorated train-path price support in rail freight transport. The new period runs from June 28, 2024, to November 30, 2028. For 2024, about € 229 million is provided for this in the Federal budget.

SUPPORT OF SINGLE WAGON TRANSPORT

On May 21, 2024, the European Commission approved the Directive on Support for Operating Costs in single wagon transport. This authorizes grants totaling € 1.7 billion over a period of five years up to 2029. The Federal budget makes just under € 300 million available to the sector for 2024. Support for this transport has been provided since July 1, 2024.

RAIL NOISE PROTECTION ACT

On June 27, 2024, the German Parliament passed the Act on Rail Noise Protection (Gesetz zum Schienenlärmschutz; SchlärmschG). The Rail Noise Protection Act supplements the concept of quieter lines as defined by the Technical Specifications for Interoperability – Noise (TSI NOI) with regulatory requirements. Subject to the final referral to the Upper House of Parliament (Bundesrat), the existing Rail Noise Protection Act will cease to apply when the concept of quieter lines becomes effective at the time of the timetable change in December 2024.

EUROPEAN ENVIRONMENT

DB Group

THE EUROPEAN GREENING TRANSPORT PACKAGE

By 2050, greenhouse gas emissions from transport are to be reduced by 90 % compared with 1990. To this end, on July 11, 2023, the European Commission presented a comprehensive package of measures. For rail transport, the following proposals are directly relevant: more efficient capacity management in cross-border rail transport, the revision of the directive on maximum permitted levels and weights in road freight traffic, and a proposal for the standardized calculation of transport-related greenhouse gas emissions. The proposal for revision of the Combined Transport Directive was adopted in a second step on November 7, 2023. The legislative proposals of the European Commission are now being dealt with by the Council and the European Parliament. The legislative procedures are not expected to be completed until 2025. Each initiative is outlined below.

Better coordination and management of international rail transport

The target of the proposal is to create more effective capacity management on the rails, especially in terms of cross-border transport. In future, train operating companies will be able to apply for capacity via a national infrastructure operator in a more flexible way and across all networks. Socioeconomic and environmental criteria are to be applied when resolving capacity conflicts. The draft regulation contains fundamental amendments to the existing provisions on the awarding of track capacity in EU Directive 2012/34. The European Parliament adopted its position at first reading on March 12, 2024. On June 18, 2024, the Council adopted its general approach. The compromise negotiations between the Council and Parliament will begin in the second half of 2024.

Revision of the Combined Transport Directive

The European Commission's proposal stipulates that in future, only modes of transport that incur at least 40 % lower external costs than freight transport by road will be introduced and funded as combined transport. EU member states are to submit a national strategy framework to reduce the average costs of combined transport by 10 %. Details such as the calculation of external costs and the audit of requirements using the planned digital platforms are to be defined in downstream legal acts. The European Parliament has not yet adopted a position on the dossier. The Council accepted a progress report on June 18, 2024. The procedure will continue in the second half of 2024.

Revision of the Weights and Dimensions Directive for road freight traffic

The proposed directive focuses on the possibility of the cross-border use of longer and heavier commercial vehicles based on the European Modular System (EMS) or gigaliners, provided they are already approved in the member states. In order for emissions-free trucks to be funded, they can be 90 cm longer and up to 4 t heavier. The European Commission's target is to gradually phase out the use of heavy commercial vehicles powered by fossil fuels by 2035. However, in a transitional period up to the end of 2034, conventional combustion trucks may also be heavier and longer. The European Parliament adopted its position at first reading on March 12, 2024, and broadly endorsed the Commission proposal. So far, only one progress report has been adopted in the Council, on June 18, 2024. The crucial factor is that the proposals do not result in transport services being re-outsourced from rail to road.

Proposal for a directive on the standardized recording and calculation of greenhouse gas emissions due to traffic

With CountEmissions EU, the European Commission aims to create a harmonized European framework for the calculation and reporting of transport-related greenhouse gases. The calculation will apply to both passenger and freight transport. The standardized calculation using the ISO 14083:2023 global standard is intended to provide users, consumers and companies with transparent information that makes it possible to compare emissions. The European Parliament adopted its position at first reading on April 10, 2024. The trilogue negotiations with the Council will start in the second half of 2024.

Passenger transport

LEGISLATIVE PROPOSAL FOR MULTIMODAL DIGITAL MOBILITY SERVICES

The European Commission has announced a legislative proposal on multimodal digital mobility services (MDMS) to regulate data-related aspects of sales (e.g. transfer of real-time and forecast data) and purely commercial points (e.g. commitment to enter into contractual relationships under certain circumstances). The European Commission aims to ease access to existing sales channels and real-time data. In addition, journey continuation in the event of disruptions is to be improved. The European Commission's draft legislation has been postponed several times. It is now expected that the European Commission will not present its proposal until 2025.

CONSIDERATION OF THE OPEN SALES AND DISTRIBUTION MODEL SECTOR STANDARD IN THE TSI TA

The European Commission is currently working with the European Railway Agency (ERA) to revise the Technical Specifications for Interoperability of Telematics Applications (TSI TA). The aim is to adopt them at the next meetings of the relevant Member States' Committee in November 2024 or February 2025. It also sets the course for ticketing, such as defining the structure of fare data and the interface for booking and paying for international/national tickets, for which the sector has already developed a solution with the Open Sales and Distribution Model (OSDM) interface.

The European Commission has recently declared its opposition to a holistic inclusion of OSDM in the TSI TA and intends to entrust the European standardization body CEN/CENELEC with the task of developing a new standardization interface in a timely manner.

If OSDM is not included in the TSI TA, this would mean that the sector would have to deal with a new technical regulation in the future (2027 to 2028) after OSDM has been fully implemented (by 2025).

PROPOSALS FOR MULTIMODAL PASSENGER RIGHTS AND TO STRENGTHEN THE RIGHTS OF CUSTOMERS

On November 29, 2023, the European Commission introduced the Passenger Mobility Package. It includes, among other things, proposals for a new regulation on multimodal passenger rights and a proposal to amend the European passenger rights regulations to strengthen the rights of customers. The European Commission believes that passenger rights in the EU should be worded more clearly for both transport companies and passengers, and their implementation should be improved. Moreover, there is no EU legislation guaranteeing the rights of passengers combining different means of transport. In its proposal, the Commission now introduces a new liability, particularly for continuous multimodal transport contracts, for example in the event of loss of connections between two means of transport. The tightening of the requirements for continuous journeys could lead to such offers being restricted in the future. For DB Group, the new legislation on multimodal passenger rights could have an impact in particular on cooperation with airlines. The regulation amending the European passenger rights regulations increases the documentation requirements when concluding transport contracts and establishes a monitoring system for the fulfillment of passenger law requirements. The Council accepted a progress report on the dossier on June 18, 2024.

Infrastructure

REVISION OF THE REGULATION ON EU GUIDELINES FOR THE DEVELOPMENT OF THE TRANS-EUROPEAN TRANSPORT NETWORK

On December 14, 2021, the European Commission presented a proposal for the revision of the regulation on guidelines for the development of the Trans-European Transport Network (TEN-T network). The target is to achieve faster completion of the multimodal TEN-T core network by 2030 and the overall TEN-T network by 2050. After a negotiation period of more than three years, the new regulation was published in the Official Journal of the European Union on June 28, 2024, and entered into force on July 18, 2024. The new regulation confirms the proposed new network design with the target horizons of 2030 (core network), 2040 (expanded core network) and 2050 (entire network). In order to ensure timely completion, implementation requirements are planned for the most important cross-border sections and other specific national sections along the European transport corridors. Among other things, the agreed requirements include the introduction of the European Rail Traffic Management System (ERTMS) and the shutdown of Class B train protection systems, minimum line speeds of 160 km/h for passenger trains, as well as better integration of ports, airports and multimodal freight terminals into the TEN-T network. Operational requirements were adopted for rail freight transport, for example for border clearance times.

Legal topics

Important legal topics are highlighted in the 2023 Integrated Report. Significant developments occurred in relation to the following issues in the first half of 2024.

PROCEEDINGS REGARDING ADDITIONAL FINANCING CONTRIBUTIONS FOR STUTTGART 21

At the end of 2016, in order to avoid risks under the statute of limitations, we initiated proceedings in the Stuttgart Administrative Court against the project partners seeking additional financing contributions on the basis of what is known as the negotiation clause. After several oral proceedings in the summer of 2023 and in the spring of 2024, the court dismissed the action on May 7, 2024. The reasons for the decision are not yet available. Once these are available, they will be evaluated and the appeal will be assessed.

CIVIL PROCEEDINGS ON INFRASTRUCTURE UTILIZATION FEES

A large number of disputes relating to train-path usage and station fees are still pending in the civil courts. This concerns the question of whether, and according to which standards, the civil courts may subject the regulated fees to a further civil court assessment. According to a ruling by the Federal Supreme Court (Bundesgerichtshof; BGH) in 2011, rail infrastructure usage fees charged before the Railway Regulation Act (Eisenbahnregulierungsgesetz; ERegG) entered into force could be reviewed by civil courts for fairness based on

Section 315 of the Civil Code (Bürgerliches Gesetzbuch; BGB), even if they were valid under regulatory law. The European Court of Justice (ECJ) ruled in 2017 that a review of the equity of infrastructure charges by civil courts in accordance with Section 315 BGB is incompatible with European railway law. However, the BGH continued to stipulate a benchmark antitrust law review by the civil courts. On February 8, 2022, the BGH issued legally binding rulings for the first time requiring DB Netz AG to repay regional factor fees. On October 27, 2022, the ECJ ruled in a preliminary ruling procedure that the antitrust law applicable to rail infrastructure charges by the civil courts was affirmed in principle, but this was linked to the condition that the regulatory authority will be consulted first, and the civil courts must follow their ruling (ECJ, C-721/20 – DB Station&Service). With reference to the ECJ ruling, the Federal Network Agency (Bundesnetzagentur; BNetzA) has initiated a review of the old fees in dispute. In its ruling dated March 7, 2024 (ECJ, C-582/22 – Die Länderbahn), the ECJ confirmed the possibility of this retrospective review of old fees. It is not yet clear how the proceedings will develop.

STRATEGY

Implementation of the Strong Rail strategy

The key elements of the Strong Rail strategy are outlined in the 2023 Integrated Report. There were no significant changes to this in the first half of 2024. The current challenges will be transferred to the strategic areas and aligned to the challenges arising from the infrastructure quality, the shortage of skilled employees and the economic situation of DB Group.

PRODUCT QUALITY AND DIGITALIZATION

Punctuality

PUNCTUALITY / %	H1 2024	2023	H1 2023
DB Group (rail) in Germany	89.9	90.1	91.7
DB rail passenger transport in Germany	90.1	90.3	91.8
DB Long-Distance	62.7	64.0	68.7
DB Regional	90.8	91.0	92.4
DB Cargo (Germany)	68.1	70.5	71.2
DB Regional (bus)	86.2	85.2	85.9
DB Cargo	68.4	69.7	70.5
Punctuality (whole journey) (DB Long-Distance)	66.8	68.9	73.9

To measure punctuality, we continually compare the scheduled arrival time to the actual arrival time for every train / bus run. We summarize the arrival of trains / buses on schedule or up to a defined maximum delay using a degree of punctuality.

The punctuality in rail transport in Germany has continued to decline despite intensive efforts within the Integrated Rail System, thus continuing the negative trend since 2021. The reasons for the tense operating situation are:

- **Poor condition of facilities:** The outdated and overloaded infrastructure leads to a large number of disruptions, especially in the superstructure. These disruptions result in a high number of restricted speed sections.
- **Construction activities during the business year:** The large number of construction activities during the business year disrupt capacity management and lead to a destabilization of the schedule processes.
- **High traffic density:** The growth in traffic, especially in the major transport hubs, continues to put the infrastructure under strain and causes significant passing on of delays.
- **Personnel:** In some key operational functions, the impact of the tight labor market is particularly noticeable, making it difficult to meet personnel requirements (for example traffic controllers and traction unit drivers).
- **Other events:** Extreme weather events, such as the floods in southern Germany at the beginning of June 2024, which led to substantial damages to the infrastructure and long-lasting adverse effects on rail operations, a high number of interventions in rail operations by third parties and public authority activities led to further negative punctuality effects. Strike measures taken by the GDL also had an impact.
- **Lack of robustness in the system:** The operational challenges in all production processes lead overall to a considerable dispositive burden in all rail operations. Due to low resilience and overlapping of individual effects, each additional disruptive effect leads to a greater and longer impact on operational quality.

In order to counteract the negative development and stabilize the operational quality, in addition to the measures taken into account in the quality planning (for example the Digital Production Network, the SB² (alleviate the pressure on the system and stabilize operations) initiative), measures intended to support stabilization in the short term were also implemented faster as part of the punctuality action plan.

PUNCTUALITY ACTION PLAN

The punctuality of DB Long-Distance has fallen again since the beginning of 2024, despite a low initial value. We have therefore drawn up a punctuality action plan, which combines existing initiatives to increase operational reliability and accelerates their implementation. At the heart of the action plan are the increase in the on-time start of the train run, the removal of exceptional speed limits on line sections, the increase in the technical availability of the vehicle fleet and the stabilization in the major transport hubs. We want also to provide our customers with more reliable information on the duration of disruptions. The results are monitored intensively and, depending on the development, additional countermeasures are initiated.

STABILIZATION OF RAIL OPERATIONS AND IMPROVED CONSTRUCTION WITH SB²

The SB² program, which was launched in 2023, aims to alleviate the pressure on the rail system and stabilize operations. The main approach here is to change the construction regime for maintenance and capital expenditure measures. The so-called container approach is a move away from the coordination of necessary closure times in "individual manufacture" to a scheduled production standard in the form of standardized closure times for maintenance and construction capital expenditures. This approach is a prerequisite for reconciling the volume of construction needed to modernize the existing network with the train operating companies' expectations of plannable and stable schedule conditions.

SB² creates the structural basis for our ability to modernize our facilities and ensure that they remain in a good, robust condition: scheduled, standardized time slots for construction work on the track also make it possible to plan construction times and resources with greater foresight and to communicate the associated schedule documents on time. For train operating companies, this means that they can plan their train runs earlier and better.

In the first half of 2024, the basic concept of maintenance containers was completed, resulting in four different container types: those for lines, hubs, S-Bahn (metro) networks and preventive work. The maintenance container type for lines has been rolled out since July 15, 2024; the first hub containers will follow in the fourth quarter of 2024. Maintenance work takes place in four-week cycles and with eight hours of closure time within the containers, whereby all containers in the line network are arranged in such a way that transport conflicts resulting from construction activities are minimized.

Capital expenditure containers for major construction capital expenditure activities are scheduled to be used for the first time in 2027, due to the required lead times. The planning process for this has already shown that about 70% of the planned construction work can be completed within the defined containers and that this proportion will increase in the following years. Capital expenditure containers will be included in the network schedule so that no schedule arrangements within a year will be required. In addition to better long-term stability in the scheduling process, this approach gives our partners in the construction industry more time to prepare and more planning security in resource provisioning.

DIGITAL PRODUCTION NETWORK 2024

A completely digital integrated railway – this is the task of the Digital Production Network. The long-term target continues to be to ensure the completeness and suitability of activities relating to the digital transformation in rail operations 14. The portfolio was focused for 2024 and comprises a total of 38 measures as well as the gradual further development of the target vision "ONE digital railway" for a mutual control and cooperation model. In 2024, the Digital Production Network continues this cooperation model with Digital Production Network projects and strengthens the mutual content framework. In 2024, the Digital Production Network portfolio should help train operating companies of DB Group and third parties to avoid about 328,000 lost units (LU). An LU is a punctuality-related delay in a train run. The LU reduction is realized through effects from integrated system, business unit and DB InfraGO projects.

Digitalization

Digitalization is a key success factor for the transformation toward a robust, powerful, state-of-the-art railway for our customers and employees. For greater quality, productivity, comfort and performance, we need a networked interaction in a digital overall system.

DIGITAL RAIL FOR GERMANY

Digitalization, automation and artificial intelligence are the key to greater capacity and an optimal utilization of the rail network. The vision of Digital Rail for Germany (Digitale Schiene Deutschland; DSD) comprises a digital, highly automated rail system. Digital interlockings (DSTW), the European Train Control System (ETCS) and Automatic Train Operation (ATO) form the basis of this vision.

Stuttgart will be the first region in Germany to implement digital train control and interlocking technology – but expectedly one year later than planned in 2026. To this end, all components of the track infrastructure, the future station, the Stuttgart digital hub (Digitaler Knoten Stuttgart; DKS) and the vehicles will be intensively tested and the operating staff carefully prepared for this. However, equipping the track infrastructure alone is not enough. In order to support the corresponding refitting of vehicles, the BMDV published a vehicle funding guideline for the affected vehicles in the DKS, so that the vehicle equipment process (regional transport and S-Bahn (metro) multiple units) started in 2022 and is currently ongoing. A total of 333 vehicles are being retrofitted for ETCS and ATO.

Important fundamentals and prerequisites for ETCS use are digital and electronic interlockings. For example, DSTW Meitingen-Mertingen has commenced operations and replaced two interlockings that are more than 60 years old. It is the first digital interlocking on a high-speed line in regional and long-distance transport with line speeds of up to 200 km/h. A prerequisite for commissioning was the construction of a technology site (Technikstandort; TSO) in Donauwörth. In addition, preparatory work on the command and control technology for the future equipping of the line with ETCS was carried out on one of the busiest lines in Germany, between Halle/Leipzig and Berlin. In May 2024, the Bühl electronic interlocking (ESTW) was put into operation. The Bühl ESTW is the seventh interlocking of its kind on the section of the line between Karlsruhe and Basel and is an important prerequisite for the future equipping of this route with ETCS.

Work on automated driving will continue in a follow-up project to the Sensors 4 Rail project, which was completed in 2023. Under the name Automated Train, a fully automated, driverless system for provisioning and stabling runs will be developed for the first time within the next three years, which will result in a more flexible use of trains in the rail system of the future. Moreover, sensor-based obstacle detection will be used to demonstrate an intervention in the vehicle control, i.e. by using intelligent software combined with sensors at the front of the train, it will be able to recognize the environment and react independently to obstacles, i.e. to brake.

DSD is a major lever for driving Germany's transition to more sustainable mobility. The corresponding ETCS fitting strategy, until 2029, was opened to the sector for consultation by DB InfraGO AG in the spring as part of the 2024 Network Terms of Use (NBN). The published content provides details about the planned equipping of the lines with ETCS, ATO and the Future Railway Mobile Communication System (FRMCS). Simultaneously, the class-B systems intermittent automatic train control (PZB) and the continuous train control system (LZB) for DB InfraGO lines will be decommissioned by December 2029. The published line-specific commissioning and decommissioning data are, however, subject to the reservation that the necessary means of financing are provided in the Federal budget.

DIGITAL TRANSFORMATION

Our vision is to create a digital railway. This means using integrated and holistic digitalization to bring about a networked overall system within the Integrated Rail System. Selected projects helping to bring us closer to achieving this goal, taking the vehicle maintenance as an example, include:

- The digitalization of the fleets to enable automated capturing and monitoring of condition data. For example, vehicles continuously send condition data while in operation or when passing through fixed checkpoints to enable fault prediction and predictive maintenance.
- The supporting of the fleet management process by AI to achieve optimal planning and management of maintenance stops. Thereby the capacity of the depots is optimized and maintenance measures are prioritized. This happens through digital fleet management.
- Automation and digitalization in the depots to enable efficient maintenance. Here, the main focus within the depots is reducing the amount of manual planning that has to be done, automating repetitive tasks and creating free track capacities.

With initiatives such as digital maintenance and the use of artificial intelligence (AI) in the rail system, we are mutually forging ahead with the digitalization of the railway and joining forces in the use of new technologies to achieve a sustainable increase in capacity, quality and punctuality. Digitalization also counteracts impending shortage of skilled labor.

ARTIFICIAL INTELLIGENCE IN RAIL OPERATIONS

DB Group is expanding the use of AI for the scheduling of trains. Rail operations are to become more punctual thanks to an application developed in-house. The program supports dispatchers in efficiently controlling traffic and avoiding delays. The application is being trialed on the S-Bahn (metro) trains in Stuttgart, Rhein-Main and Munich. In addition, its functionality is set to be expanded significantly to include the ability to integrate infrastructure constraints. Dispatchers thus receive support in the event of short-term route closures in the form of a single-track replacement service. The application is also currently being tested on the line between Mannheim and Basel. In this section, the AI system is operating for the first time outside a closed S-Bahn (metro) train system and must therefore handle different kinds of traffic, namely cargo, regional and long-distance trains. If this piloting stage is successful, the next step will see the system used on further highly utilized lines. DB Cargo is continuing to test a diagnostic service for freight cars using AI software. High-resolution images from 13 camera bridges at eight DB Cargo locations provide information on damage and load securing on freight trains. This allows irregularities to be rectified at an early stage and more freight cars to be put into service. As condition-based and predictive maintenance come into increasing use, AI-supported approaches to the intelligent combining of predictive maintenance planning and rail operations are being scrutinized.

Group security

SECURITY ON TRAINS AND IN STATIONS

The Federal Government and DB Group are further expanding the use of video technology. Every major station in Germany will be equipped with modern video technology by the end of 2024. This means the number of video cameras operated by the Federal police and DB Group at railway stations will increase to about 11,000. The live images from the cameras are used by employees of DB Group for scheduling, traffic control and traffic monitoring, and for exercising property rights. However, only the Federal police has access to the recordings produced by the cameras in the stations.

DB Group's regional transport fleet is now equipped with more than 50,000 video cameras. This means that 80% of the vehicles are equipped with video recording, at the request of the contracting organizations in regional rail passenger transport. Video technology is an important complement to the presence of our personnel, which remains a vital component of our security arrangements. The technology provides the full benefits when combined with rapid intervention by emergency forces.

INCREASED PRESENCE AND MORE PERSONNEL TO PROTECT THE INFRASTRUCTURE

DB Group considers the released ministerial draft bill of the Critical Infrastructure Act (Kritische-Infrastrukturen Dachgesetz; KRITIS) an important contribution to strengthening the resilience of Germany's critical infrastructures. The entry into force of the law requires major efforts for operators of complex infrastructures, such as DB Group. In order to adequately fulfill these impending duties, DB Group is setting up a preliminary project. In recent years, the security organization of DB Group has been working closely with the Federal Ministry of the Interior and Community (Bundesministerium des Innern und für Heimat; BMI) and the BMDV to develop strategies to protect the infrastructure, establish protection concepts, and create channels for reporting and alerting. The targeted installation of redundancies, increasing technical security for outdoor facilities and, as a first step, 500 additional security personnel, partially highly specialized, for greater protection of the rail infrastructure are in implementation.

EUROPEAN FOOTBALL CHAMPIONSHIP IN GERMANY

In preparation for the UEFA European Football Championship (EURO 24), DB Group worked with UEFA, the Federal police and other partners to develop appropriate security concepts. The claim to deliver a sustainable sporting event was based, among other things, on the safe arrival and departure by train of both hundreds of thousands of fans and also of the teams from their accommodations to the stadiums. Extended and additional long-distance trains with up to 10,000 additional seats per day, hundreds of additional regional transport and S-Bahn (metro) trains at the cities of the matches, 51 European Championship matches and hundreds of thousands of additional passengers per day traveling to the stadiums and fan zones placed significant demand on DB Group's security organization. DB Security increased security staff for trains and stations by about 20% for the UEFA EURO 24 period. The intensive preparation and the measures implemented in cooperation with partners proved effective.

PREVENTION WORK PROVIDES INFORMATION ABOUT AND PROTECTS AGAINST ACCIDENTS

There are currently 24 preventive experts in six regions. In the first half-year of 2024, the six prevention teams across Germany facilitated more than 220 prevention deployments. The prevention teams are deployed at stations, railway crossings and also freight yards if, for example, unauthorized track crossings increase. Here as well as in schools and youth organizations, they raise awareness about the risks at railway facilities and give children and young people information about measures for safe railway travel. In close cooperation with the prevention staff of the Federal police, the prevention experts of DB Group work on local prevention projects and in nationwide campaigns.

FOCUS ON SECURITY FOR EMPLOYEES

The security organization is working closely with the interest groups and the security authorities at all levels in order to bolster the security of DB employees. This commitment is further underlined by DB Group joining the BMDV's #mehr-Achtung initiative in June 2024, which aims to generate more respect for employees.

At DB Regional, we have had positive experiences from the bodycam test phases in Baden-Württemberg and in the Northeast and Bavaria regions. Employees who continued to wear a bodycam beyond the pilot phase until today have experienced very few physical assaults to date. Verbal attacks have also strongly declined.

Not only do the bodycams provide reliable evidence in the event of an attack (within the narrow confines of data protection regulations), but employees also particularly highlight their experience that the clearly visible devices have a de-escalating and deterrent effect.

Security is the highest priority, which is why DB Regional is currently working to identify further lines where bodycams could be deployed for its train conductors in regional transport.

TECHNICAL SUPPORT FOR GREATER SECURITY AND MORE CIVIL DISCOURSE

The IT platform CSP (Corporate Security Platform), the purpose of which is capturing security-relevant incidents, will provide a more comprehensive and Group-wide overview in the future. Now that reports and incidents involving almost all employees who interact with customers are incorporated into the CSP via business-unit-specific reporting and alerting systems, any DB Group employee will be able from fall 2024 onwards to record incidents and observations with a security-related element at any time and anywhere via the specially developed app.

DB Group advocates for industry-wide security standards for trains and railway stations in both politics and within contracting organizations. These should be binding right from the tenders for transport contracts. Only in this way can long-standing demands for a greater presence of personnel in buses and trains be realized. DB Group considers this a decisive factor in making it easier for people to switch to public transport and thus contribute to the transition to sustainable mobility.

GREEN TRANSFORMATION

We have embedded the green transformation in our Strong Rail strategy. We are continuously making all of our products, services and the way we work greener. The green transformation is a process that we approach holistically across the four areas of environmental action: climate protection, nature conservation, resource conservation and noise reduction.

Climate protection

We aim to be climate-neutral by 2040. We have also set some interim goals:

- To power our depots, office buildings and stations in Germany entirely with renewable energy from 2025.
- To increase the share of renewable energies in the DB traction current mix in Germany to 80% by 2030.
- To operate DB rail transport in Germany entirely with renewable energies by 2038 at the latest.

We are committed to a science-based 1.5°C-aligned climate protection target within the framework of the Science Based Targets initiative (SBTi). In the summer of 2024, we will submit our climate protection target, based on absolute greenhouse gas reduction pathways, to the SBTi for validation. For the expansion of our greenhouse gas budgets, we are currently developing a schedule for managing the relevant Scope 3 emissions. In terms of Scope 3.1 (purchased goods and services) and Scope 3.2 (capital goods), our aim is to implement a supplier engagement target in order to ensure that our suppliers are also committed to science-based climate targets. In accordance with SBTi requirements, we will also report these absolute greenhouse gas emissions annually from 2024 onwards.

In addition to increasing our share of renewable energies, we intend to use energy as efficiently as possible. That is why we are relying on brake energy recovery green. No. 19 in our trains. We are also training and supporting our drivers in energy-saving driving green. No. 8. The continuous roll-out of driver assistance systems is helping us to increase energy efficiency. Since April 2024, we have also been using the smart energy-saving mode for train information boards on platforms green. No. 119 nationwide in order to save energy at stations. At night or during service breaks in particular, there are longer periods when the train information boards are not needed. For about 1,900 devices throughout Germany, the energy-saving mode reduces the backlighting of the train information boards or switches it off completely, where safety considerations permit.

As we move toward a climate-neutral DB Group, we no longer want to use fossil fuels. Already, more than 90% of our rail passenger and freight transport in Germany (based on weight-related ton kilometers – Ltkm) is provided electrically. We are also taking an approach that is open to all technologies, including the use of alternative drives and fuels.

We are investing in green technologies, for example in the scaled use of the biofuel HVO green. No. 164 (hydrotreated vegetable oil). Depending on the composition of the raw material, about 85% to 90% less accounted greenhouse gas emissions are generated compared to conventional diesel. In 2024, seven additional rail filling stations were converted to HVO. At DB Rail Construction, about 93% of the vehicle fleet has now been approved for HVO (almost 3,400 vehicles).

In addition to using HVO as a bridging technology, we are testing alternative drives. In May 2024, we commissioned our first overhead wire island system in Heide to supply battery-powered trains in regional rail passenger transport. The system is the first of three overhead wire island systems being built on the west coast of Schleswig-Holstein to supply the battery network there.

We also emit less greenhouse gas thanks to new, more energy-efficient trains. The expansion of the fleet is continuing in 2024: we receive a new ICE every three weeks, on average.

We also use a climate-friendly heat supply green. No. 97 in our buildings, so we are working on different concepts and measures. This means that we are gradually replacing fossil fuel systems with climate-friendly alternatives as they reach the end of their life cycle. In January 2024, for example, Osnabrück railway station was fitted with a heat pump.

The digitalization of rail transport and capital expenditures in our infrastructure are also having a positive effect on our climate footprint. For example, we are developing the data-driven recommendation software Recommender with a focus on the user, to identify the shortest possible alternative routes based on the current utilization of capacity on each route. Recommender has been in pilot operation in construction planning in two regions since November 2023, and was successfully integrated into the Southwest region in the first half of 2024.

Further information on specific climate protection measures can be found in the chapter Development of business units 33ff.

ADAPTATION TO CLIMATE CHANGE

As an operator of critical infrastructure and as an organization with high land use, we are severely impacted by the effects of climate change on our core business. That is why we have intensified our efforts to prepare ourselves for the increases in extreme weather caused by climate change. We have bundled our measures together in the "Climate-Resilient Railway Technology" program.

The future effects of the climate in Germany on DB Group have been identified using the exposure analysis method, which is already in use for the former business unit DB Netze Stations. We use climate data provided by the German Adaptation Strategy (DAS-Basisdienst) as an approved data basis for our analyses. The results confirm previous statements on the climate effects that can be expected in Germany in the future for the Integrated Rail System. We are currently carrying out in-depth analyses that take into account the special demands of the business units in terms of climate indicators – another important step in the strategic development of our climate resilience management.

Nature conservation

For us, nature conservation and the protection of biodiversity is an important commitment, which we take into account from planning through to construction and operation of our facilities. We are committed to the diversity and conservation of animal and plant species. We are currently working on a biodiversity strategy to enable us to make a holistic contribution to a diverse ecosystem through sustainable solutions. For unavoidable intrusions through our activities suitable compensatory areas are created.

