Equity Valuation of DHL Group

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Dissertation submitted in fulfillment of requirements for the International MSc in Finance, at the Universidade Católica Portuguesa, June 2nd, 2025

Abstract

This thesis aims to determine the fair value of DHL Group's equity as of 31.10.2025. To this end, a comprehensive financial analysis of the company and a commercial analysis of the logistics industry were conducted. A Sum-of-the-Parts approach is used, reflecting the diverse business segments within the Group and enabling a differentiated assessment of their respective value contributions.

The underlying financial forecast anticipates continued revenue growth across business units supported by DHL's established market positioning. Yet, growth is expected to be constrained by macroeconomic headwinds, particularly the implementation of global tariffs. Simultaneously, the Group is projected to achieve an improvement in profitability, driven by the execution of a broad-based cost optimization program.

The valuation was carried out using a discounted cash flow and a relative valuation model based on EV/EBIT multiples, with the resulting target share price of EUR 42.8 being derived as the average of both methods. While the fair value reflects upside potential, a higher intrinsic than relative value indicates the prevailing uncertainty among market participants, particularly regarding the potential implications of protectionist trade policies on the logistics industry.

To assess the plausibility of the results, the valuation was benchmarked against two equity research reports. While the overall conclusion of both reports on the fair value aligns with this thesis, differences in target prices can largely be attributed to the use of different valuation methodologies and underlying assumptions in each case.

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Title: Equity Valuation of DHL Group

Keywords: Equity Valuation, Discounted Cash Flow, Relative Valuation, Fair Value, Sum-of-the-Parts Valuation

Resumo

Esta tese tem por objetivo determinar o justo valor do capital próprio do Grupo DHL em 31.10.2025. Para o efeito, foi efetuada uma análise financeira exaustiva da empresa e uma análise comercial do sector da logística. É utilizada uma abordagem de Soma das Partes que reflecte os diversos segmentos de negócio do Grupo e permite uma avaliação diferenciada das respetivas contribuições de valor.

A previsão financeira subjacente antecipa um crescimento contínuo das receitas em todas as unidades de negócio, apoiado pelo posicionamento de mercado estabelecido da DHL. No entanto, espera-se que o crescimento seja limitado por fatores macroeconómicos adversos, particularmente a implementação de tarifas globais. Simultaneamente, prevê-se que o Grupo obtenha uma melhoria da rentabilidade, impulsionada pela execução de um amplo programa de otimização de custos.

A avaliação foi efetuada através de um fluxo de caixa descontado e de um modelo de avaliação relativa baseado em múltiplos EV/EBIT, sendo o preço-alvo das acções de EUR 42,8 obtido como a média de ambos os métodos. Embora o justo valor reflicta o potencial de subida, um valor intrínseco mais elevado do que o valor relativo indica a incerteza prevalecente entre os participantes no mercado, particularmente no que diz respeito às potenciais implicações das políticas comerciais protecionistas no sector da logística.

Para avaliar a plausibilidade dos resultados, a avaliação foi comparada com dois relatórios de acções. Apesar das conclusões sobre o valor justo serem semelhantes, as diferenças nos preços-alvo resultam sobretudo de metodologias de avaliação.

Autor: Valentino Da Pozzo

Título: Avaliação da empresa do Grupo DHL

Palavras-chave: Avaliação de acções, Análise de fluxos de caixa descontados, Múltiplos, Valor justo, Avaliação da soma das partes

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List of Abbreviations

3PL	Third-Party Logistics
APAC	Asia-Pacific
APV	Adjusted Present Value
B2B	Business to Business
B2C	Business to Consumer
CAGR	Compound Annual Growth Rate
CapEx	Capital Expenditure
CAPM	Capital Asset Pricing Model
COGS	Cost of Goods Sold
D&A	Depreciation and Amortization
DCF	Discounted Cash Flow
DDM	Dividend Discount Model
EBIT	Earnings before Interest
EBITDA	Earnings before Interest, Depreciation and Amortization
ECB	European Central Bank
EMEA	Europe, Middle East, and Africa
EqV	Equity Value
EV	Enterprise Value
FCFE	Free Cash Flow to Equity
FCFF	Free Cash Flow to Firm
FED	Federal Reserve Bank
FFG	Fit For Growth Strategy
FNA	Federal Network Agency

GDP	Gross Domestic Product
GF&F	Global Forwarding & Freight
IDS	International Delivery Services
IFRS	International Financial Reporting Standard
NOPAT	Net Operating Profit After Tax
OECD	Organization of Economic Cooperation and Development
OPEC+	Organization of the Petroleum Exporting Countries
OpEx	Other Operating Expenses
OWC	Operating Working Capital
P.P.	Percentage Point
P&P	Post & Parcel Germany
PP&E	Property, Plant, and Equipment
SOTP	Sum-of-the-Parts
TDD	Time Definite Domestic
TDI	Time Definite International
TGR	Terminal Growth Rate
TV	Terminal Value
US	United States of America
WACC	Weighted Average Cost of Capital
YTM	Yield-to-Maturity

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1 Introduction

Firm valuation is a core topic in corporate finance, fundamental to investment decisions and strategic management at large. While methods differ across asset types, the underlying principles remain the same: every asset has a value, and understanding its drivers must be the core of any valuation. As Damodaran (2012) notes, valuation involves uncertainty stemming from both the asset itself and the model applied. Navigating this uncertainty requires a structured and transparent approach. Against this backdrop, this thesis aims to determine the fair value of equity of logistics provider DHL Group (hereinafter referred to as "DHL" or the "Group"). It begins by introducing selected valuation approaches, followed by an analysis of DHL's business units and their market environment. Key financial statement items are then examined and forecasted. Based on this, the valuation is conducted, underlying assumptions are discussed, and the results are benchmarked against two equity research reports.

2 Literature Review

In practice, various valuation models are used, which differ greatly in terms of their complexity and underlying assumptions. Nevertheless, almost all models can be categorized into three approaches: present value methods, relative valuations, and valuation via options, also known as contingent claim valuations (Damodaran, 2012).

The following chapter presents a selection of present value and relative valuation approaches focusing on methods applicable to a stock exchange-listed, non-financial services company. It is, therefore, limited to the most relevant methods for this thesis and not exhaustive.

2.1 Present Value Methods

Based on the assumption that company valuation should be forward-looking, present value theory suggests that the intrinsic value of a company is determined by forecasting its future earnings. The value of a share is derived from the present value of all future cash flows, whether in the form of dividends or free cash flows. The central idea is that these figures are discounted at an appropriate interest rate to determine its current value (Damodaran, 2012). In the following, selected approaches to this methodology are presented, and it is shown which variant is favorable to use in which context.

2.1.1 Discounted Cash Flow Method

The discounted cash flow (DCF) approach is an intrinsic valuation method based on the forecast of financial items that contribute to determining future cash flows. Different cash flow figures can be used, such as dividends, free cash flow to firm (FCFF), or free cash flow to equity (FCFE). Depending on the type, either the enterprise value (EV), which reflects the total value of the company to all investors, or the equity value (EqV), the value of the company exclusively to equity holders, is derived. With the help of the equity bridge, the EV derived from the FCFF model can be reconciled to the EqV, considering net debt and other balance sheet claims, providing the same result as the FCFE variant (Pinto, 2010). This chapter focuses on the FCFF-based variant.

2.1.1.1 Free Cash Flow to Firm

FCFF refers to the cash inflow available to all providers of capital, both equity and debt after all operating expenses, including taxes, have been paid and the necessary financing of working capital, as well as investments in fixed assets, have been made:

$$FCFF = EBIT * (1 - Tax\ Rate) + Depreciation\ \&\ Amortization$$
$$- Capital\ Expenditure \pm \Delta\ Operating\ Working\ Capital$$

The approach is characterized by disregarding the company's financing structure, using EBIT as a proxy for taxable income. As a result, this capital structure-neutral approach is taken in which the EV is determined irrespective of whether the company is financed mostly by equity or debt (Pinto, 2010).

2.1.1.2 Terminal Value

Besides the forecast of FCFF during the explicit planning phase, the determination of the terminal value (TV) is the second central component of the DCF method. As companies typically remain operational beyond the detailed forecast phase, which spans five to seven years, a value must be determined for the period beyond. Yet, precise cash flow forecasts become more uncertain over time, which is why simplifying assumptions are necessary (Damodaran, 2012). In practice, two methods for determining the TV have become established: the perpetuity growth method, based on the Gordon Growth Model, assuming a growing cash flow at a defined terminal growth rate (TGR) into infinity:

$$TV_n = \frac{FCFF_n(1+g)}{(r-g)}; \text{where}$$

$$r = \text{discount rate and } g = \text{terminal growth rate}$$

Alternatively, the exit multiple approach can be used, in which a multiplier is applied to a key metric such as EBIT at the end of the explicit period. This assumes that the company will be sold at the end of the forecast phase (Damodaran, 2012):

$$TV_n = EBIT_n * Exit\ Multiple$$

The determination of the discount factor r will be explained in a subsequent chapter. The present value of the TV is added to the present value of all forecasted FCFF to calculate the EV:

$$EV_{t=0} = \sum_{t=1}^{n} \frac{FCFF_t}{(1+r)^t} + \frac{TV_n}{(1+r)^n}$$

2.1.1.3 Weighted Average Cost of Capital

The weighted average cost of capital (WACC) is the appropriate discount rate for the FCFF, as it considers both equity and debt financing. The WACC represents the average expected return that a company must offer its investors for the capital invested, taking into account both the risk and the time value of money (Damodaran, 2012). It is weighted according to the market value share of equity and debt capital, considering the respective capital costs – the cost of equity (k_e) and the cost of debt (k_d) adjusted for taxes:

$$WACC = \frac{Equity}{Total\ Capital} * k_e + \frac{Debt}{Total\ Capital} * k_d * (1 - Tax\ Rate)$$

If there are substantial liquid funds, the use of net debt instead of gross debt may be appropriate. Despite its widespread use, the WACC is subject to certain limitations. Changes in the capital structure, as well as fluctuations in the capital market, can influence the WACC and thus distort the valuation if it is assumed to be constant (Pinto, 2010). In the case of highly variable debt, the Adjusted Present Value (APV) method can be used as an alternative. Its application will be discussed in a subsequent chapter.

2.1.1.4 Cost of Equity

The k_e represents the interest rate that investors expect as a minimum return for the risk taken on an equity investment. This return requirement exceeds the risk-free rate, as it includes a risk premium for the company-specific, systematic risk. The Capital Asset Pricing Model (CAPM) has established itself as the industry standard for calculating asset returns. It assumes efficient capital markets and rational investors who are only compensated for non-diversifiable risks. Accordingly, the expected return on a security depends solely on its sensitivity to market fluctuations, measured by the so-called β (beta) factor (Pinto, 2010):

$$k_e = r_f + (r_m - r_f) * \beta; \text{ where}$$

$$r_f = \text{Risk} - \text{free rate of return and } (r_m - r_f) = \text{Market risk premium}$$

Thus, the application requires the determination of three parameters: the risk-free rate, the market risk premium, and β. In practice, the risk-free rate is usually represented by the interest rate of a 10-year German government bond. Due to its high liquidity and minimal probability of default, it is considered a suitable proxy.

The market risk premium is the difference between the expected market return and the risk-free rate, representing the additional return that investors demand as compensation for taking systematic risks. Academically, the calculation of the market risk premium remains a topic of controversy without a consensus. In practice, historical market returns are often used as an approximation for future market risk premiums. Yet estimates can vary considerably depending on the assumptions regarding the selected share index, the time period, and the risk-free rate used (Pinto, 2010).

The β-factor measures how strongly the stock of a company reacts to changes in the market and is, therefore, the risk measure in the CAPM:

$$\beta_i = \frac{Cov(r_i, r_M)}{Var(r_M)}; \text{where}$$

$$Cov(r_i, r_M) = \text{Covariance of company and market return}$$
$$Var(r_M) = \text{Variance of the market returns}$$

A beta greater than one indicates above-average volatility compared to the market, while a beta below one indicates less volatility. Beta can be determined either based on the company's historical share returns or by deriving it from a comparable peer group (Damodaran, 2012).

2.1.1.5 Cost of Debt

The k_d reflects the return that investors demand for providing debt capital as compensation for the default risk assumed. Generally, interest rates result from the risk-free rate plus a company-specific risk premium. Ideally, the k_d is calculated using the yield-to-maturity (YTM) of publicly traded corporate bonds.

If no liquid bonds are available, the credit rating can serve as an alternative basis. Each rating is assigned a standardized default spread, which serves as a risk premium to determine borrowing costs (Damodaran, 2012).

2.1.2 Adjusted Present Value Method

The APV method offers an alternative present value approach in cases where the capital structure of a company is expected to change over time. In contrast to the DCF approach, which discounts future cash flows under the assumption of constant WACC, the APV method breaks down the value of the levered firm (V_L) into two components: the value of the unlevered operating business (V_U), thus discounting the free cash flows using the k_e. In the second step, the present value of tax benefits resulting from the use of debt capital is calculated and added (Koller et al., 2020).

Damodaran (2012) emphasizes that most practitioners do not account for the potential insolvency costs when using the APV model. In its standard application, the tax gain from debt financing is simply added to the V_U, making debt appear as a purely positive value driver. This simplification neglects the rising insolvency and restructuring costs associated with higher leverage. A more realistic application of the APV method should, therefore, consider the negative effects of debt financing in addition to the tax benefits:

$$V_L = V_U + PV(Interest\ Tax\ Shield) - PV(Costs\ of\ Financial\ Distress)$$

DHL has had a stable capital structure in the past, and no significant changes are expected in the future. Therefore, the use of a constant WACC for discounting cash flows appears appropriate, meaning that the APV approach is not used in this thesis.

2.1.3 Dividend Discount Model

The dividend discount model (DDM) is one of the oldest present value approaches in firm valuation (Pinto, 2010). It assumes that the company value corresponds to the present value of all future dividend payments. The DDM uses the same assumptions as the DCF method, however, it focuses on dividends paid to shareholders rather than free cash flow. The two central input variables of the model are the expected dividends and the k_e (Damodaran, 2012):

$$Value\ per\ share\ of\ stock = \sum_{t=1}^{t=\infty} \frac{E(DPS_t)}{(1+k_e)^t}; where$$

$$DPS_t = Expected\ dividends\ per\ share$$

Although the model has been enhanced using a two-stage approach, its use is still subject to restrictions: DDM assumes that a company's dividend policy reflects the actual available FCFE. In practice, this is not always the case, as dividend policies are often used strategically, in line with the signaling theory, to manage market expectations (Berk & DeMarzo, 2016). In this scenario, the DDM would either underestimate or overestimate the value per share. Additionally, it is challenging to apply the DDM in a Sum-of-the-Parts (SOTP) valuation, as assumptions about future dividend policies would need to be made for each business unit without reliable historical data. Due to these limitations, the DDM is not used in this thesis.

2.2 Relative Valuation Method

The relative valuation approach based on multiples is widely used in practice. It enables a market-oriented assessment of a company's value in comparison to similar businesses. In contrast to the complex DCF analysis, it requires fewer assumptions and often more accurately reflects current market dynamics. The multiples approach is based on the fundamental principle that companies with comparable operational and financial characteristics should trade at similar valuations. A multiple is a ratio that relates a company's market value to a financial metric – such as revenue, EBIT(DA), or profit. The value of a company can thus be derived indirectly by comparing it with similar companies, assuming that the underlying valuation ratio is transferable (Koller et al., 2005).

A distinction is made between equity multiples and enterprise multiples. Equity multiples, such as the price/earnings ratio, relate exclusively to equity and thus consider the capital structure of a company. Contrarily, enterprise multiples, such as EV/EBIT(DA) are based on EV and

independent of the respective capital structure. Whenever possible, a forecasted figure should be used in the denominator of a multiple rather than a historical one, as relative valuation is a forward-looking approach (Damodaran, 2012).

Selecting an appropriate peer group is often considered the most complex aspect of using multiples, as the reliability of the valuation depends on how comparable the selected companies are. In practice, peers are commonly chosen based on industry affiliation and similarities in key dimensions such as size, business model, geographic footprint, growth, and profitability outlook. (Koller et al., 2020). Yet, academic perspectives on what constitutes a comparable company vary. Damodaran (2012) suggests that firms with differing business models or market positioning may still serve as benchmarks if they are driven by similar fundamental factors such as risk exposure or growth potential.

2.3 Sum-of-the-Parts Valuation

While the SOTP approach is not a distinct valuation method itself, it is rather a framework in which valuation techniques are applied separately for conglomerates operating across several industries. When these segments differ significantly in terms of growth, profitability, or risk exposure, it is appropriate to assess and value them individually rather than consolidated (Koller et al., 2020).

