Annual Financial Statements (HGB)

as at 31 December 2013
of Deutsche Post AG, Bonn

Contents

Balance sheet as at 31 December 2013

Assets

€ m			Notes	31 Dec. 2012	31 Dec. 2013
A.	**Non-current assets**				
	I.	Intangible assets	17	125	141
	II.	Property, plant and equipment	18	2,280	2,373
	III.	Non-current financial assets	19	13,947	14,003
				16,352	**16,517**
B.	**Current assets**				
	I.	Inventories	20	71	74
	II.	Receivables and other assets	21	9,869	9,771
	III.	Securities	22	31	628
	IV.	Cash and cash equivalents	23	1,088	2,305
				11,059	**12,778**
C.	**Prepaid expenses**		33	**241**	**232**
				27,652	**29,527**

Equity and liabilities

€ m			Notes	31 Dec. 2012	31 Dec. 2013
A.	**Equity**		24–28		
	I.	Issued capital	25	1,209	1,209
		Contingent capital €150 million			
	II.	Capital reserves	26	3,434	3,433
	III.	Revenue reserves	26	5,250	5,250
	IV.	Net retained profit	27	1,314	1,726
				11,207	**11,618**
B.	**Provisions**		29–31	**5,428**	**4,904**
C.	**Liabilities**		32	**11,013**	**13,001**
D.	**Deferred income**		33	**4**	**4**
				27,652	**29,527**

Income statement

1 January to 31 December 2013

€ m	Notes	2012		2013	
1. Revenue	34		12,608		13,006
2. Other capitalised services	35		26		36
3. Other operating income	36		1,343		1,372
			13,977		**14,414**
4. Materials expense	37				
a) Cost of consumables and supplies and of goods purchased and held for resale		291		285	
b) Cost of purchased services		3,877	4,168	4,010	4,295
5. Staff costs	38				
a) Wages, salaries and emoluments		5,590		5,683	
b) Social security contributions, retirement benefit expenses and assistance benefits		1,562	7,152	1,499	7,182
6. Amortisation of intangible assets and depreciation of property, plant and equipment	39		240		267
7. Other operating expenses	40		1,977		1,685
			13,537		**13,429**
8. Financial result	41		**284**		**220**
9. Result from ordinary activities			**724**		**1,205**
10. Extraordinary result	42		**-34**		**-34**
11. Income tax expense	43		**-50**		**87**
12. Net profit for the period			**640**		**1,258**
13. Retained profits brought forward from previous year	44		**674**		**468**
14. Net retained profit	27		**1,314**		**1,726**

Notes to the Annual Financial Statements of Deutsche Post AG

Basis of presentation

1. Basis of accounting

Deutsche Post AG is a large corporation within the meaning of section 267 of the Handelsgesetzbuch (HGB – German Commercial Code). The annual financial statements for the year ended 31 December 2013 were prepared in accordance with the accounting and reporting provisions of the HGB (sections 238 ff and 264 ff of the HGB) and the Aktiengesetz (AktG – German Stock Corporation Act).

As the parent company of Deutsche Post DHL, Deutsche Post AG prepares consolidated financial statements on the basis of the International Financial Reporting Standards (IFRSs), in accordance with section 315a(1) of the HGB. For this reason, no consolidated financial statements are prepared in accordance with the requirements of the HGB.

The financial year is the calendar year.

2. Classification of the balance sheet and the income statement

The total cost (type of expenditure) method was applied to the income statement. Amounts are presented in millions of euros (€ m).

To enhance the clarity of presentation, the items of the balance sheet and the income statement are shown summarised together; they are broken down and explained separately in the Notes.

The cash flow statement and the statement of changes in equity are attached as annexes to the notes to the financial statements.

Accounting policies

Application of the accounting policies as detailed below was largely unchanged as against the previous year. Changes in presentation not described in the accounting policies section are explained in relation to the items in question.

3. Intangible assets

Purchased intangible assets are carried at cost, including incidental costs of acquisition, and reduced by straight-line amortisation and write-downs. They have a useful life of five years which is reduced appropriately in the event of a shorter contract term.

The option under section 248(2) of the HGB is exercised for internally generated intangible assets, which have been recognised at cost (development costs) since 1 January 2010.

Cost includes attributable direct costs from the consumption of merchandise and the utilisation of services, as well as an appropriate portion of indirect materials and labour costs and amortisation expenses attributable to the development process.

4. Property, plant and equipment

Property, plant and equipment that will be used for business operations for more than one year is carried at acquisition or production cost, including incidental costs of acquisition or production, and reduced by straight-line depreciation.

The following useful lives are applied:

Property, plant and equipment

Buildings	20 to 50 years
Technical equipment and machinery	10 to 20 years
Other vehicles	10 years
IT systems	4 to 5 years
Other operating and office equipment	8 to 10 years
Low-value assets with an acquisition cost of €150–€1,000	5 years

Additions to items of property, plant and equipment are depreciated on a time-proportionate basis. Impairment losses are recognised if the fair values of individual assets are lower than their carrying amounts and impairment is expected to be other than temporary.

Subsidies received are reported under deferred income and reversed over the useful life of the property, plant and equipment.

As a general rule, the cost of moveable items of non-current assets subject to wear and tear that can be used independently is recognised in full as an operating expense in the tax year of acquisition, production, or contribution. However, the cost of the individual asset may not exceed €150, net of any input tax contained in that amount.

An annual pooled item within the meaning of section 6(2a) of the Einkommensteuergesetz (EStG – German Income Tax Act) is recognised for low-value assets whose cost, net of any input tax contained in that amount, is more than €150 and up to €1,000. The annual pooled item is depreciated over five years, reducing income. The pooled item is not reduced if an item of operating assets is disposed of before the end of the five-year period.

5. Non-current financial assets

Shares in affiliated companies and other equity investments are carried at cost or, if their value is impaired for a prolonged period, at the lower fair value.

Shares and investments in foreign affiliated companies denominated in foreign currencies are translated at the acquisition date exchange rate. If the currency risk of acquisitions was hedged, they are carried at the hedging rate.

The cost of long-term, low-interest or non-interest-bearing loans corresponds to their present value at the grant date. The other loans are carried at their principal amounts. Amounts of accumulated interest are reported under additions.

6. Inventories

Postage stamps and spare parts for conveyor and sorting systems at freight mail centres are reported under inventories at fixed value; the other consumables and supplies are carried at moving or weighted average prices, or at the lower market prices at the balance sheet date. Goods purchased and held for resale are measured at cost or at moving average prices. Appropriate valuation allowances are applied where necessary.

7. Receivables and other assets

Receivables and other assets are carried at their principal amounts less any specific valuation allowances.

The general risk of counterparty default is taken into account by a general bad debt allowance.

8. Securities

Securities classified as current assets are carried at cost or the lower fair value at the balance sheet date.

9. Cash and cash equivalents

Bank balances, cash-in-hand and cheques are carried at their nominal amounts. Foreign currency cash holdings are measured at the middle spot rate on the closing date.

10. Prepaid expenses

Cash expenditures prior to the balance sheet date that represent expenses for a certain period after that date are recognised as prepaid expenses.

The company exercises the option set out in section 250(3) of the HGB and recognises discounts as assets.

The difference between the settlement amount and the issue amount of a liability is included in prepaid expenses and reduced over the term of the liability.

11. Equity

The issued capital is carried at its notional amount.

12. Provisions

Provisions are recognised at the settlement amount dictated by prudent business judgement. Provisions with a remaining maturity of more than one year are discounted at the average market interest rate for the preceding seven financial years corresponding to their remaining maturity.

Provisions for pensions and similar obligations are recognised on the basis of actuarial reports. They are measured using the projected unit credit method.

The 2005 G mortality tables published by Prof. Dr Klaus Heubeck are applied to the calculation of the provisions. They are recognised at their settlement amount, which reflects discounting at the average market interest rate for the preceding seven years. A remaining maturity of 15 years is assumed in accordance with section 253(2) sentence 2 of the HGB.

The option to allocate the amount to be added to provisions for pensions rateably over 15 years due to the new measurement requirements under the Bilanzrechtsmodernisierungsgesetz (BilMoG – German Accounting Law Modernisation Act) (effective 1 January 2010) has been exercised. The annual amount is reported in the extraordinary result.

In accordance with section 246(2) sentence 2 of the HGB, assets that may only be used to meet liabilities from pension obligations or similar long-term obligations will be offset against the relevant provisions as plan assets.

The same applies to working time accounts financed by employees who convert working hours and a portion of their salary. The accounts are considered securities-based obligations. The value of the provisions depends on the changes in value of the plan assets which are to be funded by Deutsche Post AG and measured at fair value.

Provisions for taxes and other provisions are recognised in the case of obligations to third parties that can be reliably estimated and that will lead to an outflow of economic resources. They are recognised in the amount dictated by prudent business judgement.

13. Liabilities

Liabilities are carried at their settlement amount. In cases where the redemption amount of a liability is higher than the issue amount, the difference is capitalised and allocated across the term of the liability.

14. Deferred income

Cash payments received prior to the balance sheet date that represent income for a certain period after that date are recognised as deferred income.

15. Foreign currency translation

Foreign currency transactions are generally translated at the historical exchange rate at the date of initial recognition. For reasons of simplification, they are translated during the course of the financial year at the middle spot rate on the last day of the preceding month.

Balance sheet items are measured as follows:

Non-current foreign currency receivables are recognised at the offer rate when the receivable is recognised or at the lower middle spot rate at the reporting date in accordance with the principle of lower of cost or market value (principle of imparity). Current foreign currency receivables (maturity of one year or less) and cash funds or other current foreign currency assets are translated at the middle spot rate at the balance sheet date.

Non-current foreign currency liabilities are recognised at the bid rate when the liability is recognised or at the higher closing rate, using the middle spot rate at the reporting date (principle of imparity). Current foreign currency liabilities (maturity of one year or less) are translated at the middle spot rate at the balance sheet date.

16. Deferred taxes

Deferred taxes are attributable to the differences between the amounts recognised for assets, liabilities, prepaid expenses and deferred income in the HGB financial statements and in the tax accounts. Deutsche Post AG not only includes the differences relating to its own balance sheet items in the offsetting process, but also those relating to companies in its consolidated tax group and to partnerships in which Deutsche Post AG holds an equity interest. Tax loss carryforwards are taken into account in addition to temporary differences.

Deferred tax liabilities are offset against deferred tax assets resulting in net deferred tax assets. The company does not exercise the recognition option set out in section 274(1) sentence 2 of the HGB, and consequently the net deferred tax assets are not recognised on the balance sheet.

Balance sheet disclosures

Disclosures on assets

17. Intangible assets

The changes in and composition of intangible assets are presented in the statement of changes in non-current assets (Annex 1). In cases where development began after 1 January 2010, the total development costs incurred for internally generated software are capitalised.

Development costs totalling €36 million were capitalised as internally generated intangible assets in the year under review.

18. Property, plant and equipment

The changes in and composition of property, plant and equipment are presented in the statement of changes in non-current assets (Annex 1). Additions included €8 million in relation to the purchase of land in the course of mechanising delivery bases as part of the new parcel concept. In addition, €8 million was invested in improvements to external facilities for holding areas for swap bodies.

Additions of €65 million for technical equipment and machinery related primarily to conveyor and sorting systems. Additions of €95 million were recorded for other equipment, operating and office equipment, and of €143 million for assets under construction.

The investments in other equipment, operating and office equipment relate primarily to computer equipment and low-value and other assets.

19. Non-current financial assets

Changes in non-current financial assets are presented in Annex 1 (Statement of changes in non-current assets). The list of share-holdings is contained in Annex 5.

Non-current financial assets are composed of the following items:

Non-current financial assets

€m	31 Dec. 2012	31 Dec. 2013
Investments in affiliated companies	6,968	6,947
Loans to affiliated companies	6,655	6,718
Housing promotion loans	26	20
Other loans	298	318
	13,947	**14,003**

The decline in investments in affiliated companies (€18 million) is largely due to the sale of ITG GmbH Internationale Spedition und Logistik.

The loans to affiliated companies as at 31 December 2013 are mainly related to Deutsche Post Beteiligungen Holding GmbH (€6,403 million), as in the previous year. The loans extended to Deutsche Post Fleet GmbH increased by €57 million.

The item also includes a recovery claim amounting to €318 million (previous year €298 million) including interest which relates to the European Commission's state aid ruling. The amount was deposited by Deutsche Post AG in a trust account on consultation with the German federal government.

20. Inventories

Inventories

€m	31 Dec. 2012	31 Dec. 2013
Consumables and supplies	29	30
Goods purchased and held for resale	42	44
	71	**74**

The inventories item consumables and supplies contains office materials, supplies, spare parts and other maintenance materials, among other things.

Goods purchased and held for resale include philatelic materials and other goods.

21. Receivables and other assets

Receivables and other assets

€m	31 Dec. 2012	31 Dec. 2013
Trade receivables	259	335
Receivables from affiliated companies thereof trade receivables: 185 (previous year: 158)	8,984	8,858
Receivables from other equity investments thereof trade receivables: 0 (previous year: 0)	4	4
Other assets	622	574
	9,869	**9,771**

€3,475 million (previous year €3,540 million) of receivables from affiliated companies relates to receivables from intragroup in-house banking and €663 million (previous year €730 million) relates to receivables from profit transfer agreements.

In addition, short-term loan receivables from affiliated companies decreased to €4,524 million (previous year €4,554 million).

Other assets include €102 million (previous year €120 million) in cash deposits which serve as long-term collateral in connection with the sale of residential building loans.

22. Securities

Securities

€ m	31 Dec. 2012	31 Dec. 2013
Other securities	31	628

The increase resulted from the investment of surplus cash and cash equivalents in money market funds.

23. Cash and cash equivalents

Of the €2,305 million total (previous year €1,088 million), €2,046 million (previous year €740 million) is attributable to short-term money market investments with other banks.

Cash flow statement

The cash flow statement (Annex 3 to the Notes) discloses the company's cash flows and their application. The cash and cash equivalents presented in the cash flow statement include all the cash items presented in the balance sheet.

Net income before changes in working capital/Cash Flow I (cash flow from operating activities) rose by €613 million to €1,525 million due to the positive business performance. Taking into account the increase in working capital, the decrease in provisions, liabilities and deferred income, net cash from operating activities amounted to €274 million for the financial year (previous year: €–2,356 million in net cash used in operating activities).

The decline in net cash from investing activities is due primarily to the change in proceeds from disposals of non-current financial assets (€–1,372 million), combined with a reduction of €401 million in cash paid to acquire non-current assets.

Net cash from financing activities increased by €139 million, while proceeds from the issue of financial liabilities (€164 million) decreased, as did outflows for the repayment of financial liabilities (€303 million). As in the previous year, the dividend distribution amounted to €846 million.

Disclosures on equity and liabilities

24. Equity

Equity

€ m	31 Dec. 2012	31 Dec. 2013
Issued capital	1,209	1,209
Capital reserves	3,434	3,433
Revenue reserves		
Other revenue reserves	5,250	5,250
Net retained profit	1,314	1,726
	11,207	**11,618**

Equity at 31 December 2013 increased by €411 million year-on-year. Changes are presented in the statement of changes in equity (Annex 4). Further details on equity are given in the following sections.

25. Issued capital

Share capital

The share capital was unchanged year-on-year and was composed of 1,209,015,874 (no-par value) registered shares.

As at 31 December 2013, the shareholder structure was as follows: 955,154,438 shares (79 %; previous year 74.5 %) were in free float. KfW Bankgruppe's interest in Deutsche Post AG declined to 253,861,436 shares in 2013 (21 %; previous year 25.5 %) as a result of the exercise of the 2009 exchangeable bond.

Notifications of changes in voting rights in accordance with section 26(1) of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) in financial year 2013:

Dissemination in accordance with section 26(1) of the WpHG – dated 18 November 2013

On 12 November 2013, BlackRock Advisors Holdings, Inc., New York, NY, USA, informed us in pursuant to section 21(1) of the WpHG that its share of the voting rights in Deutsche Post AG, Bonn, Germany, exceeded the threshold of 5 % on 8 November 2013 and amounted to 5.01 % on that date (corresponding to 60,574,232 of the voting rights).

Pursuant to section 22(1), sentence 1 no. 6 in conjunction with sentence 2 of the WpHG, 5.01 % of the voting rights are attributable to the company (corresponding to 60,574,232 of the voting rights).

Dissemination in accordance with section 26(1) of the WpHG dated 29 July 2013

BlackRock International Holdings, Inc., New York, NY, USA, notified us pursuant to section 21(1) of the WpHG that its voting rights in Deutsche Post AG exceeded the threshold of 3 % on 22 July 2013 and amounted to 3.06 % (36,962,694 voting rights) on that date. Of these voting rights, 3.06 % (36,962,694 voting rights) are attributable to BlackRock International Holdings, Inc. pursuant to section 22(1) sentence 1 no. 6 in conjunction with sentence 2 of the WpHG.

BR Jersey International Holdings L.P., St. Heller, Jersey, Channel Islands, notified us pursuant to with section 21(1) of the WpHG that its voting rights in Deutsche Post AG exceeded the threshold of 3 % on 22 July 2013 and amounted to 3.06 % (36,962,694 voting rights) on that date. Of these voting rights, 3.06 % (36,962,694 voting rights) are attributable to BR Jersey International Holdings L.P. pursuant to section 22(1) sentence 1 no. 6 in conjunction with sentence 2 of the WpHG.

BlackRock Group Limited, London, UK, notified us pursuant to section 21(1) of the WpHG that its voting rights in Deutsche Post AG exceeded the threshold of 3 % on 24 July 2013 and amounted to 3.02 % (36,515,675 voting rights) on that date. Of these voting rights, 3.02 % (36,515,675 voting rights) are attributable to BlackRock Group Limited pursuant to section 22(1) sentence 1 no. 6 in conjunction with sentence 2 of the WpHG.

Dissemination in accordance with section 26(1) of the WpHG – dated 25 July 2013

BlackRock, Inc., New York, NY, USA, notified us pursuant to section 21(1) of the WpHG that its voting rights in Deutsche Post AG exceeded the threshold of 5 % on 16 July 2013 and amounted to 5.01 % (60,512,289 voting rights) on that date. Of these voting rights, 5.01 % (60,512,289 voting rights) are attributable to BlackRock, Inc. pursuant to section 22(1) sentence 1 no. 6 in conjunction with sentence 2 of the WpHG.

BlackRock Financial Management, Inc., New York, NY, USA, notified us pursuant to section 21(1) of the WpHG that its voting rights in Deutsche Post AG exceeded the threshold of 5 % on 18 July 2013 and amounted to 5.02 % (60,678,117 voting rights) on that date. Of these voting rights, 5.02 % (60,678,117 voting rights) are attributable to BlackRock Financial Management, Inc. pursuant to section 22(1) sentence 1 no. 6 in conjunction with sentence 2 of the WpHG.

BlackRock Holdco 2, Inc., Wilmington, DE, USA, notified us pursuant to section 21(1) of the WpHG that its voting rights in Deutsche Post AG exceeded the threshold of 5 % on 18 July 2013 and amounted to 5.02 % (60,678,117 voting rights) on that date. Of these voting rights, 5.02 % (60,678,117 voting rights) are attributable to BlackRock Holdco 2, Inc. pursuant to section 22(1) sentence 1 no. 6 in conjunction with sentence 2 of the WpHG.

Dissemination in accordance with section 26(1) of the WpHG – dated 10 April 2013

The Federal Republic of Germany, represented by the Federal Ministry of Finance, Berlin, Germany, notified us pursuant to section 21(1) of the WpHG that its voting rights in Deutsche Post AG fell below the threshold of 25 % on 9 April 2013 and amounted to 24.89 % (300,894,984 voting rights) on that date.

Of these voting rights, 24.89 % (300,894,984 voting rights) are attributable to the Federal Republic of Germany pursuant to section 22(1) sentence 1 no. 1 in conjunction with no. 2 of the WpHG.

The voting rights of the following shareholder, whose voting rights in Deutsche Post AG amount to 3 % or more, are attributable to the Federal Republic of Germany: KfW Bankengruppe, Frankfurt am Main, Germany.

Attributed voting rights are held via the following company controlled by the Federal Republic of Germany and whose voting rights in Deutsche Post AG amount to 3 % or more: KfW Bankengruppe, Frankfurt am Main, Germany.

KfW Bankengruppe, Frankfurt am Main, Germany, notified us pursuant to with section 21(1) of the WpHG that its voting rights in Deutsche Post AG fell below the threshold of 25 % on 9 April 2013 and amounted to 24.89 % (300,894,984 voting rights) on that date.

KfW fell below the notification threshold of 25 % from settling the exchange rights attached to the five-year exchangeable bond issued by KfW in July 2009.

Authorised Capital 2009

As resolved by the Annual General Meeting (AGM) on 21 April 2009, the Board of Management is authorised, subject to the consent of the Supervisory Board, to increase the company's share capital up to 20 April 2014 by issuing up to 240 million no-par value registered shares against cash and/or non-cash contributions. In principle, shareholders have subscription rights. To date, the Board of Management has not made use of such authorisation.

As the authorisation will expire on 20 April 2014, the AGM on 29 May 2013 resolved to replace it with a new authorisation (Authorised Capital 2013) in the same amount. The authorisation has not been exercised in the reporting year.

Authorised Capital 2013

As resolved by the AGM on 29 April 2013, the Board of Management is authorised, subject to the consent of the Supervisory Board, to issue up to 240 million new no-par value registered shares until 28 April 2018 in exchange for cash and/or non-cash contributions and thereby increase the company's share capital. In principle, shareholders have subscription rights. However, the Board of Management is authorised, subject to the consent of the Supervisory Board, to disapply the shareholders' subscription rights in cases covered by the authorisation. The authorisation has not been exercised in the reporting year.

Contingent Capital 2011

In its resolution dated 25 May 2011, the AGM authorised the Board of Management, subject to the consent of the Supervisory Board, to issue bonds with warrants, convertible bonds and/or income bonds as well as profit participation certificates, or a combination thereof, in an aggregate principal amount of up to €1 billion, on one or more occasions until 24 May 2016, thereby granting options or conversion rights for up to 75 million shares having a total share in the share capital not to exceed €75 million. The share capital is contingently increased by up to €75 million. Based on this authorisation, Deutsche Post AG issued a €1 billion convertible bond on 6 December 2012, allowing holders to convert the bond into up to 48 million Deutsche Post AG shares. Full use was made of the authorisation by issuing the bond.

Contingent Capital 2013

In its resolution dated 29 May 2013, the AGM authorised the Board of Management, subject to the consent of the Supervisory Board, to issue bonds with warrants, convertible bonds and/or income bonds as well as profit participation certificates, or a combination thereof, in an aggregate principal amount of up to €1.5 billion, on one or more occasions until 28 May 2018, thereby granting options or conversion rights for up to 75 million shares having a total share in the share capital not to exceed €75 million. The share capital is contingently increased by up to €75 million. The authorisation has not been exercised in the reporting year.

Authorisation to acquire treasury shares

By way of a resolution adopted by the AGM on 28 April 2010, the company is authorised to acquire treasury shares in the period to 27 April 2015 of up to 10 % of the share capital existing when the resolution was adopted. The authorisation permits the Board of Management to exercise it for every purpose permitted by law, and in particular to pursue the goals mentioned in the resolution by the Annual General Meeting.

At the Annual General Meeting on 9 May 2012, the authorisation to acquire treasury shares was supplemented. In future, treasury shares acquired on the basis of the authorisation, with shareholders' subscription rights disapplied, may also be used for the purpose of listing on a stock exchange outside Germany. In addition, the Board of Management is authorised to acquire treasury shares using derivatives.

As on 31 December 2012, Deutsche Post AG did not hold any treasury shares on 31 December 2013.

26. Reserves

Under the terms of the Share Matching Scheme introduced in 2009, a portion of the short-term variable remuneration component (annual bonus) for selected executives is paid in the form of shares of Deutsche Post AG (incentive shares). All Group executives can also specify an increased equity component individually by converting a further portion of their variable remuneration for the financial year (investment shares). In addition, the executive will again be awarded the same number of shares of Deutsche Post AG after expiry of the four-year lock-up period (matching shares), if certain conditions are met.

In 2013, 1,299,692 treasury shares were acquired and transferred to the eligible executives to settle the portion of the 2012 annual bonus paid in shares (the treasury shares acquired correspond to 1,299,692 shares at a par-value of €1 each and account for 0.11 % of the share capital). The average acquisition price paid for the treasury shares amounted to €17.90. In April 2013, the treasury shares were transferred to the executives at a value of €18.22 per share in accordance with the Scheme's rules.

The capital reserves increased by €0.4 million due to the measurement difference between the average acquisition price paid for the shares and the value at the date of transfer to the executives.

Furthermore, 14,035 shares were acquired for participants in the Share Matching Scheme who have left the company (the shares acquired correspond to 14,035 shares at a par-value of €1 each and account for less than 0.01 % of the company's share capital). The average acquisition price paid for the shares was €21.68. The shares were transferred to the executives at a price of €15.48 per share.

The capital reserves declined by €0.1 million due to the measurement difference between the average acquisition price paid for the shares and the value at the date of transfer to the executives.

An aggregate amount of €4 million was added to the capital reserves for the executives' acquired rights to matching shares.

Capital reserves were additionally increased by €2 million for the incentive shares granted in the current financial year. These rights will be settled using treasury shares in April of the following year. Capital reserves decreased again by the amount for the previous year (€7 million) when the rights to incentive shares were settled.

27. Net retained profit

On 29 May 2013, the Annual General Meeting resolved to distribute €846 million of the net retained profit for financial year 2012 and to carry forward €468 million to new account. The dividend was paid out in financial year 2013.

28. Amounts subject to restrictions on distribution

Equity as at 31 December 2013 includes €64 million (previous year €23 million) subject to restrictions on distribution. Of this amount, €41 million is related to internally generated intangible assets. €23 million relates to the difference between the fair values of plan assets and their cost.

29. Provisions

The provisions are composed of provisions for pensions, provisions for taxes and other provisions.

30. Provisions for pensions and similar obligations

The provisions for direct or indirect pension obligations totalled €2,990 million as at 31 December 2013.

Provisions for pensions

€m	31 Dec. 2012	Utilisation	Addition	Addition/ Unwinding	31 Dec. 2013
Provisions for pensions	**2,968**	483	58	447	**2,990**

The provisions for pensions relate firstly to benefit commitments to salaried employees and hourly workers that substantiate a direct benefit claim against Deutsche Post AG, and secondly to indirect pension obligations to employees covered by collective wage agreements.

An addition of €507 million was calculated for the remeasurement of the pension provisions as at 1 January 2010 due to the introduction of the BilMoG on the basis of an actuarial report (projected unit credit method; Heubeck 2005 G mortality tables). €280 million of this amount was attributable to direct benefit obligations and €227 million to indirect benefit obligations. In accordance with section 67(1) of the Einführungsgesetz zum Handelsgesetzbuch (EGHGB – Introductory Act to the German Commercial Code), Deutsche Post AG is allocating this addition over 15 years. The annual addition amounts to €34 million and is reported in the extraordinary result. €19 million of this amount is attributable to direct benefit obligations and €15 million to indirect benefit obligations.

The indirect pension obligations are granted and funded by Versorgungsanstalt der Deutschen Bundespost (VAP), by Unterstützungskasse Deutsche Post Betriebsrenten-Service e.V. (DPRS), and by DP Pensionsfonds AG.

Indirect benefit obligations amounted to €2,037 million as at 31 December 2013. Of the €227 million required to be added and eligible for allocation as at 1 January 2010 in accordance with section 67(1) of the EGHGB, €15 million has been added every year since financial year 2010. A total of €167 million remains to be added. The provisions for indirect obligations thus amounted to €1,870 million (previous year €1,774 million) as at 31 December 2013.

Adequate provisions were recognised at the balance sheet date for indirect benefit obligations to hourly workers and salaried employees funded via VAP Abrechnungsverband 2 (VAP account group 2) and DPRS. No provisions had to be recognised as at the reporting date for the obligations funded via VAP Abrechnungsverband 3 (VAP account group 3) and DP Pensionsfonds AG, since the assets are in excess of the liabilities.

Direct benefit obligations amounted to €3,297 million as at 31 December 2013. Of the €280 million required to be added and eligible for allocation as at 1 January 2010 in accordance with section 67(1) of the EGHGB, €19 million has been added every year since financial year 2010. A total of €205 million remains to be added.

As at the reporting date, Deutsche Post AG held plan assets as defined b section 246(2) of the HGB which have to be netted against the respective obligations.

Plan assets totalling €1,972 million (fair value) were offset against the relevant provision as at 31 December 2013. The cost of the plan assets amounts to €1,940 million).

Interest expenses amounted to €234 million as at the balance sheet date. The interest income from the plan was €32 million.

Including other utilisations and additions, the provisions for direct pension obligations amounted to €1,120 million (previous year €1,194 million) as at 31 December 2013.

The pension provisions are discounted using the discount rate published by the Deutsche Bundesbank for a remaining maturity of 15 years. The discount rate at the measurement date is 4.87 %.

The pension provisions were based on the following assumptions:

- annual wage and salary increases: 1.45 % to 2.5 %
- annual pension increases: 1.0 % to 2.0 %

A mean staff turnover rate of 1 % was assumed for the calculations.

A demographic fund for employees covered by collective wage agreements was set up on the basis of the Generations Pact entered into by Deutsche Post AG and the trade unions in October 2011. The aim is to enable employees to contribute "time asset" credits to a working time account by converting working hours and a portion of their salary. They will then be able to take time off in lieu at a later point in time (release phase). The demographic fund is included in annual staff costs for work performed and is owned by Deutsche Post AG. Payments in the amount of the commitments to the demographic fund and of the credits in the working time account are made regularly to pension liability insurances.

The fair value of retirement benefit obligations corresponds to the fair value of the pension liability insurances.

The corresponding provisions and the receivables from plan assets are offset against each other since the securities represent plan assets within the meaning of section 246(2) sentence 2 first half-sentence of the HGB.

The following overview shows the basis for offsetting:

Basis for offsetting

€ m	31 Dec. 2013
Settlement amount of the obligations under the demographic fund/working time account	-134
Fair value of the insurance	134
Excess of plan assets over retirement benefit obligations	0

As the payments from the participating employees are directly transferred to the insurances, no acquisition costs were incurred. Income of €3.6 million and expenses of less than €0.1 million were recognised in the reporting year.

31. Provisions for taxes and other provisions

Provisions for taxes and other provisions

€ m	31 Dec. 2012	Utilisation	Reversals	Addition/ reclassification	Addition/ discount unwinding	31 Dec. 2013
1. Provisions for taxes	339	23	193	104	0	227
2. Other provisions						
a) Provisions for staff costs						
Restructuring	503	152	24	26	20	373
SARs (stock options)	203	38	128	83	0	120
Bonuses	95	95	0	104	0	104
Variable salaries and wages	86	86	0	99	0	99
Vacation claims	166	166	0	98	0	98
Overtime claims	99	75	0	68	0	92
Other claims for time off	48	48	0	39	0	39
Postal Civil Service Health Insurance Fund	31	3	0	0	2	30
Jubilee payments	29	3	0	1	2	29
Assistance benefits	17	17	0	17	0	17
Supplementary insurance	16	2	0	0	0	14
Miscellaneous	11	8	2	26	0	27
b) Miscellaneous other provisions						
Postage stamps	450	450	0	400	0	400
Property	88	18	16	12	1	67
Outstanding supplier invoices	44	30	10	47	0	51
Interest on backpayments of taxes	84	5	47	-32	0	0
Derivatives	78	0	45	1	0	34
Litigation costs	15	1	4	4	0	14
Miscellaneous	58	25	7	52	1	79
Subtotal	**2,121**	**1,222**	**283**	**1,045**	**26**	**1,687**
Total of 1 and 2	**2,460**	**1,245**	**476**	**1,149**	**26**	**1,914**

Provisions for taxes relate to tax expenses for the current year and potential arrears of taxes payable due to ongoing external tax audits.

In 2013, the provision for interest on backpayments of taxes was reclassified as a tax provision, with no effect on profit or loss.

The provision for restructuring expenses mainly includes expenses for redundancies (partial retirement, etc.).

The provision for stock appreciation rights (SARs) was reversed in the amount of €128 million. Previously, the portion of the SAR provision, which is attributable to executives employed by subsidiaries, was recognised at Deutsche Post AG. In financial year 2013, the respective subsidiaries assumed these obligations. The SARs issued are measured using an option pricing model.

The provision for postage stamps relates to postage stamps that have been sold by the reporting date but for which no services have yet been performed. The figure is based on an investigation by a market research company into postage stamps held by customers. €450 million of the provision was utilised. Based on an expert report, €400 million was added to the provision in financial year 2013.

Long-term provisions were discounted using the relevant discount rate published by the Deutsche Bundesbank for the average maturity of the obligations.

32. Liabilities

Liabilities

€ million	31 Dec. 2012	31 Dec. 2013
Bonds thereof convertible bond: 1,000 (previous year: 1,000)	2,000	3,000
Due to banks	84	222
Trade payables	785	818
Liabilities to affiliated companies thereof trade payables: 83 (previous year: 79)	7,453	8,272
Liabilities to other equity investments thereof trade payables: 0 (previous year: 0)	15	10
Other liabilities thereof taxes: 260 (previous year: 232) thereof social security: 3 (previous year: 2)	676	679
	11,013	**13,001**

The maturity structure of the liabilities is presented in the "Maturity structure of liabilities" table (Annex 2). No loans were secured by mortgage charges as at 31 December 2013.

In October 2013, Deutsche Post AG issued two new long-term bonds totalling €1,000 million in connection with the Debt Issuance Programme established in 2012 in the amount of up to €5,000 million.

The straight bonds have a total volume of €500 million each, a term of 5 and 10 years (due 2018 and 2023) and an interest rate of 1.5 % and 2.75 %, respectively. The difference of €8 million between the issue price and the amount at which the bonds are settled (discount) is recognised as a prepaid expense.

The convertible bond issued in 2012 will mature on 6 December 2019: With effect from 6 December 2017, Deutsche Post AG may exercise its right to early repayment, provided the price exceeds the conversion price by more than 30 % on a sustainable basis. Since 16 January 2013, the bond creditors have been entitled to convert the bonds into shares of Deutsche Post AG in a notional amount of €100 thousand each. The conversion price is €20.7418 per share, i.e., creditors are entitled to receive 4,821.18 shares for each individual bond.

The details of the bonds issued are shown in the following table:

Bonds

Bonds			Interest rate	Volume
Stand-alone straight bonds				
2012/2020			0.01875	€300 million
2012/2024			0.02875	€700 million
2013/2018			0.0150	€500 million
2013/2023			0.0275	€500 million
Convertible bond	Interest rate	Volume	Conversion premium	Initial conversion price
2012/2019	0,6 %	€1,000 million	30 %	€20.74

The amounts due to banks mainly comprise liabilities from the sale of housing promotion loans. Deutsche Post AG manages these receivables in the capacity of a trustee. The loans are subject to a defined interest and principal payment schedule.

As borrowers are making increasingly large unscheduled repayments on existing loans, some of the funds initially remain with Deutsche Post AG due to a defined interest and principal payment schedule to be forwarded to the purchasers of the loans at a later date. Liabilities due to banks therefore include an amount of €121 million from unscheduled repayments previously reported under other liabilities.

The liabilities to affiliated companies mainly comprise liabilities from Group cash management (in-house banking) in the amount of €8,173 million (previous year €7,351 million).

33. Prepaid expenses and deferred income

The prepaid expenses of €232 million at the reporting date primarily relate to advance payments of civil servants' emoluments of €117 million. In the previous year, €241 million was reported in this item, including advance payments of civil servants' emoluments also amounting to €119 million.

This item also includes the discounts on the bonds issued in the financial year. For the conventional bonds with a total principal amount of €1,000 million, the difference between the issue amount and the settlement amount is €8 million.

The discounts on the bonds issued in 2012 with a total principal amount of €1,000 million were €4 million as at the reporting date (previous year €5 million).

A €63 million discount (previous year €74 million) was recognised for the convertible bond issued in 2012 with a principal amount of €1,000 million.

Deferred income relates to investment subsidies of Deutsche Postbank AG, which are reversed over the expected useful life of the respective assets.

Income statement disclosures

MAIL division

34. Revenue

Revenue by business units:

€ m	2012	2013
Mail Communication	5,188	5,531
Dialogue Marketing	2,390	2,192
Parcel Germany	3,045	3,295
Global Mail	998	1,014
Press Service	707	700
Retail Outlets	176	184
Pension Service	87	74
Other Services	17	16
	12,608	**13,006**

* The Business Processes business unit was discontinued in 2013. The prior-year figures for Mail Communication and Other Services were adjusted.

Revenue by geographical regions:

€ m	2012	2013
Germany	12,125	12,545
EU excl. Germany	400	380
Europe excl. EU	26	24
Americas	21	20
Asia/Pacific	31	31
Rest of world	5	6
	12,608	**13,006**

35. Other capitalised services

Other capitalised services are reported in the amount of €36 million (previous year €26 million). This item relates primarily to services in conjunction with the recognition of internally generated intangible assets. Recognition has been permitted since 1 January 2010.

36. Other operating income

Other operating income

€ m	2012	2013
Exchange rate gains	477	397
Provision of personnel	292	281
Income from the reversal of provisions	128	236
Rental and lease income	98	96
Income from derivatives	20	72
Service level agreements	71	70
Gains on disposal of non-current assets	29	54
Income from prior-period billings	27	28
Write-down reversals	16	11
Tax refunds VAT	43	0
Miscellaneous	142	127
	1,343	**1,372**

Other operating income relates primarily to exchange rate gains (€397 million).

Reversals of provisions in 2013 include the reversal of a portion of the SAR provision. Previously, the portion attributable to executives employed by subsidiaries was recognised at Deutsche Post AG. In financial year 2013, the respective subsidiaries assumed the obligations attributable to their executives. The amount reversed to income by Deutsche Post AG was €128 million.

Other significant reversals related to provisions for derivatives (€45 million) and for restructuring (€22 million).

The miscellaneous sub-item also includes income from compensation payments and the derecognition of liabilities, among other things.

37. Materials expense

The materials expense is composed of the cost of consumables, supplies and goods purchased and held for resale, and the cost of purchased services.

Cost of consumables, supplies and goods purchased and held for resale

€ m	2012	2013
Fuel and heating material	125	119
Office materials and other operating supplies	86	92
Goods purchased and held for resale	62	54
Spare parts and repair materials	18	20
	291	**285**

Cost of purchased services

€ m	2012	2013
Transportation costs	1,525	1,609
Rental and lease expenses (incl. additional property expenses)	552	559
Retail outlet agency agreement	430	409
Commissions	416	440
Purchased IT services	210	213
Maintenance expenses	163	156
Proprietary software development	116	123
Miscellaneous	465	501
	3,877	**4,010**

The miscellaneous sub-item mostly comprises the costs of agency agreements with affiliated companies.

38. Staff costs/Employees

Staff costs/Employees

€ m	2012	2013
Wages, salaries and emoluments	5,590	5,683
Social security contributions, retirement benefit expenses and assistance benefits thereof for retirement benefit expenses: 579 (previous year: 676)	1,562	1,499
	7,152	**7,182**

Staff costs increased by €30 million year-on-year.

Since financial year 2000, Deutsche Post AG has been legally required to contribute 33 % of the pensionable gross emoluments of active civil servants and the notional pensionable gross emoluments of civil servants on leave of absence to the special pension fund.

Since 1 January 2013, the Bundesanstalt für Post und Telekommunikation Deutsche Bundespost (BAnst-PT – Federal Posts and Telecommunications Agency) has undertaken the tasks of the postal civil servant pension fund. Until 31 December 2012, the Bundes-Pensions-Service für Post und Telekommunikation e.V., in accordance with sections 15(1) and 16(1) of the Postpersonalrechtsgesetz (PostPersRG – Former Deutsche Bundespost Employees Act), was responsible for pensions and assistance benefit payments to retired civil servants, in its capacity as special pension for postal civil servants. Following the introduction of the Gesetz zur Neuordnung der Postbeamtenversorgungskasse (PVKNeuG – Act for the Reorganisation of the Postal Civil Servant Pension Fund) and the resultant amendments to the PostPersRG, the tasks of the postal civil servant pension fund were transferred to the BAnst-PT.

In 2013, contributions made to the BAnst-PT amounted to €538 million. The contributions to Bundes-Pensions-Service für Post und Telekommunikation e.V. recognised in the previous year amounted to €543 million.

It falls to the German federal government to guarantee that the special pension fund is always in a position to meet its obligations to the funding companies.

The average number of employees classified by employee groups in the period under review was as follows:

Employee groups

	2012	2013
Salaried employees and hourly workers	127,440	132,046
Civil servants	42,461	40,321
	169,901	**172,367**

The number of full-time equivalents at the reporting date was 144,388 (previous year 142,433).

The number of salaried employees and hourly workers increased by 1,955 during the financial year, and the number of civil servants decreased by 2,298.

Since 1 January 1995, new employees have no longer been granted civil servant status. Employees with civil servant status at the reporting date are permanent civil servants who remain subject to the provisions of civil service law.

39. Amortisation of intangible assets and depreciation of property, plant and equipment

Amortisation

€ m	2012	2013
Amortisation of intangible assets	14	39
Depreciation of property, plant and equipment		
Land and buildings	70	62
Technical equipment and machinery	70	81
Other equipment, operating and office equipment	86	85
	240	**267**

Of the impairment losses recognised in the reporting year, €1 million (previous year 8 million) was attributable to land and buildings, and €14 million to purchased software.

40. Other operating expenses

Other operating expenses

€ m	2012	2013
Exchange rate losses	454	439
Service level agreement DP Fleet GmbH	240	260
Public relations expenses	180	211
Travel and training costs; entertainment expenses	100	101
Expenses for the Bundesanstalt	87	93
Legal advice, consulting and auditing costs	90	83
Compensation payments	55	65
Other business taxes	296	45
Miscellaneous	475	388
	1,977	**1,685**

The primary reason for the decline in other operating expenses is the rise in other business taxes.

The change in other business taxes is attributable to the additional VAT payment made last year.

The miscellaneous sub-item includes insurance contributions, telecommunications expenses, losses on asset disposals and social benefits, among other things.

Other operating expenses include additional prior-period expenses in the amount of €7 million (previous year €16 million)

41. Financial result

Financial result

In Mio Euro	2012	2013
Income from investments thereof from affiliated companies: 1 (previous year: 1)	1	1
Income from profit transfer agreements thereof from affiliated companies: 663 (previous year: 730)	730	663
Cost of loss absorption thereof from affiliated companies: 7 (previous year: 15)	15	7
Net investment income	716	657
Other interest and similar income thereof from affiliated companies: 143 (previous year: 189)	271	231
Income from long-term loans thereof from affiliated companies: 8 (previous year: 22)	23	9
Interest and similar expenses thereof to affiliated companies: 92 (previous year 110) thereof from accumulation: 473 (previous year: 383)	726	677
Net interest result	-432	-437
Financial result	**284**	**220**

The change in the financial result is mainly due to the €67 million decrease in income from profit transfer agreements and a €40 million decrease in interest income, which were partially offset by a decline of €49 million in interest expenses.

42. Extraordinary result

There was no extraordinary income to report as at 31 December 2013. Extraordinary expenses amounted to €34 million as in the previous year. They are attributable to the pro-rata allocation of additions to pension provisions required since the BilMoG was introduced on 1 January 2010.

43. Taxes on income

A positive amount of €87 million was reported in taxes on income in the year under review. Expenses of €65 million for financial year 2013 and of €41 million for previous years were more than offset by the €193 million reversal of provisions for corporation tax and municipal trade tax.

