



# **DB Cargo**

## Company Presentation 2019

# Agenda



## **Our company**

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*Our strenghts*

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*Our services*

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*Our strategy, Zukunft Bahn and digitalization*

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# Through its eight business units<sup>1</sup>, DB operates in every segment of the transport market



## Passenger Transport:

Moving people from A to B – in Germany and throughout Europe

- **DB Long Distance**

Long distance rail passenger transport<sup>2</sup>

- **DB Regio**

Regional and local passenger transport in Germany

- **DB Arriva**

Regional and local passenger transport in Europe<sup>3</sup>



## Freight Transport and Logistics:

Smart logistics by land, sea and air

- **DB Cargo**

European rail freight transport

- **DB Schenker**

Global logistics services



## Infrastructure:

Efficient, future-oriented rail infrastructure in Germany

- **DB Netze Track**

Rail network

- **DB Netze Stations**

Passenger stations

- **DB Netze Energy**

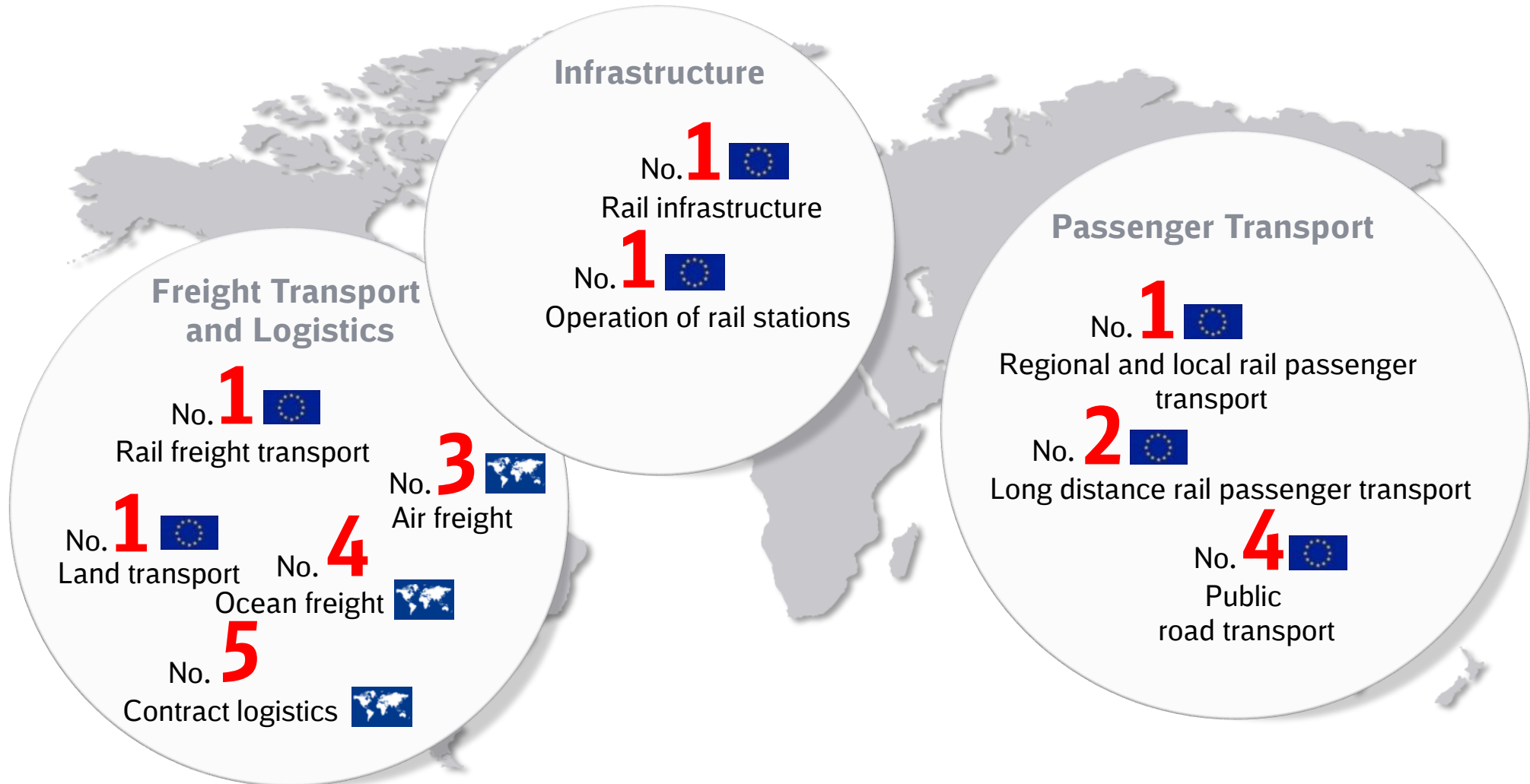
Traction power

<sup>1</sup> The former DB Services Business Unit has been dissolved and its responsibilities distributed across the DB divisions; <sup>2</sup> In Germany and cross-border transport

<sup>3</sup> And long-distance rail transport in the UK, through CrossCountry, an Arriva subsidiary



# DB holds leading market positions – in Europe and throughout the world



# Long distance transport volumes continued to grow, while rail freight volumes fell

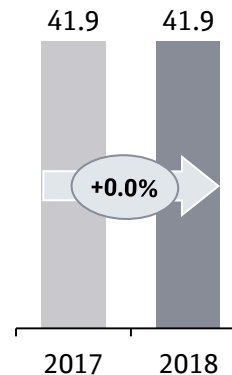


## DB rail transport volumes

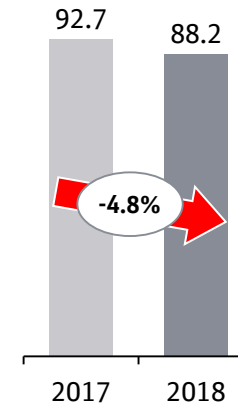
**Long distance**  
(in billions of pkm)