A critical prerequisite is the availability of segment-specific financial data. For a DCF valuation, this includes all inputs relevant to the calculation of FCFF at segment level. For multiple-based valuations, the availability of financial metrics such as EBIT(DA) is required. Once segment valuations are conducted, the resulting EVs are summed to arrive at the total EV of the conglomerate.

The interpretation of this aggregated value raises the question of whether the market value of a diversified company equals the sum of its parts. This question has long been debated in academic circles. Michael Porter (1987) was among the first to suggest that conglomerates may trade at a valuation discount merely because of their diversified structure. Subsequent studies have produced mixed findings. While some support the existence of a conglomerate discount, others find evidence of a diversification premium (Villalonga, 2004). The underlying reasons are still debated and may be linked to either inefficiencies in managing diversified businesses or the way investors perceive them. As a result, any potential valuation effect from

diversification is likely firm-specific and should be assessed on a case-by-case basis (Koller et al., 2020).

3 Company Analysis

To provide a foundation for valuing each business unit of DHL, this chapter examines the company's various business models, breaks down its revenue structure, and analyzes the strategic outlook provided by the Group. Additionally, the respective market environments were considered, as they significantly influence expectations and shape assumptions in the forecasting and valuation processes. Therefore, each segment is assessed in terms of market size, growth estimates, key drivers, and DHL's competitive positioning.

3.1 DHL Group at a Glance

DHL is a leading global logistics provider specializing in express shipping, freight forwarding, third-party logistics (3PL), and mail services. The company was originally founded as DHL International in 1969 by Adrian Dalsey, Larry Hillblom, and Robert Lynn in San Francisco, US, as an express document delivery service. Over the following decades, DHL expanded rapidly, establishing presences in Europe and Asia. In 2002, Deutsche Post AG, the former German state-owned postal service, acquired DHL International, driving its transformation from a national postal operator into a global logistics provider. Following the acquisition, the company rebranded as Deutsche Post DHL Group in 2003 and further streamlined its name to DHL Group in 2023. While the company is listed on the stock exchange with 79.1% of its shares in free float, the German government remains the largest single shareholder with 17.0%. Headquartered in Bonn, Germany, the Group's 600,000 employees operate in over 220 countries, generating total revenue of EUR 84,186 million in 2024 (DHL, 2024a).

3.2 Business Unit: Express

DHL Express is the largest and most profitable segment within the Group, generating EUR 25,134 million in revenue and EUR 3,084 million in EBIT in 2024, which corresponds to a margin of 12.3%. With over 109,000 employees, the division is primarily driven by its Time Definite International (TDI) product, which accounts for approximately 92.0% of revenue. TDI refers to the premium segment of express logistics, offering time-specific deliveries across continents and global trade lanes. In addition to TDI, DHL Express offers Time Definite Domestic (TDD) services, which provide domestic timed delivery solutions with strong exposure in Germany. While the segment primarily served B2B customers in the past, e-

commerce expansion helped to gain traction in the B2C segment, which now accounts for over 40.0% of revenue. The backbone of DHL Express is its global air and ground network, which spans over 220 countries and includes more than 295 aircraft operating 2,300 daily flights to 500 airports worldwide. Its extensive infrastructure enables high levels of operational flexibility and reliability, which the company sees as its primary edge against competition (DHL, 2024a).

Independent analysts estimate the TDI market to be worth EUR 63,400 million in 2025 and expect a CAGR of 6.6% until 2030 (Mordor Intelligence, 2024). This is slightly higher than DHL's outlook, which expects the TDI segment to grow at a CAGR of 4.0% to 5.0%, while TDD is expected to grow severely slower than that. The recently announced tariffs imposed by various economies represent a hurdle for market growth, which is not reflected in these CAGRs. DHL has already adjusted its recent outlook for the Express market, expecting low single-digit revenue growth in both segments for 2025 (DHL, 2025). Historically, the market has demonstrated demand resilience during periods of global disruption, such as the pandemic. This robustness can be attributed to the time-critical nature of the services provided, which often sustain demand irrespective of broader macroeconomic conditions. Another driver for growth was and still is the continued e-commerce boom, with customers increasingly expecting next-day delivery. This increases especially the need for cross-continent B2C delivery offerings.

As presented in Appendix 1, DHL was able to expand its market share in the TDI segment from an estimated 30.0% in 2010 to 46.0% in 2024, followed by FedEx (27.5%) and UPS (22.0%). Other notable competitors are e-commerce companies that handle their shipping in the B2C segment, such as Amazon Logistics in the US.

3.3 Business Unit: Global Forwarding & Freight

DHL Global Forwarding & Freight (GF&F) is the Group's second biggest business unit, with a total revenue of EUR 19,649 million and EBIT of EUR 1,074 million, equaling a margin of 5.5% in 2024. GF&F is a specialized broker for forwarding services across air, ocean, and road transport, offering B2B logistics solutions through its 45,400 employees worldwide. The division acts as an intermediary between customers and carriers, arranging transportation with shipping companies and selling value-added services such as warehousing and customs clearance. A key feature of GF&F is its asset-light operating model, which enables it to maintain a high level of flexibility without directly owning major transportation assets, such as cargo ships (DHL, 2024a).

The global freight forwarding market was valued at EUR 685,300 million and can be split into sea, air, and road forwarding. Sea freight holds the highest volume in this segment, followed by road and air freight, which is mainly explained by the associated costs of shipment, which are up to 50 times higher for air freight (Aspinall, 2025). To understand the GF&F market, it is essential to consider all three modes of transport in an integrated manner, as they are closely interrelated and often influenced simultaneously by macroeconomic events. For example, limited air cargo capacity during the pandemic led to a surge in sea freight demand. More recently, disruptions in the Suez Canal due to the Middle East conflict triggered a temporary shift towards air freight. Historically, the market has shown a strong correlation with global GDP, as it closely reflects international trade volumes. Only during periods of massive disruptions and recovery, as seen between 2020 and 2023, did this correlation show a decline. Analyst reports project a CAGR of approximately 2.8% to 3.5% for the global freight forwarding market through 2030 (MarketLine, 2024; Aspinall, 2025). Yet, none of these reports consider the recent announcement of tariffs, which pose an immediate threat to global trade volumes. Based on a recent study by Oxford Economics, in collaboration with DHL, the impact of tariffs was simulated in three scenarios: milder, moderate, and severe, modeling the implications of blanket tariffs on global trade. The results indicate that global trade is expected to grow on average between 1.8% and 2.8% per year until 2029, depending on the severity of tariffs, representing a significant reduction from the initial market outlook (Oxford Economics, 2024).

DHL has maintained a consistent market share between 2010 and 2024, ranging from 4.5% to 5.0%, making it the second-largest freight broker in the market after Kuehne & Nagel (6.1%) and followed by DSV at 4.2% (Appendix 1).

3.4 Business Unit: Supply Chain

DHL Supply Chain has been among the Group's growth drivers in recent years. Initially set up to diversify the portfolio, the segment generated EUR 17,693 million in revenue and EUR 1,068 million in EBIT, corresponding to a 6.0% margin in 2024. As the market leader for third-party and contract logistics, over 185,000 employees take care of fulfillment, intralogistics, and other value-added services. By managing the supply chain as a third-party operator, the division provides customers with access to state-of-the-art technology, including automation and data analytics, while maintaining a high degree of flexibility (DHL, 2024a). DHL Supply Chain benefited from the e-commerce boom in recent years, becoming the chosen 3PL partner for

retail consumer brands, which accounted for 51.0% of revenue in 2024. Other major industries served include automotive and healthcare, with revenue shares of 14.0% and 12.0%, respectively (DHL, 2024c).

Independent market research estimates the 3PL market to be valued at EUR 418,163 million in 2025, with an expected compound annual growth rate of 6.2% until 2031 (Mathur, 2025). DHL's projections align with this outlook, forecasting a CAGR between 4.0% to 6.0%. Structural shifts that began in 2020, such as expectations for home delivery speed, have continued to drive market growth. In parallel, demand has risen in specialized verticals such as healthcare logistics and renewable energy, where 3PL offers solutions for complex transportation setups. Although the industry benefited from growing supply chain complexity in the past, the recent shift in global trade policies and tariffs could potentially dampen this momentum. Of particular concern to the 3PL e-commerce practice is the potential impact of suspending the de minimis tax exemption in the US, which previously allowed duty-free treatment for goods valued under USD 800. Its removal may significantly curb volumes in the US e-commerce sector (Badenach et al., 2025)

Although DHL Supply Chain has been the leader in a highly fragmented market for decades, it has only recently been able to increase its market share again after years of downturn (Appendix 1). This was presumably due to a lack of prioritization within the Group, as market growth was moderate until 2020. In 2024, DHL's market share was estimated at 6.1%, ahead of GXO Logistics (3.2%) and Ceva Logistics (2.0%).

3.5 Business Unit: eCommerce

DHL eCommerce has emerged as the second key contributor to the Group's growth in recent years. Established to expand DHL's parcel delivery footprint outside the German market, the segment generated EUR 6,962 million in revenue and EUR 281 million in EBIT in 2024, resulting in a margin of 4.0%. Operating across selected countries in Europe, the Americas, and Asia, DHL eCommerce employs nearly 40,000 people worldwide to provide last-mile delivery solutions (DHL, 2024a). The segment focuses on domestic parcel delivery, with a service portfolio that spans B2C and B2B shipments, accounting for 74.0% and 26.0% of revenue, respectively. In response to the surge of online retail during the pandemic, the division successfully entered and scaled operations in several new geographies, achieving market leadership in regions such as the Benelux countries or India. Recent market launches included

Poland, the Czech Republic, and Turkey, where the company is now actively scaling business operations (DHL, 2024b).

Global retail e-commerce was valued at EUR 5.5 trillion in 2024 and is projected to continue its robust expansion, with sales expected to grow at a CAGR of approximately 7.0% (Cramer-Flood, 2024; DHL, 2024b). The sector experienced a sharp acceleration during the pandemic, as lockdowns led to a surge in online retail across all regions. Following a period of saturation and slowed growth, e-commerce has regained momentum, driven by lasting shifts in consumer behavior. Growth varies by region: the US is forecasted to grow at 6.0%, Europe at 5.0%, with exceptions like Poland forecasted at 8.0%, while India – Asia's second-largest e-commerce market – is expected to expand at a double-digit CAGR until 2030 (DHL, 2024b). This growth creates a favorable environment for logistics providers, who are positioned to capture this demand, with eCommerce expecting to grow at a CAGR of 6.0% to 8.0% (DHL, 2025). The growth rates outlined above do not reflect recent developments in global trade policies, particularly the suspension of the US de minimis exemption previously discussed in the context of 3PL. Given its impact on parcel volumes, the change is also relevant for the eCommerce unit, posing downside risks to the forecast, particularly in the Americas region.

Quantifying DHL's global market share in e-commerce logistics is challenging, as the company does not disclose consolidated figures. Yet, DHL has demonstrated its ability to capture market share when entering new regions, most notably in India and the Benelux countries, where the company rapidly established a market-leading position. Going forward, DHL aims to scale its presence in existing markets rather than entering new territories (DHL, 2024b).

3.6 Business Unit: Post & Parcel Germany

Historically, Post & Parcel Germany (P&P) was the core business of DHL, formerly named Deutsche Post. The segment generated revenue of EUR 17,347 million and EBIT of EUR 821 million, corresponding to a margin of 4.6% in 2024. As the market leader, P&P operates Germany's largest postal and parcel network, employing approximately 187,000 staff who manage 119 sorting hubs nationwide. In 2024, parcel-related revenue contributions surpassed those of mail for the first time, marking the structural shift towards digital communication in the country. While letter volumes have been in continuous decline for over two decades, the parcel segment remains on a stable growth trajectory, benefiting from increased online retail demand in Germany in recent years (DHL, 2024a).

According to the Federal Network Agency (FNA), the German postal and parcel market was valued at EUR 27,700 million in 2024 (FNA, 2024). The market is expected to follow its past trajectory, with mail volumes continuing to decline at a mid-single-digit rate due to the ongoing digitalization of administrative and corporate communication. In contrast, parcel volumes are projected to grow, driven by the expansion of online retail, with rates anticipated in the mid-single-digit range through 2030 (DHL, 2025). A distinctive feature of the sector is pricing, which is regulated by authorities, and adjustments must be approved by the FNA. This relates to compliance with the Postal Act, which requires affordable access to postal services by law. For 2025, a price adjustment was implemented, resulting in average price increases of 8.5% in the mail segment and 5.0% in the parcel segment for all competitors (DHL, 2024d).

In terms of competition, DHL is the dominant market player, holding an estimated share of 64.0% in the mail market and 43.0% in the parcel market, which has remained relatively unchanged since 2010. Hermes (14.0%) and UPS (11.5%) follow in the parcel market, while the six largest carriers have a market share of 99.0% (Statista, 2025).

3.7 Strategy 2030

DHL releases an updated strategic roadmap every five years, with its latest being published in 2024: “Accelerated Sustainable Growth: Strategy 2030”, outlining the company’s vision for growth and profitability until the end of the decade. The Group is pursuing an ambitious growth strategy, aiming to increase revenue by up to 50.0% by 2030 compared to 2023. Expansion is expected to be driven by strengthening core business operations across all five divisions while targeting high-growth verticals such as pharmaceuticals, renewable energy, and e-commerce (DHL, 2024d).

To improve operational efficiency and profitability, DHL has launched the „Fit for Growth“ (FFG) program, aiming to reduce operating costs by over EUR 1,000 million by 2027. Key measures include streamlining operations across all business units, simplifying the legal structure to enhance organizational clarity and reduce overlapping overhead, as well as further digitalization efforts (DHL, 2024d). In this context, management announced the reduction of 8,000 jobs within P&P by the end of 2025 to improve efficiency in its domestic operations. Altogether, the strategy emphasizes that DHL remains on course for growth but is also particularly keen to work on its cost structure and profitability.

4 Financial Analysis & Forecast

The valuation of DHL is based on an analysis and projection of financial statement items that impact FCFF. Historical data from fiscal years 2018 to 2024 form the foundation for this analysis. The forecast extends over six years until 2030, reflecting the expectation that the company will transition into a steady-state phase by then. As of now, DHL shows certain signs of a company approaching a steady state, as debt levels have been developing stable over the past four years, and core businesses, including Express, GF&F, and P&P, are mature and well-established in the market. The section begins with a breakdown of key income statement items, followed by an examination of balance sheet components relevant to the valuation process.

4.1 Income Statement

For the business segments Express and P&P, a bottom-up approach is used to forecast revenue, as detailed data about unit volumes and revenues is available. For GF&F, Supply Chain, and eCommerce, forecasts are prepared top-down based on expected market development. This is considered appropriate as DHL is the market leader, or among the top two, in its respective markets, as outlined in the previous chapter.

To start with, the ambitious goal of Strategy 2030 to increase revenue by up to 50.0% by the end of the decade could not be verified in the following projections. Although there are substantial growth opportunities in all of DHL's markets, the analysis does not consider these to be sufficient to drive such strong revenue growth.

4.1.1 Revenue – Express

DHL Express business segment exhibited growth at a CAGR of 7.7% between 2018 and 2024, driven by strong revenue gains during the pandemic. As global supply chains came under pressure due to lockdowns, demand for time-critical logistics surged, leading to a significant increase in TDI and TDD volumes. Also, revenues per unit increased due to supply shortages and rising jet fuel prices, which were passed on to customers. With the economy cooling down post-pandemic, a normalization of kerosene prices, and sufficient express capacities on the market, volumes and average revenue per unit have stabilized in the last years, slightly above pre-pandemic levels.

Going forward, the driver of average revenue per unit, in addition to the base price, is the fuel surcharge. Due to the competitive nature of the market and limited opportunities to differentiate

services, significant increases in the base price will continue to be challenging. Regarding the fuel surcharge, it can be assumed that stabilization at current levels is realistic due to offsetting effects. Demand for jet fuel is expected to continue soaring, with 2024 being the first year to see demand levels return to pre-pandemic levels, driving prices further upward (Perkins, 2024). At the same time, OPEC+ plans to increase oil production from 2025 to at least 2027 (EnerData, 2025). This results in an environment where, for the foreseeable future, stabilization is a realistic scenario (Bocksch, 2024). Thus, the average revenue per unit is forecasted to grow at a conservative rate of 1.0% per year. Based on the market outlook, a discount has been applied to volume growth incorporating potential pressure from tariffs, resulting in projected CAGRs of 2.5% for TDI and 1.7% for TDD. The business unit's total revenue is expected to grow at a CAGR of 3.2% during the forecast, reflecting more conservative growth compared to DHL's and market expectations.