Offsetting deferred tax assets and liabilities (net presentation method) resulted in net deferred tax assets at the balance sheet date. The company does not exercise the recognition option set out in section 274(1) sentence 2 of the HGB, and consequently no deferred tax assets are recognised on the balance sheet.

Deferred tax assets result primarily from differences between the carrying amounts of pension provisions, other provisions and liabilities in the financial statements and their tax base. Deferred tax assets were also recognised in respect of tax loss carryforwards that will reverse within the next five years in accordance with the company's projections. Deferred taxes are calculated on the basis of a tax rate of 29.8 %.

44. Retained profits brought forward

Retained profits brought forward amount to €468 million.

45. Appropriation of net profit

The following overview shows the appropriation of net retained profit from the previous year, as resolved by the Annual General Meeting (AGM):

Appropriation of net profit

€ m	31 Dec. 2012	31 Dec. 2013
Net retained profit, previous year	1,520	1,314
Dividend distribution	846	846
Retained profits brought forward	674	468

Other disclosures

46. Off-balance sheet items

Trust activities

Trust activities as at 31 December 2013 relate to loan administration for housing construction promotion and to the responsibilities agreed in accordance with section 119 of Book 6 of the Sozialgesetzbuch (SGB – German Social Security Code) relating to cash benefit payments by pension insurance funds (Postal Pension Service). The trust assets for the Postal Pension Service as at 31 December 2013 amounted to €52 million (previous year €33 million), and the trust assets for housing construction promotion were €188 million (previous year €208 million).

The factoring agreement concerning the sale of receivables in the postal agency area was terminated with effect from 31 March 2012. No further receivables were sold after this date.

As at 31 December 2013, Deutsche Post AG still administered trust assets of €127 million (previous year €151 million) for Postbank Factoring GmbH due to the receivables from REIMS II that Deutsche Post had sold.

These transactions do not result in significant future benefits or risks for Deutsche Post AG.

Other financial obligations

Other financial obligations amounted to €2,190 million at the balance sheet date. Of this figure, €1,674 million is attributable to affiliated companies. In the previous year, other financial obligations amounted to €2,669 million, including obligations of €2,119 million to affiliated companies.

The following overview shows the remaining maturities of the other financial obligations:

Other financial obligations

€m	Total	thereof with remaining maturity up to 1 year	more than 1 year up to 5 years	more than 5 years
Total	2,190	1,007	795	388
thereof to affiliated companies	1,674	628	706	339

Other financial obligations are primarily the result of long-term rental agreements and leases. In keeping with the Group leasing model, all Deutsche Post AG properties are leased from Deutsche Post Immobilien GmbH, which acts as the Group's centralised property leasing company.

47. Contingencies

Deutsche Post AG has assumed a large number of comfort letters, sureties and guarantees to secure loan, lease, supplier, delivery and service agreements to be entered into by Group companies, associates and joint ventures. This enabled the Group to obtain better contract terms locally.

Due to past experience and continuous monitoring of the liquidity situation in its companies, Deutsche Post AG is of the opinion that the risk of the comfort letters, sureties and guarantees being called must be considered extremely low. Therefore there was no need to recognise a liability for these contingencies on the balance sheet.

Contingencies pursuant to section 765 of the Bürgerliches Gesetzbuch (BGB – German Civil Code), which were solely due to affiliated companies, amounted to €225 million (previous year €180 million).

Guarantees amounting to €6,318 million (previous year €6,073 million) and comfort letters totalling €326 million (previous year €277 million) were issued. Of these amounts, guarantees totalling €6,235 million (previous year €5,972 million) and comfort letters totalling €322 million (previous year €273 million) were issued to affiliated companies.

In addition to the contingent liabilities referred to above, Deutsche Post AG issued declarations of joint and several liability (section 403 Verklaringen under Dutch law) for its Netherlands subsidiaries in order to dispense with disclosing the financial statements.

48. Hedging policy and derivatives

As an international company, Deutsche Post AG is inevitably exposed to financial risks from movements in exchange rates, interest rates and commodity prices. As part of the centralised risk management system, Deutsche Post AG additionally assumes the role of in-house bank within Deutsche Post DHL. As part of this function, external hedging transactions are entered into with banks and transferred in part internally to Group companies in order to hedge the Group’s risks. Primary and derivative financial instruments are used to offset risks from exchange rate, interest rate and commodity price movements.

The following table provides an overview of the derivative financial instruments employed and their notional amounts and fair values as at 31 December 2013:

Derivative financial instruments

€ m	Notional amount			Fair value		
	Affiliated companies	Third parties	Total	Affiliated companies	Third parties	Total
Interest rate products						
Interestrate swaps	1,426	1,126	2,552	-39	7	-32
thereof positive fair values				2	13	15
thereof negative fair values				-41	-6	-47
Currency transactions						
Currency forwards	0	4,280	4,280	0	96	96
thereof positive fair values				0	129	129
thereof negative fair values				0	-33	-33
Cross-currency transactions						
Cross-currency-swaps	913	163	1,076	-83	14	-69
thereof positive fair values				0	14	14
thereof negative fair values				-83	0	-83
Commodity price transactions						
Commodity price swaps	0	56	56	0	0	0
thereof positive fair values				0	0	0
thereof negative fair values				0	0	0
Total			**7,964**			**-5**

The notional volume is calculated as the sum of the absolute amounts underlying the individual transactions. A distinction is made between intragroup transactions (in-house bank function) and external transactions with banks. The fair values are calculated as the net unrealised gains and losses in each class of derivative from the measurement of the positions.

The fair values of currency forwards were determined on the basis of current market prices, taking into account forward premiums and discounts. The fair values of interest rate and cross-currency swaps were measured on the basis of discounted expected future cash flows and include accumulated accrued interest. The fair values of these instruments were determined using the treasury management system used in the Group. The fair values of commodity price swaps were provided by the banks with which the hedges were originally entered into.

Under the HGB, derivatives represent executory contracts that are not recognised in the balance sheet as a rule. Executory contracts are measured in accordance with the imparity principle under the HGB. A provision for expected losses is created to reflect unrealised losses from executory contracts, while unrealised gains are not recognised. A provision for expected losses must therefore generally be reported for derivatives with a negative fair value at the balance sheet date.

As an exception to this basic rule, hedge accounting may be applied to derivatives under certain conditions. If hedge accounting is applied, either the "gross hedge presentation method" or the "net hedge presentation method" may be used. If the gross hedge presentation method is used, the fair values of the derivatives are recognised in the income statement; if the net hedge presentation method is used, the carrying amounts are not adjusted to reflect fair value changes resulting from effective hedging relationships.

Deutsche Post AG exercised the option to apply hedge accounting in the following cases as of the reporting date:

External interest rate swaps (hedging instruments) with a volume of €326 million (fair value: €13 million including €12 million in accrued interest) were combined into a micro-hedge with intragroup interest rate swaps (hedged items) with a volume of €326 million (fair value: €–29 million including €–28 million in accrued interest) using the net hedge presentation method to hedge interest rate risk. The risk hedged was €1 million. The transactions have a maturity until 2014. Hedge effectiveness is measured using the critical terms match method. Hedge effectiveness is expected to be 100 % since the primary measurement characteristics of the hedged items and hedging transactions match.

In addition, external interest rate swaps (hedging instruments) with a volume of €500 million (fair value: €–4 million including €0 million in accrued interest) were combined into a micro-hedge with external financial liabilities of €500 million using the net hedge presentation method to hedge the fair value risk from changes in interest rates. The risk hedged was €4 million. The transactions will mature in 2018. Hedge effectiveness is measured using the critical terms match method. Hedge effectiveness is expected to be 100 % since the primary measurement characteristics of the hedged items and hedging transactions match.

External interest rate swaps (hedging instruments) with a volume of €300 million (fair value: €–2 million including €0 million in accrued interest) were combined into a micro-hedge with external financial liabilities of €300 million using the net hedge presentation method to hedge the fair value risk from changes in interest rates. The risk hedged was €2 million. The transactions will mature in 2020. Hedge effectiveness is measured using the critical terms match method. Hedge effectiveness is expected to be 100 % since the primary measurement characteristics of the hedged items and hedging transactions match.

A provision for expected losses amounting to €2 million was recognised for internal interest rate swaps with a volume of €600 million (fair value: €– 13 million including €– 11 million in accrued interest) and a maturity until 2014.

A provision for expected losses was not recognised for an internal interest rate swaps with a volume of €500 million (fair value: €2 million including €–7 million in accrued interest) and a maturity until 2022.

In addition, external cross-currency swaps (hedging instruments) with a volume of US$200 million (fair value: €14 million including €– 3 million in accrued interest) were combined into a micro-hedge with intragroup cross-currency swaps (hedged items) with a corresponding notional volume of US$200 million (fair value: €– 14 million including €3 million in accrued interest) using the net hedge presentation method to hedge the interest rate and currency risk. The risk hedged was €17 million. The transactions will mature in 2014. Hedge effectiveness is measured using the critical terms match method. Hedge effectiveness is expected to be 100 % since the primary measurement characteristics of the hedged items and hedging transactions match.

Furthermore, foreign currency receivables and liabilities from external bank balances, in-house bank balances, loans and currency risks from an internal cross-currency swap (hedged items) with a net volume of €2,068 million were combined, using the gross hedge presentation method, with currency forwards (hedging instruments) with a net volume of €2,068 million to form homogeneous portfolio hedges for each currency to hedge the currency risk. The risk hedged was €32 million. The positive or negative fair values of the derivatives in question are recognised in the balance sheet under other assets/other liabilities using the gross hedge presentation method.

The relevant portfolios are adjusted on a continuous basis. Where necessary, the maturities of hedging instruments falling due are extended using new hedging instruments. Due to the differing maturity dates for hedged items and hedging instruments, the carrying amounts of the hedged items in the balance sheet, which decreased by €69 million, are offset by corresponding hedging instruments with a positive fair value of net €32 million. Corresponding other operating income and expense items were recorded in the income statement. Hedge effectiveness is prospectively assessed using the critical terms match method and retrospectively measured using the cumulative dollar-offset method, whereby only value changes attributable to spot prices are included. Hedge effectiveness is expected to be 100 % since the primary measurement characteristics of the hedged items and hedging transactions match.

A provision for expected losses amounting to €6 million was recognised for the portion of the fair value of the hedging instruments not attributable to changes in spot prices and thus not included in the hedging relationship.

External currency transactions with a volume of €1,870 million (fair value: €+64 million) and a maturity until 2016 were not part of a hedging relationship because the underlying risks are not attributable to Deutsche Post AG, but to other Group companies. A provision for expected losses amounting to €26 million was recognised for these transactions.

External commodity swaps with a volume of €52 million (fair value: €0 million) was combined into a macro-hedge with highly probable future transactions using the net presentation method to hedge the commodity price risk. The risk hedged was €0 million. The future transactions in question are planned diesel purchases with a corresponding notional volume of €52 million in the period until December 2014. Hedge effectiveness is measured using a regression analysis. Due to the high correlation of risk parameters, almost complete hedge effectiveness is expected

No hedge relation was recognised for external commodity price transactions with a volume of €4 million (fair value: €0 million) because the related risks are not attributable to Deutsche Post AG, but to other Group companies. A provision for expected losses was not recognised for these transactions.

A provision for expected losses of €34 million (previous year €78 million) was reported as at 31 December 2013 for negative fair values of derivatives that were not components of a hedging relation.

49. List of shareholdings

The list of shareholdings in accordance with section 285 sentence 1 nos. 11 and 11a of the HGB is contained in Annex 5.

50. Declaration of conformity with the German Corporate Governance Code

The Board of Management and the Supervisory Board of Deutsche Post AG jointly published the Declaration of Conformity with the German Corporate Governance Code for financial year 2013 required by section 161 of the AktG. The Declaration of Conformity can be accessed on the Internet at www.corporate-governance-code.de and on the homepage at www.dpdhl.com.

51. Auditor’s fee

Information on the auditor’s fee is given in the consolidated financial statements for Deutsche Post AG and is therefore not disclosed here on the basis of the exemption provided for under section 285 no. 17 of the HGB.

52. Related party transactions

Key related party transactions, broken down by the type of relationship and the value of the transactions concerned, are presented in the following in accordance with section 285 no. 21 of the HGB.

Related party transactions

Type of relationship	Type of transaction			
	Services provided		Services sourced	
€ m	2012	2013	2012	2013
Subsidiaries	13	15	9	7
Associates	3	3	0	0
Government related entities	208	201	242	218
Key management personnel and their close family members	0	0	0	0

53. Board of Management and Supervisory Board

Board of Management remuneration

Active members of the Board of Management received remuneration totalling €10.48 million in financial year 2013 (previous year €10.97 million).

Of this amount, €6.27 million related to non-performance-related components (annual base salary: €5.94 million, fringe benefits: €0.33 million) and €4.21 million to the performance-related component paid out. An additional €2.71 million of the performance-related component was transferred to the medium-term component for payment in 2016 subject to the condition that the required EAC, as an indicator of sustainability, is reached. In the previous year, €6.11 million related to non-performance-related components (annual base salary: €5.8 million, fringe benefits: €0.31 million) and €4.86 million to the performance-related component paid out.

An additional €2.21 million of the performance-related component was transferred to the medium-term component for payment in 2015, subject to the condition that the required EAC, as an indicator of sustainability, is reached. In financial year 2013, the members of the Board of Management additionally received a total of 1,984,818 stock appreciation rights (SARs) with a total value of €7.30 million at the time of issue (1 August 2013) as a variable remuneration component with a long-term incentive effect, based on the 2006 Long-Term-Incentive Plan. In the previous year, the Board of Management members were granted 2,108,466 SARs with a total value of €7.04 million at the time of issue (1 July 2012).

Individual remuneration of active members of the Board of Management: (financial year 2013)

€	Annual base salary	Fringe benefits	Annual bonus 2013 paid	Payout of medium-term component 2011	Share of annual bonus transferred to medium-term component 2013*)	Value of SARs granted on 1 August 2013
Dr Frank Appel, Chairman	1,962,556	30,093	834,086	436,268	834,086	1,962,559
Ken Allen	930,000	97,403	453,375	208,708	453,375	930,010
Roger Crook**)	215,000	0	96,170	72,557	96,170	860,016
Bruce A. Edwards**)	232,500	102,120	111,623	105,329	111,623	930,010
Jürgen Gerdes	953,250	23,858	457,274	465,000	457,274	976,510
Lawrence Rosen	930,000	20,220	453,375	215,000	453,375	930,010
Angela Titzrath	715,000	61,234	303,875	0	303,875	715,017

*) This amount will be paid out in 2016 provided the sustainability indicator is satisfied
**) Only Deutsche Post AG

Individual remuneration of active members of the Board of Management: (financial year 2012)

€	Annual base salary	Fringe benefits	Annual bonus 2012 paid	Payout of medium-term component 2010	Share of annual bonus transferred to medium-term component 2012*)	Value of SARs granted on 1 July 2012
Dr Frank Appel, Chairman	1,841,411	34,763	1,244,325	415,493	519,194	1,817,187
Ken Allen	918,333	99,150	490,050	175,032	419,100	930,016
Roger Crook**)	205,938	199	101,939	0	101,939	860,017
Bruce A. Edwards**)	232,500	85,761	110,903	53,637	110,903	930,016
Jürgen Gerdes	930,000	21,008	448,725	340,000	448,725	930,016
Lawrence Rosen ***)	883,333	19,305	579,150	215,000	295,350	860,017
Walter Scheurle (until 30 April 2012)	310,000	6,707	230,175	223,380	76,725	0
Angela Titzrath (since 01 May 2012)	476,667	42,227 ****)	235,950	0	235,950	715,007

*) This amount will be paid out in 2015 provided the sustainability indicator is satisfied

**) Only Deutsche Post AG

***) In financial year 2012, an additional €209,000 was paid out as part of the compensation for rights that lapsed as a result of his transfer to Deutsche Post AG

****) In financial year 2012, an additional €538,835 was paid out as part of the compensation for rights that lapsed as a result of her transfer to Deutsche Post AG.

Severance payment cap in accordance with the recommendations of the Code, change of control provisions and post-contractual non-compete clauses in contracts

In accordance with the recommendation of section 4.2.3 of the German Corporate Governance Code as amended on 13 May 2013, Board of Management contracts contain a provision stipulating that in the event of premature termination of a Board of Management member's contract, the severance payment may compensate no more than the remaining term of the contract. The severance payment is limited to a maximum amount of two years' remuneration including fringe benefits (severance payment cap). The severance payment cap is calculated without any special remuneration or the value of rights allocated from long-term incentive plans.

In the event of a change in control, any member of the Board of Management is entitled to resign their office for good cause within a period of six months following the change in control, after giving three months' notice as at the end of the month, and to terminate their Board of Management contract (right to early termination). The contractual provisions stipulate that a change of control exists if a shareholder has acquired control within the meaning of section 29(2) of the Wertpapiererwerbs- und Übernahmegesetz (WpÜG – German Securities Acquisition and Takeover Act) via possession of at least 30 % of the voting rights, including the voting rights attributable to such shareholder by virtue of acting in concert with other shareholders as set forth in section 30 of the WpÜG or if a control agreement has been concluded with the company as a dependent entity in accordance with section 291 of the Aktiengesetz (German Stock Corporation Act) and such agreement has taken effect or if the company has merged with another legal entity outside of the Group pursuant to section 2 of the Umwandlungsgesetz (German Reorganisation and Transformation Act), unless the value of such other legal entity as determined by the agreed conversion rate is less than 50 % of the value of the company.

In the event that the right to early termination is exercised or a Board of Management contract is terminated by mutual consent within nine months of the change of control, the Board of Management member is entitled to payment to compensate the remaining term of their Board of Management contract. Such payment is limited to 150 % of the severance payment cap pursuant to the recommendation of the German Corporate Governance Code. The amount of the payment is reduced by 25 % if the Board of Management member has not reached the age of 60 upon leaving the company. If the remaining term of the Board of Management contract is less than two years and the Board of Management member has not reached the age of 62 upon leaving the company, the payment will correspond to the severance payment cap. The same applies if a Board of Management contract expires prior to the Board of Management member's reaching the age of 62 because less than nine months remained on the term of the contract at the time of the change of control and the contract was not renewed.

Board of Management members are also subject to a non-compete clause taking effect on the cessation of their contracts. During the one-year non-compete period, former Board of Management members receive 100 % of their last contractually stipulated annual base salary on a pro rata basis as compensation each month. Any other income earned during the non-compete period is subtracted from the compensation paid. The amount of the compensation payment itself is deducted from any severance payments or pension payments. Prior to or concurrent with cessation of the Board of Management contract, the company may declare its waiver of adherence to the non-compete clause. In such case, the company will be released from the obligation to pay compensation due to a restraint on competition six months after receipt of such declaration.

Apart from the aforementioned arrangements, no member of the Board of Management has been promised any further benefits after leaving the company.

Pension commitments under the previous system

Dr Frank Appel and Jürgen Gerdes have direct, final-salary based pension commitments on the basis of their individual contracts, providing for benefits in case of permanent disability, death or retirement. If the contract of a member ends after at least five years of service on the Board of Management, the entitlements they have acquired will vest. Members become entitled to benefits due to permanent disability after at least five years of service. Eligibility for retirement benefits begins at the earliest at the age of 55 or at the age of 62 in the case of Jürgen Gerdes. The members of the Board of Management may choose between annuity payments and a lump sum payment. The benefit amount depends on the pensionable income and the pension level derived from the years of service.

Pensionable income consists of the fixed annual remuneration (annual base salary) computed on the basis of the average salary over the last twelve calendar months of employment. Members of the Board of Management attain a pension level of 25 % after five years of service on the Board of Management. The maximum pension level of 50 % is attained after ten years of service. Subsequent pension benefits increase or decrease to reflect changes in the consumer price index in Germany.

Individual breakdown of pension commitments under the previous system in financial year 2013

	Pension commitments			
Board of Management's benefit entitlements	**Pension level on 31 Dec. 2013 %**	**Maximum pension level %**	**Staff costs for pension obligations, financial year 2013 €**	**Present value as at 31 Dec. 2013 €**
Dr Frank Appel, Chairman	50	50	326,090	8,666,351
Jürgen Gerdes	25	50	50,495	3,590,666
Total			**376,585**	**12,257,017**

Individual breakdown of pension commitments under the previous system in financial year 2012

	Pension commitments			
Board of Management's benefit entitlements	Pension level on 31 Dec. 2012 %	Maximum pension level %	Staff costs for pension obligations, financial year 2012 €	Present value as at 31 Dec. 2012 €
Dr Frank Appel, Chairman	50	50	590,284	7,612,702
Jürgen Gerdes*)	25	50	-458,446	3,216,064
Walter Scheurle (until 30 April 2012)	60	60	2,758,153	0
Total			**2,889,991**	**10,828,766**

*) Should benefits fall due while the Board member concerned is actively employed, their amount will be in accordance with the Pension Regulations of Deutsche Post AG (VersOPost) at minimum (based on a salary of €525,000).

Pension commitments under the new system

Since 4 March 2008, newly appointed Board of Management members have received pension commitments based on a defined contribution plan rather than the previous commitments, which were based on final salary.

Under the defined contribution pension plan, the company credits an annual amount of 35 % of the annual base salary to a virtual pension account for the Board of Management member concerned. The maximum contribution period is 15 years. The pension capital is accruing interest at an annual rate equal to the "iBoxx Corporates AA 10+ Annual Yield" rate, or at an annual rate of 2.25 % at minimum, and will continue to do so until the pension benefits fall due. The pension benefits are paid out in a lump sum in the amount of the value accumulated in the pension account. The benefits fall due when the Board of Management member reaches the age of 62 or in the case of invalidity or death whilst being employed. In the event of benefits falling due, the pension beneficiary may opt to receive an annuity payment in lieu of a lump-sum payment. If this option is exercised, the capital is converted to an annuity payment, taking into account the average "iBoxx Corporates AA 10+ Annual Yield" for the past ten full calendar years, the individual data of the surviving dependants and a future pension increase of 1 % per year.

Individual breakdown of pension commitments under the new system in financial year 2013

Board of Management's benefit entitlements	Pension commitments: Total contribution for 2013 €	Present value as at 31 Dec. 2013 €	Staff costs for pension obligations, financial year 2013 €
Ken Allen	325,500	1,335,816	322,156
Roger Crook	301,000	736,971	283,576
Bruce A. Edwards	325,500	1,777,282	311,202
Lawrence Rosen	325,500	2,231,745	337,018
Angela Titzrath	250,250	392,817	178,417
Total	**1,527,750**	**6,474,631**	**1,432,369**

Individual breakdown of pension commitments under the new system in financial year 2012

Board of Management's benefit entitlements	Pension commitments: Total contribution for 2012 €	Present value as at 31 Dec. 2012 €	Staff costs for pension obligations, financial year 2012 €
Ken Allen	301,000	956,305	226,137
Roger Crook	250,250	425,237	218,407
Bruce A. Edwards	325,500	1,385,086	231,020
Lawrence Rosen	301,000	1,781,174	99,428
Angela Titzrath (since 1 May 2012)	526,833 *)	195,224	160,001
Total	**1,704,583**	**4,743,026**	**934,993**

*) Pro rata amount for eight months plus start-up capital of 360,000 €. This start-up capital will be forfeited if Mrs Titzrath leaves the Company of her own choosing before the age of 60, or continues to work for the Company beyond the age of 60.

Benefits paid to former members of the Board of Management or their surviving dependants amounted to €4.38 million (previous year €4.57 million). Provisions for current pensions exist in the amount of €63.0 million (previous year €65.7 million).

Supervisory Board remuneration

Pursuant to article 17 of the Articles of Association of Deutsche Post AG as resolved by the Annual General Meeting (AGM) and in the version valid until 31 December 2013, the annual remuneration paid to the members of the Supervisory Board comprises a non-performance-related, i.e., fixed, component, a variable component geared towards sustainable corporate development and the attendance allowance.

As in the previous year the fixed component amounted to €40,000. The variable remuneration component for financial year 2013 will amount to €1,000 for each €0.02 by which the consolidated net profit per share for financial year 2015 exceeds the consolidated net profit per share for financial year 2012. This variable remuneration component will fall due for payment as at the end of the 2016 AGM. The variable remuneration component is subject to a cap equal to 50 % of the fixed component.

The Supervisory Board chairman and the Supervisory Board committee chairs receive an additional 100 % of the fixed and variable remuneration, and the Supervisory Board deputy chair and committee members receive an additional 50 %. This does not apply to the Mediation or Nomination Committees. Those who only serve on the Supervisory Board or its committees, or act as chair or deputy chair, for part of the year are remunerated on a pro-rata basis.

Supervisory Board members receive an attendance allowance of €1,000 for each plenary meeting of the Supervisory Board or committee meeting that they attend, as in 2012. They are entitled to reimbursement of out-of-pocket cash expenses incurred in the exercise of their office. Any value added tax charged on Supervisory Board remuneration or out-of-pocket expenses is reimbursed.

The remuneration for 2013, consisting of a fixed component and the attendance allowance, totalled €1,416,833 (previous year: €1,461,500). The following table shows the remuneration paid to each Supervisory Board member:

Remuneration paid to Supervisory Board members in 2013

Supervisory Board members €	Fixed component	Attendance allowance	Total	Maximum variable remuneration (cap)[1]
Prof. Dr Wulf von Schimmelmann (Chair)	141,667	16,000	**157,667**	**70,833**
Andrea Kocsis (Deputy Chair)	120,833	13,000	**133,833**	**60,416**
Rolf Bauermeister	60,833	9,000	**69,833**	**30,416**
Hero Brahms	80,000	12,000	**92,000**	**40,000**
Heinrich Josef Busch	40,000	4,000	**44,000**	**20,000**
Werner Gatzer	80,000	12,000	**92,000**	**40,000**
Prof. Dr Henning Kagermann	40,833	3,000	**43,833**	**20,416**
Thomas Koczelnik	80,833	16,000	**96,833**	**40,416**
Anke Kufalt	40,000	5,000	**45,000**	**20,000**
Thomas Kunz	40,000	4,000	**44,000**	**20,000**
Roland Oetker	80,000	14,000	**94,000**	**40,000**
Andreas Schädler	40,000	5,000	**45,000**	**20,000**
Sabine Schielmann	40,000	5,000	**45,000**	**20,000**
Dr Ulrich Schröder	40,833	4,000	**44,833**	**20,416**
Dr Stefan Schulte	60,000	10,000	**70,000**	**30,000**
Stephan Teuscher	60,000	12,000	**72,000**	**30,000**
Helga Thiel	60,000	9,000	**69,000**	**30,000**
Elmar Toime	40,000	5,000	**45,000**	**20,000**
Stefanie Weckesser	60,000	9,000	**69,000**	**30,000**
Prof. Dr-Ing. Katja Windt	40,000	4,000	**44,000**	**20,000**

[1] This variable remuneration component will fall due for payment as at the end of the 2016 AGM after determination of the consolidated net profit per share for financial year 2015.

On 29 May 2013, the AGM resolved to adjust the Supervisory Board remuneration with effect from 1 January 2014, and amended Article 17 in the Articles of Association of Deutsche Post AG accordingly. As a result, the performance-based remuneration component will be discontinued in future, whereas the fixed component will be raised to €70,000. All other provisions relating to the attendance allowance and the percentage increases in the remuneration for the Supervisory Board chair and deputy chair as well as the committee chairs and members will remain unchanged.

The variable remuneration for financial year 2011 will fall due for payment as at the end of the 2014 AGM, provided the consolidated net profit per share for 2013 exceeds the consolidated net profit per share for 2010. Since this requirement was not met, no performance-related remuneration with long-term incentive effect will be paid out for financial year 2011.

The remuneration for the previous year (2012), consisting of a fixed component and the attendance allowance, is shown in the following table for each Supervisory Board member:

Remuneration paid to Supervisory Board members 2012

Supervisory Board members €	Fixed compo-nent	Atten-dance allow-ance	Total	Maximum variable remunera-tion (cap)[1]
Prof. Dr Wulf von Schimmelmann (Chair)	140,000	21,000	**161,000**	**70,000**
Andrea Kocsis (Deputy Chair)	120,000	16,000	**136,000**	**60,000**
Wolfgang Abel (until 12 September 2012)	42,500	6,000	**48,500**	**21,250**
Rolf Bauermeister	60,000	12,000	**72,000**	**30,000**
Hero Brahms	80,000	17,000	**97,000**	**40,000**
Heinrich Josef Busch	40,000	7,000	**47,000**	**20,000**
Werner Gatzer	80,000	19,000	**99,000**	**40,000**
Prof. Dr Henning Kagermann	40,000	6,000	**46,000**	**20,000**
Thomas Koczelnik	80,000	19,000	**99,000**	**40,000**
Anke Kufalt	40,000	7,000	**47,000**	**20,000**
Thomas Kunz	40,000	5,000	**45,000**	**20,000**
Roland Oetker	80,000	17,000	**97,000**	**40,000**
Andreas Schädler	40,000	7,000	**47,000**	**20,000**
Sabine Schielmann	40,000	7,000	**47,000**	**20,000**
Dr Ulrich Schröder	40,000	6,000	**46,000**	**20,000**
Dr Stefan Schulte	60,000	15,000	**75,000**	**30,000**
Stephan Teuscher (since 29 October 2012)	10,000	2,000	**12,000**	**5,000**
Helga Thiel	60,000	16,000	**76,000**	**30,000**
Elmar Toime	40,000	5,000	**45,000**	**20,000**
Stefanie Weckesser	60,000	12,000	**72,000**	**30,000**
Prof. Dr-Ing. Katja Windt	40,000	7,000	**47,000**	**20,000**

[1] This variable remuneration component will fall due for payment as at the end of the 2015 AGM after determination of the consolidated net profit per share for financial year 2014.

The previous year (2012) also saw the payment of the variable remuneration for financial year 2010 in the total amount of €465,000, of which €41,875 was to Board members who left the company and €423,125 to active Board members. The following table shows the remuneration paid to each Supervisory Board member:

Variable remuneration paid to Supervisory Board members 2010

Variable remuneration paid to Supervisory Board members 2010	Variable remuneration (CAP) €
Prof. Dr Wulf von Schimmelmann (Chair)	**52,500**
Andrea Kocsis (Deputy Chair)	**45,000**
Wolfgang Abel (until 12 September 2012)	**22,500**
Rolf Bauermeister	**22,500**
Hero Brahms	**30,000**
Heinrich Josef Busch	**15,000**
Werner Gatzer	**30,000**
Prof. Dr Henning Kagermann	**15,000**
Thomas Koczelnik	**30,000**
Anke Kufalt	**15,000**
Thomas Kunz[1)]	**–**
Roland Oetker	**30,000**
Andreas Schädler	**15,000**
Sabine Schielmann (since 27 October 2010)	**3,125**
Dr Ulrich Schröder	**15,000**
Dr Stefan Schulte	**22,500**
Stephan Teuscher (since 29 October 2012)[1)]	**–**
Helga Thiel	**22,500**
Elmar Toime	**15,000**
Stefanie Weckesser	**22,500**
Prof. Dr-Ing. Katja Windt[1)]	**–**

[1)] Not a Supervisory Board member in financial year 2010

Executive bodies of the company

Members of the Supervisory Board
Financial year 2013

Shareholder representatives

Name	Profession
Prof. Dr Wulf von Schimmelmann (Chair)	Former CEO of Deutsche Postbank AG
Hero Brahms	Management consultant
Werner Gatzer	State Secretary, Federal Ministry of Finance
Prof. Dr Henning Kagermann	Former CEO of SAP AG
Thomas Kunz	CEO of Danone Dairy, member of the Executive Committee of Danone S.A., France
Roland Oetker	Managing Partner, ROI Verwaltungsgesellschaft mbH
Dr Ulrich Schröder	Chief Executive Officer of KfW Bankengruppe
Dr Stefan Schulte	Chairman of the Executive Board of Fraport AG
Elmar Toime	Managing Director of E Toime Consulting Limited
Prof. Dr-Ing. Katja Windt	Bernd Rogge Chair of Global Production Logistics Acting President and Provost at the Jacobs University, Bremen gGmbH

Employee representatives

Name	Position
Andrea Kocsis (Deputy Chair)	Deputy Chair of the ver.di National Executive Board and Head of Postal Services, Forwarding Companies and Logistics on the ver.di National Executive Board
Rolf Bauermeister	Head of Postal Services, Co-determination and Youth and Head of National Postal Services Group at ver.di national administration
Heinrich Josef Busch	Chair of the Group and Company Executive Representation Committee of Deutsche Post AG
Thomas Koczelnik	Chair of the Group Works Council, Deutsche Post AG
Anke Kufalt	Member of the Works Council, DHL Global Forwarding GmbH, Hamburg
Andreas Schädler	Chair of the General Works Council, Deutsche Post AG
Sabine Schielmann	Member of the Executive Board of the General Works Council of Deutsche Post AG
Stephan Teuscher	Section Head of politics referring to tariffs, civil servants and social matters in the department Postal Services, Forwarding Companies and Logistics section at ver.di national administration
Helga Thiel	Deputy Chair of the General Works Council, Deutsche Post AG
Stefanie Weckesser	Deputy Chair of the Works Council, Deutsche Post AG, MAIL Branch Augsburg

Members of the Board of Management Financial year 2013

Name	Department
Dr Frank Appel	Chair
Ken Allen	EXPRESS
Roger Crook	GLOBAL FORWARDING, FREIGHT
Bruce A. Edwards	SUPPLY CHAIN
Jürgen Gerdes	MAIL
Lawrence A. Rosen	Finance, Global Business Services
Angela Titzrath	Human Resources

Memberships of other supervisory boards and supervisory bodies held by members of the company's Supervisory Board

Shareholder representatives

Name	Memberships
Prof. Dr Wulf von Schimmelmann (Chair)	a) Allianz Deutschland AG Maxingvest AG b) Accenture Corp., Ireland (Board of Directors) Thomson Reuters Corp., Kanada (Board of Directors) Western Union Company, USA (Board of Directors)
Hero Brahms	a) Georgsmarienhütte Holding GmbH (Deputy Chair) Krauss-Maffei-Wegmann GmbH&Co.KG Live Holding AG (Chair) (until 15 January 2014) Telefunken SE (until 31 December 2013) b) Zumtobel AG, Austria (Supervisory Board, Deputy Chair)
Werner Gatzer	a) Bundesdruckerei GmbH Flughafen Berlin-Schönefeld GmbH b) No memberships
Prof. Dr Henning Kagermann	a) BMW AG Deutsche Bank AG Franz Haniel & Cie. GmbH Münchener Rückversicherungs-Gesellschaft AG b) Nokia Corporation, Finland (Board of Directors) Wipro Ltd., India (Board of Directors)
Roland Oetker	a) Evotec AG b) Rheinisch-Bergische Verlagsgesellschaft mbH (Supervisory Board)
Dr Ulrich Schröder	a) DEG – Deutsche Investitions- und Entwicklungsgesellschaft mbH Deutsche Telekom AG b) „Marguerite 2020“, European Fund for Energy, Climate, Change and Infrastructure (Supervisory Board)
Elmar Toime	a) Message AG (Chair) (until 13 September 2013) b) Blackbay Limited, United Kingdom (Non-Executive Director) (until 5 July 2013) Postea Inc., USA (Non-Executive Chairman)
Prof. Dr-Ing. Katja Windt	a) Fraport AG b) No memberships

Employee representatives

Name	Memberships
Rolf Bauermeister	a) Deutsche Postbank AG b) No memberships
Andreas Schädler	a) PSD Bank Köln eG (Chair) b) No memberships
Stephan Teuscher	a) DHL Hub Leipzig GmbH (Supervisory Board, Deputy Chair) b) No memberships
Helga Thiel	a) PSD Bank Köln eG (Deputy Chair) b) No memberships

a) Membership of other supervisory boards required by law
b) Membership of comparable supervisory bodies of German and foreign companies

Memberships of supervisory boards and other supervisory bodies held by members of the company's Board of Management

Name	Memberships
Ken Allen	a) No memberships b) DHL Sinotrans International Air Courier Ltd, China (Board of Directors)*
Roger Crook	a) No memberships b) DHL Global Forwarding Management (Asia Pacific) Pte Ltd., Singapore (Board of Directors)*
Bruce A. Edwards	a) No memberships b) Ashtead plc, United Kingdom (Board of Directors) Greif, Inc., USA (Board of Directors) Williams Lea Group Limited, United Kingdom (Board of Directors)* Williams Lea Holdings PLC, United Kingdom (Board of Directors, Chair)*
Lawrence A. Rosen	a) Deutsche Postbank AG b) Qiagen N.V. (Supervisory Board) (since 26 June 2013)

* Group appointment
a) Membership of supervisory boards required by lawn
b) Membership of comparable supervisory bodies of German and foreign companies

Statement of changes in non-current assets

Annex 1

Statement of changes in non-current assets for the period 1 January to 31 December 2013

€ m	Acquisition and production cost					Amortisation/Depreciation						Carrying amounts	
	Jan. 1, 2013	Additions	Reclassification	Disposals	Dec. 31, 2013	Jan. 1, 2013	Amort./Deprec.	Appreciation	Reclassification	Disposals	Dec. 31, 2013	Dec. 31, 2013	Jan. 1, 2013
1. Intangible assets													
Intern. gen. intangible assets	36	36	0	1	71	3	9	0	0	0	12	59	33
Concessions, software	270	21	0	19	272	178	30	0	0	17	191	81	92
Advance payments	0	1	0	0	1	0	0	0	0	0	0	1	0
Total intangible assets	**306**	**58**	**0**	**20**	**344**	**181**	**39**	**0**	**0**	**17**	**203**	**141**	**125**
2. Property, plant and equipment													
Land and buildings	2,705	30	2	15	2,722	1,219	61	0	0	6	1,274	1,448	1,486
Techn. equipment and machinery	1,716	65	41	3	1,819	1,239	81	0	0	3	1,317	502	477
Other equipment	1,003	95	13	34	1,077	755	86	0	0	32	809	268	248
Assets under construction	69	143	-56	1	155	0	0	0	0	0	0	155	69
Total property, plant and equipment	**5,493**	**333**	**0**	**53**	**5,773**	**3,213**	**228**	**0**	**0**	**41**	**3,400**	**2,373**	**2,280**
Subtotal 1. / 2.	**5,799**	**391**	**0**	**73**	**6,117**	**3,394**	**267**	**0**	**0**	**58**	**3,603**	**2,514**	**2,405**
3. Non-current financial assets													
Investments in affiliated companies	7,369	0	0	21	7,348	401	0	0	0	0	401	6,947	6,968
Loans to affiliated companies	6,655	64	0	1	6,718	0	0	0	0	0	0	6,718	6,655
Other equity investments	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans to other equity investments	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing promotion	26	0	0	6	20	0	0	0	0	0	0	20	26
Other loans	298	20	0	0	318	0	0	0	0	0	0	318	298
Total non-current financial assets	**14,348**	**84**	**0**	**28**	**14,404**	**401**	**0**	**0**	**0**	**0**	**401**	**14,003**	**13,947**
Total	**20,147**	**475**	**0**	**101**	**20,521**	**3,795**	**267**	**0**	**0**	**58**	**4,004**	**16,517**	**16,352**

Maturity structure of liabilities

Annex 2

Maturity structure of liabilities as at 31 December 2013

€ m	Balance at 31 Dec. 2012 due within 1 year	Balance at 31 Dec. 2012 due between 1 and 5 years	Balance at 31 Dec. 2012 due after 5 years	Balance at 31 Dec. 2012 Total	Balance at 31 Dec. 2013 due within 1 year	Balance at 31 Dec. 2013 due between 1 and 5 years	Balance at 31 Dec. 2013 due after 5 years	Balance at 31 Dec. 2013 Total
Bonds thereof convertible: 1,000 31 Dec. 2012: 1,000	0	0	2,000	**2,000**	0	500	2,500	**3,000**
Due to banks	84	0	0	**84**	102	0	120	**222**
Trade payables	785	0	0	**785**	818	0	0	**818**
Liabilities to affiliated companies thereof trade payables: 83 31 Dec. 2012: 79	7,453	0	0	**7,453**	8,272	0	0	**8,272**
Liabilities to other equity investments thereof trade payables: 0 31.12.2012: 0	15	0	0	**15**	10	0	0	**10**
Other liabilities thereof taxes: 260 31 Dec. 2012: 232 thereof social security: 3 31 Dec. 2012: 2	513	26	137	**676**	535	119	25	**679**
Total	**8,850**	**26**	**2,137**	**11,013**	**9,737**	**619**	**2,645**	**13,001**

Cash flow statement

Annex 3

Cash flow statement 1 January to 31 December 2013, as per GAS 2

€ m	31 Dec. 2012	31 Dec. 2013	Change
Net profit for the period	640	1,258	618
Results from disposal of non-current assets	-24	-50	-26
Amortisation/depreciation of non-current assets	240	267	27
Other non-cash income/expense	56	50	-6
Net profit before changes in working capital/Cash flow I	**912**	**1,525**	**613**
Changes in current assets (excluding cash and cash equivalents) and prepaid expenses	-813	-776	37
Changes in provisions	-2,280	-384	1,896
Changes in liabilities (excluding financial liabilities) and deferred income	-175	-91	84
Net cash used in/from operating activities	**-2,356**	**274**	**2,630**
Proceeds from disposal of non-current assets:			
Intangible assets	5	1	-4
Property, plant and equipment	45	63	18
Non-current financial assets	1,412	26	-1,386
	1,462	**90**	**-1,372**
Cash paid to acquire non-current assets:			
Intangible assets	-79	-57	22
Property, plant and equipment	-206	-208	-2
Non-current financial assets	-466	-85	381
	-751	**-350**	**401**
Receipts relating to short-term financial management of cash investments	1,699	1,467	-232
Payments relating to short-term financial management of cash investments	-1,804	-1,238	566
Net cash from/used in investing activities	**606**	**-31**	**-637**
Dividends to owners	-846	-846	0
Proceeds from issue of financial liabilities	3,312	3,148	-164
Repayment of financial liabilities	-1,631	-1,328	303
Net cash from financing activities	**835**	**974**	**139**
Net change in cash and cash equivalents	-915	1,217	2,132
Cash and cash equivalents at 1 January	2,003	1,088	-915
Cash and cash equivalents at 31 December	**1,088**	**2,305**	**1,217**

Statement of changes in equity

Annex 4

Statement of changes in equity
1 January to 31 December 2013

€ m	Issued capital	Capital reserves	Revenue reserves	Net retained profit	Total equity
Balance at 1 Jan. 2013	1,209	3,434	5,250	1,314	11,207
Capital transactions with shareholders	0	0	0	-846	-846
Treasury shares acquired	-1	0	-23	0	-24
Treasury shares issued	1	0	23	0	24
Other changes in equity not recognised in income	0	-1	0	0	-1
Changes in equity recognised in income	0	0	0	1,258	1,258
Balance at 31 Dec. 2013	**1,209**	**3,433**	**5,250**	**1,726**	**11,618**