**Regional rail<sup>1</sup>**  
(in billions of pkm)



**Rail freight**  
(in billions of tkm)

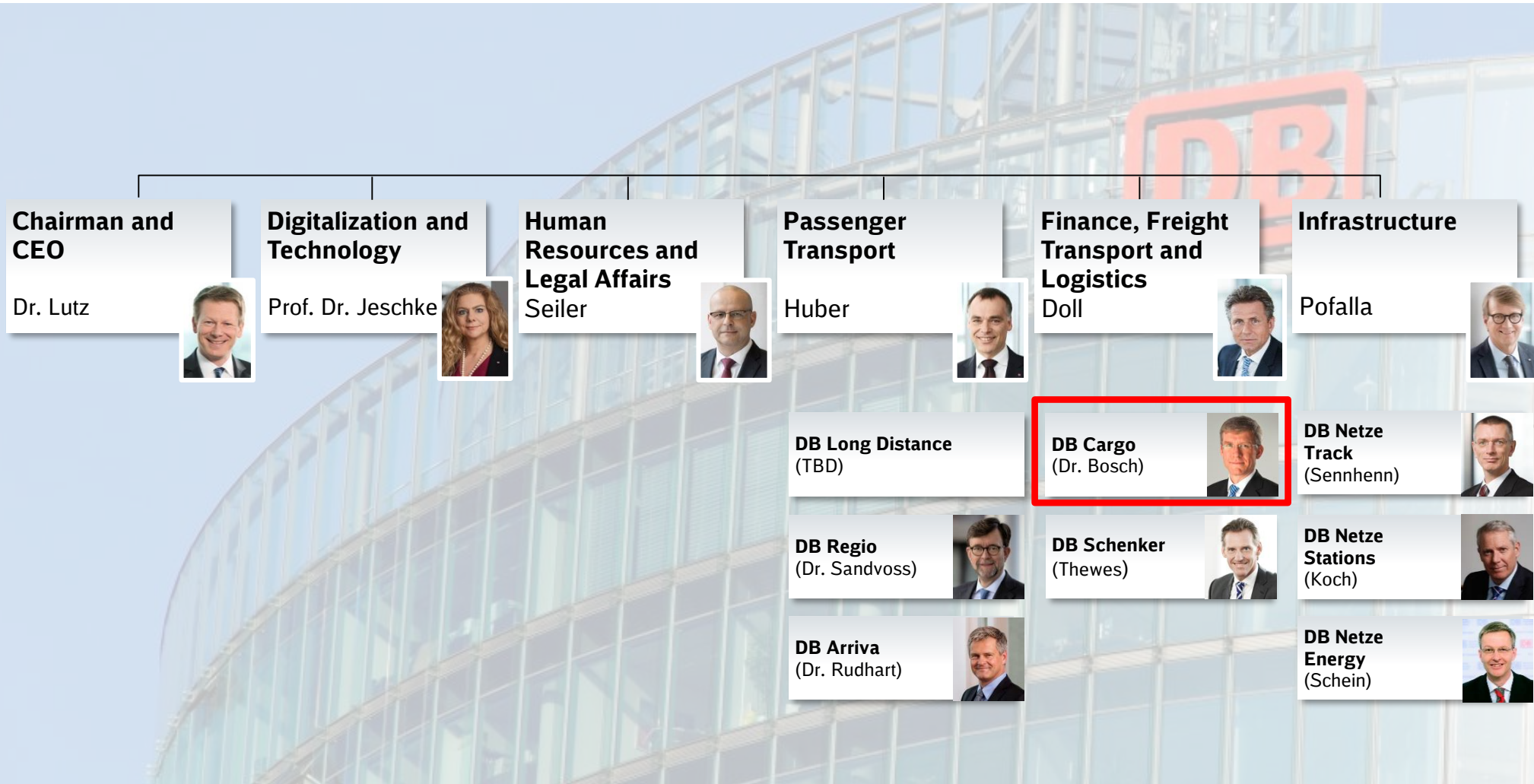


**Infrastructure<sup>2</sup>**  
(in millions of train-path km)

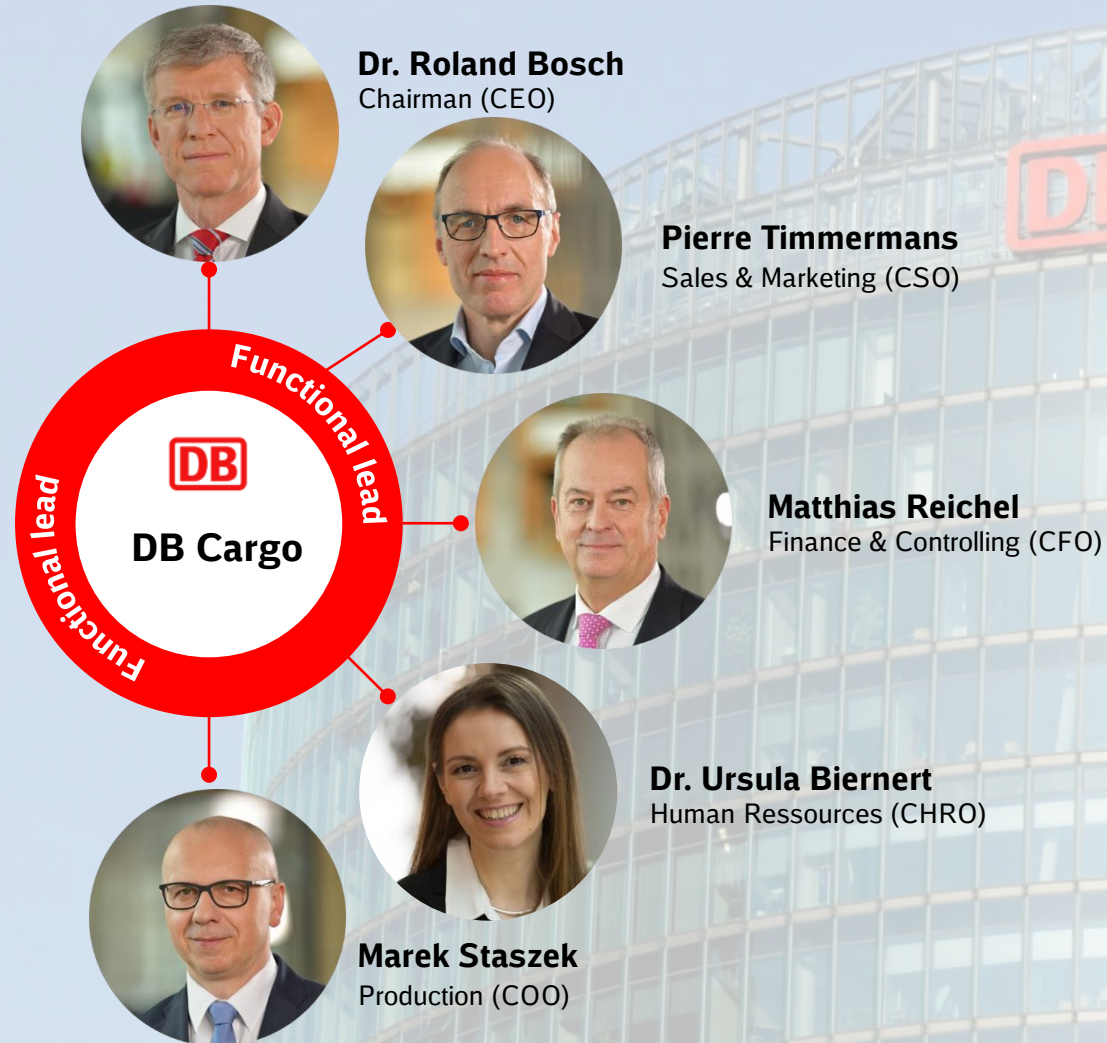


<sup>1</sup> Excluding DB Arriva; including Usedomer Bäderbahn; <sup>2</sup> Including Usedomer Bäderbahn

# The business units of Deutsche Bahn are managed directly by the Management Board



# The European network of DB Cargo is being led functionally





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# The DB Group's integrated, international structure makes it possible to develop rail operations in Germany as an complete system