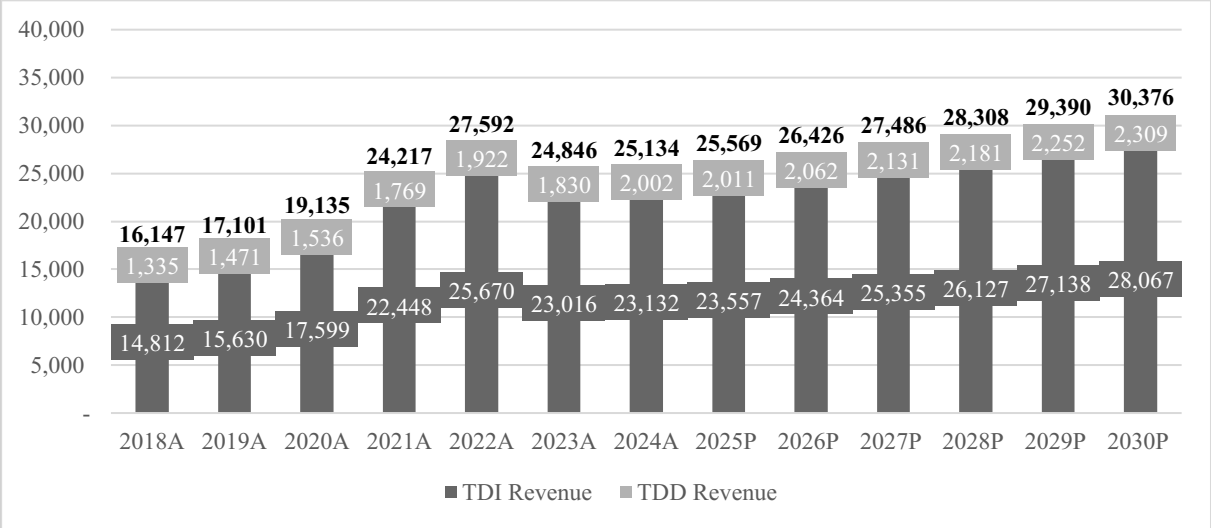


Figure 1 – Historical & Projected Revenue – Express

Revenues - Express	2018A	2019A	2020A	2021A	2022A	2023A	2024A	2025P	2026P	2027P	2028P	2029P	2030P
TDI Volume	289,9	309,2	336,9	369,1	334,5	334,9	327,4	330,1	338,1	348,3	355,4	365,5	374,3
Average Revenue per Unit (in K)	*51,1*	*50,5*	*52,2*	*60,8*	*76,8*	*68,7*	*70,6*	*71,4*	*72,1*	*72,8*	*73,5*	*74,3*	*75,0*
TDD Volume	149,3	162,7	188,9	196,7	166,3	145,8	153,4	152,6	154,8	158,5	160,6	164,2	166,6
Average Revenue per Unit (in K)	*8,9*	*9,0*	*8,1*	*9,0*	*11,6*	*12,6*	*13,1*	*13,2*	*13,3*	*13,4*	*13,6*	*13,7*	*13,9*

Table 1 – Historical & Projected Volume and Price Development – Express

4.1.2 Revenue – Global Forwarding & Freight

GF&F recorded a revenue CAGR of 4.6% from 2018 through 2024, with a pronounced revenue peak in 2022 driven by the economic rebound after the pandemic. Since then, overall revenue has cooled, albeit remaining above pre-pandemic levels. 2024 was the first year after the pandemic in which the segment's growth again approached global GDP and trade volume growth yet staying slightly below it at 1.8% on segment level.

Looking ahead, GF&F remains highly sensitive to macroeconomic fluctuations, as all means of transportation are tightly linked to global trade volumes. This makes the segment particularly exposed to tariff risks and broader geopolitical uncertainties. Based on the aforementioned global trade model by Oxford Economics, the moderate blanket tariff scenario serves as the basis for forecasting the expected development, resulting in a projected CAGR of 1.9% until 2030 across all three modes of transportation. Other related services are expected to develop in line with the historical CAGR of 1.5%. The entire business unit is, therefore, expected to grow at a compound annual rate of 1.9% during the forecast period, reflecting a downgrade from the market outlook.

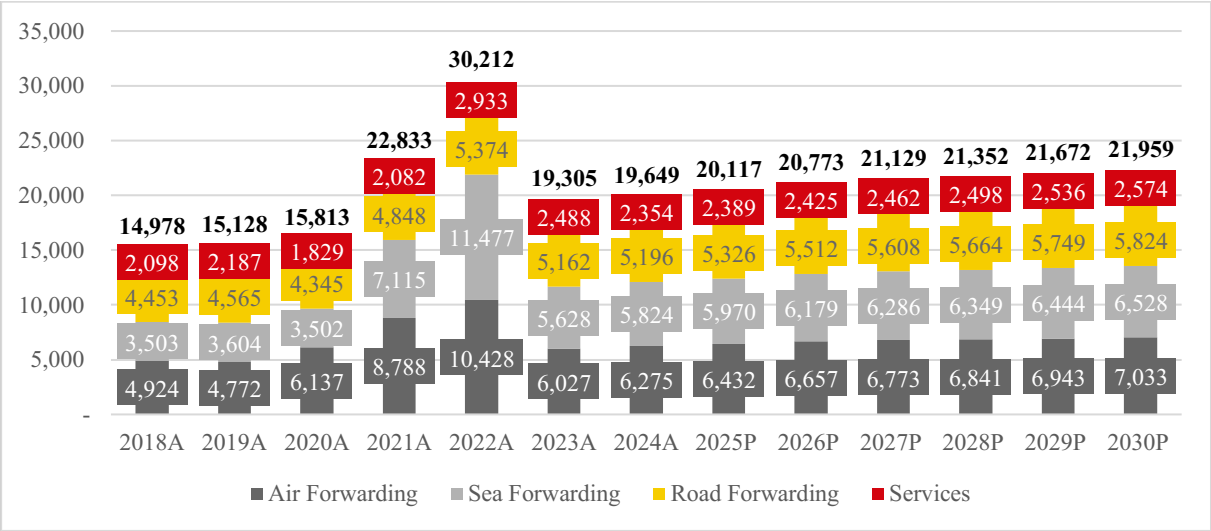


Figure 2 – Historical & Projected Revenue – GF&F

4.1.3 Revenue – Supply Chain

The DHL Supply Chain segment experienced accelerated growth recently, growing at a CAGR of 4.8% across all regions. After years of stagnation, the disruption of supply chains at the beginning of the pandemic drove revenue expansion across all regions. The two main industries addressed were the e-commerce sector and the pharmaceutical sector, which DHL has been supporting with specialized solutions since then. A significant share of new business was acquired in the Americas, driving a CAGR of 8.9% in revenue. In contrast, EMEA and APAC recorded more moderate growth rates of 2.3% and 2.6%, respectively. APAC stagnated in 2024 following a sharp expansion, primarily due to the termination of several large-scale customer contracts (DHL, 2024a).

Going forward, the 3PL market offers a favorable foundation for DHL's growth ambitions, resulting in a projected revenue CAGR of 4.8% at segment level. Under its Strategy 2030, DHL

is shifting its focus towards high-growth verticals, including clinical trials, pharmaceuticals, and sustainable energy, which are integrated into dedicated platforms such as DHL Health Logistics and DHL New Energy Logistics. These sectors already represent 19.0% of newly acquired business, marking a strategic shift from pure e-commerce reliance (DHL, 2024c). Regionally, growth in the Americas is expected to slow to 4.7% CAGR due to tariff-related pressures. This reduction is anticipated to be offset by strong project pipelines in Europe (4.9%) and APAC (4.5%), which is expected to fuel growth in line with DHL's expectations.

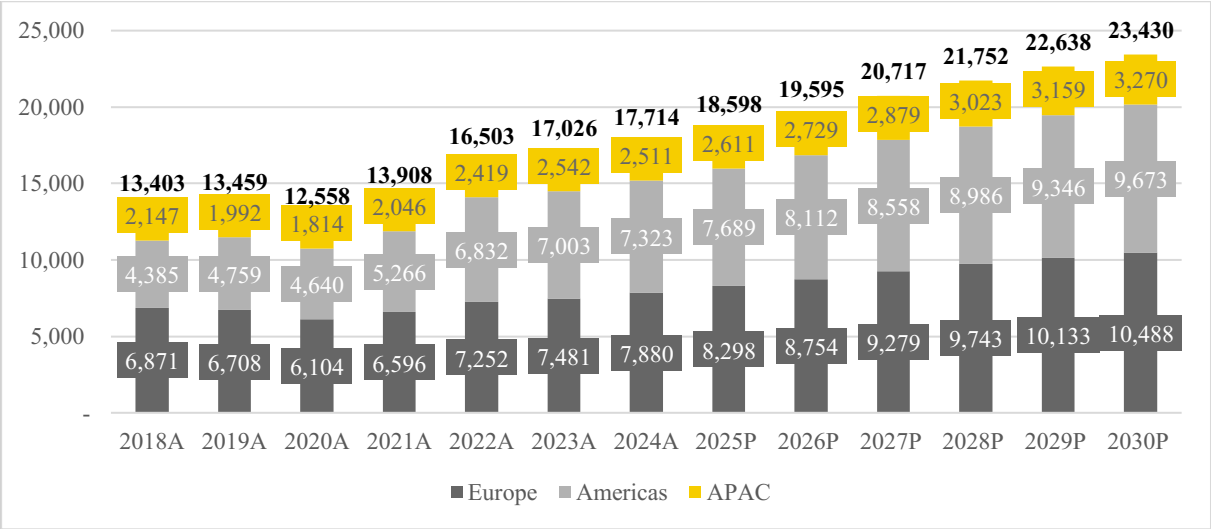


Figure 3 – Historical & Projected Revenue – Supply Chain

4.1.4 Revenue – eCommerce

DHL eCommerce recorded strong growth, with an acceleration during the pandemic, resulting in a historical CAGR of 10.5% across all regions. The earlier-described change in consumer behavior helped gain market share in the US, achieving a historical CAGR of 14.1%. Growth in Europe reached 9.9% per year, supported by several successful market entries. Although withdrawals from selected Asian markets weigh on historical performance, recent momentum has shifted, with Asia, primarily India, posting revenue growth of 9.1% in 2024.

Looking ahead, DHL aims to scale up its foothold in European countries, including Poland, the Czech Republic, and Turkey, offering growth through market penetration, reflected in a CAGR of 6.6% from 2025 onwards. In the Americas, growth is expected to remain at the lower end of the projected range, reflecting both intensified competitions, notably from Amazon's new end-to-end logistics offering, and uncertainty regarding tariff implications, reflected in a CAGR of 4.1%. Asia, driven by India, is projected to outpace the other regions, as DHL expects to benefit from ongoing governmental infrastructure investments, reflected in a CAGR of 7.2% until 2030

(DHL, 2024b). Total revenue is, therefore, expected to grow at a CAGR of 5.8% over the forecast period, slightly below DHL's expectations.

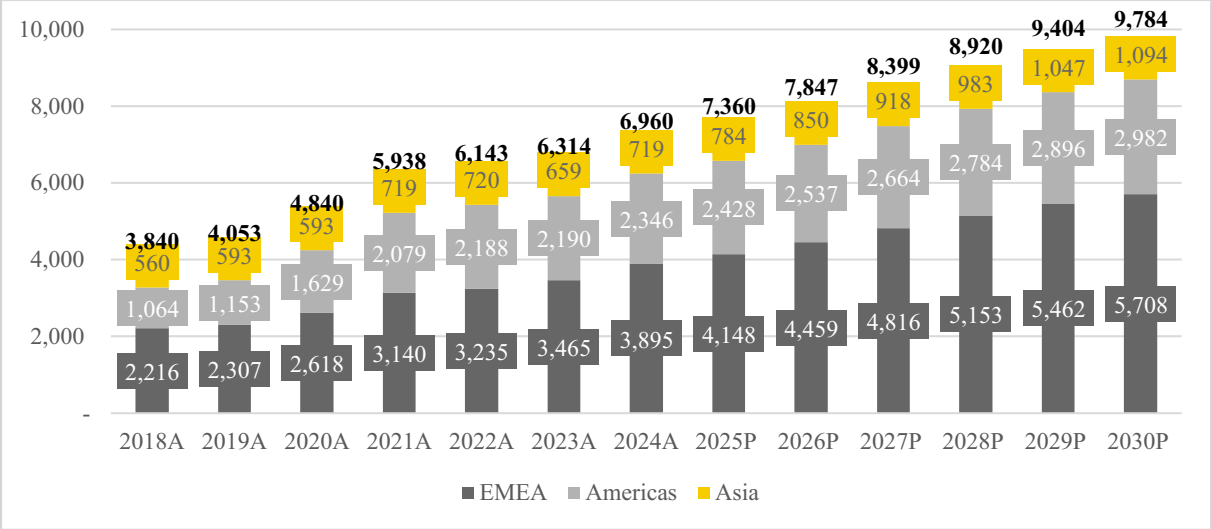


Figure 4 – Historical & Projected Revenue – eCommerce

4.1.5 Revenue – Post & Parcel Germany

Between 2018 and 2024, the P&P segment recorded moderate revenue growth at a CAGR of 2.3%. The development of mail and parcel operations diverged due to the contrasting market dynamics: Mail volumes declined at a compound annual rate of 6.1%, with revenue contracting by 4.6% annually. This trend intensified in 2023 and 2024, marking the second and third-largest annual decline in DHL's history. In contrast, the parcel segment demonstrated resilience, with volumes increasing at a CAGR of 3.4%. After a temporary plateau, parcel growth resumed in the past two years, driving revenue by 4.7% per year. Average prices for mail and parcels rose at a CAGR of 1.6% and 1.3%, respectively over the historical period.

Looking ahead, the volume outlook for the mail segment remains structurally negative, with no indications of stabilization. As the pace of volume decline has accelerated recently, it is forecasted to continue at an annual decline rate of 5.5%. This assumption is backed by the fact that Germany still records one of the highest per capita letter volumes in Europe, suggesting the remaining downside potential (Limite et al., 2024). The most recent price adjustment, at 8.5%, may help temporarily stabilize revenues; however, average letter prices are expected to remain virtually flat over the next four years. Another price adjustment is expected in 2028 at a magnitude of 6.0%, which would be in line with the regulatory cycle and considered likely

due to the structural disruptions. Consequently, revenue in the mail segment is expected to fall at a rate of 2.6% annually.

The parcel segment is assumed to continue its growth trajectory, having demonstrated resilience amid a challenging consumer environment. Looking forward, a potential recovery of the German economy is likely to further support volume expansion. An annual growth rate of 4.5% is forecasted in parcel volumes through 2030, in line with market estimates. In terms of pricing, the parcel business enjoys greater flexibility, as most of its services fall outside the regulatory oversight of the FNA, allowing DHL to adjust pricing more freely. Consequently, parcel prices are expected to grow slightly stronger than mail, contributing to a revenue CAGR of 7.3% until 2030. Other P&P value-adding services are expected to grow at a compound rate of 2.0% per year. Respectively, total P&P revenue is expected to grow at a CAGR of 2.8% until 2030.