List of shareholdings

Annex 5

Affliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
Europe					
ABIS GmbH	Germany, Frankfurt/Main	70.00	EUR	778	663
Adcloud GmbH[6), 9)]	Germany, Cologne	100.00	EUR	-1	0
Adcloud Operations Spain S.L.	Spain, Madrid	100.00	EUR	-710	-452
Aerocar B.V.	Netherlands, Amsterdam	100.00	EUR	10,041	3,424
Agheera GmbH[6), 9)]	Germany, Bonn	100.00	EUR	25	0
Albert Scheid GmbH[6), 9)]	Germany, Berlin	100.00	EUR	1,022	0
All you need GmbH	Germany, Berlin	90.25	EUR	3,872	-8,981
Applied Distribution Group Limited[5)]	United Kingdom, Bracknell	100.00	EUR	0	0
Cargus Express Curier S.R.L.	Romania, Bucharest	100.00	EUR	16,761	-1,909
Compador Technologies GmbH[7a)]	Germany, Berlin	49.00	EUR	-1,685	-2,764
CSG GmbH[6), 9)]	Germany, Bonn	51.00	EUR	13,838	0
CSG.TS GmbH[6), 9)]	Germany, Bonn	100.00	EUR	4,012	0
DANMAR Lines AG	Switzerland, Basel	100.00	EUR	26,334	-216
Danzas Deutschland Holding GmbH[6), 9)]	Germany, Frankfurt/Main	100.00	EUR	4,025	0
DANZAS Fashion B.V.	Netherlands, Venlo	100.00	EUR	-29,233	-182
Danzas Fashion Service Centers B.V.	Netherlands, Waalwijk	100.00	EUR	1,037	1
Danzas Grundstücksverwaltung Frankfurt GmbH	Germany, Frankfurt/Main	100.00	EUR	20,494	1,000
Danzas Grundstücksverwaltung Groß-Gerau GmbH[6), 9)]	Germany, Hamburg	100.00	EUR	26	0
Danzas Holding AG	Switzerland, Basel	100.00	EUR	197,727	93,918
Danzas Kiev Ltd.	Ukraine, Kiev	100.00	EUR	-43	1,552
Danzas Verwaltungs GmbH	Germany, Frankfurt/Main	100.00	EUR	16,512	496
Danzas, S.L.	Spain, San Sebastián	100.00	EUR	269,386	55,725
Deutsche Post Adress Beteiligungsgesellschaft mbH[6), 9)]	Germany, Bonn	100.00	EUR	25	0
Deutsche Post Adress Geschäftsführungs GmbH	Germany, Bonn	51.00	EUR	59	13
Deutsche Post Adress GmbH & Co. KG	Germany, Bonn	51.00	EUR	17,097	16,886
Deutsche Post Assekuranz Vermittlungs GmbH[6), 9)]	Germany, Bonn	55.00	EUR	51	0
Deutsche Post Beteiligungen Holding GmbH[6), 9)]	Germany, Bonn	100.00	EUR	6,655,052	0
Deutsche Post Com GmbH[6), 9)]	Germany, Bonn	100.00	EUR	1,126	0
Deutsche Post Consult GmbH[6), 9)]	Germany, Bonn	100.00	EUR	3,858	0
Deutsche Post Customer Service Center GmbH[6), 9)]	Germany, Monheim	100.00	EUR	43	0
Deutsche Post DHL Beteiligungen GmbH[6), 9)]	Germany, Bonn	100.00	EUR	1,507,025	0
Deutsche Post DHL Corporate Real Estate Management GmbH[6), 9)]	Germany, Bonn	100.00	EUR	51	0
Deutsche Post DHL Corporate Real Estate Management GmbH & Co. Logistikzentren KG	Germany, Bonn	100.00	EUR	4,613	386

Affliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Cur-rency	Equity in thousands	Net income in thousands
Deutsche Post DHL Inhouse Consulting GmbH[6), 9)]	Germany, Bonn	100.00	EUR	25	0
Deutsche Post DHL Research and Innovation GmbH[6), 9)]	Germany, Bonn	100.00	EUR	7,500	0
Deutsche Post Direkt GmbH[6), 9)]	Germany, Bonn	100.00	EUR	-61	0
Deutsche Post E-Post Development GmbH[6), 9)]	Germany, Bonn	100.00	EUR	25	0
Deutsche Post E-POST Solutions GmbH[6), 9)]	Germany, Bonn	100.00	EUR	2,631	0
Deutsche Post Finance B.V.	Netherlands, Maastricht	100.00	EUR	17,419	-19,296
Deutsche Post Fleet GmbH[6), 9)]	Germany, Bonn	100.00	EUR	511,115	0
Deutsche Post Global Mail (Belgium) NV	Belgium, Brussels	100.00	EUR	1,229	41
Deutsche Post Global Mail (France) SAS	France, Issy-les-Moulineaux	100.00	EUR	3,365	662
Deutsche Post Global Mail (Netherlands) B. V.	Netherlands, Utrecht	100.00	EUR	4,052	231
Deutsche Post Global Mail (Switzerland) AG	Switzerland, Basel	100.00	EUR	101	-50
Deutsche Post Global Mail (UK) Limited	United Kingdom, Croydon	100.00	EUR	18,674	1,102
Deutsche Post Immobilien GmbH[6), 9)]	Germany, Bonn	100.00	EUR	25	0
Deutsche Post InHaus Services GmbH[6), 9)]	Germany, Bonn	100.00	EUR	1,534	0
Deutsche Post Insurance Limited	Ireland, Dublin	100.00	EUR	7,899	-3,191
Deutsche Post International B.V.	Netherlands, Amsterdam	100.00	EUR	8,902,475	395,081
Deutsche Post Investments GmbH[6), 9)]	Germany, Bonn	100.00	EUR	25	0
Deutsche Post IT BRIEF GmbH[6), 9)]	Germany, Bonn	100.00	EUR	11,160	0
Deutsche Post IT Services GmbH[6), 9)]	Germany, Bonn	100.00	EUR	39,226	0
Deutsche Post Mobility GmbH[7b)]	Germany, Bonn	50.00	EUR	5,119	-4,881
Deutsche Post Reinsurance S.A.	Luxembourg, Luxembourg	100.00	EUR	16,203	765
Deutsche Post Shop Essen GmbH[6), 9)]	Germany, Essen	100.00	EUR	25	0
Deutsche Post Shop Hannover GmbH[6), 9)]	Germany, Hanover	100.00	EUR	25	0
Deutsche Post Shop München GmbH[6), 9)]	Germany, Munich	100.00	EUR	25	0
Deutsche Post Signtrust und DMDA GmbH[6), 9)]	Germany, Bonn	100.00	EUR	42	0
Deutsche Post Zahlungsdienste GmbH[6), 9)]	Germany, Bonn	100.00	EUR	2,064	0
DHL Supply Chain (Finland) Oy	Finland, Vantaa	100.00	EUR	4,070	-679
DHL (Cyprus) Ltd.	Cyprus, Nikosia	100.00	EUR	2,552	-658
DHL Air Limited	United Kingdom, Hounslow	100.00	EUR	21,914	4,138
DHL AirWays GmbH[6), 9)]	Germany, Cologne	100.00	EUR	2,032	0
DHL Automotive GmbH[6), 9)]	Germany,, Hamburg	100.00	EUR	4,091	0
DHL Automotive Offenau GmbH[6), 9)]	Germany, Bonn	100.00	EUR	71	0
DHL Automotive s.r.o.	Czech Republic, Prague	100.00	EUR	6,022	2,558
DHL Aviation (France) SAS	France, Roissy-en-France	100.00	EUR	1,448	-284
DHL Aviation (Italy) S.r.l.	Italy, Milan	100.00	EUR	2,981	302
DHL Aviation (Netherlands) B.V.	Netherlands, Amersfoort	100.00	EUR	2,820	154
DHL Aviation (UK) Limited	United Kingdom, Hounslow	100.00	EUR	9,478	1,404
DHL Aviation NV/SA	Belgium, Zaventem	100.00	EUR	11,153	1,156
DHL Beautiran SA	France, La Plaine Saint Denis	100.00	EUR	1,164	-1,382
DHL Beziers SARL	France, La Plaine Saint Denis	100.00	EUR	-42	-298

Reported IFRS data

[1] Only subgroup data available [2] Amounts from 2012 [3] Amounts from 2011 [4] Data not available [5] Dormant [6] Amounts after profit transfer [7a] Inclusion in accordance with IAS 27.14 [7b] Inclusion in accordance with IAS 27.13 (b-d) [8] In liquidation [9] Local GAAP [10] Votingrights [11] Amounts from 2010 [12] Amounts from 2009 [13] Inclusion in accordance with SIC 12 (SPE) [14] Not included because they don't have significant influence on the Group's net assets, financial position and results of operation

Affliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Cur-rency	Equity in thousands	Net income in thousands
DHL Distribution Holdings (UK) Limited	United Kingdom, Hounslow	100.00	EUR	33,960	252
DHL Ekspres (Slovenija), d.o.o.	Slovenia, Trzin	100.00	EUR	27	352
DHL Elancourt SARL	France, La Plaine Saint Denis	100.00	EUR	3,460	-31
DHL Estonia AS	Estonia, Tallinn	100.00	EUR	10,760	3,591
DHL Exel Slovakia, s.r.o.	Slovakia, Bratislava	100.00	EUR	4,573	1,854
DHL Exel Supply Chain (Denmark) A/S	Denmark, Kastrup	100.00	EUR	-19,800	-142
DHL Exel Supply Chain (Poland) Sp. z o.o.	Poland, Warsaw	100.00	EUR	-7,255	-613
DHL Exel Supply Chain (Sweden) AB	Sweden, Stockholm	100.00	EUR	16,690	4,237
DHL Exel Supply Chain Euskal-Log, S.L.U.	Spain, Barcelona	100.00	EUR	6,262	162
DHL Exel Supply Chain Hungary Limited	Hungary, Ullo	100.00	EUR	-946	-3,578
DHL Exel Supply Chain Limited	United Kingdom, Bedford	100.00	EUR	438,189	-4,702
DHL Exel Supply Chain Portugal, S.A.	Portugal, Alverca	100.00	EUR	6,622	282
DHL Exel Supply Chain (Spain), S.L.U.	Spain, Madrid	100.00	EUR	13,913	2,243
DHL Exel Supply Chain Trade (Poland) Sp. z o.o.	Poland, Warsaw	100.00	EUR	459	11
DHL Exel Supply Chain Trollhättan AB	Sweden, Stockholm	100.00	EUR	3,388	245
DHL Express (Austria) GmbH	Austria, Guntramsdorf	100.00	EUR	15,861	8,736
DHL Express (Belgium) NV	Belgium, Ternat	100.00	EUR	8,191	941
DHL Express (Czech Republic) s.r.o.	Czech Republic, Ostrava	100.00	EUR	10,231	3,838
DHL Express (Denmark) A/S	Denmark, Broendby	100.00	EUR	92,260	2,970
DHL Express (France) SAS	France, Roissy-en-France	100.00	EUR	-40,462	3,557
DHL Express (Hellas) S.A.	Greece, Athens	100.00	EUR	4,628	155
DHL Express (Iceland) EHF	Iceland, Reykjavik	100.00	EUR	754	243
DHL Express (Ireland) Ltd.	Ireland, Dublin	100.00	EUR	1,414	1,343
DHL Express (Italy) S.r.l.	Italy, Milan	100.00	EUR	59,870	10,435
DHL Express (Luxembourg) S.A.	Luxembourg, Contern	100.00	EUR	2,651	443
DHL Express (Netherlands) B.V.	Netherlands, Amersfoort	100.00	EUR	-54,377	5,712
DHL Express (Norway) AS	Norway, Oslo	100.00	EUR	24,163	386
DHL Express (Poland) Sp. z o.o.	Poland, Warsaw	100.00	EUR	49,926	18,080
DHL Express (Schweiz) AG	Switzerland, Basel	100.00	EUR	7,367	5,899
DHL Express (Slovakia), spol. s r. o.	Slovakia, Bratislava	100.00	EUR	4,148	-43
DHL Express (Sweden) AB[8]	Sweden, Stockholm	100.00	EUR	5,788	1,717
DHL Express (UK) Limited	United Kingdom, Hounslow	100.00	EUR	-56,923	-7,162
DHL Express Bulgaria EOOD	Bulgaria, Sofia	100.00	EUR	2,035	1,095
DHL Express Germany GmbH[6, 9]	Germany, Bonn	100.00	EUR	6,618	0
DHL Express Hungary Forwarding and Services LLC	Hungary, Budapest	100.00	EUR	5,836	-220
DHL Express Iberia S.L[1]	Spain, San Sebastián	100.00	EUR	176,319	23,850
DHL Express A Coruna Spain, S.L.[1]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Alacant Spain S.L.[1]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Araba Spain S.L.[1]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Barcelona Spain S.L.[1]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Bizkaia Spain S.L.[1]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Cantabria Spain S.L.[1]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Castello Spain S.L.[1]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Ciudad Real Spain, S.L.[1]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Gipuzkoa Spain S.L.[1]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Girona Spain S.L.[1]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Huelva Spain S.L.[1]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Illes Balears Spain, S.L.[1]	Spain, Barcelona	100.00	EUR	-	-
DHL Express Jaén Spain S.L.[1]	Spain, Ciudad Real	100.00	EUR	-	-
DHL Express Lugo, Spain S.L.[1]	Spain, San Sebastián	100.00	EUR	-	-

Affliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Cur-rency	Equity in thousands	Net income in thousands
DHL Express Madrid Spain S.L.[1)]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Malaga Spain S.L.[1)]	Spain, Malaga	100.00	EUR	-	-
DHL Express Navarra Spain, S.L.[1)]	Spain, Navarra	100.00	EUR	-	-
DHL Express Pontevedra Spain S.L.[1)]	Spain, Vigo	100.00	EUR	-	-
DHL Express Servicios S.L.[1)]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Sevilla Spain S.L.[1)]	Spain, Sevilla	100.00	EUR	-	-
DHL Express Tarragona Spain S.L.[1)]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Valencia Spain S.L.[1)]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Valladolid Spain S.L.[1)]	Spain, San Sebastián	100.00	EUR	-	-
DHL Express Zaragoza Spain, S.L.[1)]	Spanien, Saragossa	100.00	EUR	-	-
DHL Express Macedonia d.o.o.e.l.	Macedonia, Skopje	100.00	EUR	868	154
DHL Express Network Management GmbH[6), 9)]	Germany, Schkeuditz	100.00	EUR	25	0
DHL Express Portugal, Lda.	Portugal, Moreira da Maia	100.00	EUR	16,435	4,551
DHL Express Services (France) SAS	France, Roissy-en-France	100.00	EUR	-1,542	-92
DHL Fashion Retail Operations GmbH[6), 9)]	Germany, Mönchengladbach	100.00	EUR	21,628	0
DHL Finance Services B.V.	Netherlands, Maastricht	100.00	EUR	3,207	1,191
DHL FoodServices GmbH[6), 9)]	Germany, Cologne	100.00	EUR	258	0
DHL Freight (Belgium) NV	Belgium, Grimbergen	100.00	EUR	4,954	50
DHL Freight (France) SAS	France, Marne-la-Vallée	100.00	EUR	-3,594	-3,575
DHL Freight (Netherlands) B.V.	Netherlands, Tiel	100.00	EUR	-12,516	-2,679
DHL Freight (Sweden) AB	Sweden, Stockholm	100.00	EUR	46,302	5,115
DHL Freight and Contract Logistics (UK) Limited	United Kingdom, Milton Keynes	100.00	EUR	-5,559	402
DHL Freight Finland Oy	Finland, Vantaa	100.00	EUR	11,032	-557
DHL Freight Germany Holding GmbH[6), 9)]	Germany, Düsseldorf	100.00	EUR	301,204	0
DHL Freight GmbH[6), 9)]	Germany, Düsseldorf	100.00	EUR	10,737	0
DHL Freight Hungary Forwarding and Logistics Ltd.	Hungary, Budapest	100.00	EUR	1,993	1,466
DHL Freight Services (Netherlands) B.V.	Netherlands, Tiel	100.00	EUR	5,359	-0
DHL Freight Spain, S.L.	Spain, San Sebastián	100.00	EUR	5,260	607
DHL GBS (UK) Limited	United Kingdom, Bracknell	100.00	EUR	11,638	1,768
DHL Gertner International GmbH	Germany, Altentreptow	100.00	EUR	84	43
DHL Global Forwarding – DGF Industrial Project (DGF IP) SAS	France, Villepinte	100.00	EUR	2,326	738
DHL Global Forwarding (Austria) GmbH	Austria, Vienna	100.00	EUR	20,190	3,061
DHL Global Forwarding (Belgium) NV	Belgium, Zaventem	100.00	EUR	9,886	-541
DHL Global Forwarding (CZ) s.r.o.	Czech Republic, Prague	100.00	EUR	19,200	-2,335
DHL Global Forwarding (Denmark) A/S	Denmark, Kastrup	100.00	EUR	13,505	977
DHL Global Forwarding (Finland) Oy	Finland, Vantaa	100.00	EUR	4,977	947
DHL Global Forwarding (France) SAS	France, Villepinte	100.00	EUR	54,453	6,101
DHL Global Forwarding (Ireland) Limited	Ireland, Dublin	100.00	EUR	11,514	3,048
DHL Global Forwarding (Italy) S.p.A.	Italy, Milan	100.00	EUR	46,741	23,617
DHL Global Forwarding (Luxembourg) S.A.	Luxembourg, Luxembourg	100.00	EUR	2,574	286
DHL Global Forwarding (Netherlands) B.V.	Netherlands, Hoofddorp	100.00	EUR	9,503	6,127
DHL Global Forwarding (Norway) AS	Norway, Gardermoen	100.00	EUR	3,859	-1,204
DHL Global Forwarding (SWEDEN) AB	Sweden, Kista	100.00	EUR	23,030	4,059

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[1] Only subgroup data available [2] Amounts from 2012 [3] Amounts from 2011 [4] Data not available [5] Dormant [6] Amounts after profit transfer [7a] Inclusion in accordance with IAS 27.14 [7b] Inclusion in accordance with IAS 27.13 (b-d) [8] In liquidation [9] Local GAAP [10] Votingrights [11] Amounts from 2010 [12] Amounts from 2009 [13] Inclusion in accordance with SIC 12 (SPE) [14] Not included because they don't have significant influence on the Group's net assets, financial position and results of operation

Affliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Cur-rency	Equity in thousands	Net income in thousands
DHL Global Forwarding (UK) Limited	United Kingdom, Staines	100.00	EUR	182,913	33,593
DHL Global Forwarding GmbH[6), 9)]	Germany, Frankfurt/Main	100.00	EUR	7,242	0
DHL Global Forwarding Hellas S.A. of International Transportation and Logistics	Greece, Piraeus	100.00	EUR	6,099	-230
DHL Global Forwarding Hungary Kft.	Hungary, Budapest	100.00	EUR	17,000	4,541
DHL Global Forwarding Management GmbH[6), 9)]	Germany, Bonn	100.00	EUR	25	0
DHL Global Forwarding Portugal, Lda.	Portugal, Moreira da Maia	100.00	EUR	5,156	1,067
DHL Global Forwarding Sp. z o.o.	Poland, Lodz	100.00	EUR	10,274	5,015
DHL Global Forwarding Spain, S.L.U.	Spain, Madrid	100.00	EUR	19,227	7,185
DHL Global Mail Nordic AB	Sweden, Stockholm	100.00	EUR	546	157
DHL Global Mail OOO	Russia, Moscow	100.00	EUR	744	532
DHL Global Management GmbH[6), 9)]	Germany, Bonn	100.00	EUR	3,618,590	0
DHL Global Match (UK) Limited	United Kingdom, Bracknell	100.00	EUR	-35,721	6,382
DHL Hauptvogel International GmbH	Germany, Klipphausen	51.00	EUR	196	51
DHL Holding (France) SAS	France, Roissy-en-France	100.00	EUR	729,716	11,507
DHL Holding (Italy) S.r.l.	Italy, Milan	100.00	EUR	597,239	34,257
DHL Holdings (Ireland) Ltd.	Ireland, Dublin	100.00	EUR	93	0
DHL Home Delivery GmbH[6), 9)]	Germany, Bonn	100.00	EUR	179	0
DHL Hub Leipzig GmbH[6), 9)]	Germany, Schkeuditz	100.00	EUR	241	0
DHL Information Services (Europe) s.r.o.	Czech Republic, Prague	100.00	EUR	76,305	4,399
DHL International (Albania) Ltd.	Albania, Tirana	100.00	EUR	342	139
DHL International (Ireland) Ltd.	Ireland, Dublin	100.00	EUR	1,054	-0
DHL International (Romania) S.R.L.	Romania, Bucharest	100.00	EUR	3,558	1,696
DHL International (UK) Limited	United Kingdom, Hounslow	100.00	EUR	56,463	12,306
DHL International B.V.	Netherlands, The Hague	100.00	EUR	15,327	5,115
DHL International d.o.o.	Croatia, Zagreb	100.00	EUR	2,407	390
DHL International Express (France) SAS	France, Roissy-en-France	100.00	EUR	32,038	4,095
DHL International GmbH[6), 9)]	Germany, Bonn	100.00	EUR	1,353,453	0
DHL International Ltd.	Malta, Luqa	100.00	EUR	603	55
DHL International NV/SA	Belgium, Diegem	100.00	EUR	7,330	2,746
DHL International Ukraine JSC	Ukraine, Kiev	100.00	EUR	2,701	357
DHL International ZAO, Russia	Russia, Moscow	100.00	EUR	16,037	56,076
DHL International-Sarajevo d.o.o.	Bosnia and Herzegovina, Sarajevo	100.00	EUR	490	123
DHL Investments Limited	United Kingdom, St. Helier	100.00	EUR	-32,554	-403
DHL Latvia SIA	Latvia, Riga	100.00	EUR	501	151
DHL Leupold International GmbH	Germany, Oberkotzau	51.00	EUR	576	329
DHL Lifestyle SARL	France, La Plaine Saint Denis	100.00	EUR	-1,560	632
DHL Logistika D.O.O.	Slovenia, Brnik	100.00	EUR	1,355	676
DHL Logistics (Schweiz) AG	Switzerland, Basel	100.00	EUR	27,311	4,987
DHL Logistics (Slovakia), spol. s r.o.	Slovakia, Senec	100.00	EUR	3,312	1,340
DHL Logistics (Ukraine) Ltd.	Ukraine, Kiev	100.00	EUR	1,962	-13
DHL Logistics GmbH[6), 9)]	Germany, Hamburg	100.00	EUR	895	0
DHL Logistics OOO	Russia, Chimki	100.00	EUR	23,570	8,590
DHL Logistics S.R.L.	Romania, Bucharest	100.00	EUR	2,742	1,614
DHL Logistik Service GmbH	Austria, Vienna	100.00	EUR	-1,375	-1,663
DHL Management (Schweiz) AG	Switzerland, Basel	100.00	EUR	19,197	3,534
DHL Management Services Limited	United Kingdom, Hounslow	100.00	EUR	251	279
DHL Medjunarodni Vazdusni Ekspres d.o.o.	Serbia, Belgrade	100.00	EUR	3,676	527
DHL Mitry SARL	France, La Plaine Saint Denis	100.00	EUR	11	-1,324
DHL Nordic AB	Sweden, Stockholm	100.00	EUR	71,663	8,311
DHL Packaging s.r.o.	Czech Republic, Pohořelice	70.00	EUR	4	335

Affliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
DHL Pipelife Logistik GmbH	Austria, Wiener Neudorf	100.00	EUR	116	-90
DHL Quality Cargo AS	Norway, Oslo	100.00	EUR	403	-563
DHL Rail AB	Sweden, Trelleborg	100.00	EUR	-107	-248
DHL Sandouville SARL	France, La Plaine Saint Denis	100.00	EUR	16	-14
DHL SC Transport SASU	France, La Plaine Saint Denis	100.00	EUR	1,200	-1,306
DHL Service Central SARL	France, La Plaine Saint Denis	100.00	EUR	-4,719	-2,977
DHL Services Limited	United Kingdom, Milton Keynes	100.00	EUR	-298,681	109,079
DHL Services Logistiques SAS	France, La Plaine Saint Denis	100.00	EUR	2,354	-2,021
DHL Shoe Logistics s. r. o.	Czech Republic, Pohořelice	100.00	EUR	1,757	467
DHL Solutions (Belgium) NV	Belgium, Mechelen	100.00	EUR	31,682	2,784
DHL Solutions (France) SAS	France, La Plaine Saint Denis	100.00	EUR	999	-9,927
DHL Solutions Fashion GmbH[6), 9)]	Germany, Essen	100.00	EUR	49	0
DHL Solutions GmbH[6), 9)]	Germany, Hamburg	100.00	EUR	9,240	0
DHL Solutions Großgut GmbH[6), 9)]	Germany, Bonn	100.00	EUR	1,051	0
DHL Solutions Retail GmbH[6), 9)]	Germany, Unna	100.00	EUR	102	0
DHL Solutions k.s.	Czech Republic, Ostrava	100.00	EUR	3,492	499
DHL Stock Express SAS	France, La Plaine Saint Denis	100.00	EUR	-9,356	-8,836
DHL Supply Chain Limited	United Kingdom, Milton Keynes	100.00	EUR	371,355	36,978
DHL Supply Chain (Belgium) NV	Belgium, Mechelen	100.00	EUR	-833	-2,619
DHL Supply Chain (Ireland) Limited	Ireland, Dublin	100.00	EUR	7,872	-719
DHL Supply Chain (Italy) S.p.A.	Italy, Milan	100.00	EUR	42,089	4,404
DHL Supply Chain (Leipzig) GmbH[6), 9)]	Germany, Hamburg	100.00	EUR	25	0
DHL Supply Chain (Netherlands) B.V.	Netherlands, Tilburg	100.00	EUR	60,615	15,672
DHL Supply Chain (Norway) AS	Norway, Oslo	100.00	EUR	3,792	-2,618
DHL Supply Chain International Limited	United Kingdom, Bracknell	100.00	EUR	1,783	-196
DHL Supply Chain Management B.V.	Netherlands, Tilburg	100.00	EUR	-31,898	-29
DHL Supply Chain Management GmbH[6), 9)]	Germany, Bonn	100.00	EUR	25	0
DHL Supply Chain VAS GmbH[6), 9)]	Germany, Bonn	100.00	EUR	25	0
DHL Supply Chain, s.r.o.	Czech Republic, Pohořelice	100.00	EUR	12,552	1,741
DHL Systems Limited[5)]	United Kingdom, Milton Keynes	100.00	EUR	207	0
DHL Technical Distribution B.V.	Netherlands, Veghel	100.00	EUR	-2,208	-37
DHL Trade Fairs & Events GmbH[6), 9)]	Germany, Frankfurt/Main	100.00	EUR	607	0
DHL Trade Fairs and Events (UK) Limited	United Kingdom, Staines	85.00	EUR	564	240
DHL Vertriebs GmbH[6), 9)]	Germany, Bonn	100.00	EUR	45,000	0
DHL Verwaltungs GmbH[6), 9)]	Germany, Bonn	100.00	EUR	162	0
DHL Voigt International GmbH	Germany, Neumuenster	51.00	EUR	1,392	1,030
DHL Wahl International GmbH	Germany, Bielefeld	51.00	EUR	1,211	420
DHL Worldwide Express Logistics NV/SA	Belgium, Diegem	100.00	EUR	27,030	6,645
DHL Worlwide Network NV/SA	Belgium, Diegem	100.00	EUR	21,931	2,629
DZ Specialties B.V.	Netherlands, Maastricht	100.00	EUR	94,698	-4,012
ELP 1 AB	Sweden, Eskilstuna	100.00	EUR	1,201	0
Erste End of Runway Development Leipzig GmbH [6), 9)]	Germany, Cologne	100.00	EUR	25	0
Erste Logistik Entwicklungsgesellschaft MG GmbH[6), 9)]	Germany, Hannover	100.00	EUR	25	0
Eurodifarm S.r.l.	Italy, Casalmaiocco (Lodi)	100.00	EUR	12,054	3,603
European Air Transport Leipzig GmbH[6), 9)]	Germany, Schkeuditz	100.00	EUR	1,798	0
Exel (European Services Centre) Ltd.[5)]	Ireland, Dublin	100.00	EUR	0	0
Exel (Wommelgem) NV	Belgium, Wommelgem	100.00	EUR	-4,655	-395

Reported IFRS data

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Affliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
Exel de Portugal Transitarios Lda.	Portugal, Lisbon	100.00	EUR	81	-2
Exel Finance Limited	United Kingdom, Bedford	100.00	EUR	443	11
Exel France SA	France, La Plaine Saint Denis	100.00	EUR	154,511	637
Exel Freight Management (UK) Limited	United Kingdom, Bracknell	100.00	EUR	11,162	0
Exel Group Holdings (Nederland) B.V.	Netherlands, Veghel	100.00	EUR	42,591	-3,464
Exel Holdings Limited	United Kingdom, Bedford	100.00	EUR	649,646	2,964
Exel Insurance Limited	United Kingdom, St. Peter Port	100.00	EUR	8,849	497
Exel International Holdings (Belgium) NV	Belgium, Mechelen	100.00	EUR	88,964	-428
Exel International Holdings (Netherlands[1]) B.V.	Netherlands, Veghel	100.00	EUR	692,857	-253
Exel International Holdings (Netherlands[2]) B.V.	Netherlands, Veghel	100.00	EUR	1,112,625	10,264
Exel Investments Limited	United Kingdom, Bracknell	100.00	EUR	185,962	71,757
Exel Investments Netherlands B.V.[5]	Netherlands, Veghel	100.00	EUR	225	0
Exel Limited	United Kingdom, Bracknell	100.00	EUR	1,171,086	77,168
Exel Logistics Property Limited	United Kingdom, Bedford	100.00	EUR	63,649	5,322
Exel Overseas Limited	United Kingdom, Bracknell	100.00	EUR	254,545	20,482
Exel UK Limited	United Kingdom, Bracknell	100.00	EUR	53,573	363
F.X. Coughlin B.V.	Netherlands, Duiven	100.00	EUR	1,963	274
F.X. Coughlin (U.K.) Limited	United Kingdom, Bracknell	100.00	EUR	3,781	235
FACT Denmark A/S	Denmark, Kastrup	100.00	EUR	988	159
Fashion Logistics Limited	United Kingdom, Bracknell	100.00	EUR	0	26
First Mail Düsseldorf GmbH[6, 9]	Germany, Düsseldorf	100.00	EUR	-2,242	0
Formation E-Document Solutions Limited[5]	United Kingdom, London	100.00	EUR	12	0
Freight Indemnity and Guarantee Company Limited	United Kingdom, Bedford	100.00	EUR	20	0
Fusion Premedia Group Limited[5]	United Kingdom, London	100.00	EUR	-12	0
Gerlach & Co Internationale Expediteurs B.V.	Netherlands, Venlo	100.00	EUR	2,580	467
Gerlach & Co. NV	Belgium, Antwerp	100.00	EUR	5,552	319
Gerlach AG	Switzerland, Basel	100.00	EUR	7,169	7,569
Gerlach Customs Services EOOD	Bulgaria, Sofia	100.00	EUR	14	23
Gerlach Custom Services UK Limited	United Kingdom, London	100.00	EUR	144	46
Gerlach European Customs Services, spol. s r.o.	Slovakia, Senec	100.00	EUR	126	-6
Gerlach European Services SRL	Romania, Bucharest	100.00	EUR	52	-21
Gerlach Sp. z o.o.	Poland, Gluchowo/Komorniki	100.00	EUR	947	338
Gerlach Spol s.r.o.	Czech Republic, Rudna u Prahy	100.00	EUR	2,877	2,151
Gerlach Zolldienste GmbH[6, 9]	Germany, Düsseldorf	100.00	EUR	102	0
Giorgio Gori S.r.l.	Italy, Collesalvetti (Livorno)	60.00	EUR	18,018	15,042
Giorgio Gori (France) SAS	France, Châtenoy-le-Royal	100.00	EUR	1,813	97
Global Mail (Austria) Ges.m.b.H.	Austria, Vienna	100.00	EUR	1,852	254
GoodsandServices.tv Limited	United Kingdom, London	100.00	EUR	10,933	1,795
Gori Iberia S.L.	Spain, Barcelona	100.00	EUR	1,873	783
Gori Iberia Transitarios, Limitada	Portugal, Matosinhos	60.00	EUR	896	429
Güll GmbH	Germany, Lindau (Lake Constance)	51.00	EUR	2,536	142
Higgs International Limited	United Kingdom, Bracknell	100.00	EUR	9,073	877
Historia Sp. z o.o.[8]	Poland, Piaseczno	100.00	EUR	-154	0
Hull, Blyth (Angola) Limited	United Kingdom, Bracknell	100.00	EUR	-2,536	309
Hyperion Properties Limited	United Kingdom, Bedford	100.00	EUR	-5,379	0
IntelliAd Media GmbH	Germany, Munich	100.00	EUR	1,445	496
Interlanden B.V.	Netherlands, Apeldoorn	100.00	EUR	-113,253	-3,261
interServ Gesellschaft für Personal- und Beraterdienstleistungen mbH[6, 9]	Germany, Bonn	100.00	EUR	76	0

Affliated Companies included in the Consolidated Financial Statements

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Joint Retail Logistics Limited	United Kingdom, Bracknell	100.00	EUR	12,899	-2,246
Karukera Transit SAS	France, Pointe-à-Pitre	100.00	EUR	1,074	9
Laible AG Speditionen	Switzerland, Schaffhausen	100.00	EUR	1,010	690
Lightbox Creative Services Limited[5)]	United Kingdom, London	100.00	EUR	-67	0
LLC Customs Broker	Russia, Khimki	100.00	EUR	-111	-71
LLC Customs Services	Russia, Khimki	100.00	EUR	5,998	8,482
LLC DHL Express	Russia, Khimki	100.00	EUR	1,033	1,278
LLC Gerlach Ukraine	Ukraine, Kiev	100.00	EUR	270	228
LLC Williams Lea	Russland, Moskau	100.00	EUR	403	527
Luftfrachtsicherheit-Service GmbH[7b)]	Germany, Frankfurt/Main	50.00	EUR	1,026	799
McGregor Cory Limited	United Kingdom, Bracknell	100.00	EUR	18,139	2,079
Multimar Seefrachtenkontor Gesellschaft m.b.H.	Austria, Vienna	100.00	EUR	278	0
National Carriers Limited[5)]	United Kingdom, Bedford	100.00	EUR	45	0
NFC International Holdings (Ireland)	Ireland, Dublin	100.00	EUR	39,466	-1
nugg.ad AG predictive behavioral targeting[6), 9)]	Germany, Berlin	100.00	EUR	2,487	0
Ocean Group Investments Limited	United Kingdom, Bracknell	100.00	EUR	863	56
Ocean Overseas (Luxembourg) Sarl	Luxembourg, Luxembourg	100.00	EUR	4,848	-227
Ocean Overseas Holdings Limited	United Kingdom, Bracknell	100.00	EUR	519,947	22,112
optivo GmbH	Germany, Berlin	100.00	EUR	1,712	427
Orbital Secretaries Limited[5)]	United Kingdom, Hounslow	100.00	EUR	-0	0
Pharma Logistics B.V.	Netherlands, Rotterdam	100.00	EUR	496	80
Pharma Logistics NV	Belgium, Mechelen	100.00	EUR	25,952	1,556
Power Europe (Cannock) Limited	United Kingdom, Bracknell	100.00	EUR	1,463	1,433
Power Europe (Doncaster) Limited	United Kingdom, Bracknell	100.00	EUR	744	737
Power Europe Development Limited[5)]	United Kingdom, Bracknell	100.00	EUR	0	0
Power Europe Development No. 3 Limited	United Kingdom, Bracknell	100.00	EUR	461	-0
Power Europe Limited	United Kingdom, Bracknell	100.00	EUR	-954	3
Power Europe Operating Limited	United Kingdom, Bracknell	100.00	EUR	8,275	1,769
PPL CZ s.r.o.	Czech Republic, Prague	100.00	EUR	80,119	7,575
Presse-Service Güll GmbH	Switzerland, St. Gallen	51.00	EUR	836	322
RDC Properties Limited[5)]	United Kingdom, Bracknell	100.00	EUR	0	0
RISER ID Services GmbH	Germany, Berlin	51.00	EUR	2,341	419
Scherbauer Spedition GmbH[7b)]	Germany, Neutraubling	50.00	EUR	4,844	958
Selektvracht B.V.	Netherlands, Utrecht	100.00	EUR	10,904	1,134
Smoke and Mirrors Productions Limited	United Kingdom, London	100.00	EUR	10,978	2,249
Speedmail International Limited[5)]	United Kingdom, London	100.00	EUR	10,490	0
StarBroker AG	Switzerland, Basel	100.00	EUR	50,639	26,681
Tag @ Baker Street Limited[5)]	United Kingdom, London	100.00	EUR	-0	0
Tag @ Ogilvy Limited	United Kingdom, London	100.00	EUR	0	-0
Tag Acquisitions Limited	United Kingdom, London	100.00	EUR	-13,988	-1,912
Tag At RKCR/YR Limited	United Kingdom, London	100.00	EUR	0	-4
Tag Belgium SA	Belgium, Brussels	100.00	EUR	2,108	583
Tag Creative Limited	United Kingdom, London	100.00	EUR	3,365	710
Tag Europe Limited	United Kingdom, London	100.00	EUR	16,850	-8,796
Tag Germany GmbH	Germany, Düsseldorf	100.00	EUR	811	-117
Tag Holdco Limited	United Kingdom, London	100.00	EUR	52	-3
Tag NewCo Limited	United Kingdom, London	100.00	EUR	-155	-16
Tag Pac Limited	United Kingdom, London	100.00	EUR	-504	478
Tag Print Services Limited	United Kingdom, London	100.00	EUR	-220	-56

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Affliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
Tag Response Limited	United Kingdom, London	100.00	EUR	10,601	1,884
Tag Storage Limited	United Kingdom, London	100.00	EUR	46,530	1,050
Tag Topco Limited	United Kingdom, London	100.00	EUR	98,752	-1,755
Tag Worldwide France SARL	France, Paris	100.00	EUR	-260	-87
Tag Worldwide Group Limited	United Kingdom, London	100.00	EUR	692	119
Tag Worldwide Holdings Limited	United Kingdom, London	100.00	EUR	3,918	-73
Tankfreight (Ireland) Ltd.[5]	Ireland, Dublin	100.00	EUR	0	0
The Admagic Group Limited[5]	United Kingdom, London	100.00	EUR	1	0
The Stationery Office Group Limited[5]	United Kingdom, London	100.00	EUR	20,030	0
The Stationery Office Holdings Limited	United Kingdom, London	100.00	EUR	27,930	-4,454
The Stationery Office Limited	United Kingdom, London	100.00	EUR	134,349	12,812
Tibbett & Britten Group Limited[5]	United Kingdom, Bracknell	100.00	EUR	0	0
Tradeteam Limited	United Kingdom, Bedford	100.00	EUR	53,769	29,785
Transflash McGregor (Ireland) Ltd.	Ireland, Dublin	100.00	EUR	717	-0
Trucks and Child Safety Limited	United Kingdom, Bracknell	100.00	EUR	-1	-1
TSO Holdings A Limited	United Kingdom, London	100.00	EUR	19,945	0
TSO Holdings B Limited	United Kingdom, London	100.00	EUR	36,268	0
TSO Property Limited	United Kingdom, London	100.00	EUR	17,920	155
UAB DHL Lietuva	Lithuania, Vilnius	100.00	EUR	2,994	2,312
Véron Grauer AG	Switzerland, Basel	100.00	EUR	2,197	2,304
Vetsch AG, Internationale Transporte[1]	Switzerland, Buchs	100.00	EUR	1,067	831
Vetsch Internationale Transporte GmbH [1]	Austria, Wolfurt	100.00	EUR	-	-
Werbeagentur Janssen GmbH[6, 9]	Germany, Düsseldorf	100.00	EUR	511	0
Williams Lea & Tag GmbH[6, 9]	Germany, Munich	100.00	EUR	25	0
Williams Lea Belgium BVBA	Belgium, Ternat	100.00	EUR	0	21
Williams Lea Finnland Oy	Finland, Vantaa	100.00	EUR	176	82
Williams Lea France SAS	France, Paris	100.00	EUR	-178	-85
Williams Lea Group Limited[1]	United Kingdom, London	100.00	EUR	147,400	-10,245
Williams Lea (No. [1] Ltd.[1]	United Kingdom, London	100.00	EUR	-	-
Williams Lea Group Management Services Limited	United Kingdom, London	100.00	EUR	6,906	6,022
Williams Lea Holdings PLC	United Kingdom, London	96.46	EUR	544,358	124
Williams Lea Hungary Kft.	Ungarn, Budapest	100.00	EUR	-22	-2
Williams Lea Ireland Limited	Ireland, Dublin	100.00	EUR	2,669	132
Williams Lea Italia S.r.l.	Italy, Rome	100.00	EUR	8	-1
Williams Lea Limited	United Kingdom, London	100.00	EUR	80,170	7,382
Williams Lea Netherlands B.V.	Niederlande, Amsterdam	100.00	EUR	-2,340	-148
Williams Lea S.L.	Spain, Barcelona	100.00	EUR	7	-0
Williams Lea Sweden AB	Sweden, Nyköping	100.00	EUR	131	97
Williams Lea UK Limited	United Kingdom, London	100.00	EUR	365	0
Williams Lea Ukraine	Ukraine, Kiev	100.00	EUR	89	-30
Williams Lea, s.r.o.	Czech Republic, Brno	100.00	EUR	1,283	24
World Writers Limited	United Kingdom, London	100.00	EUR	16,526	3,610
Zweite Logistik Entwicklungsgesellschaft MG GmbH[6, 9]	Germany, Bonn	100.00	EUR	25	0
Americas					
Advance Logistics Inc.	USA, Westerville	100.00	EUR	1,561	463
AEI Drawback Services Inc.	USA, Miami	100.00	EUR	9,924	938
Aero Express del Ecuador (TransAm) Ltda.	Ecuador, Guayaquil	100.00	EUR	391	681
Aero Express del Ecuador TransAm Cia Ltd. (Colombian Branch)	Colombia, Bogotá	100.00	EUR	1,020	1,088
Agencia de Aduanas DHL Express Colombia Ltda.	Colombia, Bogotá	100.00	EUR	1,845	-44
AGENCIA DE ADUANAS DHL GLOBAL FORWARDING (COLOMBIA) S.A. NIVEL[1]	Colombia, Bogotá	100.00	EUR	2,223	-588