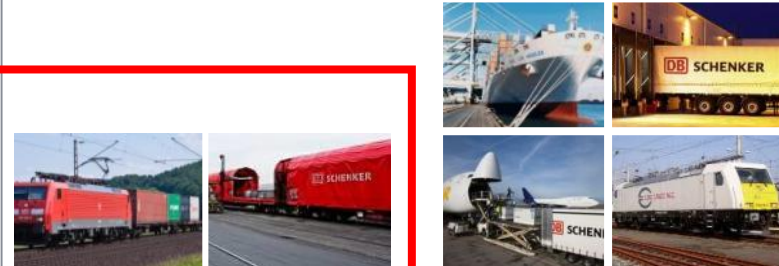
## Cornerstones of the DB Group



### Passenger transport



### Freight transport and logistics

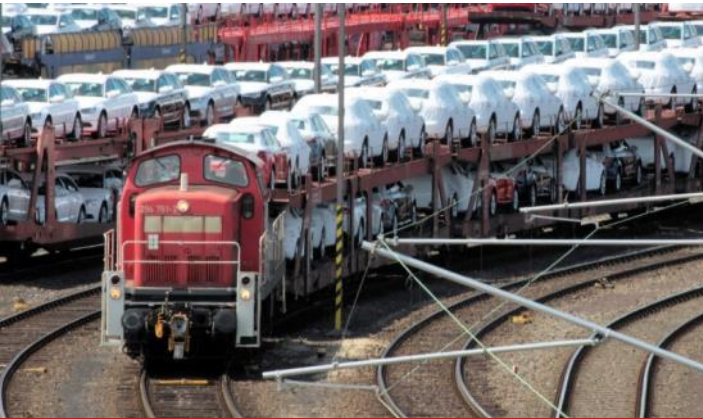


### Rail operations in Germany



### infrastructure

# DB Cargo has a strong European network and is the number one in European rail freight transport



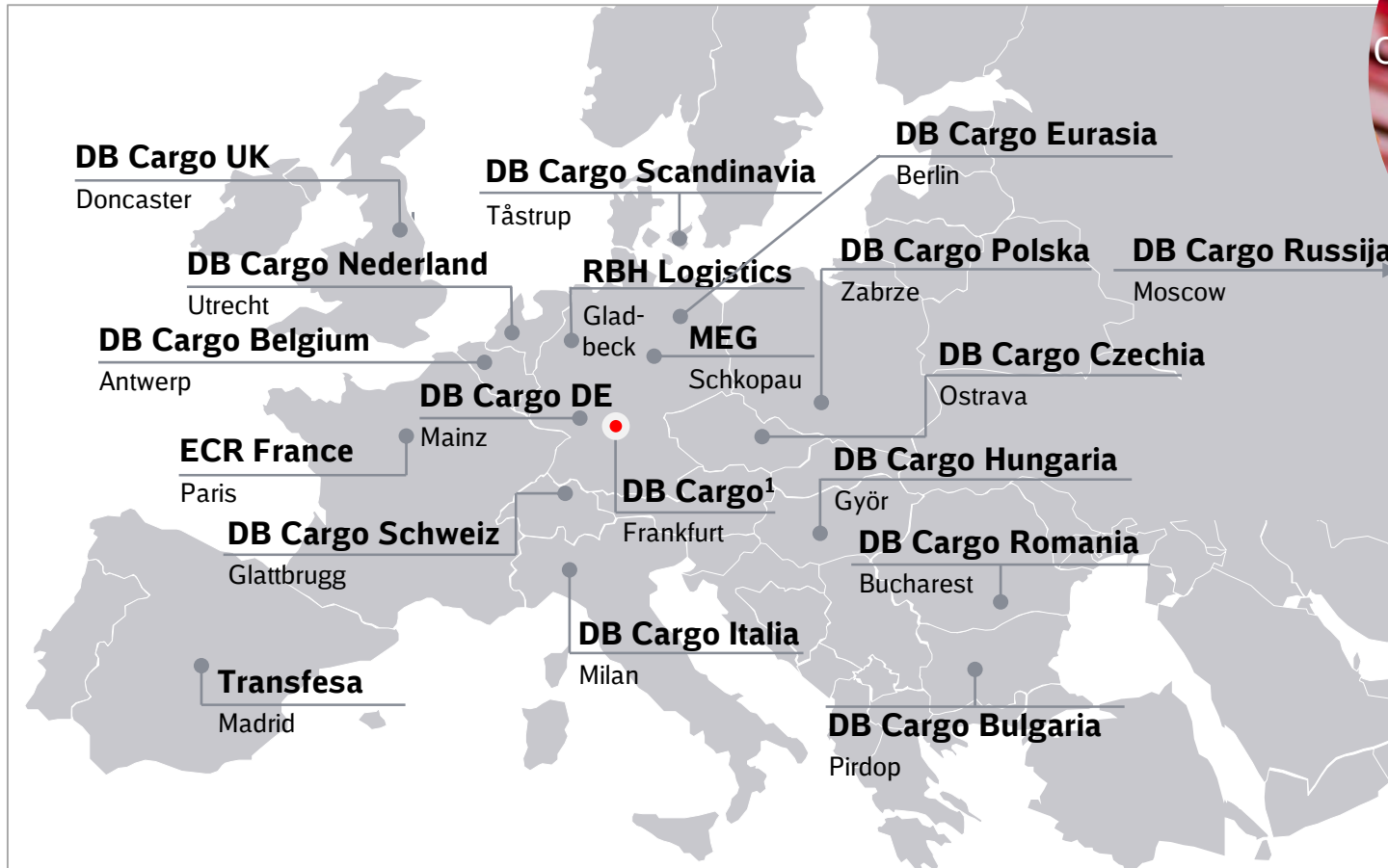
## DB Cargo 2018

Revenues	EUR 4.460 bn
EBIT	EUR -190 m
Employees (FTEs)	28,842
Metric ton km	88.237 bn
Freight carried	255.5 m t
Locos/freight cars	2,686 / 82,895
Ø dist. transported	345 km

### Profile

- With approx. **4,200 private customer sidings in Europe**, DB Cargo offers its customers access to one of the world's largest rail networks
- DB Cargo's **international network** follows the major European rail freight corridors
- DB Cargo offers European rail transport in the form of **block train**, **single wagonload** and **multimodal services**
- **Tailor-made transport and logistics solutions** are also available as additional services that can link the rail mode with road (trucking) and ocean freight service
- DB Cargo's customers are primarily **key accounts**
- **Target customers** are:
  - In the **segment of bulk logistics**: Building material, fertilizer, metal and coal industry
  - In the **segment of industrial and commercial logistics**: Automotive, chemical, petroleum, consumer goods, pulp and paper industries
  - In the **segment of combined transport**: Operators, freight forwarders and shipowners
- Most of DB Cargo's services are carried out using its **own fleet** of locomotives and freight cars

