

Income Statement

1 January to 31 December

€m	Note	2006	2007
Revenue and income from banking transactions	(9)	60,545	63,512
Other operating income	(10)	2,821	2,586
Total operating income		63,366	66,098
Materials expense and expenses from banking transactions	(11)	-34,349	-36,875
Staff costs	(12)	-18,616	-18,471
Depreciation, amortisation and impairment losses	(13)	-1,771	-2,357
Other operating expenses	(14)	-4,758	-5,193
Total operating expenses		-59,494	-62,896
Profit from operating activities (EBIT)		3,872	3,202
Net income from associates	(15)	4	3
Other financial income		198	998
Other finance costs		-1,232	-2,011
Net other finance costs	(16)	-1,034	-1,013
Net finance costs		-1,030	-1,010
Profit before income taxes		2,842	2,192
Income tax expense	(17)	-560	-307
Consolidated net profit for the period	(18)	2,282	1,885
attributable to			
Deutsche Post AG shareholders		1,916	1,389
Minorities	(19)	366	496
		€	€
Basic earnings per share	(20)	1.60	1.15
Diluted earnings per share	(20)	1.60	1.15

Balance Sheet

as at 31 December

€m	Note	31 Dec. 2006 restated ¹⁾	31 Dec. 2007
ASSETS			
Intangible assets	(22)	14,652	14,226
Property, plant and equipment	(23)	9,388	8,754
Investment property	(24)	122	187
Investments in associates		63	203
Other non-current financial assets		931	857
Non-current financial assets	(25)	994	1,060
Other non-current assets	(26)	376	497
Deferred tax assets	(27)	542	1,020
Non-current assets		26,074	25,744
Inventories	(28)	268	248
Income tax assets	(29)	281	312
Receivables and other assets	(30)	9,306	9,806
Receivables and other securities from financial services	(31)	179,280	193,986
Financial instruments	(32)	42	72
Cash and cash equivalents	(33)	2,391	4,683
Non-current assets held for sale	(34)	56	615
Current assets		191,624	209,722
Total assets		217,698	235,466
EQUITY AND LIABILITIES			
Issued capital	(35)	1,202	1,207
Other reserves	(36)	1,528	875
Retained earnings	(37)	8,490	8,976
Equity attributable to Deutsche Post AG shareholders	(38)	11,220	11,058
Minority interest	(39)	2,732	2,801
Equity		13,952	13,859
Provisions for pensions and other employee benefits	(40)	6,134	5,989
Deferred tax liabilities	(27)	1,426	1,569
Other non-current provisions	(41)	4,780	3,015
Non-current provisions		12,340	10,573
Non-current financial liabilities	(42)	8,543	8,625
Other non-current liabilities	(43)	237	361
Non-current liabilities		8,780	8,986
Non-current provisions and liabilities		21,120	19,559
Income tax provisions	(44)	237	334
Other current provisions	(41)	1,656	1,703
Current provisions		1,893	2,037
Current financial liabilities	(42)	1,945	1,556
Trade payables	(45)	5,069	5,384
Liabilities from financial services	(46)	168,663	187,787
Income tax liabilities	(29)	101	139
Other current liabilities	(43)	4,938	5,101
Liabilities associated with non-current assets held for sale	(34)	17	44
Current liabilities		180,733	200,011
Current provisions and liabilities		182,626	202,048
Total equity and liabilities		217,698	235,466

1) See Note 4.

Cash Flow Statement

1 January to 31 December

€m	Note	2006 restated ¹⁾	2007
Net profit before taxes		2,842	2,192
Net finance costs		1,030	1,010
Profit from operating activities (EBIT)		3,872	3,202
Depreciation/amortisation of non-current assets		1,771	2,357
Net income from disposal of non-current assets		-509	-282
Non-cash income and expense		453	385
Change in provisions		-783	-753
Change in other assets and liabilities		-52	-145
Taxes paid		-343	-340
Net cash from operating activities before changes in working capital		4,409	4,424
Changes in working capital			
Inventories		-51	10
Receivables and other assets		-876	-659
Receivables/liabilities from financial services		-368	707
Liabilities and other items		808	669
Net cash from operating activities	(47.1)	3,922	5,151
Proceeds from disposal of non-current assets			
Divestitures		331	622
Other non-current assets		943	759
		1,274	1,381
Cash paid to acquire non-current assets			
Investments in companies		-2,094	-347
Other non-current assets		-1,972	-2,309
		-4,066	-2,656
Interest received		100	520
Current financial instruments		-5	2
Net cash used in investing activities	(47.2)	-2,697	-753
Change in financial liabilities		345	-439
Dividend paid to Deutsche Post AG shareholders		-836	-903
Dividend paid to other shareholders		-105	-159
Issuance of shares under stock option plan		124	73
Interest paid		-393	-659
Net cash used in financing activities	(47.3)	-865	-2,087
Net change in cash and cash equivalents		360	2,311
Effect of changes in exchange rates on cash and cash equivalents		-38	-46
Changes in cash and cash equivalents associated with non-current assets held for sale		-15	0
Changes in cash and cash equivalents due to changes in consolidated group		0	27
Cash and cash equivalents at beginning of reporting period		2,084	2,391
Cash and cash equivalents at end of reporting period	(47.4)	2,391	4,683

1) See Note 47.