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Air Express International USA, Inc.[1)]	USA, Miami	100.00	EUR	53,069	-21,352
Radix Group International, Inc.[1)]	USA, Miami	100.00	EUR	-	-
Circuit Logistics Inc.	Canada, Toronto	100.00	EUR	-128	-124
Compass Logistics Inc.	USA, Westerville	100.00	EUR	203	212
Connect Logistics Services Inc.	Canada, Toronto	100.00	EUR	1,293	1,644
Danzas Corporation	USA, Miami	100.00	EUR	-30,636	3,623
DHL (Bahamas) Limited	Bahamas, Nassau	100.00	EUR	907	46
DHL (Barbados) Ltd.	Barbados, Christ Church	100.00	EUR	1,642	-46
DHL (Bolivia) SRL	Bolivia, Santa Cruz de la Sierra	100.00	EUR	2,341	-336
DHL (BVI) Ltd.	British Virgin Islands , Tortola	100.00	EUR	200	18
DHL (Costa Rica) S.A.	Costa Rica, San José	100.00	EUR	15,729	-771
DHL (Honduras) S.A. de C.V.	Honduras, San Pedro Sula	100.00	EUR	4,128	237
DHL (Jamaica) Ltd.	Jamaica , Kingston	100.00	EUR	740	-35
DHL (Paraguay) S.R.L.	Paraguay, Asunción	100.00	EUR	3,465	-884
DHL (Trinidad and Tobago) Limited	Trinidad and Tobago, Port of Spain	100.00	EUR	332	211
DHL (Uruguay) S.R.L.	Uruguay, Montevideo	100.00	EUR	6,149	753
DHL Aero Expreso S.A.[7b)]	Panama, Panama City	49.00	EUR	23,711	2,184
DHL Arwest (Panama) S.A.[1)]	Panama, Panama City	100.00	EUR	-2,162	413
Corporación Arwest de Mexico S.A. de C.V.[1)]	Mexico, Mexico City	100.00	EUR	-	-
DHL Arwest (Guatemala) S.A.[1)]	Guatemala, Guatemala City	100.00	EUR	-	-
DHL Arwest de Mexico S.A. de C.V.[1)]	Mexico, Ecatepec	100.00	EUR	-	-
DHL Aviation (Costa Rica) S.A.	Costa Rica , San José	100.00	EUR	2,830	326
DHL Aviation Americas, Inc.	USA, Plantation	100.00	EUR	1,587	323
DHL Corporate Services SC México	Mexico, Tepotzotlán	100.00	EUR	3,296	2,575
DHL Customer Solutions & Innovations (USA) Inc.	USA, Plantation	100.00	EUR	-284	198
DHL Customer Support (Costa Rica) S.A.	Costa Rica, San José	100.00	EUR	786	385
DHL Customs (Costa Rica) S.A.	Costa Rica, San José	100.00	EUR	-1,104	-683
DHL de Guatemala S.A.[7b)]	Guatemala, Guatemala City	49.00	EUR	1,911	-535
DHL Dominicana SA	Dominican Republic, Santo Domingo	100.00	EUR	1,594	66
DHL Exel Supply Chain (Argentina) S.A.	Argentina, Buenos Aires	100.00	EUR	6,689	215
DHL Express (Argentina) S.A.	Argentina, Buenos Aires	100.00	EUR	9,991	802
DHL Express (Brazil) Ltda.	Brasilien, São Paulo	100.00	EUR	16,224	-375
DHL Express (Canada) Ltd.	Canada, Mississauga	100.00	EUR	-187,002	8,031
DHL Express (Chile) Ltda.	Chile, Santiago de Chile	100.00	EUR	18,248	-3,367
DHL Express (Ecuador) S.A.	Ecuador, Quito	100.00	EUR	1,040	-490
DHL Express (El Salvador) S.A. de C.V.	El Salvador, San Salvador	100.00	EUR	586	21
DHL Express (USA), Inc.	USA, Plantation	100.00	EUR	-82,391	38,432
DHL Express Aduanas Peru S.A.C.	Peru, Callao	100.00	EUR	-214	554
DHL Express Aduanas Venezuela C.A.	Venezuela, Caracas	100.00	EUR	2,191	461
DHL Express Colombia Ltda.	Colombia, Bogotá	100.00	EUR	5,994	-245
DHL Express México, S.A. de C.V.	Mexico, Mexico City	100.00	EUR	34,970	24,020
DHL Express Peru S.A.C.	Peru, Callao	100.00	EUR	6,961	-523
DHL Fletes Aereos, C.A.	Venezuela, Caracas	100.00	EUR	4,111	2,259
DHL Freight USA Inc.	USA, Plantation	100.00	EUR	15,262	517
DHL Global Forwarding (Argentina) S.A.	Argentina, Buenos Aires	100.00	EUR	9,799	4,793
DHL Global Forwarding (Brazil) Logistics Ltda.	Brazil, São Paulo	100.00	EUR	14,274	4,922

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[7a] Inclusion in accordance with IAS 27.14 [7b] Inclusion in accordance with IAS 27.13 (b-d) [8] In liquidation [9] Local GAAP [10] Votingrights
[11] Amounts from 2010 [12] Amounts from 2009 [13] Inclusion in accordance with SIC 12 (SPE) [14] Not included because they don't have significant influence on the Group's net assets, financial position and results of operation

Affliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Cur-rency	Equity in thousands	Net income in thousands
DHL Global Forwarding (Canada) Inc.	Canada, Mississauga	100.00	EUR	68,457	3,897
DHL Global Forwarding (Chile) S.A.	Chile, Santiago de Chile	100.00	EUR	21,095	3,431
DHL Global Forwarding (Colombia) Ltda.	Colombia, Bogotá	100.00	EUR	2,786	-2,419
DHL Global Forwarding (Ecuador) S.A.	Ecuador, Quito	100.00	EUR	2,102	112
DHL Global Forwarding (El Salvador) S.A.[1)]	El Salvador, San Salvador	100.00	EUR	1,603	351
DHL Zona Franca El Salvador S.A.[1)]	El Salvador, Antiguo Cuscatlan	100.00	EUR	-	-
DHL Global Forwarding (Guatemala) S.A.[1)]	Guatemala, Guatemala City	100.00	EUR	6,003	1,344
Carga Aerea Internacional S.A. (CARINTER) [1)]	Guatemala, Guatemala City	100.00	EUR	-	-
DHL Zona Franca (Guatemala) S.A.[1)]	Guatemala, Guatemala City	100.00	EUR	-	-
Transportes Expresos Internacionales (Interexpreso) S.A.[1)]	Guatemala, Guatemala City	100.00	EUR	-	-
DHL Global Forwarding (Mexico) S.A. de C.V.	Mexico, Mexico City	100.00	EUR	11,937	476
DHL Global Forwarding (Nicaragua) S.A.	Nicaragua, Managua	100.00	EUR	217	83
DHL Global Forwarding (Panama) S.A.[1)]	Panama, Panama City	100.00	EUR	6,580	1,394
DHL Holding Panama Inc.[1)]	Panama, Panama City	100.00	EUR	-	-
DHL Global Forwarding Deposito Aduanero (Colombia) S.A.	Colombia, Bogotá	100.00	EUR	959	-2,794
DHL Global Forwarding Management Latin America Inc.	USA, Coral Gables	100.00	EUR	541	0
DHL Global Forwarding Peru S.A.[1)]	Peru, Lima	100.00	EUR	6,417	1,590
DHL Global Forwarding Aduanas Peru S.A.[1)]	Peru, Callao	100.00	EUR	-	-
DHL Global Forwarding Venezuela, C.A.	Venezuela, Caracas	100.00	EUR	35,372	19,087
DHL Global Forwarding Zona Franca (Colombia) S.A.	Colombia, Bogotá	100.00	EUR	1,744	4,273
DHL Guadeloupe SAS	Guadeloupe, Baie Mahault	100.00	EUR	250	0
DHL Holding Central America Inc.[1)]	Panama, Panama City	100.00	EUR	53,227	-307
Lagents & Co. SRL[1), 7b)]	Costa Rica, San José	50.00	EUR	-	-
DHL Information Services (Americas), Inc.	USA, Plantation	100.00	EUR	677	264
DHL International Antilles SARL	Martinique, Lamentin	100.00	EUR	-443	-115
DHL International Express Ltd.	Canada, Mississauga	100.00	EUR	75,470	-67
DHL International Haiti SA	Haiti, Port-au-Prince	100.00	EUR	159	-9
DHL Logistics (Brazil) Ltda.	Brazil, São Paulo	100.00	EUR	73,877	16,218
DHL Management Cenam S. A.	Costa Rica, Heredia	100.00	EUR	4,591	646
DHL Metropolitan Logistics SC Mexico S.A. de C.V.	Mexico, Tepotzotlán	100.00	EUR	18,976	7,158
DHL Network Operations (USA), Inc.	USA, Plantation	100.00	EUR	407,485	-3,562
DHL Nicaragua, S.A.	Nicaragua, Managua	100.00	EUR	293	5
DHL of Curacao N.V.	Niederländische Antillen, Curaçao	100.00	EUR	292	-204
DHL Panama S.A.	Panama, Panama City	100.00	EUR	2,476	-232
DHL Regional Services, Inc.	USA, Plantation	100.00	EUR	1,445	2,377
DHL S.A.	Guatemala, Guatemala City	100.00	EUR	1,152	-171
DHL Sint Maarten N.V.	Niederländische Antillen, Philipsburg	100.00	EUR	-320	-179
DHL Solutions (USA), Inc.	USA, Westerville	100.00	EUR	-16,183	489
DHL Supply Chain (Chile) S.A.	Chile, Colina	100.00	EUR	3,352	940
DHL Supply Chain Automotive Mexico S.A. de C.V.	Mexico, Tepotzotlán	100.00	EUR	2,040	5,783
DHL Worldwide Express (Aruba) NV[5)]	Aruba, Oranjestad	100.00	EUR	4	0

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Dimalsa Logistics Inc.	Puerto Rico, San Juan	100.00	EUR	1,878	309
DPWN Holdings (USA), Inc.	USA, Plantation	100.00	EUR	6,586,846	13,517
Exel Canada Ltd.	Canada, Toronto	100.00	EUR	17,911	10,098
EC Logistica S.A.	Argentina, Buenos Aires	51.00	EUR	150	110
Exel Global Logistics do Brasil S.A.	Brasilien, São Paulo	100.00	EUR	3,497	-1
Exel Global Logistics Inc.	USA, Palm City	100.00	EUR	-616	64
Exel Inc.	USA, Westerville	100.00	EUR	268,521	69,687
Exel Logistics Argentina S.A.	Argentina, Buenos Aires	100.00	EUR	357	22
Exel Logistics do Nordeste Ltda.	Brasilien, Camacari	100.00	EUR	4,715	3,687
F.X. Coughlin do Brasil Ltda.	Brasilien, São Paulo	100.00	EUR	-4,197	-0
Freshlink Canada Ltd.	Canada, Toronto	100.00	EUR	184	-3
Galaxy Logistics Inc.	USA, Westerville	100.00	EUR	5	0
Genesis Logistics Inc.	USA, Westerville	100.00	EUR	23,819	3,657
Giorgio Gori USA, Inc.	USA, Baltimore	100.00	EUR	6,018	3,490
Global Mail, Inc.	USA, Weston	100.00	EUR	131,796	13,497
Global Mail Terminal Operations (USA) LLC[8)]	USA, Weston	100.00	EUR	0	0
Gori Argentina S.A.	Argentinien, Mendoza	96.76	EUR	1,518	301
GORI CHILE S.A.	Chile, Santiago de Chile	99.00	EUR	2,289	-164
Harmony Logistics Canada Inc.	Canada, Toronto	100.00	EUR	-23	28
Harvest Logistics Inc.[5)]	USA, Westerville	100.00	EUR	372	0
Heartland Logistics Inc.	USA, Westerville	100.00	EUR	1,810	402
Hyperion Immobilaria S.A. de C.V.	Mexico, Tepotzotlán	100.00	EUR	3,378	521
Ibryl Inc.	Kaimaninseln, George Town	100.00	EUR	-29,678	-4,507
Integracion Aduanera S. A.[5)]	Costa Rica, San José	51.00	EUR	472	0
LifeConEx LLC	USA, Plantation	100.00	EUR	-8,853	-3,495
Marias Falls Insurance Co., Ltd.	Bermuda, Hamilton	100.00	EUR	48,356	21,021
Matrix Logistics Inc.	USA, Westerville	100.00	EUR	-5	-6
Matrix Logistics Services Ltd.	Canada, Toronto	100.00	EUR	-5,479	-5,343
Mercury Airfreight International Inc.	USA, Avenel	100.00	EUR	745	-9
Mercury Holdings Inc.	USA, Avenel	100.00	EUR	233	0
Northstar Logistics Inc.[5)]	USA, Westerville	100.00	EUR	0	0
Pinnacle Logistics Inc.[5)]	USA, Westerville	100.00	EUR	0	0
Polar Air Cargo Worldwide, Inc.[7b)]	USA, Purchase	49.00	EUR	9,300	-41
Relay Logistics Inc.	Canada, Toronto	100.00	EUR	115	123
Saturn Integrated Logistics Inc.	Canada, Toronto	100.00	EUR	25	50
SCM Supply Chain Management Inc.	Canada, Toronto	100.00	EUR	5,295	-3,540
Sky Courier, Inc.	USA, Sterling	100.00	EUR	3,449	1,015
Standard Forwarding LLC	USA, East Moline	100.00	EUR	7,119	-181
Summit Logistics Inc.	Canada, Toronto	100.00	EUR	72	0
Tag EquityCo Limited	Kaimaninseln, Grand Cayman	100.00	EUR	6,077	-412
Tag Sao Paulo Servico de Consultoria Ltda.	Brasilien, São Paulo	100.00	EUR	409	479
Tag Worldwide (USA) Inc.	USA, New York	100.00	EUR	5,933	-97
Tag Worldwide Canada Inc.[5)]	Canada, Halifax	100.00	EUR	0	0
Tafinor S.A.[5)]	Uruguay, Montevideo	100.00	EUR	7	0
TEDI Translogic Express Dedicated Inc.	Canada, Mississauga	100.00	EUR	328	-58
Tibbett & Britten Group Canada Inc.	Canada, Toronto	100.00	EUR	8,108	12,414
Tibbett & Britten Group North America, LLC	USA, Westerville	100.00	EUR	-6,246	4,151
Tracker Logistics Inc.	Canada, Toronto	100.00	EUR	20	54
Transcare Supply Chain Management Inc.	Canada, Toronto	100.00	EUR	38	-40

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Unidock's Assessoria e Logistica de Materiais Ltda.	Brasilien, Barueri	100.00	EUR	10,858	3,785
USC Distribution Services LLC	USA, Westerville	100.00	EUR	-6,851	-78
Vensecar Internacional, C.A.	Venezuela, Maiquitia	100.00	EUR	20,946	943
Vensecar International (Barbados) Inc.	Barbados, Belleville, St.Michael	100.00	EUR	15,843	0
Williams Lea (Brazil) Assessoria Em Solucoes Empresariais Ltda.	Brasilien, Rio de Janeiro	100.00	EUR	107	46
Williams Lea (Canada), Inc.	Canada, Montréal	100.00	EUR	1,368	-413
Williams Lea Argentina S.A.	Argentina, Buenos Aires	100.00	EUR	-443	-280
Williams Lea Holdings, Inc.	USA, Chicago	100.00	EUR	59,498	0
Williams Lea Inc.	USA, Chicago	100.00	EUR	117,591	4,023
Williams Lea México, S. de R.L. de C.V.	Mexico, Mexico City	100.00	EUR	-401	-219
Wilmington Air Park, LLC	USA, Plantation	100.00	EUR	-602	-5
Zenith Logistics Inc.	Canada, Toronto	100.00	EUR	539	80
Asien/Pazifik					
Air Express International (Malaysia) Sdn. Bhd.[7b)]	Malaysia, Puchong	49.00	EUR	2,379	85
Asia Overnight (Thailand) Ltd.	Thailand, Bangkok	100.00	EUR	967	134
Blue Dart Aviation Ltd.[13)]	Indien, Mumbai	49.00	EUR	4,571	493
Blue Dart Express Limited	Indien, Mumbai	75.00	EUR	93,716	13,588
Danzas (China) Ltd.	China, Hongkong	100.00	EUR	-85	-207
Danzas AEI (HK) Limited	China, Hongkong	100.00	EUR	9	-15
Danzas AEI Logistics (Shanghai) Co. Ltd.	China, Shanghai	100.00	EUR	1,981	-205
Danzas Intercontinental, Inc. (Philippines)[7b), 8)]	Philippinen, Manila	40.00	EUR	-76	0
DANZASMAL Domestic Logistics Services Sdn. Bhd.[7b)]	Malaysia, Kuala Lumpur	49.00	EUR	1,195	1,134
Deutsche Post Global Mail (Australia) Pty Ltd.	Australien, Mascot	100.00	EUR	1,108	588
DHL (Chengdu) Service Ltd.	China, Chengdu	100.00	EUR	547	157
DHL Air Freight Forwarder Sdn. Bhd. [7b)]	Malaysia, Kuala Lumpur	49.00	EUR	2,213	28
DHL Asia Pacific Shared Services Sdn. Bhd.	Malaysia, Kuala Lumpur	100.00	EUR	-663	1,360
DHL Aviation (Hong Kong) Ltd.	China, Hongkong	99. 85	EUR	23,604	902
DHL Aviation (Philippines), Inc.[8)]	Philippinen, Makati Stadt	100.00	EUR	0	0
DHL Aviation Services (Shanghai) Co., Ltd.	China, Shanghai	99.36	EUR	32,404	1,055
DHL Danzas Air & Ocean (Cambodia) Ltd.[5)]	Kambodscha, Phnom Penh	100.00	EUR	25	0
DHL Consumer Dialog and Delivery (Beijing) Co., Ltd.	China, Peking	80.00	EUR	103	-1,098
DHL Distribution (Thailand) Limited	Thailand, Nonthaburi	100.00	EUR	28,235	7,226
DHL Exel Logistics (Malaysia) Sdh. Bhd.[7b)]	Malaysia, Petaling Jaya	49.00	EUR	1,587	252
DHL Exel Supply Chain Management Phils., Inc.	Philippinen, Manila	100.00	EUR	1,242	-295
DHL Exel Supply Chain Phils., Inc.	Philippinen, Manila	100.00	EUR	693	-1,449
DHL Express (Australia) Pty Ltd.	Australien, Sydney	100.00	EUR	15,149	5,198
DHL Express (Brunei) Sdn. Bhd.	Brunei Darussalam, Bandar Seri Begawan	90.00	EUR	599	28
DHL Express (Cambodia) Ltd.	Kambodscha, Phnom Penh	100.00	EUR	1,539	616
DHL Express (Fiji) Ltd.	Fidschi, Suva	100.00	EUR	683	34
DHL Express (Hong Kong) Limited	China, Hongkong	100.00	EUR	14,285	6,687
DHL Express (India) Pvt. Ltd.	Indien, Mumbai	100.00	EUR	36,733	8,024
DHL Express (Macau) Ltd.	Macau, Macau	100.00	EUR	212	68
DHL Express (Malaysia) Sdn. Bhd.	Malaysia, Kuala Lumpur	70.00	EUR	5,477	1,699

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DHL Express (New Zealand) Limited	Neuseeland, Auckland	100.00	EUR	5,212	1,114
DHL Express (Papua New Guinea) Ltd	Papua-Neuguinea, Port Moresby	100.00	EUR	722	-141
DHL Express (Philippines) Corp.	Philippinen, Makati Stadt	100.00	EUR	4,225	232
DHL Express (Singapore) Pte. Ltd.	Singapur, Singapur	100.00	EUR	135,420	26,523
DHL Express (Taiwan) Corp.	Taiwan, Taipeh	100.00	EUR	9,351	4,151
DHL Express (Thailand) Limited[7b)]	Thailand, Bangkok	49.00	EUR	3,870	31
DHL Express International (Thailand) Ltd.	Thailand, Bangkok	100.00	EUR	8,572	1,243
DHL Express Lda	Osttimor, Dili	100.00	EUR	378	4
DHL Express Nepal Pvt. Ltd.	Nepal, Kathmandu	100.00	EUR	1,847	831
DHL Global Forwarding (Australia) Pty Ltd.	Australien, Tullamarine	100.00	EUR	58,089	26,051
DHL Global Forwarding (Bangladesh) Limited	Bangladesch, Dhaka	100.00	EUR	1,882	1,077
DHL Global Forwarding (China) Co., Ltd.	China, Shanghai	100.00	EUR	120,945	46,604
DHL Global Forwarding (Fiji) Limited[5)]	Fidschi, Lautoka	100.00	EUR	325	0
DHL Global Forwarding (Hong Kong) Limited	China, Hongkong	100.00	EUR	-10,420	38,599
DHL Global Forwarding (Korea) Ltd.	Südkorea, Seoul	100.00	EUR	10,958	6,490
DHL Global Forwarding (Malaysia) Sdn. Bhd.	Malaysia, Kuala Lumpur	100.00	EUR	14,521	4,921
DHL Global Forwarding (New Zealand) Limited	Neuseeland, Auckland	100.00	EUR	12,363	1,397
DHL Global Forwarding (Philippines) Inc.	Philippinen, Manila	100.00	EUR	2,054	869
DHL Global Forwarding (PNG) Limited[5)]	Papua-Neuguinea, Port Moresby	74.00	EUR	-97	0
DHL Global Forwarding (Singapore) Pte. Ltd.	Singapur, Singapur	100.00	EUR	110,924	20,903
DHL Global Forwarding (Singapore) Pte. Ltd., Taiwan Branch	Taiwan, Taipeh	100.00	EUR	4,763	5,541
DHL Global Forwarding (Thailand) Limited	Thailand, Bangkok	100.00	EUR	20,177	5,015
DHL Global Forwarding (Vietnam) Corporation[7b)]	Vietnam, Ho-Chi-Minh-Stadt	49.00	EUR	2,238	3,159
DHL Global Forwarding Caledonie	Neukaledonien, Noumea	100.00	EUR	3,465	352
DHL Global Forwarding Japan K.K.	Japan, Tokio	100.00	EUR	12,306	8,965
DHL Global Forwarding Lanka (Private) Limited	Sri Lanka, Colombo	70.00	EUR	-302	106
DHL Global Forwarding Management (Asia Pacific) Pte. Ltd.	Singapur, Singapur	100.00	EUR	268,394	76,790
DHL Global Forwarding Myanmar Limited	Myanmar, Yagon	100.00	EUR	96	-45
DHL Global Forwarding Pakistan (Private) Limited	Pakistan, Karatschi	100.00	EUR	2,005	1,009
DHL Global Forwarding Polynesie S.A.R.L.	Französisch-Polynesien, Faaa	100.00	EUR	4,474	45
DHL Global Logistics (Chengdu) Co., Ltd.	China, Chengdu	100.00	EUR	245	-63
DHL Global Mail (Hong Kong) Limited	China, Hongkong	100.00	EUR	1,828	1,576
DHL Global Mail (Japan) K.K.	Japan, Tokio	100.00	EUR	14	-337
DHL Global Mail (Singapore) Pte. Ltd.	Singapur, Singapur	100.00	EUR	29	-343
DHL Holdings (New Zealand) Limited	Neuseeland, Auckland	100.00	EUR	7,218	4,298
DHL Incheon Hub Limited (Korea)	Südkorea, Incheon	100.00	EUR	7,813	862

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DHL Information Services (Asia-Pacific) Sdn. Bhd.	Malaysia, Puchong	100.00	EUR	22,085	2,725
DHL International Kazakhstan, TOO	Kasachstan, Almaty	100.00	EUR	2,452	1,907
DHL ISC (Hong Kong) Limited	China, Hongkong	100.00	EUR	22,750	9,342
DHL Japan Inc.	Japan, Tokio	100.00	EUR	45,540	6,565
DHL Keells (Private) Limited[7b)]	Sri Lanka, Colombo	50.00	EUR	2,322	658
DHL Korea Limited	Südkorea, Seoul	95.00	EUR	22,995	3,713
DHL Lao Limited	Laos, Vientiane	100.00	EUR	1,223	454
DHL Logistics (Beijing) Co., Ltd.	China, Peking	100.00	EUR	-12,634	1,131
DHL Logistics (Cambodia) Ltd.	Kambodscha, Phnom Penh	100.00	EUR	1,723	994
DHL Logistics (China) Co., Ltd.	China, Peking	100.00	EUR	66,837	3,829
DHL Logistics (Kazakhstan) TOO	Kasachstan, Aksai	100.00	EUR	2,745	474
DHL Logistics (Shenzhen) Co., Ltd.	China, Shenzhen	100.00	EUR	5,391	70
DHL Logistics Private Limited	Indien, Mumbai	100.00	EUR	69,022	6,701
DHL Pakistan (Private) Limited	Pakistan, Karatschi	100.00	EUR	843	929
DHL Project & Chartering (China) Limited	China, Hongkong	100.00	EUR	-12,474	1,754
DHL Properties (Malaysia) Sdn. Bhd.	Malaysia, Shah Alam	69.98	EUR	3,330	112
DHL SCM K.K.	Japan, Saitama	100.00	EUR	935	133
DHL Sinotrans Bonded Warehouse (Beijing) Co., Ltd.	China, Peking	100.00	EUR	3,353	508
DHL Sinotrans International Air Courier Ltd.[7b)]	China, Peking	50.00	EUR	230,231	163,618
DHL Supply Chain (Australia) Pty Limited	Australien, Mascot	100.00	EUR	41,608	18,008
DHL Supply Chain (Hong Kong) Limited	China, Hongkong	100.00	EUR	40,741	582
DHL Supply Chain (Korea) Ltd.	Südkorea, Seoul	100.00	EUR	1,967	784
DHL Supply Chain (Malaysia) Sdn. Bhd.	Malaysia, Petaling Jaya	100.00	EUR	6,493	2,454
DHL Supply Chain (New Zealand) Limited	Neuseeland, Auckland	100.00	EUR	33,736	4,303
DHL Supply Chain (Taiwan) Co. Ltd.	Taiwan, Taipeh	100.00	EUR	452	555
DHL Supply Chain (Thailand) Limited	Thailand, Bangkok	100.00	EUR	11,162	2,137
DHL Supply Chain (Vietnam) Limited	Vietnam, Ho-Chi-Minh-Stadt	100.00	EUR	453	132
DHL Supply Chain (Vietnam) Transportation JSC	Vietnam, Ho-Chi-Minh-Stadt	51.00	EUR	105	-40
DHL Supply Chain India Private Limited	Indien, Mumbai	100.00	EUR	1	0
DHL Supply Chain K.K.	Japan, Tokio	100.00	EUR	-5,680	5,029
DHL Supply Chain Service K.K.	Japan, Tokio	100.00	EUR	748	-6
DHL Supply Chain Singapore Pte. Ltd.	Singapur, Singapur	100.00	EUR	24,624	6,484
DHL Worldwide Express (Bangladesh) Private Limited	Bangladesch, Dhaka	90.00	EUR	5,018	1,241
DHL-VNPT Express Ltd.	Vietnam, Ho-Chi-Minh-Stadt	51.00	EUR	3,167	319
Dongguan DHL Supply Chain Co., Ltd.	China, Dongguan	100.00	EUR	2,466	893
Exel Consolidation Services Limited	China, Hongkong	100.00	EUR	2,161	-8
Exel Japan (Finance) Ltd.	Japan, Tokio	100.00	EUR	9,679	103
Exel Logistics (China) Co. Ltd	China, Shanghai	100.00	EUR	-10,529	1,331
Exel Logistics Services Lanka (Private) Ltd.	Sri Lanka, Colombo	99.00	EUR	505	406
Gori Australia Pty Ltd.	Australien, Brighton-Le-Sands	100.00	EUR	4,394	3,009
MSAS Global Logistics (Far East) Limited	China, Hongkong	100.00	EUR	1,142	-2
PT DANZAS SARANA PERKASA	Indonesien, Jakarta	100.00	EUR	646	235
PT Birotika Semesta[13)]	Indonesien, Jakarta	0.00	EUR	4,128	1,424
PT Cargotama Multi Servisindo[5)]	Indonesien, Jakarta	100.00	EUR	0	0
PT DHL Exel Supply Chain Indonesia	Indonesien, Jakarta	90.34	EUR	1,030	304
PT DHL Global Forwarding Indonesia	Indonesien, Jakarta	100.00	EUR	10,199	4,736

Affliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
Shanghai Danzas Freight Agency Co. Ltd.	China, Shanghai	100.00	EUR	1,316	923
Singha Sarn Co. Ltd	Thailand, Bangkok	100.00	EUR	23	-21
StarBroker (Hong Kong) Limited	China, Hongkong	100.00	EUR	38	-1
Tag India Private Limited	India, New Delhi	100.00	EUR	65	75
Tag Worldwide (Shanghai) Co Ltd.	China, Shanghai	100.00	EUR	572	1,049
Tag Worldwide (Singapore) Pte. Ltd.	Singapur, Singapur	100.00	EUR	-652	-578
Tag Worldwide Australia PTY Ltd.	Australien, Parramatta	100.00	EUR	105	95
Trade Clippers Cargo Limited	Bangladesch, Dhaka	100.00	EUR	511	63
Williams Lea (Beijing) Limited	China, Peking	100.00	EUR	2,532	579
Williams Lea (Hong Kong) Limited	China, Hongkong	100.00	EUR	2,596	-400
Williams Lea Asia Limited	China, Hongkong	100.00	EUR	585	405
Williams Lea India Private Limited	Indien, Neu Delhi	100.00	EUR	5,612	1,769
Williams Lea Japan Limited	Japan, Tokio	100.00	EUR	1,634	-1,054
Williams Lea Private Limited	Singapur, Singapur	100.00	EUR	101	62
Williams Lea Pty Limited	Australien, Sydney	100.00	EUR	-3,371	-655
Other Regions					
Air & Ocean General Transport Forwarding and Customs Clearance LLC	Irak, Bagdad	100.00	EUR	2,358	1,348
Buddingtrade 33 (Proprietary) Limited[5)]	Südafrika, Benoni	100.00	EUR	1,696	0
Danzas Abu Dhabi LLC[7b)]	Vereinigte Arabische Emirate, Abu Dhabi	49.00	EUR	7,942	2,436
Danzas Bahrain WLL[7b)]	Bahrain, Manama	40.00	EUR	1,749	1,464
DHL (Israel) Ltd.	Israel, Tel Aviv	100.00	EUR	9,643	1,001
DHL (Mauritius) Ltd.	Mauritius, Port Louis	100.00	EUR	783	62
DHL (Namibia) (Pty) Ltd.	Namibia, Windhoek	100.00	EUR	615	29
DHL (Tanzania) Ltd.	Tansania, Daressalaam	100.00	EUR	431	-262
DHL Aviation (Maroc) SA	Marokko, Casablanca	100.00	EUR	2,811	508
DHL Aviation (Nigeria) Ltd.	Nigeria, Lagos	100.00	EUR	285	66
DHL Aviation (Pty) Limited	Südafrika, Johannesburg	100.00	EUR	4,342	-1,005
DHL Aviation EEMEA B.S.C.(c)	Bahrain, Manama	100.00	EUR	721	293
DHL Aviation Kenya Ltd.	Kenia, Nairobi	100.00	EUR	15	7
DHL Egypt WLL	Ägypten, Kairo	100.00	EUR	730	156
DHL Exel Supply Chain Kenya Limited	Kenia, Nairobi	100.00	EUR	8,287	1,150
DHL Express Maroc S.A.	Marokko, Casablanca	100.00	EUR	995	666
DHL FoodServices Egypt Limited	Ägypten, Alexandria	97.20	EUR	142	84
DHL Ghana Limited	Ghana, Accra	100.00	EUR	889	79
DHL Global Forwarding (Angola) – Comércio e Transitários, Limitada	Angola, Luanda	99.99	EUR	1,648	2,494
DHL Global Forwarding (Cameroon) PLC	Kamerun, Douala	62.00	EUR	-623	-8
DHL Global Forwarding (Congo) SA	Republik Kongo, Pointe-Noire	100.00	EUR	-2,577	-2,237
DHL Global Forwarding (Gabon) SA	Gabun, Libreville	99.00	EUR	-189	-1,022
DHL Global Forwarding (JSC) – Libya for delivery of goods services[7b)]	Libyen, Tripoli	49.00	EUR	566	-30
DHL Global Forwarding (Kenya) Limited	Kenia, Nairobi	100.00	EUR	921	-3,340
DHL Global Forwarding (Kuwait) Company WLL[7b)]	Kuwait, Safat	49.00	EUR	4,755	2,363
DHL Global Forwarding (Senegal) S.A.	Senegal, Dakar	100.00	EUR	395	143
DHL Global Forwarding (Uganda) Limited	Uganda, Kampala	100.00	EUR	540	-510
DHL GLOBAL FORWARDING COTE D'IVOIRE SA	Elfenbeinküste, Abidjan	100.00	EUR	589	7

Reported IFRS data

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Affliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Cur- rency	Equity in thousands	Net income in thousands
DHL Global Forwarding DR Congo SARL	Demokratische Republik Kongo, Kinshasa	100.00	EUR	-1,051	-1,205
DHL Global Forwarding Lebanon S.A.L.[7b)]	Libanon, Beirut	50.00	EUR	1,171	1,214
DHL Global Forwarding Nigeria Limited	Nigeria, Lagos	100.00	EUR	739	-1,288
DHL Global Forwarding Qatar LLC[7b)]	Katar, Doha	49.00	EUR	2,438	1,251
DHL Global Forwarding Egypt S.A.E.	Ägypten, Kairo	100.00	EUR	1,510	-513
DHL Global Forwarding SA (Pty) Limited	Südafrika, Boksburg	100.00	EUR	7,962	7,723
DHL Global Forwarding Tasimacilik A. S.	Türkei, Istanbul	100.00	EUR	14,470	5,674
DHL International (Algerie) SARL	Algerien, Algiers	100.00	EUR	1,731	-625
DHL International (Angola) – Transportadores Rápidos Limitada	Angola, Luanda	100.00	EUR	181	230
DHL International (Bahrain) WLL[7b)]	Bahrain, Manama	49.00	EUR	13	0
DHL International (Congo) SPRL	Demokratische Republik Kongo, Kinshasa	100.00	EUR	-6,484	-1,925
DHL International (Gambia) Ltd.	Gambia, Kanifing	100.00	EUR	23	-5
DHL International (Liberia) Ltd.	Liberia, Monrovia	100.00	EUR	-221	214
DHL International (Pty) Ltd.	Südafrika, Isando	74.99	EUR	12,453	2,625
DHL International (Pvt) Ltd.	Simbabwe, Harare	100.00	EUR	1,603	191
DHL International (SL) Ltd.	Sierra Leone, Freetown	100.00	EUR	342	-20
DHL International (Uganda) Ltd.	Uganda, Kampala	100.00	EUR	565	66
DHL International B.S.C. (c)	Bahrain, Manama	100.00	EUR	744	378
DHL International Benin SARL	Benin, Cotonou	100.00	EUR	640	237
DHL International Botswana (Pty) Ltd.	Botsuana, Gaborone	100.00	EUR	138	-29
DHL International Burkina Faso SARL	Burkina Faso, Ouagadougou	100.00	EUR	-631	-1,384
DHL International Cameroon SARL	Kamerun, Douala	100.00	EUR	-732	-666
DHL International Centrafrique SARL	Zentralafrikanische Republik, Bangui	100.00	EUR	93	30
DHL International Congo SARL	Republik Kongo, Brazzaville	100.00	EUR	619	395
DHL International Cote D´Ivoire SARL	Elfenbeinküste, Abidjan	100.00	EUR	-1,027	-366
DHL International Gabon SARL	Gabun, Libreville	100.00	EUR	-408	1,059
DHL International Guinea Ecuatorial SRL	Äquatorialguinea, Malabo	100.00	EUR	-368	112
DHL International Guinee SARL	Guinea, Conakry	100.00	EUR	1,283	543
DHL International Iran PJSC	Iran, Teheran	100.00	EUR	2,568	432
DHL International Madagascar SA	Madagaskar, Antananarivo	100.00	EUR	358	-213
DHL International Malawi Ltd.	Malawi, Blantyre	100.00	EUR	-71	-120
DHL International Mali SARL	Mali, Bamako	100.00	EUR	283	215
DHL International Mauritanie SARL	Mauretanien, Nouakchott	100.00	EUR	324	-77
DHL International Niger SARL	Niger, Niamey	100.00	EUR	367	-161
DHL International Nigeria Ltd.	Nigeria, Lagos	100.00	EUR	2,067	-1,412
DHL International Reunion SARL	Réunion, Sainte Marie	100.00	EUR	98	-33
DHL International Tchad SARL	Tschad, Ndjamena	100.00	EUR	-405	-5
DHL International Togo SARL	Togo, Lomé	100.00	EUR	-71	-92
DHL International Transportation Co WLL[13)]	Kuwait, Safat	0.00	EUR	381	0
DHL International Zambia Limited	Sambia, Lusaka	100.00	EUR	-606	11
DHL Lesotho (Proprietary) Ltd.	Lesotho, Maseru	100.00	EUR	188	16
DHL Logistics Ghana Ltd.	Ghana, Tema	100.00	EUR	-4,374	-4,193
DHL Logistics Kenya Limited	Kenia, Nairobi	100.00	EUR	169	-0
DHL Logistics Middle East DWC-LLC	Vereinigte Arabische Emirate, Dubai	100.00	EUR	59	0
DHL Logistics Middle East FZE	Vereinigte Arabische Emirate, Dubai	100.00	EUR	668	301
DHL Logistics Morocco S.A.	Marokko, Casablanca	100.00	EUR	-1,894	-7,304

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DHL Logistics Tanzania Limited	Tansania, Daressalaam	100.00	EUR	266	-1,478
DHL Lojistik Hizmetleri A.S.	Türkei, Istanbul	100.00	EUR	12,443	2,551
DHL Mocambique Lda.	Mosambik, Maputo	100.00	EUR	2,253	1,116
DHL Operations BV Jordan Services with Limited Liability	Jordanien, Amman	100.00	EUR	613	-7
DHL Qatar Limited[7b)]	Katar, Doha	49.00	EUR	-700	-2
DHL Regional Services (Indian Ocean) Ltd.	Mauritius, Port Louis	100.00	EUR	1	0
DHL Regional Services Limited	Nigeria, Lagos	100.00	EUR	105	0
DHL Senegal SARL	Senegal, Dakar	100.00	EUR	2,021	187
DHL Supply Chain (South Africa) (Pty) Ltd.	Südafrika, Germiston	100.00	EUR	8,790	2,698
DHL Swaziland (Proprietary) Ltd.	Swasiland, Mbabane	100.00	EUR	267	9
DHL Worldwide Express & Company LLC	Oman, Ruwi	70.00	EUR	300	-43
DHL Worldwide Express (Abu Dhabi) LLC[7b)]	Vereinigte Arabische Emirate, Abu Dhabi	49.00	EUR	89	0
DHL Worldwide Express (Dubai) LLC[7b)]	Vereinigte Arabische Emirate, Dubai	49.00	EUR	-730	140
DHL Worldwide Express (Sharjah) LLC[5), 7b)]	Vereinigte Arabische Emirate, Sharjah	49.00	EUR	99	0
DHL Worldwide Express Cargo LLC[5), 7b)]	Vereinigte Arabische Emirate, Dubai	49.00	EUR	59	0
DHL Worldwide Express Ethiopia Private Limited Company	Äthiopien, Addis Abeba	73.00	EUR	932	34
DHL Worldwide Express Kenya Limited	Kenia, Nairobi	51.00	EUR	2,016	46
DHL Worldwide Express Tasimacilik ve Ticaret A.S.	Türkei, Istanbul	100.00	EUR	26,963	4,985
Document Handling (East Africa) Ltd.	Kenia, Nairobi	51.00	EUR	55	307
Durra al Hamra al Lamia'a co. Iraq	Iraq, Bagdad	100.00	EUR	31	0
Exel Contract Logistics Nigeria Ltd.	Nigeria, Ikeja	100.00	EUR	-17,987	-10,971
Exel Saudia LLC[7b)]	Saudi-Arabien, Al Khobar	50.00	EUR	15,402	3,273
Exel Supply Chain Services (South Africa) (Pty) Ltd.	Südafrika, Johannesburg	100.00	EUR	11,290	-43
F.C. (Flying Cargo) International Transportation Ltd.	Israel, Tel Aviv	100.00	EUR	49,139	9,413
Giorgio Gori International Freight Forwards (Pty) Ltd.	Südafrika, Ferndale	100.00	EUR	128	27
Hull, Blyth (Angola) Ltd. (Angolan branch)[1)]	Angola, Luanda	100.00	EUR	9,120	1,731
Hull Blyth Angola Viagens e Turismo Lda.[1)]	Angola, Luanda	99.99	EUR	-	-
Kinesis Logistics (Pty) Ltd.[5)]	Südafrika, Germiston	100.00	EUR	-230	0
Sherkate Haml-oNaghl Sarie DHL Kish	Iran, Teheran	100.00	EUR	-0	0
SNAS Lebanon SARL	Libanon, Beirut	90.00	EUR	-268	-1,557
SNAS Trading and Contracting[13)]	Saudi-Arabien, Riad	0.00	EUR	-154	-20
SSA Regional Services (Pty) Ltd.	Südafrika, Johannesburg	100.00	EUR	1,108	870
Tag MENA FZE	Vereinigte Arabische Emirate, Dubai	100.00	EUR	-100	-0
Tag Worldwide JLT	Vereinigte Arabische Emirate, Dubai	96.46	EUR	27	-325
Trans Care Fashion sarl (Morocco)[5)]	Marokko, Casablanca	100.00	EUR	-532	0
Ukhozi Logistics (Pty) Ltd.	Südafrika, Boksburg	100.00	EUR	74	-0
Uniauto-Organizacoes Technicas e Industriasis SARL[5)]	Angola, Luanda	98.93	EUR	15	0

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Europe					
Alistair McIntosh Trustee Company Limited[5), 9)]	United Kingdom, London	100.00	GBP	0	0
ASG Leasing Handelsbolag[2), 5) 9)]	Sweden, Stockholm	100.00	SEK	5	0
Beteiligungsgesellschaft Privatstraße GVZ Eifeltor GBR[4)]	Germany, Grafschaft-Holzweiler	53.54	EUR	-	-
Carbon Limited[5), 9)]	United Kingdom, London	100.00	GBP	0	0
Compass Point (St Ives) Management Company Limited[9)]	United Kingdom, Melton Mowbray	100.00	GBP	1	7
DEGEMOLTO Grundstücksverwaltungsgesellschaft mbH & Co. Immobilien-Vermietungs KG [4)]	Germany, Eschborn	100.00	EUR	-	-
Deutsche Post DHL Corporate Real Estate Management GmbH & Co. Objekt Weißenhorn KG[2), 9)]	Germany, Bonn	100.00	EUR	26	0
Deutsche Post gemeinnützige Gesellschaft für sichere und vertrauliche Kommunikation im Internet mbH[2), 9)]	Germany, Bonn	100.00	EUR	25	0
Deutsche Post Grundstücks-Vermietungsgesellschaft beta mbH[6), 9)]	Germany, Bonn	100.00	EUR	17	0
DHL Employee Benefit Fund ASBL/VZW[2), 9)]	Belgium, Diegem	100.00	EUR	-1,660	-391
DHL Energy Performance & Management Limited[8), 11)]	United Kingdom, Bracknell	100.00	EUR	-6,008	-1,737
DHL Pensions Investment Fund Limited[5) 9)]	United Kingdom, Bedford	100.00	GBP	0	0
DHL Trustees Limited[5), 9) 11)]	United Kingdom, Bedford	74.00	GBP	0	0
Eric Studio Limited[5), 9)]	United Kingdom, London	100.00	GBP	1,792	0
Exel Finance (1986) Limited[3), 8)]	United Kingdom, Bedford	100.00	EUR	0	0
Exel Management Services No 2 Limited [3), 8)]	United Kingdom, Bracknell	100.00	EUR	0	0
Exel Nominee No 2 Limited [3), 5), 9)]	United Kingdom, Bracknell	100.00	GBP	0	0
Exel Sand and Ballast Company Limited[5), 9)]	United Kingdom, Bracknell	100.00	GBP	189	0
Exel Secretarial Services Limited[4), 5)]	United Kingdom, Bracknell	100.00	GBP	-	-
Exel Share Scheme Trustees Limited[5), 9), 11)]	United Kingdom, Bracknell	100.00	GBP	0	0
Fashionflow Limited[3), 5), 9)]	United Kingdom, Bracknell	100.00	GBP	0	0
forum gelb GmbH[6), 9)]	Germany, Bonn	100.00	EUR	25	0
Higgs Air Espana S.A.[8)]	Spain, Barcelona	100.00	EUR	-	-
Industrial & Marine Engineering Co of Nigeria Limited[4)]	United Kingdom, London	100.00	GBP	-	-
it4logistics AG[3), 9)]	Germany, Potsdam	75.10	EUR	0	-430
KXC (EXEL) GP INVESTMENT LIMITED[3), 5), 9)]	United Kingdom, Bracknell	100.00	GBP	15	0
McGregor Sea & Air Services Limited[3), 8)]	United Kingdom, Bracknell	100.00	EUR	359	0
Mexicoblade Limited[5), 9)]	United Kingdom, London	100.00	GBP	-19	0
NFC Investments Limited[3), 5), 9)]	United Kingdom, Bracknell	100.00	GBP	0	0
Ocean Group Share Scheme Trustee Limited[3), 5), 9)]	United Kingdom, Bracknell	100.00	GBP	0	0
OOO ASG Road Transport Russia[8), 11)]	Russia, Moscow	100.00	RUB	-418	0
Pismo Limited[5), 9)]	United Kingdom, London	100.00	GBP	13	0
Print to Post Limited[5), 9)]	United Kingdom, London	100.00	GBP	10	0
Rosier Distribution Limited[4), 5)]	United Kingdom, Hounslow	100.00	GBP	-	-
Ross House (AL) Limited[2), 8)]	United Kingdom, Bracknell	100.00	EUR	368	0
Siegfried Vögele Institut (SVI) – Internationale Gesellschaft für Dialogmarketing mbH[6), 9)]	Germany, Königstein	100.00	EUR	50	0