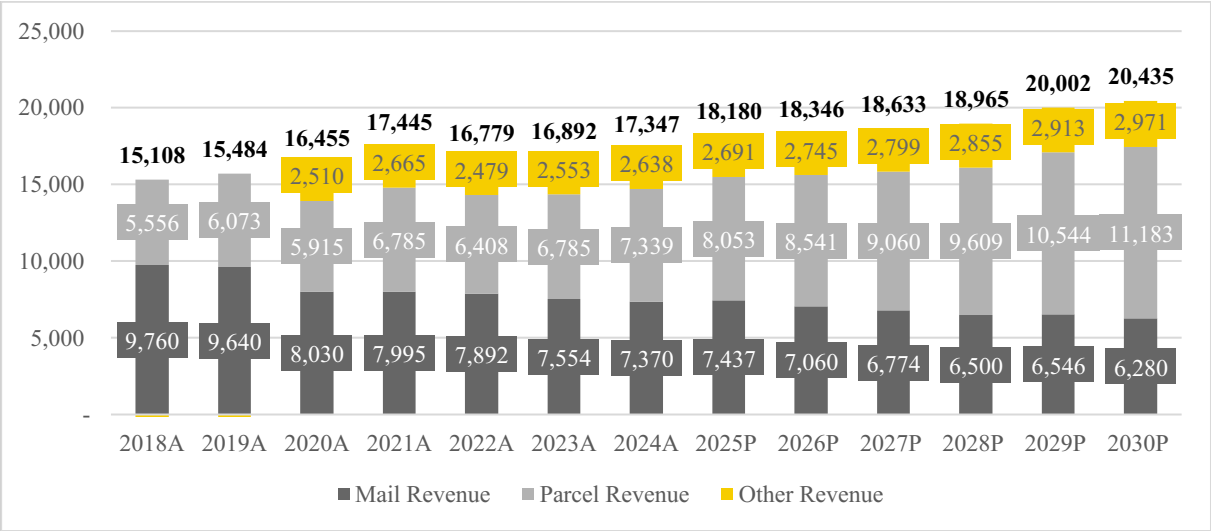


Figure 5 – Historical & Projected Revenue – P&P

Revenues - P&P	2018A	2019A	2020A	2021A	2022A	2023A	2024A	2025P	2026P	2027P	2028P	2029P	2030P
Mail Volume	17.820	17.367	14.260	14.216	14.122	13.316	12.232	11.376	10.693	10.159	9.651	9.168	8.710
Average Revenue per Unit	*0,55*	*0,56*	*0,56*	*0,56*	*0,56*	*0,57*	*0,60*	*0,65*	*0,66*	*0,67*	*0,67*	*0,71*	*0,72*
Parcel Volume	1.479	1.567	1.614	1.818	1.668	1.731	1.812	1.894	1.979	2.068	2.161	2.258	2.360
Average Revenue per Unit	*3,76*	*3,88*	*3,66*	*3,73*	*3,84*	*3,92*	*4,05*	*4,25*	*4,32*	*4,38*	*4,45*	*4,67*	*4,74*

Table 2 – Historical & Projected Volume and Price Development – P&P

4.2 Cost Base

The cost base is divided into the cost of goods sold (COGS), labor costs, other operating expenses (OpEx), and depreciation and amortization (D&A). COGS is projected using historical margin trends, with adjustments reflecting key drivers in each business unit. Labor costs are forecasted in two phases: through 2027, based on the number and average cost per employee, which is assumed to grow at 3.5% per year in line with yearly wage increases and

inflation. From 2028 onwards, following the completion of the efficiency campaign, the labor costs margin is expected to stabilize. OpEx is projected based on historical trends, adjusted for efficiency gains as outlined in the FFG strategy. The most common approach for forecasting D&A is a depreciation waterfall, which offers asset-level precision. Due to the absence of segment-level disclosures for PP&E in DHL's reporting, this method is not feasible. Given that D&A cannot be viewed independently but rather derived as a function of CapEx, projections are based on a CapEx/D&A ratio, assuming it will converge close to 1.0x in the long term as the company approaches a steady state.

4.2.1 Cost Base – Express

The main driver of COGS for the Express segment is kerosine prices. As average prices for kerosene sunk during 2024, the COGS margin decreased from 51.3% to 50.2% (DHL, 2024a). Due to the earlier described offsetting effect of increased jet fuel demand globally and increased oil output by OPEC+, only a marginal increase in kerosene prices is anticipated. Yet, DHL can fully surpass price fluctuation through fuel surcharges, which are considered an industry standard. It is, therefore, reasonable to assume the COGS margin to develop from 51.0% to 50.6% by 2030, in line with historical values.

In terms of labor costs, the segment experienced a strong increase in number of employees due to demand increase during the pandemic, rising from 93,550 in 2018 and peaking at 113,735 in 2022. Since then, the number has decreased at a compound annual rate of 2.0%, adjusting for lower volumes. Going forward, this decline is expected to continue at an annual rate of 1.1% until 2027 as Express volumes remain below the pandemic peak. Respectively, the labor costs margin is expected to decrease from 25.1% to 24.5% by 2027 and, afterward, remain flat.

OpEx historically remained relatively flat at 4.4% and 5.1% in 2023 and 2024, respectively. The extensive infrastructure with 22 air hubs globally results in a cost structure characterized by significant fixed expenses. While the FFG strategy does not focus on the Express division, the forecast still anticipates marginal optimization, which will reduce the OpEx margin to 4.7% by 2027. A constant margin is assumed thereafter.

Historically, the CapEx/D&A ratio has been between 1.7x and 2.3x, with a slight decrease in the last two years to 1.2x due to a reduction in investments. Going forward, it can be expected to see a return to higher ratios due to an increase in CapEx spending, explained in the subsequent

CapEx forecast. In the long run, the ratio is still expected to converge towards 1.1x by 2030, reflecting the maturity and asset utilization of the business.

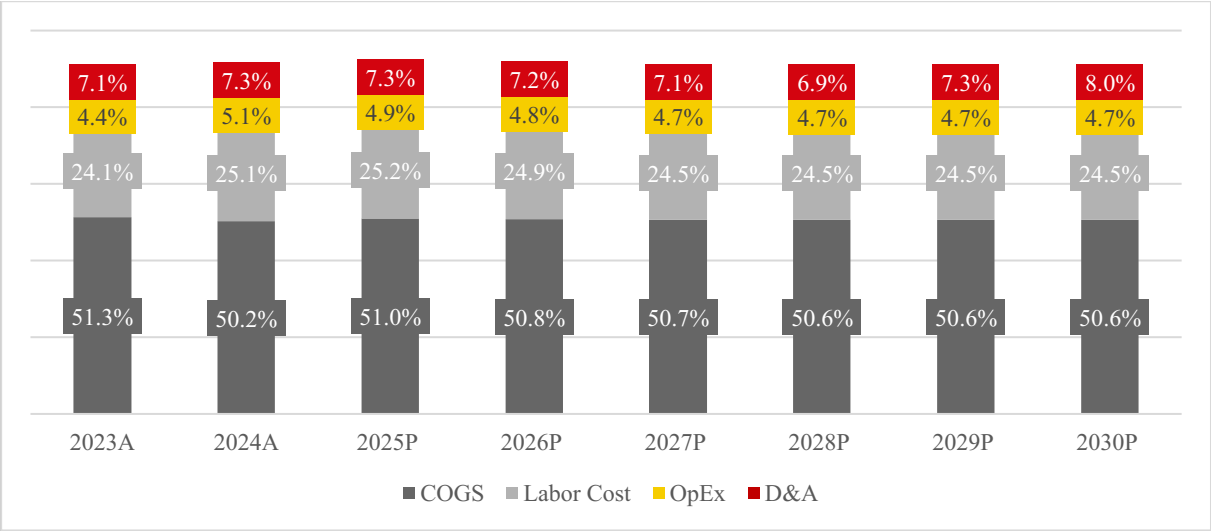


Figure 6 – Historical & Projected Cost Base – Express

4.2.2 Cost Base – Global Forwarding & Freight

COGS in GF&F primarily comprises expenses related to procuring transportation services from third-party carriers. In 2024, COGS increased slightly due to rising costs associated with handling and transit-related value-added services, which could not be passed on to customers. While a reduction for 2025 was anticipated, ongoing tariff uncertainties pose a risk to shipment volumes, limiting economies of scale. As a result, a conservative approach assumes that the COGS margin will decrease by only 0.1% per year over the forecast period from the current 79.2%, which was considered high by DHL itself (DHL, 2024a).

During the surge in demand in 2022, the segment expanded its workforce substantially to 46,718 staff. Since then, the headcount has been reduced at an annual compound rate of 1.2%. In alignment with the FFG strategy, downsizing is expected to continue at the same pace, with labor costs projected to stabilize at a margin of 13.1% in 2027, reflecting a leaner operational structure adjusted for demand levels.

Historically, OpEx has accounted for less than 0.5% of revenue and has shown minimal volatility. Given the asset-light nature of the segment's cost structure, OpEx is expected to remain flat throughout the forecast period.

The CapEx/D&A ratio has shown only minor fluctuations, ranging from 1.0x to 1.4x, in recent years. In the future, the ratio is anticipated to steadily converge towards 1.1x, consistent with

moderate investments in back-office infrastructure and equipment required to support operational efficiency.

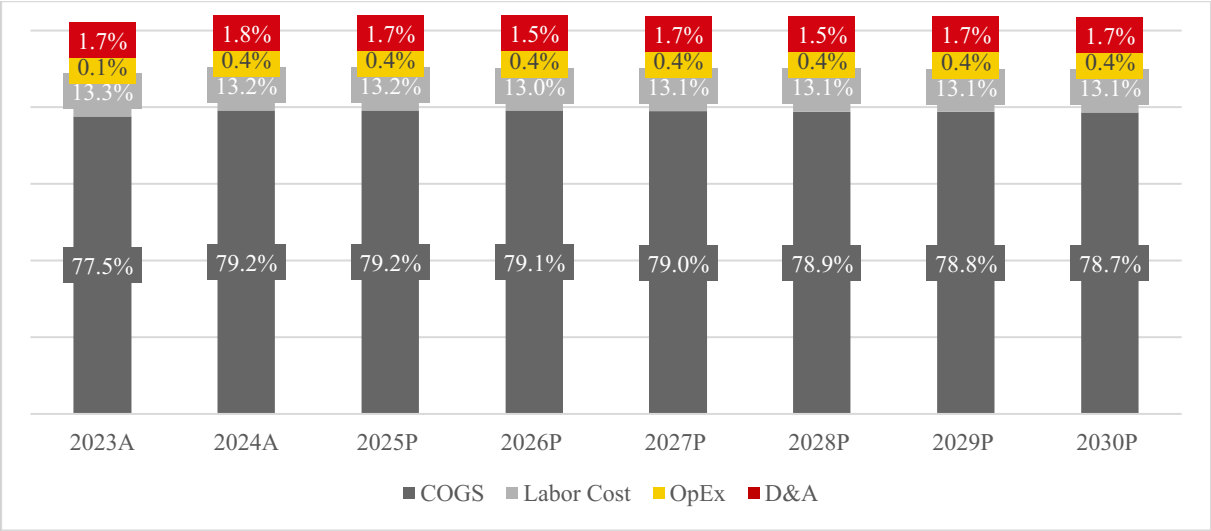


Figure 7 – Historical & Projected Cost Base – GF&F

4.2.3 Cost Base – Supply Chain

As Supply Chain provides a range of services, the specific components of COGS vary depending on the nature of the contract and services provided. DHL states that most costs are related to warehousing, like renting or leasing facilities and costs for running machinery on site (DHL, 2024a). The historical development shows a downward trend, which can be attributed to the increasing digitalization of the hubs. Assuming that these cost savings will continue to materialize in the future, a constant COGS ratio of 38.9% is forecasted until 2030.

The number of employees in the segment has shown consistent growth historically, particularly in 2021 and 2022, in response to strong revenue growth. Over the last two years, this momentum has cooled, with the workforce expanding at a more moderate CAGR of 1.9%. Going forward, a structural decline in headcount as part of the FFG strategy appears unlikely, as Supply Chain remains one of the Group's primary growth drivers. Also, 3PL, in its current phase of expansion, offers limited scalability in terms of labor costs efficiency. Therefore, the segment is expected to continue a measured hiring trajectory at a CAGR of 1.4% through 2027. As a result, the labor costs margin is forecasted to stabilize at 43.4% in 2027 from its current level of 43.9% and is assumed to remain flat afterward.

In recent years, OpEx has remained stable, accounting for 5.5% and 5.2% of revenue in 2023 and 2024, respectively. These expenses reflect the fixed costs related to its extensive fulfillment

network. To mitigate these, DHL invested in automation as well as robotics and modernized 91.0% of its facilities by the end of 2024 (DHL, 2024c). With most sites already upgraded, further efficiency improvements are expected to be marginal, and OpEx is projected to decline marginally to 5.0% by 2027, stabilizing thereafter.

Historically, the CapEx/D&A ratio has ranged between 1.2x and 1.7x, with a gradual normalization observed over the past two years at 1.4x and 1.5x, reflecting more moderate investment activities. Looking ahead, a continuation at 1.5x is expected until 2026, after which the ratio is expected to converge towards 1.1x by 2030, in line with an increased utilization of the asset base.

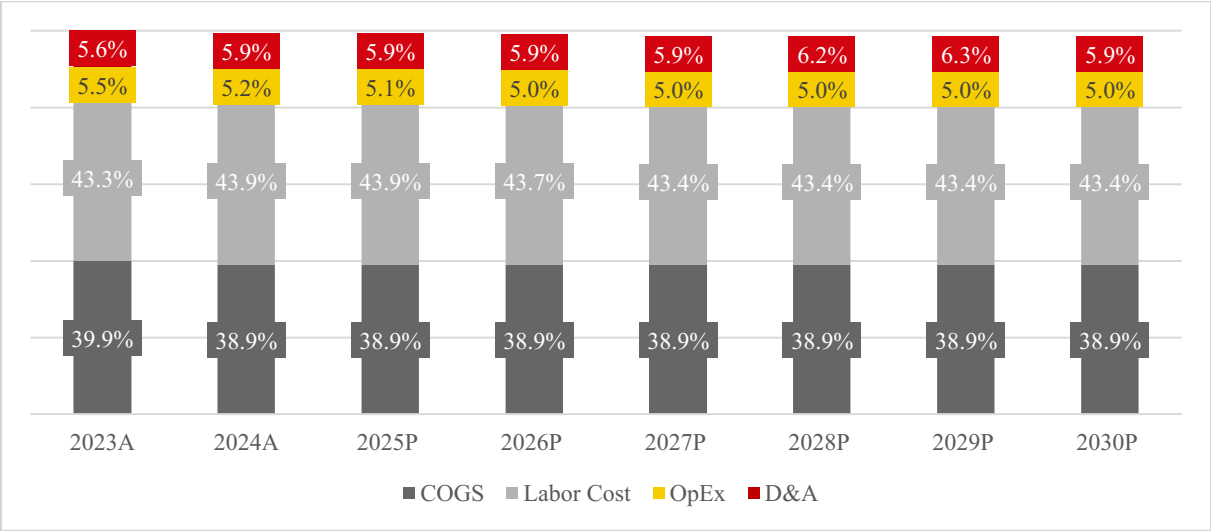


Figure 8 – Historical & Projected Cost Base – Supply Chain

4.2.4 Cost Base – eCommerce

COGS for eCommerce has remained stable in recent years, most recently accounting for 71.1% of revenue, reflecting direct costs associated with last-mile delivery services. Looking ahead, the segment is expected to benefit from increased network utilization and scale efficiencies as its market share expands across regions. As a result, a modest decline in the COGS margin to 70.7% is projected over the forecast period, reflecting operational leverage.

The segment has significantly expanded its workforce in recent years, increasing the headcount by nearly 30% since 2022 following multiple market entries. Although the headcount is projected to continue rising in line with business growth, the hiring pace is expected to slow considerably at a CAGR of 3.0%. As a result, labor costs are anticipated to remain in line with

the most recently reported margin of 17.6%, supported by scaling initiatives such as increased utilization of delivery networks, outlined in the division's strategy (DHL, 2024b).

OpEx has developed consistently in recent years without significant volatility. Given the Group's focus on disciplined cost control and process standardization, OpEx is expected to remain stable throughout the forecast period at 3.2% of revenue.

Historically, the CapEx/D&A ratio has fluctuated between 1.3x and 3.0x, largely driven by elevated capital spending to support market entries and infrastructure buildout. As the pace of investment normalizes, this ratio is expected to decline steadily to 1.1x by the end of the forecast period, reflecting the transition towards a more mature asset base with moderate reinvestment needs.

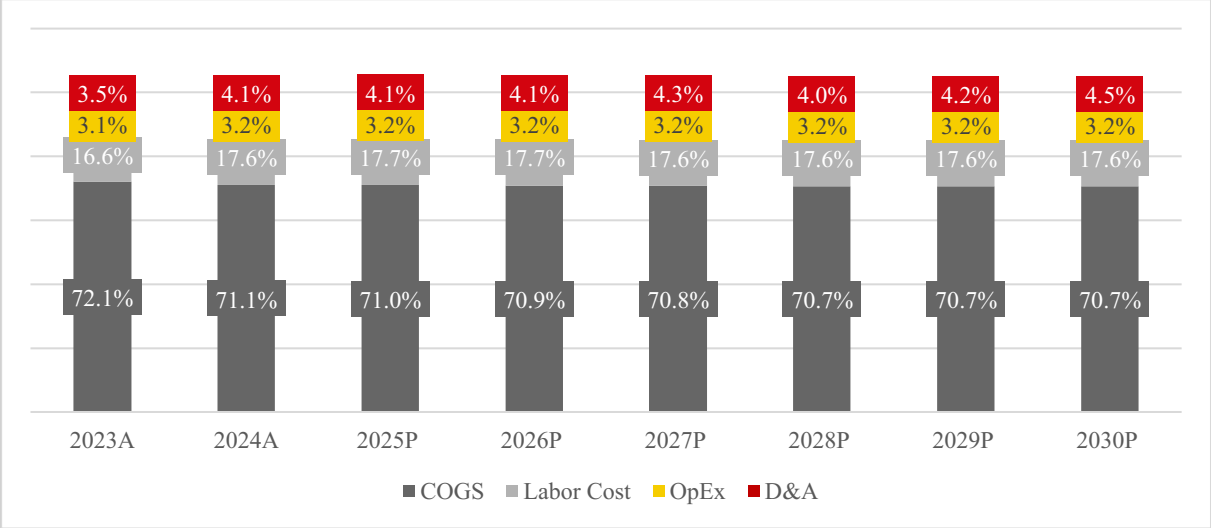


Figure 9 – Historical & Projected Cost Base – eCommerce

4.2.5 Cost Base – Post & Parcel Germany

COGS at P&P has remained stable in recent years, with line-haul transportation, warehousing, and last-mile delivery associated costs accounting for 35.0% of revenue on average. DHL's investments in network efficiency, particularly in self-collection parcel lockers have contributed to this stability in recent years. These measures are expected to further support cost control and help maintain stable margins in the future.