- For example, as part of the plans for the Gelnhausen—Fulda new construction line, we are compensating for the resulting necessary intrusions into the forest. In the Main-Kinzig district, reforestation began in spring 2024.
- In the course of modernizing and maintaining our facilities, measures for nature and species protection are also being implemented. For example, as part of the modernization of the railway bridge over the Kirnau, measures were taken to renaturalize the river and a fish ladder was created.

VEGETATION CONTROL ON THE TRACKS

For us, both safe rail operations and environmental protection are of outstanding importance. Vegetation control on the tracks has a significant impact on both aspects. In terms of environmental protection, the glyphosate phase-out in Germany is of particular importance to us. At the same time, efficient vegetation control must also be ensured for safety reasons. Since 2023, we have refrained from using glyphosate. This means that DB Group has consistently implemented its phase-out. We rely on comprehensive sustainable vegetation management green No. 116, which provides for a coordinated interaction of various measures. We are also in close discussions with other European railways. The measures include digital planning aids for vegetation control, the use of mechanical-manual methods, such as a further technological advancement of mowers, and the use of pelargonic acid.

Resource conservation

Our construction activities in particular mean that there is a very high demand for resources in the track infrastructure. For us, resource conservation means we need to use raw materials carefully, keeping them in the value chain for as long as possible and recycling our waste whenever possible. This also contributes to the reduction of Scope 3 emissions. We are striving to achieve a complete, circular economy throughout DB Group by 2040, with a special focus on the Integrated Rail System. Our particular focus is on our main resources: track ballast, concrete ties and rail steel, which together represent about 80% of the weight of total material used in the Integrated Rail System.

Noise reduction

Further reducing the impacts of rail transport noise on local residents is an essential prerequisite for a shift in the mode of transport. We are therefore continuing to work with the Federal Government on implementing our noise reduction target: by 2050, we aim to have alleviated rail transport noise for all residents living near existing lines affected by rail transport noise. Achieving this requires the availability of adequate funds.

- By the end of May 2024, we had put on-site noise remediation measures in place on a total of 2,269 km of track. Using about € 38 million, about 21 km of noise barriers green No. 25 were built and more than 1,000 apartments were fitted with passive soundproofing measures green No. 101 in the first half of 2024.
- In order to gain new insights for on-site noise remediation measures, we are getting involved in various research projects and testing new technologies. For example, we have worked with the start-up Phononic Vibes to develop an innovative transparent noise barrier solution. These MetaWindows blend visually into the environment and have comparable sound-absorbing properties to conventional barriers.

EMPLOYEES

Employee numbers and structure

EMPLOYEES BY BUSINESS UNITS	Full-time employees (FTE) [1]					Natural persons (NP)				
	Jun 30, 2024	Jun 30, 2023	absolute	%	Dec 31, 2023	Jun 30, 2024	Jun 30, 2023	absolute	%	Dec 31, 2023
DB Long-Distance	21,526	20,501	+1,025	+5.0	20,966	22,716	21,658	+1,058	+4.9	22,132
DB Regional	41,128	38,414	+2,714	+7.1	39,587	43,543	40,629	2,914	+7.2	41,962
DB Cargo	30,794	31,578	-784	-2.5	31,359	31,350	32,150	-800	-2.5	31,918
DB InfraGO	66,776	61,632	+5,144	+8.3	63,870	69,319	63,827	+5,492	+8.6	66,262
DB Energy	2,139	1,958	+181	+9.2	2,055	2,232	2,043	+189	+9.3	2,147
Other	63,133	60,447	+2,686	+4.4	61,876	65,986	63,176	+2,810	+4.4	64,718
Integrated Rail System	**225,496**	**214,530**	**+10,966**	**+5.1**	**219,713**	**235,146**	**223,483**	**+11,663**	**+5.2**	**229,139**
DB Schenker	70,953	75,424	-4,471	-5.9	72,710	73,122	77,880	-4,758	-6.1	74,871
DB Group [2]	**296,449**	**289,954**	**+6,495**	**+2.2**	**292,423**	**308,268**	**301,363**	**+6,905**	**+2.3**	**304,010**
DB Group (comparable)	296,449	289,705	+6,744	+2.3	292,423	308,268	301,111	+7,157	+2.4	304,010
Changes in the scope of consolidation	-	-249	+249	-100	-	-	-252	+252	-100	-
DB Group (incl. discontinued operations)	296,449	324,572	-28,123	-8.7	326,781	308,268	337,606	-29,338	-8.7	340,100
thereof discontinued operations	-	34,618	-34,618	-100	34,358	-	36,243	-36,243	-100	36,090

[1] To guarantee better comparability, the number of employees is converted into full-time employees (FTE). Figures for part-time employees are measured in accordance with their share of the regular annual working time.
[2] Values as of June 30, 2023 adjusted due to reclassification of DB Arriva 24.

The number of employees in DB Group has increased slightly as of June 30, 2024.

- The development in the Integrated Rail System is mainly attributable to the increase in the number of employees at DB InfraGO, primarily in the areas of project management, maintenance and operations.
- In the Other division, the number of employees has grown particularly due to the international business of DB E.C.O. Group. An increase in performance for general modernizations, among other things, led to an increase at DB Rail Construction and DB Track Services. At DB Systel, this was due to the expansion of innovative topics and the increased vertical integration of production.
- At DB Regional, the increase in employees is mainly due to the increase in services in the Rail and Road lines of business (in particular due to rail replacement services as part of the general modernization of the Riedbahn).

The development at DB Schenker was the opposite. This resulted from productivity gains. Accordingly, the share of employees in Germany rose to about 77% (as of June 30, 2023: about 75%).

The decline in the discontinued operations resulted from the sale of DB Arriva 24.

EMPLOYEES BY REGIONS / FTE	Jun 30, 2024	Jun 30, 2023	Change absolute	Change %	Dec 31, 2023
Germany	226,270	216,737	+9,533	+4.4	221,114
Europe (excluding Germany) [1]	39,030	40,663	-1,633	-4.0	39,624
Asia/Pacific	16,884	17,585	-701	-4.0	17,191
North America	10,537	11,201	-664	-5.9	10,853
Rest of world	3,728	3,768	-40	-1.1	3,641
DB Group [1]	**296,449**	**289,954**	**+6,495**	**+2.2**	**292,423**

[1] Values as of June 30, 2023, adjusted due to reclassification of DB Arriva 24.

EMPLOYEES BY REGIONS / NP	Jun 30, 2024	Jun 30, 2023	Change absolute	Change %	Dec 31, 2023
Germany	236,451	226,258	+10,193	+4.5	231,080
Europe (excluding Germany) [1]	40,536	42,206	-1,670	-4.0	41,003
Asia/Pacific	16,920	17,622	-702	-4.0	17,259
North America	10,625	11,362	-737	-6.5	11,033
Rest of world	3,736	3,915	-179	-4.6	3,635
DB Group [1]	**308,268**	**301,363**	**+6,905**	**+2.3**	**304,010**

[1] Values as of June 30, 2023, adjusted due to reclassification of DB Arriva 24.

Talent acquisition

DB Group plans to take on 6,000 new vocational trainees and dual-degree students in 2024. Last year, about 5,700 new DB employees started one of the 50 apprenticeship or 25 dual-degree study programs. In a very tight labor market, it is becoming increasingly difficult to find new employees. This is why DB Group is continuing to step up its outreach in schools in order to attract potential young talent in the classroom. By July 2024, a total of 670 school partnerships had been set up across Germany.

In the highly competitive labor market, DB Group is aiming to make a greater impression through sustainability and attractive green career opportunities. The Green Empowerment Strategy conceived at the end of 2023 and finalized in the first half of 2024 comprises three elements: mind-set, green jobs and social impact. The aim is to empower employees to integrate sustainable ideas into their day-to-day work and act as ambassadors for sustainability. Green jobs are being emphasized to attract talented individuals who have a personal connection to sustainability. The strategy also includes social projects that give employees the freedom to get involved. Initiatives such as the sustainability graduate trainee program and projects such as the #DBpacktan volunteering week are very popular.

Our innovative approach to talent acquisition has received recognition.

- The Green Empowerment Strategy took first place in the St. Gallen Leadership Award for Sustainable Corporate Management.
- The Job Compass won the German Skilled Employees Award for its innovative career guidance.
- The Metaverse project won second place in the German Prize for Online Communication (DPOK), offering a virtual environment in which potential employees can experience DB Group in 3D on an end device.
- The Age Diversity Recruiting Strategy took second place in the QUEB Award for the integration of applicants aged 50+.
- DB Group was also awarded five stars for excellent working conditions and diversity in the Brigitte Modern Work study.

Qualification

Since February 2024, the DB Campus in Erfurt has been a place of learning and interaction for all employees in the Integrated Rail System based on the guiding principle of "knowing how railways work." The aim is to make it possible to gain in a first opened building as early as the end of 2025 an understanding of the complex railway system across all business areas and professional groups and to understand one's own role and interrelationships in the rail system. The DB Campus also contributes to passing on knowledge across generations, retaining new and experienced railway employees within DB Group and thus strengthening Team DB. Completion is scheduled for the end of 2028.

The "How does DB learn?" study conducted in 2023 showed that there is a desire for flexible learning spaces, particularly among operational employees. DB Group has now created physical learning spaces for operational employees without office workstations at five selected locations in the Integrated Rail System. Students are now able to study alone or in small groups at these retreats close to the company using the learning media available there. In addition to the piloted learning spaces, there are other initiatives within DB Group that operate learning spaces.

The demand for skilled employees for the expansion of Digital Rail for Germany 13 f. will continue to increase in the coming years. To guarantee the requisite expertise over the long term, DB Group and the Technische Universität Dresden (TU Dresden) are establishing an endowed professorship for Digital Railway Systems at the Faculty of Transport Sciences "Friedrich List." This will ensure that much-needed expertise is available in Germany to drive forward the expansion of digital infrastructure.

Diversity

DB Group has already achieved its aim of increasing the share of women in leadership positions in companies subject to the Second Act on Equal Participation of Men and Women in Management Positions (FüPoG II) to a total of 30 % at the Supervisory Board, Management Board and first and second management levels. The share of women in leadership positions in the companies concerned is 30.6 % across all levels based on the organizational structure valid as of June 30, 2024 (as of December 31, 2023: 29.4 %). The new target figure is "40 % women in leadership by 2035." The proportion of female employees at the companies subject to FüPoG II also rose slightly to 24.3% in the first half of 2024 (as of December 31, 2023: 24.2%). In the long term, DB Group is aiming for equal representation.

- For the second time, DB Group received the DE&I Mover award from ACI Consulting. This award honors companies that have made a substantial commitment to change and progress in the areas of diversity, equity and inclusion.
- Greater awareness. Greater consideration. Greater respect: DB Group attaches great importance to the protection and safety of its employees. Having significantly increased the number of security staff for the European Football Championship 15, DB Group is now underlining its commitment to raising respect for DB employees with the #mehrAchtung (greater awareness) campaign.

To support DB employees in dealing with sensitive issues such as right-wing populism, an internal company handbook on "Dealing with right-wing populism in the workplace" has been developed. This is based on DB Group regulations such as ethical standards, the Group employer/works council agreement on Equal Treatment and Protection against Discrimination and the Compass for Strong Teamwork.

Furthermore, the newly launched anti-racism toolbox informs affected employees about measures and services and lists all available contact and reporting points within DB Group.

Working with the queer employee network "railbow," which has been in place since 2011, DB Group is taking part in the nationwide Christopher Street Day demonstrations. DB Group is also sending a visible signal of support for diversity by flying rainbow flags at many stations.

Collective bargaining agreement with the GDL

DB Group and the German Train Drivers' Union (Gewerkschaft Deutscher Lokomotivführer, GDL) have reached a collective bargaining agreement after five months of negotiations. The core element is an innovative option model that will allow employees who work shifts to decide their own weekly working hours in future. From 2029 onwards, the options will range from 35 to 40 hours. Those who work more earn more accordingly. There will also be a € 420 pay rise in two stages and an inflation adjustment bonus totaling € 2,850. The collective bargaining agreement will run for 26 months until December 31, 2025.

Flood aid for employees

Severe storms once again caused major damage in Germany in the first half of 2024. In Bavaria and Baden-Württemberg in particular, many families are faced with the question of what to do next after the floods completely or partially destroyed their homes. DB Group, the Group Works Council, the Railway and Transport Workers Union (EVG) and the BSW&EWH Foundation Family have once again teamed up to offer support to DB employees in the affected areas and provided emergency aid of € 1,000 per claim.

BUSINESS DEVELOPMENT

Overview

REVENUES ADJUSTED / € million	Total revenues				External revenues			
	H1		Change		H1		Change	
	2024	2023	absolute	%	**2024**	2023	absolute	%
DB Long-Distance	2,803	2,872	- 69	- 2.4	2,717	2,791	- 74	- 2.7
DB Regional	5,032	4,749	+ 283	+ 6.0	4,953	4,683	+ 270	+ 5.8
DB Cargo	2,783	2,889	- 106	- 3.7	2,624	2,746	- 122	- 4.4
DB InfraGO	4,021	3,870	+ 151	+ 3.9	1,507	1,407	+ 100	+ 7.1
DB Energy	1,830	2,136	- 306	- 14.3	715	961	- 246	- 25.6
Other	3,407	3,119	+ 288	+ 9.2	388	351	+ 37	+ 10.5
Consolidation Integrated Rail System [1]	- 6,938	- 6,646	- 292	+ 4.4	–	–	–	–
Integrated Rail System	**12,938**	**12,989**	**- 51**	**- 0.4**	**12,904**	**12,939**	**- 35**	**- 0.3**
DB Schenker	9,415	10,080	- 665	- 6.6	9,406	10,067	- 661	- 6.6
Consolidation other	- 43	- 64	+ 21	- 32.8	–	- 1	+ 1	- 100
DB Group [2]	**22,310**	**23,005**	**- 695**	**- 3.0**	**22,310**	**23,005**	**- 695**	**- 3.0**
DB Group (incl. discontinued operations)	24,040	24,973	- 933	- 3.7	24,040	24,972	- 932	- 3.7
thereof discontinued operations	1,730	1,968	- 238	- 12.1	1,730	1,967	- 237	- 12.0

OPERATING PROFIT FIGURES / € million	EBITDA adjusted				EBIT adjusted			
	H1		Change		H1		Change	
	2024	2023	absolute	%	**2024**	2023	absolute	%
DB Long-Distance	62	182	- 120	- 65.9	- 232	- 62	- 170	–
DB Regional	264	295	- 31	- 10.5	- 66	- 38	- 28	+ 73.7
DB Cargo	- 53	16	- 69	–	- 261	- 195	- 66	+ 33.8
DB InfraGO	- 277	191	- 468	–	- 712	- 234	- 478	–
DB Energy	230	348	- 118	- 33.9	192	310	- 118	- 38.1
Other	233	207	+ 26	+ 12.6	- 92	- 95	+ 3	- 3.2
Consolidation Integrated Rail System	- 65	- 62	- 3	+ 4.8	- 25	- 25	–	–
Integrated Rail System	**394**	**1,177**	**- 783**	**- 66.5**	**- 1,196**	**- 339**	**- 857**	**–**
DB Schenker	908	1,011	- 103	- 10.2	520	626	- 106	- 16.9
Consolidation other [2]	- 1	- 10	+ 9	- 90.0	- 1	- 8	+ 7	- 87.5
DB Group [2]	**1,301**	**2,178**	**- 877**	**- 40.3**	**- 677**	**279**	**- 956**	**–**
Margin (%)	5.8	9.5	- 3.7	–	- 3.0	1.2	- 4.2	–
DB Group (incl. discontinued operations)	1,474	2,365	- 891	- 37.7	- 615	322	- 937	–
thereof discontinued operations	173	187	- 14	- 7.5	62	43	+ 19	44.2

CAPITAL EXPENDITURES / € million	Gross capital expenditures				Net capital expenditures			
	H1		Change		H1		Change	
	2024	2023	absolute	%	**2024**	2023	absolute	%
DB Long-Distance	457	814	- 357	- 43.9	457	814	- 357	- 43.9
DB Regional	200	198	+ 2	+ 1.0	193	193	–	–
DB Cargo	125	115	+ 10	+ 8.7	125	110	+ 15	+ 13.6
DB InfraGO	5,628	4,259	+ 1,369	+ 32.1	2,429	1,155	+ 1,274	+ 110
DB Energy	125	116	+ 9	+ 7.8	42	37	+ 5	+ 13.5
Other	530	324	+ 206	+ 63.6	530	322	+ 208	+ 64.6
Consolidation Integrated Rail System	- 10	26	- 36	–	- 10	26	- 36	–
Integrated Rail System	**7,055**	**5,852**	**+ 1,203**	**+ 20.6**	**3,766**	**2,657**	**+ 1,109**	**+ 41.7**
DB Schenker	250	324	- 74	- 22.8	250	320	- 70	- 21.9
Consolidation other	–	–	–	–	–	–	–	–
DB Group [2]	**7,305**	**6,176**	**+ 1,129**	**+ 18.3**	**4,016**	**2,977**	**+ 1,039**	**+ 34.9**
thereof investment grants [2]	3,289	3,199	+ 90	+ 2.8	–	–	–	–
DB Group (incl. discontinued operations)	7,371	6,304	+ 1,067	+ 16.9	4,076	3,100	+ 976	+ 31.5
thereof discontinued operations	66	128	- 62	- 48.4	60	123	- 63	- 51.2

[1] Values for the first half of 2023 adjusted due to the merger of DB Netze Track and DB Netze Stations into DB InfraGO.
[2] Value for the first half of 2023 adjusted due to **reclassification of DB Arriva** 24.

Market environment

PASSENGER AND FREIGHT TRANSPORT

Demand for mobility developed unevenly in the first half of 2024. Passenger transport recorded a moderately positive development, with growth varying in the individual market segments. Weak economic development and persistently high price levels with an effect on private consumption had a dampening effect in all segments. The Germany-Ticket, which was introduced in May 2023, remains a positive driver of demand for local public transport.

Freight transport was unable to recover in the first quarter of 2024 due to weak economic development. Following on from 2023, industrial production and foreign trade are continuing to dampen demand for transport in Germany in 2024. Consequently, the freight transport market in Germany continued to decline slightly.

GLOBAL ECONOMY

The global economy was robust in the first half of 2024. As expected, growth in the first months of 2024 was stable in many regions, including the USA and Asia. In Europe, on the other hand, only modest growth was achieved, with the weak development in the industrial sector in particular having a dampening effect. In Germany, this led to stagnation in economic output in the first half of 2024.

ENERGY MARKETS

The central hedging policy of DB Group aims to reduce energy price fluctuations. Our activities are therefore not exposed to the full impact of changes in market prices, at least not in the short term.

Brent oil

BRENT CRUDE / USD/bbl	H1 2024	2023	Change absolute	Change %
Average price	83.4	82.2	+1.2	+1.5
Highest price	92.2	97.7	-5.5	-5.6
Lowest price	74.8	70.1	+4.7	+6.7
Final price as of Jun 30/Dec 31	86.4	77.0	+9.4	+12.2

Source: Refinitiv

Oil prices rose slightly in the first half of 2024 compared to the previous year. This is due to the consequences of the Ukraine war, the continuing shortage of supply from OPEC+ and geopolitical tensions in the Middle East.

Fuel prices in Germany in the first half of 2024 were at the same level as the previous year. No major changes are expected in the further course of the year.

Electricity and emissions certificates

	H1 2024	2023	Change absolute	Change %
BASE LOAD POWER (FOLLOWING YEAR) (€/MWH)				
Average price	85.7	137.2	-51.5	-37.5
Highest price	102.8	219.3	-116.5	-53.1
Lowest price	67.6	86.2	-18.6	-21.6
Final price as of Jun 30/Dec 31	91.3	95.5	-4.2	-4.4
EMISSIONS CERTIFICATES (€/t CO_2)				
Average price	65.7	85.3	-19.6	-23.0
Highest price	81.3	101.3	-20.0	-19.7
Lowest price	51.1	66.0	-14.9	-22.6
Final price as of Jun 30/Dec 31	67.5	80.4	-12.9	-16.0

Source: Refinitiv

Prices on the futures market for electricity for delivery in the following year fell sharply in the first half of 2024 compared to the previous year. Since the start of the war in Ukraine in 2022, electricity prices have been driven primarily by the shortage of natural gas. As gas supplies have eased, wholesale electricity prices have also fallen recently. However, consumer prices for electricity in Germany remain at a high level in a long-term comparison. The price brakes for electricity and gas expired at the end of 2023. As of 2024, noticeably higher grid charges are having a price-driving effect.

The price of emission certificates in the European Emissions Trading System (EU-ETS) declined in the first half of 2024. One reason for this is the low demand for certificates due to weak industrial production in the EU. Demand is also being reduced by a higher availability of renewable energies.

Income situation

- Revenue and profit development under significant pressure – burdens due to strikes and poor service quality in the Integrated Rail System.
- Countermeasures to improve profit situation in the short and medium term.
- Significant cost burdens, particularly for personnel due to tariff effects.
- Further freight rate normalization influences revenue development at DB Schenker – operating result still well above pre-Covid-19 level.
- Higher Government grants affecting income will only be paid out in the second half of 2024.

COMPARABILITY WITH THE FIRST HALF OF 2023

New business unit DB InfraGO

At the end of December 2023, the merger of DB Netz AG and DB Station&Service AG to form the common good-oriented rail infrastructure company DB InfraGO AG took effect. The name is an abbreviation of "Infrastruktur Gemeinwohl-Orientiert" (infrastructure oriented towards the common good). DB InfraGO AG remains part of DB Group. From the 2024 financial year, the former DB Netze Track and DB Netze Stations business units will be merged into the new DB InfraGO business unit.

Sale of DB Arriva concluded

Following the successful completion of the portfolio reorganization of DB Arriva in 2023, DB AG signed an agreement with I Squared Capital on October 19, 2023 for the sale of all remaining DB Arriva companies. The transaction fulfilled the customary closing conditions and received final approval from the relevant regulatory authorities and was concluded on May 31, 2024.

Since the previous year already, DB Arriva has no longer been included as a business unit/segment in DB Group reporting but reported as a discontinued operation 72. The figures for the first half of 2023 (with the exception of the consolidated balance sheet) were adjusted accordingly. The continuing operations of DB Group include the remaining six business units and the Other area.

Additional information 72 ff. can be found in the consolidated interim financial statements.

REVENUES

REVENUES / € million	H1 2024	H1 2023	Change absolute	Change %
Revenues [1]	22,310	23,004	-694	-3.0
± Special items	0	1	-1	-100
Revenues adjusted [1]	**22,310**	**23,005**	**-695**	**-3.0**
thereof Integrated Rail System	12,938	12,989	-51	-0.4
± Changes in the scope of consolidation	–	-20	+20	-100
± Exchange rate changes	60	–	+60	–
Revenues comparable	**22,370**	**22,985**	**-615**	**-2.7**
thereof Integrated Rail System	12,928	12,986	-58	-0.4
Revenues adjusted (incl. discontinued operations)	24,040	24,973	-933	-3.7
thereof discontinued operations	1,730	1,968	-238	-12.1

[1] Value for the first half of 2023 adjusted due to reclassification of DB Arriva 24.

The decline in revenues in DB Group was driven primarily by the freight rate normalization at DB Schenker. Overall, revenue development of the business units in the Integrated Rail System 33 ff. was approximately at the level of the first half of 2023. Revenue growth, especially at DB Regional (mainly from the regular increase of concession fees) and DB InfraGO, was completely offset by negative effects, especially from strikes, continuing high construction-related restrictions in the infrastructure, a lack of economic momentum (especially at DB Cargo) and a decline in volume at DB Energy.

Special items continued to be irrelevant for revenue development.

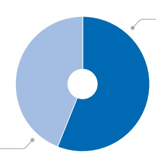
Changes in the scope of consolidation and exchange rate changes also had no material impact:

- In the first half of 2023, the effects of changes in the scope of consolidation related to DB Schenker (€ -17 million) and DB Regional (€ -3 million).
- The effects of exchange rate changes applied primarily to DB Schenker (€ -70 million) and DB Cargo (€ +10 million).

The decline in revenues in discontinued operations 72 was mainly due to the fact that DB Arriva was only included in the consolidated financial statements for five months due to the completed sale.

Revenue structure

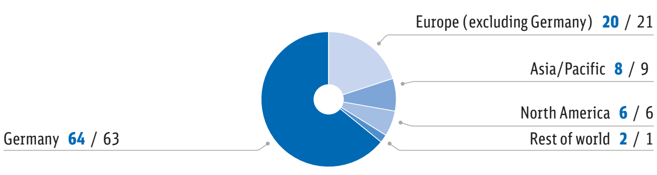
EXTERNAL REVENUES ADJUSTED BY DIVISIONS / % — H1 2024 / H1 2023



Values for the first half of 2023 adjusted due to reclassification of DB Arriva 24.

The revenue structure did not change significantly in the first half of 2024.

EXTERNAL REVENUES ADJUSTED BY REGIONS / % — H1 2024 / H1 2023



Values for the first half of 2023 adjusted due to reclassification of DB Arriva 24.

ADJUSTED EXTERNAL REVENUES BY REGIONS / € million	H1		Change	
	2024	2023	absolute	%
Germany	14,177	14,424	-247	-1.7
Europe (excluding Germany)[1]	4,561	4,743	-182	-3.8
Asia/Pacific	1,845	1,993	-148	-7.4
North America	1,369	1,472	-103	-7.0
Rest of world	358	373	-15	-4.0
DB Group[1]	**22,310**	**23,005**	**-695**	**-3.0**

[1] Value for the first half of 2023 adjusted due to reclassification of DB Arriva 24.

There were also no significant changes in the regional revenue structure:
- In Germany, the development was driven by revenue declines at DB Schenker. In the Integrated Rail System, revenues were at the level of the first half of 2023.
- In the other regions, the weaker revenue development was also driven by declines at DB Schenker.

INCOME DEVELOPMENT

The economic development of DB Group in the first half of 2024 was above all characterized by the poor state of the infrastructure and the outstanding additional Government funds affecting profit and loss, in particular for maintenance measures in the infrastructure, single wagon transport at DB Cargo and the repayment of the previous year's pre-financings (a total of about € 1.3 billion). Burdens also resulted from the implementation of further infrastructure measures, higher personnel costs as a result of collective bargaining agreements and strikes. In DB Group, short- and medium-term countermeasures (including a strict spending monitoring and control program) were introduced to improve profitability, which have already made a positive contribution in the first half of 2024.

Operating profit figures subsequently fell noticeably; adjusted EBIT was negative. In passenger and rail freight transport as well as in the infrastructure, the situation remained under pressure.

- In the Integrated Rail System, higher expenses, especially for personnel (capacity expansion and wage increases) and additional infrastructure measures, were only partially offset by lower energy purchasing expenses (resulting from lower volume and prices) at DB Energy as well as countermeasures. Overall, revenue development was stable.
- Operating profit development at DB Schenker was weaker, driven mainly by the freight rate development in air and ocean freight, but remained well above pre-Covid-19 levels.

Additional information is available in the section Development of business units 33 ff.

Transition to the adjusted statement of income

The transition to the adjusted statement of income is a two-step process. The procedure for reclassifications and adjustments remains unchanged and is explained in the 2023 Integrated Report.

Development in the first half of 2024

Overall, income development was negative:
- **Revenues (–3.0 % / € –695 million):** Slight decline in revenues driven by DB Schenker 56.
- **Other operating income (–0.7 % / € –9 million):** Approximately at the level of the first half of 2023. Lower Government grants at DB Cargo (in particular funding for single wagon transport and train-path price support) were almost completely compensated for by an increase in services for third parties, among others at DB Long-Distance.

On the expense side, there were additional burdens as a result of higher personnel costs and the implementation of further infrastructure measures:
- **Personnel expenses (+7.9 % / € +726 million):** Significant increase, driven by wage increases and a higher average number of employees in the Integrated Rail System. Productivity increases at DB Schenker had a dampening effect to some extent.
- **Other operating expenses (+5.1 % / € +118 million):** Increase, among other things, due to higher expenses for compensations for damage, IT services and leases in the Integrated Rail System.
- **Depreciation (+4.2 % / € + 79 million):** Increase due to capital expenditures.

Conversely, the cost of materials declined, driven by the development of freight rates at DB Schenker, which had a compensating effect:

TRANSITION TO THE ADJUSTED STATEMENT OF INCOME / € million	H1					Change			
	2024	Reclassi-fications	Adjustment for special items	2024 adjusted	2023 adjusted	absolute	thereof scope of consoli-dation effects	thereof exchange rate effects	%
Revenues	22,310	–	–	22,310	23,005	- 695	- 20	- 60	- 3.0
Inventory changes and other internally produced and capitalized assets	2,446	–	–	2,446	2,133	+ 313	- 0	+ 1	+ 14.7
Other operating income	1,324	–	- 17	1,307	1,316	- 9	- 5	- 0	- 0.7
Cost of materials	- 12,400	–	–	- 12,400	- 12,758	+ 358	+ 12	+ 44	- 2.8
Personnel expenses	- 10,016	–	78	- 9,938	- 9,212	- 726	+ 11	+ 4	+ 7.9
Other operating expenses	- 2,442	–	18	- 2,424	- 2,306	- 118	+ 5	+ 2	5.1
EBITDA	1,222	–	79	1,301	2,178	- 877	+ 3	- 9	- 40.3
Depreciation	- 1,985	6	1	- 1,978	- 1,899	- 79	+ 1	+ 2	+ 4.2
Operating profit (EBIT) | EBIT adjusted	**- 763**	**6**	**80**	**- 677**	**279**	**- 956**	**+ 4**	**- 7**	**–**
Net interest income | operating interest balance	- 412	12	4	- 396	- 284	- 112	+ 0	- 1	+ 39.4
Operating income after interest	**- 1,175**	**18**	**84**	**- 1,073**	**- 5**	**- 1,068**	**+ 4**	**- 8**	**–**
Result from investments accounted for using the equity method | net investment income	8	–	–	8	6	+ 2	–	+ 4	+ 33.3
Other financial result	54	- 12	–	42	7	+ 35	+ 0	+ 2	–
PPA amortization of customer contracts	–	- 6	–	- 6	- 5	- 1	–	- 0	+ 20.0
Extraordinary result	–	–	- 84	- 84	29	- 113	–	+ 4	–
Net loss / profit before taxes on income	**- 1,113**	**–**	**–**	**- 1,113**	**32**	**- 1,145**	**+ 4**	**+ 2**	**–**
Income taxes	- 92	–	–	- 92	- 144	+ 52	- 0	+ 2	- 36.1
Actual income taxes	- 84	–	–	- 84	- 133	+ 49	–	–	- 36.8
Deferred tax expense (-) / income (+)	- 8	–	–	- 8	- 11	+ 3	–	–	- 27.3
Net loss after income taxes (continuing operations)	**- 1,205**	**–**	**–**	**- 1,205**	**- 112**	**- 1,093**	**+ 4**	**+ 4**	**–**
Net loss / profit after income taxes (discontinued operations)	- 26	–	–	- 26	41	- 67	+ 10	- 0	–
Net loss after income taxes	**- 1,231**	**–**	**–**	**- 1,231**	**- 71**	**- 1,160**	**+ 14**	**+ 4**	**–**
DB AG shareholders	- 1,256	–	–	- 1,256	- 97	- 1,159	–	–	–
Hybrid capital investors	13	–	–	13	13	–	–	–	–
Other shareholders (non-controlling interests)	12	–	–	12	13	- 1	–	–	- 7.7

Values for the first half of 2023 adjusted due to reclassification of DB Arriva 24.