Statement of Changes in Equity

1 January to 31 December

€m	Other reserves				Retained earnings	Equity attributable to Deutsche Post AG shareholders	Minority interest	Total equity
	Issued capital	Capital reserves	IAS 39 reserves	Currency translation reserve				
Note	(35)	(36)	(36)	(36)	(37)	(38)	(39)	
Balance at 1 January 2006	1,193	1,893	169	-41	7,410	10,624	1,791	12,415
Capital transactions with owner								
Capital contribution from retained earnings						0		0
Dividend					-836	-836	-105	-941
Stock option plans (exercise)	9	115				124		124
Stock option plans (issuance)		29				29		29
						-683	-105	-788
Other changes in equity not recognised in income								
Currency translation differences				-410		-410	-40	-450
Other changes			-227			-227	720	493
						-637	680	43
Changes in equity recognised in income								
Consolidated net profit					1,916	1,916	366	2,282
Total changes in equity recognised in income and not recognised in income						1,279	1,046	2,325
Balance at 31 December 2006	1,202	2,037	-58	-451	8,490	11,220	2,732	13,952
Balance at 1 January 2007	1,202	2,037	-58	-451	8,490	11,220	2,732	13,952
Capital transactions with owner								
Capital contribution from retained earnings						0		0
Dividend					-903	-903	-159	-1,062
Stock option plans (exercise)	5	68				73		73
Stock option plans (issuance)		14				14		14
						-816	-159	-975
Other changes in equity not recognised in income								
Currency translation differences				-446		-446	-23	-469
Other changes			-289			-289	-245	-534
						-735	-268	-1,003
Changes in equity recognised in income								
Consolidated net profit					1,389	1,389	496	1,885
Total changes in equity recognised in income and not recognised in income						654	228	882
Balance at 31 December 2007	1,207	2,119	-347	-897	8,976	11,058	2,801	13,859

Segment Reporting

Segments by division

€m	MAIL ¹⁾		EXPRESS ¹⁾		LOGISTICS ¹⁾		FINANCIAL SERVICES		SERVICES ¹⁾		Consolidation ¹⁾		Group	
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
	External revenue	14,944	15,108	12,910	13,366	23,642	25,141	9,019	9,871	30	26	0	0	60,545
Internal revenue	346	376	553	508	763	598	574	555	2,171	2,331	-4,407	-4,368	0	0
Total revenue	15,290	15,484	13,463	13,874	24,405	25,739	9,593	10,426	2,201	2,357	-4,407	-4,368	60,545	63,512
Profit or loss from operating activities (EBIT)	2,094	2,003	288	-174	751	957	1,004	1,076	-229	-660	-36	0	3,872	3,202
Net income from associates	0	0	5	3	-1	0	0	0	0	0	0	0	4	3
Segment assets ²⁾	5,646	5,588	9,607	9,160	14,540	14,472	182,325	197,448	2,259	2,514	-1,554	-1,604	212,823	227,578
Investments in associates ²⁾	22	22	35	174	5	6	0	0	1	1	0	0	63	203
Segment liabilities including non-interest-bearing provisions ²⁾	2,526	2,386	2,782	3,520	5,346	5,070	169,502	188,681	1,218	1,316	-1,412	-1,523	179,962	199,450
Segment investments	1,018	630	769	961	773	756	1,708	152	379	509	-233	-116	4,414	2,892
Depreciation, amortisation and write-downs	433	432	394	1,034	402	423	172	163	370	305	0	0	1,771	2,357
Other non-cash expenses	166	14	179	105	204	166	499	508	127	169	0	0	1,175	962
Employees ³⁾	149,338	149,857	106,028	108,655	158,030	164,239	23,285	23,369	24,541	24,003	0	0	461,222	470,123

Segments by region

€m	Germany		Europe excluding Germany		Americas		Asia Pacific		Other regions		Group	
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
	External revenue	24,829	25,028	18,072	20,161	11,130	10,813	5,580	5,765	934	1,745	60,545
Segment assets ²⁾	167,589	182,722	29,923	28,449	11,053	11,581	3,865	4,309	393	517	212,823	227,578
Segment investments	2,265	1,048	1,233	1,013	655	512	219	245	42	74	4,414	2,892

1) Prior-period amounts restated, see Note 8.

2) As at 31 December.

3) Average FTEs.

For segment reporting disclosures, see Note 8.