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SW Post Beheer B.V.[4]	Netherlands, Apeldoorn	100.00	EUR	-	-
Sydney Cooper (Distribution) Ltd.[2, 8]	Ireland, Dublin	100.00	EUR	0	0
Tag Studios Limited[5, 9]	United Kingdom, London	100.00	GBP	-166	0
Tag At Engine Limited[5, 9]	United Kingdom, London	100.00	GBP	0	0
Tag At Red Brick Road Limited[5, 9]	United Kingdom, London	100.00	GBP	0	0
Tag Design and Interactive Limited[5, 9]	United Kingdom, London	100.00	GBP	0	0
Tag Worldwide (UK) Limited[5, 9]	United Kingdom, London	100.00	GBP	1	0
Tankfreight Limited[3, 5, 9]	United Kingdom, Bracknell	100.00	GBP	2	0
TBMM Holdings Limited[2, 8]	United Kingdom, Bracknell	100.00	EUR	42	0
The Stationery Office Pension Trustees Limited[5, 9]	United Kingdom, London	100.00	GBP	0	0
The Stationery Office Trustees Limited[5, 9]	United Kingdom, London	100.00	GBP	0	0
Tibbett & Britten (N.I.) Limited[3, 5, 9]	United Kingdom, Ballyclare	100.00	GBP	0	5
Tibbett & Britten Applied Limited[9]	United Kingdom, Bracknell	100.00	GBP	3,088	72
Tibbett & Britten Dairy Logistics Sp. z o.o.[5, 9]	Poland, Warsaw	100.00	PLN	50	0
Tibbett & Britten Quest Trustees Limited[3, 5, 9]	United Kingdom, Bracknell	100.00	GBP	0	0
Transcare Gulf Logistics International Limited[4, 5]	United Kingdom, Bedford	50.00	GBP	-	-
UNITRANS Deutschland Gesellschaft für Terminverkehre mbH[3, 9]	Germany, Düsseldorf	65.38	EUR	319	12
Williams Lea (US Acquisitions) Limited[2, 5, 9]	United Kingdom, London	100.00	GBP	1	0
Williams Lea Group Quest Trustees Limited[5, 9]	United Kingdom, London	100.00	GBP	0	0
Williams Lea International Limited[5, 9]	United Kingdom, London	100.00	GBP	0	0
Americas					
Deutsche Post World Net USA Inc.[4]	USA, Washington	100.00	USD	-	-
DHL Express (Belize) Limited[9, 12]	Belize, Belize City	100.00	USD	20	0
DHL Global Forwarding (USA) 1, Inc.	USA, Plantation	100.00	USD	0	0
DHL Global Forwarding (USA) 2, Inc.	USA, Plantation	100.00	USD	0	0
DHL International (Antigua) Ltd.[4, 5]	Antigua and Barbuda, St. Johns	100.00	USD	-	-
DHL Servicios, S.A. de C.V.[9, 12]	Mexico, Mexico-Stadt	100.00	MXN	-251	39
DHL St. Lucia Ltd.[4, 5]	St. Lucia, Castries	100.00	XCD	-	-
Exel Freight Connect Inc.[4]	USA, Wilmington	100.00	USD	-	-
Hyperion Properties Inc.[4, 5]	USA, Westerville	100.00	USD	-	-
Inversiones 3340, C.A.[4]	Venezuela, Caracas	49.00	VEF	-	-
Power Packaging (Geneva), LLC[4, 5]	USA, Westerville	100.00	USD	-	-
Power Packaging, Inc.[4]	USA, Westerville	100.00	USD	-	-
Safe Way Argentina S.A.[4]	Argentina, Buenos Aires	99.97	ARS	-	-
Skyhawk Transport Ltd.[5, 9, 11]	Canada, Mississauga	100.00	CAD	35,000	0
Asien/Pazifik					
Concorde Air Logistics Ltd.[9]	India, Mumbai	99.54	INR	-72,410	25,959
DHL Customs Brokerage Corp.[3, 9]	Philippines, Pasay City	100.00	PHP	464	-264
DHL Express LLP[9]	Kazakhstan, Almaty	100.00	KZT	2,000	0
Exel Logistics Delbros Philippines Inc.[4, 5, 8]	Philippines, Manila	60.00	PHP	-	-
Skyline Air Logistics Ltd.[9]	India, Mumbai	99.99	INR	-73,740	20,948

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Watthanothai Company Ltd.[2), 9)]	Thailand, Bangkok	49.00	THB	12,661	63,200
Yamato Dialog & Media Co. Ltd.[9)]	Japan, Tokio	49.00	JPY	-77,346	157,298
Blue Funnel Angola Ltda.[5), 9), 12)]	Angola, Luanda	99.99	USD	-61	0
Danzas AEI (private) Ltd.[4), 5)]	Kenya, Nairobi	100.00	KES	–	–
Danzas AEI (Private) Ltd.[4), 5)]	Zimbabwe, Harare	100.00	ZWL	–	–
Danzas AEI Intercontinental LTD[4), 8)]	Malawi, Blantyre	100.00	MWK	–	–
DHL Air Freight Forwarder (Egypt) WLL[4), 8)]	Egypt, Cairo	99.90	EGP	–	–
DHL Danzas Air & Ocean (Kenya) Ltd.[4), 8)]	Kenya, Nairobi	100.00	KES	–	–
DHL Supply Chain Tanzania Limited	Tanzania, Dar es Salaam	100.00	TZS	548,919	0
Elder Dempster Ltda.[5), 9), 12)]	Angola, Luanda	99.99	USD	-61	0
Exel Domestic Distribution (Pty) Ltd.[4), 8)]	South Africa, Boksburg	100.00	ZAR	–	–
Exel Contract Logistics (SA) (Pty) Ltd.[4), 5)]	South Africa, Elandsfontein	100.00	ZAR	–	–
Synergistic Alliance Investments (Pty) Ltd.[5), 9), 12)]	South Africa, Germiston	100.00	ZAR	-3,341	0
Tibbett & Britten Egypt Ltd.[8)]	Egypt, Cairo	50.00	EGP	–	–

Joint Ventures (Quota Consolidation)

Name	Country, Headquarters	Group equity share%	Cur-rency	Equity in thousands	Net income in thousands
Europe					
AeroLogic GmbH	Germany, Leipzig	50.00	EUR	33,508	5,651
Danzas DV, LLC[5), 8)]	Russia, Yuzhno-Sakhalinsk	50.00	EUR	280	0
Americas					
EV Logistics	Canada, Vancouver	50.00	EUR	5,524	1,608
Other Regions					
Bahwan Exel LLC	Oman, Muscat	44.10	EUR	1,432	3,272

Associated Companies (Accounting treatment in the Consolidated Financial Statements following the Equity Method)

Name	Country, Headquarters	Group equity share %	Cur-rency	Equity in thousands	Net income in thousands
Europe					
Cargo Center Sweden AB[2), 9)]	Sweden, Stockholm	50.00	SEK	20,168	268
Unipost Servicios Generales S.L.[1), 2), 9)]	Spain, Barcelona	37.69	EUR	15,810	-4,010
Unipost S.A,[1), 2), 9)]	Spain, Barcelona	37.69	EUR	-	-
Suresa Cit., S.L.[1), 2), 9)]	Spain, L'Hospitalet de Llobregat	37.69	EUR	-	-
Asia Pacific					
Air Hong Kong Ltd.[2), 9)]	China, Hong Kong	40.00	HKD	259,001	501,728
Tasman Cargo Airlines Pty. Limited[2), 9)]	Australia, Mascot	48.98	AUD	7,030	508
Other Regions					
Danzas AEI Emirates LLC[2), 9)]	United Arab Emirates (UAE), Dubai	42.50	AED	212,287	49,974
DHL Global Forwarding & Co, LLC[2), 9)]	Oman, Muscat	40.00	OMR	2,020	795

Non-consolidated Joint Ventures[14)]

Name	Country, Headquarters	Group equity share %	Cur-rency	Equity in thousands	Net income in thousands
Europe					
MALTO Grundstücks-Verwaltungs-gesellschaft mbH & Co. KG [4), 10)]	Germany, Grünwald	50.00	EUR	-	-
Roster Worldwide Limited [4)]	United Kingdom, London	48.23	GBP	-	-

Non-consolidated associated companies[14)]

Name	Country, Headquarters	Group equity share %	Cur-rency	Equity in thousands	Net income in thousands
Europe					
Airmail Center Frankfurt GmbH[2), 9)]	Germany, Frankfurt/Main	20.00	EUR	4,274	1,683
Compador Dienstleistungs GmbH[3), 9)]	Germany, Berlin	26.00	EUR	-104	-129
Dalim Software GmbH[2), 9)]	Germany, Kehl	22.26	EUR	1,277	715
Deutsche Fonds Management GmbH & Co, DCM Renditefonds 18 KG[3), 9), 10)]	Germany, Munich	24.94	EUR	8,225	-43,194
Diorit Grundstücksverwaltungs-gesellschaft mbH & Co, Vermietungs KG[2), 9), 10)]	Germany, Mainz	24.00	EUR	0	-111
European EPC Competence Center GmbH[9)]	Germany, Cologne	30.00	EUR	422	68
Expo-Dan[9), 12)]	Ukraine, Kiev	50.00	UAH	680	-493
Gardermoen Perishable Center AS[2), 9)]	Norway, Gardermoen	33.33	NOK	4,851	767
Jurte Grundstücksverwaltungs-gesellschaft mbH & Co, Vermietungs KG[2), 9), 10)]	Germany, Mainz	24.00	EUR	0	-2
profresh Systemlogistik GmbH[3), 9)]	Germany, Hamburg	33.33	EUR	40	-17
Americas					
BITS Limited[4)]	Bermuda, Hamilton	40.00	BMD	-	-
Consimex S.A.[2), 9)]	Colombia, Medellin	29.24	COP	12,378,906	862,704
DHL International (Cayman) Ltd.[4)]	Cayman Islands, George Town	40.00	KYD	-	-
Wilmington Commerce Park Partnership[8)]	USA, Westerville	50.00	USD	-	-
Other Regions					
Danzas AEI Intercontinental (Mauritius) Ltd.[8)]	Mauritius, Port Louis	35.00	MUR	-	-
DHL Projects-Angola, Litada[4)]	Angola, Luanda	49.00	AOA	-	-
DHL Yemen Company Limited (Express Courier)[2), 9)]	Yemen, Sanaa	49.00	YER	1,364	-45,595
Drakensberg Logistics (Pty) Ltd.[9)]	South Africa, Germiston	50.00	ZAR	17,935	7,795

Other Investments

Name	Country, Headquarters	Group equity share %	Cur-rency	Equity in thousands	Net income in thousands
Europe					
Deutsche Post Pensionsfonds AG[2), 9)]	Germany, Bonn	99.98	EUR	3,244	19
Deutsche Post Pensions-Treuhand GmbH & Co. KG[2), 9)]	Germany, Bonn	99.98	EUR	10	0
Asien/Pazifik					
Sinotrans Ltd.[1), 2)]	China, Beijing	5.59	RMB	12,727,712	910,832

Reported IFRS data

[1] Only subgroup data available [2] Amounts from 2012 [3] Amounts from 2011 [4] Data not available [5] Dormant [6] Amounts after profit transfer [7a] Inclusion in accordance with IAS 27.14 [7b] Inclusion in accordance with IAS 27.13 (b-d) [8] In liquidation [9] Local GAAP [10] Votingrights [11] Amounts from 2010 [12] Amounts from 2009 [13] Inclusion in accordance with SIC 12 (SPE) [14] Not included because they don‘t have significant influence on the Group‘s net assets, financial position and results of operation

Exchange rates 2013

Currency	Country	Closing rates 2013 1 EUR =	Average rates 2013 1 EUR =
AUD	Australia	1.541	1.377
CAD	Canada	1.465	1.368
COP	Colombia	2661.91	2482.393
EGP	Egypt	9.574	9.131
HKD	Hon Kong	10.683	10.304
INR	India	85.257	77.769
JPY	Japan	144.607	129.652
KZT	Kazakhstan	212.663	202.208
MXN	Mexico	18.040	16.964
NOK	Norway	8.367	7.807
OMR	Oman	0.531	0.511
PHP	Philippines	61.174	56.411
PLN	Poland	4.155	4.196
RUB	Russia	45.268	42.321
ZAR	South Africa	14.543	12.825
SEK	Sweden	8.868	8.651
THB	Thailand	45.323	40.824
UAH	Ukraine	11.353	10.834
AED	United Arab Emirates (UAE)	5.061	4.879
GBP	United Kingdom	0.833	0.849
USD	USA	1.378	1.328
YER	Yemen	296.089	285.677

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of Deutsche Post AG, and the management report includes a fair review of the development and performance of the business and the position of Deutsche Post AG, together with a description of the material opportunities and risks associated with the expected development of Deutsche Post AG.

Deutsche Post AG
Bonn, 20 February 2014
The Board of Management

Dr Frank Appel

Ken Allen

Roger Crook

Bruce A. Edwards

Jürgen Gerdes

Lawrence Rosen

Angela Titzrath

Auditor's Report

Auditor's Report

We audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, and the management report of Deutsche Post AG, Bonn for the financial year from January 1 through December 31, 2013. Maintenance of the books and records and preparation of the annual financial statements and the management report in accordance with German commercial law provisions are the responsibility of the Company's management board. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system and the management report, based on our audit.

We conducted our audit of the annual financial statements in accordance with Section 317 HGB („Handelsgesetzbuch“: „German Commercial Code“) and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that misstatements and violation materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with [German] principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by the management board as well as evaluating the overall presentation of the annual financial statements and the management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion and based on the findings of our audit, the annual financial statements comply with the legal provisions and provide a true and fair view of the net assets, financial position and results of operations of the Company in accordance with [German] principles of proper accounting. The management report is consistent with the annual financial statements and, as a whole, provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Düsseldorf, February 20, 2014

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

sgd. Gerd Eggemann	sgd. Dietmar Prümm
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Management Report Deutsche Post AG

GENERAL INFORMATION

Deutsche Post DHL is the world’s leading mail and logistics services group. The Deutsche Post and DHL corporate brands represent a one-of-a-kind portfolio of logistics (DHL) and communications (Deutsche Post) services. We provide our customers with both easy to use standardised products as well as innovative and tailored solutions ranging from dialogue marketing to industrial supply chains. About 480,000 employees in more than 220 countries and territories form a global network focused on service, quality and sustainability. With programmes in the areas of environmental protection, disaster management and education, we are committed to social responsibility.

Business model and organisation

Four operating divisions
Deutsche Post AG is a listed corporation domiciled in Bonn, Germany. The Group is organised into four operating divisions, each of which is under the control of its own divisional headquarters and is subdivided into business units for reporting purposes. The MAIL division largely reflects Deutsche Post AG’s core business. In addition to Parcel Germany, non-core activities have been transferred to separate legal entities. The DHL divisions of the Group influence Deutsche Post AG indirectly through net investment income.

We are the only provider of universal postal services in Germany. In our MAIL division, we deliver domestic and international mail and parcels and we are specialists in dialogue marketing, nationwide press distribution services and all the electronic services associated with mail delivery.

Our DHL-EXPRESS division offers courier and express services to business and private customers in more than 220 countries and territories, the most comprehensive network in the world.

Our DHL-GLOBAL FORWARDING, FREIGHT division handles the carriage of goods by rail, road, air and sea. Our services extend from standardised container transport to highly specialised end-to-end solutions for industrial projects, and solutions tailored to specific sectors.

Our DHL-SUPPLY CHAIN division provides warehousing, managed transport and value-added services at every link in the supply chain for customers in a variety of industries. With Williams Lea we also offer solutions for corporate information and communications management tailored precisely to the needs of our customers.

We consolidate the internal services that support the entire Group, including Finance, IT, Procurement and Legal, in our Global Business Services (GBS). This allows us to make even more efficient use of our resources whilst reacting flexibly to the rapidly changing demands of our business and our customers.

Group management functions are centralised in the Corporate Center.

Organisational structure of Deutsche Post DHL

Deutsche Post DHL						
Corporate Center			Divisions			
CEO	Finance, Global Business Services	Human Resources	DPAG MAIL	DHL EXPRESS	DHL GLOBAL FOWARDING, FREIGHT	DHL SUPPLY CHAIN
Board member Dr Frank Appel	**Board member** Lawrence Rosen	**Board member** Angela Titzrath	**Board member** Jürgen Gerdes	**Board member** Ken Allen	**Board member** Roger Crook	**Board member** Bruce A. Edwards
Functions	**Functions**	**Functions**	**Business units**	**Regions**	**Business units**	**Business units**
• Board Services • Corporate First Choice • Corporate Legal • Customer Solutions & Innovation • Corporate Office • Corporate Development • Corporate Heritage & Industry Associations • Corporate Communications & Responsibility • Corporate Public Policy & Regulation Management	• Corporate Controlling • Corporate Finance • Global Business Services: Procurement, Real Estate, Finance Operations, Legal Services, etc. • Investor Relations • Corporate Accounting & Reporting • Corporate Audit & Security • Taxes	• HR MAIL • HR EXPRESS • HR GLOBAL FORWARDING, FREIGHT • HR SUPPLY CHAIN • HR Headquarters & International Services, GBS & CSI • Corporate Executives & Talent Management • Industrial Relations, Civil Servants • Compensation & Benefits • HR Performance & Programs	• Mail Communication • Dialogue Marketing • Press Services • Parcel Germany • Retail Outlets • Global Mail • Pension Service	• Europe • Americas • Asia Pacific • MEA (Middle East and Africa)	• Global Forwarding • Freight	• Supply Chain • Williams Lea

Organisation in Human Resources board department adjusted

We made adjustments to the Human Resources board department in the reporting year in order to meet changed requirements across all business units. It now comprises the functions “HR MAIL”, “HR EXPRESS”, “HR GLOBAL FORWARDING, FREIGHT”, “HR SUPPLY CHAIN”, “HR Headquarters & International Services, GBS & CSI”, “Corporate Executives & Talent Management”, “Industrial Relations, Civil Servants”, “Compensation & Benefits” and “HR Performance & Programs”.

A presence that spans the globe

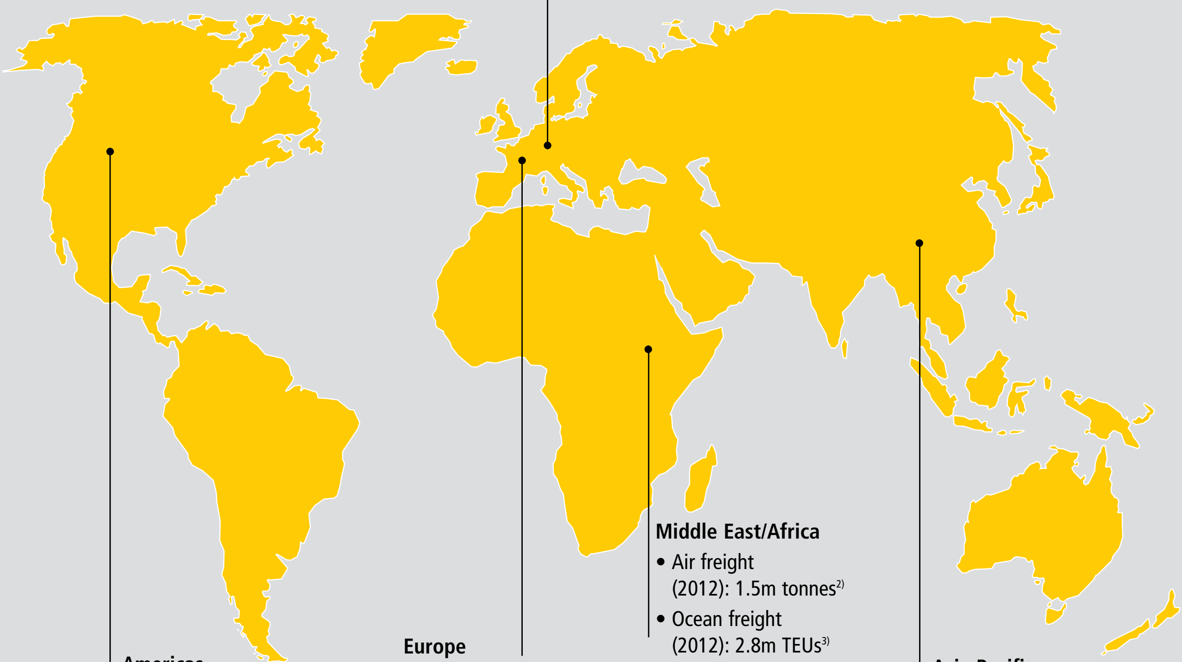
Deutsche Post DHL operates around the world. The map shows our most important locations.

The following table provides an overview of market volumes in key regions. Our market shares are detailed in the business units and market positions chapter.

Market volumes[1]

Global
- Air freight (2012): 24m tonnes[2]
- Ocean freight (2012): 34m TEUs[3]
- Contract logistics (2012): €159bn[4]
- International express market (2011): €22bn[5]

Germany
- Mail communication (2013): €4.5bn[6]
- Dialogue marketing (2013): €17.2bn[6]
- Parcel (2013): €8.2bn[6]



Americas
- Air freight (2012): 6.4m tonnes[2]
- Ocean freight (2012): 6.0m TEUs[3]
- Contract logistics (2012): €46.1bn[4]
- International express market (2011): €7.4bn[5]

Europe
- Air freight (2012): 4.1m tonnes[2]
- Ocean freight (2012): 5.1m TEUs[3]
- Contract logistics (2012): €59.6bn[4]
- International express market (2011): €6.8bn [5]
- Road transport (2012): €174bn[7]

Middle East/Africa
- Air freight (2012): 1.5m tonnes[2]
- Ocean freight (2012): 2.8m TEUs[3]
- Contract logistics (2012): €4.6bn[4]
- International express market (2011): €0.3bn[5]

Asia Pacific
- Air freight (2012): 11.6m tonnes[2]
- Ocean freight (2012): 19.3m TEUs[3]
- Contract logistics (2012): €49.1bn[4]
- International express market (2011): €7.5bn[5]

[1] Regional volumes do not add up to global volumes due to rounding.

[2] Data based solely on export freight tonnes. Source: Copyright © IHS, 2013. All rights reserved.

[3] Twenty-foot equivalent units; estimated part of overall market controlled by forwarders. Data based solely on export freight tonnes. Source: Copyright © IHS, 2013. All rights reserved.

[4] Source: Transport Intelligence

[5] Includes express product Time Definite International. Country base: AT, BE, CH, CZ, DE, DK, ES, FR, IL, IT, NL, NO, PL, RU, SE, TR, UK (Europe); AR, BR, CA, CL, CO, CR, MX, PA, VE, US (Americas); AU, CN, HK, ID, IN, JP, KR, MY, NZ, SG, TH, TW, VN (Asia Pacific); AE, ZA (Middle East /Africa). Latest available market study. Source: Market Intelligence, 2012, annual reports and desk research.

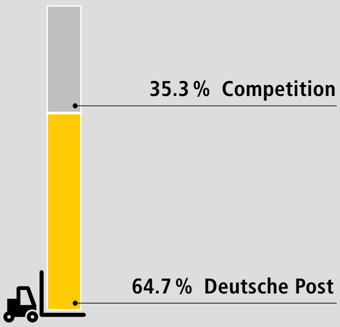
[6] Company estimates.

[7] Country base: total for 19 European countries, excluding bulk and specialties transport. Source: MRSC MI Freight Reports 2008 to 2012, Eurostat 2010.

Business units and market positions

Domestic mail communication market, business customers, 2013

Market volume: €4.5 billion



Source: company estimate.

MAIL DIVISION

The postal service for Germany

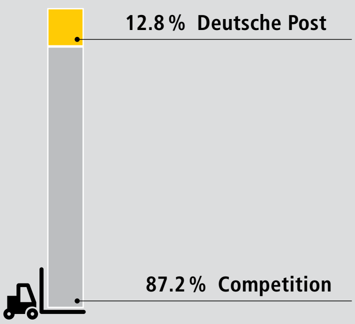
As Europe's largest postal company, we deliver more than 64 million letters every working day in Germany alone. We offer all types of products and services to both private and business customers, ranging from physical, hybrid and electronic letters and merchandise to special services such as cash on delivery and registered mail. Our E-Postbrief product provides a secure, confidential and reliable platform for electronic communication. It allows companies, public authorities and private individuals to send secure communications whilst reducing processing costs.

For the first time in 15 years, we raised the prices of our *Standardbrief* and *Maxibrief* letter products with effect from 1 January 2013. Last year, we were required by the *Bundesnetzagentur* (German federal network agency) to adjust the qualifying conditions for the delivery of identical invoices. As a result, we discontinued our *Infobrief* product. Some customers now send traditional letters as an alternative, which has increased revenue in the domestic market for mail communication.

In the reporting year, the market for business communications was approximately €4.5 billion (previous year: €4.2 billion). In order to more precisely reflect actual market conditions, we look at the competitive business customer market. We therefore indicate those companies that are service providers to business customers, i.e., both competitors who offer end-to-end solutions as well as consolidators who offer partial services. At 64.7 % our market share was slightly above the prior-year level (62.7 %), primarily because customers have been increasingly sending traditional letters since the *Infobrief* product was discontinued.

Domestic dialogue marketing market, 2013

Market volume: €17.2 billion



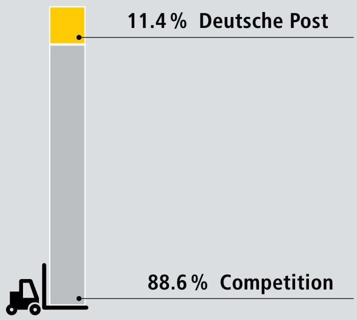
Source: company estimate.

Targeted and cross-media advertising

Companies can use our solutions to design and print advertising mail themselves and send it at reasonable rates via our network. We provide our customers with online tools and services to ensure the quality of their addresses and the efficient identification of target groups. Companies may rent the addresses of these identified target groups from us for their own advertising campaigns as needed. We also offer a broad range of digital solutions, which customers can use for cross-media and targeted advertising. The German dialogue marketing market comprises advertising mail along with telephone and e-mail marketing. In 2013, this market shrank by 2.8 % year-on-year to a volume of €17.2 billion (previous year: €17.7 billion). The mail-order industry, in particular, considerably reduced advertising expenditure. The insolvencies of Neckermann and the do-it-yourself chain Praktiker were also felt. Our share of this highly fragmented market declined to 12.8 % (previous year: 13.5 %), a result that is also a consequence of the discontinuation of our Infobrief product.

Domestic press services market, 2013

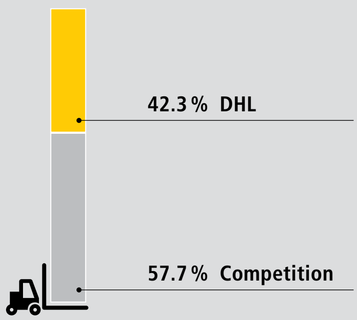
Market volume: 14.8 billion items



Source: company estimate.

Domestic parcel market, 2013

Market volume: €8.2 billion



Source: company estimate.

Press distribution services

We deliver newspapers and magazines nationwide throughout Germany on the day specified by the customer. Our Press Services business unit offers customers two main products for this: preferred periodicals, which is the traditional method publishers use to post the publications to which their customers have subscribed, and standard periodicals, which companies primarily use to distribute customer or employee magazines via our network.

We also partner with publishers to sell subscriptions to more than 500 press products both online and offline as part of our Deutsche Post Leserservice, a service that has seen much success.

The German press services market had a total volume of 14.8 billion items in 2013, a decline of 2.0 % from the prior year. Consumer and specialist magazine circulation, in particular, has decreased. Our competitors are mainly companies that deliver regional daily newspapers. In an overall shrinking market, we continued to maintain our share at 11.4 %.

Parcel business focuses on customer needs

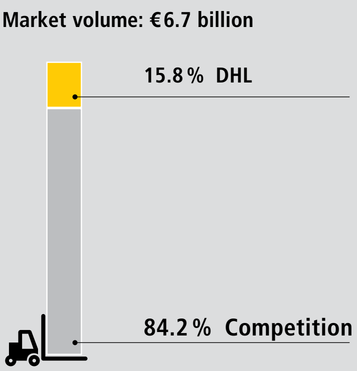
With over 13,000 retail outlets, around 2,650 Packstations and around 1,000 Paketboxes we offer our customers the densest drop-off network in Germany. 10,000 Paketshops were added in the reporting year; another 10,000 are to follow by the end of 2014. On the whole we transport more than 3.4 million parcels and small packages within Germany every working day. Volumes are growing as are customer demands. Throughout our innovations in our parcel business, customers are always in focus.

Recipients have the option to choose where their parcel should be delivered. They are notified of the day on which delivery will take place – and in many regions the delivery time as well. Our courier service even provides same-day parcel delivery and evening delivery within a delivery window of the customer's choice.

We are expanding the logistics platform, allowing business customers to grow their online retail business even more quickly: small and medium-sized retailers can take advantage of an additional sales channel at our shopping portal, MeinPaket.de. On request, we can even cover the entire supply chain – from warehouse logistics to returns management. We are developing the online food retailing segment at our online supermarket, Allyouneed.com, and our "2-Mann-Handling" offers a solution for delivering furniture ordered online.

The German parcel market volume totalled around €8.2 billion in 2013, nearly 5.1 % more than the prior year. For years now, e-commerce has been the most important driver of growth. In 2013, business customer volumes again experienced very strong growth and had a positive impact on growth in the mail-order and parcel services businesses. Overall, our market share in the reporting year was approximately 42.3 %.

International mail market (outbound), 2013



Source: company estimate.

Sending mail and parcels internationally
We carry mail and parcels across borders and offer international dialogue marketing services. In addition, we serve business customers in key domestic mail and parcel markets, including in the United States and China.

We set ourselves apart from the competition by offering innovative products. For example, we are developing international shipping solutions for private consumers (B2C) in the growing e-commerce sector. This now includes a returns solution for 24 European countries. Our offer also comprises consulting and services for all physical and digital dialogue marketing needs. Furthermore, we offer international physical, hybrid and electronic written communications for international business customers, giving them the flexibility to decide what best suits their needs. Foreign customers tap into our expertise and experience in order to do business successfully in the German market. The global market volume for outbound international mail was approximately €6.7 billion in 2013 (previous year: €6.8 billion). The decline in light-weight letters and press products could only be compensated for in part by the increase in heavier items. Our market share remained stable at the prior-year level of 15.8 %.

Objectives and strategies

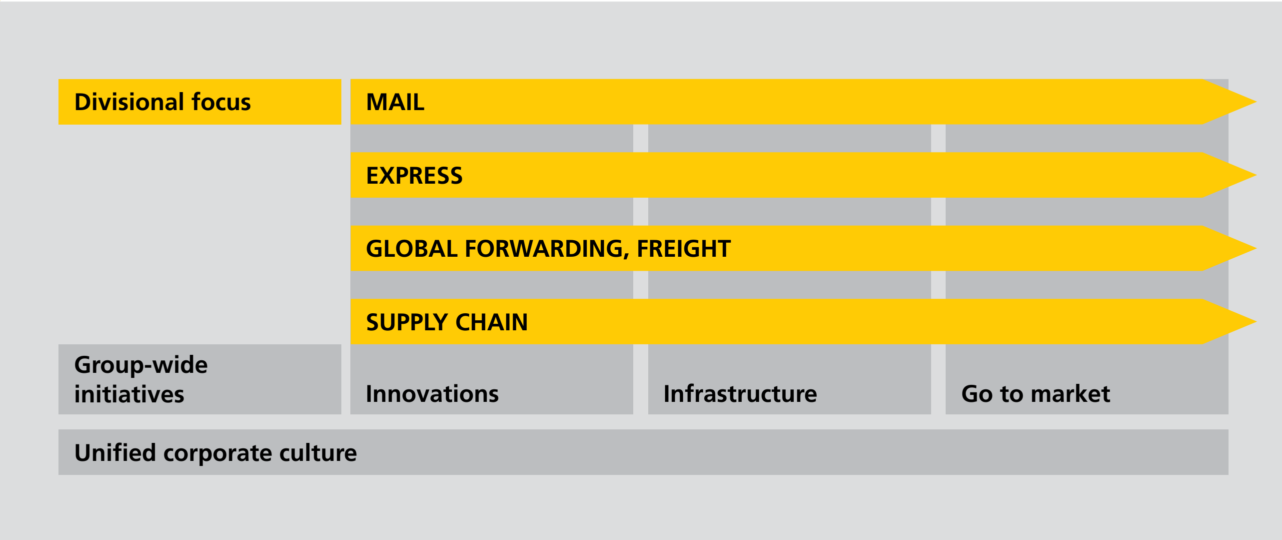
CORPORATE STRATEGY

Strategy 2015 – our Group-wide framework
In 2009, we introduced our Strategy 2015, which represents the Group-wide framework for our vision, mission, values and objectives. Our guiding principle is to remain The postal service for Germany and to become the logistics company for the world. The mission associated with this principle reflects our values and customer promise, namely, we want to make our customers, employees and investors more successful, we always show respect, without compromising on results; we make our customers' lives easier and we want to be a part of making our world a better place in which to live. To this end, our strategy pursues three key objectives: we want to become the provider of choice for customers, the employer of choice for our staff and prospective employees and an attractive investment for shareholders. Our progress is routinely measured using indicators relevant for internal management.

In the reporting year, significant progress was again made on a Group-wide basis. This is reflected, for example, in customer satisfaction rates, the results of our annual employee opinion survey as well as the development of key financial figures such as EBIT, EAC and operating cash flow. Our ranking in "Fortune World's most admired companies 2013" also reflects how satisfied customers and employees are with Deutsche Post DHL: we come out top in our industry.

In 2014 we shall focus primarily on increasing profitability and generating cash.

Strategic approaches



Group-wide initiatives complement business strategies
Our divisional business strategies are supplemented by Group-wide strategic initiatives which we use as levers to help us achieve our goals.

Our First Choice management approach helps us to continuously improve internal processes. Group-wide, over 30,000 employees have now been certified in this methodology.

STRATEGY AND GOALS OF THE DIVISION

Strategic priorities
The priorities of the operating divisions are anchored in the divisional business strategies. Here, too, our focus is on strengthening our profitability.

Strategic priorities

MAIL division
The following strategic approaches are how we aim to meet the business challenges of today and tomorrow.

Making costs more flexible: To achieve this goal, we are adapting our networks to changing market conditions and shipment structures. We are also cutting costs wherever possible and sensible, whilst investing in growth areas. Furthermore, we want to further increase the quality of our products, whilst protecting the environment in the process. For example, we commissioned the development of an electric delivery vehicle that precisely meets the needs of our delivery staff whilst improving our carbon footprint and reducing operating costs. Our Parcel 2012 Production Concept has made our sorting and transport more efficient and thereby lowered costs.

Providing the highest quality to our customers: We want to offer our customers the best service at all times, at the highest level of quality and at reasonable prices. To this end, we are modernising the sorting equipment and IT architecture in our mail network on an ongoing basis. We are also investing in our parcel network and adapting it to increasing volumes on an ongoing basis. Our goal is also to deliver 95 % of all items sent in Germany to customers the next day. Moreover, we are constantly offering more services to parcel recipients, for example, package notification, shipment status and preferred location. Proximity to our customers is important to us, which is why we operate by far the largest network of fixed-location retail outlets in Germany. We are also expanding our successful co-operation with retailers, particularly by way of our Paketshops.

Motivating our workforce: The key to high quality and high performance is happy and dedicated employees. That's why we equip our workforce with state-of-the-art tools, provide mail carriers with e-bikes and e-trikes, offer counselling on health issues and, at some locations, make childcare available. The most recent collective agreement included another noticeable wage increase, raising our levels even higher above the competition.

Tapping into new online and offline markets: We are taking advantage of our expertise in physical communications to offer competent digital communications. The internet is already strongly facilitating customer access to our services, allowing them to calculate and purchase postage and also locate retail outlets and Packstations online and by mobile telephone. We are also investing in future growth areas in all our businesses: beyond our E-Postbrief product, we are active in the growing industry of online advertising. We operate Europe's largest platform for targeting (online advertising space marketing), provide the largest online German marketplace for journalistic content and are the first parcel delivery service in Germany to operate its own shopping portal. By acquiring Allyouneed.com we have established an online supermarket, where together with retail customers we are trialing same-day food delivery. At MeinPaket.de we offer one of the largest online marketplaces in Germany. We have taken our expertise in transport and network management into the deregulated coach market with the ADAC Postbus. In 2014, we shall operate additional lines, and in the future we intend to offer this service nationwide in Germany.

Group management

FINANCIAL PERFORMANCE INDICATORS

Uniform management

In the main Deutsche Post DHL's international key performance indicators are uniformly applied to the management of Deutsche Post AG.

Impact on management salaries

Deutsche Post DHL uses both financial and non-financial performance indicators in its management of the Group. The monthly, quarterly and annual changes in these indicators are compared with the data from the prior year as well as the data indicated in the plan to assist in making management decisions. The year-to-year changes in financial and non-financial performance metrics portrayed here are also relevant for calculating management remuneration.

The Group's financial performance indicators are intended to preserve a balance between profitability, efficient use of resources and sufficient liquidity. The performance of these indicators in the reporting year is described in the Report on the economic position.

EBIT calculation

Revenue
⊕ Other operating income ⊖ Materials expense ⊖ Staff costs
⊖ Depreciation, amortisation and impairment losses ⊖ Other operating expenses
⊜ Profit from operating activities (EBIT)

EAC calculation

EBIT
⊖ Asset charge
= Net asset base x Weighted average cost of capital
⊜ EBIT after asset charge (EAC)

Net asset base calculation

Operating assets
■ Intangible assets ■ Property, plant and equipment ■ Goodwill ■ Trade receivables (part of net working capital) ■ Other non-recurring operating assets
⊖ Operating liabilities
■ Operating provisions (without provisions for pensions and similar obligations) ■ Trade payables (part of net working capital) ■ Other non-recurring operating liabilities
⊜ Net asset base

Profit from operating activities measures earnings power

The profitability of the Group's divisions is measured using profit from operating activities (EBIT). EBIT is calculated by taking revenue and other operating income and subtracting materials expense and staff costs, depreciation, amortisation and impairment losses and other operating expenses. Interest and other finance costs/other financial income are deducted from or added to net financial income/net finance costs. To be able to compare divisions, the return on sales is calculated as the ratio of EBIT to revenue.

EBIT after asset charge promotes efficient use of resources

Since 2008, the Group Deutsche Post DHL has used EBIT after asset charge (EAC) as an additional key performance indicator. EAC is calculated by subtracting a cost of capital component, or asset charge, from EBIT. Making the asset charge a part of business decisions encourages all divisions to use resources efficiently and ensures that the operating business is geared towards increasing value sustainably whilst generating cash flow.

To calculate the asset charge, the net asset base is multiplied by the weighted average cost of capital (WACC). The asset charge calculation is performed each month so that fluctuations in the net asset base can also be taken into account during the year.

All of our divisions use a standard calculation for the net asset base. The key components of operating assets are intangible assets, including goodwill, property, plant and equipment and net working capital. Operating provisions and operating liabilities are subtracted from operating assets.

The Group's WACC is defined as the weighted average net cost of interest-bearing liabilities and equity, taking into account company-specific risk factors in accordance with the Capital Asset Pricing Model.

A standard WACC of 8.5 % is applied across the divisions, and this figure also represents the minimum target for projects and investments within the Group. The WACC is generally reviewed once annually using the current situation on the financial markets. However, the goal is not to match every short-term change but to reflect long-term trends. To ensure better comparability with previous years, the EAC was maintained at a constant level in 2013, as in the previous year.

Calculation of operating cash flow

Consolidated net profit for the period attributable to shareholders and non-controlling interests
± Income taxes
± Net financial income/ net finance costs
± Net income from associates
EBIT **(profit from operating activities)**
± Depreciation, amortisation and (reversals of) impairment losses on non-current assets
± Net income/loss from disposal of non-current assets
± Non-cash income and expense
± Change in provisions
± Change in other non-current assets and liabilities
± Income taxes paid
= Net cash from operating activities before changes in working capital (net working capital)
± Changes in net working capital
= Net cash from/used in operating activities (operating cash flow – OCF)

Preserving sufficient liquidity
In the reporting year, cash flow was used as an additional financial performance indicator for calculating management remuneration. This performance metric is targeted at maintaining sufficient liquidity to cover all of the Group's financial obligations from debt repayment and dividends, in addition to operating payment commitments and investments.

Cash flow is calculated using the cash flow statement. Along with EBIT and EAC, operating cash flow (OCF) is the main performance and incentive metric used by Group management. OCF includes items that are directly related to operating value creation. It is calculated by adjusting EBIT for changes in fixed assets (depreciation, write-ups, gains and losses from disposals), other non-cash income and expense, taxes paid, changes in provisions and other non-current assets and liabilities. Net working capital remains as a driver of OCF. Effective management of net working capital is an important way for the Group to leverage OCF in the short to medium term.

NON-FINANCIAL PERFORMANCE INDICATOR

Employee opinion survey result as a management indicator
Our annual, Group-wide employee opinion survey measures how successful we have been in approaching our goal of becoming the employer of choice for our staff. Furthermore, the "Active Leadership" indicator in particular is a key management tool that is used in the calculation of variable salary components for our executives. This indicator reflects employees' assessments of leadership competencies of their direct superiors, such as how they respond to employee expectations or how they motivate their staff. The results of the employee survey for the reporting year can be found in the Employees section.

Disclosures required by takeover law

Disclosures required under section 289 (4) of the Handelsgesetzbuch (HGB – German Commercial Code) and explanatory report.

Composition of issued capital, voting rights and transfer of shares
As at 31 December 2013, the company's share capital totalled €1,209,015,874 and was composed of the same number of no-par value registered shares. Each share carries the same statutory rights and obligations and entitles the holder to one vote at the Annual General Meeting (AGM). No individual shareholder or group of shareholders is entitled to special rights, particularly rights granting powers of control.

The exercise of voting rights and the transfer of shares are based on the general legal requirements and the company's Articles of Association, which do not restrict either of these activities. Article 19 of the Articles of Association sets out the requirements that must be met in order to attend the AGM as a shareholder and exercise a voting right. Only persons entered in the share register shall be recognised as shareholders by the company. The Board of Management is not aware of any agreements between shareholders that would limit voting rights or the transfer of shares.

Members of the Board of Management receive stock appreciation rights (SARs) each year as a long-term remuneration component under the Long-Term Incentive Plan provided that they each invest cash or Deutsche Post AG shares for each tranche of the plan. If a Board of Management member sells the shares included in their personal investment for the tranche or disposes of their personal cash investment before the scheduled waiting period of four years has expired, all SARs from that tranche will be forfeited.

As part of the Share Matching Scheme, participating Group executives are obligated to use a portion of their annual bonus to purchase shares in the company. According to the underlying terms, shares acquired under the scheme are subject to a four-year lock-up period.