- **Cost of materials (–2.8 % / € –358 million):** The decline was driven primarily by a further normalization of freight rates at DB Schenker. In the Integrated Rail System, however, the cost of materials rose slightly. In particular, expenses for the implementation of measures to improve quality and availability of the infrastructure once again increased significantly from an already high level in the first half of 2024. The Federal Government had still not paid out compensation payments in the first half of 2024 for the measures pre-financed in the previous year. Lower energy purchasing expenses at DB Energy, which resulted from lower volume and prices, had a largely compensatory effect.

Additional information is available in the section Development of business units 33 ff.

Adjusted EBIT and adjusted EBITDA declined noticeably as a result.

- **Operating interest balance (+39.4 % / € –112 million):** Negative development resulted from the higher interest rate level and higher average financial debt.

Operating income after interest also fell noticeably.

- **Net investment income (+33.3 % / € +2 million):** Increase at a low level.
- **Other financial result (€ +35 million):** Significant increase at a low level, mainly due to exchange rate effects and positive effects from closed hedging transactions, which on balance resulted in a lower expense than in the first half of 2023. Conversely, negative effects from the compounding and discounting of provisions, which resulted in an expense on balance (in the first half of 2023: income), as well as impairments on subsidiaries had a partially offsetting effect.

– **Extraordinary result (€ −113 million):** Decreased significantly and was negative, primarily due to the omission of positive effects in connection with the electricity price brake in the first half of 2024 as well as higher restructuring costs at DB Schenker. Positive effects resulted from adjustments to provisions at DB Cargo.

EXTRAORDINARY RESULT / € million	H1 2024	thereof affecting EBIT	2023	thereof affecting EBIT
DB Long-Distance	–	–	94	94
DB Regional	0	0	-4	-4
DB Cargo	15	15	21	21
DB InfraGO	-5	–	-7	-2
DB Energy	–	–	–	–
Other/consolidation Integrated Rail System	-76	-78	-76	-76
Integrated Rail System	**-66**	**-63**	**28**	**33**
DB Schenker	-17	-17	1	1
Consolidation other	–	–	0	0
DB Group[1]	**-84**	**-80**	**29**	**34**
thereof electricity price brake	–	–	142	142
thereof restructuring measures	-63	-63	-66	-66

[1] Value for the first half of 2023 adjusted due to reclassification of DB Arriva 24.

Accordingly, the loss before income taxes also increased significantly.

Although the development of the income tax position (−36.1%/€ +52 million) was significantly better, it nevertheless had a negative impact on development:

– Actual income taxes were decisive for the development and decreased due to declining results at some foreign Group companies (especially at DB Schenker).
– Deferred taxes continued to decline at low levels.

As a result, net loss after income taxes from continuing operations increased somewhat less significantly but remained noticeably negative. Net loss after income taxes from discontinued operations 72 also worsened (first half of 2023: net profit). This was mainly due to the loss on disposal in connection with the deconsolidation of DB Arriva, which was largely offset by positive depreciation effects in connection with IFRS 5 accounting and the profit development of DB Arriva up to the deconsolidation date.

Financial position

⟶ *A total of three bond transactions (€ 1.1 billion).*
⟶ *Utilization of credit facilities.*
⟶ *Credit ratings and outlooks unchanged.*

INTEREST RATE ENVIRONMENT

YIELD ON TEN-YEAR GERMAN FEDERAL BONDS / %	H1 2024	2023	Change in percentage points
Average yield	2.40	2.46	-0.06
Highest yield	2.71	3.02	-0.31
Lowest yield	1.98	1.90	+0.08
Final yield as of Jun 30/Dec 31	2.49	2.03	+0.46

Source: Thomson Reuters (daily closing prices)

The development of interest rates in the first half of 2024 continued to be characterized by only slightly slowing inflation and slow economic recovery. Yields in the euro bond market rose again slightly in the first half of 2024, although they did not reach the previous year's highs. EUR 3-month money market interest rates declined slightly over the same period and fell from their peak level of just under 4% in the previous year to just under 3.6%. The interest rate curve in the Eurozone remained inverse, albeit to a lesser extent than in 2023.

FINANCIAL MANAGEMENT SYSTEM

FINANCIAL INSTRUMENTS / € billion	Volume as of Jun 30, 2024	thereof utilized	Utilization rate	Volume as of Dec 31, 2023	thereof utilized	Utilization rate
European debt issuance program	35.0	28.9	83%	35.0	28.9	83%
Australian debt issuance program (AUD 5 billion)	3.1	1.0	32%	3.0	1.0	33%
Multi-currency commercial paper program	3.0	1.0	33%	3.0	0.4	13%
Guaranteed credit facilities (back-up lines)	2.1	–	–	2.1	–	–
Guaranteed credit facilities (bridge loan facilities)	2.5	2.5	100%	2.0	2.0	100%

In addition to aiming for appropriate returns for our investments, DB Group's financial management focuses on maintaining a capital structure that is in line with very good credit ratings. This is controlled in particular via the key performance indicators debt coverage and ROCE.

Bond issues

DB Group has a European debt issuance program (EDIP) and an Australian debt issuance program (Kangaroo program) available for long-term debt financing.

ISIN	Issuer	Currency	Volume (million)	Volume (€ million)	Coupon (%)	Maturity	Term (years)
XS2755487076	DB Finance	EUR	500	500	3.375	Jan 2038	14.0
XS2763525396[1]	DB Finance	NOK	1,325	117	4.106	Feb 2039	15.0
XS2808189760	DB Finance	EUR	500	500	3.250	Apr 2034	10.0

[1] Private placement.

- **EDIP:** Under the EDIP, three senior bonds were issued in the first half of 2024 (volume: € 1.1 billion) and six senior bonds (volume: € 1.1 billion) were repaid.
- **Kangaroo program:** The changes in the Kangaroo program resulted from exchange rate differences.

The funds were raised to refinance liabilities becoming due and ongoing general Group financing. In the first half of 2024, demand for our bonds came primarily from institutional investors in Europe.

Other financing instruments

- **Commercial paper program:** In the area of short-term debt financing, we still have access to a multi-currency commercial paper program, which was utilized by issuances with residual terms of up to three months as of June 30, 2024.
- **Credit facilities (back-up lines / bridge loan facilities):** As of June 30, 2024, we also had guaranteed credit facilities with a residual term of up to 4.5 years. They were utilized to increase financial flexibility, including with regard to possible proceeds from potential divestments.
- **Other credit lines:** As of June 30, 2024, we were also able to rely on credit lines of € 2.7 billion for the operating business (as of December 31, 2023: € 2.7 billion). These credit lines are made available to our subsidiaries worldwide and include provisions for financing working capital as well as sureties for payment.

Rolling stock financing

In order to finance rolling stock in regional rail passenger transport, sale-and-leaseback contracts, among others, are also concluded as well as contracts concluded on the basis of the lessor entering into the contract. In the first half of 2024, as part of the second stage of commissioning, the Franconia—South-Thuringia network went into full operation (a total of eight electric traction units). This transport contract is based on a sale-and-leaseback contract.

CREDIT RATINGS

DB AG CREDIT RATINGS	First issued	Last published	Ratings: Short-term	Ratings: Long-term	Ratings: Outlook
S&P Global Ratings	May 16, 2000	Nov 23, 2023	A-1+	AA-	stable
Moody's	May 16, 2000	Jul 3, 2024	P-1	Aa1	stable

The creditworthiness of DB Group is continuously monitored and assessed by the rating agencies S&P Global Ratings (S&P) and Moody's.

In the first half of 2024, S&P and Moody's did not make any changes to DB AG's ratings.

Additional information on the subject of ratings and the rating agencies' full analyses of DB AG are available on our Investor Relations website.

Key economic performance indicators

⟼ *The development of operating profit led to the weaker development of ROCE and debt coverage.*

DEBT COVERAGE

DEBT COVERAGE / € million	H1 2024	H1 2023	Change absolute	Change %
EBITDA adjusted [1,2]	1,301	2,178	- 877	- 40.3
+ Operating interest balance [1,2]	- 396	- 284	- 112	+ 39.4
+ Original tax expenses [1,2]	- 84	- 133	+ 49	- 36.8
Operating cash flow after taxes [1,2]	**821**	**1,761**	**- 940**	**- 53.4**
Net financial debt as of Jun 30	33,084	30,278	+ 2,806	+ 9.3
+ Pension obligations as of Jun 30	3,240	3,235	+ 5	+ 0.2
+ Hybrid capital [3] as of Jun 30	1,003	1,003	-	-
/ Net debt as of Jun 30	**37,327**	**34,516**	**+ 2,811**	**+ 8.1**
Debt coverage [1] (%)	**4.4**	**10.2**	**- 5.8**	**-**
Target value (%)	≥ 20	≥ 20	-	-

[1] Value for the first half of 2023 adjusted due to reclassification of DB Arriva 24.
[2] Figures extrapolated to the full year for calculation of key figures.
[3] As assessed by the rating agencies, half of the hybrid capital shown on the balance sheet is taken into account in the calculation of the adjusted net debt.

As of June 30, 2024, debt coverage decreased significantly, due in particular to profit development:

- Operating cash flow after taxes fell, in particular, as a result of the weaker operating profit.
- The increase in net debt compared to June 30, 2023, was largely due to higher net financial debt 29f.

ROCE

ROCE	H1 2024	2023	Change absolute	%
EBIT adjusted [1),2)] (€ million)	- 677	279	- 956	-
Ø Capital employed as of Jun 30 (€ million)	49,238	46,574	+ 2,664	+ 5.7
ROCE [1)] (%)	**- 2.7**	**1.2**	**- 3.9**	**-**
Target value (%)	≥ 5.7	≥ 6.0	-	-

1) Value for the first half of 2023 adjusted due to reclassification of DB Arriva 24.
2) Figures extrapolated to the full year for calculation of key figures.

The decline in ROCE was mainly due to the significantly weaker adjusted EBIT. The significant increase in capital employed was mainly due to the increase in property, plant and equipment 31.

Asset situation

⟶ *Net financial debt decreased slightly compared to the end of the previous year.*

⟶ *Infrastructure capital expenditures in Germany continued to rise from an already high level.*

⟶ *The equity ratio improved significantly, mainly as a result of the implementation of the first tranche of the equity increases planned for 2024.*

STATEMENT OF CASH FLOWS

SUMMARY STATEMENT OF CASH FLOWS / € million	H1 2024	2023	Change absolute	%
Cash flow from operating activities	946	1,930	- 984	- 51.0
Cash flow from investing activities	- 2,727	- 3,085	+ 358	- 11.6
Cash flow from financing activities	3,614	696	+ 2,918	-
Net changes in cash and cash equivalents as of Jun 30 / Dec 31	1,942	- 2,507	+ 4,449	-
Cash and cash equivalents as of Jun 30 / Dec 31	4,573	2,631	+ 1,942	+ 73.8

- The very significant decrease in cash flow from operating activities was mainly due to weak profit development 25ff.
- The decrease in cash outflow from investing activities was mainly due to the cash inflow in connection with the sale of DB Arriva (€ + 1,225 million) and lower payments for investments in financial assets (€ + 147 million; in particular for the rental of rolling stock with contracting organizations under service concession agreements). This more than offset the increase in cash outflow for net capital expenditures 30f.
- Cash inflow from financing activities increased significantly:
  - The cash inflow from Government equity injections (€ + 3,020 million) and the higher net cash inflow from the taking out and redemption of financial loans (€ + 800 million) had a positive impact, mainly as a result of the issuance of commercial paper for short-term Group financing.
  - In part, the lower net cash inflow from senior bonds 27f. (€ – 914 million) had an adverse effect.
- On balance, as of June 30, 2024, cash and cash equivalents had increased significantly.

NET FINANCIAL DEBT

NET FINANCIAL DEBT / € million	Jun 30, 2024	Dec 31, 2023	Change absolute	%
Senior bonds	29,944	30,042	- 98	- 0.3
Leasing liabilities	4,687	4,787	- 100	- 2.1
Commercial paper	1,031	358	+ 673	-
Interest-free loans	-	152	- 152	- 100
Other financial debt	3,340	2,769	+ 571	+ 20.6
Financial debt	**39,002**	**38,108**	**+ 894**	**+ 2.3**
⊖ Cash and cash equivalents, highly liquid cash investments and financial receivables	- 5,827	- 3,934	- 1,893	+ 48.1
± Effects from currency hedges	- 91	- 221	+ 130	- 58.8
Net financial debt	**33,084**	**33,953**	**- 869**	**- 2.6**

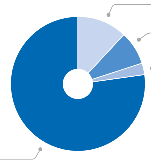
Net financial debt as of June 30, 2024, fell slightly compared with the end of the previous year. Positive effects resulted mainly from the cash inflow from the Government equity injection (first tranche of the planned equity increases for 2024). This was countered by continuing high demand for funds for capital expenditures and weak profitability.

- The financial debt increased slightly:
  - Commercial paper liabilities increased significantly due to issuances).
  - Other financial debt was also significantly higher, mainly as a result of the net taking out of short-term bank debt (including bridge loans 27f.).
  - The value of the outstanding senior bonds 27f. in euros was approximately at the same level as at the end of the previous year. Exchange rate effects did not play a key role here as a result of closed hedging transactions.
  - Leasing liabilities fell slightly, largely due to redemptions. In particular, the conclusion of new lease agreements had a largely compensatory effect.
  - Interest-free loans fell as a result of repayments.
- The foreign currency senior bonds are hedged against exchange rate fluctuations by corresponding derivatives, so that exchange rate effects are compensated through the offsetting position of the hedging transaction.

The slight increase in financial debt was offset by a stronger increase in cash and cash equivalents (including highly liquid cash investments).

Net financial debt subsequently declined slightly.

COMPOSITION OF FINANCIAL DEBT / % — **as of Jun 30, 2024** / as of Dec 31, 2023



The maturity structure of financial debt has shifted slightly toward maturity of one to two years, due to the maturity profile of our senior bonds. In contrast, the proportion of long-term financial debt in particular declined.

Due to issuances, the composition of financial debt shifted slightly in the direction of the commercial paper. The share of bank borrowings also rose slightly as a result of the increased use of short-term credit lines. The share of senior bonds, leasing liabilities and interest-free loans decreased.

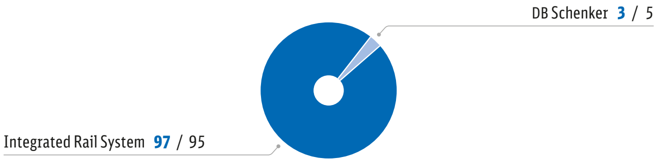
CAPITAL EXPENDITURES

CAPITAL EXPENDITURES / € million	H1		Change	
	2024	2023	absolute	%
Gross capital expenditures [1]	7,305	6,176	+1,129	+18.3
thereof Integrated Rail System	7,055	5,852	+1,203	+20.6
− Investment grants [1]	3,289	3,199	+90	+2.8
thereof Integrated Rail System	3,289	3,195	+94	+2.9
Net capital expenditures [1]	**4,016**	**2,977**	**+1,039**	**+34.9**
thereof Integrated Rail System	3,766	2,657	+1,109	+41.7
For information only:				
Government equity injections to finance infrastructure capital expenditures	3,020	-	+3,020	-

[1] Value for the first half of 2023 adjusted due to reclassification of DB Arriva 24.

- Gross capital expenditures were substantially driven by higher capital expenditures to improve the quality and availability of the track infrastructure in the Integrated Rail System. In rail freight and regional passenger transport, capital expenditures in the vehicle fleet were roughly at the level of the first half of 2023. At DB Long-Distance, overall capital expenditures decreased significantly as a result of the completion of vehicle projects 34. DB Schenker's capital expenditure activities (especially leasing activities) in Europe, America and Asia) also declined.
- Investment grants, which in the first half of 2024 were exclusively attributable to the Integrated Rail System, rose slightly as a result of higher capital expenditures in track infrastructure. They accounted for about 45% of gross capital expenditures (first half of 2023: about 52%).
- As a result of the decision by the Federal Government to provide funds for capital expenditures in the rail network from 2024 onwards, also through equity increases 5f., net capital expenditures from 2024 onwards thus also include measures that do not have to be covered by the internal and external financing of DB Group.
- Net capital expenditures increased significantly, driven by the development of the Integrated Rail System. This was primarily due to the implementation of additional measures to improve the quality and availability of infrastructure, particularly at DB InfraGO. In contrast, lower vehicle capital expenditures at DB Long-Distance had a partly compensatory effect.
- Adjusted for the effect of the additional capital expenditure as a result of the Federal Government's equity increases, net capital expenditures declined significantly. In the first half of 2023, measures were included that were pre-financed for the Federal Government. The pre-financing was replaced as part of equity injection in June 2024.

GROSS CAPITAL EXPENDITURES BY DIVISIONS / % **H1 2024** / H1 2023



Values for the first half-of 2023 adjusted due to reclassification of DB Arriva 24.

The focus of our capital expenditure activities continues to center on the Integrated Rail System for measures to improve performance capability, efficiency and quality in the area of track infrastructure as well as measures to expand our vehicle fleet.

Regional capital expenditure priorities

GROSS CAPITAL EXPENDITURES BY REGIONS / € million	H1		Change	
	2024	2023	absolute	%
Germany	7,068	5,824	+1,244	+21.4
Europe (excluding Germany) [1]	177	211	-34	-16,1
Asia/Pacific	32	54	-22	-40.7
North America	30	57	-27	-47.4
Rest of world	8	4	+4	+100
Consolidation	-10	26	-36	-
DB Group [1]	**7,305**	**6,176**	**+1,129**	**+18.3**

[1] Value for the first half of 2023 adjusted due to reclassification of DB Arriva 24.

NET CAPITAL EXPENDITURES BY REGIONS / € million	H1		Change	
	2024	2023	absolute	%
Germany	3,779	2,633	+1,146	+43.5
Europe (excluding Germany) [1]	177	207	-30	-14.5
Asia/Pacific	32	50	-18	-36.0
North America	30	57	-27	-47.4
Rest of world	8	4	+4	+100
Consolidation	-10	26	-36	-
DB Group [1]	**4,016**	**2,977**	**+1,039**	**+34.9**

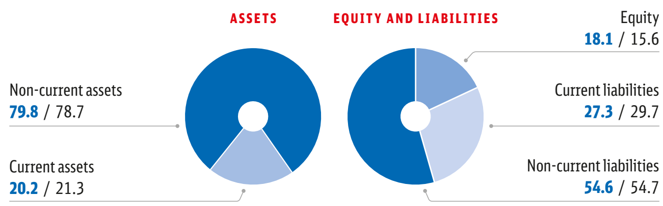
[1] Value for the first half of 2023 adjusted due to reclassification of DB Arriva 24.

In the regional breakdown of gross and net capital expenditures, the focus remained on Germany. They rose significantly as a result of higher capital expenditures on infrastructure. The development of capital expenditures in the remaining regions was driven by regional developments at DB Schenker.

BALANCE SHEET

BALANCE SHEET / € million	**Jun 30, 2024**	Dec 31, 2023	Change absolute	Change %
Total assets	79,120	77,472	+1,648	+2.1
ASSETS				
Non-current assets	63,152	60,966	+2,186	+3.6
Current assets	15,968	16,506	-538	-3.3
EQUITY AND LIABILITIES				
Equity	14,340	12,126	+2,214	+18.3
Non-current liabilities	43,151	42,369	+782	+1.8
Current liabilities	21,629	22,977	-1,348	-5.9

BALANCE SHEET STRUCTURE / % **as of Jun 30, 2024** / as of Dec 31, 2023



In the first half of 2024, there were no material changes to the International Financial Reporting Standards (IFRS) regulations or DB Group's consolidation and accounting principles that would result in any changes to the consolidated financial statements.

Total assets increased slightly:

- Non-current assets increased, driven primarily by higher property, plant and equipment (€ +2,055 million). Continuously high net capital expenditures had an effect here. In addition, receivables and other assets (€ +188 million) increased, among others relating to plan assets. However, the significant decline in deferred tax assets (€ −70 million) had a compensating effect.
- Current assets fell overall. The main factors were:
  - Elimination of assets held for sale (€ −3,306 million) as a result of the sale of DB Arriva.
  - An increase in cash and cash equivalents (€ +1,942 million) as a result of the cash inflow from the Government equity injection, higher trade receivables (€ +659 million; on particular, reporting date effects at DB Schenker) and inventories (€ +123 million; among other things, increased order book at DB Vehicle Maintenance) had a largely compensatory effect.

The structure of the assets side remained almost unchanged, with a very slight shift in favor of non-current assets.

On the equity and liabilities side, equity increased significantly, mainly due to:

- the implementation of the first tranche of the planned equity increases for 2024 (€ +3,020 million) and
- the increase in the changes recorded in the reserves in connection with pensions (€ +760 million). The effects were mainly due to the deconsolidation of DB Arriva (reclassification of effects captured in reserves from revaluation of pensions into generated profits (other changes) not affecting the equity position) and the interest-related revaluation of pensions.
- Higher changes recorded in the reserves in connection with the market valuation of cash flow hedges (€ +107 million) also served to increase equity.
- Negative effects from the development of profit (€ –1,256 million) and from the reclassification of reserves relating to pensions in the context of the deconsolidation of DB Arriva, counteracted this, which were shown in the other changes in generated profits (€ –443 million) (opposite effect in changes related to pensions recognized in reserves).

The disproportionately high increase in equity in comparison to total assets led to a significant improvement in the equity ratio.

- Non-current liabilities increased slightly. In essence, this development was characterized by:
  - higher long-term financial debt 66 (€ +813 million) and
  - an increase in deferred income (€ +345 million) mainly due to deferred revenues at DB Regional.
  - The particularly interest-related decline in the context of the revaluation of pension obligations (€ –252 million) and other long-term provisions (€ –87 million) had a partly compensatory effect. Derivative financial instruments (€ –73 million), particularly in connection with hedging transactions for senior bonds, also declined.
- Current liabilities declined. In essence, this development was characterized by:
  - the elimination of liabilities held for sale (€ –2,157 million) as a result of the sale of DB Arriva and
  - lower trade liabilities (€ –354 million), among others in the Integrated Rail System.
  - Higher other current liabilities (€ +456 million; among other things due to reporting date effects) as well as higher other provisions (€ +447 million), mainly due to additions for revenue discounts at DB Regional, had a partly compensatory effect.

The increase in equity has led to a shift in the structure of the liabilities side. In particular, the share of non-current liabilities declined.

PROCUREMENT VOLUME

The procurement volume corresponds to the contractual obligations that DB Group has entered into with suppliers. On subsequent realization, these become capital expenditures or expenses (mainly cost of materials and other operational expenses). Total procurement volume in the first half of 2024 amounted to € 21.6 billion (in the first half of 2023: € 20.9 billion):

- Freight and freight-forwarding services decreased slightly to € 5.5 billion (in the first half of 2023: € 6.0 billion), mainly as a result of the further normalization of freight rates. Slightly increased transport volume had a partly compensating effect.
- Industrial products fell to € 3.7 billion (in the first half of 2023: € 4.1 billion) as a result of reduced vehicle purchases.
- In construction and engineering services, the purchasing volume increased to € 5.6 billion (in the first half of 2023: € 4.6 billion) due to increasing capital expenditures in infrastructure, among others the expansion line Hanau—Gelnhausen.
- Third-party services rose to € 5.1 billion (in the first half of 2023: € 4.4 billion). This resulted, among other things, from the higher volume of vehicle conversions and construction supervision and security services in connection with the increased capital expenditures in infrastructure.
- Cable- and pipe-bound power and fuel decreased to € 1.7 billion (in the first half of 2023: € 1.8 billion).

DEVELOPMENT OF BUSINESS UNITS

Business units in the Integrated Rail System

DEVELOPMENTS IN THE RELEVANT MARKETS

The developments described below are based in part on provisional data and different time horizons, as complete data on market developments in the first half of 2024 was not available at the time this report was prepared.

German passenger transport market

In the first half of 2024, the German passenger transport market recorded a slight increase in volume sold. However, the growth in demand varied greatly across the individual market segments.

- Motorized individual transport continued to recover in the first half of 2024 compared to pre-Covid-19 levels. However, a persistently high fuel price level and a change in mobility behavior following the Covid-19 pandemic had a dampening effect.
- Domestic air transport recorded strike-related losses in the first quarter of 2024 and remained well below the pre-Covid-19 level.

RAIL PASSENGER TRANSPORT

Rail passenger transport developed positively and recorded significant growth in volume sold (+10%) in the first quarter of 2024 compared to the same period in the previous year. However, service restrictions due to high levels of construction activity and the effects of the GDL strikes, among other things, had a dampening effect. DB Group's volume sold also increased during this period. The positive development in volume sold for rail passenger transport continued in the second quarter of 2024.

- Regional rail passenger transport grew very significantly in the first quarter of 2024 (+25%), in particular due to baseline effects from the introduction of the Germany-Ticket 7 in May 2023. DB Regional Rail recorded an increase in performance at a slightly lower level (+19%). Growth weakened in the second quarter of 2024 compared to the same quarter of the previous year, as the Germany-Ticket (since May 2023) already had some positive effects in the same period of the previous year.
- Long-distance rail passenger transport, on the other hand, declined (–6%) in the first quarter of 2024 due to the high level of construction activity and strikes.
- FlixTrain expanded its seating capacity in the first half of 2024 – taking as its starting point the significantly lower capacity compared to DB Long-Distance – and strengthened sales cooperation with local transport companies to connect further cities.

PUBLIC ROAD PASSENGER TRANSPORT

The overall public road passenger transport market recorded a moderate increase in volume sold (+6%) in the first quarter of 2024 compared to the same period in the previous year, partly due to positive effects from the Germany-Ticket.

- In the first quarter of 2024, the growth in regional bus transport was about 5%. DB Regional Road recorded an increase in performance of about 11% in the first quarter of 2024.
- Long-distance bus transport increased significantly in the first half of 2024, partly due to an increase in services. In the first quarter of 2024, volume sold was significantly higher (+16%) than in the same quarter of the previous year.

German freight transport market

Following the significant slump in 2023, freight transport in Germany did not return to growth in the first quarter of 2024. The lack of economic recovery continues to dampen demand for transport. At the same time, service providers are struggling with rising operating costs across different modes of transport and increased competitive pressure due to surplus capacity.

With weak development also expected in the second quarter of 2024, demand will at best recover from the second half of 2024 onwards. In terms of 2024 as a whole, however, freight transport in Germany is likely to be below the previous year.

RAIL FREIGHT TRANSPORT

According to previous publications by the Federal Office of Statistics, the development of rail freight transport volume sold up to March 2024 was significantly lower than in the same period in the previous year, with a decline of 5.6%. This market situation primarily reflects the current weak economic conditions.

The core sectors of coal, mineral products, building materials and steel in particular recorded sharp declines in the first quarter of 2024. Chemical transports recovered and increased again by 5% compared to the same period in the previous year. Automotive transport fell short of expectations. Combined transport, which is so important for rail freight transport with a share of about 45%, stagnated at a low level and recorded positive growth for the first time in March 2024, albeit still weak growth of 0.4%. The stimulating growth in container transshipment at the North Sea ports that began in the first few months of 2024 continued in May 2024 following a decline in April 2024.

ROAD FREIGHT TRAFFIC

Road freight transport also got off to a weak start in 2024. Although there has been a slight recovery since April 2024, transport volumes are still below the previous year's level. This is due to the continuing weak economic impetus and the persistently weak order book in the construction industry, which is particularly relevant for the road sector.

The restrained development is also reflected in the toll statistics of the Federal Office for Goods Freight Transport. On the toll road network, mileage stagnated at a low level until May 2024 compared to the same period in the previous year. The development of trucks registered in Germany was worse than that of foreign trucks.

INLAND WATERWAY TRANSPORT

After a poor year in 2023, inland waterway transport continued its negative development in the first months of 2024; volume sold in the first two months of 2024 was 3.5% below the previous year's level.

This is due to the persistently weak volumes of coal transports and the lack of recovery in chemical and steel transports.

European rail freight transport market

According to the latest available data, volume sold in European rail freight transport (EU 27, Switzerland, Norway and the United Kingdom) fell by 4.5% in the first quarter of 2024 compared to the same period in the previous year. The market continues to be burdened by weak economic development and high costs. Despite a slight recovery in container volume, the weak development of the sectors predisposed to rail transport is causing declines in almost all European countries.

DB LONG-DISTANCE BUSINESS UNIT

Fleet development

VEHICLE PROJECTS AND PURCHASES

The vehicle projects for the expansion of the ICE fleet were continued in the first half of 2024:

- The ICE 4 fleet is now complete with the delivery of the last two trains in the first half of 2024 and now comprises 137 multiple units.
- The gradual acceptance of the ICE 3neo progressed further in 2024 – 21 ICE 3neo trains are currently in operation, five of which were delivered in the first half of 2024.
- Modernization of the ICE 1 will continue. By mid-2024, 35 ICE 1 trains had been modernized and the robustness of the drives optimized.
- The ICE T customer program includes, among others, seat renewals and an upgrade of the vehicle interior. By the end of the first half of 2024, 17 ICE T trains had already been modernized.