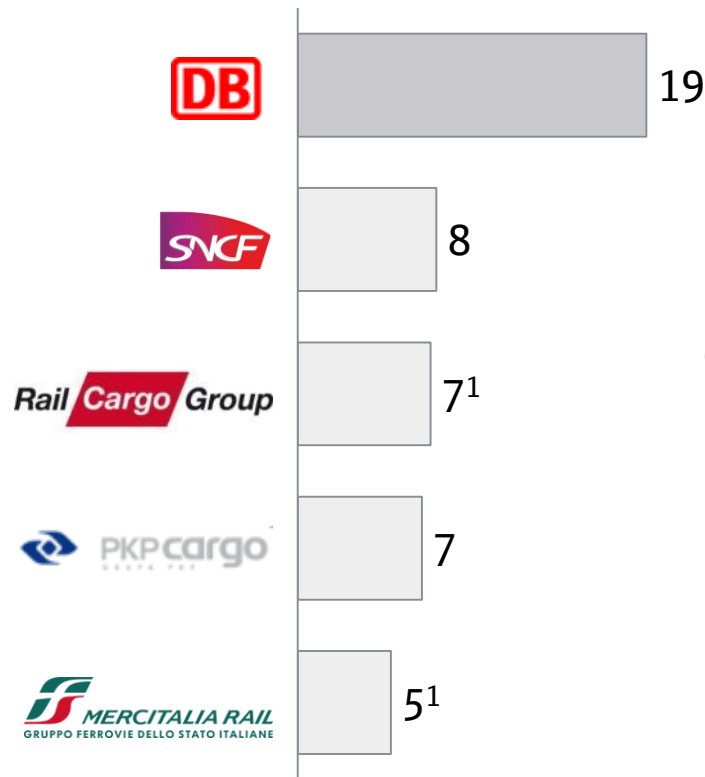
# DB Cargo offers its customers a comprehensive European network



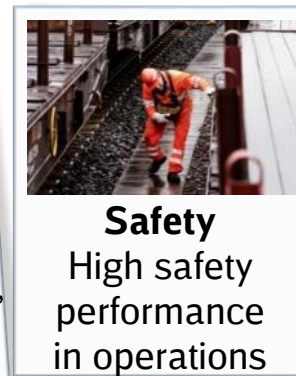
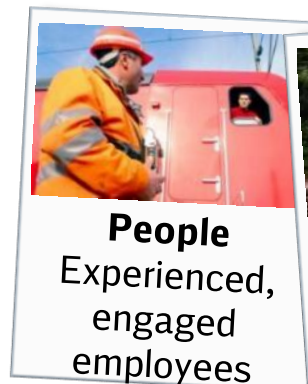
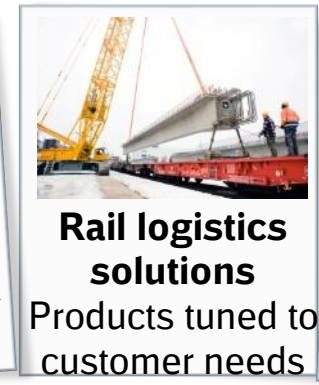
# DB Cargo is clear No. 1 in European rail freight

## Leading position in Europe...

Market share 2018e, in % based on tkm



## ... based on substantial strengths





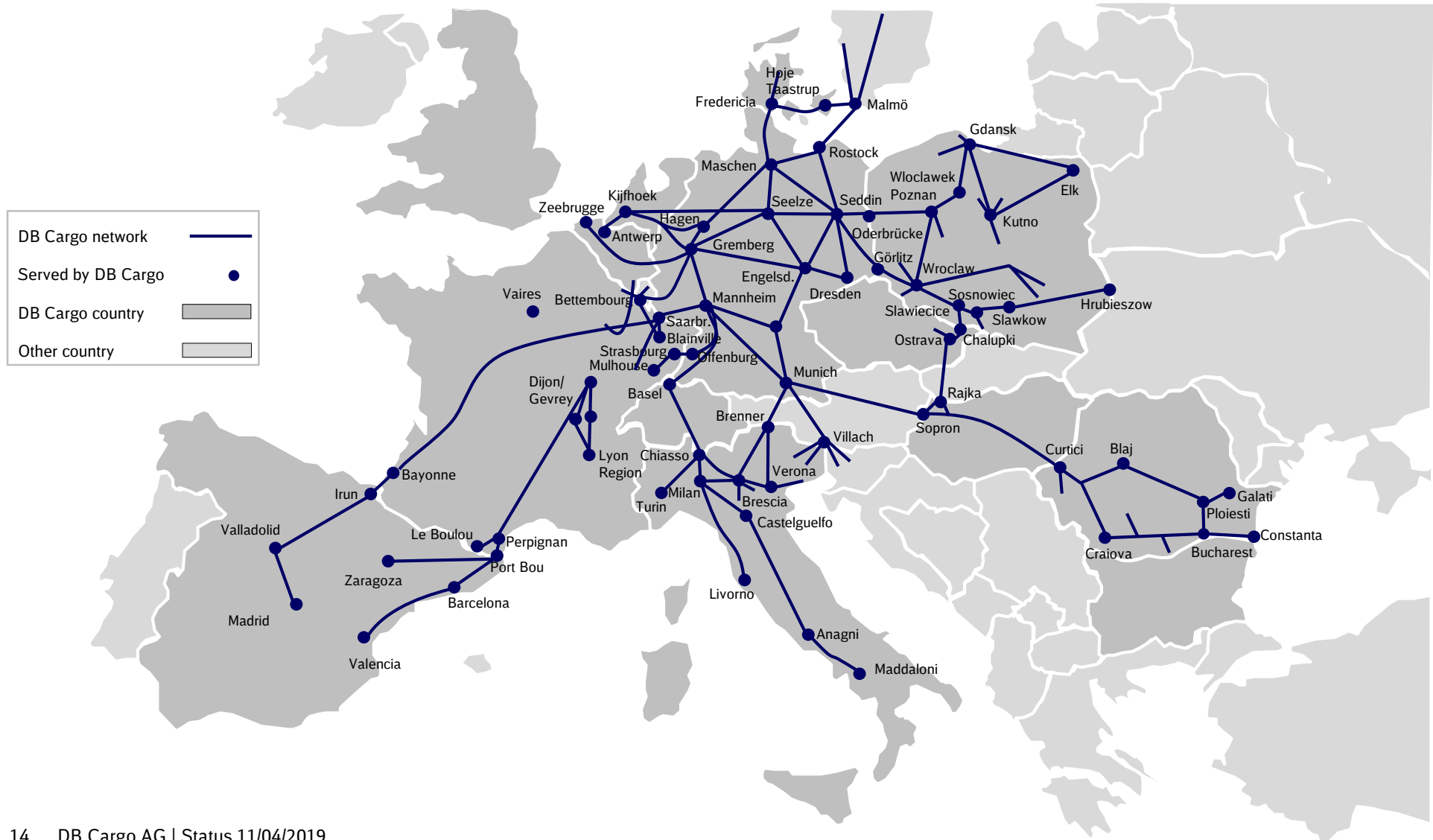
With its services, DB Cargo forms an important backbone of the European economy