Shareholdings exceeding 10 % of voting rights
KfW Bankengruppe (KfW), Frankfurt am Main, is our largest shareholder, holding around 21.0 % of the share capital. The Federal Republic of Germany holds an indirect stake in Deutsche Post AG via KfW. According to the notifications we have received pursuant to sections 21 et seq. of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act), KfW and the Federal Republic of Germany are the only shareholders that own more than 10 % of the share capital, either directly or indirectly.

Appointment and replacement of members of the Board of Management
The members of the Board of Management are appointed and replaced in accordance with the relevant legal provisions (sections 84 and 85 of the Aktiengesetz (AktG – German Stock Corporation Act) and section 31 of the Mitbestimmungsgesetz (MitbestG – German Co-determination Act)). In accordance with section 84 of the AktG and section 31 of the MitbestG, appointments by the Supervisory Board shall be for a maximum term of five years. Re-appointment or extension of the term of office is permitted for a maximum of five years in each case. Article 6 of the Articles of Association stipulates that the Board of Management must have at least two members. Beyond that, the number of board members is determined by the Supervisory Board, which may also appoint a chairman and deputy chairman of the Board of Management.

Amendments to the Articles of Association
In accordance with section 119 (1), number 5 and section 179 (1), sentence 1 of the AktG, amendments to the Articles of Association are adopted by resolution of the AGM. In accordance with article 21 (2) of the Articles of Association in conjunction with sections 179 (2) and 133 (1) of the AktG, such amendments generally require a simple majority of the votes cast and a simple majority of the share capital represented on the date of the resolution.

In such instances where the law requires a greater majority for amendments to the Articles of Association, that majority is decisive. Under article 14 (7) of the Articles of Association, the Supervisory Board has the authority to resolve amendments to the Articles of Association in cases where the amendments affect only the wording.

Board of Management authorisation, particularly regarding issue and buy-back of shares
The Board of Management is authorised, subject to the consent of the Supervisory Board, to issue up to 240 million new, no-par value registered shares on or before 28 May 2018 in exchange for cash and/or non-cash contributions and thereby increase the company's share capital by up to €240 million (Authorised Capital 2013, article 5 (2) of the Articles of Association). When new shares are issued on the basis of Authorised Capital 2013, the shareholders are entitled in principle to subscription rights. Such rights may only be disapplied subject to the requirements specified in article 5 (2) of the Articles of Association and subject to the consent of the Supervisory Board. Details may be found in article 5 (2) of the Articles of Association of the company.

Authorised Capital 2013 is a financing and acquisition instrument in accordance with international standards that allows the company to increase equity quickly, flexibly and cost-effectively. The authorised capital is equivalent to less than 20 % of the share capital. To date, the Board of Management has not exercised this authority.

An AGM resolution was passed on 25 May 2011 authorising the Board of Management, subject to the consent of the Supervisory Board, to issue bonds with warrants, convertible bonds and/or income bonds as well as profit participation certificates, or a combination thereof, in an aggregate principal amount of up to €1 billion, on one or more occasions until 24 May 2016, thereby granting options or conversion rights for up to 75 million shares having a total share in the share capital not to exceed €75 million.

The aforementioned authorisation was utilised in the full amount in December 2012 by issuing a convertible bond in the aggregate principal amount of €1 billion.

No shares were issued to the bond holders in financial year 2013. As at 31 December 2013, the share capital was still increased on a contingent basis by up to €75 million in order to grant shares to the holders or creditors of the options, conversion rights or conversion obligations arising from the resolution of 25 May 2011 after exercise of their rights for the purpose of settling the entitlements related to the options or rights or fulfilling the conversion obligations (Contingent Capital 2011, article 5 (3) of the Articles of Association).

An AGM resolution was passed on 29 May 2013 authorising the Board of Management, subject to the consent of the Supervisory Board, to issue bonds with warrants, convertible bonds and/or income bonds as well as profit participation certificates, or a combination thereof, (hereinafter referred to collectively as "bonds") in an aggregate principal amount of up to €1.5 billion, on one or more occasions until 28 May 2018, thereby granting options or conversion rights for up to 75 million shares with a total share in the share capital not exceeding €75 million. The bond conditions may also stipulate an obligation to exercise options or conversion rights or may entitle the company to grant the bond holders or creditors shares in the company in lieu of payment of all or part of the sum of money owed, either at the time of maturity of the bonds or at another time. The share capital is increased on a contingent basis by up to €75 million in order to grant shares to the holders or creditors of the bonds after exercise of their options or conversion rights or to fulfil their option or conversion obligations, or to grant them shares in lieu of monetary payment (Contingent Capital 2013, article 5 (4) of the Articles of Association). When issuing bonds, subscription rights may only be disapplied subject to the terms of the aforementioned resolution and subject to the consent of the Supervisory Board. Further details may be found in the motion adopted by the AGM under agenda item 7 of the AGM of 29 May 2013.

Authorisation to issue bonds is standard practice amongst publicly listed companies. This allows the company to finance its activities flexibly and promptly and gives it the financial leeway necessary to take advantage of favourable market conditions at short notice, for example by offering bonds with options or conversion rights, or conversion obligations on shares in the company as a consideration within the context of company mergers, and when acquiring companies or shareholdings in companies. To date, the Board of Management has not exercised this authority.

Finally, the AGM of 28 April 2010 authorised the company to buy back shares on or before 27 April 2015 up to an amount not to exceed 10 % of the share capital existing as at the date of the resolution. Such authorisation is subject to the proviso that at no time should the shares thus acquired, together with the shares already held by the company, account for more than 10 % of the share capital. The shares may be purchased through the stock market, a public offer, a public call for offers of sale from the company's shareholders or by some other means in accordance with section 53a of the AktG. The authorisation permits the Board of Management to exercise it for every purpose permissible under the law, particularly to redeem the purchased treasury shares without a further AGM resolution, subject to the consent of the Supervisory Board. Details may be found in the motion adopted by the AGM under agenda item 6 of the AGM of 28 April 2010.

In addition to this, the AGM of 28 April 2010 also authorised the Board of Management, within the scope resolved by the AGM of 28 April 2010 in agenda item 6, to acquire treasury shares through the use of derivatives, namely by servicing options that, upon their exercise, require the company to acquire treasury shares (put options), by exercising options that, upon their exercise, grant the company the right to acquire treasury shares (call options) or by servicing or exercising a combination of put and call options. All share acquisitions using the aforementioned options are limited to a maximum of 5 % of the share capital existing on the date of the resolution. The term of the options may not exceed 18 months, must expire by no later than 27 April 2015 and be selected such that treasury shares may not be acquired by exercising the options after 27 April 2015. Further details may be found in the motion adopted by the AGM under agenda item 7 of the AGM of 28 April 2010.

In addition to this, the AGM of 9 May 2012 authorised the Board of Management to additionally use the shares acquired on the basis of these authorisations to list the company's shares on a foreign stock exchange on which the shares have not previously been admitted for trading on a regulated market, subject to the consent of the Supervisory Board with subscription rights disapplied. Further details may be found in the motion adopted by the AGM under agenda item 6 of the AGM of 9 May 2012.

It is standard business practice amongst publicly listed companies in Germany for the AGM to authorise the company to buy back shares. The authorisation to repurchase shares using derivatives is merely intended to supplement share buy-back as a tool and give the company the opportunity to structure share repurchase in an advantageous manner. The authorisation to use shares for the purpose of listing on a foreign stock exchange is intended to enable the company to expand its shareholder base to foreign countries in line with its global orientation.

Any public offer to acquire shares in the company is governed solely by law and the Articles of Association, including the provisions of the Wertpapiererwerbs- und Übernahmegesetz (WpÜG – German Securities Acquisition and Takeover Act). The AGM has not authorised the Board of Management to undertake actions within its sphere of competence to block possible takeover bids.

Significant agreements that are conditional upon a change of control following a takeover bid and agreements with members of the Board of Management or employees providing for compensation in the event of a change of control

Deutsche Post AG took out a syndicated credit facility with a volume of €2 billion from a consortium of banks. If a change of control within the meaning of the contract occurs, each member of the bank consortium is entitled under certain conditions to cancel its share of the credit line as well as its share of outstanding loans and request repayment. The terms and conditions of the bond issued under the Debt Issuance Programme established in March 2012 and of the convertible bond issued in December 2012 also contain change of control clauses. In case of a change of control within the meaning of the terms and conditions, creditors are, under certain conditions, granted the right to demand early redemption of the respective bonds. Furthermore, a framework agreement exists concerning the supply of fuel, based on which fuel in the value of a high double-digit million amount was obtained in the reporting year and which, in case of a change of control, grants the supplier the right to bring the business relationship to a close without notice.

In the event of a change of control, any member of the Board of Management is entitled to resign their office for good cause within a period of six months following the change of control, after giving three months' notice at the end of a given month, and to terminate their Board of Management contract (right to early termination). In the event the right to early termination is exercised or a Board of Management contract is terminated by mutual consent within nine months of the change of control, the Board of Management member is entitled to payment to compensate the remaining term of their Board of Management contract. Such payment is limited to the cap pursuant to the recommendation of section 4.2.3 of the German Corporate Governance Code as amended on 13 May 2013, with the specification outlined in the remuneration report. With respect to options from the Long-Term Incentive Plan, the Board of Management member will be treated as if the waiting period for all options had already expired upon cessation of the Board of Management contract. The options eligible for exercise may then be exercised within six months of cessation of the contract. With regard to the Share Matching Scheme for executives, the holding period for the shares will become invalid with immediate effect in the event of a change of control of the company. In any such case, the employer will be responsible for any tax disadvantages resulting from reduction of the holding period. Exempt from this are taxes normally incurred after the holding period.

Remuneration of the Board of Management and the Supervisory Board

REMUNERATION OF THE BOARD OF MANAGEMENT

Remuneration structure of the Group Board of Management in financial year 2013
The remuneration paid to individual Board of Management members for financial year 2013 was determined by the Supervisory Board, which held consultations to resolve on the remuneration system for the Board of Management, including the main contractual elements. In so doing it obtained advice from an independent remuneration consultant.

The Board of Management remuneration reflects the size and global reach of the Company, its economic and financial situation and the roles and achievements of the individual members. It is set to ensure competitiveness with comparable German and international companies, thus incentivising the Board of Management members to deliver maximum performance and achieve results.

The remuneration paid to the Board of Management for 2013 is in line with standard market practice, appropriate to the tasks involved and designed to reward performance; it comprises fixed (non-performance-related) elements and variable (performance-related) elements, which include short, medium and long-term incentives. The remuneration as a whole as well as its individual components are subject to a cap.

Non-performance-related components are the annual base salary (fixed annual remuneration), fringe benefits and pension commitments. The annual base salary is paid in twelve equal monthly instalments retroactively at the end of each month. Fringe benefits mainly comprise the use of company cars, supplements for insurance premiums and special allowances and benefits for assignments outside the home country.

The variable remuneration paid to the Board of Management is almost entirely medium and long-term based. Half of the variable remuneration consists of a long-term incentive plan with a four-year calculation period; the other half is made up of an annual bonus linked to the Company's yearly profits, with 50 % of the annual bonus flowing into a medium-term component with a three-year calculation period (deferral). Thus, only 25 % of the variable remuneration component is paid out on the basis of a one-year calculation.

The amount of the annual bonus is set at the due discretion of the Supervisory Board on the basis of the Company's performance. The individual annual bonus amounts reflect the extent to which predefined targets are achieved, missed or exceeded. The maximum amount of the annual bonus may not exceed 100 % of the annual base salary.

The main parameters used to determine the amount of the annual bonus were supplemented in the reporting year: The Group's reported cash flow is now included in the target agreements for all Board of Management members. Another key parameter for all Board of Management members is, as in previous years, the Group's EBIT after asset charge performance metric, including the asset charge on goodwill before goodwill impairment (EAC). For the Board of Management members in charge of the MAIL, GLOBAL FORWARDING, FREIGHT, EXPRESS and SUPPLY CHAIN divisions, the EAC of their respective division is also a key parameter. Furthermore, an employee-related target is agreed with all Board of Management members based on the annual employee opinion survey, as are additional targets.

Achievement of the upper targets for the financial year that have been agreed based on demanding objectives is rewarded with the maximum annual bonus. If the targets specified for the financial year are only partially reached or completely missed, the annual bonus will be paid on a pro-rata basis or not at all. The Supervisory Board may also elect to award an appropriate special bonus for extraordinary achievement.

The annual bonus is not paid in full in a single instalment on the basis of having reached the agreed targets. Instead, 50 % of the annual bonus flows into a medium-term component with a three-year calculation period (performance phase of one year, sustainability phase of two years). This medium-term component is paid out after expiry of the sustainability phase subject to the condition that EAC, as an indicator of sustainability, is reached during the sustainability phase. Otherwise, payment of the medium-term component is forfeited without compensation. This demerit system puts greater emphasis on sustainable company development in determining management board remuneration and sets long-term incentives.

Stock appreciation rights (SARs) are granted as a long-term remuneration component based on the Long-Term Incentive Plan resolved by the Supervisory Board in 2006 (2006 LTIP).

Each SAR entitles the holder to receive a cash settlement equal to the difference between the average closing price of Deutsche Post shares for the five trading days preceding the exercise date and the exercise price of the SAR. In 2013, the members of the Board of Management each invested 10 % of their annual base salary as a personal financial investment. The waiting period for the stock appreciation rights is four years from the date on which they were granted. After expiration of the waiting period, and provided an absolute or relative performance target has been achieved, the SARs can be exercised wholly or partially for a period of two years. Any SARs not exercised during this two-year period will expire.

To determine how many, if any, of the SARs granted can be exercised, the average share price or the average index value for the reference period is compared with that of the performance period. The reference period comprises the last 20 consecutive trading days before the issue date. The performance period is the last 60 trading days before the end of the waiting period. The average share price (closing price) is calculated as the average closing price of Deutsche Post shares in Deutsche Börse AG's Xetra electronic trading system.

A maximum of four out of every six SARs can be "earned" via the absolute performance target and a maximum of two via the relative performance target. If neither an absolute nor a relative performance target is met by the end of the waiting period, the SARs attributable to the related tranche will expire without replacement or compensation.

One SAR is earned each time the closing price of Deutsche Post shares exceeds the issue price by at least 10 %, 15 %, 20 % or 25 %. The relative performance target is tied to the performance of the shares in relation to the STOXX Europe 600 Index (SXXP, ISIN EU0009658202). It is met if the share price equals the index performance or if it outperforms the index by at least 10 %.

Remuneration from stock appreciation rights is limited to 300 % of the annual target cash compensation (annual base salary plus the annual target bonus). Moreover, it may be limited by the Supervisory Board in the event of extraordinary circumstances.

SUPERVISORY BOARD REMUNERATION

Pursuant to article 17 of the Articles of Association of Deutsche Post AG resolved by the Annual General Meeting (AGM) in the version applicable until 31 December 2013, the annual remuneration paid to the members of the Supervisory Board comprises a non-performance-related, i.e., fixed component, a variable component geared towards sustainable corporate development and the attendance allowance.

As in the previous year, the fixed component amounted to €40,000. The variable remuneration component for financial year 2013 will amount to € 1,000 for each € 0.02 by which the consolidated net profit per share for financial year 2015 exceeds the consolidated net profit per share for financial year 2012. This variable remuneration component will fall due for payment at the end of the 2016 AGM. The variable remuneration component is subject to a cap equal to 50 % of the fixed component.

The Supervisory Board chairman and the Supervisory Board committee chairs receive an additional 100 % of the fixed and variable remuneration, and the Supervisory Board deputy chair and committee members receive an additional 50 %. This does not apply to the Mediation or Nomination Committees. Those who only serve on the Supervisory Board or its committees, or act as chair or deputy chair, for part of the year are remunerated on a pro-rata basis.

Supervisory Board members receive an attendance allowance of € 1,000 for each plenary meeting of the Supervisory Board or committee meeting that they attend, as in 2012. They are entitled to reimbursement of out-of-pocket cash expenses incurred in the exercise of their office. Any value added tax charged on Supervisory Board remuneration or out-of-pocket expenses is reimbursed.

Research and development

As a service provider, the Deutsche Post AG does not engage in research and development activities in the narrower sense and therefore has no significant expenses to report in this connection.

REPORT ON ECONOMIC POSITION

Overall Board of Management assessment of the economic position

Earnings and operating cash flow increase

Whilst revenue declined slightly, the group Deutsche Post DHL increased profit from operating activities by 7.4 % in financial year 2013, due to improved margins. Also, strong continued growth in the parcel business in Germany resulted in MAIL division earnings at the upper end of our forecast. Performance in the DHL divisions was impeded by major currency effects. Although revenue was lower, the EXPRESS and SUPPLY CHAIN divisions were able to increase earnings through strict cost management. Operating cash flow also saw an encouraging rise, increasing to around €3 billion. Therefore, in the opinion of the Board of Management, the Group's financial position remains good.

Forecast/actual comparison

Forecast/actual comparison

Targets 2013	Results 2013	Targets 2014
EBIT Group: €2.7 billion to €2.95 billion[1)] MAIL division: €1.1 billion to €1.2 billion[1)] DHL divisions: €2.0 billion to €2.15 billion. Corporate Center/Other: around €–0.4 billion	**EBIT** Group: €2.86 billion MAIL division: €1.23 billion DHL divisions: €2.06 billion Corporate Center/Other: €–0.42 billion	**EBIT** Group: €2.9 billion to €3.1 billion MAIL division: approx. €1.2 billion DHL divisions: €2.1 billion to €2.3 billion Corporate Center/Other: better than €–0.4 billion
	EAC €1,499 million (previous year: €1,331 million)[3)]	**EAC** Will continue to develop positively and increase slightly.
Operating cash flow Operating cash flow will recover from the one-time charges in 2012 and benefit from the expected earnings improvement.	**Operating cash flow** Net cash from operating activities: €2,994 million (previous year: cash outflow of €203 million)	**Operating cash flow** Will continue to develop positively and increase slightly.
Capital expenditure (capex) Increase investments from €1.70 billion (2012) to a maximum of €1.8 billion[2)]	**Capital expenditure (capex)** Invested: €1.76 billion	**Capital expenditure (capex)** Increase investments to around €1.9 billion.
Dividend distribution Pay out 40 % to 60 % of the net profit as dividend	**Dividend distribution** Proposal: pay out 48.9 % of adjusted net profit as dividend	**Dividend distribution** Pay out 40 % to 60 % of the net profit as dividend.
	Employee opinion survey[4)] Key performance indicator "Active Leadership" achieves an approval rating of 70 %.	**Employee opinion survey[4)]** Increase approval rating of key performance indicator "Active Leadership" to 71 %.

[1)] Forecast increased over the course of the year
[2)] Forecast narrowed over the course of the year
[3)] Prior-year amounts adjusted due to a revised calculation basis
[4)] Explanation Group management

Economic parameters

Global economy witnesses very cautious growth

The global economy witnessed very cautious growth in 2013. Growth rates lagged behind the prior-year figures, which were already only marginal, in the industrial countries as well as the emerging markets. This was a consequence of a weak phase at the very start of the year. Although the economy then proceeded to recover – quite significantly in some industrial countries – overall global economic output grew by just 3.0 % in 2013 after adjustment for purchasing power (previous year: 3.1 %). Global trade increased slightly with a rise of nearly 3 % (IMF: 2.7 %; OECD: 3.0 %).

Global economy: growth indicators in 2013

%	Gross domestic product (GDP)	Exports	Domestic demand
China	7.7	7.9	n/a
Japan	1.7	1.6	1.7
USA	1.9	2.8	1.7
Euro zone	– 0.4	1.6	– 0.9
Germany	0.4	0.6	0.7

Data partially estimated, as at 5 February 2014.
Sources: Postbank, national statistics.

Asian countries again generated the highest economic momentum, with gross domestic product (GDP) increasing by 6.5 % (previous year: 6.4 %). In China, rising demand in individual industrial countries led to an increase in exports. The government also continued its efforts to boost domestic demand. Total GDP growth remained on a par with the prior year at 7.7 % (previous year: 7.7 %). The Japanese economy grew sharply in the first half of the year as a result of expansive monetary and fiscal policies. These effects waned as the year progressed and the upturn abated somewhat. Growth in private consumption and government spending as well as rising investments led to significant growth in domestic demand. Exports were up slightly overall on an annual average. Despite the strong upward trend, GDP only increased by 1.7 % due to the low initial base (previous year: 1.4 %).

The US economy suffered from government budget cuts and tax increases at the start of the year. From spring onwards, however, growth picked up markedly. Along with an increase in private consumption, growth was also driven by gross fixed capital formation and housing construction. Foreign trade did not impair growth, but the negative impact resulting from a significant decline in government spending was notable. GDP increased by 1.9 % (previous year: 2.8 %).

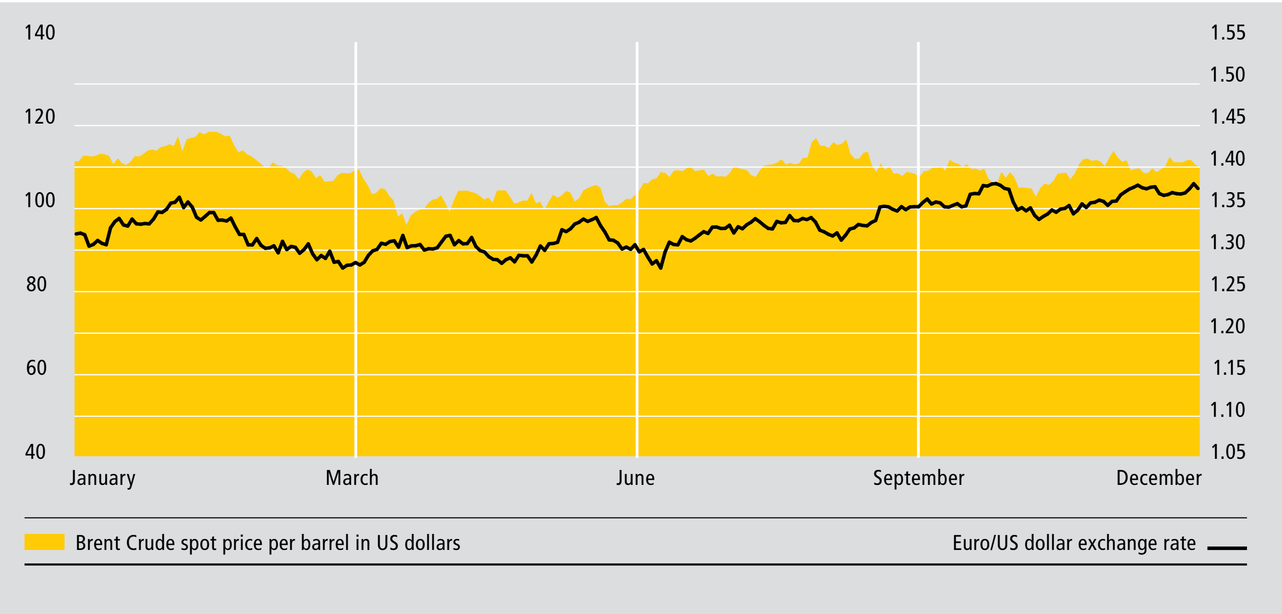
In the euro zone, economic output was down by 0.4 % in the reporting year (previous year: –0.7 %). At the beginning of the year, economic output continued to suffer from the sovereign debt crisis. The consolidation measures put into effect in some countries slowed not only government spending but also private consumption, which decreased by 0.6 % on average for the year as unemployment rates proved to be exceptionally high. Gross fixed capital formation declined by 3.5 % and domestic demand by 0.9 %. The moderate expansion in foreign trade acted to slow the decrease in GDP by 0.5 percentage points. Nonetheless, the economy improved over the course of the year. Growth rates began rising again in the second quarter, a development that extended to nearly all of the countries in crisis as the year progressed.

Following a weak start, the German economy was rejuvenated over the course of 2013 with GDP increasing by 0.4 % (previous year: 0.7 %). Foreign trade proved to be a detrimental factor. Demand from the euro zone was weak and exports to other regions only moderate. Exports therefore grew by just 0.6 % (previous year: 3.2 %), whereas growth in imports was more than twice that figure. Gross fixed capital formation declined by 0.8 % on average for the year (previous year: –2.1 %). Growth was boosted by private consumption, which rose by 0.9 % (previous year: 0.8 %). The German labour market remained largely stable. The average annual number of employed workers increased to 41.8 million (previous year: 41.6 million).

Crude oil prices fall slightly

At the end of 2013, a barrel of Brent Crude was US$110.20 (previous year: US$111.48). The annual average price of oil was just under US$109, a decrease of approximately 3 % on the prior year. Over the course of the year the price of oil fluctuated between US$96 and US$119. In the first half, the weak global economy had a negative impact on demand and led to decreasing price levels. In addition, countries not belonging to the Organisation of Petroleum Exporting Countries (OPEC) – above all the USA – steadily increased production, which likewise depressed price quotations. This was followed by a revival in oil prices due to improved growth prospects.

Brent Crude spot price and Euro/US dollar exchange rate in 2013



Euro receives boost from more stable economy

The weak economy and the sharply declining rate of inflation in the euro zone induced the European Central Bank (ECB) to lower its key interest rate by 0.25 percentage points in both May and November to reach 0.25 %. The ECB additionally announced that it would leave the key interest rate at the current level for some time or lower it even further. The US Federal Reserve maintained its very expansive monetary policy, stating that it did not intend to increase its key interest rate from the current 0 % to 0.25 % until the unemployment rate falls below 6.5 % at the earliest. In December, however the US Fed decided to slightly reduce the volume of purchases of government bonds and mortgage-backed securities in order to give the economy an additional boost.

At the start of 2013, the euro and US dollar exchange rates were still under the influence of the European sovereign debt crisis, which had widened to include Cyprus. This, in conjunction with the weak euro zone economy, resulted in a drop in the euro to its annual low of just under US$1.28 in March. Thanks to the gradually improving economy in the euro zone, fears that the sovereign debt crisis might reintensify abated over the course of the year. The euro benefited from this with an increase of 4.2 % to over US$1.37 by the end of the year. Measured against the pound sterling, the euro posted a 2.4 % gain.

Moderate risk premiums for corporate bonds

The bond markets were dominated by the weak economy and the EMU sovereign debt crisis in the initial months of 2013. In May, the yield on ten-year German government bonds fell to an annual low of 1.17 %. Despite the ECB's reductions in the key interest rate, capital market interest rates increased during the rest of the year to reach 1.93 % by the end of 2013 (previous year: 1.32 %). Like German bonds, yields on ten-year US government bonds also fell initially. However, they then increased sharply in light of the improving US economy and prospects of tapering bond buying by the US Federal Reserve. By the end of the year, bond yields had risen by 1.27 percentage points year-on-year to 3.03 %. Risk premiums for corporate bonds fluctuated at a similarly moderate level during the reporting year.

International trade continues to grow in emerging markets

The global economy witnessed cautious growth in 2013. Trade volumes (transported quantity in tonnes) thus only increased by around 1.7 % in the reporting year. The main consequence of the low demand for goods was a decline in European imports. Trade between emerging markets in the Asia Pacific, Latin America and Middle East/Africa regions continued to increase, however.

Trade volumes: compound annual growth rate 2012 to 2013

%

Import / Export	Asia Pacific	Europe	Latin America	MEA (Middle East/Africa)	North America
Asia Pacific	5.1	0.0	3.2	3.5	2.4
Europe	0.5	– 1.3	0.5	0.8	– 3.1
Latin America	9.4	– 4.7	4.4	5.0	– 3.9
MEA (Middle East/Africa)	3.9	– 1.7	1.8	3.2	– 7.9
North America	– 1.6	0.6	3.0	0.7	0.5

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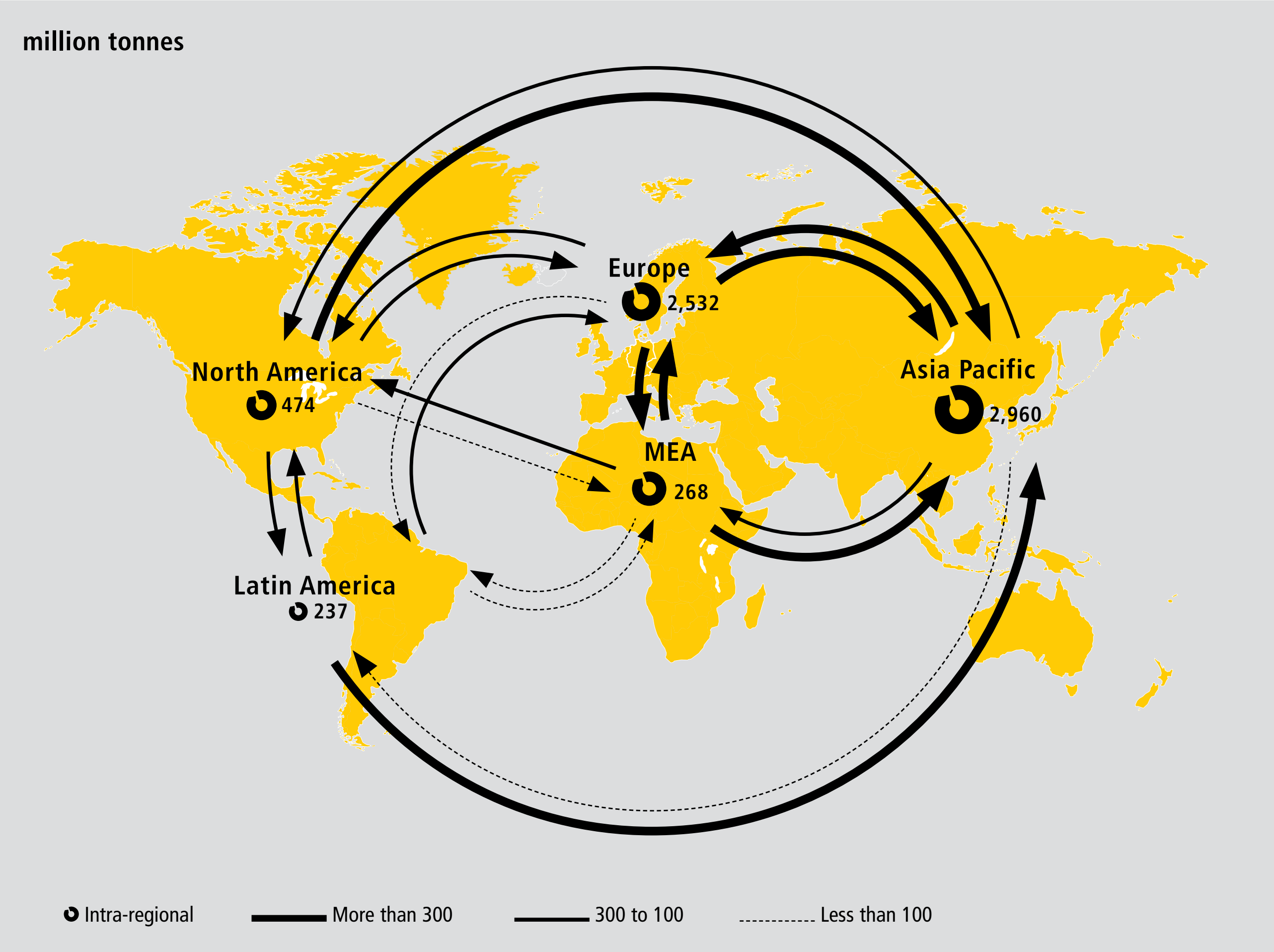
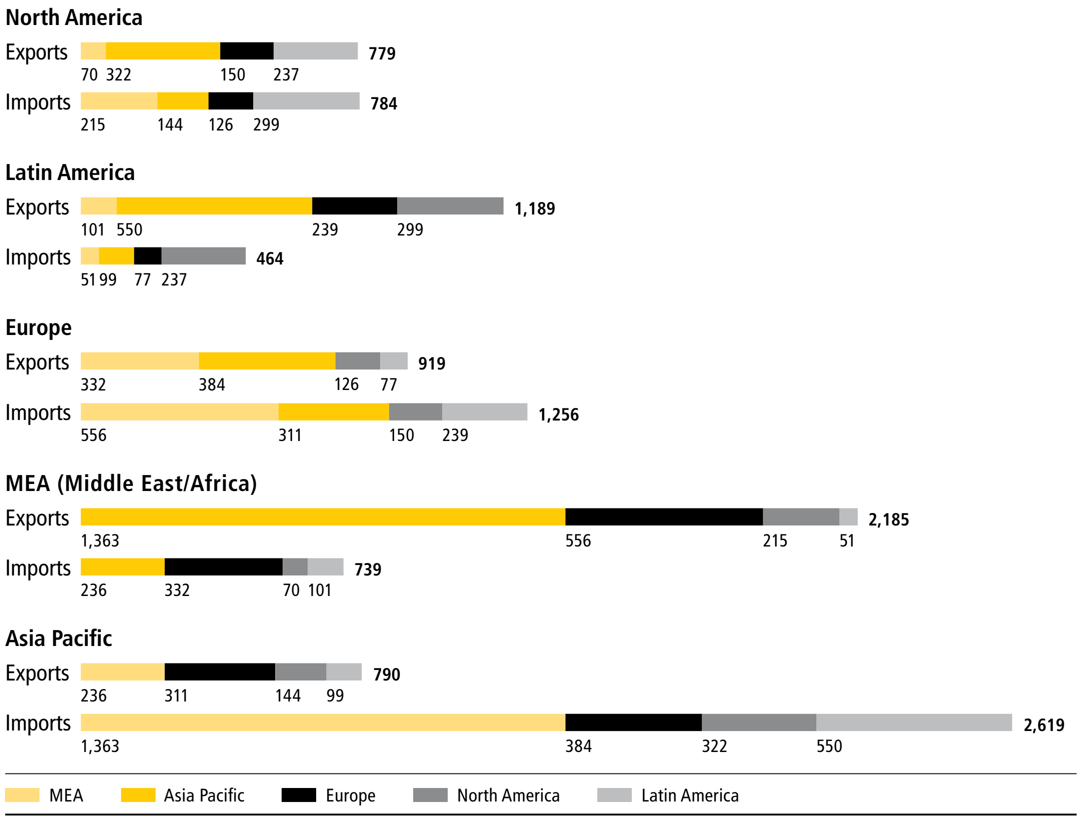
Major trade flows: 2013 volumes





Legal environment
In view of our leading market position, a large number of our services are subject to sector-specific regulation under the *Postgesetz* (PostG – German Postal Act). Further information on this issue and legal risk is contained in the Chapter opportunities and risks.

Significant events

No significant events
There were no events with material effects on the Deutsche Post AG net assets, financial position and results of operations in financial year 2013.

Results of operations

Deutsche Post AG Income statement
Due to the good performance in financial year 2013, revenue increased by €0.4 billion. The operating result comprising total revenue minus expense before the financial result, extraordinary income and expense, and taxes rose by around €0.5 billion compared with the previous year. This results in net retained profit of €1.7 billion, comprising net profit for the year of €1.2 billion and €0.5 billion in retained profits brought forward from the previous year. Further detailed explanations of the annual financial statements of Deutsche Post AG are contained in the following section and in the Notes. The Notes form part of the annual financial statements.

Selected indicators for results of operations

	2012	2013
Return on sales (based on result from ordinary activities)	6 %	**9 %**
Result from ordinary activities	€724 m	**€1,205 m**
Net profit for the year	€640 m	**€1,258 m**
Net retained profit	€1,314 m	**€1,726 m**
Return on Equity (based on net profit for the year)	6 %	**11 %**

Revenue increased by €398 million or 3,2 % year-on-year. Separate notes on revenue can be found in the section describing the revenue performance analysis.

Other operating income rose slightly year-on-year by €29 million or 2,2 %, mainly due to higher income from the reversal of provisions (€108 million) and lower gains from foreign currency exchange differences (€80 million).

Operating expenses (materials expense and staff costs, depreciation and amortization and other operating expenses) fell by €108 million or 1 % to €13,429 million.

Whereas materials expense increased by €127 million mainly resulting from higher expenses for purchased services, other operating expenses declined by €292 million, primarily due to the one-time additional VAT payment made in 2012.

The financial result of €220 million (previous year €284 million) consists of the net investment income (€657 million) and net interest expense (€-437 million).

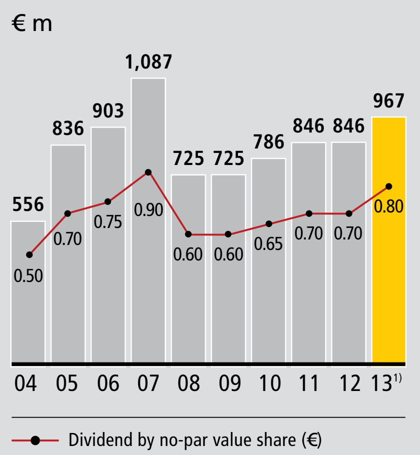
The result from ordinary activities is a subtotal of all revenue and expense items, with the exception of extraordinary income/expense and taxes, and amounts to €1,205 million in the year under review. After factoring in €-34 million in extraordinary expense and a positive net amount of €87 million for the income tax item, net profit for the year amounted to €1,258 million.

Including the profit carried forward from the previous year, net retained profit amounts to €1,726 million (previous year €1,314 million).

The return on sales (based on the result from ordinary activities) is 9.3 % compared with 5.7 % in the previous year.

Earnings per share based on net profit for the year amount to €1.04 (previous year €0.53). Based on net retained earnings, earnings per share would amount to €1.43 (previous year €1.09).

Total dividend and dividend per no-par value share



1) Proposal

Dividend of €0.80 per share proposed
Our finance strategy calls for a payout of 40 % to 60 % of net profits as dividends as a general rule. At the Annual General Meeting on 27 May 2014, the Board of Management and the Supervisory Board will therefore propose a dividend of €0.80 per share for financial year 2013 (previous year: €0.70) to shareholders. The dividend will be distributed on 28 May 2014 and is tax-free for shareholders resident in Germany.

REVENUE PERFORMANCE ANALYSIS

Revenue grows by 3,2 %
In the reporting year, revenue in the division was €13,006 million and therefore well above the prior year's figure of €12,608 million, despite 0.6 fewer working days. Our operating business performed well overall, especially in the Mail Communication and Parcel Germany business units. In the first half of 2013, we utilised some of the provision recognised for postage stamps, which resulted in a positive effect of €50 million.

Volumes increase following product discontinuation
In the Mail Communication business unit, the volume of letters we delivered in 2013 increased overall by 1.0 %, although private customer volumes declined by 2.6 %. Since we discontinued our Infobrief product, business customers have been sending more traditional letters. In the regulated sector, we raised prices for the first time in 15 years as permitted by the price-cap procedure. Revenue in the business unit increased in the reporting year by 6.6 % from €5,188 million (previous year, adjusted) to €5,531 million). A further price increase was approved for 2014.

Mail Communications: volumes

Mail items (millions)	2012	2013	+/–%
Business customer letters	6,332	6,438	+1,7
Private customer letters	1,175	1,144	-2,6
Total	**7,507**	**7,582**	**+1.0**

Unaddressed advertising mail on upwards trend
In the Dialogue Marketing business unit, volumes declined overall. Whilst unaddressed advertising mail saw an upwards trend, addressed advertising mail declined because we discontinued our Infobrief product. The mail-order business continued to hold back on advertising expenditure. Moreover, the insolvencies of our customers Neckermann and Praktiker had an adverse impact. Revenue in the business unit declined by 8.3 % in the reporting year to €2,192 million (previous year: €2,390 million).

Dialogue Marketing: volumes

Mail items (millions)	2012	2013	+/–%
Total	**10,040**	**9,716**	**-3.2**

Press services revenue down
Revenue in the Press Services business unit totalled €700 million in the reporting year, 1.0 % below the prior-year figure of €707 million. Circulation figures continued their downwards trend in the German press services market and further publications were discontinued.

Parcel business sees strong sustained growth
In the Parcel Germany business unit, revenue in the reporting year was €3,295 million, exceeding the prior-year figure of €3,045 million by a substantial 8.2 %. We are laying the logistical foundation for continued strong growth in e-commerce by expanding our portfolio and improving our services.

Parcel Germany: volumes

Parcels (millions)	2012	2013	+/–%
Business customer parcels	777	845	8.8
Private customer parcels	114	119	4.4
Total	**891**	**964**	**8.2**

Retail outlets increase revenue
Revenue generated by the 26,000 plus sales points amounted to €184 million in the reporting year, a 4.5 % increase over the prior year (€176 million).

Sustained positive performance in international mail business
In the Global Mail business unit, volume declined in the reporting year, whilst revenue rose by 1.6 % to €1,014 million. The trend that sees customers shifting from lightweight to heavier items continues across all regions. Furthermore, the development witnessed in cross-border mail to and from Germany was particularly strong.

Mail International: volumes

Mail items (millions)	2012	2013	+/–%
Global Mail	**1,251**	**1,184**	**-5.4**

Financial position

Financial management is a centralised function in the Group

At Deutsche Post AG, Corporate Finance is largely responsible for the financial management function centralised at Deutsche Post DHL. The Group's financial management activities include managing cash and liquidity; hedging interest rate, currency and commodity price risk; ensuring Group financing; issuing guarantees and letters of comfort and liaising with rating agencies. We steer processes centrally, which allows us to work efficiently and successfully manage risk.

Responsibility for these activities rests with Corporate Finance at Group headquarters in Bonn, which is supported by three Regional Treasury Centres in Bonn (Germany), Weston (USA) and Singapore. These act as interfaces between headquarters and the operating companies, advise the companies on all financial management issues and ensure compliance with Group-wide requirements.

Corporate Finance's main task is to minimise financial risk and the cost of capital, whilst preserving the Group's lasting financial stability and flexibility. In order to maintain its unrestricted access to the capital markets, the Group continues to aim for a credit rating appropriate to the sector. We therefore monitor the ratio of our operating cash flow to our adjusted debt particularly closely. Adjusted debt refers to the Group's net debt, allowing for unfunded pension obligations and liabilities under operating leases.

Maintaining financial flexibility and low cost of capital

The Group's finance strategy builds on the principles and aims of financial management. In addition to the interests of shareholders, the strategy also takes lender requirements into account. The goal is for the Group to maintain its financial flexibility and low cost of capital by ensuring a high degree of continuity and predictability for investors.

Finance strategy

Credit rating
- Maintain "BBB+" and "Baa1" ratings, respectively.
- FFO to debt used as dynamic performance metric

Dividend policy
- Pay out 40 % to 60 % of net profit
- Consider cash flows and continuity

Excess liquidity
1. Increase plan assets of German pension plans
2. Pay out special dividends or execute share buy-back programme

Debt portfolio
- Syndicated credit facility taken out as liquidity reserve
- Debt Issuance Programme established for issuing bonds
- Issue bonds to cover long-term capital requirements

Investors
- Reliable and consistent information from the company
- Predictability of expected returns

Group
- Preserve financial and strategic flexibility
- Assure low cost of capital (WACC)[1]

[1] Weighted average cost of capital

A key component of this strategy is a target rating of "BBB+", which is managed via a dynamic performance metric known as funds from operations to debt (FFO to debt). Our strategy additionally includes a sustained dividend policy and clear priorities regarding the use of excess liquidity, which is to be used to gradually increase plan assets of our German pension plans as well as paying special dividends or buying back shares.

