

Glossary

3PL

Third-party logistics provider primarily using its own equipment and resources.

Container

Sealed, reusable metal box for carrying goods by ship or rail.

Contract logistics

Performance of complex logistics and logistics-related tasks along the value chain by a service provider. Services tailored to the particular industry and customer are provided under contracts lasting several years.

Co-pack services

Finishing, order picking and packaging under customer contract.

Day Definite

Delivery of express shipments on a specified day.

Dialogue marketing

Market-orientated activities which draw on direct communications to selectively reach target groups through a personal, individualised approach and to enter into dialogue.

Distribution

Process flows in the sales channel from producers via wholesalers/retailers to consumers.

Downstream access

As the dominant company in the market, Deutsche Post is obliged to make parts of the mail value chain available separately to customers and, under certain conditions, other postal service providers.

EU Postal Directive

Legal framework for the postal markets in the member states of the European Union.

Exclusive licence

In accordance with the German postal act, Deutsche Post AG had the exclusive licence until the end of 2007 to commercially transport certain items. The exclusive licence expired with effect from 1 January 2008.

Fast-moving consumer goods

Everyday consumer goods that sell quickly.

Federal Network Agency

(Bundesnetzagentur)

National regulator for electricity, gas, telecommunications, post and railway. Previously the Regulatory Authority for Telecommunications and Posts *(Regulierungsbehörde für Telekommunikation und Post)*.

First Choice

Group-wide programme aimed at improving service quality and enhancing customer focus.

Full container load (FCL)

Shipments which completely fill a container.

Global Customer Solutions

Account management organisation for the Group's largest global clients.

Hub

Main transshipment base. Collection centre for the transshipment and consolidation of flows of goods.

IATA

International Air Transport Association.

Intermodal transport

Transport chain integrating different modes of transport, often combining road and rail.

Less than container load (LCL)

Loads that will not fill a container by themselves and are therefore grouped for ocean transport.

Logistics campus

Location where several distribution centres share certain resources such as staff and means of transport to save time and maximise cost efficiency.

Outsourcing

The subcontracting of tasks to external service providers.

Packstation

Parcel machine where parcels and small packets can be deposited and collected around the clock.

Paketbox

Postbox for franked parcels and small packets (maximum dimensions: 50 x 40 x 30cm).

Philately

The study of stamps. Systematic collection of postage stamps.

Postal act

(*Postgesetz*)

The purpose of the German postal act, which was adopted on 1 January 1998, is to promote postal competition through regulation and ensure the nationwide provision of appropriate and sufficient postal services. The postal act includes regulations on licensing, price control and the universal service.

Preferred periodical

A press product of which more than 30% consists of journalistic reporting.

Price-cap procedure

Procedure whereby the Federal Network Agency approves prices for key mail products. The agency approves prices on the basis of parameters it stipulates in advance, which set the average changes in these prices within baskets of services defined by the agency.

Same Day

Same-day delivery of express shipments.

Standard letter

Letter measuring max. 235 x 125 x 5mm and weighing up to 20g.

Standard periodical

A press product of which no more than 30% consists of journalistic reporting.

Supply chain

A series of connected resources and processes from sourcing materials to delivering goods to consumers.

TEU

Twenty-foot equivalent unit. Standardised container unit measuring 20 feet in length (1 foot = approximately 30cm).

Time Definite

Delivery of express shipments at a specified time.

Value-added services

Services which go beyond core services offered and thus create added value.

