

## Title

The Roadmap to Value capital markets programme ushers in a new phase in our corporate development, in which we aim to focus the entire Group on value growth.

## Key Figures

		2006 restated	2007	+/- %
<b>Group</b>				
Revenue	€m	60,545	63,512	4.9
Profit from operating activities (EBIT)	€m	3,872	3,202	-17.3
Return on sales <sup>1)</sup>	%	6.4	5.0	
Consolidated net profit <sup>2)</sup>	€m	1,916	1,389	-27.5
Operating cash flow (Postbank at equity)	€m	2,178	2,808	28.9
Net debt (Postbank at equity) <sup>3)</sup>	€m	3,083	2,858	-7.3
Return on equity before taxes	%	21.6	15.8	
Earnings per share	€	1.60	1.15	-28.1
Dividend per share	€	0.75	0.90 <sup>4)</sup>	20.0
Number of employees <sup>5)</sup>		461,222	470,123	1.9
<b>Segments</b>				
<b>MAIL</b>				
Revenue	€m	15,290	15,484	1.3
Profit from operating activities (EBIT)	€m	2,094	2,003	-4.3
Return on sales <sup>1)</sup>	%	13.7	12.9	
<b>EXPRESS</b>				
Revenue	€m	13,463	13,874	3.1
Profit or loss from operating activities (EBIT)	€m	288	-174	-160.4
Return on sales <sup>1)</sup>	%	2.1	-1.3	
<b>LOGISTICS</b>				
Revenue	€m	24,405	25,739	5.5
Profit from operating activities (EBIT)	€m	751	957	27.4
Return on sales <sup>1)</sup>	%	3.1	3.7	
<b>FINANCIAL SERVICES</b>				
Revenue	€m	9,593	10,426	8.7
Profit from operating activities (EBIT)	€m	1,004	1,076	7.2
<b>SERVICES</b>				
Revenue	€m	2,201	2,357	7.1
Loss from operating activities (EBIT)	€m	-229	-660	-188.2
<b>Consolidation</b>				
Revenue	€m	-4,407	-4,368	0.9
Profit from operating activities (EBIT)	€m	-36	0	100.0

1) EBIT/revenue.

2) Consolidated net profit excluding minorities.

3) Adjusted for financial liabilities to Williams Lea minority shareholders.

4) Proposal.

5) Average FTEs.

### Revenue by segment<sup>1), 2)</sup>

€m

MAIL	15,484	15,290
EXPRESS	13,874	13,463
LOGISTICS	25,739	24,405
FINANCIAL SERVICES	10,426	9,593
SERVICES	2,357	2,201

■ 2007 ■ 2006 restated

### Revenue by region<sup>1)</sup>

€m

Germany	25,028	24,829
Rest of Europe	20,161	18,072
Americas	10,813	11,130
Asia Pacific	5,765	5,580
Other regions	1,745	934

■ 2007 ■ 2006 restated

1) Excluding Consolidation.

2) Note 8.1.

1) Note 8.2.

# At a Glance

## The Group

Deutsche Post World Net is the global market leader for logistics. Our Deutsche Post, DHL and Postbank brands stand for a wide range of integrated services and customised solutions for the management and transport of letters, goods, informa-

tion and payments. Over 520,000 employees in more than 220 countries and territories make us the world's sixth largest employer and provide superior logistics services to help our customers be even more successful in their markets.

Deutsche Post  World Net

*MAIL EXPRESS LOGISTICS FINANCE*

[www.dpwn.com](http://www.dpwn.com)

## MAIL

Deutsche Post delivers mail and parcels in Germany. It is an expert provider of dialogue marketing and press distribution services as well as corporate communications solutions. We operate a nationwide transport and delivery network in Germany. At the heart of this network are 82 mail centres

processing around 70 million items per working day, and 33 parcel centres whose handling volume on six days a week exceeds 2.5 million units. An annual volume of around seven billion items makes us the cross-border mail market leader and Europe's largest postal company.

Deutsche Post 

[www.deutschepost.com](http://www.deutschepost.com)

## EXPRESS/LOGISTICS

DHL delivers time-critical shipments as well as goods and merchandise by road, rail, air or sea. We transport courier and express shipments via one of the world's most extensive networks – our gateway to more than 220 countries and territories. DHL is the international market leader in the air

and ocean freight and contract logistics segments. To satisfy our customers' needs, we draw on our geographic coverage, multi-modal capabilities and specific skills in numerous sectors.



[www.dhl.com](http://www.dhl.com)

---

## FINANCIAL SERVICES

As the largest single retail bank in Germany, Postbank serves 14.5 million customers, has around 21,000 staff and employs more than 4,200 mobile financial advisers. With its 855 own branches and several thousand outlets of Deutsche Post, it has the most extensive branch network of any bank in

Germany. Postbank's wide range of standardised banking products is designed to meet the typical needs of private and business customers. Along with traditional savings and current account offerings, Postbank primarily provides private real estate financing and home loan savings products.