Following a peak in 2022, employee numbers have declined at a compound annual rate of 1.5% to 157,000 staff last year. In Q4 2024, DHL announced a workforce reduction of 8,000 P&P employees, as pricing adjustments alone were insufficient to preserve profitability (DHL, 2025). Going forward, headcount is forecasted to stabilize at around 150,000 employees, which

corresponds to a projected labor costs margin of 51.7%, reflecting the ongoing efforts to align headcount with anticipated volume development.

DHL's FFG strategy targets the digitalization of its legacy postal business. Yet, with most distribution centers already modernized, the potential for additional cost reductions appears limited (DHL, 2025). As a result, OpEx is forecasted to remain stable, with only a slight decline projected from 5.0% to 4.8% by the end of 2030.

The CapEx/D&A ratio has fluctuated between 1.4x and 3.1x in recent years, largely mirroring variations in CapEx, though not fully explained by it. Looking ahead, the ratio is expected to trend from its most recent level of 1.7x to 1.1x over the forecast horizon, reflecting lower capital intensity as investments stabilize and asset utilization improves.

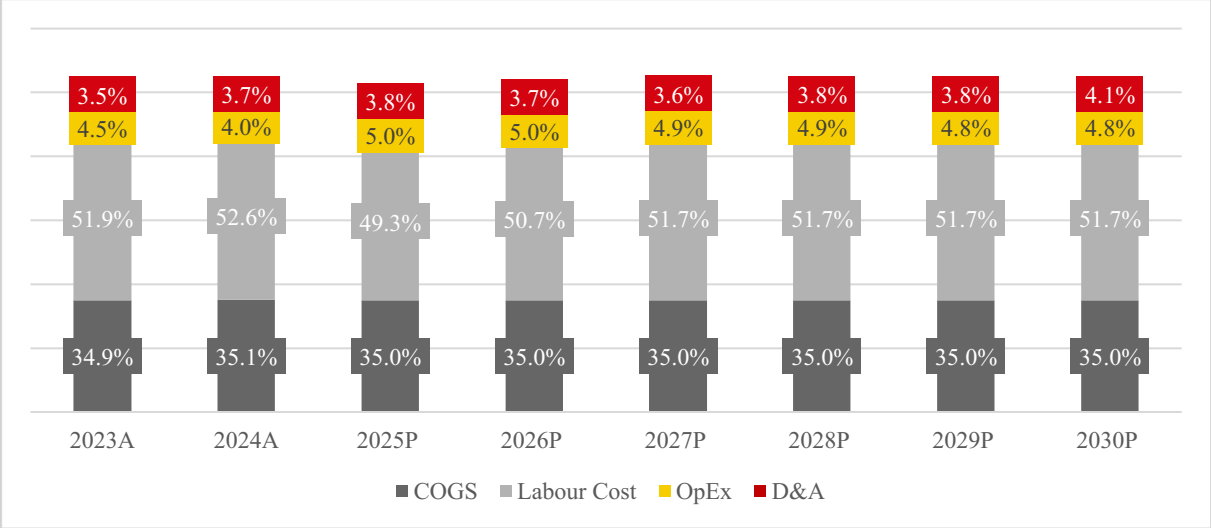


Figure 10 – Historical & Projected Cost Base – P&P

4.3 Corporate Functions & Consolidation

To handle central functions such as HR, Finance, and Legal, DHL operates a cost center, which performs tasks for all business units. Revenue of the cost center is forecasted based on the historical development, according to which it correlates with the revenue of the operating units. This correlation is also assumed for the future planning period, using a four-year rolling average.

The COGS and OpEx are projected to develop in line with historical averages. Labor costs are forecasted to decline moderately, reflecting the planned reductions in overlapping overhead functions as outlined in the FFG targets. The workforce is projected to decrease at a compound

annual rate of 1.3% until 2027, stabilizing thereafter. As a result, the EBIT margin is forecasted to improve from currently –23.1% to –22.0% by 2030.

Cost Center	2018A	2019A	2020A	2021A	2022A	2023A	2024A	2025P	2026A	2027A	2028A	2029A	2030A
Revenue	1.624	1.477	1.610	1.794	1.881	1.926	1.902	1.968	2.026	2.073	2.140	2.260	2.307
as % of revenue	2,6%	2,3%	2,3%	2,1%	1,9%	2,3%	2,2%	2,2%	2,2%	2,2%	2,2%	2,2%	2,2%
EBIT	(414)	(521)	(669)	(413)	(451)	(432)	(439)	(447)	(444)	(456)	(470)	(497)	(507)
% margin	*(25,5%)*	*(35,3%)*	*(41,6%)*	*(23,0%)*	*(24,0%)*	*(22,4%)*	*(23,1%)*	*(22,7%)*	*(21,9%)*	*(22,0%)*	*(22,0%)*	*(22,0%)*	*(22,0%)*

Table 3 – Revenue and EBIT Contribution – Cost Center

Consolidation items relate to revenue and serve to eliminate intra-group relationships, as revenue is reported unconsolidated at business unit level. Historically, this figure has remained consistent, ranging from 4.9% to 5.5% of revenue. Due to its stable development, its proportion was assumed to remain at a similar level based on a rolling average over the last four years.

Revenue Consolidation	2018A	2019A	2020A	2021A	2022A	2023A	2024A	2025A	2026A	2027A	2028A	2029A	2030A
Revenue	(3.491)	(3.343)	(3.674)	(4.334)	(4.601)	(4.484)	(4.501)	(4.867)	(4.999)	(5.171)	(5.406)	(5.583)	(5.728)
as % of revenue	*(5,7%)*	*(5,3%)*	*(5,5%)*	*(5,3%)*	*(4,9%)*	*(5,5%)*	*(5,3%)*	*(5,3%)*	*(5,3%)*	*(5,3%)*	*(5,3%)*	*(5,3%)*	*(5,3%)*

Table 4 – Revenue Consolidation

A reconciliation to the individual business units is not possible due to DHL's reporting standards.

4.4 Balance Sheet

DHL's operations are capital-intensive, yet differences in CapEx can be found among all segments. As a result, CapEx is forecasted on business unit level as a % of revenue. Following this, sustainable levels of operating working capital, as well as net debt, are determined.

4.4.1 CapEx – Express

The Express segment has the highest CapEx across all units, being the most capital-intensive business, owning 295 dedicated aircraft and corresponding infrastructure. Maintenance, as well as the expansion of its fleet, have been the main drivers, accompanied by investments in infrastructure such as air hubs. Historically, CapEx equaled 12.3% of revenue on average, with a notable peak in 2019 when DHL ordered 14 new planes at once (DHL, 2024a). Going forward, an increase in CapEx is projected, following the recent announcement by DHL to expand its fleet by eight new aircraft, reflected in CapEx of 11.6% and 10.8% for the next two years. After that, more moderate spending is anticipated, reaching 8.8% of revenue by 2030.

4.4.2 CapEx – Global Forwarding & Freight

As GF&F acts as an intermediary, CapEx is primarily attributed to investments in back-office equipment. Expenditures for IT infrastructure and other office technology are estimated based on a historical average of 1.8% of revenue, as no major investment needs were identified going forward.

4.4.3 CapEx – Supply Chain

DHL Supply Chain's CapEx strategy is primarily focused on maintaining and enhancing its fulfillment logistics network. Recent investments have been directed toward the construction of new fulfillment hubs and the digitalization of existing facilities, with 91.0% of these sites now updated (DHL, 2024c). Historically, CapEx has averaged 8.6% of revenue, exhibiting minor fluctuations over the years. This investment level is expected to continue through 2026 to support the forecasted growth. As the network expands, DHL anticipates significant economies of scale, leveraging the expansion of existing capacities rather than necessitating the construction of new facilities (DHL, 2024c). A gradual reduction in CapEx to 6.5% of revenue is, therefore, assumed until 2030.

4.4.4 CapEx – eCommerce

In the past, CapEx in eCommerce was utilized primarily to build and expand delivery networks, including a fleet, distribution centers, and related infrastructure. DHL states that the most intensive scale phase with multiple market entries lies behind the company, and it will focus on scaling operations in markets like Poland, Turkey, and India (DHL, 2024b). Therefore, a gradual decrease in CapEx spending is expected, from 7.0% to 5.0%, over the forecast horizon.

4.4.5 CapEx – Post & Parcel Germany

Historically, CapEx in the P&P segment has been directed towards the digitalization of sorting hubs, with a focus on robotics to improve operational profitability. During the pandemic, DHL accelerated the rollout of self-service infrastructure, expanding its network of autonomous parcel lockers to over 15,000 across Germany. This strategic expansion led to elevated CapEx levels ranging from 6.0% to 7.0% of revenue. As investments into both automation and last-mile self-service infrastructure are progressing, the segment is nearing the completion of its updating phase (DHL, 2025). CapEx is, therefore, expected to gradually decline, reaching a level of 4.0% by 2030.

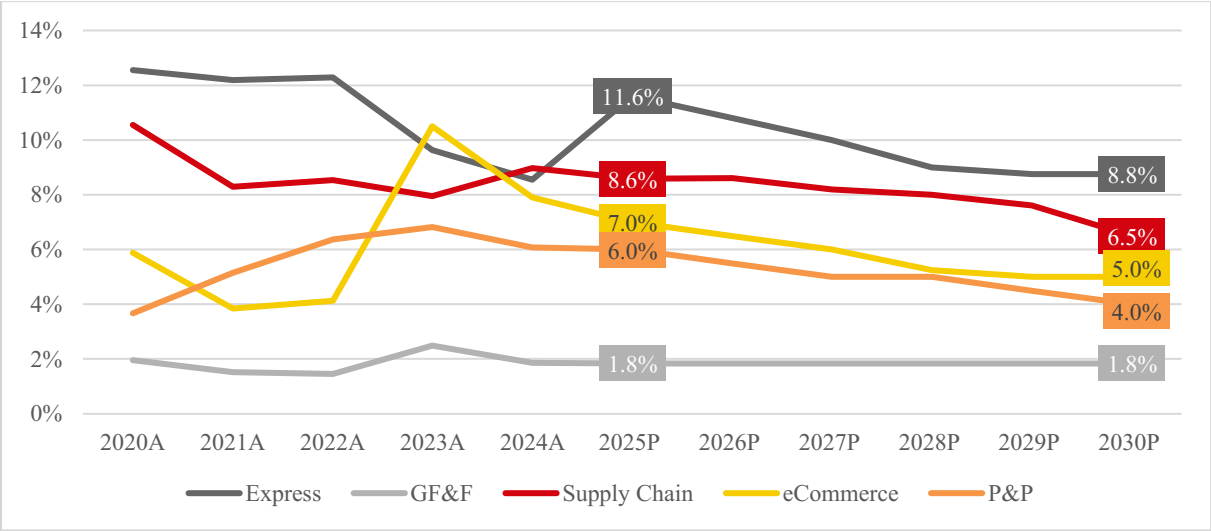


Figure 11 – Historical & Projected Capital Expenditure

4.4.6 Operating Working Capital

Operating Working Capital (OWC) refers to the difference between a company's current assets and current liabilities and, therefore, represents the liquidity available for ongoing business operations. When calculating the FCFF, the change in OWC is considered, as it indicates how much liquidity is tied up or released in the operating business. Typical positions include inventories, trade receivables, and payables.

Historically, the Group's OWC has developed at a stable rate in relation to revenue, a typical pattern for a company that is growing sustainably. For this reason, the forecast is based on a rolling average over the last five years.

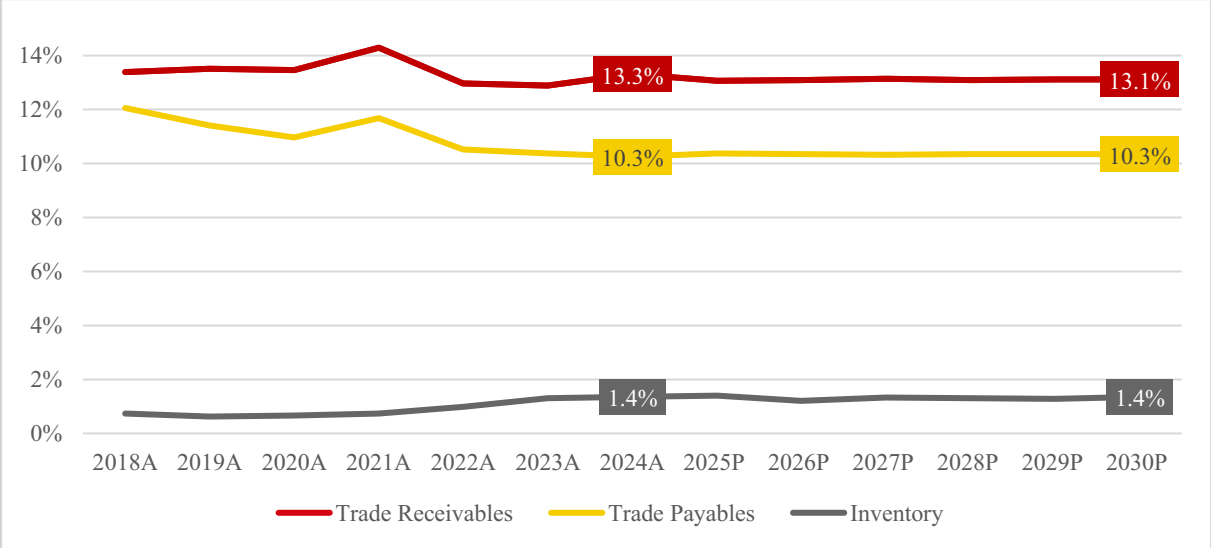


Figure 12 – Historical & Projected Operating Working Capital

Depending on the business model, additional balance sheet items may also be considered, as they can significantly impact short-term liquidity. For DHL, this includes items such as deferred tax assets and liabilities as well as deferred income. As each of these items amounted to less than 1.0% of DHL's revenue in the past, they are not shown in Figure 12 but were considered in the calculation of change in OWC.

As only a consolidated balance sheet for the entire Group exists, OWC items were distributed based on each business segment's revenue contribution, following the assumption that higher revenue levels require higher working capital.

4.4.7 Net Debt

The term "net debt" is not consistently defined and varies in the context of application. In this thesis, a distinction is made between two different contexts: First, net debt was used to determine the Group's target capital structure (named "Net Debt I" in the following). At DHL, debt positions essentially comprise current and non-current liabilities to banks, bonds issued, and lease liabilities, amounting to a book value of EUR 24,718 million and a market value of EUR 24,564 million. The derivation of the market values will be explained in more detail in section 4.1.1. On the assets side, cash and cash equivalents amount to EUR 3,619 million, of which EUR 1,429 million are attributable to countries with capital controls and not available for immediate repayment. To account for the restricted nature, it was assumed that these funds could be gradually recovered over ten years. Its present value was calculated by discounting the annual releases at a rate equal to the risk-free rate plus the average country risk premium of the jurisdictions in which the funds are held (China, Thailand, and India), equaling EUR 993 million. In addition, EUR 48m were excluded due to its non-controlling interest nature. As a result, EUR 3,135 million were included as cash and cash equivalents, resulting in EUR 21,429 million of Net Debt I. The analysis of the historical development showed that DHL has maintained a stable net debt ratio. Its continuation is also mentioned in financial statements and analyst reports and was therefore assumed (DHL, 2024a).