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8-Year Review

8-Year Review 2000 to 2007

€m	2000 restated	2001 restated	2002 restated	2003 restated	2004 restated	2005 restated	2006 restated	2007
Revenue								
MAIL	11,733	11,707	12,129	12,495	12,747	12,878	15,290	15,484
EXPRESS	6,022	6,421	14,637	15,293	17,557	16,831	13,463	13,874
LOGISTICS	8,289	9,153	5,817	5,878	6,786	9,933	24,405	25,739
FINANCIAL SERVICES	7,990	8,876	8,676	7,661	7,349	7,089	9,593	10,426
SERVICES	–	–	–	–	–	3,874	2,201	2,357
Divisions total	34,034	36,157	41,259	41,327	44,439	50,605	64,952	67,880
Consolidation (until 2004 Other/Consolidation)	–1,326	–2,778	–2,004	–1,310	–1,271	–6,011	–4,407	–4,368
Total	32,708	33,379	39,255	40,017	43,168	44,594	60,545	63,512
Profit or loss from operating activities before goodwill amortisation (EBITA)								
MAIL	2,004	1,960	2,144	2,082	2,085	2,030	2,094	2,003
EXPRESS	76	176	270	365	373	411	288	–174
LOGISTICS	113	159	173	206	281	346	751	957
FINANCIAL SERVICES	505	522	679	568	716	869	1,004	1,076
SERVICES	–	–	–	–	–	679	–229	–660
Divisions total	2,698	2,817	3,266	3,221	3,455	4,335	3,908	3,202
Consolidation (until 2004 Other/Consolidation)	–319	–270	–297	–246	–84	–131	–36	0
Total	2,379	2,547	2,969	2,975	3,371	4,204	3,872	3,202
Profit or loss from operating activities (EBIT)								
MAIL	2,003	1,958	2,138	2,067	2,072	2,030	2,094	2,003
EXPRESS	33	126	–79	152	117	–23	288	–174
LOGISTICS	13	42	80	116	182	346	751	957
FINANCIAL SERVICES	505	520	678	567	714	863	1,004	1,076
SERVICES	–	–	–	–	–	679	–229	–660
Divisions total	2,554	2,646	2,817	2,902	3,085	3,895	3,908	3,202
Consolidation (until 2004 Other/Consolidation)	–319	–270	–297	–246	–84	–131	–36	0
Total	2,235	2,376	2,520	2,656	3,001	3,764	3,872	3,202
Consolidated net profit for the period								
	1,527	1,587	1,590	1,342	1,740	2,448	2,282	1,885
Cash flow/investments/depreciation and amortisation								
Cash flow from operating activities	2,216	3,059	2,967	3,006	2,336	3,624	3,922	5,151
Cash flow from investing activities	–2,098	–2,380	–2,226	–2,133	–385	–5,052	–2,697	–753
Cash flow from financing activities	–89	–619	147	–304	–493	–1,288	–865	–2,087
Investments	3,113	3,468	3,100	2,846	2,536	6,176	–4,066	–2,656
Depreciation and amortisation	1,204	1,285	1,893	1,693	1,821	1,961	1,771	2,357
Assets and capital structure								
Non-current assets ¹⁾	11,081	12,304	14,536	15,957	17,027	25,223	26,074	25,744
Current assets (until 2003: including deferred tax assets) ¹⁾	139,199	144,397	148,111	138,976	136,369	147,417	191,624	209,722
Equity (excluding minority interest)	4,001	5,353	5,095	6,106	7,242	10,624	11,220	11,058
Minority interest	79	75	117	59	1,623	1,791	2,732	2,801
Current and non-current provisions	11,107	10,971	12,684	12,673	12,441	12,161	14,233	12,610
Current and non-current liabilities ²⁾	9,723	8,770	11,900	12,778	15,064	19,371	20,850	21,210
Total assets	150,280	156,701	162,647	154,933	153,396	172,640	217,698	235,466