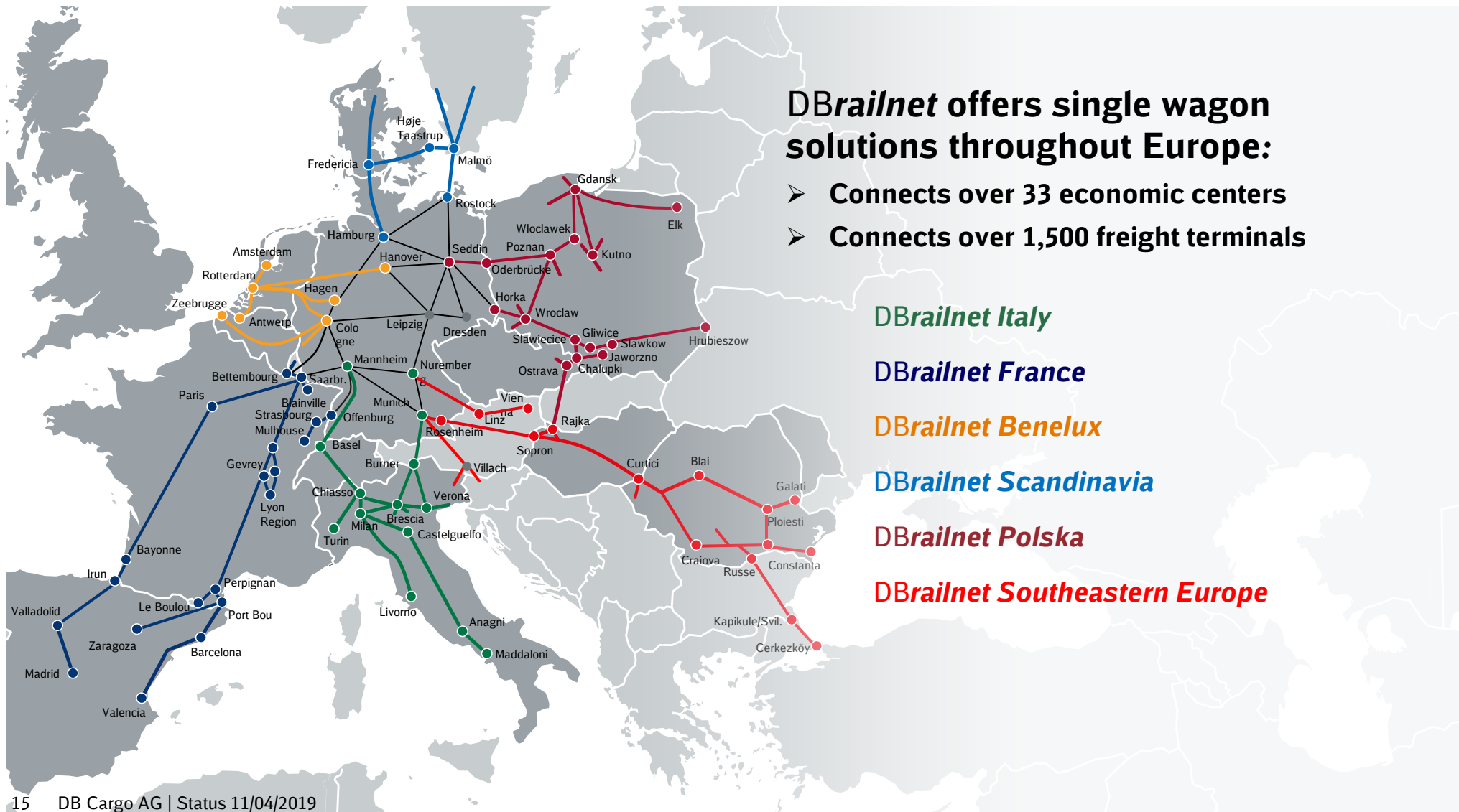
## DB Cargo...



- ... runs around **4,000 trains** daily and **orbits the Earth 13 times per day**
- ... is with its **28,842 employees** in **16 country-organizations** the world's most international railway
- ... could use its **2,686 own locomotives** and **82,895 freight wagons** to build **a train** stretching **from Berlin to Bucharest**
- ... **50,000** new and retrofitted **cars with whisper breaks** by end of 2018

# DB Cargo provides single wagon solutions throughout the whole of Europe

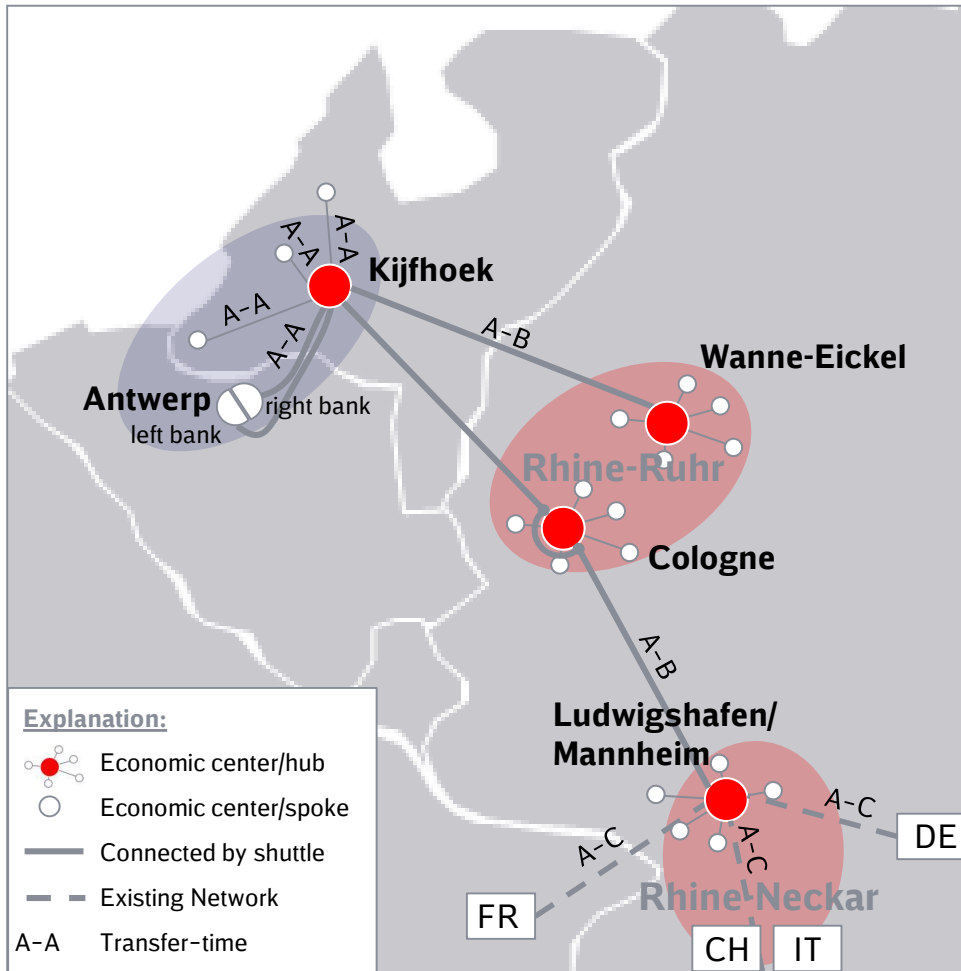




# DBantwerp-rhine-shuttle

Fast connections to Rhine-Ruhr/ Rhine-Neckar and to our European Network access points at once