Secondly, net debt serves as a component in the reconciliation from EV to EqV (referred to as "Net Debt II"). This definition includes, besides traditional interest-bearing liabilities, debt-like and cash-like items that are not included in the EV. For DHL, this relates to unfunded pension obligations included at reporting value. Additionally, the annual report states liabilities of EUR 145 million resulting from the 2022 acquisition of Monta Group. Also, the company holds non-controlling interest in Bluedart Express Limited and DHL Sinotrans Limited. Each company's

earnings were capitalized based on a price/earnings peer multiple of 12.3x. Taking all these items into account, the consolidated Net Debt II amounts to EUR 26,854 million.

Balance Sheet Item	as reported	as recognized
Cash & Cash Equivalents	3.619	3.135
Lease Liabilities	(14.935)	(14.935)
ST & LT Debt	(9.783)	(9.629)
Total Net Debt I	**n/m**	**(21.429)**
Unfunded Pensions	(2.365)	(2.365)
Minority Interest	(237)	(2.915)
Liabilities from Acquisitions	(145)	(145)
Total Net Debt II	**n/m**	**(26.854)**

Table 5 – Net Debt I & II

5 Valuation of DHL Group

To begin with, the following valuation is based on a Gordon Growth DCF and an EV/EBIT multiple approach. The use of market multiples is appropriate, as there exists a selection of public comparable companies with similar business models. Yet, the SOTP approach increases complexity, as a more granular peer selection is required at segment level, which again reduces the availability of comparables. Furthermore, capital markets have experienced increased volatility in recent months, largely due to the macroeconomic environment. This volatility can influence the validity of market-based valuations, reflecting the existing uncertainty.

Under these circumstances, it is also reasonable to determine the intrinsic value of a company. DHL offers a comparatively transparent data and reporting basis, which enables a reliable forecast of financial figures. Nevertheless, it is essential to note that demand patterns for DHL services are closely tied to macroeconomic factors beyond the company's control, which can lead to significant fluctuations at any time. Consequently, the average value of the two valuation methods was used to determine the fair value, representing a combination of intrinsic and market-based valuation. For completeness, an exit multiple DCF is also presented, but not included in the final valuation. This approach assumes a complete sale of each business unit at the end of the forecast period, which is typically accompanied by a control premium and, therefore, results in higher valuations.

5.1 DCF Valuation

5.1.1 WACC

The calculation of the beta for each business unit was based on a peer group approach. For this purpose, five peer groups were formed, with allocation based on the average EBIT margin and CAGR over the last six years, as well as the respective market capitalization. The international nature of the business was also considered. As many logistics service providers operate in several of the five markets, the companies were allocated to the segment in which they are the most important competitor to DHL and generate a significant share of revenue.

Weekly returns of individual stocks and their corresponding benchmark indices over the past five years were retrieved from Refinitiv to calculate levered betas based on covariance analysis. Unlevered betas were then derived using market values of equity and debt, along with country-specific marginal tax rates. To determine the average unlevered beta of each peer group, weights were assigned based on market capitalization. This approach assumes that larger, more liquid companies with stable beta estimates represent the sector's systematic risk more accurately than smaller peers.

Peer Group - Express	Levered Beta	Debt / Equity	Tax Rate	Unleverd Beta
United Parcel Service Inc	1,21	27,4%	25,0%	1,00
FedEx Corp	1,38	40,0%	25,0%	1,06
TFI International Inc	1,42	35,5%	26,0%	1,12
Peer Group - GF&F	**Levered Beta**	**Debt / Equity**	**Tax Rate**	**Unleverd Beta**
DSV A/S	0,76	25,0%	22,0%	0,64
Kuehne & Nagel International AG	1,18	9,7%	25,0%	1,10
CH Robinson Worldwide Inc	0,93	15,1%	25,0%	0,84
XPO Inc	1,52	34,5%	25,0%	1,21
Peer Group - Supply Chain	**Levered Beta**	**Debt / Equity**	**Tax Rate**	**Unleverd Beta**
GXO Logistics Inc	1,65	63,6%	25,0%	1,12
Elanders AB	0,97	26,4%	20,6%	0,86
J B Hunt Transport Services Inc	1,24	12,3%	25,0%	1,14
Peer Group - eCommerce	**Levered Beta**	**Debt / Equity**	**Tax Rate**	**Unleverd Beta**
Bpost SA	0,91	48,3%	25,0%	0,67
PostNL NV	0,61	37,3%	25,8%	0,48
Oesterreichische Post AG	0,67	31,2%	23,0%	0,54
InPost SA	0,97	29,7%	19,0%	0,78
Peer Group - P&P	**Levered Beta**	**Debt / Equity**	**Tax Rate**	**Unleverd Beta**
MaltaPost plc	0,77	27,1%	35,0%	0,65

Table 6 – Peer Group Beta Computation

In the next step, unlevered betas were re-levered using DHL's target capital structure defined by market capitalization and net debt values as of 02.05.2025, and the respective marginal tax

rate. The resulting weighted beta of all five peer groups amounted to 1.18 and was benchmarked against DHL Group's observed stock beta of 1.09. The close alignment between the two supports the validity of the peer group selection, and consequently, the beta of 1.18 was used further on.

The current YTM of a ten-year German government bond was used as a proxy for the risk-free rate, trading at 2.45% as of 02.05.2025. Based on Germany's established economic strength and its credit rating, the country is considered one of the most reliable economies. As a result, its ten-year bond has a considerably low risk of default, making it a suitable proxy.

To determine the equity risk premium for DHL, weekly return data of the Euro Stoxx 50 index over the past five years were retrieved from Refinitiv, and its annualized market return was calculated. The choice of the Euro Stoxx 50 as the benchmark index is appropriate as DHL itself is a member of the index and generates approximately 60.0% of its revenue in Europe. An equity risk premium of 6.22% was derived by adjusting the annualized market returns for the risk-free rate. This premium was then applied in the CAPM formula to determine the cost of equity for each business unit:

	Express	GF&F	Supply Chain	eCommerce	P&P
Risk-free Rate	2,45%	2,45%	2,45%	2,45%	2,45%
Market Excess Return	6,22%	6,22%	6,22%	6,22%	6,22%
Peer Group Beta (re-levered)	1,37	0,92	1,38	0,99	0,87
Cost of Equity	**10,97%**	**8,15%**	**11,02%**	**8,59%**	**7,85%**

Table 7 – Cost of Equity Computation

The cost of debt was calculated based on the company's liabilities traded on the capital market. The Group currently has twelve outstanding bonds with a total volume of EUR 8,750 million, which trade at a volume-weighted average YTM of 2.98%. This value represents a reliable estimate of the effective borrowing costs, as it reflects current creditworthiness under market expectations.

To validate this figure, the approach proposed by Damodaran (2023) was also used, in which the borrowing costs are calculated using a default spread on the risk-free rate. According to the rating agencies Fitch and Moody's, DHL has investment-grade ratings of A- and A2, which correspond to default spreads of 0.85% and 0.95%, respectively. Adding the average to the risk-free rate of 2.45% results in an estimated cost of debt of 3.35%. This value is slightly higher than the rate derived from public data but confirms its order of magnitude. Going forward, debt cost of 2.98% was considered, based on market data.

As DHL does not explicitly state the cost of leasing, it was approximated by dividing the leasing-related interest expenses of EUR 668 million by its outstanding leasing liabilities of EUR 14,935 million as of 2024, resulting in cost of leasing of 4.47%.

In the final step of the WACC calculation, market values of the Group's equity and debt were determined. The company's market capitalization as of 02.05.2025, equal to EUR 45,816 million, was used as the market value of equity. On the debt side, DHL Group holds publicly traded bonds and non-public bank loans totaling EUR 9,783 million. The market value of the bonds was determined by discounting them at their respective YTMs, resulting in EUR 8,556 million. The bank loans were consolidated into a single hypothetical bond, with an effective coupon derived from total interest paid and a weighted average maturity. Discounted at the borrowing cost of 2.98%, this yields a fair value of EUR 1,073 million. Combined, this results in a total market value of EUR 9,629 million for interest-bearing debt. To calculate net debt, cash and cash equivalents of EUR 3,135 million were deducted. Additionally, lease liabilities of EUR 14,935 million were included at their IFRS 16 carrying amounts. While lease liabilities are part of Net Debt I, they were treated separately in the WACC computation to account for the differing costs of debt and leasing.

Based on these inputs, the WACC was determined individually for each business unit as follows:

	Express	GF&F	Supply Chain	eCommerce	P&P
Equity / Total Capital	68,1%	68,1%	68,1%	68,1%	68,1%
Lease Liabilities / Total Capital	22,2%	22,2%	22,2%	22,2%	22,2%
Net Debt (excl. Leasing) / Total Capital	9,7%	9,7%	9,7%	9,7%	9,7%
Cost of Equity	10,97%	8,15%	11,02%	8,59%	7,85%
Cost of Leasing (After Tax)	3,13%	3,13%	3,13%	3,13%	3,13%
Cost of Debt (After Tax)	2,08%	2,08%	2,08%	2,08%	2,08%
WACC	**8,37%**	**6,45%**	**8,41%**	**6,75%**	**6,25%**

Table 8 – Weighted Average Cost of Capital Computation

5.1.2 Free Cash Flow

FCFF was calculated based on the forecasts presented in Chapter 3. The starting point for the calculation is EBIT, which serves as the basis for taxation, resulting in the net operating profit after taxes (NOPAT). To derive the FCFF, CapEx, and changes in OWC were deducted. As a non-cash expense, D&A was added back. The annual cash flows were discounted using the previously determined WACC to calculate the present value for each business unit. The

following table shows the computation of FCFF at group level. Detailed calculations for each business unit can be found in the Appendices 4 to 8.

Consolidated FCFF	2023A	2024A	2025P	2026P	2027P	2028P	2029P	2030P
EBIT (excl. Cost Center)	6.775	6.328	6.818	7.117	7.437	7.730	7.879	8.027
Tax Rate	27,7%	28,7%	29,0%	29,5%	30,0%	30,0%	30,0%	30,0%
NOPAT	4.896	4.514	4.841	5.017	5.206	5.411	5.515	5.619
(+) Depreciation & Amortization	3.871	4.161	4.274	4.375	4.556	4.716	5.081	5.356
(-) CapEx	6.038	5.705	6.538	6.441	6.272	6.098	6.061	5.892
(+/-) Δ Operating Working Capital	409	638	(267)	71	308	14	161	88
Free Cash Flow To Firm	**2.320**	**2.332**	**2.844**	**2.881**	**3.182**	**4.015**	**4.374**	**4.995**
Stub	-	-	0,2	-	-	-	-	-
Discount Period	-	-	0,1	0,7	1,7	2,7	3,7	4,7
PV of Free Cash Flow To Firm	**-**	**-**	**471**	**2.744**	**2.813**	**3.296**	**3.334**	**3.536**

Table 9 – Consolidated Free Cash Flow to Firm Computation

Since the valuation was conducted as of 31.10.2025, a stub period adjustment was necessary to reflect the fact that a portion of the first forecast year's cash flows have already been realized at the date of the valuation. Additionally, the mid-year convention was applied when discounting cash flows to reflect the assumption that cash is generated evenly throughout the year, rather than at the end.

5.1.3 Terminal Value

The TGR and the exit multiple approach, described in Chapter 1.1.1, were used to determine the TV of each business unit. In the former method, the TGR reflects the long-term growth rate with which the company is expected to continue growing after the end of the explicit planning period. The inflation target of the European Central Bank (ECB), currently standing at 2.0%, serves as a lower limit for the TGR (ECB, 2025). An upper limit for DHL results from its close interdependence with the global economy and, thus, with the expected growth of GDP in G20 economies, where DHL earns most of its cash flows. According to OECD estimates, real GDP growth is forecasted at 1.23% CAGR until 2060 (OECD, 2024). To convert this into a nominal growth rate, long-term inflation of 2.0% was added, resulting in a rate of 3.23%. The individual drivers for the TGR of each business unit are specified below.

Express is expected to achieve the highest TGR at 2.5%, as the segment is expected to grow robustly despite its maturity. Continued high demand for time-critical shipments suggests that growth will also exceed that of other units in the long run.

GF&F is at the lower end of the scale at 2.0%. The segment is heavily dependent on global trade and has been growing only slightly above the rate of inflation for years while offering

little margin upside potential. Compared to the other segments, a conservative assumption is therefore appropriate.

eCommerce and Supply Chain are each expected to grow by 2.25% each. Although the eCommerce segment appears more dynamic than 3PL, it is subject to stronger competitive pressures. Yet, both business divisions are showing structural growth momentum due to changes in consumer behavior and outsourcing of logistics processes.

P&P's structurally declining mail business makes it a special case, as growth in the parcel segment, which is comparable to that of eCommerce, is partially offset by shrinking mail volumes. To reflect this, a discount of 0.75 p.p. is applied relative to eCommerce, resulting in the lowest TGR of all segments at 1.5%.

Using the TGR approach, a TV of EUR 94,762 million was calculated. After discounting it with the WACC and adding the present value of the forecasted cash flows, this resulted in an EV of EUR 83,622 million for the operational units. To value the cost center, implied EV/EBIT multiples were calculated for each business unit and weighted to derive a group-wide implied multiple of 12.7x. Applying this multiple to the cost center's EBIT yields an EV of EUR -5,673 million, resulting in a total group EV of EUR 77,948 million.

	EBIT 2025P	Enterprise Value	Implied EV/EBIT
Express	2.982	35.609	11,9x
GF&F	1.125	18.858	16,8x
Supply Chain	1.151	13.390	11,6x
eCommerce	291	4.125	14,2x
P&P	1.270	11.640	9,2x
Enterprise Value (excl. Cost Center)		**83.622**	
Group Multiple (EBIT-weighted)			12,7x
Cost Center	(447)	(5.673)	
Enterprise Value (incl. Cost Center)		**77.948**	

Table 10 – Enterprise Value Derivation – TGR Approach

Using the exit multiple method, the TV was calculated by multiplying the EBIT of the final forecast year by its respective peer group EBIT multiple, which will be presented in more detail in Chapter 4.2. Based on this approach, a TV of EUR 101,097 million was derived for the operational units. As for the previous method, the EV of the cost center was estimated by applying the EBIT-weighted Group multiple of 11.9x, resulting in a total group EV of EUR 80,406 million at present value.

As anticipated, the valuation is higher using the exit multiple approach than the TGR model due to the inclusion of a control premium, which is not recognized in the Gordon Growth Method.

5.2 Relative Valuation

In addition to determining the intrinsic EV, a comparable company analysis was carried out. As explained in Chapter 1.2, this approach assumes that comparable companies with similar operational and financial characteristics should trade at similar valuations. Five peer groups were defined to identify suitable, comparable companies whose selection criteria were described in Chapter 4.1.1. A 12-month forward EV/EBIT multiple was used as it reflects the expected operating result after D&A, given the asset-intensive nature of the logistics sector, where CapEx has a significant impact on earnings. While D&A can be influenced by management through assumptions about useful lifetime and other window-dressing techniques, EV/EBIT is considered an appropriate long-term cash flow proxy, as D&A and CapEx are expected to converge for most peers over time.

Peer Group Multiples	EBIT 2025P	Enterprise Value	EV / EBIT Multiple
Express	2.982	33.582	11,3x
GF&F	1.125	16.622	14,8x
Supply Chain	1.151	17.721	15,4x
eCommerce	291	3.890	13,4x
P&P	1.270	8.986	7,1x
Enterprise Value (excl. Cost Center)		**80.801**	
Group Multiple (EBIT-weighted)			11,9x
Cost Center	(447)	(5.292)	
Enterprise Value (incl. Cost Center)		**75.508**	

Table 11 – Enterprise Value Derivation – Multiples Approach

The relative valuation yields an EV of EUR 80,801 million for the operational units. Consistent with the prior methodology, the cost center was valued using the EBIT-weighted Group multiple of 11.9x, resulting in a group EV of EUR 75,508 million.

5.3 Implied Share Price

After the EV of the individual divisions was derived in the previous chapters, the EqV and the resulting share price were determined. The basis for this is the equity bridge explained in Chapter 3.4.7, referred to as Net Debt II:

Implied Share Price	DCF (TGR)	DCF (Exit Multiple)	EV / EBIT Multiple
Implied Enterprise Value	77.948	80.406	75.508
Net Debt II	(26.854)	(26.854)	(26.854)
Implied Equity Value	51.094	53.551	48.654
Price per Share	**€ 43,8**	**€ 45,9**	**€ 41,7**

Table 12 – Implied Share Price

As of 01.05.2025, DHL Group had 1,166 million outstanding shares, resulting in a share price of EUR 43.8 and EUR 45.9 using the DCF approaches and EUR 41.7 for the multiples approach.