Cash and liquidity managed centrally

The cash and liquidity of our globally operating subsidiaries is managed centrally by Corporate Treasury. More than 80 % of the Group's external revenue is consolidated in cash pools and used to balance internal liquidity needs. In countries where this practice is ruled out for legal reasons, internal and external borrowing and investment are arranged centrally by Corporate Treasury. In this context, we observe a balanced banking policy in order to remain independent of individual banks. Our subsidiaries' intra-group revenue is also pooled and managed by our in-house bank in order to avoid external bank charges and margins through intercompany clearing. Payment transactions are executed in accordance with uniform guidelines using standardised processes and IT systems. As part of the transition to SEPA, many Group companies pooled their external payment transactions in the Group's Payment Factory, which executes payments in the name of the respective companies via Deutsche Post AG's central bank accounts.

Limiting market risk

The Group uses both primary and derivative financial instruments to limit market risk. Interest rate risk is managed exclusively via swaps. Currency risk is additionally hedged using forward transactions, cross-currency swaps and options. We pass on most of the risk arising from commodity fluctuations to our customers and, to some extent, use commodity swaps to manage the remaining risk. The parameters, responsibilities and controls governing the use of derivatives are laid down in internal guidelines.

Flexible and stable financing

The Group Deutsche Post DHL covers its long-term financing requirements by maintaining a balanced ratio of equity to liabilities. This ensures our financial stability and also provides adequate flexibility. Our most important source of funds is net cash from operating activities.

In the reporting year, the five-year credit facility with a volume of €2 billion taken out with a consortium of national and international banks in 2010 was renewed early and extended until 2018 at more favourable terms. Two additional one-year extension options were also agreed upon. This credit facility guarantees us favourable market conditions and acts as a secure, long-term liquidity reserve. It does not contain any covenants concerning the Group's financial indicators. In view of our solid liquidity, the syndicated credit facility was not drawn down during the year under review.

As part of our banking policy, we spread our business volume widely and maintain long-term relationships with the financial institutions we entrust with our business. In addition to credit lines, we meet our borrowing requirements through other independent sources of financing, such as bonds and operating leases. Most debt is taken out centrally in order to leverage economies of scale and specialisation benefits and hence to minimise the cost of capital.

In October 2013, we took advantage of the favourable capital market environment to issue two bonds with a volume of €0.5 billion each, in connection with our Debt Issuance Programme with a volume of up to €5 billion as established in 2012. Further information on the various bonds is contained in the Notes.

Deutsche Post AG issues sureties, letters of comfort and guarantees
Deutsche Post AG provides security for the loan agreements, leases and supplier contracts entered into by Group companies, associates or joint ventures by issuing letters of comfort, sureties or guarantees as needed. This practice allows better conditions to be negotiated locally. The sureties are provided and monitored centrally.

Creditworthiness of the Group remains adequate
Credit ratings represent an independent and current assessment of a company's credit standing. Ratings are based on a quantitative analysis and measurement of the annual report and appropriate planning data. Qualitative factors, such as industry-specific features, and the company's market position and range of products and services, are also taken into account.

Moody's Investors Service has maintained the Group's credit rating of "Baa1" with a positive outlook. Fitch also confirmed its rating of "BBB+" with a stable outlook in the reporting year.

This means that the capacity of the Group to meet its financial obligations continues to be classified as adequate. Deutsche Post DHL is well positioned in the transport and logistics sector with these ratings. The following table shows the ratings as at the reporting date and the underlying factors. The complete and current analyses by the rating agencies and the rating categories can be found on our website.

Agency ratings

	+ Rating factors	– Rating factors
Fitch Ratings Long-term: BBB+ Short-term: F2 Outlook: stable	• Well-integrated business profile. • Dominant position in the domestic mail and parcel market • Strong global footprint in the EXPRESS, GLOBAL FORWARDING, FREIGHT and SUPPLY CHAIN businesses • Improvements in the financial profile after the completion of the sale of Postbank shares • Recovery of the express business's profits and market share, offsetting the challenging macroeconomic environment	• Exposure to regulatory and litigation risks (i. e., EU antitrust and state aid investigations) • Structural volume decline in the MAIL division due to secular changes in the industry (i.e., competition from electronic communication and digitalisation) • High exposure to global market volatility through the DHL divisions
Moody's Investors Service Long-term: Baa1 Short-term: P–2 Outlook: positive	• Scale and global presence as the world's largest logistics company • Large and relatively robust mail business in Germany • Success in restoring profitability of logistics activities whilst reducing negative regulatory and e-substitution effects on the MAIL division • Conservative financial policy and sound liquidity profile of the Group	• Exposure to global macroeconomic trends in the logistics businesses • Structural decline of traditional postal services • Despite the improving trend, credit metrics are at the low end of the rating category

Liquidity and sources of funds
As at the balance sheet date, the Deutsche Post AG had cash and cash equivalents in the amount of €2.3 billion (previous year: €1.1 billion) at its disposal. Most of the cash is invested centrally on the money market. These short-term money market investments had a volume of €2.0 billion as at the balance sheet date. Another €0.6 billion was invested in short-term money market funds.

Capital expenditure slightly above prior-year level
Investments in property, plant and equipment rose to €333 million in the reporting year and related primarily to technical equipment and machinery (€65 million), other equipment, operating and office equipment (€95 million) and assets under construction (€143 million).

MAIL expands parcel capacities
The majority of investments was attributable to the Parcel 2012 Production Concept, which aims to adapt our network capacities to cater to increasing shipment volumes. With regard to E-Post, platform functionality was expanded. Furthermore, we maintained our production facilities and infrastructure, and equipped our mail and parcel operations with new hand scanners.

Net assets

Deutsche Post AG balance sheet
Total assets increased to €29.5 billion as at the balance sheet date (previous year: €27.7 billion). The preceding section contains details on investments.

Non-current assets rose slightly from €16.4 billion to €16.5 billion, whilst current assets grew by €1.7 billion. The rise is largely the result of higher securities investments (€0.6 billion) and an increase in cash and cash equivalents of €1.2 billion.

At €11.6 billion, equity saw an increase on the previous year (€11.2 billion). The €1.26 billion net profit for the year 2013 more than compensated for the €0.85 billion in available net earnings from the previous year that was distributed to shareholders. At 39.3 %, the equity ratio in the year under review was some what lower than the previous year's figure of 40.5 %. The ratio of equity to non-current assets increased to 70 % compared with 69 % in the previous year.

Provisions fell by €0.5 billion year-on-year as a result of lower provisions for taxes and other provisions.

Liabilities climbed by €2.0 billion to €13.0 billion. The rise is largely attributable to the issue of new bonds with a total volume of €1.0 billion and an €0.8 billion increase in liabilities to affiliated companies resulting from Group cash management.

Deutsche Post AG's cash flow statement is presented and discussed in the Notes.

Further details on the balance sheet of Deutsche Post AG can be found in the Notes.

Corporate Governance Statement

We have published our Corporate Governance Statement on our website at dpdhl.com/de/investoren/corporate_governance/corporate_governance_bericht.html.

DEUTSCHE POST SHARES

Equity markets benefit from monetary policies

The stock markets performed well again in 2013. At the start of the year, sentiment was still bearish given concerns regarding France's risk of dipping into recession as well as the difficult situations in Italy, Spain, Portugal and Cyprus. On 19 April 2013, the DAX reached its annual low of 7,460 points. Whilst a good reporting season and the lowering of key interest rates by the ECB in May led the markets to recover, the upwards trend abated towards the end of the first half amidst speculation of a halt to the US Federal Reserve's expansive monetary policies. The DAX was up at the end of the first half thanks to the sustained growth of the German economy. However, the EURO STOXX 50 reached its annual low of 2,512 points on 24 June. In the second half, both indices displayed a steady upwards trend on the back of the US budget agreement and the decision of the ECB to take its key interest rate down another notch. After slight corrections, the markets rallied once again at year-end. The DAX reached a new all-time high of 9,589 points on 27 December and the EURO STOXX 50 reached an annual high of 3,111 points on the same day. The DAX ended the year 2013 at 9,552 points, a gain of 25.5 %. The EURO STOXX 50 was up 18.4 % year-on-year.

Deutsche Post shares: multi-year review

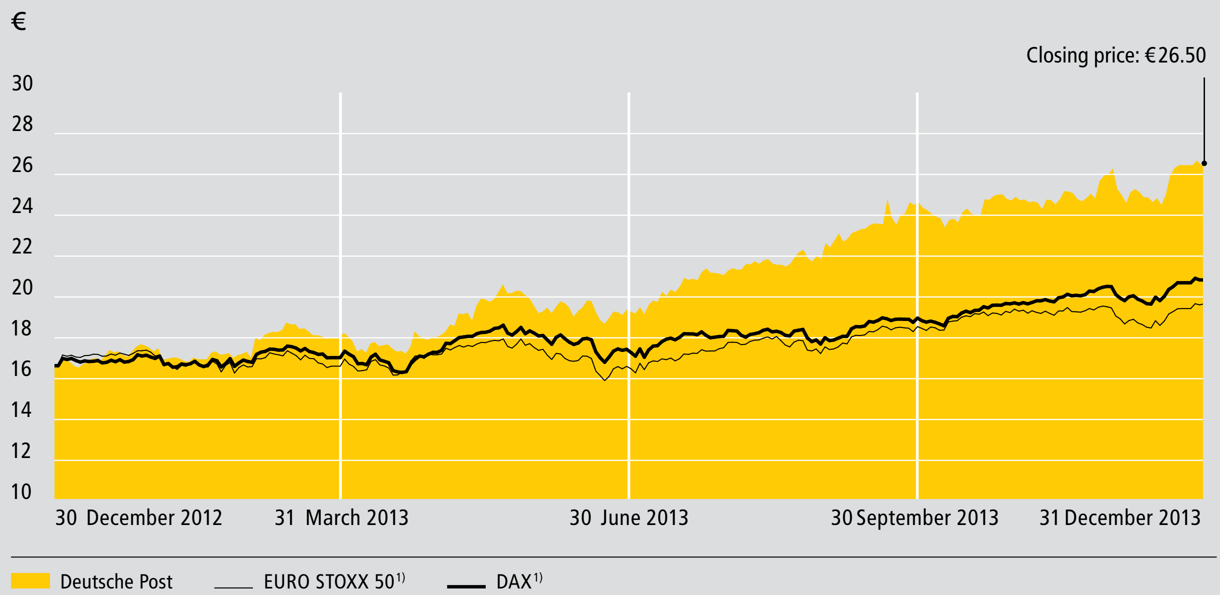
		2007	2008	2009	2010	2011	2012	2013
Year-end closing price	€	23.51	11.91	13.49	12.70	11.88	16.60	**26.50**
High	€	25.65	24.18	13.79	14.46	13.83	16.66	**26.71**
Low	€	19.95	7.18	6.65	11.18	9.13	11.88	**16.51**
Number of shares	millions	1,208.2[1]	1,209.0[1]	1,209.0	1,209.0	1,209.0	1,209.0	**1,209.0**
Market capitalisation as at 31 December	€ m	28,388	14,399	16,309	15,354	14,363	20,069	**32,039**
Average trading volume per day	shares	6,907,270	7,738,509	5,446,920	5,329,779	4,898,924	4,052,323	**4,114,460**
Annual performance including dividends	%	6.9	– 45.5	18.3	– 1.4	– 1.3	45.6	**63.9**
Annual performance excluding dividends	%	2.9	– 49.3	13.3	– 5.9	– 6.5	39.7	**59.6**
Beta factor[2]		0.68	0.81	0.91	0.95	1.19	0.88	**0.86**
Earnings per share[3]	€	1.15	– 1.40	0.53	2.10	0.96	1.36[7]	**1.73**
Cash flow per share[4]	€	4.27	1.60	– 0.48	1.59	1.96	– 0.17	**2.48**
Price-to-earnings ratio[5]		20.4	– 8.5	25.5	6.0	12.4	12.2[7]	**15.3**
Price-to-cash flow ratio[4), 6]		5.5	7.4	– 28.1	8.0	6.1	– 97.6	**10.7**
Dividend	€ m	1,087	725	725	786	846	846	**967[8]**
Payout ratio	%	78.6	–	112.6	30.9	72.7	51.0	**46.2[9]**
Dividend per share	€	0.90	0.60	0.60	0.65	0.70	0.70	**0.80[8]**
Dividend yield	%	3.8	5.0	4.4	5.1	5.9	4.2	**3.0**

[1] Increase due to exercise of stock options
[2] Three-year beta; source: Bloomberg
[3] Based on consolidated net profit after deduction of non-controlling interests
[4] Cash flow from operating activities
[5] Year-end closing price/ earnings per share
[6] Year-end closing price/cash flow per share
[7] Adjusted after applying IAS 19 R
[8] Proposal
[9] Excluding extraordinary effects: 48.9 %

Peer group comparison: closing prices

		30. Sept. 2013	31. Dec. 2013	+/– %	30. Dec. 2012	31. Dec. 2013	+/– %
Deutsche Post DHL	EUR	24.53	**26.50**	8.0	16.60	**26.50**	59.6
PostNL	EUR	3.20	**4.15**	29.7	2.92	**4.15**	42.1
TNT Express	EUR	6.75	**6.75**	0.0	8.43	**6.75**	– 19.9
FedEx	USD	114.11	**143.77**	26.0	91.72	**143.77**	56.7
UPS	USD	91.37	**105.08**	15.0	73.73	**105.08**	42.5
Kühne + Nagel	CHF	118.50	**117.10**	– 1.2	110.00	**117.10**	6.5

Share price performance



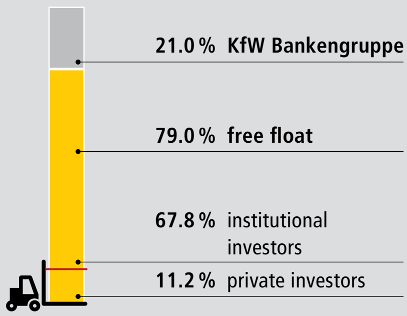
1) Rebased to the closing price of Deutsche Post shares on 30 December 2012.

Deutsche Post shares outperform the DAX for the third consecutive year

Deutsche Post shares again made strong gains over the course of 2013. Although the shares recovered quickly from their annual low of €16.51 on 8 January, they then proceeded to mirror the fluctuating market. After publication of the figures for 2012 on 5 March our shares broke away from the rest of the market to take a lead that widened even more after the announcement of the quarterly figures on 14 May 2013. The free float steadily increased up until the end of July, finally reaching 79.0 % as a result of full conversion of a convertible bond issued by KfW Bankengruppe (KfW). Publication of the results for the second quarter on 6 August led to fresh price gains for our shares along with rising market capitalisation, a development that made no small contribution to their admission to the EURO STOXX 50 on 23 September. Over the rest of the year we registered additional gains thanks to increases in demand as well as another announcement of solid figures on 12 November, this time for the third quarter. The subsequent brief price correction was followed by a year-end rally to a new all-time high of €26.71 on 27 December. With a closing price of €26.50, our shares ended the year up 59.6 % and thus outperformed the DAX for the third consecutive year. Deutsche Post shares were also the second-strongest stock in Germany's leading index as well as in the EURO STOXX 50 at the end of 2013. Average daily Xetra trading volumes remained at the prior-year level at 4.1 million shares.

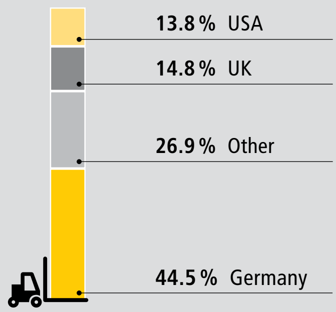
Majority of analysts give shares a "buy" rating
At the close of 2013, 18 analysts issued a "buy" recommendation on our shares – six fewer than the year before. Due to the strong share performance, more analysts regard our stock as appropriately rated. As a result, the number of hold ratings increased from 11 to 14. Only three analysts recommended selling, one more than in the previous year. The average price target increased from €17.44 to €26.13 during the year.

Shareholder structure[1)]



[1)] As at 31 December 2013

Shareholder structure by region[1)]



[1)] As at 31 December 2013

Free float rises anew
The convertible bond issued by KfW on 23 July 2009 and exchangeable for 54.1 million Deutsche Post shares was converted in full by the bond creditors prior to the end of July due to the strong performance of the stock. KfW's stake thus dropped by 4.5 % to 21.0 % in advance of the conversion deadline of 30 July 2014 with the according rise investors, the highest percentage of shares (14.8 %) continues to be held in the United Kingdom (previous year: 13.8 %). The share of US investors increased to 13.8 % (previous year: 12.3 %) whilst that of institutional investors in Germany rose to 12.3 % (previous year: 11.7 %). Our 25 largest institutional investors hold a total of 30.5 % of all issued shares.

Focused capital markets communication recognised
We again succeeded in demonstrating the potential of our company and its divisions to the capital markets in the reporting year. In April, we held two Capital Markets Tutorial Workshops – one in London and one in Frankfurt am Main – to ensure a high level of transparency with regard to pensions and other provisions, including their impact on the financial statements and free cash flow. In further tutorial workshops in Leipzig and London in September, we explained the business model of our EXPRESS division to investors and analysts with the aim of boosting confidence in the division's financial objectives. Our discussions regarding the MAIL division focused on medium-term profit expectations and growth prospects for the parcel business. With respect to the GLOBAL FORWARDING, FREIGHT division, discussions revolved around implementation of our strategic NFE project, and those regarding the SUPPLY CHAIN division involved the prospects for growth and profitability.

We have further developed our investor targeting activities, holding a total of 566 one-on-one meetings at national and international conferences and road shows, 104 of which involved members of our Board of Management. Our investor relations work was recognised in the annual survey conducted by the Institutional Investor trade journal, with both our CEO and IR team winning first place respectively in the transport sector in a poll of sell-side analysts. In the opinion of their buy-side counterparts, Dr Frank Appel and Lawrence Rosen also ranked amongst the top board members in the sector.

Our investor relations site took first place in the IR Global Rankings out of 300 participating companies in the category of "IR Website". Furthermore, we have also been providing up-to-date IR and financial media news for the iPad since June 2013. In the reporting year alone, our free "DPDHL IR app" has been downloaded more than 2,000 times.

NON-FINANCIAL FIGURES

Deutsche Post DHL not only wants to be an attractive investment for shareholders, it also wants to become the employer of choice for employees and the provider of choice for customers. Our services in the areas of HR, diversity, health management, occupational safety, service and quality play a key role in this endeavour. With programmes in the areas of environmental protection, disaster management and education, the Group is also committed to social responsibility.

Employees

"One HR" – redesigning HR

With excellent HR work, we intend to contribute to the performance of the Group and its divisions, whilst safeguarding the balance between Group-wide harmonisation and divisional/regional independence. In 2012, we began to transform the content and structure of our Human Resources activities with the launch of our One HR programme. Our objective is to create a globally integrated HR management and, over the course of the reporting year, important steps were taken towards this goal: corporate and divisional structures were redesigned, a cross-divisional HR decision-making body was established, and a globally applicable HR process framework created.

In future, Group-wide strategies and standards will be introduced across all areas of HR. Furthermore, we intend to take strategic action to achieve success by way of ten key initiatives, including talent management, diversity and leadership development training.

These changes within the HR organisation are being accompanied by a batch of measures, including a network of promoters set up specifically to help facilitate the changes and a new training programme designed for all HR employees within the Group.

Employee opinion survey with good results

The annual results of our global employee opinion survey represent indicators relevant for internal management. The objective is to measure employee commitment within the Group and ensure it is further encouraged via appropriate measures. The conduct of management is very important in this respect and it is for this very reason the "Active Leadership" KPI is tied to management bonuses. Overall, the results were good across the Group, with all areas rated as better than or unchanged from the prior-year results. Participation during the reporting year lagged slightly behind that of the prior year as a result of adjustments in communication and reporting practices.

Selected results from the employee opinion survey

%	2012	2013
Participation rate	80	**77**
KPI Active Leadership	69	**70**
KPI Employee Commitment	72	**72**

Number of employees continues to rise slightly

Slight increase in number of employees

	31 Dec. 2012	31 Dec. 2013	Change in %
1. Calculated as full-time employees, excl. trainees			
Total as at 31 Dec.	142,433	**144,388**	1.4
thereof by division:			
MAIL (excl. Parcel Germany, Retail Outlets and Pension Service)	115,063	**115,365**	0.3
Parcel Germany	19,646	**21,413**	9.0
Retail Outlets	1,898	**1,848**	-2.6
Other (incl. Pension Service)	5,826	**5,760**	-1.1
2. Total workforce (excl. trainees)			
Total as at 31 Dec.	169,095	**171,569**	1.5
thereof			
Salaried employees and hourly workers	127,547	**132,319**	3.7
Civil servants	41,548	**39,250**	-5.5
3. Average for the year (excl. trainees)	169,901	**172,367**	1.4

Staff costs at prior-year level

At €7,182 million, staff costs remained at the prior-year level (€7,152 million).

Wage agreement concluded for Deutsche Post AG

In April 2013, Deutsche Post AG concluded a collective agreement with the trade unions for around 130,000 employees. The long, 26-month term is a significant achievement. The agreement not only means commensurate compensation, it also creates planning certainty and stability for the company until mid-2015. Furthermore, the postal allowance paid to civil servants as well as the remuneration for trainees and co-operative education students was adjusted.

The Generations Pact, concluded between Deutsche Post AG and the trade unions in 2011, continued to find acceptance amongst our workforce in the reporting year. As at the end of the year, 1,429 employees have gone into partial retirement and 16,737 have set up a working-time account. Together with the competent authorities, we are also working towards a comparable instrument for age-based working solutions for our civil servants.

Systematically developing and promoting employees

We employ a multi-step system to develop and promote our employees at all levels. In multi-day training workshops, top, upper and middle management learn how they can further develop their personal approach to leadership based on an overarching philosophy. As at the end of the reporting year, 1,128 executives had taken part in such a workshop. We intend to further develop the programme and add associated measures in 2014. This success is also reflected in our internal placement rate for upper and middle management, which was 90.3 % in the reporting year (previous year: 92.9 %). 11.0 % (previous year: 5.7 %) of the internal job placements involving these positions were cross-divisional in 2013.

The "Certified International Specialist/Professional/Manager" training concept forms a standardised basis for the functional and divisional training of all employees, and was transferred to HR in the reporting year. With effect from 2014, it will support our 5,500 HR employees during the upcoming changes and deepen their knowledge in all important fields on multiple levels. The trainers will come exclusively from our own ranks.

The systematic development and qualification of our workforce begins with an apprenticeship. In the reporting year, we hired over 2,148 talented young individuals for more than 20 apprenticeship schemes and 15 dual-study programmes, making Deutsche Post DHL one of the largest companies providing opportunities for apprentices in Germany. We also use performance incentives to motivate our apprentices. The top 5 % are fostered in our Top-Azubi talent programme. They receive additional support from a "mentor", have access to special seminars and receive an employment guarantee. In 2013, around 1,371 young people were offered a full-time employment contract after completing their apprenticeship.

Rewarding good ideas

Group-wide Idea Management boosts our innovative strength and improves our ability to compete in the market. Employees in 37 countries are now able to participate.

Idea management

		2012	2013
Suggestions for improvements	number	165,124	**124,834**
Accepted suggestions for improvements	number	133,698	**106,248**
Rate of implementation	%	81.0	**85.1**

Seeing diversity as potential

We foster diversity by means of our systemtic management approach. It is a constituent part of our corporate identity and contributes to an open corporate culture. The Group's declaration on "Diversity & Inclusion", which was approved and communicated around the world in the summer of 2013, demonstrates how important diversity is to the Board of Management.

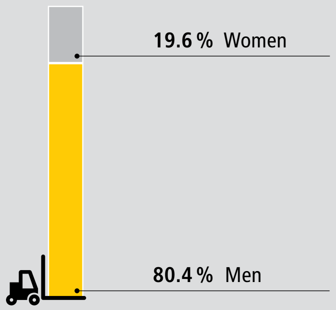
We want to raise awareness amongst our staff of the sheer potential that diversity offers our company. To this end, we have developed, amongst other things, executive training programmes for integration into existing development programmes.

Employees with a disability (Deutsche Post AG)[1)]

		2011[1)]	2012	2013
Mandatory workplaces	Headcount	13,199	13,740	**14,170**
Employment rate	%	8.3	8.6	**8.7**

[1)] In accordance with § 80 German Social Code IX.
[2)] Adjusted

Gender distribution in management[1)] 2013



[1)] Based on upper and middle management

Since the end of 2011, we have taken measures to sustainably increase the number of women in executive positions: we have made a commitment with regard to filling executive positions, introduced a system of key figures and installed mentoring programmes. Furthermore, we are supporting women's networks and we have made Group-wide diversity training focusing on gender available for executives. On 31 December 2013, the proportion of women in executive positions worldwide was 19.6 %, an increase compared with 17.6 % in 2011.

Work-family balance is an essential aspect of what makes us an attractive employer. We succeed in meeting the needs of our employees by offering flexible working hour models and consistently improved childcare options.

Work-family balance[1)]

Headcount	2012	2013
State-regulated parental leave	1,718	**1,579**
of which men	155	**146**
of which women	1,563	**1,433**
Unpaid holiday for family reasons	2,150	**1,966**
Part-time employees[2)]	62,523	**63,169**
Share of part-time employees (%)	37.0	**36.8**

[1)] Includes employees of Deutsche Post AG
[2)] Excluding employees in the release phase of partial retirement.

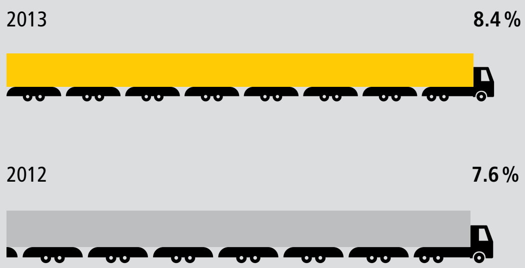
The average annual employment rate of people with a disability was 8.7 % at Deutsche Post AG in 2013, again well above the national average in the German private sector (4.0 % in 2011, source: Bundesagentur für Arbeit (German federal employment agency)).

Health and safety

Group-wide health and safety strategy adopted

In the reporting year, we approved a global health and safety strategy based on the "Healthy Workplace" model set out by the World Health Organisation. It integrates the four areas of workplace design, corporate culture, strengthening individual health resources and supporting the entire community. We focus on prevention in order to address risks which could impact health and productivity – aiming to limit an increase in insurance and treatment costs in the process.

Illness rate[1)]



[1)] All organisational units in Germany.

In Germany, for example, we have for many years employed a management system that uses local Health Work Groups to implement a broad spectrum of measures to promote health and prevent accidents. In this way alone, our health and safety organisation initiates up to 40,000 health promotion measures on an annual basis.

The illness rate in our company in Germany was in line with the general trend, rising to 8.4 % (previous year: 7.6 %). The increase was due to the rising proportion of older employees, a severe flu outbreak and an increase in accidents due to the harsh winter.

Contributing to a safe work environment

Our goal is to prevent occupational risks and design a safe and healthy workplace for our employees. To this end, for example, we analyse accidents in detail and use the results to develop suitable preventative measures. As a logistics company, we focus on safe and trouble-free transport processes at our facilities, as well as on road safety. Our processes have to undergo critical appraisal on a regular basis.

Occupational safety[1)]

	2012[3)]	2013[4)]
Number of workplace accidents[2)]	14,441	**15,765**
Accident rate (number of accidents per 1,000 employees per year)	80	**86**
Number of working days lost due to accidents (calendar days)	313,750	**359,452**
Working days lost per accident	21.7	**22.8**
Number of fatalities due to workplace accidents	1	**2**

[1)] Includes employees of Deutsche Post AG.
[2)] Accidents when at least one working day is lost, including accidents on the way to and from work.
[3)] Adjusted
[4)] As at: 2 January 2014. Subject to change if later reports received.

Corporate responsibility

Focusing on corporate responsibility
Part of our Group strategy is to exemplify our corporate responsibility. We achieve this by combining profitability with sustainability. The importance this has for our business activities is demonstrated in our Code of Conduct, which is guided by the principles of the Universal Declaration of Human Rights, the United Nations (UN) Global Compact, the International Labour Organisation (ILO) convention and the OECD guidelines for multinational companies. We also take the various interests of our stakeholders into account. In order to more accurately understand their needs, we asked our stakeholders to participate in a survey for the first time in the year under review. The results were systematically recorded in a Materiality Analysis and are presented in our 2013 Corporate Responsibility Report.

Our approach to value creation is to ensure that our business activities benefit both society and the environment whilst at the same time solidifying our market position. We pursue this approach by means of our activities in the area of environmental and climate protection as well as through our sustainable products and services. In addition, we systematically and continuously track developments in areas such as labour, health, safety, procurement and compliance to enable us to more quickly and comprehensively identify opportunities and risks relevant to our business. Furthermore, the Corporate Citizenship department comprises activities in the area of education and emergency assistance for natural disasters as well as local environmental protection and aid projects in which our employees get involved.

Slight rise in greenhouse gas emissions due to better utilisation of our own aircraft capacity
We aim to reduce our dependency on fossil fuels, improve our CO_2 efficiency GoGreen environmental protection programme. Our "green" products and services help customers achieve their own environmental targets whilst concurrently opening up new business opportunities to us. By the year 2020 we intend to improve the CO_2 efficiency of our own operations and those of our subcontractors by 30 % compared with 2007.

We quantify our greenhouse gas emissions based upon the principles of the GHG Protocol Corporate Standard and the DIN EN 16258 standard. In our European air freight business, this also includes the requirements of the European Union Emissions Trading System (EU ETS). Pursuant to DIN EN 16258, all gases that are harmful to the environment must be disclosed in the form of CO_2 equivalents (CO_2e).

The basis for calculating our CO_2 emissions and the changes in our CO_2 efficiency as well as detailed consumption data are available in the Corporate Responsibility Report.

Using our expertise and network for social responsibility
As part of a public-private partnership, we support the UN in disaster management free of charge as part of our GoHelp Group programme. At airports selected in conjunction with the UN, our professional logistics experts hold multi-day workshops known as Get Airports Ready for Disaster (GARD) to help prepare the airport personnel for disaster scenarios. During the workshops, risk analyses are developed and measures prepared that can increase the capacity and efficiency of the airport in the event of disaster. In 2013, six airports in El Salvador, the Philippines, Armenia and Panama were examined.

Disaster Response Teams provide immediate assistance on site when disaster strikes. Our worldwide network is made up of more than 400 volunteer logistics specialists who can be deployed to a disaster area within 72 hours of receiving the call from the UN. Once on site, they support relief organisations by taking over airport logistics. In 2013, our Teams were deployed to Chile after the forest fires and to the Philippines after the devastating Typhoon Haiyan.

As one of the world's largest employers, we want to improve the education and employability of young people. We are a partner of the Teach For All and SOS Children's Villages organisations and over the course of the reporting year, we supported organisations in 21 countries. We entered into new partnerships with SOS Children's Villages in Uganda, Ethiopia, Jordan, Morocco, Peru, Costa Rica and Panama. The co-operation agreement between Deutsche Post DHL and Teach For All was extended for another three years in 2013. We have recently started co-operating with Teach for the Philippines. Our financial support is supplemented by commitment from our employees as part of local partnerships.

With Global Volunteer Day, where around 100,000 employees were active during the reporting year, and the Living Responsibility Fund, we support our employees' volunteering activities. The We Help Each Other (WHEO) fund enables employees to donate money for colleagues affected by a natural disaster.

Our corporate responsibility – globally acknowledged

International investors and analysts monitor and evaluate how sustainable a company's business is. Based on our commitment in the reporting year, we were again listed in the FTSE4Good and MSCI sustainability indices and achieved a very good ranking in the CDP Global 500 Climate Disclosure Leadership Index. We were the only company in our sector to receive the top "AAA" ranking from MSCI in 2013. In addition, the leading sustainability research company Sustainalytics evaluated our overall corporate responsibility and environmental activities as "Industry Leader". Other independent institutions also rated our activities: our GoGreen environmental protection programme, for example, was awarded the international Green Brands eco-label in 2013. Moreover, we are ranked 23rd of 70 international corporations in the Good Company Ranking published by communications agency Kirchhoff Consult AG. Please see our Corporate Responsibility Report for additional results.

Procurement

Expenditure at prior-year level

Deutsche Post AG is fully included in Deutsche Post DHL's Corporate Procurement function.

In the year under review, the Group centrally purchased goods and services with a total value of approximately €9.4 billion (previous year: €9.5 billion).

Procurement helps the divisions to reduce expenditure and make cost-effective investments. It has supported the EXPRESS division in the area of aviation for years. In the reporting year, a global tender was put out for divisional kerosene requirements. As a result, costs were reduced by around €3.6 million. A further €4.5 million was saved by purchasing new aviation ground support equipment.

Procurement once again supported the MAIL division in the selection and order placement process for sorting solutions. In order to expand capacities in the parcel network, the equipment at 20 facilities was expanded or retrofitted. Moreover, we selected suppliers with whom a number of technical solutions are being tested. Procurement also supported the ADAC Postbus project team during contract negotiations. As a result, the costs initially calculated were reduced.

The Group put out a global tender for the acquisition of IT hardware, which allowed us to both reduce prices and increase product quality. The supplier base was expanded and the hardware standardised.

Procurement organisation adapted to regional requirements
Procurement is a centralised function in the Group Deutsche Post DHL. In the reporting year, the Global Sourcing IT and Telecommunications department was added to the Procurement organisation. This allows us to pool our expertise in the area of IT, which is consistently growing in strategic importance. Corporate Category Management now comprises three Global Sourcing departments which work closely with the four procurement regions. All report to the head of Corporate Procurement. In Asia, we outsourced the catalogue-based ordering system to an external provider, which now serves the eleven countries with the highest procurement rate in the Asia-Pacific region from its base in Nanhai, China. As a result, we are able to respond even more flexibly and quickly to the strong growth in this market. In contrast, we pooled our purchasing into three regional centres in the Americas and Europe.

Procurement considers environmental aspects
When purchasing products and services, Procurement works closely together with those responsible for the various product categories and regions in order to take environmental aspects into consideration. Our goal is to increase the proportion of energy we consume from renewable resources and over the course of the reporting year, we began laying the necessary legal groundwork to realise this. In addition to several countries in Europe, we are also gradually converting to green electricity in the United States at present. In the reporting year the operational fleet was also modernised. 8,956 emission-efficient Euro class 5 and 6 vehicles were put into operation in Germany. In addition, a total of 121 electric vehicles and three natural gas vehicles were procured and are being tested on delivery routes. We describe various projects and the CO_2 savings achieved in our Corporate Responsibility Report.

Procurement systems further expanded
The use of IT applications to procure goods and services more efficiently increased again in the reporting year. For instance, our electronic ordering system "GeT" is now available in the 46 countries with the highest procurement rates. This improves our procurement worldwide.

Suppliers required to comply with Code of Conduct
An essential component of our supplier contracts is the code of conduct for suppliers, which defines the Group's ethical and environmental standards. It includes an explicit ban on child and forced labour. Furthermore, suppliers agree to comply with all valid environmental, labour and health regulations, the international anti-corruption standards in the United Nations Global Compact as well as local anti-corruption laws, and refrain from all forms of discrimination based on race, religion, disability, age, sexual orientation or gender.

Customers and quality

Innovative technology translates into competitive advantage in the mail and parcel business
We operate a first-class, efficient and environmentally friendly nationwide transport and delivery network in Germany consisting of 82 mail centres and 33 parcel centres that process 64 million letters and in excess of 3.4 million parcels each working day. In the reporting year, the high level of automation in our mail business, which exceeds 90 %, saw a further slight increase. In our parcel network, we have meanwhile increased our overall sorting capacity by almost 30 % by upgrading existing facilities.

Our customers rate the quality of our services based on whether posted items reach their destinations quickly, reliably and undamaged. We again achieved excellent results in letter transit times within Germany: according to surveys conducted by the quality research institute Quotas, 94 % of the letters posted during our daily opening hours or before final post box collections are delivered to their recipients the next day. This places us far above the legal requirement of 80 %. In order to ensure this level of quality in the long term, our quality management is based on a system that is certified each year by TÜV NORD, a recognised certification and testing organisation.

In the parcel business, items usually reach their recipients the next working day. This is based on parcels that were collected from business customers and that were delivered the next day. Our internal system for measuring parcel transit times has been certified by TÜV Rheinland since 2008.

Transit times for international letters are determined by the International Post Corporation. Here, we rank amongst the top postal companies.

In 2013, E-Postbrief was developed into E-POST with a series of user-friendly services: with E-POST small and medium-sized companies can send items directly from their usual company software, either digitally or by conventional post, digitise and safely store consumer documents, and pay invoices using invoice recognition.

The average weekly opening time of our 26,000-plus sales points was 55 hours in the reporting year (previous year: 52 hours). The annual survey conducted by Kundenmonitor Deutschland, the largest consumer study in Germany, also showed a high acceptance of our exclusively partner-operated retail outlets: over 91 % of customers were satisfied with our quality and service (previous year: 92 %). In addition, impartial mystery shoppers from TNS Infratest tested the postal outlets in retail stores around 26,000 times over the year. The result showed that more than 94 % of customers were served within three minutes.

A central characteristic of the quality of our products is environmental protection. As such, we employ a TÜV NORD-certified environmental management system in our mail and parcel businesses in Germany. Our GoGreen products offer private and business customers climate-neutral shipping options. Moreover, with over 200 vehicles, we operate one of the largest electric vehicle fleets in the world. Bonn, Germany, where our corporate headquarters are based, is the first city, in which we have begun to convert our entire delivery operations to run using electric vehicles. Furthermore, we use innovative technologies in our buildings and operating facilities, such as LED, and we have also increased our use of renewable energies.

Brands

Brands and business units

	Deutsche Post DHL				
Brand	Deutsche Post	DHL			
Division	MAIL		EXPRESS	GLOBAL FORWARDING, FREIGHT	SUPPLY CHAIN
Brand area	• Mail Communication • Dialogue Marketing • Press Services • Philately • Pension Service	• Global Mail • Parcel Germany	• Express	• Global Forwarding • Freight	• Supply Chain
Sub-brand					• Williams Lea

DHL's brand value climbs higher

In order to remain The postal service for Germany (Die Post für Deutschland) and become The logistics company for the world, we aim to strengthen the image and value of our Deutsche Post and DHL brands. We succeeded in doing this again in the reporting year, as has been reflected in independent studies.

According to the BrandZ study conducted by the market research institute Millward Brown, the DHL brand climbed two places to 98th on the list of most valuable brands in the world and its value increased by 17.6 % to US $8.9 billion. Millward Brown calculates brand value based on the current financial situation along with the contribution the brand makes to the company's business success.

In 2013, consulting firm Semion Brand-Broker calculated that Deutsche Post's brand value had remained unchanged at €13,067 million. This again ranks us number six amongst the most valuable German brands. Factors analysed included financial value, brand protection, brand image and brand strength.

In total, we invested around €341 million (previous year: €341 million) into building and expanding our brands internationally.

Sports activities strengthen identity with the Deutsche Post brand

Motivated employees understand that they are brand ambassadors who play a role in winning over and retaining customers. At Deutsche Post, the internal motivational platform known as the Deutsche Post Fan Club plays a considerable role in strengthening employee identity with the brand. Through this programme, we support employee participation in recreational sports and fan activities in the community. After five years, the response amongst the staff has been impressive, with more than 10,000 football players, nearly 9,000 runners and around 3,200 cyclists taking part in activities in the reporting year. Furthermore, many employees joined their colleagues to attend Deutsche Fußball-Bund (DFB – German football federation) cup matches, international football matches and Deutsche Tourenwagen-Masters (DTM – German Touring Car Masters) races, of which we are a sponsor.

At the DTM final 2013 at Germany's Hockenheimring race track, the Deutsche Post brand secured its first victory as a team partner of BMW. Our co-operation with the DFB was also a success in 2013: the German women's national football team won the European Championship and the men's team qualified for the 2014 FIFA World Cup Brazil™.

An expanding product portfolio

We are systematically expanding our business and have detailed this in the Objectives and strategies chapter. For example, the online supermarket Allyouneed.com has been positioned as a modern alternative to traditional food retailing. During the reporting year, market research was undertaken to determine the potential of this offer, more-over, we have already increased awareness and reach within the target group with targeted PR and marketing campaigns. In October 2013, we entered the deregulated coach market with the ADAC Postbus. Over and above the eye-catching design of the coaches in Deutsche Post yellow, advertising in this early phase is primarily concentrated on regional communication in the areas where we are expanding our network of bus routes.

Global online DHL BRAND campaign

Building on the worldwide digital strategy for the DHL brand that was developed in the previous year, we have set our global marketing campaign on a new online course: since the autumn of 2013, we have, for example, advertised our online benchmarking tool on banners in international business magazines. A tool which provides above all medium-sized companies with valuable exposure for their international business, whilst connecting them to the DHL brand.

Sponsorship establishes DHL's logistics expertise
DHL sponsorship goes beyond financial support; as a general principle, sponsorship must also underscore our logistics expertise. In addition to our existing global logistics partnerships – such as with Formula 1™, IMG Fashion Weeks and the Leipzig Gewandhausorchester – we showcased our brand at 130 events in more than 40 countries in 2013. For 2014, we have entered into a global logistics partnership with the new FIA Formula E World Championship, the world's first fully-electric car racing series. With effect from September 2014, DHL will handle the efficient and environmentally friendly transport of the vehicles and equipment to the ten race locations around the world.

POST-BALANCE-SHEET DATE EVENTS

Ordinary capital increase resolved
On 20 February 2014, the Board of Management, subject to the consent of the Supervisory Board, resolved upon an ordinary increase in capital from Authorised Capital 2013 by 656,915 no par-value shares in order to service the 2009 tranche of the share-based payment system for executives (Share Matching Scheme) due on 1 April 2014. The planned dividend payment will increase by €525,532 as a result.

OPPORTUNITIES AND RISKS

Overall Board of Management assessment of opportunity and risk situation

No foreseeable risk to the Group
Identifying opportunities and risks – and swiftly capitalising upon or counteracting them – is an important objective for our Group. This is why we already account for the anticipated impact of potential events and developments in our current business plan. The opportunities and risks reported here represent additional potential deviations from the Group's projected earnings. In consideration of our current business plan, the Group's overall opportunity and risk situation has not changed significantly compared with last year. No new risks have been identified that could have a potentially critical impact on the Group's result. Based on the Group's early warning system and in the estimation of its Board of Management, there were no identifiable risks for the Group in the current forecast period which, individually or collectively, cast doubt upon the Group's ability to continue as a going concern. Nor are any such risks apparent in the foreseeable future. The assessment of a stable to positive outlook is moreover reflected in the Group's credit ratings.

As Deutsche Post AG, due to financing commitments, guarantees, direct and indirect investments in its subsidiaries as well as other factors, is highly interlinked with the Group companies, its opportunity and risk position greatly depends on the opportunity and risk situation of the Group. In this respect, the overall Board of Management assessment of the opportunity and risk situation also summarises the opportunity and risk position of Deutsche Post AG.