## DBantwerp-rhine-shuttle - via Kijfhoek



## Description

### Product Characteristics

- Ten departures per week from Antwerp
- Antwerp - Rhine/Ruhr A-B (11h)
- Antwerp - Mannheim A-B (24h)
- Mainly chemical goods but open for all other commodities
- Use of strategic Westport-Hub Kijfhoek

### Advantages

- **Transport time** reduced to **11h** for the **Rhine-Ruhr** and to **24h** for the **Rhine-Neckar** connection
- **High transport quality** through focused operational steering
- **Daily frequency**
- Further **westport-connections** via **Kijfhoek**
- **Fast transition** in **Kijfhoek**
- **Access to most terminals** in **Antwerp**
- **Fast access** to our **European network**
- **Same day transition**, e.g., to **France, Switzerland, Italy and southern Germany**

### Outlook

- Extension of partnerships to connect remaining terminals in Antwerp
- Development of further fast shuttle-connections within Europe



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**Our services**

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*Our strategy, Zukunft Bahn and digitalization*

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# DB Cargo offers a wide range of services and industry products, supplemented with additional services

## Core products



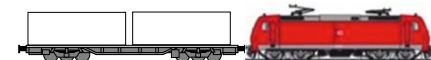
### Block train transport

For transporting large volumes within the European transport network



### Single wagon transport

For transporting small to mid-size volumes within the European transport network



### Container logistics

Combines rail transport with other modes, including first and last mile by road and terminal handling

## Additional services



Door-to-door logistics services

Door-to-door transport and logistics solutions



Rail logistics

Intermodal logistics solutions, including Railports



Sidings

Set up and maintenance of private sidings



Maintenance

Range of operational maintenance services (locomotives, wagons)

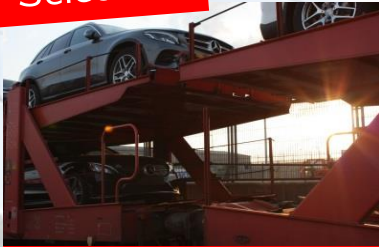


Eco Plus

carbon-free transport of goods

# We offer the right transport concept for each customer

## Selection



### On Standard Gauge to Barcelona

- Distribution and loading of **finished vehicle** via the car terminal Bremen
- **Network solution** to Spain on UIC route (Standard Gauge)
- **Bundling of cargo** from several locations in the Rail Hub Kornwestheim to **block trains directly** to the port of Barcelona



### KombiTerminal Burghausen From Burghausen to the world

- **Intermodal and conventional direct connections** from the Bavarian Chemical Triangle (**ChemDelta Bavaria**) to German seaports, the Ruhr area and the Rhine-Neckar area
- Access to the European rail network
- Customer-oriented **supply chain solutions**



### Mixed Train solution for more flexibility

- **Stable roundtrips** by combining the transport potential of various customers in a reliable product
- **Container and coil transports** from Antwerp to Andernach
- Higher departure frequency and lower utilization risk



### Every 3 hours from Mannheim to Italy

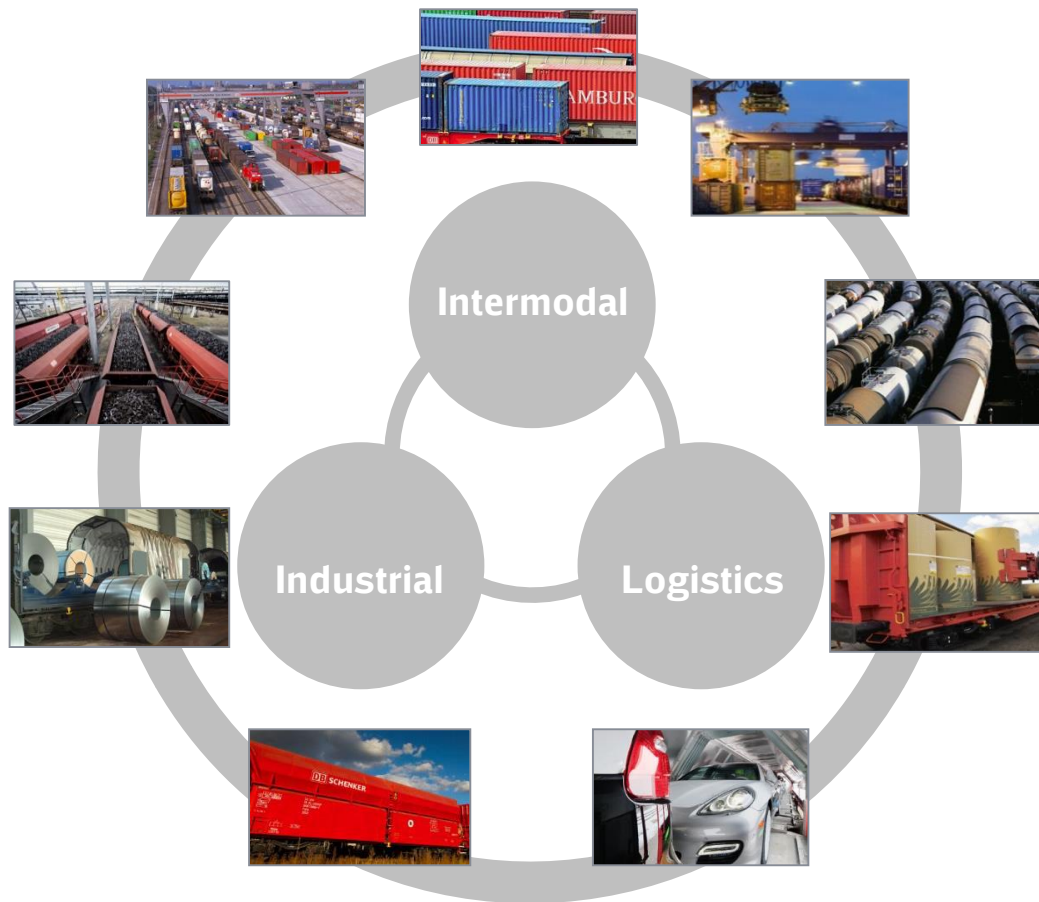
- The goods are transported overnight from **Mannheim to Chiasso**
- The **departure frequency of 3 hours, 7 days a week**, is unique in rail freight transport
- Individual Railport solutions also enable customers **without a railway siding** to use this service



### In 18 hours from Malmö to Cologne

- **Direct connection** between the industrial region of southern Sweden and the German Ruhr area
- Fast and reliable transports on **6 days a week for all commodities without restrictions to weight and size**
- **Access to hundreds of destinations in Europe**

# DB Cargo's in-depth expertise in key industries is converted into solutions that meet customer needs



## Industry solutions

- DB Cargo offers profound knowledge and experience in important rail-affine industries
- Solutions tailored to specific industry needs ensure that quality, reliability and safety standards are met on all types of transports