5.4 Sensitivity Analysis

After calculating the implied share prices, a sensitivity analysis was conducted to test the robustness of the results. While detailed sensitivity analyses at segment level are presented in Appendices 9 to 13, this section focuses on the group-level effects to understand how changes in key assumptions influence the overall share price of DHL.

First, the DCF approach using the Gordon Growth Method was tested by varying both the WACC and the TGR. The resulting share price range spans from EUR 35.0 to EUR 55.8 per share, which equals a range of 59.4%:

	-0,4%	-0,2%	Group WACC	+0,2%	+0,4%
-0,4%	€ 44,7	€ 42,0	€ 39,5	€ 37,2	€ 35,0
-0,2%	€ 47,2	€ 44,3	€ 41,6	€ 39,1	€ 36,8
Group TGR	€ 49,8	€ 46,7	**€ 43,8**	€ 41,1	€ 38,7
+0,2%	€ 52,7	€ 49,3	€ 46,2	€ 43,4	€ 40,7
+0,4%	€ 55,8	€ 52,2	€ 48,8	€ 45,7	€ 42,9

Table 13 – Sensitivity Analysis – TGR Approach

Similarly, the multiples-based valuation was analyzed by testing the sensitivity of the final-year EBIT against changes in the applied exit EBIT multiple, resulting in a price range from EUR 35.0 to EUR 48.6 per share, equaling a difference of 38.9%:

	-2,0%	-1,0%	Group EBIT	+1,0%	+2,0%
-1,0x	€ 35,0	€ 35,6	€ 36,2	€ 36,8	€ 37,4
-0,5x	€ 37,7	€ 38,3	€ 39,0	€ 39,6	€ 40,2
Group Multiple	€ 40,4	€ 41,0	**€ 41,7**	€ 42,3	€ 43,0
0,5x	€ 43,1	€ 43,7	€ 44,4	€ 45,1	€ 45,8
1,0x	€ 45,7	€ 46,5	€ 47,2	€ 47,9	€ 48,6

Table 14 – Sensitivity Analysis – Multiples Approach

The exit multiple approach was also sensitized but will not be further examined in this context as it does not contribute to the final target price of DHL.

5.5 Valuation Results

The final price on the valuation date of 31.10.2025 was calculated from the average value of the DCF using the TGR and the EBIT multiple approach. This amounts to EUR 42.8, which corresponds to an upside of 12.0% compared to the share price of EUR 38.2 as of 02.05.2025. Considering the macroeconomic risks discussed in this thesis, a HOLD recommendation is issued. Although the impact of protectionist measures has been incorporated into the valuation, the tariff environment remains highly dynamic. Given the potential for further escalation, the identified upside of 12.0% is deemed insufficient to justify a BUY recommendation under current conditions.

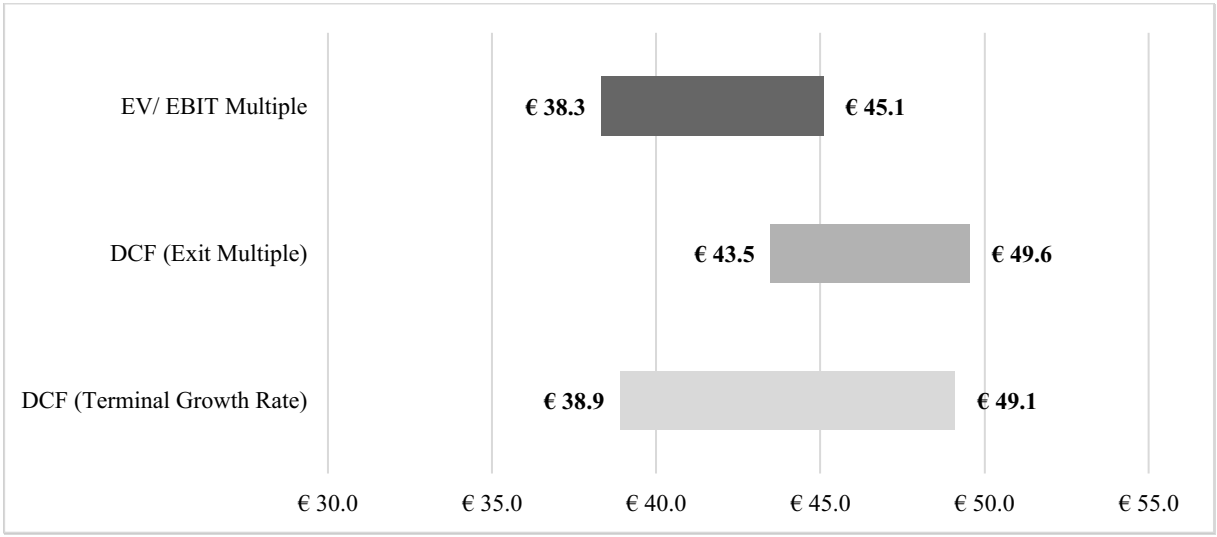


Figure 13 – Valuation Summary

Remarkably, the EV/EBIT approach resulted in a slightly lower valuation of EUR 41.7 compared to EUR 43.8. While a difference of 5.0% is not substantial, particularly given the DCF's sensitivity to WACC and TGR it may nonetheless indicate that the market currently applies a discount to DHL's equity value due to the macroeconomic uncertainties. This interpretation is supported by the observation that, following the valuation cutoff date of 02.05.2025, DHL's share price recovered to as high as EUR 39.7, coinciding with a period of reduced media attention on new tariffs throughout May.

A conglomerate discount was not applied for various reasons. First, DHL is actively addressing efficiency problems, which typically occur in diversified groups, as part of its FFG strategy.

This includes the reduction of overlapping back-office structures and standardizing the group-wide legal structure. Many of these measures were quantified as part of this thesis and integrated into the valuation. Adding to this, the Group's broad positioning, particularly its expansion into B2C logistics over the last five to ten years, has proven to be advantageous. In an increasingly volatile and complex market environment, this diversification can prove to be a strategic advantage over less diversified competitors.

6 Comparison to Benchmark Reports

To conclude, the valuation result of this thesis was benchmarked against two equity research reports. The first is a report by Barclays dated 13.11.2024, which used an SOTP approach based on EV/EBIT multiples, yielding a target price of EUR 37.50 (Limite et al., 2024). Secondly, an analysis by HSBC dated 05.11.2024 was included, which yielded a target price of EUR 45.00 using a DCF (Jain et al., 2024). Based on the share price at the time of publication, both analyses stated upside potentials of 7.6% and 25.6%, respectively.

A comparison with the Barclays approach reveals three key differences: (1) the selection of peer groups for the eCommerce and P&P segments, (2) the Net Debt II definition, and (3) the application of a conglomerate discount.

(1) In the peer group selection, Barclays included several postal service providers for the P&P segment that have a significantly lower share of traditional mail business than P&P while at the same time higher international shipping exposure. Although it is stated that the multiples used have been adjusted for International Delivery Services (IDS), it is unclear how this adjustment was made, particularly since EBIT can be adjusted comparatively easily. However, more assumptions would be necessary for the EV, indicating a rough simplification.

(2) In addition, the Net Debt II of EUR 21,497 million used by Barclays is significantly lower than the figure of EUR 26,854 million derived in this thesis. A detailed breakdown of the items is not provided.

(3) Barclays justifies the application of a conglomerate discount by citing the Group's complex corporate structure. According to their analysts, a potential unbundling could unlock additional value. Without applying this discount, the target price would have been EUR 47.00.

The HSBC valuation methodology also differs in two main points: (1) the valuation approach at group level and (2) the underlying WACC components.

(1) HSBC did not perform the DCF on a business unit level but at a group level. Given the differing risk profiles of the individual business segments, this approach appears critical, as shown in this thesis. This is also evident in the (2) WACC parameters themselves, which deviate from the calculations made in this study: the selected market risk premium of 4.5% is significantly lower than the excess return of the Euro Stoxx 50 at 6.2%. The risk-free rate of 3.75% also exceeds the 2.45% used in this thesis. In addition, a flat sector beta of 1.1 is used, differing from the computed peer beta of 1.18 in this thesis. The resulting WACC of 8.0% is 0.4 p.p. higher than the EV-weighted Group WACC of 7.6% calculated in this study. Further analysis of the assumed cost of debt and leasing is not possible as HSBC does not disclose this information.

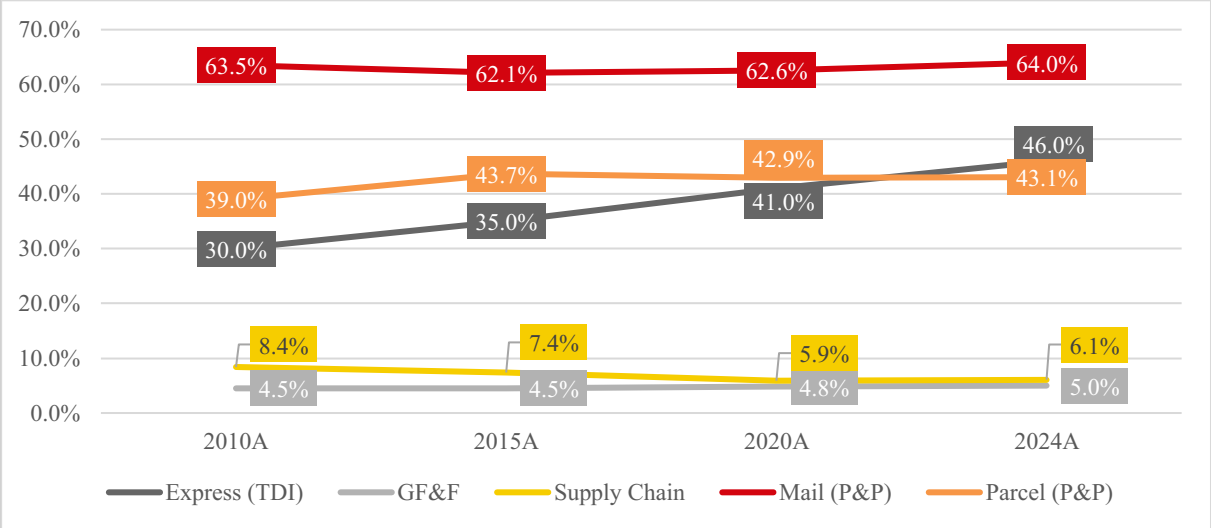
Relevant differences between the two analyst reports and this study were also identified regarding the forecasts, with two aspects standing out:

(1) Both Barclays and HSBC assumed a constant value for the cost center's EBIT over the entire planning period. However, this assumption overlooks the correlation between Group revenue and central costs, as demonstrated in Chapter 4.3.

(2) In addition, the staff reduction of 8,000 jobs in the P&P segment was not considered by either bank, as this was communicated publicly after the reports were published. Accordingly, the EBIT of P&P is significantly lower in both analyses than in this thesis.

7 Appendix

Appendix 1 – Development of DHL Market Shares 2010A – 2024A



Appendix 2 – Condensed Balance Sheet

	2023A	2024A	2025P	2026P	2027P	2028P	2029P	2030P
Trade receivables	10.537	11.198	11.348	11.775	12.261	12.574	13.079	13.452
% of revenue	*12,9%*	*13,3%*	*13,1%*	*13,1%*	*13,1%*	*13,1%*	*13,1%*	*13,1%*
Inventory	1.061	1.146	1.217	1.092	1.236	1.261	1.281	1.385
% of revenue	*1,3%*	*1,4%*	*1,4%*	*1,2%*	*1,3%*	*1,3%*	*1,3%*	*1,4%*
Income tax assets	663	616	534	647	642	647	692	703
% of revenue	*0,8%*	*0,7%*	*0,6%*	*0,7%*	*0,7%*	*0,7%*	*0,7%*	*0,7%*
Current Assets	**12.261**	**12.960**	**13.099**	**13.515**	**14.138**	**14.482**	**15.052**	**15.539**
Trade payables	8.479	8.635	9.025	9.304	9.630	9.937	10.314	10.602
% of revenue	*10,4%*	*10,3%*	*10,4%*	*10,3%*	*10,3%*	*10,3%*	*10,3%*	*10,3%*
Income tax liabilities	449	350	391	425	416	438	457	564
% of revenue	*0,5%*	*0,4%*	*0,5%*	*0,5%*	*0,4%*	*0,5%*	*0,5%*	*0,6%*
Deferred income	275	298	264	298	308	309	327	335
% of revenue	*0,3%*	*0,4%*	*0,3%*	*0,3%*	*0,3%*	*0,3%*	*0,3%*	*0,3%*
Current Liabilities	**9.203**	**9.283**	**9.680**	**10.027**	**10.353**	**10.684**	**11.098**	**11.501**
Δ Operating WC	**(397)**	**(619)**	**259**	**(69)**	**(298)**	**(13)**	**(156)**	**(85)**

Appendix 3 – Condensed Income Statement

	2023A	2024A	2025P	2026P	2027P	2028P	2029P	2030P
Revenue - Express	24.846	25.134	25.569	26.426	27.486	28.308	29.390	30.376
Revenue - GF&F	19.305	19.649	20.117	20.773	21.129	21.352	21.672	21.959
Revenue - SC	16.958	17.693	18.598	19.595	20.717	21.752	22.638	23.430
Revenue - eCom	6.315	6.962	7.360	7.847	8.399	8.920	9.404	9.784
Revenue - P&P	16.892	17.347	18.180	18.346	18.633	18.965	20.002	20.435
Revenue - Central Costs	1.926	1.902	1.968	2.026	2.073	2.140	2.260	2.307
Revenue - Consolidation	(4.484)	(4.501)	(4.867)	(4.999)	(5.171)	(5.406)	(5.583)	(5.728)
Revenue - Group	**81.758**	**84.186**	**86.925**	**90.014**	**93.266**	**96.032**	**99.783**	**102.563**
%growth		*3,0%*	*3,3%*	*3,6%*	*3,6%*	*3,0%*	*3,9%*	*2,8%*
COGS - Express	(12.754)	(12.623)	(13.040)	(13.424)	(13.936)	(14.324)	(14.871)	(15.370)
COGS - GF&F	(14.965)	(15.560)	(15.930)	(16.429)	(16.689)	(16.845)	(17.076)	(17.280)
COGS - SC	(6.773)	(6.883)	(7.235)	(7.623)	(8.059)	(8.462)	(8.807)	(9.115)
COGS - eCom	(4.555)	(4.948)	(5.226)	(5.564)	(5.946)	(6.306)	(6.649)	(6.917)
COGS - P&P	(5.890)	(6.081)	(6.363)	(6.421)	(6.522)	(6.638)	(7.001)	(7.152)
COGS - Central Costs	(1.385)	(1.556)	(1.513)	(1.557)	(1.594)	(1.645)	(1.737)	(1.773)
COGS - Consolidation	4.484	4.501	4.867	4.999	5.171	5.406	5.583	5.728
Gross Profit	**39.920**	**41.036**	**42.485**	**43.995**	**45.691**	**47.218**	**49.226**	**50.684**
%margin	*48,8%*	*48,7%*	*48,9%*	*48,9%*	*49,0%*	*49,2%*	*49,3%*	*49,4%*
Labor costs - Express	(5.995)	(6.317)	(6.440)	(6.585)	(6.748)	(6.950)	(7.215)	(7.457)
Labor costs - GF&F	(2.573)	(2.589)	(2.649)	(2.709)	(2.772)	(2.801)	(2.843)	(2.881)
Labor costs - SC	(7.335)	(7.772)	(8.165)	(8.569)	(8.984)	(9.433)	(9.817)	(10.161)
Labor costs - eCom	(1.050)	(1.222)	(1.303)	(1.389)	(1.480)	(1.572)	(1.658)	(1.725)
Labor costs - P&P	(8.772)	(9.119)	(8.957)	(9.293)	(9.643)	(9.814)	(10.351)	(10.575)
Labor costs - Central Costs	(1.260)	(1.293)	(1.311)	(1.337)	(1.369)	(1.413)	(1.492)	(1.523)
Labor Costs - Group	**(26.977)**	**(28.305)**	**(28.824)**	**(29.883)**	**(30.995)**	**(31.983)**	**(33.376)**	**(34.321)**
%of revenue	*33,0%*	*33,6%*	*33,2%*	*33,2%*	*33,2%*	*33,3%*	*33,4%*	*33,5%*
D&A - Express	(1.767)	(1.834)	(1.854)	(1.903)	(1.963)	(1.960)	(2.143)	(2.416)
D&A - GF&F	(333)	(352)	(337)	(319)	(354)	(328)	(363)	(367)
D&A - SC	(953)	(1.052)	(1.099)	(1.162)	(1.213)	(1.339)	(1.434)	(1.384)
D&A - eCom	(223)	(286)	(303)	(319)	(360)	(360)	(392)	(445)
D&A - P&P	(595)	(637)	(682)	(673)	(665)	(729)	(750)	(743)
D&A - Central Costs	(577)	(560)	(585)	(599)	(614)	(634)	(669)	(683)
D&A - Group	**(4.448)**	**(4.721)**	**(4.859)**	**(4.974)**	**(5.170)**	**(5.349)**	**(5.751)**	**(6.039)**
%of revenue	*5,4%*	*5,6%*	*5,6%*	*5,5%*	*5,5%*	*5,6%*	*5,8%*	*5,9%*
OpEx - Express	(1.101)	(1.276)	(1.253)	(1.268)	(1.292)	(1.330)	(1.381)	(1.428)
OpEx - GF&F	(11)	(74)	(76)	(78)	(80)	(80)	(82)	(83)
OpEx - SC	(936)	(918)	(949)	(980)	(1.036)	(1.088)	(1.132)	(1.171)
OpEx - eCom	(195)	(225)	(238)	(254)	(271)	(288)	(304)	(316)
OpEx - P&P	(765)	(689)	(909)	(908)	(913)	(920)	(960)	(971)
OpEx - Central Costs	864	1.068	994	1.023	1.047	1.081	1.142	1.165
OpEx - Group	**(2.144)**	**(2.114)**	**(2.430)**	**(2.465)**	**(2.545)**	**(2.626)**	**(2.717)**	**(2.804)**
%of revenue	*2,6%*	*2,5%*	*2,8%*	*2,7%*	*2,7%*	*2,7%*	*2,7%*	*2,7%*
EBIT - Express	3.229	3.084	2.982	3.245	3.548	3.744	3.779	3.705
EBIT - GF&F	1.423	1.074	1.125	1.237	1.234	1.298	1.309	1.349
EBIT - SC	961	1.068	1.151	1.261	1.424	1.431	1.448	1.598
EBIT - eCom	292	281	291	322	341	393	402	381
EBIT - P&P	870	821	1.270	1.051	890	864	940	994
EBIT - Central Costs	(432)	(439)	(447)	(444)	(456)	(470)	(497)	(507)
EBIT - Group	**6.345**	**5.886**	**6.372**	**6.673**	**6.981**	**7.260**	**7.382**	**7.520**
%margin	*7,8%*	*7,0%*	*7,3%*	*7,4%*	*7,5%*	*7,6%*	*7,4%*	*7,3%*