VEHICLE AVAILABILITY

Due to the modernization of the existing fleet and the commissioning of new vehicles, the vehicle availability of the ICE fleet was improved again in the first half of 2024 compared to the previous year. There has also been a positive development in terms of functionality (e.g. drives, WCs and passenger information).

Additional vehicles are being procured and modernized in order to provide passengers with a high-quality and reliable vehicle fleet in the future.

Digitalization and innovation

- **DB Navigator:** DB Navigator underwent further development in the first half of 2024 with new functions requested by many customers. These include the commuter alarm, push notifications for deviations from schedule and reminders for boarding and alighting, improved map functionality and favorite routes to make it even quicker and easier to find frequently used routes on the app. DB Group is therefore continuing to work on offering its passengers greater reliability by providing optimum travel assistance, even in the current tense operational situation.
- **Digitalization of the BahnCard:** Since the beginning of June 2024, the BahnCards 25 and 50 have been issued as a purely digital product when purchasing new subscriptions or renewing existing ones. To use the digital BahnCard, all you need is a customer account at bahn.de and

the DB Navigator app on your smartphone. In DB Navigator, customers have their digital BahnCard with them at all times and in one place: tickets, BahnCards, BahnBonus points, offers and much more.

Environmental measures

- Since 2018, ICE, IC and EC trains in Germany have been running on electricity from 100 % renewable energies sources. TÜV SÜD audited and certified the use of 100 % eco-power for these journeys for the first time in June 2024. The review will take place annually in future.
- By digitalizing the BahnCards 25 and 50, we and our customers are saving over 30 t of plastic per year.
- Since March 2024, the new CO_2 savings clock on bahn.de has been counting the CO_2e savings made by DB Long-Distance Transport in real time compared to traveling by car. In this way, we are able to show our customers the positive effects they can achieve by choosing rail as a means of transport. The CO_2 Compass has also been available to BahnBonus app users since April 2024. This feature also allows you to view your personal CO_2e savings compared to a car. This saving is made more tangible through illustrative comparisons, for example how often laundry could be washed with the amount of CO_2e saved.

Subsidiaries

- **DB Sales:** The Long-Distance Sales division (with the exception of DB Dialog GmbH) was separated from DB Sales as of April 1, 2023 and transferred to the DB Long-Distance business unit. As a result, product development, marketing and sales are to be even more closely interlinked, and improvements for our customers are to be implemented more quickly.

Other events

- International long-distance transport continues to grow. In the first half, about 12 million passengers traveled on cross-border routes (+ 4.1 % compared to the first half of 2023). Compared to the pre-Covid-19 level, growth was even more pronounced (+ 28.2 % compared to the first half of 2019). The seating capacity on offer has increased by 13 % in the same period thanks to new connections and the use of longer trains.

Development in the first half of 2024

- *GDL strikes, major construction-related infrastructure restrictions and the floods in southern Germany had a noticeable impact on development in the first half of 2024.*
- *Additional burdens on profits resulted, among other things, from tariff effects and increased depreciation due to capital expenditures.*

	H1		Change	
DB LONG-DISTANCE	**2024**	2023	absolute	%
Punctuality (%)	62.7	68.7	- 6.0	-
Punctuality (whole journey) (%)	66.8	73.9	- 7.1	-
Customer satisfaction (grade)	2.7	2.5	+ 0.2	-
Passengers (million)	64.2	68.2	- 4.0	- 5.9
Volume sold (million pkm)	20,869	21,658	- 789	- 3.6
Volume produced (million train-path km)	79.3	77.9	+ 1.4	+ 1.8
Load factor (%)	45.0	47.5	- 2.5	-
Total revenues (€ million)	2,803	2,872	- 69	- 2.4
External revenues (€ million)	2,717	2,791	- 74	- 2.7
EBITDA adjusted (€ million)	62	182	- 120	- 65.9
EBIT adjusted (€ million)	- 232	- 62	- 170	-
Gross capital expenditures (€ million)	457	814	- 357	- 43.9
Employees as of Jun 30 (FTE)	21,526	20,501	+ 1,025	+ 5.0
Average employees (FTE)	21,338	19,930	+ 1,408	+ 7.1

The punctuality (train arrival time plus a maximum of 5:59 minutes) of DB Long-Distance has become noticeably poorer compared to the first half of 2023. This was mainly due to the poor state of the infrastructure and the large number of construction measures. In addition, the further increase in capacity restrictions, particularly in the major transport hubs, as well as external events such as the GDL strikes and the floods in southern Germany at the beginning of June 2024 led to impairments in the quality of operations. As a result, punctuality (whole journey; passenger arrival time at destination plus a maximum of 14:59 minutes at the destination station) was also weaker. A decline in vehicle malfunctions coupled with increasing vehicle availability had a counteracting effect.

After a positive start to the year, customer satisfaction decreased by mid-2024. Poor punctuality and extraordinary issues (including GDL strikes, a longer tunnel closure on the Hanover—Würzburg high-speed line and floods) led to lower customer satisfaction in the first half of 2024. Satisfaction with onboard train service and comfort remained at a good level.

Performance development was mixed in the first half of 2024.

- **Number of passengers and volume sold:** Noticeable decline, in particular due to the strike measures of the GDL 3 and the construction-related restrictions in the infrastructure, in particular as a result of the renovation of the Rauheberg tunnel 46 with huge increases in travel time between Frankfurt am Main and Hamburg or Berlin.
- **Volume produced:** Slight increase due to the expansion of supply; this was offset by the GDL strike actions and construction measures.
- **Load factor:** Decrease due to the strike- and quality-related drop in passenger numbers coupled with an increase in volume produced.

Economic development remains challenging and has deteriorated significantly, particularly due to the difficult operational situation with extensive infrastructure measures. Lower revenues due to strikes and construction work as well as increased expenses led to a noticeable decline in operating profit:

- **Revenues (–2.4%/€ –69 million):** Decline due to strike and quality effects.
- **Other operating income (+8.2%/€ +15 million):** Increase partly due to positive effects from the transfer of activities of DB Sales in April 2023. The increase was largely offset by the loss of income from compensation for damage.

Expenses rose markedly, mainly as a result of tariff effects, increased infrastructure utilization costs and higher depreciation.

- **Personnel expenses (+14.1%/€ +93 million):** The increase was due to tariff effects and a higher number of employees.
- **Depreciation (+20.5%/€ +50 million):** Significant increase mainly due to vehicle capital expenditures in the previous year.
- **Other operational expenses (+9.8%/€ +43 million):** Increase mainly due to higher IT expenses as a result of the transfer of activities of DB Sales and for IT projects. Further burdens resulted, among other things, from more extensive passenger support due to the strikes and higher expenses for strategic projects.

The decline in the cost of materials had a partially offsetting effect:

- **Cost of materials (–4.1%/€ –73 million):** The decline was mainly due to price-related lower energy expenses and lower commission payments as a result of the transfer of activities of DB Sales. This was partly offset in particular by higher price and volume-related expenses for train-path utilization and in connection with the increased construction volume in the network and the GDL strikes (customer service).

Capital expenditures declined significantly, partly due to the completion of individual vehicle projects, including the completion of the delivery of ICE 4 trains 34, but remained at a high level.

The number of employees had increased as of June 30, 2024, primarily due to the implementation of quality improvement measures. The transfer of employees from DB Sales also increased the average number of employees.

DB REGIONAL BUSINESS UNIT

Development of the order book

AWARDED TRANSPORT CONTRACTS

GERMAN REGIONAL RAIL PASSENGER TRANSPORT MARKET / million train-path km	H1 2024		H1 2023	
	p. a.	total	p. a.	total
Tender procedures (number)	5	–	15	–
thereof to DB Regional	3	–	7	–
Awarded tender volume	25.5	168.5	51.9	315.9
thereof DB services (%)	66	–	44	–
thereof to DB Regional	16.9	157.8	24.9	126.3
Hit rate (%)	66	94	48	40
SIGNIFICANT CONTRACTS WON				
S-Bahn (metro) Cologne (level 1)	12.3	116.4	–	–
Networks West and Dagebüll lot West	4.4	39.6	–	–

The volume of awarded tenders for regional rail passenger transport in Germany was considerably lower than in the first half of 2023. DB Regional's hit rate developed very positively in the first half of 2024. DB Regional won the tender procedures for all previously operated services.

GERMAN PUBLIC ROAD PASSENGER TRANSPORT MARKET / million commercial vehicle km	H1 2024		H1 2023	
	p. a.	total	p. a.	total
Tender procedures (number)	111	–	57	–
thereof with participation by DB Regional	98	–	52	–
Awarded tender volume	61.2	458.2	36.2	234.8
thereof DB services (%)	35	–	30	–
thereof with participation by DB Regional	54.4	418.7	34.8	229.1
Hit rate (%)	41	–	56	–

In the first half of 2024, the awarded tender volume for bus transport in Germany increased significantly compared to the same period in the previous year. DB Regional did not match the exceptionally high hit rate of the first half of 2023, but was above the long-term average.

NEW COMMISSIONS AND CESSATIONS

In the first half of 2024, no new regional rail passenger transport services were put into operation by DB Regional. There was also no change of operator for existing DB Regional (rail) services in the first half of 2024.

ORDER BOOK

ORDER BOOK / € billion	Jun 30, 2024	Dec 31, 2023	Change absolute	Change %
DB Regional	88.7	89.0	- 0.3	- 0.3
secured	75.9	75.3	+ 0.6	+ 0.8
unsecured	12.8	13.7	- 0.9	- 6.6

Revenues that are directly connected to transport contracts or concessions are either independent of (secured revenues, primarily concession fees) or dependent on (unsecured revenues, primarily revenues from fares) the number of passengers.

DB Regional's order book remained stable in the first half of 2024. The additions from awarded transport contracts of € 4.7 billion were offset by disposals of about € 5.1 billion, mainly as a result of services rendered. As most of the awarded transport contracts include secured revenues, there has been an increase in the secured order book, while unsecured revenues have decreased as a result of services rendered.

Fleet development

In the first half of 2024, we continued to implement comprehensive measures to improve our vehicle fleet:

- These included the redesign of the interior, the installation of passenger information and video recording systems, WiFi and new paintwork. A total of 119 vehicles were converted and modernized, mainly in the S-Bahn (metro) Berlin, Elbe-Spree and S-Bahn (metro) Cologne electric networks and in the diesel networks NeiTech Thuringia, Network 18 Baden-Württemberg and Northeast Bavaria express service.
- We are further focusing on the procurement of new vehicles for awarded transport contracts. A total of 17 new vehicles were delivered in the first half of 2024. Thereof, 16 were deployed through a leasing model. Sixteen vehicles for the Franconia-South Thuringia regional transport network and for the Danube-Isar network are the main focus of the new vehicle deliveries. Furthermore, 24 new multiple-unit trains were ordered in the first half of 2024.

Digitalization and innovation

- In the Schlei region, NAH.SH has been working with two district authorities since the end of March 2024 to test an integrated everyday mobility service featuring a combination of electric buses, on-demand transport and bike and car-sharing as part of the SMILE24 pilot project, which is financed by Government and Federal state funds. DB Regional is an important project partner in this completely new approach to a scalable model region for integrated everyday mobility. Initial indications show that demand for public transport in the project region has risen by about 50 %. The on-demand shuttle, for example, records an average of about 4,000 bookings per week. This enables us to provide about 120,000 people in this region and numerous tourists with reliable, flexible and sustainable mobility, even in rural areas.
- ioki's on-demand platform recorded 5.5 million users in the first half of 2024, highlighting the demand for networked, customer-oriented mobility. In the first half of 2024, ioki fitted a further 15 services with its software.
- Since May 2024, we have been expanding our digital services and increasing the benefits for our customers by focusing on everyday mobility with DB Navigator. The maps, commuter alarm and route favorites functions are the first features specifically tailored to local transport customers and will be gradually expanded.

Environmental measures

- Since April 2024, the first of 24 planned completely modernized electric multiple unit (EMU) 424 series cars, which were originally built in 1999/2000 for the Hanover S-Bahn (metro), have been in service for the Cologne S-Bahn (metro). These will be followed by the 99 trains in the other EMU series. The comprehensive modernization project not only improves passenger comfort, but also saves resources compared to a new purchase.

Development in the first half of 2024

- *Significant increase in volume sold due to the introduction of the Germany-Ticket in May 2023 as well as tenders won in the bus sector.*
- *Additional burdens due to strikes, higher personnel costs and extensive construction work on the network.*
- *Operating profit development remains under pressure.*

	H1		Change	
DB REGIONAL	**2024**	2023	absolute	%
Punctuality (rail) (%)	90.8	92.4	-1.6	–
Punctuality (bus) (%)	86.2	85.9	+0.3	–
Customer satisfaction (grade) – rail	2.2	2.2	–	–
Customer satisfaction (grade) – bus	2.1	2.0	+0.1	–
Passengers (million)	1,128	1,076	+52	+4.8
thereof rail	855.0	808.3	+46.7	+5.8
Volume sold (million pkm)	22,544	19,598	+2,946	+15.0
thereof rail	19,508	16,665	+2,843	+17.1
Volume produced (rail) (million train-path km)	200.6	210.8	-10.2	-4.8
Volume produced (bus) (million bus km)	267.9	256.8	+11.1	+4.3
Total revenues (€ million)	5,032	4,749	+283	+6.0
External revenues (€ million)	4,953	4,683	+270	+5.8
Rail concession fees (€ million)	3,521	3,334	+187	+5.6
EBITDA adjusted (€ million)	264	295	-31	-10.5
EBIT adjusted (€ million)	-66	-38	-28	+73.7
Gross capital expenditures (€ million)	200	198	+2	+1.0
Employees as of Jun 30 (FTE)	41,128	38,414	+2,714	+7.1
Average employees (FTE)	40,440	38,394	+2,046	+5.3

In regional rail passenger transport, punctuality has decreased in both regional transport and S-Bahn (metro) services. Quality of operations continued to be significantly affected by a number of structural issues. The main drivers are infrastructure disruptions, primarily due to superstructure faults and restricted speed sections, capacity restrictions due to construction measures with a focus on regional transport and a high traffic load in hubs with a simultaneous increase in passenger numbers, resulting in passing on of delays. In addition, events such as the floods in southern Germany at the beginning of June 2024 had a major impact on the quality of operations.

Punctuality on bus services has improved slightly compared to the first half of 2023.

The development of customer satisfaction was mixed:

- **DB Regional Rail:** Passenger satisfaction with their current journey (regional transport and S-Bahn (metro) trains) remained unchanged in the first half of 2024.
- **DB Regional Road:** Satisfaction with the current journey was slightly weaker at the bus companies, driven by a higher number of canceled journeys.

Passenger numbers at DB Regional developed positively in the first half of 2024, among others due to the Germany-Ticket and significant tender wins by DB Regional Rail. Overall, performance development was positive:

- **DB Regional Rail:** The number of passengers and volume sold increased. Positive effects from the Germany-Ticket being effective over the entire first half-of 2024 were partially offset by strike measures by the GDL 3 in the first quarter of 2024.
- **DB Regional Road:** In particular, tender wins and additional rail replacement services led to a positive performance development.

The economic development of DB Regional was challenging in the first half of 2024 – revenue growth was offset by additional burdens, particularly in the DB Regional Rail line of business, including strikes, increased personnel expenses, vehicle maintenance and additional construction work on the network. Operating profit figures were weaker and adjusted EBIT remained negative. To improve the profit situation, a countermeasures program was launched in the second quarter of 2024, which has already had an impact.

Overall, income development was positive:

- **Revenues (+6.0%/€ +283 million):** The increase was primarily due to higher concession fees, demand-driven increases in fare revenues as well as performance gains and additional rail replacement services in bus transportation. Revenues also increased due to income from final invoices under transport contracts in particular. Strike actions by the GDL had a dampening effect.
- **Other operating income (–12.7%/€ –38 million):** Decrease mainly due to the discontinuation of Government grants from the industry solution for local public transport, which served to compensate for Covid-19-related losses, and due to the omission of damage compensation payments.

On the expense side, there were additional burdens, mainly as a result of higher personnel expenses as a result of collective bargaining agreements and increased material costs:

- **Personnel expenses (+10.0%/€ +120 million):** Increase mainly as a result of collective bargaining agreements and an increase in the number of employees, partly due to increased recruitment (DB Regional Rail) and tender wins (DB Regional Road).
- **Cost of materials (+3.7%/€ +119 million):** Increase mainly due to intensified vehicle maintenance measures and higher volumes of purchased transport services at

DB Regional Road. Expenses for construction-related rail replacement services increased due to higher volumes and prices. This was offset by lower energy and infrastructure utilization expenses due to strikes, which were partially offset by price effects.

- **Other operating expenses (+13.8 % / € +54 million):** Increase due, among other things, to the implementation of replacement services as a result of the strained infrastructural situation and higher miscellaneous costs for training and continuing education.

By contrast, depreciation decreased slightly:

- **Depreciation (–0.9 % / € –3 million):** A slight decrease, driven, among other things, by the extension of useful lives of vehicles. The capital expenditure-related increase at DB Regional Road had a dampening effect.

Capital expenditure activity increased in line with the requirements of the transport contracts won, driven by DB Regional Road.

The number of employees was above the level as of June 30, 2023, for performance-related reasons.

DB REGIONAL RAIL LINE OF BUSINESS

⟼ *Further increase in volume sold, mainly due to the Germany-Ticket.*

⟼ *Additional burdens, in particular due to strikes, higher personnel costs and significant construction activity in the network.*

	H1		Change	
DB REGIONAL RAIL LINE OF BUSINESS	**2024**	2023	absolute	%
Passengers (million)	855.0	808.3	+46.7	+5.8
Volume sold (million pkm)	19,508	16,665	+2,843	+17.1
Volume produced (million train-path km)	200.6	210.8	-10.2	-4.8
Total revenues (€ million)	4,278	4,094	+184	+4.5
External revenues (€ million)	4,221	4,040	+181	+4.5
Rail concession fees (€ million)	3,521	3,334	+187	+5.6
EBITDA adjusted (€ million)	213	269	-56	-20.8
EBIT adjusted (€ million)	-68	-19	-49	-
Gross capital expenditures (€ million)	109	139	-30	-21.6
Employees as of Jun 30 (FTE)	29,892	28,368	+1,524	+5.4

The positive development in demand continued in the first half of 2024. The effectiveness of the Germany-Ticket throughout the entire first half of 2024 had a noticeable positive effect. As a result, the number of passengers and, in particular, volume sold increased. The strike measures by the GDL 3 in the first quarter of 2024 had a dampening effect, resulting in a decline in volume produced. The high volume of construction activity in the network also had a negative impact.

Economic development remained challenging and was significantly weaker. The positive revenue development was offset by a noticeable increase in expenses.

- **Income increased:** This was mainly driven by higher concession fees, a performance-related increase in fare revenues and income from final invoices under transport contracts. The GDL strikes and the discontinuation of Government grants from the industry solution for local public transport and damage compensation payments in connection with delayed vehicle deliveries had a dampening effect.
- **The expense side rose more strongly:** This was mainly due to higher personnel expenses as a result of tariff increases and a higher number of employees due to increased recruitment. Additional burdens also resulted from the intensification of vehicle maintenance measures and rail replacement services, among other things. Higher energy and infrastructure utilization costs were offset by lower volumes due to strikes.

Capital expenditure activities developed in line with the requirements from transport contracts awarded and were down significantly.

The number of employees rose significantly as a result of increased recruitment activities.

DB REGIONAL ROAD LINE OF BUSINESS

⟼ *Performance gains and additional rail replacement services drove the revenue and profit development.*

⟼ *Strike actions by ver.di had a dampening effect.*

	H1		Change	
DB REGIONAL ROAD LINE OF BUSINESS	**2024**	2023	absolute	%
Passengers (million)	273.3	268.1	+5.2	+1.9
Volume sold (million pkm)	3,036	2,933	+103	+3.5
Volume produced (million bus km)	267.9	256.8	+11.1	+4.3
Total revenues (€ million)	884	760	+124	+16.3
External revenues (€ million)	732	643	+89	+13.8
EBITDA adjusted (€ million)	51	27	+24	+88.9
EBIT adjusted (€ million)	1	-18	+19	-
Gross capital expenditures (€ million)	91	60	+31	+51.7
Employees as of Jun 30 (FTE)	11,236	10,047	+1,189	+11.8

The positive performance development in bus transport was mainly the result of tender wins.

The operating profit figures improved significantly. However, the economic situation remains challenging.

- Income increased primarily as a result of performance development, in particular due to tender wins, contractual adjustments of concession fees for higher costs and final invoices under transport contracts as well as additional rail replacement services. Negative effects from strike actions in local public transport had a slightly dampening effect.
- The increase in expenses was weaker. The main expense drivers were higher expenses for purchased transport services and maintenance due to price and volume factors. Personnel expenses also increased due to the significantly higher number of employees and as a result of collective bargaining agreements. Expenses for diesel increased as a result of the higher volume produced. Depreciation increased due to capital expenditures.

Capital expenditures increased significantly due to performance gains and as a result of catch-up effects from the previous year.

The increase in the number of employees was mainly attributable to increases in drivers as a result of performance gains.

DB CARGO BUSINESS UNIT

General framework

PROMOTION OF SINGLE WAGON TRANSPORT

The Federal budget item, which has created the financial conditions for the further promotion of single wagon transport, is endowed with almost € 300 million in the 2024 Federal budget. In 2024, facility price support, which also serves to strengthen single wagon transport, will be endowed with € 20 million, meaning that just under € 320 million in total is earmarked for the promotion of single wagon transport in the 2024 budget. The increased support for single wagon transport was approved by the European Commission in May 2024 and has therefore not yet been implemented in the first half of 2024.

DB Cargo transformation

DB Cargo is implementing a comprehensive transformation to sustainably improve profitability. At its core is the simplification of production structures and processes. This simultaneously creates the conditions for making transport more robust and resilient:

- **New structure:** Starting January 1, 2025, joint production will be replaced by a new divisional structure based on customer needs in units responsible for results. Within DB Cargo AG, the Rail Logistics division comprises the four areas Steel, Automotive, Liquids&Bulk and Full Load Solutions (FLS). The Combined Transport division (CT) comprises the maritime CT and the continental CT. The areas bear responsibility for the economic results of their services and the quality. Locomotives, freight cars and personnel are assigned to them (encapsulated production). In the future, the areas of DB Cargo AG will provide traction services with their own personnel and production resources if this is possible profitably, otherwise services will be awarded to external train operating companies.
- **Simplified production in block train and combined transport:** Simpler processes and more efficient use of locomotives and personnel will increase the robustness of production in block train transport (BT) and combined transport (CT). Locomotives and traction unit drivers are clearly assigned to BT and CT. This will help to increase quality and network stability, make more efficient use of production resources, and realize cost savings.
- **New concept for single wagon transport:** The single-wagon network will be switched to a supply-oriented, high-frequency train network between the train formation yards, with paired train runs as far as possible. This will increase the reliability of the transport, because in this system the transports are planned so that it is paired where possible and can be run in circulation with one locomotive driver and with higher train frequencies between the yards. The new concept will be implemented at the time of the timetable change on December 15, 2024.
- **Streamlining planning and administration:** By simplifying production, the capacities required for planning and controlling of transports in the regions, in the control tower and in administration can be significantly reduced. The consistent digitalization of processes will significantly reduce manual administration activities.

Digitalization and innovation

- **Freight transport production procedures (Produktionsverfahren Güterverkehr; PVG) migrated to the cloud:** DB Cargo's PVG, essential for the reliable production process, was migrated to the Enterprise Cloud since 2021 as part of the "PVG Goes Cloud" project. As of mid-2024, this will save about € 1.5 million in operating costs per year. In addition, it enables the faster resolution of security vulnerabilities and ensures technical development.
- **Digital diagnostics for freight cars:** DB Cargo uses artificial intelligence (AI) to support the diagnosis of freight cars. In the first half of 2024, models were implemented to determine the condition of roof tarpaulins and brake shoes. They support the employees in assessing the

condition of freight cars. This will improve the availability of the cars. Furthermore, the job profile digital car inspector (car inspector image-based interpretation) was successfully tested: they support employees on the track by providing digital diagnosis of freight cars (especially in the event of damage from above). They also test and optimize the AI models used.

— **New generation of locomotives:** A new generation of locomotives will make DB Cargo's fleet more efficient and high-performing. "Vectron Dual Mode light" is the name of the new dual-mode locomotive. It combines the best of both worlds, with an innovative combination of electric and diesel drive and can switch between electric and diesel operation. The new locomotive is specially optimized for the operational requirements of DB Cargo. Compared to a conventional "Vectron Dual Mode," it is several tons lighter, even more efficient in operation and can also be used on secondary lines and sidings with a lower load capacity. The first six locomotives were handed over to DB Cargo and tested for performance and operational capability in a three-month trial operation. In the second half of 2024, the series delivery of the dual-mode locomotive will start.
— **Digital automatic coupling:** Regarding the digital automatic coupling, there is still no additional funding planned in the Federal budget draft for 2025 beyond the continuation of the "DAC4EU demonstration train" project (€ 3 million).

Environmental measures

— **Use of the biofuel HVO (hydrotreated vegetable oil):**
  — With the conversion of additional fuelling facilities to HVO in the first half of 2024, we were able to significantly expand our HVO supply and increase the proportion of HVO in the total fuel volume for fueling our locomotives from 19 % in 2023 to 29 % in the first half of 2024.
  — DB Cargo's diesel locomotive fleet has been approved for HVO since the end of 2023. We are currently working on developing supplier structures for HVO in other European countries. Since the end of January 2024, the locomotives in northern Italy have been operating on HVO.
— **Energy recovery:** As a further energy saving measure, we intend to increase the electric braking forces of older series in order to improve the recovery of electrical energy during braking and thus further reduce the energy consumption of our locomotives.

Development in the first half of 2024

→ *Performance declines in energy-intensive industries and intermodal transport.*
→ *Additional burdens due to GDL strikes as well as lower Government train-path and facility price support.*
→ *Economic development continues to be under significant pressure – countermeasures and implementation of the transformation program with positive effects.*

	H1		Change	
DB CARGO	2024	2023	absolute	%
Punctuality (%)	68.4	70.5	-2.1	-
Customer satisfaction (grade)	2.9	2.8	+0.1	-
Freight carried (million t)	92.9	103.5	-10.6	-10.2
Volume sold (million tkm)	35,699	38,644	-2,945	-7.6
Volume produced (million train-path km)	66.9	74.7	-7.8	-10.4
Capacity utilization (t per train)	533.8	517.1	+16.7	+3.2
Total revenues (€ million)	2,783	2,889	-106	-3.7
External revenues (€ million)	2,624	2,746	-122	-4.4
EBITDA adjusted (€ million)	-53	16	-69	-
EBIT adjusted (€ million)	-261	-195	-66	+33.8
EBIT margin (adjusted) (%)	-9.4	-6.7	-2.7	-
Gross capital expenditures (€ million)	125	115	+10	+8.7
Employees as of Jun 30 (FTE)	30,794	31,578	-784	-2.5
Average employees (FTE)	30,983	31,526	-543	-1.7

In the first half of 2024, the punctuality of DB Cargo decreased compared to the same period in the previous year, which was largely due to the development in Germany. Drivers were a further increase in the construction volume in the rail network as well as infrastructure disruptions in the area of the superstructure, among other things, and due to more restricted speed sections. The punctuality development was also impacted by external events such as the floods in southern Germany at the beginning of June 2024.

Overall satisfaction with DB Cargo was at the level of the first half of 2023. The weak development of punctuality and the resulting impact on our services was noticeable here.

Freight carried, as well as volume sold and volume produced, declined. Drivers were the weak demand from the energy-intensive industries and the decline in intermodal transport in Central Europe. The GDL strikes 3 were an additional burden.

Capacity utilization increased slightly due to the takeover of Fret SNCF transports by DB Cargo France and better usage of the train-paths ordered.

Economic development was weaker due to volume and strike-related declines: operating profit figures fell significantly.

- **Revenues (–3.7 %/€ –106 million):** The performance-related decline, particularly in Germany and the United Kingdom, was exacerbated by negative exchange rate effects. Due to price adjustments and a strong project business, DB Cargo was able to partially compensate for the volume declines.
- **Other operating income (–23.1 %/€ –59 million):** Decline driven primarily by lower Government grants from train-path and facility price support in Germany. One-off effects from the sale of real estate in the United Kingdom and vehicles had a countering supportive effect.

On the expense side, there was a primarily performance-driven decrease, mainly due to the development of cost of materials. Adjusted for exchange rate effects, the decrease was somewhat less pronounced.

- **Cost of materials (–5.9 %/€ –105 million):** Mainly performance-related decline, in particular for energy, purchased transport services and train-path usage. Lower electricity prices had an additional cost-reducing effect.
- **Other operating expenses (–4.5 %/€ –17 million):** Decline mainly due to the strict spending monitoring and control program 25 introduced in the first half of 2024 in the DB Group and lower impairments on receivables from customers at a subsidiary.
- **Depreciation (–1.4 %/€ –3 million):** Slight decrease mainly due to lower leases for freight cars which require capitalization (IFRS 16).

Personnel expenses developed in the opposite direction:

- **Personnel expenses (+2.3 %/€ +23 million):** Increase as a result of collective bargaining agreements, partly offset by the lower number of employees.

The increase in capital expenditures was mainly due to vehicle projects in Germany.

The number of employees decreased due to lower volumes and lower recruitment in connection with the strict hiring monitoring and control program introduced in 2024.

CENTRAL EUROPE REGION

- *Performance declines in energy-intensive industries and intermodal transports.*
- *Additional burdens due to GDL strikes as well as lower Government train-path and facility price support.*
- *Economic development continues to be under significant pressure – countermeasures and implementation of the transformation program with positive effects.*

	H1		Change	
CENTRAL EUROPE REGION	**2024**	2023	absolute	%
Freight carried (million t)	95.8	107.2	- 11.4	- 10.6
Volume sold (million tkm)	27,867	31,241	- 3,374	- 10.8
Volume produced (million train-path km)	52.0	59.9	- 7.9	- 13.2
Total revenues (€ million)	2,844	2,930	- 86	- 2.9
External revenues (€ million)	1,915	2,063	- 148	- 7.2
EBITDA adjusted (€ million)	- 143	- 39	- 104	-
EBIT adjusted (€ million)	- 290	- 189	- 101	+ 53.4
Gross capital expenditures (€ million)	88	73	+ 15	+ 20.5
Employees as of Jun 30 (FTE)	21,460	22,266	- 806	- 3.6

Performance development in Central Europe declined significantly, driven by market developments (decreases in demand from energy-intensive industries and for intermodal transport) and the GDL strike actions 3.

