

DHL U.S. Domestic-only services end January 30, 2009

November 10, 2008

DHL, the world's number one international logistics and express service provider, today announced a repositioning of its U.S. Express business. Beginning January 30, 2009, DHL's U.S. Express business will focus entirely on its international offerings and will discontinue its domestic-only air and ground services. However, the company will retain a strong international presence and capability in the U.S. going forward.

The announcement was made this morning at a press conference held in Bonn, Germany by Deutsche Post World Net, parent company of DHL U.S. Express.

"This is the right move for our U.S. Express operations given the current economic climate and for the long run," said John Mullen, Global CEO of DHL Express. "Focusing our U.S. Express efforts on what we do better than anyone else – international shipping – serves the best interests of our customers, employees and shareholders around the world."

In order to meet its financial goals, DHL U.S. Express will close its U.S. ground hubs, and reduce the number of stations from 412 to 103. This will result in an additional reduction of 9,500 U.S. jobs at DHL Express on top of the approximately 5,400 positions already reduced since January. The company will retain 3,000 to 4,000 U.S. Express employees, tailored to the needs of international express customers. These measures will allow DHL's U.S. Express business to reduce its operating costs from \$5.4 billion to under \$1 billion, a decrease of over 80%. "Making a decision that affects the lives of many dedicated employees is never easy, but this is the best path forward for our company," said Mullen.

The company will maintain its international express service in the U.S. at today's levels and the U.S. will remain an integral part of DHL's global network. All international shipments to and from the U.S. will still be delivered, while 99 percent will be picked up.

"DHL remains committed to the U.S. express market," said Mullen. "A continued U.S. presence is essential to our entire global Express network: Close to half of our top 200 customers are based in the U.S., and U.S. trade lanes make up close to half of our global volume, and half of our global shipments touch the U.S. We are here to stay."

There will be no impact to services offered by the other DHL/DPWN businesses in the U.S. such as Global Forwarding/Freight, Supply Chain/Customer Information Services (CIS) and DHL Global Mail. With more than 25,000 employees across the country, these divisions will continue to conduct their successful U.S. operations.

Press Release From DHL Website