## Examples

- **DBchem-solution:** Safe, fast and reliable solutions for time-sensitive chemical and dangerous goods transports in Europe
- **DBsteel-solution:** Fast and high-frequency coil transports, ideally suited to the needs of the automotive industry
- **DBpaper-solution:** Specific and reliable service package for the pulp and paper industry linking its most important production sites



# The customers of DB Cargo benefit from a highly diverse wagon fleet

## Wagon fleet DB Cargo

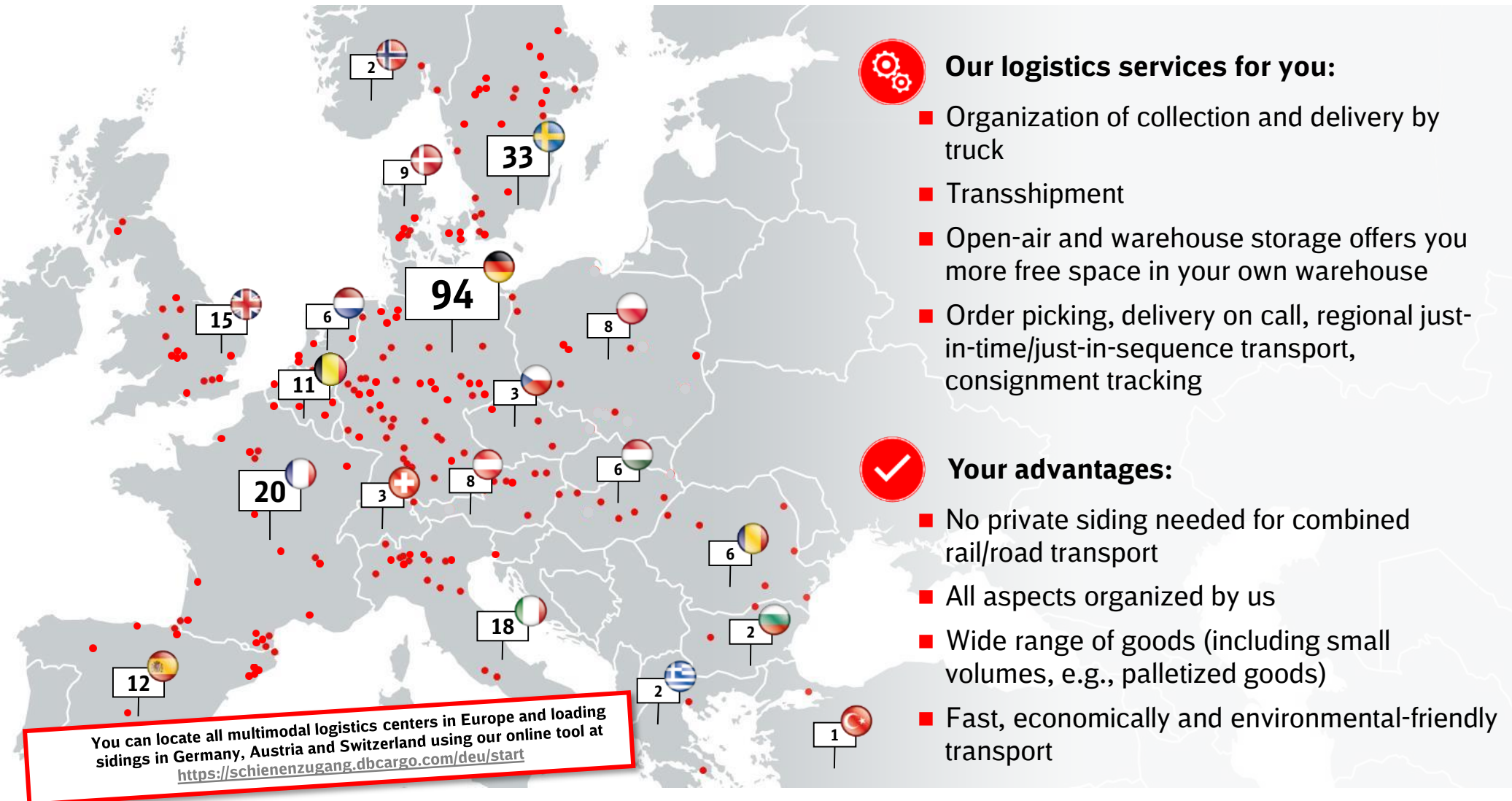
Number of wagons 2018

GERMANY



- With our large wagon fleet we can offer **comprehensive transport solutions in Europe**
- **Highly diverse fleet** with 200 wagon species (in Germany)
- Provision of **special equipment** for complex requirements (e.g. dangerous goods)

# Over 250 multimodal logistics centers: your door to Europe-wide logistics services



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**Our strategy, Zukunft Bahn and digitalization**

# Our sustainable strategy describes our path to the future



Our vision:  
DB Cargo –  
**best choice on  
European tracks**



Economical



## **Profitable quality leader**

High quality for our  
customers in the  
European network and  
sustainable ability to  
invest



## **Top employer**

Attractive employer  
with a shared European  
identity  
and culture

Social



## **Eco-pioneer**

Leading  
environmental position  
and responsible  
actions

Green



# We follow our strategy along all dimensions of DB2020+

## Vision

## Best Choice on European tracks

## Dimensions



### Profitable quality leader - Economic -



### Top employer - Social -



### Eco-pioneer - Environmental -



## Ambitions / Areas of action

- High reliability and punctuality for our clients
- Long-term partnerships with satisfied and loyal customers
- Client-specific network solutions
- Transparent and pro-active communication
- No. 1 on European rail freight market
- Strongest and most seamless European rail network
- Profitability and capability to invest into our network and into growth markets
- Secure and attractive job environment for all ages
- European identity and culture – one team
- International career development opportunities
- Expansion of leading ecological position through increased eco-efficiency
- Pioneer in terms of innovation and responsibility
- Social acceptance of rail freight growth

# Leading quality and service-provider – DB Cargo offers its superior quality and reliable services to its clients



Powerful IT

**Transparent  
and proactive  
communication**



Safety-culture

**Focus  
on plannable  
and reliable  
transports**



Europe-wide network

**DB Cargo is  
looking for  
long-term  
partnerships  
with satisfied  
and loyal  
customers**



Superior quality



**DB Cargo offers  
individual network-  
solutions for its  
customers**

# Automatization and digitization boost the efficiency and productivity of DB Cargo



Smart vehicles

**Saving costs  
and increasing  
quality through  
digitization**

**DB Cargo  
pushes its  
transformation  
towards a digital  
rail freight  
company**



Mobile communication



Driver advisory system

**Permanent  
development of  
competences**

**Declining  
energy  
consumption  
using innovate  
techniques**



Start-stop automatic



# DB Cargo – becoming a top employer with a common European identity and culture



One  
European  
team



DB Cargo  
offers  
international  
career paths and  
development  
possibilities

DB Cargo  
offers a  
multicultural  
working  
environment and  
challenging  
tasks



# By 2020, DB Cargo will reduce its energy consumption by 21% and be the environmental leader



Eco Plus

**Leading ecological position through increased eco-efficiency**

**DB Cargo Relieves the road around 90,000 trucks, strung together a snake from Hamburg to Rome**

**The most environmentally friendly means of transport**

**DB Cargo ensures social acceptance in the growing rail freight sector**



Relief of road traffic



New technologies



Energy-efficient drive

# DB Cargo constantly contributes to improving the eco-friendliness of rail traffic



Modification  
**Composite  
brake blocks**

**...how we work on  
eco-friendliness:**



**Modernization**  
Rolling stock



Usage of emission-free **propulsion system<sup>1</sup>**



Specific  
energy consumption  
**-21%** (2006-2020)



Energetic recovery  
system  
**Braking Energy**



**Driver training**  
Train driver



**Driver advisory  
system Leader<sup>2</sup>**

(...)