8-Year Review 2000 to 2007

		2000 restated	2001 restated	2002 restated	2003 restated	2004 restated	2005 restated	2006 restated	2007
Employees/staff costs									
Total number of employees (headcount including trainees)	at 31 Dec.	324,203	321,369	371,912	383,173	379,828	502,545	520,112	536,350
Full time equivalents (excluding trainees) ³⁾	at 31 Dec.	284,890	283,330	334,952	348,781	340,667	455,115	463,350	475,100
Average number of employees (headcount)		319,998	323,298	375,890	375,096	381,492	393,463	507,641	524,803
Staff costs	€m	11,056	11,246	13,313	13,329	13,840	14,337	18,616	18,471
Staff cost ratio ⁴⁾	%	33.8	33.7	33.9	33.3	32.1	32.2	30.7	29.1
Key figures revenue/income/assets and capital structure									
Return on sales ⁵⁾	%	7.3	7.6	7.6	7.4	7.0	8.4	6.4	5.0
Return on equity (ROE) before taxes ⁶⁾	%	62.1	45.9	35.5	34.2	29.2	28.7	21.6	15.8
Return on total assets ⁷⁾	%	2.0	1.5	1.6	1.7	1.9	2.3	2.0	1.4
Tax rate ⁸⁾	%	25.1	26.1	14.3	29.9	20.2	19.8	19.7	14.0
Equity ratio ⁹⁾	%	2.7	3.4	3.1	3.9	5.8	7.2	6.4	5.9
Net debt (Postbank at equity) ¹⁰⁾	€m	2,010	1,750	1,494	2,044	-32	4,193	3,083	2,858
Net gearing (Postbank at equity) ¹¹⁾	%	33.4	24.6	22.7	25.1	-0.4	28.1	21.4	20.3
Dynamic gearing (Postbank at equity) ¹²⁾	years	0.96	0.64	0.46	0.82	0.00	2.44	1.42	1.02
Key share data									
(Diluted) earnings per share ¹³⁾	€	1.36	1.42	0.59	1.18	1.44	1.99	1.60	1.15
(Diluted) earnings per share ¹³⁾ before extraordinary expense	€	1.36	1.42	1.41	1.18	1.44	1.99	1.60	1.15
Cash flow per share ^{13),14)}	€	1.99	2.75	2.67	2.70	2.10	3.23	3.28	4.27
Dividend distribution	€m	300.46	411.74	445.12	489.63	556.40	835.71	903.00	1,086.72
Payout ratio (distribution to consolidated net profit)	%	19.87	26.11	67.54	37.41	34.82	37.39	47.13	78.25
Dividend per share	€	0.27	0.37	0.40	0.44	0.50	0.70	0.75	0.90 ¹⁵⁾
Dividend yield (based on year-end closing price)	%	1.2	2.5	4.0	2.7	3.0	3.4	3.3	3.8
(Diluted) price/earnings ratio before extraordinary expense ¹⁶⁾		16.8	10.6	7.1	13.9	11.7	10.3	14.3	20.4
Number of shares carrying dividend rights	millions	1,112.8	1,112.8	1,112.8	1,112.8	1,112.8	1,193.9	1,204.0	1,207.5
Year-end closing price	€	22.90	14.99	10.00	16.35	16.90	20.48	22.84	23.51

1) From 2004 balance sheet presented in accordance with the new IAS 1 as explained in item 5 of the Notes to the 2005 consolidated financial statements.

2) Excluding liabilities from financial services.

3) Until 2004 including trainees.

4) Staff costs/revenue.

5) Total EBITA/revenue; from 2004: total EBIT/revenue.

6) Profit before income taxes/average equity (from 2004 including minority interest).

7) Profit from operating activities (EBIT)/average total assets.

8) Income tax expense/profit before income taxes.

9) Equity (from 2004 including minority assets)/total assets.

10) Financial liabilities excluding cash and cash equivalents, current financial instruments, long-term deposits and financial liabilities to minority shareholders of Williams Lea.

11) Net debt/net debt and equity (from 2004 including minority interest).

12) Net debt/cash flow from operating activities.

13) The weighted average number of shares for the period was used for the calculation.

14) Cash flow from operating activities.

15) Proposal.

16) Year-end closing price/earnings per share before extraordinary expense.

Events and Contacts

Financial calendar¹⁾

6 May 2008	Annual General Meeting
7 May 2008	Dividend payment
14 May 2008	Interim report on the first quarter of 2008, analysts' conference call
31 July 2008	Interim report on the first half of 2008, financials press conference and analysts' conference call
11 November 2008	Interim report on the first nine months of 2008, analysts' conference call

1) For more information on other events, updates and details of live webcasts, please visit investors.dpwn.com

Investor events

4 – 5 June 2008	Deutsche Bank German Corporate Conference (Frankfurt)
23 – 24 June 2008	Goldman Business Services Conference (London)
10 – 11 September 2008	UBS Best of Germany Conference (New York)



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