The economic development was significantly weaker and remains very challenging. The operating profit figures declined, driven by revenue development, and remained negative:

- Income decreased. The main drivers were mainly performance-related revenue declines as well as lower Government grants for single wagon transport and train-path price support in Germany. Pricing measures had a partially compensating effect.
- Expenses declined less significantly. The drivers were performance-related declines, in particular for purchased transport services, train-path usage and energy. Expenses for electricity also decreased due to price factors. Additional burdens resulted, among other things, from higher personnel expenses as a result of collective bargaining agreements, which were partially offset by a lower average number of employees.

Capital expenditures increased, driven by the purchase of locomotives in Germany.

As of June 30, 2024, the number of employees decreased as a result of lower volumes and lower replacements in overhead functions.

WESTERN EUROPE REGION

- *Weak economic development in France and the United Kingdom.*
- *Takeover of transports in combined transport in France.*
- *Economic development supported by positive one-off effects in the United Kingdom.*

WESTERN EUROPE REGION	H1 2024	H1 2023	Change absolute	Change %
Freight carried (million t)	17.8	18.5	- 0.7	- 3.8
Volume sold (million tkm)	5,161	4,749	+ 412	+ 8.7
Volume produced (million train-path km)	10.4	10.6	- 0.2	- 1.9
Total revenues (€ million)	376	387	- 11	- 2.8
External revenues (€ million)	273	271	+ 2	+ 0.7
EBITDA adjusted (€ million)	52	19	+ 33	+ 174
EBIT adjusted (€ million)	15	- 22	+ 37	-
Gross capital expenditures (€ million)	16	13	+ 3	+ 23.1
Employees as of Jun 30 (FTE)	4,318	4,413	- 95	- 2.2

Performance development in Western Europe was differentiated in the first half of 2024:

- Weak economic development in the United Kingdom and France, particularly in the metals and construction industries, had a negative impact.
- The takeover of transports in France had a positive effect, leading to structural changes in the product portfolio and an increase in volume sold.
- Overall, freight carried decreased. Longer transport distances were more than compensating, so that volume sold increased.

Economic development improved significantly, driven by positive one-off effects in the United Kingdom. The operating profit figures increased as a result of higher income and lower expenses.

- Income increased mainly as a result of one-off effects from the sale of real estate and other fixed assets in the United Kingdom. Positive effects also resulted from release of provisions. A slight decline in revenues and negative exchange rate effects had a dampening effect.
- Expenses decreased slightly overall. The main drivers were lower electricity prices (DB Cargo France), the reimbursement of train-path usage fees (DB Cargo UK), positive exchange rate effects and an adjustment of pension entitlements at DB Cargo UK. Additional charges partially compensated and resulted, among other things, from tariff increases (DB Cargo UK), the implementation of additional maintenance measures for locomotives (DB Cargo France) and higher expenses for the lease of locomotives.

Capital expenditures increased as a result of the procurement of car transport vehicles at Transfesa.

The number of employees decreased slightly due to performance effects driven by developments in the United Kingdom.

EASTERN EUROPE REGION

- *Performance development burdened by economic development – new transports in Romania as well as additional military transports have a partly compensating effect.*
- *Economic development in line with the first half of 2023.*

EASTERN EUROPE REGION	H1 2024	H1 2023	Change absolute	Change %
Freight carried (million t)	8.4	9.0	- 0.6	- 6.7
Volume sold (million tkm)	2,671	2,654	+ 17	+ 0.6
Volume produced (million train-path km)	4.4	4.2	+ 0.2	+ 4.8
Total revenues (€ million)	248	255	- 7	- 2.7
External revenues (€ million)	155	159	- 4	- 2.5
EBITDA adjusted (€ million)	26	25	+ 1	+ 4.0
EBIT adjusted (€ million)	6	8	- 2	- 25.0
Gross capital expenditures (€ million)	14	25	- 11	- 44.0
Employees as of Jun 30 (FTE)	4,340	4,213	+ 127	+ 3.0

Performance development was differentiated:

- **Freight carried:** Decline largely due to economic situation.
- **Volume sold:** Was at the level of the first half of 2023. Economic-driven declines were partially offset by additional military transports. Furthermore, the addition of DB Cargo Czechia resulted in a positive one-off effect on performance data (+ 327 million tkm).
- **Volume produced:** Slight increase as a result of the addition of DB Cargo Czechia from 2024 (+ 0.5 million Trkm).

The operating profit figures were roughly at the level of the first half of 2023. As a result of higher depreciation due to capital expenditures, the development of adjusted EBIT was weaker.

- Income declined driven by negative exchange rate effects. The omission of income from insurance benefits in Poland from the first half of 2023 had an additional impact on income. Adjusted for currency effects, revenues increased slightly. New shunting traffic in Romania and the expansion of military transports had a positive impact.

- The decline in expenses was mainly due to positive exchange rate effects, lower electricity prices (Poland) and the omission of a negative one-off effect from the first half of 2023 in connection with freight damages in Poland. In particular, performance-related higher personnel expenses and higher depreciation due to capital expenditures in the previous year had a partially compensating effect.

Capital expenditures decreased due to the omission of capital expenditures in locomotives in Romania and Hungary.

The number of employees increased, mainly performance-related (Romania).

FLS

⟼ *Increase in performance due to special transports and new customers for intermodal transports.*

⟼ *Operating profit development improved slightly.*

FLS	H1 2024	H1 2023	Change absolute	Change %
Total revenues (€ million)	344	311	+33	+10.6
External revenues (€ million)	281	253	+28	+11.1
EBITDA adjusted (€ million)	12	11	+1	+9.1
EBIT adjusted (€ million)	8	8	-	-
Gross capital expenditures (€ million)	7	4	+3	+75.0
Employees as of Jun 30 (FTE)	675	688	-13	-1.9

The economic development of the FLS line of business improved slightly compared to the first half of 2023 due to increased volumes. Adjusted EBIT remained stable as a result of higher purchased transport services.

- Income increased due to performance. The primary drivers were higher revenues from special transports and new customers from Germany for intermodal transports.
- The increase in expenses resulted in particular from higher purchased transport services due to performance and was underproportional.

Gross capital expenditures increased significantly at a low level due to higher capital expenditures in trailers.

The number of employees decreased slightly.

DB INFRAGO BUSINESS UNIT

Since the year under review, the former business units DB Netze Track and DB Netze Stations have been reported together as the DB InfraGO business unit, as a result of the merger of DB Station&Service AG into DB Netz AG at the end of 2023.

Development in the relevant markets

Train-path demand in the first half of 2024 was severely impacted by special events (GDL strikes and severe weather due to heavy rain) as well as economic declines in freight transport. Apart from the special events, passenger transport showed positive development.

Due to tender effects within local transport as well as strike-related volume shifts in freight transport, non-Group train operating companies were able to gain further market shares. The necessary capital expenditures in the rail network continue to lead to high restrictions and thus to a shortage of capacity.

The number of station stops was at the level of the first half of 2023. The market share of intra-Group railways in rail passenger transport decreased compared to the previous year.

Transformation into a high-performance network

In June 2022, the BMDV and DB Group presented plans for a new high-performance network to sustainably increase the quality and reliability of the infrastructure. The high-performance network will include the most highly utilized rail links in Germany. Due to the forecasted traffic development, the highly utilized network will consist of more than 9,000 line kilometers by the end of the decade. The so-called general modernizations are a tool for transformation into the high-performance network.

Two decisive and new elements are applicable to the general modernizations:

- consolidation of all future upcoming construction work across all crafts, and
- increasing (residual) performance capability.

The general modernization of the first corridor started on July 15, 2024, with the Riedbahn (Frankfurt—Mannheim line). From 2025 onwards, the Emmerich—Oberhausen section and between August 2025 and April 2026 the general modernization of the Hamburg—Berlin corridor will follow.

Before the start of the Riedbahn pilot project, the line was completely closed to train traffic for about three weeks at the beginning of 2024. Since the construction volume during the general modernization from July to December 2024 is very high, DB Group decided to carry out individual construction work in advance – it was also the final test for the new rail replacement service and the diversion of freight and long-distance transport.

In order to immediately stabilize and improve the operating situation until the start of the general modernizations, the elements of the high-performance network which can be implemented in the short-term will be brought forward: blocking times will be consolidated more effectively and peaks in the construction workload will be spread out to a greater extent, diversion routes will be made more accessible and higher-quality and more robust elements will have been installed in advance wherever possible.

DB InfraGO is increasing its annual preventative maintenance budget by a significant three-figure million sum. This makes it easier to especially prevent small disruptions. By communicating comprehensively and at an early stage, DB InfraGO is ensuring greater planning predictability for the contracting organizations, train operating companies and their customers.

Train accident in Garmisch-Partenkirchen

Investigations into the tragic train accident in Burgrain near Garmisch-Partenkirchen on June 3, 2022, are still ongoing. DB Group is working closely with the investigating authorities. Precautionary, comprehensive measures were derived from the accident in 2022 (including inspection and replacement of concrete ties) and continued and developed in 2023 and 2024.

Inspection and replacement of concrete ties

Since summer 2022, DB InfraGO has been running a precautionary program for the inspection and replacement of concrete ties. The inspection program was initiated as a result of the train accident in Burgrain, near Garmisch-Partenkirchen, on June 3, 2022. The cause of the tragic accident was defective concrete ties. Material-technical investigations showed irregularities in the material quality of the ties. A specific type of rock used in the production of concrete ties could also be responsible for the damage.

Now, stricter criteria apply when classifying damaged ties manufactured using the same type of rock. As a result of the preventive testing program, DB InfraGO replaced about 500,000 ties in 2023 – around five times more than usual. This involved about 450 additional construction sites in the rail network. In 2024, a similar level of replacement is planned.

Thanks to the progress achieved so far in replacing the ties, DB InfraGO will be able to reduce the restrictions associated with the work in the future. For example, where possible, DB InfraGO replaces the ties before it comes to precautionary restricted speed sections or even closures. Whenever possible, the work will take place at night during breaks or during prescheduled maintenance lockdown periods.

From the outset, the following applied and continues to apply: wherever DB InfraGO discovers particular abnormalities in the ties during its inspections, these are replaced as soon as possible. In order to ensure safety in rail operations, trains can only travel at lower speeds until the concrete ties are replaced in the affected sections of the line. In some cases, DB InfraGO has to close lines even before the actual construction work begins.

DB InfraGO will compensate the affected train operating companies for the damages actually incurred in connection with the inspections of the concrete ties and the resulting measures. In 2023, DB InfraGO agreed on compensation payments to intra-Group and non-Group customers totaling € 11 million. For 2024, DB InfraGO has planned funds of the same amount. The previous regulations remain unchanged.

DB InfraGO has also set up a group of internal and external experts to continuously examine possible further preventive measures for the maintenance of concrete ties.

Development of the infrastructure

2024 should see expenditures of about € 20.9 billion in renewing and maintaining the network, stations and energy facilities. This includes funds from the Performance and Financing Agreement (grants and own contribution, incl. Government equity increases) amounting to € 8.7 billion, about € 4.2 billion for maintenance and € 3.5 billion for requirement plan and digitalization projects, as well as funds for the existing network outside the LuFV, such as the Municipal Transport Financing Act (Gemeindeverkehrsfinanzierungsgesetz; GVFG), Digital Rail for Germany or the Climate Action Program (Klimaschutzprogramm; KSP), totaling about € 4.2 billion.

- **In the Stuttgart 21 project,** in the first half of 2024 work on the production of the light eyes and the distribution bars in the future central station was at full speed. The construction of the track and railway equipment in the tunnels and the open line is already well advanced. From the end of 2025, the corresponding plants of the Stuttgart 21 project and the Stuttgart Digital Hub (Digitaler Knoten Stuttgart; DKS) will be put into a phased test operation. In December 2026, the future central station will be opened. Based on the current status, all the main elements of the project will then be available – with the exception of the Gäubahn link via the airport. DB Group and the project partners reached an agreement on this in June in the S21 steering committee.

- **High-speed line Hanover—Würzburg:** DB Group completely renewed the high-speed line for about € 850 million and completed the modernization on June 7, 2024. Trains can again roll over the tracks at high speed and passengers travel between Lower Saxony and Bavaria in about two hours. A total of 557 km of tracks, about 700,000 ties and 235 switches were renewed. In addition, the superstructure was repaired on 49 bridges and in 63 tunnels. In the first half of 2024, additional underground stabilization was required in the Rauheberg tunnel.
- **New construction line Dresden—Prague:** The region and the Free State of Saxony have confirmed the preferred option for the new construction line Dresden—Prague. To complete the preliminary planning of the new construction line with a tunnel about 30 km long through the Ore Mountains, DB Group has received information and demands from the region. In addition, DB Group has received a total of 12 statements from cities and municipalities, the district of Sächsische Schweiz Osterzgebirge as well as Federal agencies and ministries.
- **Weddel loop:** Since March 22, 2024, local and long-distance as well as freight trains have been running alongside one another on the Weddel loop. Previously, the line was only single-track. After two and a half years of construction, the now double-track line was able to be put into operation. It extends between Wolfsburg and Weddel near Braunschweig. The completion of the Weddel Loop marked the first building block in Lower Saxony for Germany in sync.
- **Rhine Valley railway:** The first building permit for the new freight train line alongside the A5 motorway is available: DB Group has received the plan approval decision for the section between Riegel and March. The new freight train line is part of the four-track expansion of the Rhine Valley railway between Karlsruhe and Basel. The relocation of freight traffic to the new construction line means it will be much quieter for residents along the Rhine Valley railway.
- **Line expansion Frankfurt/Main West—Bad Vilbel:** The continuous four-track line expansion between Frankfurt West and Bad Vilbel has been completed. Separate tracks for the S-Bahn (metro), regional and long-distance traffic mean passengers will be able to travel much more reliably in the future. The expansion of the about 13-km-long section to Bad Vilbel will reach its full potential when the S6 starts operating every 15 minutes beginning with the timetable change in December 2024. The expansion of the second section from Bad Vilbel to Friedberg is scheduled to begin at the end of 2026.
- **Final test for general modernization of the Riedbahn:** In the course of the preparatory work in January 2024, the feasibility of the planned construction volume was confirmed. The comprehensive transport concept has also proved its worth. With the final test, the new concept of bundled and cross-trade modernization was subjected to a first stress test. A total of 23 switches and more than 9 km of tracks were renewed, more than 3,000 foundations for noise barriers, overhead wire and signal masts were laid, and 8.5 km of new cable carriers were built. This means that the construction volume is proportionately equal to that planned for the period of the actual general modernization in the second half of 2024. Up to 60 construction vehicles and more than 200 people per shift were deployed on the construction site in January.

CONSTRUCTION BEGAN IN H 1 2024

PROJECT NAME	PROJECT DESCRIPTION
Combined transport	Metro station Kornwestheim (3rd Module, 1st Construction stage); Metro station Augsburg
Hanau—Gelnhausen expansion line	Langenselbold—Gelnhausen expansion line
Munich S-Bahn (metro)	Flying junction Munich West Airport incl. ESTW-iUZ (lot A3)

COMMISSIONS IN H 1 2024

PROJECT NAME	PROJECT DESCRIPTION
Karlsruhe—Stuttgart—Leipzig—Nuremberg—Leipzig/Dresden expansion line	Section Chemnitz—Chemnitz-Kappel
Weddel	Two-track expansion of Weddel loop
S-Bahn (metro) Rhein-Main, Bad Vilbel—Frankfurt/Main West	Two additional tracks between Frankfurt/Main West—Bad Vilbel

Further information on the projects are available on the Construction Information Portal (BauInfoPortal) website.

SMALL AND MEDIUM-SIZED MEASURES PROGRAM

The comprehensive € 4 billion infrastructure program small and medium-sized measures for the rail network is progressing. By the end of 2025, 138 of the 355 total planned projects are to be implemented. This represents 40 % of the planned measures with a capital expenditure volume of about € 1 billion. Projects include infrastructure measures such as additional track change facilities, additional signals and track change operations or new platforms. The program aims to quickly achieve positive effects regarding capacity and punctuality for passengers and freight transport customers. The projects are mainly financed by the Federal Government's climate protection package and DB Group's funds. They should be fully implemented by 2030.

CAPACITY AND FREQUENCY MANAGEMENT

The importance of capacity management for stations in Germany is steadily increasing. To be ready for the forecast growth in passenger numbers, the performance capability of the stations must be ensured and enhanced by suitable measures.

Since 2021, close to 300 stations have already been analyzed by means of a capacity check. These identified capacity-related obstacles and bottlenecks in a standardized manner and measures were introduced to eliminate them.

By piloting measures for a people management system in Mannheim central station, Hamburg central station and Frankfurt-Galluswarte, DB InfraGO is investigating the optimal utilization of existing platform areas. By clearing the platforms and applying a standardized system of organization to all platforms, it should be possible to make better use of the existing space and thus improve the distribution of passengers on the platforms. This is intended to prevent bottlenecks and overcrowding.

The frequency management system is an important tool for identifying capacity bottlenecks. Real-time measurement using video technology makes it possible to detect an increase in passenger volumes at an early stage and take appropriate measures to prevent acute overcrowding. As of June 30, 2024, 30 stations had been equipped with a frequency management system. In the rollout, we plan to equip a total of 100 stations with a frequency management system, provided that the respective financing is available.

DEVELOPMENT OF STATIONS

- **Dortmund central station:** Work on the modernization of the central station with its eight platforms is expected to run until the first quarter of 2025. In mid-June 2024, platform 2 went into operation after reconstruction. In the second half of 2024, the final construction phase of the project will follow.
- **Berlin East station:** Construction work on the hall roof is progressing. In July 2024, the last relocation of the scaffolding platforms will take place, so that almost two-thirds of the track hall will be visible to customers in its renewed condition. The last roof areas will be renovated by the end of 2024 and the scaffolding platforms will be dismantled by the first quarter of 2025. The roof renovation will be completed with the final processing of the station arches and the dismantling of the large crane structure, following its completion by the beginning of 2026.
- **Duisburg central station:** In mid-July 2023, platform 6e, including the associated new hall roof, was approved for operations again. This was followed by platform 5 in March 2024. Since mid-June 2024, the roof section between platforms 5 and 6 has been completely closed. In addition, a large part of the new east facade was built. The overall project, which also involves the renewal of a large part of the overhead wires, will run until 2028.

General framework

TRAIN-PATH PRICES FOR 2025 APPROVED

On March 22, 2024, the Federal Network Agency (Bundesnetzagentur; BNetzA) approved the train-path pricing system (TPS) for the 2024/2025 timetable year (TPS 2025). The fee increase in TPS 2025 is on average 6.0%. The increase is necessary to cover the increased personnel and maintenance costs. For the first time, costs for passenger platforms have also been taken into account, as these have been included in the minimum access package since the merger of DB Netz AG and DB Station&Service AG into DB InfraGO AG. By contrast, station prices were reduced by the cost of passenger platforms.

The effective increase in fees in TPS 2025 (nominal increase in brackets) is 0.6% (6.7%) for regional rail passenger transport, for long-distance rail passenger transport 17.7% (19.7%) and for rail freight transport 16.2% (16.2%). The disproportionate burden in long-distance rail passenger and rail freight transport is due to the legally stipulated capping of the train-path prices in regional rail passenger transport. DB InfraGO AG has appealed against the determination of the dynamic rates in regional rail passenger transport by the BNetzA.

INITIAL LEVEL AND UPPER LIMIT SET FOR OVERALL COSTS

In its decision of February 28, 2024, the Federal Network Agency set the final ceiling of total costs for 2025 for DB InfraGO AG at € 6,761 million and for DB Regional Infrastructure GmbH at € 90 million. As a result of the merger of DB Station&Service AG into DB InfraGO AG, costs for passenger platforms are now included in their total costs.

ARBITRATION PROCESSES FOR THE RASTATT TUNNEL

In September 2017, DB Group and the Rastatt Tunnel working group agreed to conduct an evidence-gathering and arbitration process in order to clarify the causes and therefore to establish responsibility. The process was suspended on a provisional basis for settlement negotiations between the parties on the basis of an interim report from the technical arbitration expert on the causes of the accident and a proposal from the legal expert on the allocation of responsibilities. The parties are seeking an overall agreement, which could take at least another year. The further construction and renovation of the damaged area have been disassociated from the arbitration process; with the exception of the production of the east piping, the services of the Rastatt Tunnel working group have now been completed. The Rhine Valley railway was temporarily relocated in spring 2022 in order to be able to renovate the damaged east piping from above via an open excavation pit. The tunnel boring machine is currently being demolished. The completion of the tunnel via cut-and-cover construction by the Rastatt Tunnel working group is planned for late summer 2025. The first settlements were concluded with the train operating companies affected by the line closure as a result of the accident (in consultation with the Rastatt Tunnel working group and its insurance companies).

APPROVAL PROCEDURE FOR STATION FEES FOR 2025

The Federal Network Agency (Bundesnetzagentur; BNetzA) is currently reviewing the approval of the requested station fees for DB InfraGO AG in 2025. The Federal agency has exercised its extension option to consider the approval application and has extended the term of the procedure until assumption of approval to September 30, 2024.

Digitalization and innovation

PASSENGER INFORMATION OF THE FUTURE

As part of the renewal of passenger information facilities, a new central management and publication system (IRIS+) was developed. In combination with the passenger information (RI) platform, this system is used to display information for passengers at the station. The new systems enable consistent passenger information across all output channels and more detailed content. At the end of June 2024, more than 700 stations were converted to the RI platform and IRIS+, and the new systems for travel information were also used additionally at about 100 other stations.

In addition to switching stations to IRIS+, innovations in the displayed customer information were also prepared and introduced, for example, the use of colors in the event of train cancellations and track changes, and the introduction of an energy-saving mode that results in the backlight (for new displays) being switched off if there is no train traffic.

At the same time, in the context of passenger information, preparations are underway to introduce the new systems at smaller stations: the next generation of the dynamic visual display (Dynamischer Schriftanzeiger; DSA+) at the station will, in future, also be controlled via the new passenger information platform and IRIS+. All about 6,800 displays are therefore being replaced across Germany. About 600 of the new-generation displays have already been installed. This rollout will continue. Since June 2024, the DSA+ devices have been equipped with an additional customer display, which displays current timetable changes as well as further information (Digital Construction Information; Digitaler Aushang Bau (DAB)).

REALIGNMENT OF ONLINE CHANNELS

The realignment of the online channels via the main channel bahnhof.de has been further advanced in order to give passengers better orientation before and during their journey. To this end, even more data was integrated from the local public transport systems for comprehensive information on onward mobility at the station and this was designed to be intuitively filterable. The digital channels will be more closely linked to the information in the station. From now on, QR codes, for example, show if there is a replacement service or timetable changes to the current content. Linking the haptic information on-site with the digital space can remove barriers by offering the information in different languages or reading it digitally for visually impaired people. In addition, faster update cycles are possible and the logistics costs for paper displays are significantly reduced.

RAILWAY STATIONS OF THE FUTURE

The integrated development of stations continues to pick up speed in 2024. In order to ensure efficient, customer-focused and sustainable access to rail and to contribute toward transport policy targets, stations must be developed holistically together with the Government, the Federal states and local authorities into future-proof stations, the stations of the future. Redesigned interiors, attractive and adequately sized seating, advanced guidance systems and attractive forecourts are some of the aspects that are important for creating stations where people feel comfortable. The target is to implement 100 stations of the future by the end of 2024, 20 of which will be part of the general modernization of the Riedbahn 44f.

Anchoring the concourse buildings in the Federal Rail Infrastructure Extension Act

Concourse buildings form an essential building block for the holistic functionality and appearance of the passenger stations. The amendment to the Federal Rail Infrastructure Extension Act basically enables the entire financing and eligibility of the modernization measures in or at the station buildings, so that they can meet their traffic and urban planning requirements. The renovation of purely commercial space is not eligible for financing. With this amendment, the legal framework for a consistent further development of the station buildings, and thus also for a powerful and attractive design of the stations, has now been created.

Forecourt Expertise Center

DB InfraGO has been working since 2024 to implement the demands of the stations of the future in the station environment with the Station Forecourt Expertise Center. The target is to develop, in collaboration with municipalities, Federal states and contracting organizations, location-specific forecourts that make a positive contribution to urban and district development. An interdisciplinary team advises on suitable funding, develops concepts on the basis of analyses of potential and supports the design of areas.

INNOVATIVE OFFERS AT THE STATION

DB InfraGO's pop-up system is constantly testing new concepts to cater for the needs of passengers at the station. Innovative product ranges are tested by regularly changing partners. For example, the children's learning start-up edurino was able to assert itself as a new attractive offer for families at Berlin's central station. With digital learning opportunities, especially for children aged four to eight, it creates a mix of variety and education – also helping to keep children occupied while traveling by train.

EXPANSION OF COOPERATION WITH THE BAHNHOFS-MISSIONEN (TRAIN STATION WELFARE CENTERS)

The train station welfare centers are an important partner in the station social space at 100 locations. DB InfraGO makes the premises available to the non-profit organization free of charge and assumes the ancillary expenses. In order to strengthen and coordinate support for the train station welfare centers by DB InfraGO and six other group units, the "Strong Station Welfare Centers" action group was launched in April 2024. The aim is to implement measures in infrastructure, finance and human resources areas to support the train station welfare centers.

Environmental measures

- **CO_2e emissions:** In the project "Railmap to climate-neutral track infrastructure," we investigated and evaluated CO_2e emissions from the construction and maintenance of the infrastructure. The focus is currently on the CO_2e balancing of buildings and construction projects, addressing the eligibility for funding of any additional costs and exchanging information with the basic materials industry and the planning and construction sector.
- **Stakeholder dialog:** In January 2024, we held the first "Environmental protection in infrastructure projects" symposium for professional exchange and networking with stakeholders. The topics covered were climate protection and adaptation to climate change, nature and species conservation, research and innovation as well as technical environmental protection. The participants included external experts from the fields of science and research, politics, other infrastructure companies and planning offices.
- **Mobility hubs:** The 50th Mobility Hub was put into operation in the first half of 2024. For the first time, this saw bollards being used at Stuttgart-Bad Cannstatt station to protect the micromobility parking spaces from cars. A solar charging station for micromobility was also installed at Essen West station, which operates independently of the grid using solar panels. More than 20 sharing providers have now signed cooperation agreements regarding station projects. The flexible car-sharing service at Berlin Südkreuz station has been well received by customers.
- **Bike+Ride initiative, information center for bicycle parking:** The Bike+Ride initiative green No. 156 helps local authorities to create additional parking spaces for bicycles at stations throughout Germany. 20,000 parking spaces have been created since the initiative began in 2019. By the end of the first half of 2024, 227 stations were equipped with Bike+Ride facilities, 32 of which had been equipped with these facilities for the first time in the first half of 2024. Since 2021, we have advised over 110 municipalities on the implementation of bicycle parking garages at stations via the information center for bicycle parking.
- **DB Rad+ app:** With the DB Rad+ green No. 110 app, cyclists collect cycling kilometers in participating municipalities and can redeem them digitally from partners in the region and at the station in return for discounts and premiums. Since the app was launched in 2020, over 20 million km have already been "cycled" in 21 municipalities across Germany. Two more districts were added in the first half of 2024.

- **Heat transition:** To achieve DB Group's climate protection target, we are working intensively on converting all locations that are currently heated with fossil fuels and will still be in operation in 2040. A retrofitting roadmap has been drawn up for all regions for the 2040 building target portfolio, which is currently in place. In addition, a phase-out schedule is currently being drawn up for fossil-fired switch heaters. In 2024, the retrofitting projects will be developed in further planning phases. At four locations, the connection to heating networks and the installation of heat pumps are already being carried out and this work is expected to be completed by the next heating period.

Development in the first half of 2024

- *GDL strikes have a significant negative effect on volume produced and revenues.*
- *Nevertheless, revenues increased due to price adjustments.*
- *Increased maintenance activities and capital expenditure measures in the existing network to improve quality put a heavy strain on profits.*
- *Government maintenance expense support will only take effect in the second half of 2024.*

DB INFRAGO	H1 2024	H1 2023	Change absolute	Change %
Punctuality DB Group (rail) in Germany (%)	89.9	91.7	-1.8	-
Punctuality (rail) in Germany[1] (%)	88.8	90.7	-1.9	-
Facilities quality of railway stations (grade)	2.78[2]	2.77[2]	+0.01	-
Train kilometers on track infrastructure (million train-path km)	547.6	557.5	-9.9	-1.8
thereof non-Group railways	223.4	217.5	+5.9	+2.7
Share of non-Group railways (%)	40.8	39.0	+1.8	-
Station stops (million)	80.4	79.6	+0.8	+1.0
thereof non-Group railways	24.7	23.8	+0.9	+3.8
Total revenues (€ million)	4,021	3,870	+151	+3.9
thereof train-path revenues	3,050	2,949	+101	+3.4
thereof stations	553	535	+18	+3.4
thereof station marketing	223	206	-17	+8.3
External revenues (€ million)	1,507	1,407	+100	+7.1
Share of total revenues (%)	37.5	36.4	+1.1	-
EBITDA adjusted (€ million)	-277	191	-468	-
EBIT adjusted (€ million)	-712	-234	-478	-
Gross capital expenditures (€ million)	5,628	4,259	+1,369	+32.1
Net capital expenditures (€ million)	2,429	1,155	+1,274	+110
Employees as of Jun 30 (FTE)	66,776	61,632	+5,144	+8.3
Average employees (FTE)	65,667	60,794	+4,873	+8.0

[1] Non-Group and DB Group train operating companies.
[2] Preliminary figure (not rounded).

Punctuality was weaker in the first half of 2024, mainly due to the strained overall infrastructure situation. In particular, the poor state of facilities, with a large number of superstructure faults and restricted speed sections as well as a persistently high construction volume, reduced infrastructure capacity and thus impaired the quality of operations. High traffic density on bottleneck routes continued to exacerbate the situation. External events such as strikes by the GDL 3, flooding in southern Germany at the beginning of June 2024 as well as a high number of interventions in rail operations by third parties and activities of public authorities placed an additional burden on the development.