Appendix 4 – FCFF Forecast for DHL Express

FCFF - Express	**2023A**	**2024A**	**2025P**	**2026P**	**2027P**	**2028P**	**2029P**	**2030P**
Revenue	24.846	25.134	25.569	26.426	27.486	28.308	29.390	30.376
% growth	*-10,0%*	*1,2%*	*1,7%*	*3,4%*	*4,0%*	*3,0%*	*3,8%*	*3,4%*
EBIT	3.229	3.084	2.982	3.245	3.548	3.744	3.779	3.705
% of revenue	*13,0%*	*12,3%*	*11,7%*	*12,3%*	*12,9%*	*13,2%*	*12,9%*	*12,2%*
Taxes	(896)	(884)	(865)	(957)	(1.064)	(1.123)	(1.134)	(1.111)
% tax rate	*27,7%*	*28,7%*	*29,0%*	*29,5%*	*30,0%*	*30,0%*	*30,0%*	*30,0%*
NOPAT	**2.333**	**2.200**	**2.117**	**2.288**	**2.483**	**2.621**	**2.645**	**2.593**
D&A	1.767	1.834	1.854	1.903	1.963	1.960	2.143	2.416
% of revenue	*7,1%*	*7,3%*	*7,3%*	*7,2%*	*7,1%*	*6,9%*	*7,3%*	*8,0%*
CapEx	2.395	2.149	2.966	2.854	2.749	2.548	2.572	2.658
% of revenue	*9,6%*	*8,6%*	*11,6%*	*10,8%*	*10,0%*	*9,0%*	*8,8%*	*8,8%*
Changes in NWC	121	185	(76)	20	88	4	46	25
% of revenue	*0,5%*	*0,7%*	*(0,3%)*	*0,1%*	*0,3%*	*0,0%*	*0,2%*	*0,1%*
Unlevered FCF	**1.585**	**1.700**	**1.081**	**1.316**	**1.610**	**2.029**	**2.171**	**2.326**
Stub	-	-	0,2	-	-	-	-	-
Discount Period	-	-	0,1	0,7	1,7	2,7	3,7	4,7
PV of UFCF	**-**	**-**	**179**	**1.247**	**1.409**	**1.638**	**1.617**	**1.599**

Appendix 5 – FCFF Forecast for DHL GF&F

FCFF - GF&F	**2023A**	**2024A**	**2025P**	**2026P**	**2027P**	**2028P**	**2029P**	**2030P**
Revenue	19.305	19.649	20.117	20.773	21.129	21.352	21.672	21.959
% growth	-36,1%	*1,8%*	*2,4%*	*3,3%*	*1,7%*	*1,1%*	*1,5%*	*1,3%*
EBIT	1.423	1.074	1.125	1.237	1.234	1.298	1.309	1.349
% of revenue	*7,4%*	*5,5%*	*5,6%*	*6,0%*	*5,8%*	*6,1%*	*6,0%*	*6,1%*
Taxes	(395)	(308)	(326)	(365)	(370)	(390)	(393)	(405)
% tax rate	*27,7%*	*28,7%*	*29,0%*	*29,5%*	*30,0%*	*30,0%*	*30,0%*	*30,0%*
NOPAT	**1.028**	**766**	**799**	**872**	**864**	**909**	**917**	**944**
D&A	333	352	337	319	354	328	363	367
% of revenue	*1,7%*	*1,8%*	*1,7%*	*1,5%*	*1,7%*	*1,5%*	*1,7%*	*1,7%*
CapEx	481	365	370	382	389	393	399	404
% of revenue	*2,5%*	*1,9%*	*1,8%*	*1,8%*	*1,8%*	*1,8%*	*1,8%*	*1,8%*
Changes in NWC	94	144	(60)	16	67	3	34	18
% of revenue	*0,5%*	*0,7%*	*(0,3%)*	*0,1%*	*0,3%*	*0,0%*	*0,2%*	*0,1%*
Unlevered FCF	**787**	**609**	**825**	**793**	**761**	**840**	**846**	**889**
Stub	-	-	0,2	-	-	-	-	-
Discount Period	-	-	0,1	0,7	1,7	2,7	3,7	4,7
PV of UFCF	**-**	**-**	**137**	**760**	**686**	**711**	**673**	**664**

Appendix 6 – FCFF Forecast for DHL Supply Chain

FCFF - Supply Chain	**2023A**	**2024A**	**2025P**	**2026P**	**2027P**	**2028P**	**2029P**	**2030P**
Revenue	16.958	17.693	18.598	19.595	20.717	21.752	22.638	23.430
% growth	*-10,0%*	*4,3%*	*5,1%*	*5,4%*	*5,7%*	*5,0%*	*4,1%*	*3,5%*
EBIT	961	1.068	1.151	1.261	1.424	1.431	1.448	1.598
% of revenue	*5,7%*	*6,0%*	*6,2%*	*6,4%*	*6,9%*	*6,6%*	*6,4%*	*6,8%*
Taxes	(267)	(306)	(334)	(372)	(427)	(429)	(435)	(480)
% tax rate	*27,7%*	*28,7%*	*29,0%*	*29,5%*	*30,0%*	*30,0%*	*30,0%*	*30,0%*
NOPAT	**694**	**762**	**817**	**889**	**997**	**1.002**	**1.014**	**1.119**
D&A	953	1.052	1.099	1.162	1.213	1.339	1.434	1.384
% of revenue	*5,6%*	*5,9%*	*5,9%*	*5,9%*	*5,9%*	*6,2%*	*6,3%*	*5,9%*
CapEx	1.347	1.586	1.596	1.685	1.699	1.740	1.720	1.523
% of revenue	*7,9%*	*9,0%*	*8,6%*	*8,6%*	*8,2%*	*8,0%*	*7,6%*	*6,5%*
Changes in NWC	82	130	(55)	15	66	3	35	19
% of revenue	*0,5%*	*0,7%*	*(0,3%)*	*0,1%*	*0,3%*	*0,0%*	*0,2%*	*0,1%*
Unlevered FCF	**218**	**98**	**375**	**351**	**445**	**597**	**692**	**961**
Stub	-	-	0	-	-	-	-	-
Discount Period	-	-	0	0,7	1,7	2,7	3,7	4,7
PV of UFCF	**-**	**-**	**62**	**333**	**389**	**481**	**515**	**659**

Appendix 7 – FCFF Forecast for DHL eCommerce

FCFF - eCommerce	**2023A**	**2024A**	**2025P**	**2026P**	**2027P**	**2028P**	**2029P**	**2030P**
Revenue	6.315	6.962	7.360	7.847	8.399	8.920	9.404	9.784
% growth	*-10,0%*	*10,2%*	*5,7%*	*6,6%*	*7,0%*	*6,2%*	*5,4%*	*4,0%*
EBIT	292	281	291	322	341	393	402	381
% of revenue	*4,6%*	*4,0%*	*4,0%*	*4,1%*	*4,1%*	*4,4%*	*4,3%*	*3,9%*
Taxes	(81)	(81)	(84)	(95)	(102)	(118)	(121)	(114)
% tax rate	*27,7%*	*28,7%*	*29,0%*	*29,5%*	*30,0%*	*30,0%*	*30,0%*	*30,0%*
NOPAT	**211**	**200**	**206**	**227**	**238**	**275**	**281**	**267**
D&A	223	286	303	319	360	360	392	445
% of revenue	*3,5%*	*4,1%*	*4,1%*	*4,1%*	*4,3%*	*4,0%*	*4,2%*	*4,5%*
CapEx	663	550	515	510	504	468	470	489
% of revenue	*10,5%*	*7,9%*	*7,0%*	*6,5%*	*6,0%*	*5,3%*	*5,0%*	*5,0%*
Changes in NWC	31	51	(22)	6	27	1	15	8
% of revenue	*0,5%*	*0,7%*	*(0,3%)*	*0,1%*	*0,3%*	*0,0%*	*0,2%*	*0,1%*
Unlevered FCF	**(260)**	**(115)**	**16**	**30**	**68**	**166**	**188**	**214**
Stub	-	-	0	-	-	-	-	-
Discount Period	-	-	0	0,7	1,7	2,7	3,7	4,7
PV of UFCF	**-**	**-**	**3**	**29**	**61**	**139**	**148**	**158**

Appendix 8 – FCFF Forecast for DHL P&P

FCFF - P&P	2023A	2024A	2025P	2026P	2027P	2028P	2029P	2030P
Revenue	16.892	17.347	18.180	18.346	18.633	18.965	20.002	20.435
% growth	*-10,0%*	*2,7%*	*4,8%*	*0,9%*	*1,6%*	*1,8%*	*5,5%*	*2,2%*
EBIT	870	821	1.270	1.051	890	864	940	994
% of revenue	*5,2%*	*4,7%*	*7,0%*	*5,7%*	*4,8%*	*4,6%*	*4,7%*	*4,9%*
Taxes	(241)	(235)	(368)	(310)	(267)	(259)	(282)	(298)
% tax rate	*27,7%*	*28,7%*	*29,0%*	*29,5%*	*30,0%*	*30,0%*	*30,0%*	*30,0%*
NOPAT	**629**	**586**	**901**	**741**	**623**	**605**	**658**	**696**
D&A	595	637	682	673	665	729	750	743
% of revenue	*3,5%*	*3,7%*	*3,8%*	*3,7%*	*3,6%*	*3,8%*	*3,8%*	*3,6%*
CapEx	1.152	1.055	1.091	1.009	932	948	900	817
% of revenue	*6,8%*	*6,1%*	*6,0%*	*5,5%*	*5,0%*	*5,0%*	*4,5%*	*4,0%*
Changes in NWC	82	128	(54)	14	59	3	31	17
% of revenue	*0,5%*	*0,7%*	*(0,3%)*	*0,1%*	*0,3%*	*0,0%*	*0,2%*	*0,1%*
Unlevered FCF	**(10)**	**40**	**546**	**390**	**298**	**383**	**477**	**605**
Stub	-	-	0	-	-	-	-	-
Discount Period	-	-	0	0,7	1,7	2,7	3,7	4,7
PV of UFCF	**-**	**-**	**91**	**375**	**269**	**326**	**382**	**456**

Appendix 9 – DCF Sensitivity Analysis for DHL Express

		WACC				
		7,97%	8,17%	8,37%	8,57%	8,77%
TGR	2,10%	36.062	34.855	33.726	32.666	31.670
	2,30%	37.118	35.835	34.636	33.515	32.463
	2,50%	38.251	36.883	35.609	34.419	33.305
	2,70%	39.469	38.008	36.650	35.385	34.204
	2,90%	40.784	39.219	37.768	36.420	35.164

Appendix 10 – DCF Sensitivity Analysis for DHL GF&F

		WACC				
		6,05%	6,25%	6,45%	6,65%	6,85%
TGR	1,60%	19.102	18.291	17.548	16.863	16.230
	1,80%	19.860	18.980	18.175	17.436	16.756
	2,00%	20.693	19.733	18.858	18.059	17.326
	2,20%	21.613	20.560	19.606	18.738	17.945
	2,40%	22.634	21.474	20.428	19.481	18.619

Appendix 11 – DCF Sensitivity Analysis for DHL Supply Chain

		WACC				
		8,01%	8,21%	8,41%	8,61%	8,81%
TGR	1,85%	13.563	13.108	12.682	12.280	11.902
	2,05%	13.958	13.476	13.025	12.601	12.202
	2,25%	14.381	13.869	13.390	12.941	12.521
	2,45%	14.834	14.288	13.780	13.304	12.859
	2,65%	15.321	14.738	14.196	13.691	13.219

Appendix 12 – DCF Sensitivity Analysis for DHL eCommerce

		WACC				
		6,35%	6,55%	6,75%	6,95%	7,15%
TGR	1,85%	4.180	3.992	3.819	3.660	3.512
	2,05%	4.357	4.152	3.965	3.793	3.635
	2,25%	4.551	4.328	4.125	3.939	3.768
	2,45%	4.765	4.520	4.299	4.097	3.913
	2,65%	5.001	4.732	4.490	4.270	4.070

Appendix 13 – DCF Sensitivity Analysis for DHL P&P

		WACC				
		5,85%	6,05%	6,25%	6,45%	6,65%
TGR	1,10%	11.793	11.301	10.847	10.428	10.039
	1,30%	12.248	11.716	11.227	10.777	10.360
	1,50%	12.744	12.168	11.640	11.155	10.707
	1,70%	13.289	12.661	12.088	11.564	11.082
	1,90%	13.889	13.202	12.578	12.010	11.489

Appendix 14 – Peer Group KPIs

Peer Group - Express	Equity Value (USD)	EBIT CAGR (6Y Average)	EBIT Margin (6Y Average)	EV/EBIT (Next 12 Months)
United Parcel Service Inc	81.982	2,6%	11,2%	11,3x
FedEx Corp	50.280	5,5%	6,6%	10,8x
TFI International Inc	6.794	16,7%	9,4%	15,8x
DHL Express	**n/a**	**8,6%**	**13,9%**	**n/a**
Peer Group - GF&F				
DSV A/S	50.435	19,3%	9,4%	15,6x
Kuehne & Nagel International AG	27.411	11,4%	7,2%	13,7x
CH Robinson Worldwide Inc	10.443	-0,8%	4,4%	13,9x
XPO Inc	11.475	11,5%	5,2%	16,7x
DHL GF&F	**n/a**	**15,6%**	**5,6%**	**n/a**
Peer Group - Supply Chain				
GXO Logistics Inc	4.185	18,0%	3,1%	14,0x
Elanders AB	12.935	3,5%	5,0%	17,6x
J B Hunt Transport Services Inc	200	2,5%	7,9%	15,4x
DHL Supply Chain	**n/a**	**3,2%**	**5,4%**	**n/a**
Peer Group - eCommerce				
Bpost SA	326	7,6%	5,7%	10,2x
PostNL NV	545	19,6%	4,0%	14,5x
Oesterreichische Post AG	2.318	(1,5%)	6,6%	12,3x
InPost SA	8.431	72,9%	17,3%	15,2x
DHL eCommerce	**n/a**	**15,5%**	**5,1%**	**n/a**
Peer Group - P&P				
MaltaPost plc	420	10,2%	7,1%	7,1x
DHL P&P	**n/a**	**(7,8%)**	**8,7%**	**n/a**

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