<sup>1</sup> HELMS (Hybrid Electronical Mechanical Shunter)

<sup>2</sup> LEADER: Locomotive Engineer Assist Display and Event Recorder [co-financed by EU]

# Eco Solutions supports you in becoming an **eco-pioneer**

**This is green.**

Travel with  
**renewable  
power.**

**no. 01**



## **Eco Consulting**

We help you to reduce your carbon footprint



## **DBeco Plus**



## **Eco Neutral**

Compensation for remaining transport emissions by supporting certified climate protection projects



Transportation of your freight  
**100% CO<sub>2</sub>-free** by rail



**100% renewable energy** from local sources, primarily hydropower plants



The method is  
**TÜV SÜD certified**



## **New power plant bonus**

- 10% of DB's revenues from EcoPlus are used to promote **innovative power plants for renewable energy**
- Example: Berlin Südkreuz, a rail station of the future



Available in **Germany and Austria**

# BACKUP



# European rail freight is a growth market

## Market opportunities rail freight Europe



Growing Combined Transport business



Demand for logistics services

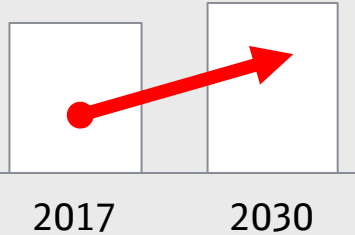


Rising need for resource efficiency



Use of innovation potential rail

**+ >1 % p.a.**



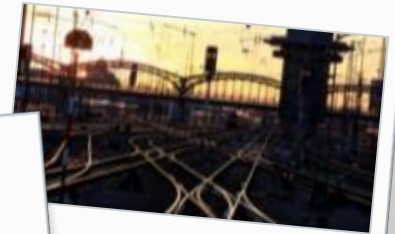
**Growth potential European rail freight**

## Growth prerequisites

Increase efficiency and improve quality



Avoid infrastructure shortages



Ensure resource availability

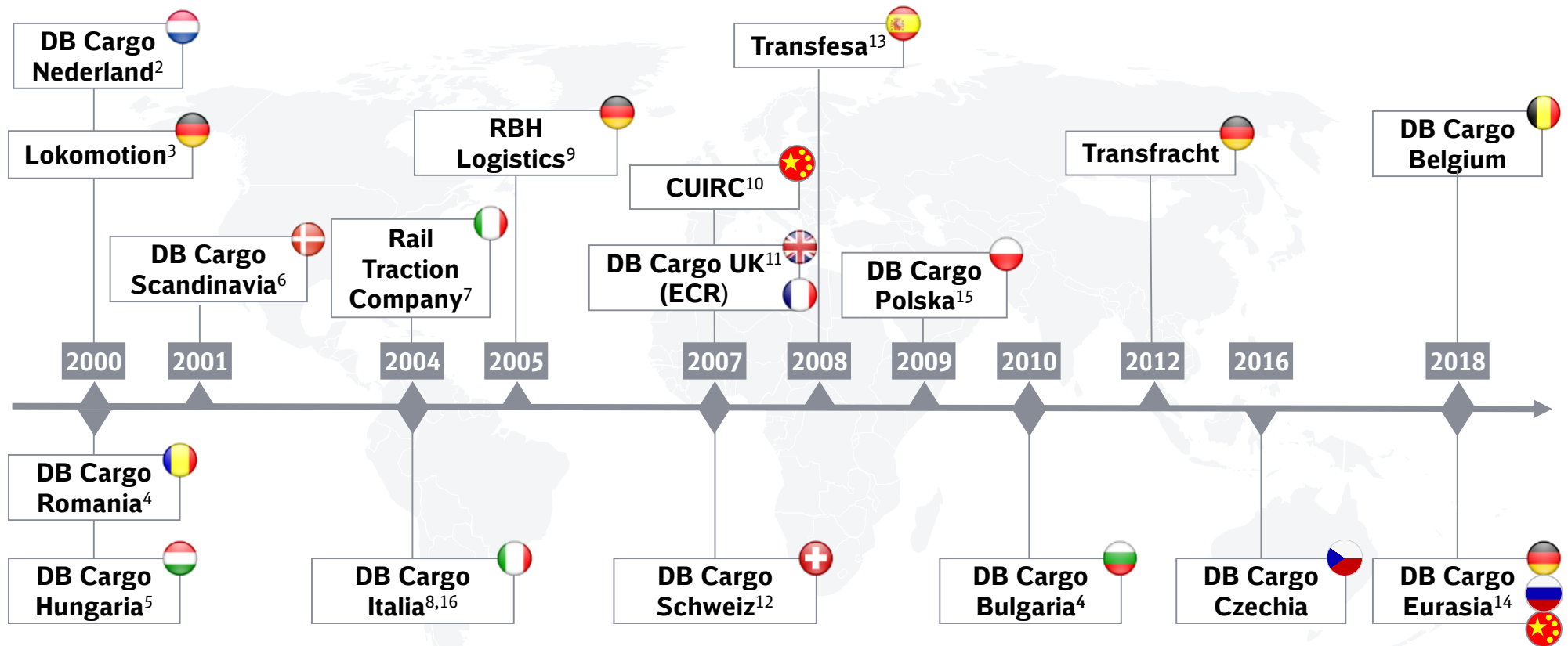


Implementation measures Masterplan rail freight



# DB Cargo has strongly internationalized its business during the last years

## Subsidiaries / Shareholdings of DB Cargo<sup>1</sup>



<sup>1</sup> Selection of companies, most are fully DB Cargo owned, if other - mentioned in brackets in the footnote;

<sup>2</sup> NS Cargo, <sup>3</sup> Lokomotion (30%), <sup>4</sup> Logistics Services Danubius, <sup>5</sup> Logistics Services Hungaria, <sup>6</sup> DSB, <sup>7</sup> Rail Traction Company (4,47%), <sup>8</sup> Strade Ferrate Mediterraneo, <sup>9</sup> RAG Bahn / Hafen GmbH, <sup>10</sup> China United International Rail Containers (8%), <sup>11</sup> English, Welsh & Scottish Railway (EWS), <sup>12</sup> Brunner Railway Services, <sup>13</sup> Transfesa (77%), <sup>14</sup> TEL, <sup>15</sup> PCC Rail / PTK, <sup>16</sup> Nordcargo (60%)