The facilities quality of the stations was at the level of the first half of 2023.

Performance development varied:

- **Train-path demand:** Slight decline overall, mainly due to higher strike-, weather- and construction-related restrictions and a lack of economic impetus. Demand from non-Group customers increased, resulting in particular from the takeover of rail freight and regional transport services. A decline was recorded among intra-Group customers, driven by DB Regional and DB Cargo.
- **Station stops:** Slight increase due to additional regional traffic.

Economic development was particularly strained as a result of significantly higher expenses, especially for maintenance. The Government did not yet reimburse the pre-financings from 2023 in the first half of 2024.

Income development was significantly weaker overall:

- **Revenues (+3.9 %/€ +151 million):** Slight increase due to price adjustments, which was dampened by declining volumes as a result of strikes and construction work.
- **Other operating income (+3.5 %/€ +15 million):** Increase due to higher Government grants and higher services for third parties, which correlated with higher expenses. Lower income from the sale of real estate had a dampening effect.

On the expense side, there were noticeable additional burdens, particularly for maintenance and quality improvement measures as well as cost increases:

- **Cost of materials (+18.3 %/€ +356 million):** The sharp increase is mainly due to significantly increased maintenance services (particularly in connection with the rectification of individual faults). There was also an increase in expenses for purchased services, including transportation and security services (in particular services provided by DB Security in connection with the KRITIS project 15). Price- and volume-related lower energy expenses had a partially offsetting effect.

- **Personnel expenses (+14.6%/€+312 million):** Increase due to the higher number of employees and as a result of collective bargaining agreements.
- **Other operating expenses (+18.3%/€+170 million):** Significant increase due to higher purchased IT and other services, higher expenses for rent, quality improvement measures and cost increases.
- **Depreciation (+2.4%/€+10 million):** Increase due to capital expenditures.

Capital expenditures increased significantly, mainly as a result of higher capital expenditures in the existing network.

The number of employees has risen significantly to cover demand and ensure succession planning, particularly in the areas of maintenance, construction projects and operations, as well as in the passenger stations line of business.

DB ENERGY BUSINESS UNIT

General framework

DETERMINATION PROCEDURE FOR TRACTION CURRENT GRID ACCESS

The determination procedure for the further development of the business processes for access to the traction current grid, which had already been initiated by the Federal Network Agency (Bundesnetzagentur; BNetzA) in 2019, was concluded at the end of June 2022. The determination ensured the transparency and enforceability of the access rules and improved communication deadlines for all market partners (electricity suppliers, train operating companies, vehicle owners and traction current grid operators). DB Energy, the train operating companies, traction unit owners and other traction current suppliers are now working on this basis to implement the new access rules by July 1, 2026. However, the determination has left some crucial implementation issues open. In order to answer these open questions and to support the implementation of the determination on the part of the market partners, the traction current grid operator DB Energy is currently in exchange with train operating companies and associations in order to jointly develop a list of implementation questions and to hand this over to the BNetzA. At the same time, DB Energy has launched a consultation on electronic message formats, which will be completed toward the end of 2024.

Environmental measures

EXPANSION OF RENEWABLE ENERGIES IN TRACTION CURRENT

Building a diversified portfolio for economically viable and secure energy supply with a growing share of renewable energies is a core element of our green strategy. Power purchase agreements (PPA) have become an integral component of procurement activities. Five new PPAs were signed in the first half of 2024:

- three newly concluded PPAs with a short- to medium-term duration, in which electricity is supplied from three onshore wind farms and one offshore wind farm;
- two newly concluded PPAs with a long-term duration, in which electricity is supplied from five hydropower plants.

A long-term supply agreement (PPA) has been concluded with Uniper for electricity supplies from four Swedish run-of-river power plants at Fjällsjöälven. For five years from 2028, eco-power amounting to about 88 GWh per year will be supplied to DB Group from the run-of-river power plants.

Strategically, DB Energy is preparing to integrate battery storage systems into the PPA portfolio. DB Energy is therefore pressing ahead with the integration of renewable energies in the German electricity market. This structure within the PPA portfolio allows the special characteristics of green electricity supplies (erratic generation, price and forecast risks) to be managed in the best possible way.

ENERGY SUPPLY FOR ALTERNATIVE DRIVES

- In May 2024, DB Energy and DB InfraGO put an overhead wire island system for supplying battery-powered trains in regional rail passenger transport into operation for the first time in Heide. The system is the first of three overhead wire island systems to be built on the west coast of Schleswig-Holstein to supply the local battery network. The other two commissioning phases are scheduled for the second half of 2024. In addition, planning for the construction of overhead wire island systems is being advanced in various Federal states.
- DB Energy further expanded its supply of the climate-friendly biofuel HVO green No. 164 in the first half of 2024: in mid-2024, HVO was available at 21 DB Energy rail filling stations.
- DB Energy is testing an innovative complete hydrogen system for the first time as part of the H2goesRail green No. 53 project at the innovation hub in Tübingen. DB Energy has developed a new type of mobile hydrogen filling station for this project. The green hydrogen is produced directly

on-site using eco-power from the overhead wire. The hydrogen obtained in this way is then compressed, stored in a mobile storage unit and made available via a mobile filling station. Hydrogen refueling has been undergoing trials in Tübingen since the beginning of 2024. Using the H2goesRail project as a basis, DB Energy is working on the rail energy supply of the future at the innovation site in Tübingen. To this end, additional technologies and systems are also being piloted at the site. Examples include the development of what is known as the DB sector coupler, a technical interface to the overhead wire that enables renewable energies to be fed directly into the traction current grid, the use of energy storage systems and the use of AI for efficient energy management.

Development in the first half of 2024

⟼ *Declining sales volumes in stationary energies (industrial customer business), traction current and diesel, as well as strikes by the GDL, had a negative impact on revenue development.*

⟼ *Operating profit negatively impacted by lower contribution margins in traction current.*

⟼ *Supply reliability stable at a high level.*

	H1		Change	
DB ENERGY	**2024**	2023	absolute	%
Supply reliability (%)	99.99 [1]	99.99 [1]	-	-
Traction current (16.7 Hz and direct current) in GWh	3,586	3,717	-131	-3.5
Traction current pass-through (16.7 Hz) in GWh	1,451	1,258	+193	+15.3
Stationary energies (50 Hz and 16.7 Hz) in GWh	3,424	4,182	-758	-18.1
Diesel fuel (million l)	173.2	186.4	-13.2	-7.1
Total revenues (€ million)	1,830	2,136	-306	-14.3
External revenues (€ million)	715	961	-246	-25.6
EBITDA adjusted (€ million)	230	348	-118	-33.9
EBIT adjusted (€ million)	192	310	-118	-38.1
Gross capital expenditures (€ million)	125	116	+9	+7.8
Net capital expenditures (€ million)	42	37	+5	+13.5
Employees as of Jun 30 (FTE)	2,139	1,958	+181	+9.2
Average employees (FTE)	2,103	1,942	+161	+8.3

[1] Preliminary figure (not rounded).

The high level of supply reliability was maintained.

Volume development was mixed:

- **Traction current:** Sales decreased, mainly due to lower demand in rail freight and regional transport, particularly in the case of intra-Group customers. The GDL strikes 3 had an additional negative impact.
- **Traction current pass-through for non-Group customers:** The significant increase mainly reflects traffic growth and a shift from traction current.
- **Stationary energy:** The significant decline was driven by portfolio adjustments in the industrial customer business.
- **Diesel fuels:** The decline in demand was mainly due to developments in rail freight and regional transport, particularly among intra-Group customers.

Economic development was weaker than in the first half of 2023, but remained clearly positive. Lower income was only partially offset by lower expenses. As a result, operating profit figures fell significantly.

Income decreased noticeably due to both performance and price factors:

- **Revenues (–14.3 % / € –306 million):** The revenue development was primarily driven by declining volumes in the supply of stationary energy to non-Group customers and in traction energy. In addition, lower revenues from the provision of CO_2 certificates reduced income.
- **Other operating income (–94.4 % / € –289 million):** The very sharp decline was due to the discontinuation of refunds in connection with the electricity price brake. These were passed on in full to customers in the first half of 2023 through sales price reductions.

On the expense side, there was a volume- and price-related decline in the cost of materials in particular:

- **Cost of materials (–24.6 % / € –484 million):** Lower volumes for traction current and stationary energies as well as falling energy procurement prices, particularly for traction current, reduced expenses.
- **Other operating expenses and depreciation:** On the level of the first half of 2023.

The increase in personnel expenses had an offsetting effect:

- **Personnel expenses (+14.3 % / € +11 million):** The additional expenses resulted from the increased number of employees and tariff effects.

Gross capital expenditures in the traction current infrastructure increased and are aimed in particular at further improving quality, strengthening resilience and making the energy supply greener. Investment grants grew less significantly than net capital expenditures.

The number of employees has risen in view of the higher volume of capital expenditures in infrastructure, compliance with legal and regulatory requirements and measures in IT and operational technology (OT) security.

SUBSIDIARIES / OTHER

The Subsidiaries / Other area comprises the governance functions and the legally dependent service units of the holding company DB AG. In addition, the legally independent service units of DB Group and the independent operational services are grouped in this area. These are service units that act in particular as internal service providers on behalf of DB Group business units.

DB Vehicle Maintenance

NEW ICE MAINTENANCE DEPOT OPENED IN COTTBUS

Just under 20 months after the groundbreaking ceremony, the new ICE maintenance depot in Cottbus went into operation in January 2024. The 374-m-long XXL ICE 4 with 13 rail cars and 918 seats can fit into the almost 450-m-long depot hall. Two of the shorter, seven-car ICE 4 trains, each about 200 m long, can be parked one behind the other on the two maintenance tracks. The trains no longer have to be separated for maintenance, as they do in other depots. Employees can work on all rail cars at the same time. DB Group will initially create 450 new industrial jobs and apprenticeships at the Cottbus site and is expected to create a total of about 1,200 new jobs by 2026.

DB E.C.O. Group

DB ENGINEERING & CONSULTING (DB E&C)

- DB E&C is providing extensive planning services for the pilot project for the general modernization of the Riedbahn 44f. between Mannheim and Frankfurt am Main. The time-critical plans for the command and control technology were drawn up in record time and are currently undergoing final testing. DB E&C is also supporting the project in the areas of geology, environment, waste and geodesy, and is responsible for construction supervision of the Riedbahn. Digital tools such as the X2BIM platform and the digital construction diary are used to complete the construction site properly within the tight time frame.
- In 2022, DB E&C became the technical lead for planning section 4 of the "Expansion of the Haiger to Hanau line" project. At the beginning of 2024, the engineering consortium set up to provide the services, which DB E&C is also part of, was commissioned with further planning services.
- After the floods of 2021, DB E&C launched a research project on the resilience of track infrastructure on behalf of the German Center for Rail Transport Research (DZSF) in cooperation with the Institute for Hydraulic Engineering and Water Resources Management (IWW) at RWTH Aachen University, which will be continued.

DB INTERNATIONAL OPERATIONS (DB IO)

- The first section of a new regional high-speed rail network was opened in India's capital, Delhi, in October 2023. The second section went into operation in March 2024, extending the network by a further 17 km and adding three new stations to the network. The Regional Rapid Transit System (RRTS) is India's first regional high-speed rail network and will connect the cities of Ghaziabad and Meerut with Delhi over a distance of 82 km with-in the next year.

INFRAVIEW

- The Luxembourg rail infrastructure operator CFL is already using the DIANA diagnostics platform. The IoT-based diagnostics platform DIANA enables the monitoring, control and diagnosis of vehicles and distributed infrastructure systems for preventive maintenance. Back in 2023, CFL decided to extend and expand the sensor technology for switch drive diagnostics and to also use the analysis software for the new construction of the northern line. In the first half of 2024, seven of the 14 locations were equipped with switch drive diagnostics and are connected to DIANA for remote monitoring.
- The X2BIM platform operated by infraView combines data from a wide variety of recording systems on one platform, thereby enabling georeferenced, historicized comparison with 2D plans and other reference data. The X2BIM platform is already being used within DB Group and has also been marketed outside the Group since the start of 2024.

DB SYSTEMTECHNIK

- For a good climate on trains: DB Systemtechnik and the German Aerospace Center (DLR) have been jointly researching how to make air-conditioning convenient, effective and energy-efficient since 2020. This research collaboration was extended for a further three years in June 2024. In the summer of 2020, a regular ICE rail car was converted into a "Demonstrator Vehicle for Innovations in Passenger Comfort and Air-Conditioning," for research into technologies that improve passenger comfort and reduce the energy requirements of air-conditioning.

Development in the first half of 2024

- *Operating profit improvements, particularly performance-related improvements at DB Operational Services.*
- *Digitalization and Group projects advanced.*
- *The number of employees has risen, primarily in line with performance development.*

SUBSIDIARIES/OTHER	H1 2024	H1 2023	Change absolute	Change %
Total revenues (€ million)	3,407	3,119	+ 288	+ 9.2
DB Business Services	1	1	–	–
DB Operational Services	3,889	3,575	+ 314	+ 8.8
Other / consolidation	- 483	- 457	- 26	+ 5.7
External revenues (€ million)	388	351	+ 37	+ 10.5
EBITDA adjusted (€ million)	233	207	+ 26	+ 12.6
EBIT adjusted (€ million)	- 92	- 95	+ 3	- 3.2
DB Business Services	- 74	- 64	- 10	+ 15.6
DB Operational Services	107	66	41	+ 62.1
Other	- 125	- 97	- 28	+ 28.9
Gross capital expenditures (€ million)	530	324	+ 206	+ 63.6
DB Business Services	1	1	–	–
DB Operational Services	319	224	+ 95	+ 42.4
Other	210	99	+ 111	+ 112
Net capital expenditures (€ million)	530	322	+ 208	+ 64.6
Employees as of Jun 30 (FTE)	63,133	60,447	+ 2,686	+ 4.4
DB Business Services	11,936	11,481	+ 455	+ 4.0
DB Operational Services	48,562	46,403	+ 2,159	+ 4.7
Other	2,635	2,563	+ 72	+ 2.8
Average employees (FTE)	62,648	60,284	+ 2,364	+ 3.9

The increase in total revenues was driven by higher revenues from intra-Group customers of DB Operational Services companies. It resulted primarily from higher demand for solutions for digitalization, cybersecurity, IT and communication (DB Systel and DB Communication Technology), construction projects (primarily DB Rail Construction) and security and cleaning services (DB Security and DB Services). The intra-Group transfer of activities from DB Sales 35 to DB Long-Distance in April 2023 (no full effect in the first half of 2023) had the opposite effect.

Revenues from non-Group customers increased considerably at a low level. This was mainly due to an increase in international project business (DB E.C.O.).

The operating profit of the Subsidiaries/Other area is largely determined by the functions of Group management and the dependent and independent service units that have provided services for the business units. The operating profit figures developed slightly better, as income rose more significantly than expenses, mainly due to increased demand within the Group. The main drivers were DB Rail Construction, DB E.C.O. and DB Systel. DB Vehicle Maintenance developed adversely due to higher expenses for quality improvements and factor cost increases.

Burdens stemmed, among other things, from higher expenses for personnel (as a result of collective bargaining agreements and the increase in the average number of employees) and materials (mainly performance-related; in particular DB Rail Construction, DB Vehicle Maintenance and DB Services). Depreciation also increased significantly due to higher capital expenditures (in particular DB Systel and DB Connect).

The increase in capital expenditures was mainly due to increased effects from the extension and adjustment of existing rental and leasing agreements at DB Real Estate. A fundamentally higher price level also had the effect of increasing capital expenditures. Improved vehicle availability (DB Connect) and higher capital expenditures in the depot infrastructure (DB Vehicle Maintenance) also led to an increase in capital expenditure activity.

The number of employees rose primarily due to an increase in personnel at DB Operational Services companies, in particular at DB E.C.O., DB Systel, DB Rail Construction and DB Security as a result of increasing commissionings and quality measures. Increasing service volumes also led to greater personnel requirements at DB Business Services (including DB Training, DB Personnel Services, Procurement, DB Real Estate, Shared Service Center Accounting). A decline in the number of employees in the intra-Group labor market had a partially offsetting effect.

DB Schenker business unit

DEVELOPMENT IN THE RELEVANT MARKETS

Land transport

EUROPE

The European land transport market is confronted with stagnating demand, although prices are experiencing dynamic growth in certain areas. This volatility is primarily due to inflation and a persistent shortage of capacity. Many smaller transport companies that are unable to pass on the cost pressure to shippers are exiting the market, while the ongoing driver shortage is further exacerbating the situation. The gradual implementation of the EU Mobility Pact, which regulates driving and rest times as well as cabotage, is creating further uncertainty in transport planning and increasing costs.

AMERICAS

Demand for land transport in North America remains well below the level of 2022, resulting in historically low prices. Operating costs remain under inflationary pressure in almost all areas. The available capacity and thus the number of trucks on the roads has fallen increasingly, although not to the extent that would be necessary to achieve market equilibrium. There are clear signs that the market has bottomed out and is now beginning to turn in favor of freight forwarders, provided there are no significant new external influences. There is a downward trend in South America, although the market there is less susceptible to fluctuations than in North America.

ASIA / PACIFIC

The market for international truck transport in Asia has been experiencing a revival since the second quarter of 2024 due to the disruption in the intra-Asia ocean and air freight market. The recovery effects in China are falling short of market expectations. However, after a sharp decline in 2023, volumes in land transport are stabilizing. In Eurasia, the market is experiencing a revival due to the conflicts in the Middle East and the associated consequences for ocean freight in the first quarter of 2024. However, volumes remain at a low level overall, due to the war in Ukraine.

Air freight

In the first half of 2024, the air freight market can be divided into two different segments: the market including the new e-commerce business from China and the traditional air freight market. While the traditional market only saw slight growth in the first quarter of 2024, the market grew in the low double-digit range when the e-commerce segment is taken into account. Along with the extreme regional differences in demand resulting from the e-commerce boom and the associated imbalances in available capacities, we are seeing freight rates rising globally, albeit with strong regional differences and directions.

Ocean freight

The first half of 2024 was characterized by disruptions in the ocean freight market caused by the attacks on merchant ships in the Red Sea. As a result of the detour around the Cape of Good Hope, capacity is effectively being withdrawn from the market, leading to capacity bottlenecks and ensuring that the high number of new ships can be easily accommodated. The detour also leads to additional costs, delays and congestion at ports, causing freight rates to rise considerably. In addition, demand for container transport is rising considerably again worldwide, particularly in Europe and North America. As a result, freight rates have risen rapidly in recent months.

Contract logistics

The most important demand drivers are the vertical markets of electronics, in particular semiconductors and cloud, omni/retail and healthcare. A positive development is also being seen in the Automotive VM segment, which has benefited from rising volumes in electromobility and the stabilization of combustion engine production following the Covid-19 pandemic. In terms of vertical markets, the consumer electronics sector and, geographically speaking, Greater China, where there has been an economic slowdown, especially among Western companies, should be noted in particular.

DIGITALIZATION AND INNOVATION

- **Contract logistics:** DB Schenker's new warehouse in Rudna in the Czech Republic ensures greater efficiency, quality and speed in the supply chain. With this new site, DB Schenker is combining customized logistics solutions with automation and the use of robots to transform warehouse operations. More than 100 autonomous mobile robots (AMR), seven packaging lines with 162 stations, a vertical order picker and an automatic sorting system are in use.
- **Onboard courier service:** DB Schenker has introduced a new standardized product for a growing market segment. Customers can now book an exclusive onboard courier (OBC) service, which enables fast and reliable express air transport to and from anywhere in the world. The new product is aimed at customers who require urgent courier service solutions for small and high-value consignments. With the introduction of this new air freight product, DB Schenker is expanding its growing portfolio of white glove service solutions.
- **DB SCHENKER life+:** DB Schenker is underlining its commitment to excellence and compliance in the pharmaceutical supply chain by certifying 157 stations to Good Distribution Practice (GDP) standards. The most important markets for global trade in medical goods in America, Europe and Asia are now covered by the DB SCHENKER life+ portfolio. This means that DB Schenker is now able to cover 80 % of global healthcare trade flows in logistics and thus offers one of the largest GDP-compliant logistics networks in the world.

ENVIRONMENTAL MEASURES

- **More climate-friendly air freight:** The offer of the Book& Claim verification chain makes CO_2e reduction possible through the use of sustainable aviation fuel (SAF) on all flights to all airports worldwide. This represents a significant expansion of our existing more climate-friendly air freight solutions. DB Schenker purchased 4,300 tons of SAF in the first half of 2024.
- **Climate-friendly land transport:** The number of battery-electric vehicles (BEV) operating for DB Schenker in Europe amounted to more than 330 in the first half of 2024. Four hydrogen-powered fuel cell electric vehicles have also been in use in Germany since June 2024.

DEVELOPMENT IN THE FIRST HALF OF 2024

⟶ *Overall challenging market environment with declining freight rates.*

⟶ *Operating profit figures remain well above the pre-Covid-19 level.*

⟶ *Extensive measures to improve efficiency and expand digitalization.*

	H1		Change	
DB SCHENKER	**2024**	2023	absolute	%
Land transport shipments (million)	54.1	50.5	+ 3.6	+ 7.1
Air freight volume (export) (thousand t)	576.7	570.8	+ 5.9	+ 1.0
Ocean freight volume (export) (thousand TEU)	896.1	883.1	+ 13.0	+ 1.5
Total revenues (€ million)	9,415	10,080	- 665	- 6.6
External revenues (€ million)	9,406	10,067	- 661	- 6.6
Gross profit margin (%)	40.1	39.6	+ 0.5	-
EBITDA adjusted (€ million)	908	1,011	- 103	- 10.2
EBIT adjusted (€ million)	520	626	- 106	- 16.9
EBIT margin (adjusted) (%)	5.5	6.2	- 0.7	-
Gross capital expenditures (€ million)	250	324	- 74	- 22.8
Employees as of Jun 30 (FTE)	70,953	75,424	- 4,471	- 5.9
Average employees (FTE)	71,478	76,047	- 4,569	- 6.0

The volume trend was positive across the board, mainly as a result of an overall increase in demand and market growth in the e-commerce business.

Economic development, driven by air freight and land transport, was weaker: operating profit figures declined, but remained well above the pre-Covid-19 level. Accordingly, gross profit also declined (– 5.5 %). Adjusted for exchange rate effects, the decline was somewhat more pronounced.

The income development was weaker due to freight rate-related decline in revenues:

- **Revenues (– 6.6 % / € – 665 million):** Decline due to lower freight rates, particularly in air and ocean freight and land transport, as well as exchange rate effects.
- **Other operating income (+ 40.4 % / € + 59 million):** Significant increase due to higher income from leasing and the release of provisions, partly offset by higher other operating expenses. Another driver was the release of accrued liabilities.

The expense side was mainly driven by the development of freight rates.

- **Cost of materials (– 7.3 % / € – 453 million):** Decline in line with revenues due to lower freight rates and the discontinuation of business involving high cost of materials.
- **Personnel expenses (– 2.2 % / € – 45 million):** Decrease due to a lower number of employees as a result of improved productivity in air and ocean freight as well as in overhead.

- **Other operating expenses (–0.4%/€ –4 million):** Slight decrease mainly due to lower travel expenses and purchased services, which was almost completely offset by increased expenses for compensations for damages.
- **Depreciation (+0.8%/€ +3 million):** roughly at the same level as in the first half of 2023; adjusted for currency effects, the increase was even lower.

Capital expenditure activity declined due to the completion of major projects. Europe was the main focus of capital expenditures. Adjusted for exchange rate effects, the decline was even more pronounced.

The number of employees decreased compared to June 30, 2023, mainly due to productivity increases.

Land transport line of business

⟶ *Development driven by declining freight rates.*

⟶ *Quality improvements with positive effects.*

⟶ *Increase in volume due in particular to additional parcel business in the e-commerce sector.*

	H1		Change	
LAND TRANSPORT LINE OF BUSINESS	**2024**	2023	absolute	%
Land transport shipments (million)	54.1	50.5	+3.6	+7.1
Total revenues (€ million)	3,917	4,103	-186	-4.5
External revenues (€ million)	3,912	4,094	-182	-4.4
EBITDA adjusted (€ million)	235	292	-57	-19.5
EBIT adjusted (€ million)	62	122	-60	-49.2
Employees as of Jun 30 (FTE)	23,154	24,750	-1,596	-6.4

In land transport, demand rose, driven by increased volumes in the parcel business as a result of a sharp rise in e-commerce and an increase in direct transport, particularly in Asia. System transports, on the other hand, declined slightly.

Economic development was significantly weaker due to lower revenues and increased depreciation in connection with the integration of USA Truck:

- Income decreased as a result of lower freight rates, particularly in the truckload segment, and the decline in demand for system transports.
- Expenses decreased in line with the revenue development, mainly due to lower freight rates.

The number of employees was lower, mainly due to productivity increases.

Air and ocean freight line of business

⟶ *Positive market momentum is leading to a slight increase in demand.*

⟶ *Air freight: differentiated rate development with declining freight rates aside from the rapidly growing new e-commerce business from China.*

⟶ *Ocean freight: capacity bottlenecks as a result of the attacks in the Red Sea are leading to rising rates in some cases, with a differentiated development.*

	H1		Change	
AIR AND OCEAN FREIGHT LINE OF BUSINESS	**2024**	2023	absolute	%
Air freight volume (export) (thousand t)	576.7	570.8	+5.9	+1.0
Ocean freight volume (export) (thousand TEU)	896.1	883.1	+13.0	+1.5
Total revenues (€ million)	4,162	4,591	-429	-9.3
External revenues (€ million)	4,159	4,589	-430	-9.4
EBITDA adjusted (€ million)	383	428	-45	-10.5
EBIT adjusted (€ million)	342	389	-47	-12.1
Employees as of Jun 30 (FTE)	12,503	13,666	-1,163	-8.5

The performance development was positive due to an increase in demand on the market:

- **Air freight:** Slight increase in line with the non-e-commerce market, with a low share in the rapidly developing low-price new e-commerce market.
- **Ocean freight:** Increase slightly below the overall market, where growth was primarily achieved with direct customers of shipping companies. Reroutings caused by the attacks in the Red Sea are leading to capacity bottlenecks in the market.

Economic development was significantly weaker: the adjusted operating profit figures fell again slightly after the very strong previous years, but remained well above the pre-Covid-19 level.

- Income declined due to the development of freight rates, which continued the trend of the previous year. In air freight, freight rates outside Asia/Pacific, where DB Schenker's share is low, remained constant or declined. There were declines in ocean freight as rates rose, but did not reach the level of the first months of 2023, which were characterized by post-Covid-19 effects. The slight increase in volume had a compensating effect. Adjusted for currency effects, the decline was somewhat more pronounced.
- Expenses decreased, particularly in the air freight segment, mainly due to the development of freight rates, but to a lesser extent than revenues. Productivity gains also reduced personnel expenses. Adjusted for exchange rate effects, the decline was somewhat more pronounced.

The number of employees fell as a result of productivity increases.

Contract logistics line of business

⟶ *Revenue development declined in a difficult market environment.*

⟶ *Measures to improve productivity and profitability with positive contribution to profits.*

CONTRACT LOGISTICS LINE OF BUSINESS	H1 2024	H1 2023	Change absolute	Change %
Total revenues (€ million)	1,335	1,386	- 51	- 3.7
External revenues (€ million)	1,335	1,385	- 50	- 3.6
EBITDA adjusted (€ million)	256	257	- 1	- 0.4
EBIT adjusted (€ million)	117	114	+ 3	+ 2.6
Employees as of Jun 30 (FTE)	21,166	22,003	- 837	- 3.8

The development in contract logistics followed the overall market thanks to its diversified portfolio that covers different geographic regions and market sectors.

In a challenging market environment, economic development was on a par with the first half of 2023: the adjusted operating profit figures remained almost stable.

- Income decreased due to a decline in volume, particularly in Asia. Effects from the release of provisions had a slight compensating effect.
- Expenses decreased in line with revenues. The main driver was the discontinuation of business transactions involving high material expenses. The decline was partially offset by higher personnel expenses as a result of increased wages.

The number of employees fell slightly, partly as a result of higher productivity.

OPPORTUNITY AND RISK REPORT

Our business activities are associated with risks as well as opportunities. Our business policy therefore aims to take advantage of opportunities through our opportunity management system, while also actively managing those risks identified within the framework of our risk management system. There were no material changes in DB Group's risk management system in the first half of 2024.

The opportunity and risk assessment is based on the updated anticipated development of DB Group 62f. in 2024 in relation to the adjusted operating profit (adjusted EBIT).

- For the forecast of EBIT development for the 2024 financial year 63 factoring in countermeasures, there are further risks in the amount of € 0.7 billion (thereof very likely (>70% probability of occurrence): € 0.0 billion). These risks arise primarily in the areas of production and technology, procurement and the energy market, the economy, market and competition, legal matters and contracts, and human resources.
- The opportunities for EBIT development exist in the amount of € 0.1 billion (thereof very likely: € 0.0 billion) in the areas of production and technology as well as the procurement and energy market.

The poor state of the infrastructure is particularly relevant and may lead to further increases in maintenance expenses. In addition, poor punctuality figures have a negative impact on revenue development, particularly at DB Long-Distance. Finally, the amount of the Government expense grants is still subject to considerable uncertainty.

The current financial planning by the Federal government 59 includes significantly less funds than required for the extensive program for renewal, modernization and digitalization of the infrastructure. This results in extensive risks, particularly in the form of a lower ramp-up of the network capacity and the non-achievability of the quality improvements aimed for (particularly punctuality). If the Government funds are not increased significantly, considerable risks for network quality, volume produced and economic development will materialize.

Depending on the market situation, purchase prices for commodities, energy, transport and construction services may continue to fluctuate. The easing of raw material and transport prices that became apparent at the end of 2023 has materialized.

The producer prices of commercial products decreased in the first half of 2024 compared to the previous year as a result of lower prices for gas and electricity.

We counter the risk of energy price increases through a stringent price adjustment strategy and the conclusion of long-term procurement contracts, among other things. However, these hedging measures only have an effect for a limited time and must be weighed against potential opportunities arising from falling energy prices. Depending on the market and competitive situation, it may not be possible or may only be possible to a very limited extent to pass increased costs on to the customer in the short term. This in turn has a negative impact on margins. The consolidation of requirements and the optimization of long-term volume commitments result in opportunities to raise potential in procurement prices, even in a challenging market environment.