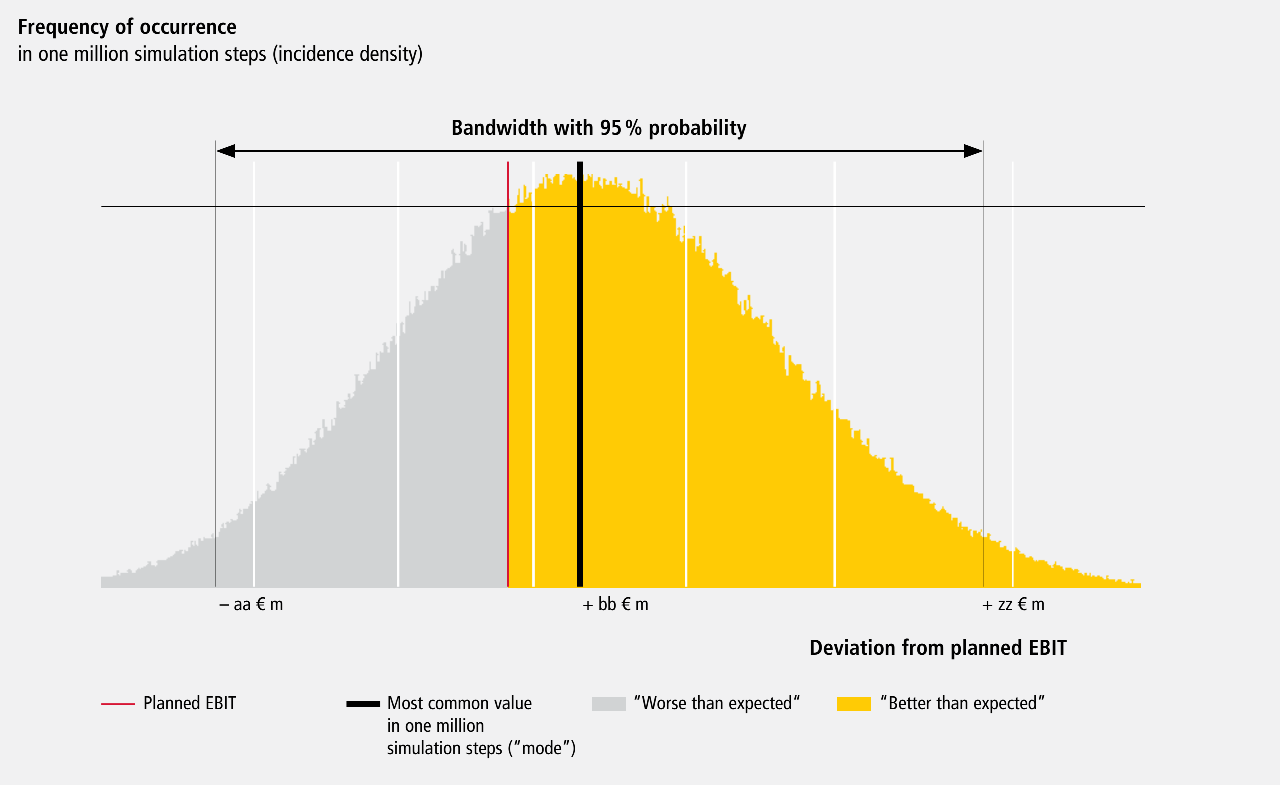
Opportunity and risk management processes

Uniform reporting standards for opportunity and risk management
As an internationally operating logistics company, we are faced with numerous changes. Our aim is to identify the resulting opportunities and risks at an early stage and take the necessary measures in the specific areas affected in due time to ensure that we achieve a sustained increase in enterprise value. Our Group-wide opportunity and risk management system facilitates this aim. Each quarter, managers estimate the impact of future scenarios, evaluate opportunities and risks in their departments and present planned measures as well as those already taken. Queries are made and approvals given on a hierarchical basis to ensure that different managerial levels are involved in the process. Opportunities and risks can also be reported at any time on an ad hoc basis.

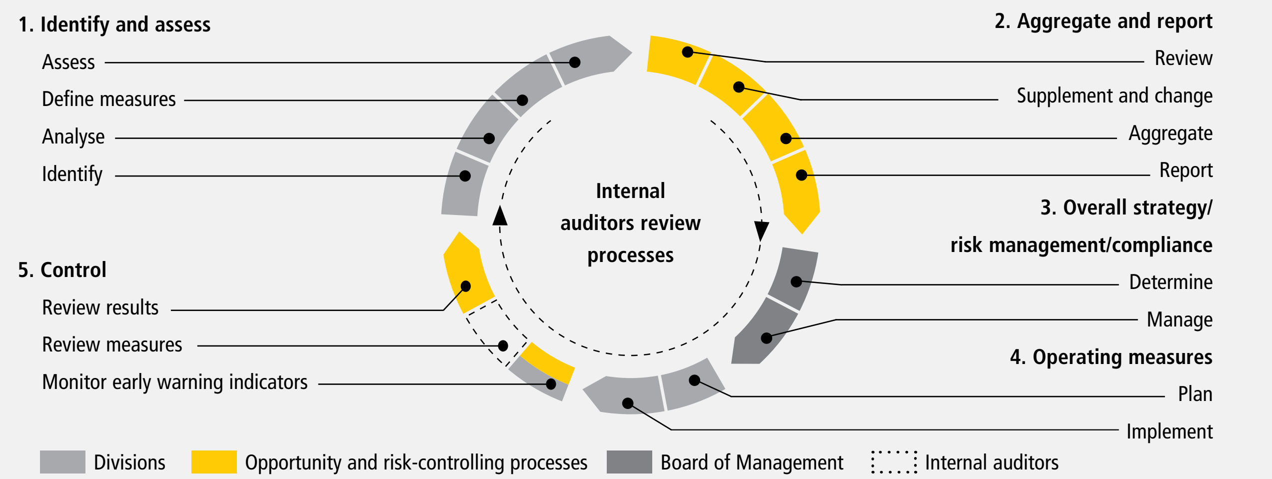
Our early identification process links the Group's opportunity and risk management with uniform reporting standards. We continuously improve the IT application used for this purpose. Furthermore we use a Monte Carlo simulation for the purpose of aggregating opportunities and risks in standard evaluations.

This stochastic model takes the probability of occurrence of the underlying risks and opportunities into consideration and is based on the law of large numbers. From the distribution function of each individual opportunity and risk one million randomly selected scenarios – one for each opportunity and risk – are combined. The resulting totals are shown in a graph of frequency of occurrence. The following graph shows an example of such a simulation:

Monte Carlo simulation



Opportunity and risk management process



The most important steps in our opportunity and risk management process are:

1. Identify and assess: Opportunities and risks are defined as potential deviations from projected earnings. Managers in all divisions and regions provide an estimate of our opportunities and risks on a quarterly basis and document respective actions. They use scenarios to assess best, expected and worst cases. Each identified risk is assigned to one or more managers, who assess it, monitor it, specify possible procedures for going forwards and then file a report. The same applies to opportunities. The results are compiled in a database.

2. Aggregate and report: The controlling units responsible collect the results, evaluate them and review them for plausibility. If individual financial effects overlap, they are noted in our database and taken into account when compiling them. After being approved by the department head, all results are passed on to the next level in the hierarchy. The last step is complete when Corporate Controlling reports to the Group's.

Board of Management on significant opportunities and risks as well as on the potential overall impact each division might experience. For this purpose, opportunities and risks are aggregated for key organisational levels. We use two methods for this. In the first method, we calculate a possible spectrum of results for the divisions and add the respective scenarios together. The totals for "worst case" and "best case" indicate the total spectrum of results for the respective division. Within these extremes, the total "expected cases" shows current expectations. The second method makes use of a Monte Carlo simulation, the divisional results of which are regularly included in the opportunity and risk reports to the Board of Management.

3. Overall strategy: The Group Board of Management decides on the methodology that will be used to analyse and report on opportunities and risks. The reports created by Corporate Controlling provide an additional regular source of information to the Board of Management for the overall steering of the Group.

4. Operating measures: The measures to be used to take advantage of opportunities and manage risks are determined within the individual organisational units. They use cost-benefit analyses to assess whether risks can be avoided, mitigated or transferred to third parties.

5. Control: For key opportunities and risks, early warning indicators have been defined that are monitored constantly by those responsible. Corporate Internal Audit has the task of ensuring that the Board of Management's specifications are adhered to. It also reviews the quality of the entire opportunity and risk management operation. The control units regularly analyse all parts of the process as well as the reports from Internal Audit and the independent auditors with the goal of identifying potential for improvement and making adjustments where necessary.

Internal accounting control and risk management system (disclosures required under section 289 (5) of the Handelsgesetzbuch (HGB – German Commercial Code) and explanatory report)
Deutsche Post uses an internal accounting control system to ensure that accounting adheres to generally accepted accounting principles. This system is intended to make sure that statutory provisions are complied with and that both internal and external accounting provide a valid depiction of business processes in figures. All figures are to be entered and processed accurately and completely. Accounting mistakes are to be avoided in principle and any assessment errors that may occur uncovered promptly.

The risk and control system design comprises organisational and technical measures that extend to all organisational units in the Company. Centrally standardised accounting guidelines ensure that financial reporting standards in accordance with the German Commercial Code (HGB) are applied in a uniform manner throughout the Company. A central chart of accounts specifies the items relevant to bookkeeping. Account assignment guidelines provide extensive additional rules. The change process is computer driven. Changes are recorded in the intranet, which ensures constant access by the users. The responsible organisational units are provided with detailed plans of activities, instructions and schedules for the year-end closing process.

Deutsche Post's primary accounting functions are handled by the Accounting SSC (Shared Service Center) in Cologne. Principally, the following departments have been established for these functions: General Ledger and Asset Accounting, Accounts Payable, Affiliate Accounting, Master Data/Duty, Receivables Management, Retail Finance Services, Cost and Profitability Analysis as well as Global Treasury Accounting.

Transactions relevant to accounting are processed by computer at Deutsche Post AG. To this end, Deutsche Post uses the services of T-Systems Enterprise Services GmbH (T-Systems), a subsidiary of Deutsche Telekom AG. In addition to running applications, it also provides emergency support service in a standby centre. Annual IT reviews are conducted at T-Systems by an independent German auditing firm. The content and results of the audit are documented in writing in an ISAE3402 certification.

For IT application development, and care and maintenance of systems relevant to accounting, Deutsche Post uses the services of its subsidiary, Deutsche Post IT Service GmbH.

The application systems used are standard solutions from SAP AG. In financial accounting, the SAP R/3 application is used in particular.

Other components of our control system include automatic plausibility reviews and system validations of the accounting data. In addition, manual checks are carried out regularly at a decentralised level by those responsible locally and at a central level by Corporate Accounting and Reporting, Corporate Internal Audit, Taxes and Treasury at the Corporate Center. Over and above the aforementioned internal accounting control system and risk management structures, Corporate Internal Audit is an essential component of the Group's controlling and monitoring system. Using risk-based auditing procedures, Corporate Internal Audit examines the processes related to financial reporting and reports its results to the Board of Management on a regular basis. Upstream and downstream checks and analyses of the reported data are performed under chronological aspects. If necessary, we call in outside experts, for instance, in the case of pension provisions. Finally, the Company's standardised process for preparing financial statements using a centrally administered financial statements calendar guarantees a structured and efficient accounting process.

Reporting opportunities and risks
Identifying opportunities and risks – and swiftly capitalising upon or counteracting them – is a key objective for our Group. This is why we account for the anticipated impact of potential events and developments in our current business plan as well as in our revenue and earnings projection. In the following we primarily report those risks and opportunities which, from the current standpoint, could have an additional significant, potentially positive or negative, impact during the current forecast period.

We assess opportunities and risks based on their probability of occurrence and impact. Subsequently we distinguish between opportunities and risks of low, medium and high relevance. We characterise opportunities and risks of medium and high relevance as significant.

The opportunities and risks described here are not necessarily the only ones the Group faces or is exposed to. Our business activities could also be influenced by additional factors of which we are currently unaware or which we do not yet consider to be material.

Opportunities and risks are identified and assessed decentrally at Deutsche Post DHL. Reporting on possible deviations from projections, including latent opportunities and risks, occurs primarily at the country or regional level. In view of the degree of detail provided in the internal reports, decentrally reported opportunities and risks are combined into categories below for the purposes of this report. It should be noted that the underlying individual reports – with the exception of those on the world economy and global economic output – usually exhibit a zero to minimal correlation. It is rather unlikely that a number of major risks in one category or across categories would occur at the same time.

Unless otherwise specified, within the current forecast period a low relevance is attached to individual opportunities and risks and a medium relevance to the respective categories. The opportunities and risks generally apply for all divisions, unless indicated otherwise.

Opportunities

Opportunities arising from market trends and our market position
A variety of external factors offer us numerous opportunities, indeed we believe that the global market will grow. Advancing globalisation means that the logistics industry will continue to grow at least as fast or faster than the world economy as a whole. This is especially true for Asia, where trade flows to other regions and in particular within the continent will continue to increase. As the market leader, our DHL divisions can generate above-average benefits from this. This also applies to regions such as South America and the Middle East, which continue to see robust growth. We are similarly well positioned in the emerging economies of Brazil, Russia, India, China and Mexico (BRIC+M) and will take advantage of opportunities arising in these markets.

Whether and to what extent the logistics market will grow is dependent on a number of factors. The trend towards outsourcing business processes continues. As a result, supply chains are becoming more complex and more international but are also more prone to disruption. For this reason, customers want stable, integrated logistics solutions, which is what we provide with our broad-based service portfolio. We continue to see growth opportunities in this area, in particular in the SUPPLY CHAIN division and as a result of closer co-operation between all our divisions.

The booming online marketplace represents another opportunity for us in that it is creating demand for transporting documents and goods. The B2C market is experiencing double-digit growth, particularly due to the rapid rise in digital retail trade. This has created high growth potential for the national and international parcel business, which we intend to tap into by expanding our parcel network.

Our customers want to improve their carbon efficiency and be supplied with information on their CO_2 emissions. Such an increase in environmental awareness presents new business potential: with our own mail, parcel and express products as well as air and ocean freight transport, we not only lead our industry in the areas of energy-efficient transport, transparent emissions reports and climate-neutral products, but we also offer customer-specific solutions to reduce carbon emissions.

Opportunities from improved internal processes
Volumes and costs have a critical impact on our result. Should we succeed in aligning our internal processes to meet customer needs whilst simultaneously lowering costs, this could lead to positive deviations from current projections. We are steadily improving internal processes with the help of our First Choice initiatives. This improves customer satisfaction and reduces our costs at the same time. Our earnings projection already incorporates expected cost savings.

Opportunities from pending legal proceedings
On 25 January 2012, the European Commission issued a ruling on the formal investigation regarding state aid that it had initiated on 12 September 2007. It concluded that Deutsche Post AG had received illegal state aid, which it is to repay to the Federal Republic of Germany; in addition, it must also be ensured that no benefits are received in the future which could be considered illegal state aid. Deutsche Post AG is of the opinion that the state aid decision cannot withstand legal review and has filed an appeal with the European Court of Justice. The Federal Republic of Germany has likewise appealed the decision. To implement the state aid ruling, the federal government called upon Deutsche Post AG on 29 May 2012 to make a payment of €298 million, including interest.

Deutsche Post AG paid this amount to a trustee on 1 June 2012 and appealed the recovery order to the Administrative Court. The appeal, however, has been suspended pending a ruling from the European Court. The company made additional payments of €19.4 million and €15.6 million to the trustee on 2 January 2013 and 2 January 2014, respectively. The payments made were reported in the balance sheet under non-current assets; the earnings position remained unaffected. More information about the state aid investigation and the risks resulting from it as well as other legal proceedings is provided in the section Risks from pending legal proceedings.

On the other hand, the opportunity exists that the payment of €298 million and the payments of €19.4 million and €15.6 million made in addition – as well as the additional annual payments of around €19 million to be made in the future – will be returned if the appeals issued by Deutsche Post AG or the federal government against the state aid ruling are successful. A repayment would only affect the liquidity of Deutsche Post AG; the earnings position would remain unaffected.

Financial opportunities
Being a global operator also opens up opportunities for Deutsche Post DHL. For the specified period under review, these are mainly opportunities arising from fluctuating exchange rates from scheduled or planned future foreign currency transactions.

Significant currency risks from planned transactions are quantified as a net position over a rolling 24-month period. Highly correlated currencies are consolidated in blocks. The identified risks are hedged up to an average of 50 % using derivatives over a 24-month period. The most important planned net surpluses at the Group level are in pound sterling, Japanese yen and Korean won, whilst the Czech crown is the only currency with a considerable net deficit. By offsetting the net deficit in US dollars with surpluses in other highly correlated currencies, the net risk in the "US dollar block" at the Group level is nearly offset and thus not actively managed. The average hedging level for the year 2014 was approximately 48 % as at the re porting date. A potential devaluation of the euro presents an opportunity for the Group's earnings position. Based on current macroeconomic estimates, we consider this opportunity to be of low relevance. Further information on the financial position and finance strategy of the Group as well as on the management of financial risks is found in the report on the economic position.

Risks

Risks arising from the political and regulatory environment
Risks associated with the general business environment primarily arise from the fact that the Group provides some of its services in a regulated market. A large number of postal services rendered by Deutsche Post AG and its subsidiaries are subject to sector-specific regulation by the Bundesnetzagentur (German federal network agency), pursuant to the Postgesetz (PostG – German Postal Act). The Bundesnetzagentur approves or reviews prices, formulates the terms of downstream access and has special supervisory powers to combat market abuse.

On 14 November 2013, the Bundesnetzagentur determined the conditions for regulating mail prices requiring approval under the price-cap procedure from January 2014 to December 2018. According to the decision, the general rate of inflation less the productivity growth rate stipulated by the regulatory authority (X-factor) in the amount of 0.2 % p.a. constitutes the key factor applicable to mail prices subject to approval. This would necessitate price reductions if the inflation rate in the reference period is lower than the productivity growth rate specified and permit price increases if the inflation rate in the reference period is higher than the productivity growth rate specified. On 2 December 2013, the Bundesnetzagentur approved the higher prices to be charged in 2014 for the products regulated under the price-cap procedure; as a result, this no longer represents a risk.

On 8 June 2013, the Bundesnetzagentur initiated market abuse proceedings against Deutsche Post InHaus Services GmbH, citing discriminatory access conditions for sorting and consolidation services following a complaint by one of the company's competitors. The party filing the complaint accused the company in particular of offering other postal services providers better conditions for posting and collection than it itself had been offered. Deutsche Post InHaus Services GmbH considers the accusations to be unfounded. The case is still under consideration by the Bundesnetzagentur. Should that agency determine – contrary to expectations – that market abuse has occurred, the company would have to desist from the actions in question. Due to the ongoing abuse proceedings, we are refraining from a risk assessment.

Risks arising from market and sector-specific conditions
Risks arising from market and sector-specific conditions are a key factor in determining the success of our business. For this reason we pay close attention to economic trends in the individual regions. Despite the volatile economic climate, demand for logistics services rose in 2013, as did the related revenues. We are nonetheless not able to rule out the possibility of an economic downturn in specific regions and a stagnation or decrease in transport quantities. However, this would not reduce demand for our services in all business units. Indeed, the opposite effect could arise in the parcel business, for example, as a result of an increase in online purchasing amongst consumers. Companies might also be forced to outsource transport services in order to lower costs. Cyclical risks can affect our divisions differently with respect to magnitude as well as point in time, which mitigates the total effect. Therefore, we consider these risks to be medium at best. Moreover, we have taken measures in recent years to make costs more flexible and to be able to respond quickly to a change in market demand.

Deutsche Post and DHL are in competition with other providers. Such competition can significantly impact our customer base as well as the levels of prices and margins in our markets. In the mail and logistics business, the key factors for success are quality, customer confidence and competitive prices. Thanks to our high quality along with the cost savings we have generated in recent years, we believe that we shall be able to withstand the competition and keep any negative effects at a low level.

Risks arising from information technology

The security of our information systems is particularly important to us. The goal is to ensure continuous IT system operation and prevent unauthorised access to our systems and databases. To fulfil this responsibility, the Information Security Committee, a sub-committee of the IT Board, has defined standards, procedures and guidelines based on ISO 27001, the international standard for information security management. In addition, Group Risk Management, IT Audit, Data Protection and Corporate Security monitor and assess IT risk on an ongoing basis. For our processes to run smoothly at all times, the essential IT systems must be constantly available. We ensure this by designing our systems to protect against complete system failures. In addition to third-party data centres, we operate two central data centres in the Czech Republic and Malaysia. Our systems are thus geographically separate and can be replicated locally.

We limit access to our systems and data. Employees can only access the data they need to do their job. All systems and data are backed up on a regular basis and critical data are replicated across data centres.

All of our software is updated regularly to address bugs, close potential gaps in security and increase functionality. We employ a patch management process – a defined procedure for managing software upgrades – to control risks that could arise from out-dated software or from software upgrades.

Due to the measures described above, we estimate the probability of a significant and momentous incident in the IT sector as being very unlikely so that the risk has an overall low relevance.

Our E-POST products – first and foremost E-Postbrief – come with our pledge of security and data protection. In 2013, the associated platform was re-certified by the German Federal Office for Information Security in accordance with its standards for "IT-Grundschutz". In addition, it was again certified by TÜV Informationstechnik GmbH as compliant with the legal standards and applicable data protection regulations pursuant to the criteria for trusted site privacy.

Risks arising from internal processes

Logistics services are generally provided in bulk and require a complex operational infrastructure with high quality standards. To consistently guarantee reliability and punctual delivery, processes must be organised so as to proceed smoothly with no technical or personnel-related glitches. Any weaknesses with regard to posting and collection, sorting, transport, warehousing or delivery could seriously compromise our competitive position. We therefore adapt all processes to current circumstances as needed. We also take preventive measures to guard against disruptions or malfunctions in our operational processes. Should disruptions nonetheless occur, contingency plans will come into effect to minimise the consequences. Some risks from business interruptions are also reduced by our insurance policies.

We furthermore use our First Choice methodology to continuously improve our processes and align them even more closely to the requirements of customers. Should this involve capital expenditure, the Board of Management decides on any sums in excess of €25 million. Board of Management committees make decisions on investments of more than €10 million, with a lower threshold of €5 million applying to Corporate Center/Other. The Board of Management is regularly informed about investment decisions so that they can identify any significant risk early on and take the necessary countermeasures.

As a service provider, we do not conduct research and development in a narrower sense. There are therefore no significant risks to report in this area.

As our operating business is organised decentrally and contingency plans are in place no significant risk to the Group was reported with respect to business disruptions arising from internal processes.

Risks arising from environmental management
Our Group-wide risk management also considers environmental developments. At present, we are not aware of any environmental risks that could have a significant impact on the Group.

Risks arising from human resources
It is the motivation and competence of our employees that make a good impression on our customers and thus shape our long-term success. Demographic change and increased competition for qualified specialists and executives mean that the pool of potential young talent is becoming smaller, particularly in our core market of Germany. The risk therefore exists that we may not be able to recruit and retain a sufficient number of suitable employees. We plan to take various measures to decrease this risk. For example, we place great importance on providing a motivational work environment and suitable professional and employee development programmes.

In many countries, both age and social structures are undergoing a notable shift. To adequately identify and counteract the resulting risk relating to employees' work capacity and ageing, we have developed an analysis and planning instrument known as Strategic Workforce Management, which supplies strategically well-founded answers based on fact. The Generations Pact entered into by Deutsche Post AG with the trade unions is geared specifically towards demographic conditions in Germany. It ensures that older employees can remain on the job whilst at the same time improving employment opportunities for young people.

According to estimates from the United Nations and the World Economic Forum, there is a risk of chronic, i.e., non-contagious, disease increasing substantially all over the world. We are responding to this risk with a health management programme, which is subject to continual development.

Financial risks
As a global operator, Deutsche Post DHL is inevitably exposed to financial risks. These are mainly risks arising from fluctuating exchange rates, interest rates and commodity prices. Using operational and financial measures, we try to reduce the volatility of financial figures due to financial risk.

Risks with respect to currencies may result from scheduled or planned future foreign currency transactions. Significant currency risks from planned transactions are quantified as a net position over a rolling 24-month period. Highly correlated currencies are consolidated in blocks. The identified risks are hedged up to an average of 50 % using derivatives over a 24-month period. The most important planned net surpluses at the Group level are in the pound sterling, Japanese yen and Korean won, whilst the Czech crown is the only currency with a considerable net deficit. By offsetting the net deficit in US dollars with surpluses in other highly correlated currencies, the net risk in the "US dollar block" at the Group level is nearly offset and thus not actively managed. The average hedging level for the year 2014 was approximately 48 % as at the reporting date. The significant risk to the Group's earnings position would be a general appreciation of the euro. At present, we consider the individual risks arising from developments with regard to the respective currencies of low relevance and those in the currency risk category overall of medium relevance.

The key control parameters for liquidity management are the centrally available liquidity reserves, which should not fall below €2 billion. Deutsche Post DHL had central liquidity reserves of €4.6 billion as at the reporting date, consisting of central financial investments amounting to €2.6 billion plus a syndicated credit line of €2 billion. Therefore, the Group's liquidity is sound in the short and medium term. Moreover, the Group enjoys open access to the capital market on account of its good ratings within the industry, and is well positioned to secure long-term capital requirements. The Group's net debt amounted to only €1.5 billion at the end of 2013. Given our existing interest rate hedging instruments, the share of variable interest rate liabilities in non-current financial liabilities in the amount of €4.6 billion is approximately 36 %. At present, we consider liquidity and interest rate risks to be of low relevance.

As a logistics group, Deutsche Post DHL's significant commodity price risks result from changes in fuel prices (kerosene, diesel and marine diesel). In the DHL divisions, most of these risks were passed on to customers via operating measures (fuel surcharges). We only have noteworthy hedging instruments for the purchase of diesel in the MAIL division. At present, we consider commodity price risks to be of low relevance.

Risks from pending legal proceedings
On 5 November 2012, the Bundeskartellamt (German federal cartel office) initiated proceedings against Deutsche Post based on suspicion of abusive behaviour with respect to agreements on mail transport with major customers. Based upon information from Deutsche Post AG's competitors and customer surveys, the authorities suspect that the company had violated the provisions of German and European antitrust law. Deutsche Post AG does not share this opinion. However, should the authorities find their suspicions confirmed, they may require Deutsche Post AG to refrain from certain acts or impose fines.

On 25 January 2012, the European Commission issued a ruling on the formal investigation regarding state aid that it had initiated on 12 September 2007. In its review, the European Commission determined that Deutsche Post AG was not overcompensated for providing universal services between 1989 and 2007 using state resources. It also did not find fault with the state guarantees for legacy liabilities. By contrast, in its review of funding for civil servants' pensions, the European Commission concluded that illegal state aid had, in part, been received. It said that the pension relief granted to Deutsche Post AG by the *Bundesnetzagentur* during the price approval process led to Deutsche Post AG receiving a benefit, which it must repay to the Federal Republic of Germany; in addition, it must also be ensured that no benefits are received in the future which could be considered illegal state aid. The Commission furthermore stated that the precise amount to be repaid was to be calculated by the Federal Republic. In a press release, the European Commission had referred to an amount of between €500 million and €1 billion. Deutsche Post AG is of the opinion that the Commission's state aid decision of 25 January 2012 cannot withstand legal review and has filed an appeal with the European Court of Justice in Luxembourg. The Federal Republic of Germany has similarly appealed the decision.

To implement the state aid ruling, the federal government called upon Deutsche Post AG on 29 May 2012 to make a payment of €298 million, including interest. Deutsche Post AG paid this amount to a trustee on 1 June 2012 and appealed the recovery order to the Administrative Court. The appeal, however, has been suspended pending a ruling from the European Court. The company made additional payments of €19.4 million and €15.6 million to the trustee on 2 January 2013 and 2 January 2014, respectively. The payments made were reported in the balance sheet under non-current assets; the earnings position remained unaffected. The European Commission has not expressed its final acceptance of the calculation of the state aid to be repaid. On 17 December, it initiated proceedings against the Federal Republic of Germany with the European Court of Justice to effect a higher repayment amount.

Although Deutsche Post AG and the federal government are of the opinion that the state aid decision cannot withstand legal review, it cannot be ruled out that Deutsche Post AG will ultimately be required to make a potentially higher payment, which could have an adverse effect on earnings.

Further Litigation
A large number of postal services rendered by Deutsche Post AG and its subsidiaries are subject to sector-specific regulation by the Bundesnetzagentur (German federal network agency), pursuant to the Postgesetz (PostG – German Postal Act). The Bundesnetzagentur approves or reviews prices, formulates the terms of downstream access and has special supervisory powers to combat market abuse. This general regulatory risk could lead to a decline in revenue and earnings in the event of negative decisions. Legal risks arise, amongst other things, from pending administrative court appeals by an association and a competitor against the price approvals under the price cap procedure for 2003, 2004 and 2005, and by the association against the corresponding decisions for 2008

and 2013. Although the appeals against price approvals for the years 2003 to 2005 were dismissed by the Münster Higher Administrative Court, as the court of appeal, an appeal has been filed with the Federal Administrative Court. The Cologne Administrative Court has not yet decided on the appeals against the price approvals for 2008 and 2013.

Legal risks also result from appeals by Deutsche Post AG against other price approvals granted by the regulatory authority. These largely relate to appeals against the price approvals for access to Deutsche Post AG's post office box facilities and change of address information by competitors.

There are legal risks in connection with the discounts for downstream access, which Deutsche Post AG increased on 1 July 2010. Deutsche Post competitors and their associations filed complaints against these discount increases with the Bundesnetzagentur. They claim that the increased discounts conflict, in particular, with regulatory requirements. However, the Bundesnetzagentur discontinued its review proceedings by way of a notification of 15 September 2010 after having found no violation of the applicable regulations. In October 2011, several competitors of Deutsche Post AG brought an action against the Bundesnetzagentur with the aim of reversing the discount increases. Deutsche Post AG considers its charges for downstream access and the discount increases to be in compliance with the regulatory and other legal requirements. Following the hearing at the Cologne Administrative Court on 25 November 2013, the claimants withdrew their appeal. The Bundesnetzagentur's decision of 15 November 2010 therefore stands.

In its decision dated 14 June 2011, the Bundesnetzagentur concluded that First Mail Düsseldorf GmbH, a subsidiary of Deutsche Post AG, and Deutsche Post AG had contravened the discounting and discrimination prohibitions under the Postgesetz. The companies were instructed to remedy the breaches that had been identified. Both companies appealed against the ruling. Furthermore, First Mail Düsseldorf GmbH filed an application to suspend the execution of the ruling until a decision was reached in the principal proceedings. The Cologne Administrative Court and the Münster Higher Administrative Court both dismissed this application. First Mail Düsseldorf GmbH discontinued its mail delivery operations at the end of 2011 and retracted its appeal on 19 December 2011. Deutsche Post AG continues to pursue its appeal against the Bundesnetzagentur ruling.

In its ruling of 30 April 2012, the Bundesnetzagentur determined that Deutsche Post AG had contravened the discrimination provisions under the Postgesetz by charging different fees for the transport of identical invoices and invoices containing different amounts. Deutsche Post AG was requested to discontinue the discrimination determined immediately, but no later than 31 December 2012. The ruling was implemented with effect from 1 January 2013. Deutsche Post does not share the legal opinion of the Bundesnetzagentur and appealed the ruling to the Cologne Administrative Court.

Since 1 July 2010, as a result of the revision of the relevant tax exemption provisions, the VAT exemption has only applied to those specific universal services in Germany that are not subject to individually negotiated agreements or provided on special terms (discounts etc.). Deutsche Post AG does not believe that the legislative amendment fully complies with the applicable provisions of European Community law. Due to the legal uncertainty resulting from the new legislation, Deutsche Post AG is endeavouring to clarify certain key issues with the tax authorities. Although Deutsche Post AG is implementing the required measures to a large extent, the differing legal opinions on the part of Deutsche Post AG and the tax authorities will be judicially clarified.

In light of the announced legal proceedings, we have not undertaken a risk classification.

Risks arising from corporate strategy

Over the past years, the Group has ensured that its business activities are well positioned in the world's fastest growing regions and markets. We have also created efficient structures in all areas to enable us to flexibly adapt capacities and costs to demand – a prerequisite for lasting, profitable business success. With respect to strategic orientation, we are focusing on our core competencies in the mail and logistics businesses with an eye towards growing organically and simplifying our processes for the benefit of our customers. In the specified period under consideration, risks arising from the current corporate strategy, which extends over a long-term period, are considered to have a low relevance for the Group. In addition, the divisions face the following special situations:

In the MAIL division, we are responding to the challenges presented by the structural change from a physical to a digital business. We are counteracting the risk arising from changing demand by expanding our range of services. Due to the e-commerce boom, we expect our parcel business to continue growing robustly in the coming years and are therefore extending our parcel network. We are also expanding our range of electronic communications services, securing our standing as the quality leader and, where possible, making our transport and delivery costs more flexible. We follow developments in the market very closely and take these into account in our earnings projections. For the specified forecast period, we do not see these developments as having any significant potential to sustain a negative impact.

In the DHL-EXPRESS division, our future success depends above all on general factors such as trends in the competitive environment, costs and quantities transported. After having spent recent years successfully restructuring our business and substantially improving cost structures, we are focusing on fostering growth in our international business. We expect an increase in shipment volumes. Based on this assumption, we are investing in our network, our services, our employees and the DHL brand. Against the backdrop of the past trend and the overall outlook, we do not see any significant strategic risk for the DHL-EXPRESS division beyond that reported in the section entitled "Risks arising from market and sector-specific conditions".

In the DHL-GLOBAL FORWARDING, FREIGHT division we purchase transport services from airlines, shipping companies and freight carriers rather than providing them ourselves. As a result, in a worst-case scenario there is a risk that we shall not be able to pass on all price increases to our customers. The extent of the risk essentially depends on trends in the supply, demand and price of transport services as well as the duration of our contracts. Comprehensive knowledge in the area of brokering transport services helps us to minimise this risk, which is therefore considered to have a low relevance.

Our DHL-SUPPLY CHAIN division provides customers in a variety of industries with solutions along the entire logistics chain. Our success is highly dependent on our customers' business trends. Since we offer customers a widely diversified range of products in different sectors all over the world, we can diversify our risk portfolio and thus counteract the incumbent risks. Moreover, our future success also depends on our ability to continuously improve our existing business and to grow in our most important markets and customer segments.

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EXPECTED DEVELOPMENTS

Deutsche Post AG is fully included in Deutsche Post DHL's international strategic focus and the related performance forecast. The MAIL division largely reflects Deutsche Post AG's core business while the DHL divisions indirectly influence Deutsche Post AG through net investment income, as profit transfer agreements are in place. Company management is based on key figures calculated in accordance with the IFRS. The financial statements prepared in accordance with the German commercial code (HGB) are of significance for calculating the dividend.

Overall Board of Management assessment of the future economic position

Our strong position as market leader in the German mail and parcel business and in nearly all of our logistics activities is the best possible basis for further growth. The Board of Management expects consolidated EBIT to reach between €2.9 billion and €3.1 billion in financial year 2014 and world economic growth to be slightly above the previous year at best. A similar development is expected for world trade. The MAIL division is likely to contribute around €1.2 billion to consolidated EBIT. Compared with the previous year, we expect an additional improvement in overall earnings to between €2.1 billion and €2.3 billion in the DHL divisions. The Corporate Center/ Other result should be better than €–0.4 billion. We expect to see a further positive development in EBIT after asset charge and operating cash flow, in line with the EBIT trend.

Forecast period

Outlook generally refers to 2014
The information contained in the report on expected developments generally refers to financial year 2014. However, in some instances we have chosen to extend the scope.

Future organisation

Parts of parcel business outside Germany consolidated in mail business
Our domestic parcel business in Poland, the Czech Republic, Belgium and the Netherlands was consolidated in the MAIL division, effective 1 January 2014. This business was previously part of the EXPRESS and GLOBAL FORWARDING, FREIGHT divisions.

Future economic parameters

Growth of global economy accelerates
Supported by the continuation of expansive monetary policies, the global economy began growing at an accelerated pace at the start of 2014, with the weak economic trend appearing to have bottomed out in many industrial countries. In addition, fiscal consolidation pressure has abated. The emerging economies with strong export sectors are expected to benefit from the upturn in the industrial countries. These countries are likely to continue to achieve significantly higher growth rates. Risks to global growth could emanate from the financial markets if the markets go ahead and price in interest rate hikes by central banks before the fact. A renewed sovereign debt crisis in the euro zone would also slow down growth substantially. On the other hand, global growth could develop stronger momentum than is currently anticipated.

Global economy: growth forecast

%	2013	2014
World trade volumes	**2.7**	**4.5**
Real gross domestic product		
World	3.0	**3.7**
Industrial countries	1.3	**2.2**
Emerging markets	4.7	**5.1**
Central and Eastern Europe	2.5	**2.8**
CIS countries	2.1	**2.6**
Emerging markets in Asia	6.5	**6.7**
Middle East and North Africa	2.4	**3.3**
Latin America and the Caribbean	2.6	**3.0**
Sub-Saharan Africa	5.1	**6.1**

Source: International Monetary Fund (IMF) World Economic Outlook, January 2014 update. Growth rates calculated on the basis of purchasing power parity.

The Chinese export economy is expected to benefit from rising global demand. In addition, the Chinese government has adopted a number of reforms aimed at accelerating growth. However, investments could be hurt by overcapacities. Forecasts for GDP growth are therefore mixed (IMF: 7.5 %; OECD: 8.2 %; Global Insight: 8.0 %). In Japan, export activity is expected to pick up significantly in 2014. A continued revival in domestic demand is also anticipated. However, the pending substantial increase in value added tax is likely to put the brakes on private consumption temporarily. For that reason, GDP will presumably grow at the same rate as in the previous year (IMF: 1.7 %; OECD: 1.5 %; Global Insight: 1.8 %).

The United States is likely to experience a significant improvement in the situation on the labour market, which would benefit private consumption. The major drivers of this development are again expected to be construction spending and corporate investment. Foreign trade is also expected to revive. GDP growth will presumably accelerate noticeably overall (IMF: 2.8 %; OECD: 2.9 %; Global Insight: 2.5 %).

In the euro zone, the economy is forecast to continue its gradual recovery, with the improvement in the economic climate benefiting exports. Private households are expected to obtain relief from tax increases, which should act to drive private consumption. Companies are also likely to increase their capital expenditure again. On the whole, however GDP growth is expected to be moderate (IMF: 1.0 %; ECB: 1.1 %; Global Insight: 0.8 %).

Early indicators suggest that the upturn in Germany will continue. Exports are increasing, and companies are upping their capital expenditure. This could lead to an increase in investments in machinery and equipment as well as construction spending along with a rise in the number of employed persons and a corresponding decrease in the unemployment rate. This would lay the foundation for rising incomes and – assuming the inflation rate remains very low – an increase in private consumption. GDP is therefore likely to see significant growth (IMF: 1.6 %; Sachverständigenrat: 1.6 %; Global Insight: 1.8 %).

Given a balanced ratio of supply to demand, the price of crude oil should remain stable for the most part in 2014.

The US Federal Reserve is expected to gradually reduce its purchases of government bonds. It is not anticipated that the Fed will raise its key interest rate. The ECB is also likely to leave its key interest rate at the current level. However, capital market interest rates could nonetheless rise moderately due to increasing economic momentum and reduced bond purchases by the US Federal Reserve.

World trade grows, thanks especially to Asia

The emerging markets in Asia are expected to play a significant role in the growth of global trade again in 2014. At 3 %, growth in global trade volumes (transported quantity in tonnes) is forecast to be stronger overall in 2014 compared with 2013, due to the slight improvement in the economic climate in the industrial countries.

Mail business in the digital age

We expect the market for paper-based mail communication to shrink, although demand for communication in general will continue to rise. By introducing our E-Postbrief product, we have begun to use our expertise in physical communication to offer competent electronic communications and generate new business in the process. We have also prepared ourselves for continued, intense competition. At the beginning of 2014, we increased the postage for a standard domestic letter in accordance with the price-cap procedure. The higher prices reflect the general price trend.

According to forecasts by the Zentralverband der deutschen Werbewirtschaft (German advertising federation), the cyclical German advertising market will, for the most part, continue to remain stable in 2014. Advertising expenditures are increasingly being shifted from traditional to digital media. The trend towards targeted advertising and combinations with internet offers is likely to continue. Moreover, we expect companies to resort increasingly to cheaper forms of advertising. We intend to consolidate our position in the liberalised market for paper-based advertising and to expand our share in the advertising market as a whole by integrating online marketing.

The press services market is likely to continue contracting slightly because of the increasing use of digital media. This will affect subscription numbers and average weights of printed publications, thus also impacting our revenue. In future, we also plan to increase the number of digital products we offer.

The international mail market again benefited from the growing e-commerce sector. This is an area in which we aim to tap into new business related to our core competency: mail, parcels and small packages.

The parcel market will continue to grow both in Germany and internationally. We shall continue to drive this development and expand both our domestic and international market position with our own portals and shipping and delivery services.

Revenue and earnings forecast

In light of the fact that the world economy again saw below average growth in the reporting year, we expect slight economic expansion at best in 2014. The global trading volumes relevant to our business are expected to perform similarly. We are therefore anticipating a corresponding revenue trend, with increasing revenue, particularly in the DHL divisions.

Against this backdrop, we expect consolidated EBIT to reach between €2.9 billion and €3.1 billion in financial year 2014. The MAIL division which largely reflects the core business of Deutsche Post AG is likely to contribute around €1.2 billion to this figure.

Compared with the previous year, we expect an additional improvement in overall earnings to between €2.1 billion and €2.3 billion in the DHL divisions. The Corporate Center/Other result should be better than €–0.4 billion.

In line with our Group strategy, we are targeting organic growth and anticipate only a few small acquisitions in 2014, as in the previous year.

We still intend to achieve the goals we set for the year 2015. Due to the allocation of parts of the parcel business outside Germany to the MAIL division that took effect on 1 January 2014, we are adjusting the anticipated earnings contributions for the year 2015 as follows. In the MAIL division, we now expect at least €1.1 billion rather than the previous estimate of at least €1 billion. Accordingly, we now anticipate the DHL divisions to make a contribution to earnings of between €2.6 billion and €2.8 billion.

Our finance strategy calls for a payout of 40 % to 60 % of net profits as dividends as a general rule. At the Annual General Meeting on 27 May 2014, we intend to propose to the shareholders that a dividend per share of €0.80 be paid for financial year 2013 (previous year: €0.70).

Expected financial position

Creditworthiness of the Group Deutsche Post DHL at least adequate
In light of the earnings forecast for 2014, we expect the “FFO to debt” performance metric to remain on the whole stable and the rating agencies to rank our creditworthiness as adequate or even better.

Liquidity to remain solid
We anticipate a deterioration in our liquidity in the first half of 2014 as a result of the annual prepayment due to Bundes-Pensions-Service für Post und Telekommunikation and repayment of a bond that matured in January as well as the dividend payment for financial year 2013 in May 2014. However, our operating liquidity situation will improve again significantly towards the end of the year due to the upturn in business that is normal in the second half.

We are not currently planning any capital market transactions for 2014.

Investments of around €1.9 billion expected
In 2014, we plan to increase capital expenditure to approximately €1.9 billion. Our focus will remain on IT, machinery and transport equipment.

In the MAIL division, the continued expansion of our parcel network shall remain a top priority. Furthermore, we shall expand additional delivery options, such as Packstation, Paketbox and parcel boxes. Total capital expenditure in 2014 will exceed the reporting year, primarily because we intend to increase expansion of our mechanised delivery bases and investment in new parcel centres.

Development of further indicators relevant for internal management

EAC and operating cash flow demonstrate positive trend

With regard to the EBIT after asset charge financial performance metric and operating cash flow, we expect to see a further positive development in financial year 2014 in line with the respective EBIT trend. Here, the continuing rise in business volume may result in an increase in working capital within the individual divisions.

Employee opinion survey results again positive

We intend to keep up the positive results that our employee opinion survey achieved in the reporting year. For 2014, we expect to see a slight increase to 71 % in the approval rating for the key performance indicator "Active Leadership".

Transparent presentation of greenhouse gas efficiency

We intend to increase transparency in our greenhouse gas efficiency because it is the target of our GoGreen environmental protection programme. It will be measured using a CO_2 Efficiency Index (CEX), which is based on division and business unit-specific emission intensity figures that show the ratio of the respective emissions to a matching performance indicator. In future, we shall report on this performance metric on a regular basis as an additional non-financial indicator relevant for internal management.

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