[www.postbank.com](http://www.postbank.com)

---

## ■ What we achieved in 2007:

With EBIT before non-recurring effects of €3.76 billion, we have met our forecast. Revenue rose 4.9% to €63.5 billion, driven above all by the LOGISTICS Division and Postbank's dynamic new customer business. On the liberalised German mail market, a basis for dependable planning with regard to social standards and price structure up to the year 2011 is now in place. With our Roadmap to Value, we have initiated an extensive capital markets programme.

## ■ What we plan to achieve in 2008:

We anticipate making good headway towards attaining our goal of EBIT before non-recurring effects of around €4.2 billion. We aim to rapidly improve the results situation in our US EXPRESS business which remains flawed. With our Roadmap to Value initiative, we are seeking to achieve sustained value growth. At the same time, we are committed to systematically gearing our efforts to meeting customers' needs as well as intensifying collaboration between divisions and throughout the Group.

### The Group

- Key Figures/At a Glance
- 2** Roadmap to Value
- 12** Letter to our Shareholders
- 15** Deutsche Post Shares
- 19** Milestones of the Year

### Group Management Report

- 21** Overview
- 22** Business and Environment
- 35** Earnings, Financial Position and Assets and Liabilities
- 47** Divisions
- 71** Non-financial Performance Indicators
- 85** Risks
- 94** Further Developments and Outlook

### Corporate Governance

- 102** Report of the Supervisory Board
- 107** Supervisory Board and Board of Management
- 110** Mandates
- 112** Corporate Governance Report
- 114** Remuneration Report

### Consolidated Financial Statements

- 122** Income Statement
- 123** Balance Sheet
- 124** Cash Flow Statement
- 125** Statement of Changes in Equity
- 126** Segment Reporting
- 127** Notes
- 188** Responsibility Statement
- 189** Auditor's Report

### Further Information

- 190** Glossary
- 192** Index
  - Events and Contacts
  - 8-Year Review



# Milestones of the Year

## Acquisitions and disposals

**January** Williams Lea buys the UK company The Stationery Office, the public-sector leader in printing services and document management.

**June** Deutsche Post World Net acquires a 49% stake in the US air transport company ASTAR Air Cargo.

Deutsche Post World Net acquires a 49% interest in US company Polar Air Cargo.

**September** Postbank sells BHW Lebensversicherung AG as well as its interest in PB Versicherung AG and PB Lebensversicherung AG to Talanx AG.

## Products and services

**January** DHL is the first international logistics service provider to offer a domestic air freight service in China.

**February** DHL announces plans to substantially expand capacities in Dubai where the first fully integrated logistics platform and the world's largest airport are taking shape.

**June** Deutsche Post plans to open around 600 outlets in the new Postpoint format in Germany.

**October** Williams Lea takes over Deutsche Post's document management business with over 2,500 employees in Germany.

**November** Germany's federal network agency approves Deutsche Post's pricing proposal. Prices for the domestic and international dispatch of letters and postcards will remain unchanged in 2008.

DHL is building a new US\$175 million north Asian hub in Shanghai with a view to serving China and other north Asian markets beginning in 2010.

**Photographs** (from top left to bottom right):  
The new air freight carrier of DHL and Lufthansa,  
the DHL Innovation Center, Deutsche Post mail carrier,  
CFO John Allan presents the Roadmap to Value.

## Partnerships and joint ventures

**May** DHL expands its joint venture with India's Lemuir Group, thereby consolidating its leading position on the Indian logistics market.

**September** DHL Express and Lufthansa Cargo set up the joint air freight carrier AeroLogic, with flight operations set to begin in April 2009.

**December** DHL Exel Supply Chain concludes a five-year contract worth over €200 million with UK furniture and fittings retailer MFI.

## Group milestones

**March** The DHL Innovation Center is opened in Troisdorf near Bonn, Germany. It is here that the Group brings together all entities entrusted with managing technical innovations.

**May** The Annual General Meeting approves a dividend of €0.75 per share for 2006, which represents a 7.1% increase on the previous year.

**July** Dr Hans-Dieter Petram and Prof. Dr Wulf von Schimmelmann retire from office. New to the Board of Management are Jürgen Gerdes, responsible for the mail and parcel business in Germany, and Dr Wolfgang Klein, who is also chairman of the Board of Management at Postbank.

**October** John Allan becomes Chief Financial Officer, Dr Frank Appel Board member responsible for the LOGISTICS Division.

The European Council passes a resolution to liberalise the European mail markets. In Germany, the market will already open up fully on 1 January 2008.

**November** With its Roadmap to Value, the Group presents an elaborate capital markets programme.

**December** The German Bundestag and Bundesrat stipulate a minimum wage for mail carriers, which comes into effect on 1 January 2008.