The European Commission is carrying out state aid proceedings against the Federal Republic of Germany relating to possible support measures for DB Cargo AG. In 2022, it opened a formal investigation procedure into the matter. The investigation is based on a complaint from a competitor. The question at issue is whether the assumption of losses resulting from the profit transfer agreement between DB Cargo AG and DB AG and certain other measures represent competition-distorting aid. In the view of the Federal Government and DB AG, the measures do not in fact contain any aid. However, in the light of the transformation program underway at DB Cargo AG 40, it also seems possible that the European Commission will adopt a compatibility decision with conditions attached. This may have implications for the business of DB Cargo AG (e.g. profitability taking precedence over growth, sale of investments or rolling stock). Another important aspect could be the swift ending of the automatic assumption of losses and thus the termination of the profit transfer agreement. The procedure could be formally completed in 2024.

At DB Regional, there is a risk that financial liabilities and corresponding receivables will have to be recognized in the future for the obligation to pay lease installments from transport contracts with vehicle financing under the Baden-Württemberg model.

According to our analyses of risks, countermeasures (including financial support from the Federal Government), hedging and provisions, as well as in line with the opinion of the Management Board based on the current risk assessment and our mid-term planning, there are no risks that, individually or jointly, would pose a threat to the assets, financial situation or income situation of DB Group.

EVENTS AFTER THE BALANCE SHEET DATE

First general modernization has begun

On July 15, 2024, the general modernization of the Riedbahn started as planned. This is the pilot project for moving toward a high-performance network and one of the most important construction projects in 2024. The general modernization will see the first implementation of a new modernization and overhaul plan, with the target of completely modernizing the line by mid-December 2024, i.e. within five months. The Federal Government has already made all the necessary arrangements – both legal and financial – for this to be achieved.

Government draft for the 2025 Federal budget

On July 17, 2024, the Federal Government adopted the draft for the 2025 Federal budget and financial plan up to 2028. The accompanying letter states that investment is a clear priority for the Federal Government. The Federal Government, it says, is investing "in areas that are particularly relevant to citizens and the economy: railways, roads, local transport and digital infrastructure." It goes on to say that within rail, investment will focus on upgrading the highly utilized network and the general modernization of the high-performance corridors.

Specifically, funds amounting to € 15.3 billion will be made available for the Federal rail infrastructure in 2025. This corresponds to an increase of about € 6 billion compared to 2024. When comparing with 2024 (decrease of € 1.1 billion), it should be noted that the 2024 funds were partially allocated to reimburse the pre-financings that DB Group made into the existing network in 2023. Allocations are expected to increase compared with 2024 for the equity increase (€ +0.4 billion to € 5.9 billion), the requirement plan (€ +0.5 billion to € 2.2 billion), the ERTMS (€ +0.3 billion to € 1.4 billion), attractive stations (€ +168 million to € 265 million) and small / medium-sized measures (€ +195 million to € 303 million). Funds from the equity increase will also be used for the existing network. Including these funds, up to € 10.4 billion could be available for the existing network in 2025 (in 2024: € 11.8 billion including € 2.3 billion to reimburse for pre-financings).

The Government draft for the 2025 Federal budget and the information available to date on the financial plan do not yet fully cover the additional requirements identified for the rail network until 2028.

Expenditures of € 0.8 billion are planned for rail transport support issues. This represents an increase of € 0.2 billion compared to 2024. Among other things, there will be increases in train-path price support for long-distance (€ +105 million to € 105 million) and freight transport (€ +46 million to € 275 million). The purpose of this increase is to partially cushion the negative impacts of price increases from the 2025 train-path pricing system 47. Single wagon transport support will continue at the level of 2024 (€ 300 million), while the facility price support will increase by € 15 million to € 35 million.

The first stage of the parliamentary procedure is scheduled from September 10 to 13, 2024, with the first reading in the German Parliament. The committees will then consult on the draft. The second and third readings, culminating in the ratification of the 2025 Federal budget, are scheduled for the end of November 2024. The final passage of the budget in the Upper House of Parliament (Bundesrat) is scheduled for December 20, 2024.

OUTLOOK

Economic outlook

ANTICIPATED DEVELOPMENT / %	2023	2024 (Mar forecast)	2024 (Jul forecast)
World trade	- 0.6	+ 1.5	+ 2.5
GDP world	+ 2.7	+ 2.5	+ 2.5
GDP Eurozone	+ 0.5	+ 0.5	+ 1.0
GDP Germany	+ 0.0	+ 0.0	+ 0.0

As of May 2024. Forecast for 2024 rounded to nearest half percentage point.
Source: Oxford Economics

The global economy is again expected to grow moderately in 2024. Over the year to date, the main positive effects have been lower inflation and strong development in the USA and Asia. A moderate increase in 2024 is also expected in world trade, mainly due to a slight increase in demand while inventories remain low. The European Economic Area remains under strain from an increased price level and simultaneously high interest rates, especially in the industrial sector. In Germany, especially in the first half of 2024, development has been noticeably curbed by weak investments and private consumption. Stagnation is expected overall in 2024, with slight recovery effects expected at the end of 2024 at the earliest.

Transport markets

PASSENGER TRANSPORT

ANTICIPATED MARKET DEVELOPMENT / %	2023	2024 (Mar forecast)	2024 (Jul forecast)
German passenger transport (based on pkm)	+ 3.0	+ 2.5	+ 2.0

As of July 2024. Forecast for 2024 rounded to nearest half percentage point.

The German passenger transport market was characterized by continued growth in 2023, but remained well below pre-Covid-19 pandemic levels. Growth is expected to continue in 2024 but to be weaker. The development of demand for transport strongly depends on regulatory policy measures, economic developments and the mobility behavior of the population. Commuter transport and business travel are undergoing major long-term changes, and are partially being substituted with mobile working and digital communication.

- Although motorized individual transport is likely to continue to record growing volumes in 2024, it is expected to remain below pre-Covid-19 pandemic levels. High fuel prices and changes in mobility behavior after the Covid-19 pandemic have a dampening effect.
- Domestic German air transport has stabilized at a significantly lower level than before the Covid-19 pandemic. A slight increase in volume sold is expected in 2024.
- Public road passenger transport grows markedly, partly as a result of the positive effects of the Germany-Ticket 7. Long-distance bus transport is also expected to continue to grow in 2024.
- Rail passenger transport is expected to see an increase in volume sold. This will be dampened in part by supply effects because of the extensive construction work and negative effects of the GDL strikes 3 in the first quarter of 2024. Local transport continues to benefit from the Germany-Ticket.

In European passenger transport, too, development is specific to the mode of transport and varies regionally. The climate policy of the EU and its member states remains the long-term driver of development in environmentally friendly public mobility, including rail passenger transport in particular.

FREIGHT TRANSPORT AND LOGISTICS

ANTICIPATED MARKET DEVELOPMENT / %	2023	2024 (Mar forecast)	2024 (Jul forecast)
German freight transport (based on tkm)	- 4.9	+ 0.1	- 0.6
European rail freight transport (based on tkm)	- 6.8	+ 0.1	- 2.5
European land transport (based on revenues)	- 6.1	+ 4.5	+ 2.2

Following the sharp decline in freight volume sold in the previous year, no recovery effects are expected for the overall market in Germany in 2024 due to the continued weak impetus from core industries that are going through a crisis. The available data again shows a decrease for the first quarter of 2024 compared to the previous year. Transport demand should recover somewhat in the second half of 2024. However, the fact that economic development fell short of expectations in the first half of 2024 means that the forecasts for the transport market for 2024 as a whole have been revised downward. The market is characterized by sustained competitive pressure.

- Rail freight transport in 2024 is expected to be slightly below the previous year. Industries that declined in the previous year, such as steel or combined transport, are recovering only slightly or stagnating in 2024. The chemicals sector is experiencing initial recovery effects. This is being opposed by the decline in building material and coal transport and a high infrastructure construction volume in the second half of 2024, and a slight overall decline is therefore expected.
- Road freight transport is also expected to decline slightly in 2024; the decline is likely to be slightly weaker than that in rail transport. Despite higher toll rates, the volume of trucks remains unchanged in 2024, but the slight recovery in the economy as a whole is being offset by a further decline in construction and industrial production, leading to a slight decline in transport volumes overall.
- In spite of massive losses in the previous year, volume sold in inland waterway transport will also record no recovery effects in 2024. A further decline in coal transport and the weak recovery in steel and chemical transports are causing a slight decline in 2024.
- Volume sold in European freight transport is expected to decrease again in 2024. Transport demand is being markedly weakened by industrial sectors that remain in crisis. For container volumes, slight recovery effects are expected in the second half of 2024.
- Revenues in European road freight transport recover more slowly than expected in 2024 due to the still weak economic development. Companies continue to struggle with cost pressures on energy, tolls and wages. The shortage of drivers that has now been continuing for years has, as a result of the weak order situation, a less extreme, but still noticeable, effect.
- The extraordinary development in the ocean freight market is expected to abate at the end of the peak season in the fourth quarter of 2024, when experience indicates that demand will decline. At the same time, many newly built ships will still be delivered in 2024, which should also counteract the pressure on rates on the supply side. The situation in the Red Sea continues to have a significant effect on capacity and rates, and there is as yet no end to this in sight.
- The air freight market is marked in particular by the strong increase in e-commerce business, which is dominating the market from Asia and is expected to continue to grow. Increasing volumes and rates are expected in air freight starting from the beginning of the peak season in the third quarter of 2024.
- The contract logistics market is expected to continue to grow. However, the pace of growth is not expected to exceed 2023 levels, as various risks such as a slowdown in the economy, mounting geopolitical tensions and other factors could affect the market.

INFRASTRUCTURE

In the second half of 2024, constant sales development is expected in passenger transport, dampened by the traffic restrictions resulting from the general modernization of the Riedbahn 44f. A slight recovery in the macroeconomic environment, particularly in the energy-producing sectors, is expected in freight transport. This positive development is not sufficient to offset the losses compared to the previous year at the end of 2024. At the end of 2024, the overall market will come close to the previous year's result, despite the higher impact of the exceptional events in the first half of 2024.

Station stops are expected to see a moderate increase in 2024 as a result of the stable developments in passenger transport. The market share of the non-Group railways is increasing overall compared to the previous year.

Rental income in stations is continuing to develop positively in 2024. Despite the currently uncertain development of the economic environment, we expect results to be slightly higher than in the previous year.

Procurement markets

As a baseline scenario, we continue to expect hardly any physical bottlenecks on the procurement side for DB Group in the second half of 2024. Energy prices (natural gas and electricity) have decreased and settled at 2021 levels. The more favorable conditions for energy should now be reflected in production costs. However, high wage and collective bargaining agreements are having an opposite effect on production costs. Producer prices for 2024 are expected to drop by about 3% compared to the previous year. Overall, despite a decline compared to the previous year, the price level for products is expected to be significantly higher in 2024 than it was before the sharp increase in 2021.

At the beginning of June 2024, natural gas storage facilities in Germany were still about 73% full, and in the EU about 70% full, roughly the same as in the previous year. This indicates a less strained supply situation, which should in principle also be reflected in the spot and futures markets.

Overall, the situation on the energy markets is currently more relaxed than in the previous year. However, the market for both electricity and natural gas is at times still very unstable, which is reflected in more volatile prices over the course of 2024 so far.

On the electricity market, very low and sometimes even negative hourly prices often occur on the spot markets due to the strong expansion of wind farms and, in particular, photovoltaic systems as the intensity of the sun increases. This and the general reduction in the price level compared to the previous year have noticeably reduced spot prices compared to the previous year. Futures prices are also moving at a lower level than in 2023, although they reached their annual low to date in March 2024 and prices have risen sharply again since then.

The coal and nuclear power phase-out has led to a lasting reduction in the stabilizing reserves/buffer in the energy system. Depending on the weather and associated generation from photovoltaic plants and wind farms, electricity prices on the spot market are highly volatile not just from day to day, but even from hour to hour within the same day. Even in moderately complex weather conditions, prices have a high potential to go up or down.

It remains to be seen how energy prices (gas, electricity and oil) will develop in the further course of the Ukraine war, the war in the Gaza Strip or potential new geopolitical risks, but also in light of the further economic situation in Germany.

Financial markets

Following the European Central Bank's rate cut in June 2024, more interest rate moves could follow in the second half of 2024, especially if inflation continues to fall. Decreasing money market rates will also have an impact on capital market interest rates, with no significant market movements expected. Money market and capital market yields should continue to converge in the second half of 2024.

Development of DB Group

- *Performance development in rail transport influenced by performance quality and strikes somewhat weaker than previously expected.*
- *Expectations for revenue development as a result of freight rate development at DB Schenker and performance development in long-distance and freight transport adjusted.*
- *Capital expenditure activity continues to grow.*

STRONG RAIL TOP TARGETS

ANTICIPATED DEVELOPMENT	2023	2024 (Mar forecast)	2024 (Jul forecast)
Volume sold long-distance transport (billion pkm)	45.5	~47	~45
Passengers regional transport (rail) (billion)	1.7	~1.9	~1.8
Volume sold rail freight transport (Germany) (billion tkm)	51.9	–	~49
Train kilometers on track infrastructure (Germany) (billion train-path km)	1.12	~1.15	~1.12
Condition grade high-performance network (grade)	3.1	2.8	–
Customer satisfaction DB Long-Distance (grade)	2.7	2.6	2.7
Customer satisfaction DB Regional (rail) (grade)	2.2	2.2	2.2
Customer satisfaction DB Cargo (grade)	2.8	3.0	2.9
Punctuality (operational), DB Long-Distance (%)	64.0	~70	63-67
Punctuality (whole journey), DB Long-Distance (%)	68.9	~74	68-72
Punctuality, DB Regional (rail) (%)	91.0	~93	90-92
Punctuality, DB Cargo (Germany) (%)	70.5	~69	67-70
Absolute greenhouse gas emissions Scope 1 and 2 (Integrated Rail System)[1] (million t)	3.3	~3.2	~3.2
Share of renewable energies in the DB traction current (Germany)[2] (%)	68	~69	~69
Employee satisfaction (SI)	–	3.7	3.7
Women in leadership (%)	29.4	~30	>30
Debt coverage (%)	5.2	>11	~11
ROCE (%)	-2.0	~2	~2

[1] Not including non-material smaller Group companies and subsidiaries in the Integrated Rail System.
[2] The data for 2023 constitute a forecast as of February 2024. Since 2023, the proportion of renewable energy has been presented separately without Renewable Energy Sources Act (EEG) subsidies.

Based on the development in 2024 so far and updated estimates, we have adjusted our expectations for development in the 2024 financial year:

- **Performance development:** As a result of the challenging operational situation, supply limitations due to the high construction volume and the strike effects from the first quarter of 2024, we expect slightly weaker performance development in rail transport.

- **Customer satisfaction:** In terms of customer satisfaction, we expect a slight decrease compared to the forecast from March 2024 caused by weak punctuality and restrictions due to extensive construction work.
- **Punctuality:** In terms of punctuality, we expect significantly lower full year values due to the weak first half of 2024 despite a stronger second half of 2024. This is subject to, among other things, that the general modernization of the Riedbahn will take place as planned. Beyond that, no additional risks may impact operating quality. The indicated corridors reflect the currently very high uncertainty regarding the development over the further course of the year.
- **Profitability:** Debt coverage and ROCE are expected to develop slightly weaker than previously expected as a result of reduced profit expectations.

ADDITIONAL KEY FIGURES FOR THE INCOME SITUATION, FINANCIAL POSITION AND NET ASSETS

ANTICIPATED DEVELOPMENT / € billion	2023	2024 (Mar forecast)	2024 (Jul forecast)
Revenues adjusted	45.2	~ 47	~ 45
EBIT adjusted	-1.0	> 1	~ 1
Gross capital expenditures	16.9	~ 21	~ 21
Net capital expenditures	7.6	> 11	~ 11
Maturities	2.4	2.1	2.1
Bond issues (senior)	3.0	> 1	~ 2
Net financial debt as of Dec 31	34.0	~ 34	< 34

The additional Government grants affecting income, particularly those for infrastructure maintenance measures, single wagon transport at DB Cargo and the reimbursement of the previous year's pre-financings have not yet been implemented in the first half of 2024. We expect to see the implementation in the fourth quarter of 2024. We also expect a further capital increase from the Federal Government in the second half of 2024 amounting to € 2.5 billion.

Based on the development to date and the current estimates for the second half of 2024, we have partially adjusted our expectations:

- Driven mainly by the development of freight rates at DB Schenker and the performance development in long-distance rail passenger transport and rail freight transport, we now expect revenues to be at the same level as in the previous year.
- The profit development in the first half of 2024 was significantly weaker than expected, due mainly to strikes. In the further course of 2024, however, we expect that the reimbursement of the pre-financings for maintenance measures from the previous year, the implementation of the support for infrastructure maintenance expenses and single wagon transport at DB Cargo from the Federal Government, the omission of negative effects from the first half of 2024 and positive effects from the implementation of countermeasures, such as the strict spending monitoring and control program, will lead to a significantly more positive development. Nonetheless, operating profit is likely to be slightly lower than previously expected.

The opportunities and risks existing as of June 30, 2024, for the EBIT forecast for the 2024 financial year are set out in the Opportunity and risk report 58f.

ADDITIONAL KEY FIGURES FOR THE GREEN TRANSFORMATION

ANTICIPATED DEVELOPMENT	2023	2024 (Mar forecast)	2024 (Jul forecast)
Track kilometers noise remediated in total as of Dec 31 (km)	2,255	2,320	2,320
Recycling rate (%)	96.5	> 95	> 95

The forecasts for the other key figures of the green transformation remain unchanged.

Forward-looking statements

This management report contains statements and forecasts pertaining to the future development of DB Group, its business units and individual companies. These forecasts are estimates based on information that is available at the current time. Actual developments and profits may diverge from the current expectations as a result of the non-materialization of the assumptions upon which our forecasts are based or the materialization of risks such as those presented in the risk report.

DB Group does not assume any obligation to update the statements made within this management report.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

CONSOLIDATED STATEMENT OF INCOME

JAN 1 THROUGH JUN 30 OR RESPECTIVELY AS OF DEC 31 / € million	H 1 2024	H 1 2023 [1]	2023
Revenues	22,310	23,004	45,191
Inventory changes and other internally produced and capitalized assets	2,446	2,133	4,626
Overall performance	24,756	25,137	49,817
Other operating income	1,324	1,345	3,354
Cost of materials	- 12,400	- 12,616	- 25,276
Personnel expenses	- 10,016	- 9,278	- 19,604
Depreciation, amortization and impairments	- 1,985	- 1,916	- 3,912
Other operating expenses	- 2,442	- 2,365	- 5,652
Operating income (EBIT)	- 763	307	- 1,273
Result from investments accounted for using the equity method	8	6	9
Interest income	144	106	217
Interest expenses	- 556	- 379	- 834
Other financial result	54	- 8	- 78
Financial result	- 350	- 275	- 686
Loss / profit before taxes on income	**- 1,113**	**32**	**- 1,959**
Taxes on income	- 92	- 144	- 73
Net loss for the period (continuing operations)	**- 1,205**	**- 112**	**- 2,032**
thereof net loss attributable to shareholder of Deutsche Bahn AG	- 1,230	- 138	- 2,080
thereof remuneration entitlement of hybrid capital investors	13	13	25
thereof net profit for the year attributable to non-controlling interests	12	13	23
Net loss / profit for the period (discontinued operations)	- 26	41	- 319
thereof net loss / profit attributable to shareholder of Deutsche Bahn AG	- 26	41	- 319
thereof remuneration entitlement of hybrid capital investors	-	-	-
thereof net profit for the year attributable to non-controlling interest	0	0	0
Net loss for the period	**- 1,231**	**- 71**	**- 2,351**
thereof net loss attributable to shareholder of Deutsche Bahn AG	- 1,256	- 97	- 2,399
thereof remuneration entitlement of hybrid capital investors	13	13	25
thereof net profit for the year attributable to non-controlling interests	12	13	23
Earnings per share (€ per share) (continuing operations)			
Undiluted	- 2.86	- 0.32	- 4.84
Diluted	- 2.86	- 0.32	- 4.84
Earnings per share (€ per share) (discontinued operations)			
Undiluted	- 0.06	0.09	- 0.74
Diluted	- 0.06	0.09	- 0.74
Earnings per share (€ per share)			
Undiluted	- 2.92	- 0.23	- 5.58
Diluted	- 2.92	- 0.23	- 5.58

[1] Values adusted due to classification of DB Arriva as discontinued operations.

RECONCILIATION OF CONSOLIDATED COMPREHENSIVE INCOME

JAN 1 THROUGH JUN 30 OR RESPECTIVELY AS OF DEC 31 / € million	H 1 2024	H 1 2023 [1]	2023
Net loss for the period	- 1,231	- 71	- 2,351
CHANGE IN ITEMS RECOGNIZED DIRECTLY IN EQUITY, WHICH ARE NOT RECLASSIFIED TO THE INCOME STATEMENT			
Changes due to the revaluation of defined benefit plans (continuing operations)	351	- 48	- 400
Changes due to the revaluation of defined benefit plans (discontinued operations)	- 11	40	- 48
	340	- 8	- 448
CHANGE IN ITEMS RECOGNIZED DIRECTLY IN EQUITY, WHICH ARE RECLASSIFIED TO THE INCOME STATEMENT			
Changes resulting from currency translation (continuing operations)	75	- 117	- 108
Changes resulting from currency translation (discontinued operations)	2	22	12
Changes resulting from market valuation of securities (continuing operations)	- 1	0	0
Changes resulting from market valuation of securities (discontinued operations)	-	0	0
Changes resulting from market valuation of cash flow hedges and reclassifications (continuing operations)	112	- 79	- 67
Changes resulting from market valuation of cash flow hedges and reclassifications (discontinued operations)	3	- 33	- 11
Share of profit items not recognized in the income statement due to investments accounted for using the equity method (continuing operations)	2	1	3
Share of profit items not recognized in the income statement due to investments accounted for using the equity method (discontinued operations)	-	-	-
	193	- 206	- 171
Balance of profit items covered directly in equity - other profits (before taxes)	**533**	**- 214**	**- 619**
CHANGES IN DEFERRED TAXES ON PROFIT ITEMS RECOGNIZED DIRECTLY IN EQUITY, WHICH ARE NOT RECLASSIFIED TO THE INCOME STATEMENT			
Deferred taxes relating to revaluation of defined benefit plans (continuing operations)	- 15	- 36	- 6
Deferred taxes relating to revaluation of defined benefit plans (discontinued operations)	3	- 10	3
	- 12	**- 46**	**- 3**
CHANGES IN DEFERRED TAXES ON PROFIT ITEMS RECOGNIZED DIRECTLY IN EQUITY, WHICH ARE RECLASSIFIED TO THE INCOME STATEMENT			
Deferred taxes relating to the change in the market valuation of cash flow hedges (continuing operations)	- 5	-	- 1
Deferred taxes relating to the change in the market valuation of cash flow hedges (discontinued operations)	- 1	8	8
	- 6	**8**	**7**
Balance of profit items recognized directly in equity - other profits (after taxes)	**515**	**- 252**	**- 615**
Comprehensive income	**- 716**	**- 323**	**- 2,966**
Comprehensive income			
thereof comprehensive income attributable to shareholder of Deutsche Bahn AG	- 740	- 344	- 3,007
thereof remuneration entitlement of hybrid capital investors	13	13	25
thereof comprehensive income for the year attributable to non-controlling interests	11	8	16
Comprehensive income for the period attributable to shareholder of Deutsche Bahn AG from			
continuing operations	- 710	- 412	- 2,652
discontinued operations	- 30	68	- 355

[1] Values adusted due to classification of DB Arriva as discontinued operations.

CONSOLIDATED BALANCE SHEET

Assets

€ million	Jun 30, 2024	Dec 31, 2023	Jun 30, 2023
NON-CURRENT ASSETS			
Property, plant and equipment	56,092	54,037	53,283
Intangible assets	2,860	2,819	2,851
Investments accounted for using the equity method	412	408	450
Other investments and securities	34	62	129
Receivables and other assets	2,497	2,309	2,721
Derivative financial instruments	675	679	524
Deferred tax assets	582	652	460
	63,152	**60,966**	**60,418**
CURRENT ASSETS			
Inventories	2,222	2,099	2,068
Other investments and securities	505	519	509
Trade receivables	6,106	5,447	5,708
Other receivables and other assets	2,397	2,332	3,137
Income tax receivables	82	52	95
Derivative financial instruments	83	120	158
Cash and cash equivalents	4,573	2,631	4,651
Held-for-sale assets	–	3,306	10
	15,968	**16,506**	**16,336**
Total assets	**79,120**	**77,472**	**76,754**

Equity and liabilities

€ million	Jun 30, 2024	Dec 31, 2023	Jun 30, 2023
EQUITY			
Subscribed capital	2,150	2,150	2,150
Reserves	9,356	5,388	4,640
Generated profits	744	2,443	5,395
Equity attributable to shareholder of Deutsche Bahn AG	**12,250**	**9,981**	**12,185**
Hybrid capital	2,005	2,002	2,005
Non-controlling interests	85	143	139
	14,340	**12,126**	**14,329**
NON-CURRENT LIABILITIES			
Financial debt	34,784	33,971	31,006
Other liabilities	1,053	986	888
Derivative financial instruments	263	336	464
Pension obligations	3,240	3,492	3,235
Other provisions	2,790	2,877	2,908
Deferred items	943	598	550
Deferred tax liabilities	78	109	233
	43,151	**42,369**	**39,284**
CURRENT LIABILITIES			
Financial debt	4,218	4,137	5,440
Trade liabilities	5,870	6,224	6,966
Other liabilities	4,454	3,998	4,721
Income tax liabilities	155	144	179
Derivative financial instruments	109	96	107
Other provisions	5,903	5,456	4,707
Deferred items	920	765	1,008
Liabilities in connection with assets held for sale	–	2,157	13
	21,629	**22,977**	**23,141**
Total assets	**79,120**	**77,472**	**76,754**

CONSOLIDATED STATEMENT OF CASH FLOWS

JAN 1 THROUGH JUN 30 OR RESPECTIVELY AS OF DEC 31 / € million	H 1		
	2024	2023 [1]	2023
Loss / profit before taxes on income	- 1,113	32	- 1,959
Depreciation on property, plant and equipment and intangible assets	1,985	1,916	3,912
Write-ups / write-downs on non-current financial assets	28	6	77
Result of disposal of property, plant and equipment and intangible assets	- 70	- 51	22
Result of disposal of financial assets	- 1	0	- 2
Result of the sale of consolidated companies	-	13	20
Interest and dividend income	- 145	- 106	- 221
Interest expenses	557	379	834
Foreign currency result	- 83	- 20	- 3
Result of investments accounted for using the equity method	- 8	- 6	- 9
Other non-cash expenses and income [2]	1,168	821	2,434
Changes in inventories, receivables and other assets	- 1,635	423	134
Changes in liabilities, provisions and deferred items	701	- 1,323	- 1,845
Cash generated from operating activities	1,384	2,084	3,394
Interest received	74	59	149
Received (+) / paid (-) dividends and capital distribution	6	3	9
Interest paid	- 346	- 242	- 630
Paid (-) / reimbursed (+) taxes on income	- 95	- 203	- 318
Cash flow from operating activities (continuing operations)	1,023	1,701	2,604
Cash flow from operating activities (discontinued operations)	- 77	229	440
Cash flow from operating activities	**946**	**1,930**	**3,044**
Proceeds from the disposal of property, plant and equipment and intangible assets	133	134	192
Payments for capital expenditures in property, plant and equipment and intangible assets	- 7,127	- 5,970	- 16,204
Proceeds from investment grants	3,289	3,199	9,289
Payments for repaid investment grants	- 36	- 96	- 105
Proceeds from sale and disposal of financial assets	55	30	77
Payments for investments in financial assets	- 105	- 252	- 318
Proceeds (+) / payments (-) from sale of shares in consolidated companies less net cash and cash equivalents sold	1,225	-	- 1
Payments for acquisition of shares in consolidated companies less net cash and cash equivalents acquired as well as for the acquisition of share in companies	-	-	-
Proceeds from disposal of investments accounted for using the equity method	0	0	0
Payments for additions of investments accounted for using the equity method	0	0	- 1
Cash flow from investing activities (continuing operations)	- 2,566	- 2,954	- 7,071
Cash flow from investing activities (discontinued operations)	- 161	- 131	- 310
Cash flow from investing activities	**- 2,727**	**- 3,085**	**- 7,381**
Proceeds from capital injections	3,020	-	1,125
Profit distribution to shareholder	-	-	- 650
Distribution of profits to non-controlling interests and hybrid capital investors	- 20	- 16	- 35
Payments for redemption of leasing liabilities	- 517	- 505	- 1,021
Payments for redemption of IFRIC 12 leasing liabilities	- 9	- 8	- 17
Proceeds from issue of senior bonds	1,107	1,338	3,010
Payments for redemption of senior bonds	- 1,083	- 400	- 1,886
Payments for redemption and repayment of interest-free loans	- 155	- 156	- 155
Procceeds from taking out financial loans [3] and commercial paper [3]	1,309	914	2,388
Payments for redemption of financial loans [3]	0	- 405	- 306
Cash flow from financing activities (continuing operations)	3,652	762	2,453
Cash flow from financing activities (discontinued operations)	- 38	- 66	- 123
Cash flow from financing activities	**3,614**	**696**	**2,330**
Net change in cash and cash equivalents	**1,833**	**- 459**	**- 2,007**
Cash and cash equivalents as of Jan 1	2,631	5,138	5,138
Changes in cash and cash equivalents due to changes in the scope of consolidation	-	0	0
Changes in cash and cash equivalents of non-current assets held for sale	109	9	- 431
Changes in cash and cash equivalents due to changes in exchange rates	0	- 37	- 69
Cash and cash equivalents at the end of the period	**4,573**	**4,651**	**2,631**

[1] Values adjusted due to classification of DB Arriva as discontinued operations.
[2] Including additions to other provisions.
[3] Including change in short-term bank borrowings between reporting dates.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Reserves											
€ million	Subscribed capital	Capital reserves	Currency translation	Fair value valuation of securities and investments	Fair value valuation of cash flow hedges	Revaluation of pensions	Other movements	**Total**	Generated profits	**Equity attributable to shareholder of Deutsche Bahn AG**	Hybrid capital	Non-controlling interests	**Equity**
As of Jan 1, 2023	2,150	5,118	49	-4	188	-438	-12	**4,901**	5,489	**12,540**	2,002	137	**14,679**
+ Capital increase/injection	–	–	–	–	–	–	–	**–**	–	**–**	–	-5	**-5**
– Capital decrease	–	–	–	–	–	–	–	**–**	–	**–**	–	–	**–**
– Dividend payment/remuneration hybrid capital	–	–	–	–	–	–	–	**–**	–	**–**	-10	-6	**-16**
– Withdrawal from capital reserve	–	–	–	–	–	–	–	**–**	–	**–**	–	–	**–**
± Hedging results reclassified to the carrying amount of acquired inventories during the year	–	–	–	–	-12	–	–	**-12**	–	**-12**	–	–	**-12**
± Other changes	–	–	–	–	–	–	-2	**-2**	3	**1**	–	5	**6**
± Comprehensive income	–	–	-90	1	-104	-54	–	**-247**	-97	**-344**	13	8	**-323**
thereof net profit/loss (after taxes)	–	–	–	–	–	–	–	**–**	-97	**-97**	13	13	**-71**
thereof currency effects	–	–	-90	–	–	–	–	**-90**	–	**-90**	–	-5	**-95**
thereof deferred taxes	–	–	–	–	8	-46	–	**-38**	–	**-38**	–	–	**-38**
thereof market valuation/reclassification	–	–	–	0	-112	–	–	**-112**	–	**-112**	–	–	**-112**
thereof revaluation of defined benefit plans	–	–	–	–	–	-8	–	**-8**	–	**-8**	–	0	**-8**
thereof share of items not recognized in the income statement from investments accounted for using the equity method	–	–	–	1	–	–	–	**1**	–	**1**	–	–	**1**
As of Jun 30, 2023	**2,150**	**5,118**	**-41**	**-3**	**72**	**-492**	**-14**	**4,640**	**5,395**	**12,185**	**2,005**	**139**	**14,329**

		Reserves											
€ million	Subscribed capital	Capital reserves	Currency translation	Fair value valuation of securities and investments	Fair value valuation of cash flow hedges	Revaluation of pensions	Other movements	Total	Generated profits	Equity attributable to shareholder of Deutsche Bahn AG	Hybrid capital	Non-controlling interests	Equity
As of Jan 1, 2024	2,150	6,243	-41	-1	89	-888	-14	**5,388**	2,443	**9,981**	2,002	143	**12,126**
+ Capital increase/injection	–	3,020	–	–	–	–	–	**3,020**	–	**3,020**	–	–	**3,020**
− Capital decrease	–	–	–	–	–	–	–	**–**	–	**–**	–	-59	**-59**
− Dividend payment/remuneration hybrid capital	–	–	–	–	–	–	–	**–**	–	**–**	-10	-10	**-20**
− Withdrawal from capital reserve	–	–	–	–	–	–	–	**–**	–	**–**	–	–	**–**
± Hedging results reclassified to the carrying amount of acquired inventories during the year	–	–	–	–	-2	–	–	**-2**	–	**-2**	–	–	**-2**
± Other changes	–	–	–	–	–	432	2	**434**	-443	**-9**	–	0	**-9**
± Comprehensive income	–	–	78	1	109	328	–	**516**	-1,256	**-740**	13	11	**-716**
thereof net profit/loss (after taxes)	–	–	–	–	–	–	–	**–**	-1,256	**-1,256**	13	12	**-1,231**
thereof currency effects	–	–	78	–	–	–	–	**78**	–	**78**	–	-1	**77**
thereof deferred taxes	–	–	–	–	-6	-12	–	**-18**	–	**-18**	–	–	**-18**
thereof market valuation/reclassification	–	–	–	-1	115	–	–	**114**	–	**114**	–	–	**114**
thereof revaluation of defined benefit plans	–	–	–	–	–	340	–	**340**	–	**340**	–	0	**340**
thereof share of items not recognized in the income statement from investments accounted for using the equity method	–	–	–	2	–	–	–	**2**	–	**2**	–	–	**2**
As of Jun 30, 2024	**2,150**	**9,263**	**37**	**–**	**196**	**-128**	**-12**	**9,356**	**744**	**12,250**	**2,005**	**85**	**14,340**

SEGMENT INFORMATION ACCORDING TO SEGMENTS

JAN 1 THROUGH JUN 30 OR RESPECTIVELY AS OF DEC 31 / € million	DB Long-Distance		DB Regional		DB Cargo		DB InfraGO [1]		DB Energy	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
External revenues	2,717	2,791	4,953	4,683	2,624	2,746	1,507	1,407	715	961
Internal revenues	86	81	79	66	159	143	2,514	2,463	1,115	1,175
Total revenues	2,803	2,872	5,032	4,749	2,783	2,889	4,021	3,870	1,830	2,136
Other external income	124	138	205	249	170	214	365	353	11	300
Other internal income	73	44	57	51	26	41	77	74	6	6
Inventory changes and other internally produced and capitalized assets	8	11	57	40	25	28	1,108	904	19	15
Total income	3,008	3,065	5,351	5,089	3,004	3,172	5,571	5,201	1,866	2,457
Cost of materials	-1,712	-1,785	-3,325	-3,206	-1,685	-1,790	-2,303	-1,947	-1,480	-1,964
Personnel expenses	-751	-658	-1,317	-1,197	-1,014	-991	-2,448	-2,136	-88	-77
Other operating expenses	-483	-440	-445	-391	-358	-375	-1,097	-927	-68	-68
EBITDA	**62**	**182**	**264**	**295**	**-53**	**16**	**-277**	**191**	**230**	**348**
Depreciation [3]	-294	-244	-330	-328	-207	-211	-435	-425	-38	-38
Impairments recognized / reversed [3]	–	–	0	-5	-1	0	0	0	–	0
EBIT (operating profit / loss)	**-232**	**-62**	**-66**	**-38**	**-261**	**-195**	**-712**	**-234**	**192**	**310**
Operating interest balance [4]	-72	-33	28	-2	-42	-36	-128	-62	1	2
Operating income after interest [4]	**-304**	**-95**	**-38**	**-40**	**-303**	**-231**	**-840**	**-296**	**193**	**312**
Property, plant and equipment [5]	9,094	8,378	5,463	5,576	2,790	2,958	31,465	27,611	1,151	1,132
+ Intangible assets [5]	223	222	481	445	246	225	373	323	1	1
thereof goodwill [5]	0	0	5	6	0	0	–	–	–	–
+ Inventories [5]	261	247	341	308	216	213	376	305	182	196
+ Trade receivables [5), 6)]	29	25	1,444	1,222	799	766	238	189	98	93
+ Receivables and other assets (excluding receivables from plan assets) [4), 5)]	560	561	1,534	1,679	246	258	703	633	215	214
− Receivables from financing and earmarked bank deposits [4), 5)]	–	–	–	–	–	–	–	–	–	–
+ Income tax receivables [5]	–	–	0	0	4	4	–	0	0	0
+ Held-for-sale assets [5), 6)]	–	–	–	–	–	–	–	–	–	–
− Trade liabilities [5), 6)]	-225	-303	-455	-570	-543	-545	-844	-743	-372	-577
− Miscellaneous and other liabilities [5), 6)]	-614	-598	-1,287	-1,563	-259	-218	-1,474	-1,029	-79	-100
− Income tax liabilities [5]	–	–	-1	-1	-9	-4	-1	0	–	–
− Other provisions [5]	-26	-24	-4,610	-3,259	-211	-170	-735	-832	-31	-30
− Deferred items [5]	-639	-601	-760	-394	-16	-14	-273	-264	-1	-1
− Deferred liabilities [4]	-133	-111	-219	-202	-209	-213	-359	-325	-11	-10
− Liabilities due to assets held for sale [5), 6)]	–	–	–	–	–	–	–	–	–	–
Capital employed [5), 6), 7)]	**8,530**	**7,796**	**1,931**	**3,241**	**3,054**	**3,260**	**29,469**	**25,868**	**1,153**	**918**
Net financial debt [5]	5,674	4,839	-882	468	2,858	2,873	11,674	11,829	588	236
Investments accounted for using the equity method [5]	0	0	5	5	30	29	3	2	–	–
Result from investments accounted for using the equity method	0	0	0	0	4	2	0	0	–	–
Gross capital expenditures [5]	457	814	200	198	125	115	5,628	4,259	125	116
Investment grants received [5]	–	–	-7	-5	0	-5	-3,199	-3,104	-83	-79
Net capital expenditures	**457**	**814**	**193**	**193**	**125**	**110**	**2,429**	**1,155**	**42**	**37**
Additions to noncurrent assets due to changes in the scope of consolidation (acquisition of companies) [5]	–	–	–	2	–	–	–	–	–	–
Employees [1), 8)]	21,526	20,501	41,128	38,414	30,794	31,578	66,776	61,632	2,139	1,958

1) Figures for the first half of 2023 / as of June 30, 2023 adjusted: concerning the discontinued operations and in the column "consolidation" the effects from the merger of the former segments DB Netze Track and DB Netze Station in the new segment DB InfraGO.
2) For the previous year, relates to the discontinued operations as well as special items and reclassification of PPA amortization of customer contracts and the reconciliation of capital employed to the external presentation.
3) The non-cash items are included in the segment result shown.
4) Key figure from internal reporting, no external figures.
5) The DB Group total for the first half of 2023 / as of June 30, 2023 includes the DB Arriva segment, which is classified as discontinued operations.
6) Content-related allocation in accordance with management reporting.
7) Profit transfer agreements were not assigned to segment assets or liabilities.
8) The number of employees comprises the workforce, excluding vocational trainees, and dual degree students at the end of the reporting period (part-time employees have been converted to full-time employees).

Subsidiaries/Other		Consolidation [1]		**Integrated Rail System**		DB Schenker		Consolidation other [1]		**DB Group adjusted** [1]		Reconciliation [1),2)]		**DB Group** [1]	
2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
388	351	–	–	12,904	12,939	9,406	10,067	–	-1	22,310	23,005	0	-1	22,310	23,004
3,019	2,768	-6,938	-6,646	34	50	9	13	-43	-63	–	–	–	–	–	–
3,407	3,119	-6,938	-6,646	12,938	12,989	9,415	10,080	-43	-64	22,310	23,005	0	-1	22,310	23,004
232	217	–	-295	1,107	1,176	199	140	1	–	1,307	1,316	17	29	1,324	1,345
938	914	-1,150	-1,088	27	42	6	6	-33	-48	–	–	–	–	–	–
610	559	615	573	2,442	2,130	4	3	–	–	2,446	2,133	–	–	2,446	2,133
5,187	4,809	-7,473	-7,456	16,514	16,337	9,624	10,229	-75	-112	26,063	26,454	17	28	26,080	26,482
-1,894	-1,752	5,706	5,831	-6,693	-6,613	-5,729	-6,182	22	37	-12,400	-12,758	0	142	-12,400	-12,616
-2,309	-2,095	2	–	-7,925	-7,154	-2,013	-2,058	–	–	-9,938	-9,212	-78	-66	-10,016	-9,278
-751	-755	1,700	1,563	-1,502	-1,393	-974	-978	52	65	-2,424	-2,306	-18	-59	-2,442	-2,365
233	**207**	**-65**	**-62**	**394**	**1,177**	**908**	**1,011**	**-1**	**-10**	**1,301**	**2,178**	**-79**	**45**	**1,222**	**2,223**
-325	-302	40	37	-1,589	-1,511	-388	-385	-1	3	-1,978	-1,893	-7	-6	-1,985	-1,899
0	0	–	–	-1	-5	0	0	1	-1	0	-6	0	-11	0	-17
-92	**-95**	**-25**	**-25**	**-1,196**	**-339**	**520**	**626**	**-1**	**-8**	**-677**	**279**	**-86**	**28**	**-763**	**307**
-123	-101	–	–	-336	-232	-39	-28	-21	-24	-396	-284	–	–	–	–
-215	**-196**	**-25**	**-25**	**-1,532**	**-571**	**481**	**598**	**-22**	**-32**	**-1,073**	**-5**	–	–	–	–
3,468	3,204	-927	-847	52,504	48,012	3,590	3,548	-2	-21	56,092	51,539	–	1,744	56,092	53,283
134	122	-107	-91	1,351	1,247	1,509	1,494	–	-1	2,860	2,740	–	111	2,860	2,851
28	27	–	–	33	33	1,208	1,197	–	–	1,241	1,230	–	–	1,241	1,230
929	821	-102	-103	2,203	1,987	19	10	–	–	2,222	1,997	–	71	2,222	2,068
570	479	–	–	3,178	2,774	2,861	2,569	–	–	6,039	5,343	67	365	6,106	5,708
1,469	1,155	-1,654	-1,287	3,073	3,213	1,000	923	-41	-61	4,032	4,075	681	1,429	4,713	5,504
–	–	–	–	–	–	–	–	–	–	–	–	-749	-1,005	-749	-1,005
17	7	–	–	21	11	61	76	–	–	82	87	–	8	82	95
–	0	–	0	–	–	–	–	–	–	–	–	–	10	–	10
-863	-779	4	–	-3,298	-3,517	-2,531	-2,602	–	–	-5,829	-6,119	-41	-847	-5,870	-6,966
-1,047	-940	1,650	1,284	-3,110	-3,164	-674	-682	39	60	-3,745	-3,786	-1,762	-1,823	-5,507	-5,609
-26	-25	–	–	-37	-30	-120	-137	2	9	-155	-158	–	-21	-155	-179
-2,674	-2,640	4	–	-8,283	-6,955	-411	-450	1	–	-8,693	-7,405	–	-210	-8,693	-7,615
-154	-83	4	2	-1,839	-1,355	-24	-30	–	1	-1,863	-1,384	–	-174	-1,863	-1,558
-375	-359	–	–	-1,306	-1,220	-498	-516	–	–	-1,804	-1,736	1,804	1,736	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	-13	–	-13
1,448	**962**	**-1,128**	**-1,042**	**44,457**	**41,003**	**4,782**	**4,203**	**-1**	**-13**	**49,238**	**45,193**	–	**1,381**	**49,238**	**46,574**
11,864	8,319	–	–	31,776	28,564	1,308	662	–	–	33,084	29,226	–	1,052	33,084	30,278
364	360	–	–	402	396	10	11	–	–	412	407	–	43	412	450
4	2	–	–	8	4	0	2	–	–	8	6	–	–	8	6
530	324	-10	26	7,055	5,852	250	324	–	–	7,305	6,176	–	128	7,305	6,304
–	-2	–	–	-3,289	-3,195	–	-4	–	–	-3,289	-3,199	–	-5	-3,289	-3,204
530	**322**	**-10**	**26**	**3,766**	**2,657**	**250**	**320**	–	–	**4,016**	**2,977**	–	**123**	**4,016**	**3,100**
–	–	–	–	–	2	–	–	–	–	–	2	–	–	–	2
63,133	60,447	–	–	225,496	214,530	70,953	75,424	–	–	296,449	289,954	–	–	296,449	289,954

Information by regions

FOR THE PERIOD JAN 1 THROUGH JUN 30 / € million	External revenues		Non-current assets [1]		Capital employed [1]		Gross capital expenditures		Net capital expenditures		Employees [1]	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Germany	14,177	14,424	54,881	50,107	45,334	41,540	7,068	5,824	3,779	2,633	226,270	216,737
Europe (excluding Germany) [2]	4,561	4,743	3,223	5,035	2,656	3,971	177	339	177	330	39,030	40,663
Asia/Pacific	1,845	1,993	1,312	1,317	1,453	1,172	32	54	32	50	16,884	17,585
North America	1,369	1,472	621	701	861	868	30	57	30	57	10,537	11,201
Rest of world	358	373	59	53	109	76	8	4	8	4	3,728	3,768
Consolidation	–	–	-1,038	-961	-1,175	-1,053	-10	26	-10	26	–	–
DB Group adjusted [2]	**22,310**	**23,005**	**59,058**	**56,252**	**49,238**	**46,574**	**7,305**	**6,304**	**4,016**	**3,100**	**296,449**	**289,954**
Reconciliation	0	-1	–	–	–	–	–	–	–	–	–	–
DB Group [2]	**22,310**	**23,004**	**59,058**	**56,252**	**49,238**	**46,574**	**7,305**	**6,304**	**4,016**	**3,100**	**296,449**	**289,954**

[1] As of the balance sheet date.
[2] External revenues and employees: figures for the first half of 2023 and as of June 30, 2023, were adjusted due to the change in the classification of DB Arriva as discontinued operations.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Basic principles and methods

The unaudited and condensed interim financial statements as of June 30, 2024, are prepared in accordance with the International Financial Reporting Standards (IFRS) as they are required to be applied in the European Union (EU) and their interpretation by the IFRS Interpretations Committee. The requirements of IAS 34 (Interim Financial Reporting) have been followed. The accounting policies underlying the consolidated 2023 Group financial statements have been consistently applied for these interim financial statements.

Comparability with the first half of 2023

After due consideration is given to the following issues, the financial information presented for the first half of 2024 is comparable with the financial information for the first half of 2023.

CHANGES IN SEGMENT ALLOCATION

DB InfraGO

As of January 1, 2024, the former DB Netze Track and DB Netze Stations segments were combined into the new DB InfraGO segment. The figures for the first half of 2023 were adjusted accordingly.

Completion of DB Arriva sale

The sale of DB Arriva was completed as of May 31, 2024. As a result of the deconsolidation of DB Arriva, there was a deconsolidation loss of € 190 million as of June 30, 2024, taking into account a possible earn-out. € 1.2 billion were received as a cash inflow from the completed sale of DB Arriva. As a result of the deconsolidation of DB Arriva, a disposal of its cash and cash equivalents (as assets held for sale) amounting to € 488 million was recognized.

Since the previous year, DB Arriva had no longer been reported as a segment in the consolidated financial statements of DB Group. Segment reporting as of June 30, 2023, was adjusted accordingly:

- **Period-related values:** Adjustment of the figures for the first half of 2023 in the DB Group column.
- **Reporting date-related values:** no adjustment of the figures as of Jun 30, 2023, in the DB Group column; values for the former DB Arriva segment were shown in the reconciliation column.
- **Gross and net capital expenditures and investment grants:** The values of the former DB Arriva segment were recognized in the reconciliation column.
- **Employees:** Adjustment of the figure as of June 30, 2023, in the DB Group column; no reconciliation of the values of the former DB Arriva segment.

ESTIMATION AND FORECAST UNCERTAINTY

Estimates and forecasts continued to be subject to various uncertainties in the first half of 2024. This applies to the most significant estimation uncertainties surrounding the valuation of other provisions in particular for ecological burdens, loss-making passenger transport contracts and decommissioning obligations, and for assessing a triggering event for conducting an impairment test.

SCOPE OF CONSOLIDATION

Changes in the scope of fully consolidated companies of DB Group are detailed in the following:

	Germany Jun 30, 2024	**Rest of world Jun 30, 2024**	**Total Jun 30, 2024**	**Total Jun 30, 2023**	**Total Dec 31, 2023**
FULLY CONSOLIDATED SUBSIDIARIES					
As of Jan 1	101	369	**470**	**501**	**501**
Additions	1	0	**1**	**25**	**27**
Additions due to changes in type of incorporation	0	0	**0**	**1**	**1**
Disposals	0	-126	**-126**	**-43**	**-58**
Disposals due to changes in type of incorporation	0	0	**0**	**-1**	**-1**
As of Jun 30 / Dec 31	**102**	**243**	**345**	**483**	**470**

Additions of companies and parts of companies

In the first half of 2024, DB Group once again incurred no expenses on company acquisitions according to IFRS 3.

Disposals of companies and parts of companies

The disposals from the scope of consolidation include the disposals of all companies in the former DB Arriva segment, one liquidation and one other sale. The sales generated a cash inflow of € 1,225 million.

Effects on the consolidated statement of income

Overall, the effects of the changes in the scope of consolidation on the consolidated statement of income which have occurred compared with the first half of 2023 were not material.

Information regarding revenues from contracts with customers and from rental and leasing

Revenues of DB Group are broken down as follows:

€ million	H1 2024	H1 2023 [1]	2023
Revenues from freight and passenger transport services	19,561	20,159	39,404
thereof concession fees for rail transport	3,521	3,334	6,759
Revenues from operating track infrastructure	1,284	1,200	2,429
Revenues from sales of material	719	929	1,961
Other revenues	590	552	1,106
Revenue discounts	- 60	- 38	- 107
Revenues from contracts with customers	**22,094**	**22,802**	**44,793**
Revenues from rental and leasing	216	202	398
Total	**22,310**	**23,004**	**45,191**

[1] Values adjusted due to classification of DB Arriva as discontinued operations.

Revenues from freight and passenger transport services were generated mainly by companies operating in the DB Schenker, DB Regional, DB Long-Distance and DB Cargo segments. They included a minor amount of revenues from sub-operating leases in the DB Schenker segment. The DB InfraGO segment primarily generated revenues from the operation of infrastructure and revenues from rental and leasing. Revenues from sales of material were generated almost exclusively in the DB Energy segment. Other revenues related to virtually all segments.

The order book of customer contracts with contractually agreed outstanding revenues (so-called secured revenues) was broken down as follows:

SECURED ORDER BOOK / € million	Jun 30, 2024	Dec 31, 2023	Jun 30, 2023 [1]
Passenger transport contracts	85,299	84,804	87,128
Logistics and freight transport contracts [2]	295	337	323
Other contracts [2]	1,555	1,588	1,606
Total	**87,149**	**86,729**	**89,057**

[1] Values including discontinued operations.
[2] Contracts with a term of at least 12 months and a contract volume of at least € 5 million.

Most of the secured order book will be fulfilled within a period of ten years, with percentages declining over time.

The order book for passenger transport contracts increased only marginally compared to December 31, 2023. In terms of other contracts, there was a slight decrease in the Subsidiaries / Other segment.

Claims relating to contractual assets [1] of € 119 million were recognized together with the other receivables and assets. Long-term contractual assets accounted for € 42 million.

The contractual liabilities of DB Group include advance payments received as well as other payments received in advance in relation to revenues for subsequent periods (for example, for season tickets). Obligations from contractual liabilities of € 1,531 million (thereof long-term: € 563 million) were shown under the trade liabilities and deferred items.

Contingent receivables and liabilities, and guarantee obligations

Contingent receivables (as of June 30, 2024: € 14 million; as of December 31, 2023: € 19 million; as of June 30, 2023: € 18 million) mainly comprised a recovery claim in connection with investment grants that have been provided but had not been sufficiently determined as of the balance sheet date in terms of the specific amount and the time at which the claim would become due.

As of June 30, 2024, it remained the case that no contingent receivables had been recognized for all injunction proceedings in view of the high level of uncertainty relating to refund claims, the timing of refunds and the probability of refunds.

The contingent liabilities were broken down as follows:

€ million	Jun 30, 2024	Dec 31, 2023	Jun 30, 2023
Negotiation and transfer of bills of exchange	14	13	13
Provisions of warranties	–	–	–
Other contingent liabilities	154	71	110
Total	**168**	**84**	**123**

Other contingent liabilities also comprise risks arising from litigation that had not been stated as provisions because the expected probability of occurrence is less than 50 %.

There are also contingencies of € 12 million from guarantees as of June 30, 2024 (as of December 31, 2023: € 14 million; as of June 30, 2023: € 14 million). As of June 30, 2024, property, plant and equipment with carrying amounts of € 1 million (as of December 31, 2023: € 3 million; as of June 30, 2023: € 3 million) were also used as security for loans.

DB Group acts as guarantor mainly for equity participations and working groups (Arbeitsgemeinschaften), and is subject to joint and several liability for all working groups in which it is involved.

Information regarding the fair value of financial instruments

The carrying amounts of the cash and cash equivalents (as of June 30, 2024: € 4,573 million; as of December 31, 2023: € 2,631 million; as of June 30, 2023: € 4,651 million), trade receivables and other financial assets (as of June 30, 2024: € 9,545 million; as of December 31, 2023: € 8,658 million; as of June 30, 2023: € 9,527 million) approximate the fair values as of the balance sheet date.

[1] The contractual assets include, among other things, claims from work in progress from long-term orders.

The carrying amounts of the trade liabilities, the other and the miscellaneous financial liabilities (as of June 30, 2024: € 9,159 million; as of December 31, 2023: € 8,910 million; as of June 30, 2023: € 9,956 million), as well as of the current financial debt, approximate the fair values as of the closing date.

As of June 30, 2024, € 1,455 million (as of December 31, 2023: € 1,430 million; as of June 30, 2023: € 2,039 million) of the overall receivables and other assets related to non-financial assets. As of June 30, 2024, € 2,218 million (as of December 31, 2023: € 2,298 million; as of June 30, 2023: € 2,619 million) of the overall other liabilities related to non-financial liabilities.

The fair value of non-current financial debt with a carrying amount of € 34,784 million as of June 30, 2024, was € 31,136 million (as of December 31, 2023: carrying amount € 33,971 million, fair value € 30,770 million; as of June 30, 2023: carrying amount € 31,006 million, fair value € 26,568 million).

The derivative financial instruments recognized at fair value are classified under valuation level 2 and to a lesser extent under valuation level 1. In addition, money market funds recognized at fair value in the amount of € 505 million (as of December 31, 2023: € 519 million; as of June 30, 2023: € 509 million) were classified under valuation level 1 and receivables qualifying for sale in the amount of € 576 million (as of December 31, 2023: € 439 million; as of June 30, 2023: € 548 million) and other investments were classified under valuation level 3. Changes in assets classified under valuation level 3 were mainly attributable to the addition of receivables qualifying for sale. There were no significant valuation effects for these assets.

There were no reclassifications between the valuation levels in the first half of 2024.

Other financial obligations

Capital expenditures in relation to which DB Group has entered into contractual obligations as of the balance sheet date, but for which no consideration has yet been received, are broken down as follows:

€ million	**Jun 30, 2024**	Dec 31, 2023	Jun 30, 2023 [1]
COMMITTED CAPITAL EXPENDITURES FOR			
Property, plant and equipment	25,244	23,752	23,472
Intangible assets	48	41	53
Acquisition of financial assets	488	508	480
Total	**25,780**	**24,301**	**24,005**

[1] Values including discontinued operations.

The increase in the committed capital expenditures in property, plant and equipment was particularly due to the planned capital expenditure projects relating to own construction services. The committed capital expenditures for the acquisition of property, plant and equipment also contains future obligations for vehicles in connection with transport contracts to be recognized in accordance with IFRIC 12.

The acquisition of financial assets related to outstanding contributions for EUROFIMA European Company for the Financing of Railroad Rolling Stock, Basel/Switzerland, which have not been called in. This decrease was due to exchange rate effects.

Other disclosures

BOND ISSUES AND REPAYMENTS

In the first half of 2024, the following senior bonds were issued by Deutsche Bahn Finance GmbH (DB Finance):

VOLUME OF ISSUE	Term (years)	Coupon (%)	Placing
EUR 500 million	14.0	3.375	Institutional investors, primarily in Europe
NOK 1,325 million (€ 116.7 million)	15.0	4.106	Institutional investors in Norway
EUR 500 million	10.0	3.250	Institutional investors, primarily in Europe and Asia

During the same period, a total of six maturing senior bonds of DB Finance for AUD 90 million, CHF 100 million, HKD 350 million, JPY 12,000 million, EUR 300 million and EUR 500 million were repaid.

NUMBER OF ISSUED SHARES

The number of issued shares is unchanged at 430,000,000.

CAPITAL INCREASE DB AG

In the 2024 Federal budget, the Federal Government has earmarked € 4.37 billion in addition to the funds from the Climate Action Program 2030 to increase the equity of Deutsche Bahn AG (DB AG) for the purpose of strengthening the rail network. The first tranche of the additional equity in the amount of € 3.02 billion was paid out to DB AG on June 27, 2024. These funds will be used exclusively in the infrastructure and were transferred to DB InfraGO AG to increase equity.

Berlin, July 19, 2024

Deutsche Bahn Aktiengesellschaft
The Management Board

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The Integrated Interim Reports and Integrated Reports of Deutsche Bahn Group, the Annual Financial Statements of Deutsche Bahn AG, the Annual Reports of DB Fernverkehr AG, DB Regio AG, DB Cargo AG and DB InfraGO AG (only available in German), as well as up-to-date information, are also available on the Internet at db.de/reports.

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DB SERVICE NUMBERS

DB Group provides its customers in the passenger transport sector in Germany with all telephone information at local rates. A hotline provides information about schedules, tickets and the BahnCard, and navigates passengers in a targeted way to the service team.

- **DB service number:** +49(0)30.2 97-0. Information about fares and schedules, information about Deutsche Bahn services and the BahnCard.
- **Mobility service center:** +49(0)30.652 128-88. Contact for planning accessible travel.
- **Passenger rights service center:** +49(0)30.586 020-920. Information on fare reimbursements within the scope of the EU Regulation on Rail Passengers' Rights and Obligations.
- **Lost and found:** +49(0)30.586 020-909. Reporting lost or found objects on the train or in the station.

Customers can find answers to frequently asked questions and other contact options at bahn.com/en/contact.

SOCIAL MEDIA

DB Group

DB Group has a strong presence on various social media channels: Facebook, Instagram, YouTube, LinkedIn, TikTok, X (formerly Twitter) and Threads.

Passenger transport

Our passenger transport team is available on various social media channels for conversations, discussions, and for service and product questions. Find us on Facebook, Instagram, YouTube, WhatsApp, X (formerly Twitter), LinkedIn and Threads.

SUSTAINABLE PRODUCTION

Paper from certified sustainable production.
The printing company is certified according to FSC® and PEFC standards. Each year, suitable audits are performed to review compliance with the strict rules in place for handling certified paper.

RECYCLED
Paper made from recycled material
FSC
www.fsc.org
FSC® C016267

Mineral oil-free ink.
This report was printed using mineral oil-free ink derived from renewable raw materials.

Conserving resources.
Using no-process printing plates saves on development, cleaning and rubberizing after exposure. Chemicals and fresh water are no longer used to wash the printing plates, and power consumption is being reduced.

Energy-efficient printing.
An energy management strategy has been implemented at the printing company and an energy audit was carried out in accordance with DIN EN 16247-1.

FINANCIAL CALENDAR

March 27, 2025

Annual Results Press Conference,
publication of the 2024 Integrated Report

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